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MEMOBANDUM

FEBRUARY 26, 1998

FEB 2.6 1998 12:17 FPSC Records/Reporting

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TO: DIRECTOR, DIVISION OF RECORDS AND REPORTING (BAYO)

FROM: DIVISION OF WATER & WASTEWATER (REDEMANN, GOLDEN)

RE: DOCKET NO. 971157-WS - APPLICATION FOR AMENDMENT OF CERTIFICATES NOS. 447-W AND 378-S TO ADD TERRITORY, AND A REQUEST FOR A NEW CLASS OF SERVICE BY DECCA UTILITIES, A DIVISION OF DECCA. COUNTY: MARION

AGENDA: MARCH 10, 1998 - REGULAR AGENDA - PROPOSED AGENCY ACTION ON ISSUES 2 AND 3 - INTERESTED PERSONS MAY PARTICIPATE

CRITICAL DATES: NONE

SPECIAL INSTRUCTIONS: S:\PSC\WAW\WP\971157WS.RCM

DOCKETS NOS. 961531-WU, 971498-WU, AND 971157-WS SHOULD BE PLACED ON THE AGENDA IN CONSECUTIVE ORDER AS LISTED.

> DOCUMENT NUMBER DATE 02676 FEB26 # FPSC-RECORDS/REPORTING

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DOCKET NO. 971157-WS DATE: FEBRUARY 26, 1998

CASE BACKGROUND

Decca Utilities, a Division of Decca (Decca or utility) provides water and wastewater service to approximately 2,586 water and wastewater customers in Marion County, Florida. The utility's 1996 annual report shows an annual operating revenue of \$1,320,658 and a net operating income of \$228,233. The utility is a Class B utility company under FPSC jurisdiction.

On September 3, 1997, the utility applied for an amendment to Water Certificate No. 447-W and Wastewater Certificate No. 378-S in Marion County, Florida pursuant to Rule 25-30.036(3), Florida Administrative Code. Decca objected to Marion Utilities, Inc.'s (Marion's) amendment application in Docket No. 961531-WU on January 22, 1997. On November 13, 1997, a stipulation was filed between Decca and Marion. Part of the agreement was that Marion would delete three parcels of land that was originally granted to Marion and Decca would serve these areas with water and wastewater.

This docket is the last of three interrelated dockets filed with the Commission. Decca filed an amendment application in Docket No. 971157-WS to serve the area that Marion was to delete and other areas. This amendment will be addressed in Issue 3. By Docket No. 971498-WU, Marion filed an amendment application to delete the three areas listed in the settlement agreement.

Staff has authority to administratively approve applications for amendment when no objections have been filed and the application is without controversy. This case is being brought to the attention of the Commission to address a bulk water and wastewater agreement between Decca and the Marion County Board of County Commissioners (Marion County or County), and a new class of service for reclaimed water. The bulk service agreement will be addressed in Issue 2. The reclaimed water service will be addressed in Issue 3.



DISCUSSION OF ISSUES

ISSUE 1: Should Decca's application for amendment of Water Certificate No. 447-W and Wastewater Certificate No. 378-S be granted?

RECOMMENDATION: Yes, Decca's application should be granted for the additional territory described in Attachment A. Decca should charge the customers in the territory added herein the rates and charges contained in its tariff until authorized to change by this Commission in a subsequent proceeding. (REDEMANN, GOLDEN)

STAFF ANALYSIS: As stated earlier, on September 3, 1997, the utility filed an application for amendment of Certificates Nos. 447-W and 378-S to add territory in Marion County. The application contains a check in the amount of \$1,000, which is the correct filing fee pursuant to Rule 25-30.020, Florida Administrative Code. The utility has provided a copy of a warranty deed which provides for the continued use of the land as required by Rule 25-30.036(3)(d), Florida Administrative Code.

Adequate service territory and system maps and a territory description have been provided as prescribed by Rule 25-30.036(3) (e),(f) and (i), Florida Administrative Code. A description of the water and wastewater territory is appended to this recommendation as Attachment A. The utility has submitted an affidavit consistent with Section 367.045(2)(d), Florida Statutes, that it has tariffs and annual reports on file with the Commission.

In addition, the application contains proof of compliance with the noticing provisions set forth in Rule 25-30.030, Florida Administrative Code. The local planning agency was provided notice of the application and did not file a protest to the amendment. Staff has contacted the Department of Environmental Protection (DEP) and learned that there are no outstanding notices of violation regarding this utility.

