

COPY! - ORIGINAL LETTER w/ 09700-00

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OF COUNSEL:
CHARLES F. DUDLEY

GOVERNMENTAL CONSULTANTS:
PATRICK R. MALOY
AMY J. YOUNG

August 9, 2000

Ms. Blanca S. Bayo, Director
Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Boulevard
Betty Easley Conference Center, Room 110
Tallahassee, Florida 32399-0850

HAND DELIVERY

RECEIVED - FPSC
AUG 10 PM 4:11
RECORDS AND REPORTING

Re: DOCKET NO. 991666-WU

Dear Ms. Bayo:

Enclosed herewith for filing in the above-referenced docket on behalf of Florida Water Services are:

1. The original and fifteen copies of James A. Perry's testimony; and *09700-00*
2. The original and fifteen copies of Charles L. Sweat's testimony *09701-00 ✓*

Please acknowledge receipt of these documents by stamping the extra copy of this letter "filed" and returning the same to me.

Thank you for your assistance with this filing.

Sincerely,

J. Stephen Menton
J. Stephen Menton

IPP _____
 JAF _____
 JMP _____
 JOM *3/2/00*
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 JCR _____ JSM/knb
 JEG _____ Enclosures
 JPC _____
 JAL _____
 JGO *re termian Trib.3*
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 JER _____
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FPSC-BUREAU OF RECORDS

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DIRECT TESTIMONY OF CHARLES L. SWEAT
BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION
ON BEHALF OF
FLORIDA WATER SERVICES CORPORATION
DOCKET NO. 991666-WU

DOCUMENT NUMBER-DATE

09701 AUG 10 8

FPSC-RECORDS/REPORTING

1 Q. WHAT IS YOUR NAME AND BUSINESS ADDRESS?

2 A. My name is Charles L. Sweat and my business address
3 is 1000 Color Place, Apopka, Florida 32703.

4 Q. DID YOU PREPARE, OR HAVE PREPARED AT YOUR DIRECTION
5 AND UNDER YOUR SUPERVISION, THE TESTIMONY YOU ARE
6 ABOUT TO GIVE IN THIS MATTER?

7 A. Yes

8 Q. BY WHOM ARE YOU EMPLOYED AND WHAT IS YOUR POSITION?

9 A. I am employed by Florida Water Services Corporation
10 (hereinafter referred to as "Florida Water" or the
11 "Company") as Vice President of Developer
12 Relations.

13 Q. WHAT ARE YOUR JOB DUTIES AS VICE PRESIDENT OF
14 DEVELOPER RELATIONS?

15 A. I am responsible for business development,
16 including internal and external growth. In that
17 capacity, I develop new connections to Florida
18 Water's existing systems and work to expand
19 existing franchises to accommodate growth in a
20 larger geographic area. I supervise a staff which
21 determines available water and wastewater capacity,
22 performs water demand projections and determines

1 build-out meters and ERC's as necessary to evaluate
2 growth. My responsibilities include service
3 planning to new developments. I work closely with
4 developers, engineers and other applicants to
5 provide water and wastewater service for new
6 residential and commercial constructions, including
7 preparing developer agreements.

8 Q. HOW LONG HAVE YOU BEEN AN EMPLOYEE OF FLORIDA
9 WATER?

10 A. Approximately 36 years.

11 Q. HOW LONG HAVE YOU BEEN EMPLOYED AS AN OFFICER OF
12 FLORIDA WATER?

13 A. Approximately 25 years.

14 Q. WOULD YOU PROVIDE A BRIEF HISTORY OF YOUR TRAINING
15 AND EXPERIENCE IN THE WATER AND WASTEWATER
16 INDUSTRY?

17 A. My training includes Seminole Community College,
18 Rollins College, Management Institute of Virginia,
19 courses offered by Michigan State University and
20 participation in numerous seminars sponsored by the

1 American Water Works Association. I have also
2 attended various technical seminars and classes on
3 the subject of water and wastewater facility
4 operation and management.

5 **Q. ARE YOU A MEMBER OF ANY TRADE AND/OR PROFESSIONAL**
6 **ORGANIZATIONS?**

7 A. Yes. I am President of the Florida Water Works
8 Association. I am a member of the American Water
9 Works Association, National Association of Water
10 Companies and the Pollution Control Operators
11 Association. I also serve on the Executive
12 Committee for SunTrust, NA, Seminole County Office,
13 Orlando, Florida.

14 **Q. HAVE YOU PREVIOUSLY TESTIFIED BEFORE A REGULATORY**
15 **AGENCY?**

16 A. Yes. I have testified before the Florida Public
17 Service Commission, the Polk County Utilities
18 Board, and the Sarasota County Hearing Examiners on
19 various occasions. I also have testified in

1 proceedings involving the Florida Department of
2 Environmental Protection (DEP).