The utility has been certified by the Commission since 1985. The utility has engaged the engineering firm of Berryman & Henigar, the accounting firm of Cronin, Jackson, Nixon and Wilson, and the law firm of Rose, Sundstrom & Bentley, LLP, all of whom are experienced in the operation and regulation of water and wastewater utility systems. The utility estimates that 875 residential units, and 1.3 million square feet of commercial area will be served by



this amendment. The water treatment plant has a design capacity of 3,168,000 gallons per day (gpd). Current flows are about 1,425,600 gpd. The wastewater treatment plant has a capacity of 800,000 gpd. Flows are currently about 350,000 gpd. The utility believes that the existing service area and the proposed service area will utilize all the existing water and wastewater plant capacities. As the expansion area develops, lift stations pumps will be replaced with larger pumps and a new force main will be rerouted. No significant system changes are planned. Based on the above information, staff believes that the utility has the financial ability, capacity and the technical expertise to serve these customers now and in the future.

Decca's approved rates were effective August 12, 1996, pursuant to a price index. Rates and charges were established by Order No. 15602, issued January 29, 1986 in Docket No. 850255-WS, an original certificate application. Decca should charge the customers in the territory added herein the rates and charges contained in its tariff until authorized to change by this Commission in a subsequent proceeding.

Based on the above information, staff believes it is in the public interest to grant the application of Decca for amendment of Certificates Nos. 447-W and 378-S, to add the additional territory described in Attachment A. The utility has returned the certificates for entry of the additional territory and filed revised tariff sheets which reflect the amended territory description.





ISSUE 2: Should Wholesale Water and Wastewater Supply Agreement Contract No. 97-1 between Decca Utilities, Inc. and the Marion County Board of County Commissioners be approved, and new classes of service be established for bulk service?

RECOMMENDATION: Yes, Wholesale Water and Wastewater Supply Agreement Contract No. 97-1 should be approved with one modification as detailed in the staff analysis. The utility should submit a copy of the modified Agreement to the "ommission after the modification has been finalized. Further, the new classes of service for Bulk Water Service and Bulk Wastewater Service should be approved. The rates as detailed in the staff analysis should be approved. The rates should be effective for services rendered on or after the stamped approval date of the tariffs. (GOLDEN, OTTINOT, REDEMANN)

STAFF ANALYSIS: On July 15, 1997, Decca Utilities, Inc. (Decca or utility) entered into Wholesale Water and Wastewater Supply Agreement Contract No. 97-1 (Agreement) with the Marion County Board of County Commissioners (Marion County or County.) As discussed in the case background, the utility has requested that the Florida Public Service Commission (Commission or PSC) approve this special service agreement and two new classes of service for bulk service. The Agreement essentially provides for the following:

- Decca will provide bulk potable water service for domestic, commercial, industrial and fire flow purposes and bulk wastewater service to the County for resale within the County's State Road 200 Service Area;
- The County will initially purchase 500 equivalent residential connections (ERCs) each for water and wastewater service;
- The County shall construct all necessary infrastructure in order to connect into Decca's existing pipelines and treatment plants;
- The County shall at its expense provide all necessary pipelines, pump stations, and appurtenances so as to connect into Decca's existing pipelines and treatment plants;

- 5. The internal upgrades necessary to provide service to Phase I Water and Phases I and II Wastewater shall be paid for by the County and shall become the property of Decca. If additional upgrades are necessary for Phase II Water and Phase III Wastewater, those facilities will be constructed, owned, and operated by the County;
- In the event Decca's facilities must be expanded due to a request from the County for additional capacity, the County shall be responsible for paying its pro rata share of the expansion costs;
- 7. The County will initially install and conditionally convey to Decca one six-inch water meter and one threeinch wastewater meter together with appurtenant equipment at the meter interconnection points as determined by the parties. Decca shall be responsible for the operation, maintenance, and replacement of existing meters (other than upsizing.) Decca shall read the meters for billing purposes. In the event the meters have to be replaced with larger meters, the County shall pay for the replacement meters but shall be entitled to take and keep as its property the replaced meters;
- 8. The County will pay applicable plant capacity charges as set forth in Decca's PSC-approved tariff. No other capital, connection, hydraulic, or main extension charges of any kind whatsoever will be charged to the County by Decca, as the County will construct, own, and operate all of its internal lines;
- 9. The Agreement contains two different options for the rates that may be charged for the bulk service. The only difference between the two options is that the first option does not include an allowance for the Commission's current regulatory assessment fee (RAF.) Specifically, the Agreement states that subject to PSC approval, Decca will charge the County bulk water and bulk wastewater rates which are each comprised of a base facility charge equal to the utility's current base facility charge, and a gallonage charge equal to either:
 - (A) 80% of Decca's retail gallonage charge if no RAF is levied to Decca by the PSC, (emphasis added) or

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> (B) 85% of Decca's retail gallonage charge if a RAF is levied to Decca by the PSC.

> Under both scenarios, the retail gallonage charges have been reduced to remove expenses which are not related to serving the County. In its application, the utility proposed rates consistent with Option B, which <u>includes</u> an allowance for the Commission's RAF. (emphasis added) The proposed rates are as follows:

Monthly Service Rates

Water Service

Bulk Service

Base Facility Charge

Meter Size:

5/8"	х	3/4"	\$ 7.43
		1"	18.61
	1	1/2"	37.20
		2"	59.51
		3"	119.04
		4 "	186.02
		6"	372.03

Gallonage	Charge	per	1,000	
gallons:				\$.94





> Wastewater Service Bulk Service Base Facility Charge Meter Size: 5/8" x 3/4" \$ 10.60 26.52 1" 1 1/2" 53.02 2" 84.86 3" 169.70 4" 265.16 6" 530.30

> Gallonage Charge per 1,000 gallons based upon wastewater meter reading: \$ 1.63

 Finally, the Agreement states that Decca and the County will discuss raw water and reclaimed water facilities over the next calendar year following the date of execution of this Agreement.

Staff has reviewed the Agreement and believes it is consistent with Commission rules, regulations, and policies regarding bulk service agreements with one exception. Regarding the payment of bills, Section 5 of the Agreement states in part that "a past due notice will be mailed to the County after 20 days; if payment has not been received after sixty (60) days from the original bill, service may be disconnected." However, Section 367.123, Florida Statutes, states in part "in the event a governmental authority voluntarily enters into an agreement for resale, such agreement shall provide that the service will not be discontinued without 90 days' notice being given to the purchaser prior to discontinuing such service."

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There is no provision for a waiver of Section 367.123, Florida Statutes. Therefore, staff believes the Agreement should be modified to reflect the 90-day notice requirement. Using the current language of the Agreement, it should be modified to read "...if payment has not been received after one hundred and ten (110) days from the original bill, service may be discontinued." This language will appropriately reflect the initial twenty (20) day due date, plus an additional 90 days' notice prior to disconnection (i.e., 20 + 90 = 110 days.)

Staff has discussed this requirement with the utility's and County's representatives. Both parties are agreeable to modifying the Agreement to reflect the required 90 days' notice. Staff has been advised that the modification may require approval of the Marion County Board of County Commissioners. Therefore, there is some uncertainty regarding the time frame in which the modification can be completed. Staff does not believe this minor modification warrants a delay in initiating service to the County. Therefore, staff believes the Agreement should be approved at this time with the requirement that the Agreement be modified to reflect the 90 days' notice period as soon as possible. Also, staff believes that the utility should be required to submit a copy of the modified Agreement after the modification has been finalized.

As discussed above, the Agreement contains two rate options. Option A excludes an allowance for RAFs and Option B includes an allowance for RAFs. Staff was informed by the utility's representative that Option A was included in the Agreement in the event the Commission determines that Decca's revenues generated from the bulk sales to the County are not subject to the Commission's RAF. Staff has reviewed the two options and believes that Decca's revenues from the bulk sales to the County <u>are</u> subject to RAFs. (emphasis added)

Regarding the requirement for regulatory assessment fees, Section 367.145(1), Florida Statutes, states in part:

The Commission shall set by rule a regulatory assessment fee that each utility must pay once a year...the amount of the regulatory assessment fee shall not exceed 4.5 percent of the gross revenues of the utility derived from intrastate business, excluding sales for resale made to a <u>regulated</u> <u>company</u>. (emphasis added)

It is standard Commission practice to include an allowance for regulatory assessment fees in a utility's rate calculation, thereby allowing the utility the opportunity to recover this expense through its rates. The utility's proposed rates under Option B are consistent with the current Commission practice regarding RAFs.