3 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS**
4 **DOCKET?**

5 A. To explain why Florida Water filed the territory
6 amendment application at issue in this proceeding
7 and to describe Florida Water's existing franchise
8 area and the area proposed to be added to that
9 franchise area through the amendment application.

10 **Q. ARE YOU FAMILIAR WITH FLORIDA WATER'S CERTIFICATED**
11 **SERVICE AREA?**

12 A. Yes. I am familiar with Florida Water's
13 certificated service area, including its
14 certificated service area in Lake County.

15 **Q. PLEASE DESCRIBE FLORIDA WATER'S EXISTING**
16 **CERTIFICATED AREA IN LAKE COUNTY.**

17 A. Florida Water currently provides potable water
18 service to a development in Lake County known as
19 the Palisades, which includes residential units,
20 commercial areas and a golf course. In order to

1 provide service to this area, Florida Water owns
2 and operates an existing water treatment plant
3 which includes two water supply wells at a rated
4 capacity of 800 gallons per minutes each. The
5 plant has been permitted to supply a maximum daily
6 demand of 1,152,000 gallons per day. The most
7 recent figures available indicate that the average
8 daily flow for the plant is approximately 395,000
9 gallons per day.

10 **Q. CAN YOU IDENTIFY THE DOCUMENT LABELED EXHIBIT ()**
11 **CLS-1?**

12 **A.** Yes. It is the application filed with the
13 Commission by Florida Water for an extension of
14 Florida Water's service area in Lake County (the
15 "Application").

16 **Q. ARE YOU FAMILIAR WITH THE APPLICATION?**

17 **A.** Yes. I caused the Application to be prepared and
18 filed with the Commission. I assisted in providing
19 the information needed for the Application and had
20 the Application prepared under my supervision. I

1 would point out that the Application represents an
2 interdepartmental effort. For example, the maps
3 were prepared by the Engineering Department, the
4 legal descriptions and certain other documents were
5 prepared by the Legal Department, and so on. After
6 preparation of the Application, I thoroughly
7 reviewed it and signed it on behalf of Florida
8 Water. It should be noted that the territory and
9 system maps (Appendix M to the original
10 Application) and the tariff pages submitted with
11 the Application are not included in Exhibit (____)
12 CLS-1. However, two sets of those maps and the
13 tariff pages were filed with the original
14 Application as required by the Commission's rules.

15 **Q. IS THE INFORMATION IN EXHIBIT (____) CLS-1 ACCURATE**
16 **AND CORRECT?**

17 **A.** Yes, to the best of my knowledge it is. I would
18 note that, since the filing of the Application, we
19 have received more specific information regarding
20 the developer's plans and needs. The updated

1 information is included in the Water Service
2 Agreement discussed below. In addition, the
3 average flow from Florida Water's Palisades plant
4 has increased since the filing of the Application,
5 but there is still adequate capacity for the
6 additional territory requested.

7 **Q. ARE YOU FAMILIAR WITH THE ADDITIONAL SERVICE AREA**
8 **SOUGHT BY FLORIDA WATER IN THIS DOCKET (THE**
9 **"REQUESTED AREA")?**

10 A. Yes. The Requested Area is located in Lake County,
11 Florida.

12 **Q. IS THE REQUESTED AREA LOCATED NEAR FLORIDA WATER'S**
13 **CURRENT CERTIFICATED AREA?**

14 A. Yes. The Requested Area immediately adjoins
15 Florida Water's existing certificated service area
16 in Lake County. The northwest corner of the
17 existing certificated area lies at the southeast
18 corner of the Requested Area.

19 **Q. IS THERE ANY CONNECTION OR AFFILIATION BETWEEN THE**
20 **PALISADES, WHICH IS INCLUDED IN FLORIDA WATER'S**

1 **EXISTING CERTIFICATE SERVICE AREA IN LAKE COUNTY,**
2 **AND THE REQUESTED AREA?**

3 A. Yes. The Requested Area consists of approximately
4 680 acres immediately contiguous to the Palisades.
5 Substantially all of the Requested Area is owned
6 and will be developed by the developer of the
7 Palisades. The developer has requested Florida
8 Water to provide water service to this new
9 development in the Requested Area which will be
10 known as the "Summit." The Summit is a planned unit
11 development consisting of 135 single family homes
12 with a golf course and clubhouse facility.

13 **Q. HAS FLORIDA WATER ENTERED INTO AN AGREEMENT WITH**
14 **THE DEVELOPER OF THE SUMMIT?**

15 A. Yes. Exhibit (____) CLS-2 is a copy of the Water
16 Service Agreement entered into on February 25, 2000
17 by Florida Water with the developer of the Summit.
18 Pursuant to this Water Service Agreement, Florida
19 Water has agreed to provide potable water service
20 to the Summit.