As shown above, the only exclusion from RAFs provided by Section 367.145(1), Florida Statutes, is gross revenues generated from sales for resale made to a <u>regulated company</u>. (emphasis added) Utility systems owned or operated by governmental authorities are not regulated by the Commission pursuant to Section 367.022(2), Florida Statutes. Consequently, Decca's revenues from the bulk sales for resale made to the County <u>are</u> subject to the Commission's RAF pursuant to Section 367.145(1), Florida Statutes. (emphasis added) Therefore, staff believes the rates proposed under Option B, which include an allowance for RAFs, are the appropriate rates in this case.

Staff has discussed the requirement of RAFs with the utility's and County's representatives. The County's representative informed staff that the County is agreeable to paying the rates proposed under Option B if the Commission determines that Decca is required to pay RAFs on the revenues generated from the bulk sales to the County.

Staff has reviewed the utility's calculations and believes the proposed rates are reasonable and consistent with past Commission practice regarding bulk service rates. As stated above, the utility has proposed using the utility's currently approved base facility charges, but reducing the gallonage charges to remove expenses which are not related to serving the County, such as transmission and distribution system maintenance and collection system maintenance. The proposed bulk gallonage charges are lower than the retail gallonage charges by \$0.17 for water and \$0.29 for wastewater. Further, the proposed rates correctly reflect an allowance for regulatory assessment fees in accordance with Section 367.145(1), Florida Statutes. Staff believes the utility's proposed rates under Option B should be approved.

A final point in the Agreement that deserves further discussion is the possibility of future raw water and reclaimed water services. As stated in No. 10 above, Decca and the County plan to discuss raw water and reclaimed water facilities over the next calendar year. The utility is currently disposing of its





effluent at no charge on property which is owned and controlled by the utility's parent company. In Issue 3, staff is recommending that the utility be authorized to continue providing the reclaimed water service to its parent company at no charge. However, in the event that Decca agrees to provide raw water and/or reclaimed water services to the County or any other customers, Decca should return to the Commission for approval of a new class of service for raw water, and a determination regarding rates for the raw water and reclaimed water services prior to providing those services.

In summary, staff believes the Agreement is consistent with Commission rules, regulations, and policies regarding bulk service agreements with the exception of the time frame for the notice of disconnection. Staff believes the Agreement does not result in any inequity, cross-subsidization or preferential treatment for any Therefore, staff recommends that Wholesale Water and party. Wastewater Supply Agreement Contract No. 97-1 should be approved with one modification as detailed in the staff analysis. The utility should submit a copy of the modified Agreement to the Commission after the modification has been finalized. Further, the new classes of service for Bulk Water Service and Bulk Wastewater Service should be approved. The rates as detailed in the staff analysis should be approved. The rates should be effective for services rendered on or after the stamped approval date of the tariffs.





ISSUE 3: Should the utility be authorized to continue providing reclaimed water service at no charge?

RECOMMENDATION: Yes. The utility should file a wastewater tariff sheet reflecting the reclaimed water class of service. The tariff should be effective for services rendered on or after the stamped approval date of the tariff. (GOLDEN, REDEMANN)

STAFF ANALYSIS: According to the utility's application, effluent disposal is accomplished by a combination of Public Reuse Spray Irrigation and restricted access land application. The Public Access Spray Irrigation system includes the existing 9-hole executive golf course and driving range at Oak Run, and the entrance boulevard, medians and shoulders. Future effluent disposal capacity expansion will include irrigation of a new 18-hole golf course and additional median areas. Also, as discussed in Issue 2, the utility plans to discuss reclaimed water service with the County.

According to a utility representative, all reuse is currently being conducted on property which is owned and controlled by the utility's parent company. The utility does not have a written agreement with its parent company, and is not charging for the effluent.

Due to growing concerns over water conservation, reclaimed water is increasingly being viewed as an alternative source of water for irrigation for golf courses and even residential communities in some cases. Along with the increased use of reclaimed water comes a recognition that there are costs, associated with the provision of reclaimed water. Consequently, it has become Commission practice to recognize reclaimed water service (sometimes referred to as effluent service) as a class of service which should be included in the utility's tariff, even if the utility is not currently assessing a charge for the service.

Although there are costs associated with the provision of reclaimed water service, there are cases in which the "avoided costs" outweigh the actual cost of the service, and thus not charging for the effluent is justified. For example, disposing of effluent on non-utility property may delay or even eliminate the need for the utility to purchase additional land for spray fields or percolation ponds, thereby resulting in lower rates for the utility's existing wastewater customers.





ISSUE 4: Should this docket be closed?

RECOMMENDATION: Yes, in the event a timely protest is not filed, the docket may be closed upon staff's verification that the utility has submitted a copy of the modified Agreement. (OTTINOT)

STAFF ANALYSIS: If there are no timely protests filed by a substantially affected person to the proposed agency action issues (Issues Nos. 2 and 3), the docket may be closed upon staff's verification that the utility has submitted a copy of the revised Agreement as required in Issue No. 2.

ATTACHMENT A

DECCA UTILITIES, A DIVISION OF DECCA

MARION COUNTY

WATER AND WASTEWATER SERVICE AREA

A parcel of land lying in Section 30, Township 16 South, Range 21 East, Marion County, Florida, being more particularly described as follows:

COMMENCE at the S.W. Corner of Section 30, Township 16 South, Range 21 East, Marion County, Florida; Thence North 00°40'51" East along the West Boundary of said Section 30 and the West Boundary of "Palm Cay Unit II", a distance of 1096.97 Feet to a Point on the South Boundary of "Palm Cay", Thence North 89°53'31" East along a Common Boundary of aforesaid "Palm Cay" and "Palm Cay Unit II", 75.01 Feet, Thence North 00°40'51" East along said Common Boundary 125.00 Feet, Thence North 89°53'51" East along said common Boundary 125.01 Feet; Thence North 00°40'51" East along said Common Boundary 74.14 Feet; Thence North 89°55'51" East along said Common Boundary 13.23 Feet; Thence North 00°39'58" East along said Common Boundary 120.01 Feet; Thence North 89°55'51" East along the North Boundary of Aforesaid "Palm Cay Unit II", 1330.72 Feet to the Point of Beginning; Thence continue North 89°55'51" East along said North Boundary 59.78 Feet; Thence South 00°40'51" West along an East Boundary of "Palm Cay Unit II", 618.94 Feet; Thence North 89°55'31" East along a North Boundary of Palm Cay Unit II", 1196.53 Feet thence South 00°40'51" West along the East Boundary of "Palm Cay Unit II", 851.28 Feet to the South Line of the Said Section 30; thence North 89°39'32" West, along said South Line, 1296.56 Feet, Thence North 00°42'05" East along the Boundary of said described lands 3,981.53 Feet to the Southerly Right of Way Line of S.W. 103rd Street Road (Hialeah Boulevard, 100 Ft. Wide), said Point Being on a Curve Concave To the Northeast, having a radius of 868.45 Feet and a Central Angle of 4°16'53"; Thence Northwesterly along Said Right of Way Curve an Arc Distance of 64.89 Feet, with a Chord Bearing and Distance of North 78°44'55" West, 64.88 Feet, to the N.E. Corner of "Kings Court"; Thence South 00°21'52" West along the East Boundary of said "Kings Court" 822.22 Feet to the S.E. Corner of Said "Kings Court" and a Point on the North Line of

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MARION COUNTY

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Lands; Thence South 89°55'51" W along the South Boundary of said "Kings Court" and said North Line of said described Lands, 2026.42 Feet; Thence North 00°35'24" East along the East Boundary of Said Described Lands 1113.45 Feet to the Southerly Right-of-Way Line of Aforementioned S.W. 103rd Street Road; Thence North 89°47'34" West along said Southerly Right of Way Line 469.00 Feet; Thence South 00°35'24" West, a Distance of 1115.71 Feet to the S.W. corner of Said Described Lands and the Point of Beginning.

That portion of the North 1/2 of the South 1/2 of Section 35, Township 16 South, Range 20 East, Marion County, Florida, lying South and East of the Southerly Right-of-way Line of State Road 200 and lying South of the South Right-of-way Line of County Road 484.

A parcel of land located in Section 35, Township 16 South, Range 20 East, Marion County, Florida, and being more particularly described as follows:

Commence at the Northeast Corner of Said Section 35; Thence South 89°16'55" West, along the North Line of Section 35, a Distance of 1542.52 Feet to a Point in the Southeasterly Right-Of-Way Line of State Road No. 200; Thence South 41°39'25" West, along said Rightof-Way Line a Distance of 2938.20 Feet to the Principal Point of Beginning; Thence Continue South 41°39'25" West, along said Rightof-Way Line a Distance of 1500.00 Feet to a Point in the Northerly Right-of-Way Line of County Road No. 484; Thence North 89°42'23" East along said Northerly Right-Of-Way Line of County Road No. 484, a Distance of 938.60 Feet; Thence 621.66 Feet along the Arc of a Curve Right, Said Curve having a Central Angle of 12°13'10", a Radius of 2914.93, a Chord Distance of 620.48 Feet and a Chord Bearing of South 84°11'02" East; Thence South 78°04'27" East, A distance of 2109.22 Feet; Thence 476.93 Feet along the arc of a curve left, said curve having a Central Angle of 09°42'27", a Radius of 2814.93 Feet, a Chord Distance of 476.36 Feet and a Chord Bearing of South 82°55'38" East; Therce North 00°16'18" East, a

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MARION COUNTY

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Distance of 2127.39 Feet; Thence North 51°36'26" West, a Distance of 949.63 Feet; Thence South 41°36'57" East, a Distance of 1017.53 Feet; Thence North 48°20'35" West, a Distance of 670.99 Feet; Thence South 41°39'25" West a Distance of 1331.71 Feet; Thence North 48°20'35" West a Distance of 400.00 Feet to the Point of Beginning, Encompassing within said Bounds 145.04 Acres more or less and being subject to any and all easements of Record.

That portion of the Southeast 1/4 of Section 26, Township 16 South, Range 20 East, Marion County, Florida lying South and East of the Southerly Right-of-Way Line of State Road 200 and lying South and West of the Southerly Line of Complex 200, Marion County, Florida, being more particularly described as follows:

Beginning at the Southeast corner of said Section 26; Thence West, along the South Line of said Section 26, 1543 feet, more or less, to the Southeasterly right-of-way line of State Road 200 (100 feet wide); thence Northeasterly, along said right-of-way line, 1155 feet, more or less, to the Southerly Line of Complex 200, thence South 50°06'50" East a distance of 998.47 feet, to the East line of Section 26, thence South 0°37'50" East, along the East line of Section 26, a distance of 212.81 feet to the Point of Beginning.

A parcel of land, lying in the North 1/2 of Section 35, Township 16 South, Range 20 East, Marion County, Florida, being more particularly described as follows:

Beginning at the Northwest corner of said Section 35; Thence South 01°08'02" East along the West line thereof, 1972.55 Feet to the Southwest corner of the North 1/2 of the Southwest 1/4 of the Northwest 1/4; Thence North 88°04'06" East 1843.55 Feet, to the Northerly Right-of-Way Line of State Road 200; Thence North 40°12'51" East along said Northerly Right-of-Way Line, 1782.80 Feet; Thence South 87°48'52" West, 2320.54 Feet; Thence North 02°05'45" West, 664.07 Feet, to the North Line of Said Section 35;

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Thence South 87°47'53" West along said North Line, 683.97 Feet to the Point of Beginning.

A portion of Sections 24 & 25, Township 16 South, Range 20 East, Marion County, Florida, more particularly described as follows: COMMENCE at the S.E. Corner of Section 24, Township 16 South, Range 20 East; Thence South 88°47'30" West, along the South Boundary of Said Section, 2076.37 Feet to the Point of Beginning, Said Point being on the Southeasterly Right-of-Way Line of State Road 200 (a 100.00 Foot Right-of-way); Thence South 41°34'12" West, along said Right-of-Way, 1332.02 Feet; Thence South 48°25'48" East, a distance of 250.00 Feet; Thence North 41°34'12" East, a distance of 200.00 Feet; Thence South 48°25'48" East, a distance of 249.08 Feet to a Point on Curve, concave to the Northwest, having a Radius of 1583.98 Feet, a Central Angle of 04°30'32", and a chord of 124.62 Feet bearing North 37°21'16" East, said Point being on the Northwesterly Right-of-Way line of S.W. 84th Avenue Road (a 60.00 Foot Right-of-Way); Thence Northeasterly along said curve and Right-of-Way; 124.65 Feet to a Point of Tangency; Thence North 35°06'00" East, a distance of 238.14 Feet to the Point of Curvature of a Tangent Curve, concave to the Southeast, having a radius of 1505.00 Feet and a central angle 12°17'08"; thence Northeasterly along said curve, a distance of 322.71 Feet to a Point of Tangency; Thence North 47°23'08" East, a distance of 283.64 Feet to the Point of Curvature of a Tangent Curve, concave to the Northwest, having a radius of 1946.86 Feet and a central angle of 05°48'56"; thence Northeasterly along said curve, a distance of 197.61 Feet to a Point of Tangency; Thence North 41°34'12" East, a Distance of 137.56 Feet; Thence departing from the Northwesterly Right of Way of S.W. 84th Avenue Road, North 48°25'48" West, a distance of 250.00 Feet; Thence North 41°34'12" East, a distance of 300.00 Feet; Thence North 48°25'48" West, a distance of 250.00 Feet to the Northwesterly Right-of-Way of State Road 200, Thence South 41°34'12" West, along said Right-of-Way, 467.98 Feet to the Point of Beginning.

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Less and Except:

Commence at the S.E. Corner of Section 24, Township 16 South, Range 20 East; Thence S.88°47'30"W., along the South Boundary of Said Section, 2076.37 Feet, to the Southeasterly Right of Way Line of State Road 200 (A 100.00 Foot Right of Way); Thence S.41°34'12"W., along Said Right of Way, 832.02 Feet; to the Point of Beginning; Thence Continue S.41°34'12"W., along Said Right of Way 300.00 Feet; Thence S.48°25'48"E., a Distance of 499.08 Feet, to a Point on Curve, Concave to the Northwest, Having a Radius of 1583.98 Feet, a Central Angle of 04°30'32", and a Chord of 124.62 Feet Bearing N.37°21'16"E., Said Point Being on the Northwesterly Right of Way Line of Said S.W. 84th Avenue Road; Thence Northeasterly along Said Curve and Right of Way, 124.65 Feet to a Point of Tangency; Thence N.35°06'00"E., a Distance of 176.84 Feet; Thence Departing from the Northwesterly Right of Way of S.W. 84th Avenue Road, N.48°25'48"W., a Distance of 499.08 Feet to the Point of Beginning.

Commence at the East 1/4 Corner of Section 25, Township 16 South, Range 20 East, Marion County, Florida; Thence North along the East Boundary of said Section 25 a Distance of 9.80 Feet to the Southerly Right-of-Way of S.W. 103rd Street Road (Hialeah Boulevard, 100' wide); Said Point being on a Curve Concave Northeasterly, having a radius of 1550.00 Feet and a Central Angle of 7°00'41"; Thence Northwesterly along said Right-of-Way curve a Chord Bearing and Distance of North 76°20'18" West, 189.56 Feet to the Point of Tangency of said Right-of-Way curve; Thence North 72°49'57" West along said Southerly Right-of-Way Line 1475.00 Feet to a Point of Curvature of a Curve Concave to the Northeast, having a radius of 1450.00 Feet and a Central Angle of 17°18'38"; Thence Northwesterly along said Right-of-Way curve, a Chord Bearing and Distance of North 81°29'16" West, 436.42 Feet to the Point of Tangency of Said Curve; Thence South 89°51'25" West, along said Southerly Right-of-Way Line 798.76 Feet to the Point of Curvature of a Curve Concave to the Northeast, having a radius of 800.00 Feet and a Central Angle of 41°42'47"; Thence Northwesterly along said

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MARION COUNTY

WATER AND WASTEWATER SERVICE AREA

Right-of-Way Curve through a Central Angle of 23°37'32", a Chord Bearing and Distance of North 78°19'49" West, 327.54 Feet to the Point of Beginning; Thence continue along said Right of Way Curve through a Central Angle of 18°05'15" a Chord Bearing and Distance of North 57°28'26" West, 251.50 Feet to the Point of Tangency of Said Curve; Then North 48°25'48" West along said Southerly Rightof-Way line 267.69 Feet to a Point on the Southerly Right-of-Way Line of State Road 200 (100 Feet wide); Thence South 41°34'12" West along said Southeasterly Right of Way Line of State Road 200 a Distance of 1327.64 Feet to a Point on the South Boundary of the North 1/2 of said Section 25; Thence North 89°12'16" West, along said South Boundary of the North 1/2 of aforesaid Section 25 a distance of 844.29 Feet; Thence North 00°47'44" West, 318.41 Feet; Thence North 35°27'53" East 275.00 Feet; Thence South 71°18'49" East 220.00 Feet; Thence North 23°28'58" East 214.59 Feet to the Point of Beginning.

Containing 12.50 Acres, more or less.