1 Q. IS THERE A NEED FOR SERVICE IN THE REQUESTED AREA?

2 A. Yes. As reflected by Exhibit C to the Water
3 Service Agreement, Florida Water has received an
4 application from the developer of the Summit
5 indicating there is an immediate need for potable
6 water service to the Requested Area.

7 Q. DOES FLORIDA WATER HAVE THE CAPACITY TO SERVE THE
8 REQUESTED AREA?

9 A. Yes. The most recent figures available indicate
10 the average daily flow from the Palisades water
11 treatment plant is approximately 395,000 gallons
12 per day. The permitted capacity of the plant is
13 1,152,000 gallons per day. Under the Water Service
14 Agreement, Florida Water has reserved 38,400
15 gallons per day of water capacity for the Summit.
16 Thus, there is more than enough existing capacity
17 at the Palisades plant to provide service to the
18 Requested Area.

19 Q. CAN THE REQUESTED AREA BE EASILY CONNECTED TO THE
20 PALISADES TREATMENT PLANT?

1 A. Yes. Under the Water Service Agreement, the
2 developer will pay for the cost of running the
3 necessary water mains from the Palisades treatment
4 plant to the Requested Area. The developer has
5 investigated the options and plans to run
6 approximately 6,700 feet of 10 to 12 inch water
7 mains from the Palisades plant across its existing
8 development to the Requested Area.

9 **Q. WHY DID FLORIDA WATER FILE THE TERRITORY AMENDMENT**
10 **APPLICATION AT ISSUE IN THIS PROCEEDING?**

11 A. The developer requested water service for its new
12 project, the Summit, which is located next to the
13 existing Palisades development. As noted above,
14 Florida Water Service already provides water
15 service to the Palisades area. Extending service
16 to the Summit can be accomplished in a timely,
17 cost-effective manner consistent with the
18 development plans.

1 Q. DOES FLORIDA WATER HAVE THE FINANCIAL AND TECHNICAL
2 ABILITY TO PROVIDE WATER SERVICE TO THE REQUESTED
3 AREA?

4 A. Yes. Florida Water has the financial and technical
5 ability to provide service to the territory it has
6 requested. Florida Water is the largest and one of
7 the most experienced investor-owned water and
8 wastewater utilities in the state. Florida Water
9 has an excellent and long history of providing
10 quality service to its customers. As reflected in
11 its 1999 Audited Financial Statements, Florida
12 Water's total net utility assets exceed \$373
13 million, its total equity capital exceeds \$105
14 million, and its net utility operating income was
15 over \$19 million. Florida Water has a staff of
16 licensed operators, engineers, accountants, and
17 professionals qualified to provide the technical
18 expertise necessary to support safe, adequate and
19 reliable service to our customers. Expanding its
20 service area to include the Requested Area is a

1 prudent business move that will allow Florida Water
2 to more fully utilize existing facilities. Granting
3 Florida Water's Application to serve the Requested
4 Area will enable the Company to expand its customer
5 base, spread its costs, and continue to grow and
6 operate its utility system in a planned, orderly
7 manner consistent with its long term corporate
8 strategy. Expansion of Florida Water's existing
9 territory in Lake County, under the jurisdiction
10 and oversight of the Commission, will be an orderly
11 and efficient way to provide service to the
12 Requested Area, and will promote the continuing
13 improvement of Florida Water's economies of scale.
14 Florida Water has the qualifications, experience,
15 capabilities and resources to provide excellent and
16 reliable service to the Requested Area and is
17 willing to assume those responsibilities.

18 **Q. IS IT IN THE PUBLIC INTEREST FOR THE COMMISSION TO**
19 **GRANT FLORIDA WATER'S APPLICATION AS REQUESTED IN**
20 **EXHIBIT (_____) CLS-1?**

1 A. Yes. Granting the Application will allow for
2 extension of water service to the Requested Area in
3 a timely, economical manner. Florida Water has the
4 plant capacity to serve the immediate need for
5 service in the Requested Area in accordance with
6 the developer's plans. There will be positive
7 effects on Florida Water's existing and future
8 customers and for the community as a whole.
9 Florida Water's provision of services will be in
10 compliance with environmental regulations and will
11 allow for the development of the property in a
12 cost-efficient, timely manner. Florida Water is a
13 good corporate citizen dedicated to serving the
14 community. Florida Water generates funds for
15 governmental entities through the payment of
16 regulatory fees and taxes. Granting the Requested
17 Area to Florida Water will eliminate the need for
18 the expenditure of public funds to service the
19 Requested Area. The owners and future customers in
20 the area will have available to them the protection

1 of the Commission. The Requested Area is not
2 located within the boundaries of a city. If the
3 Requested Area was served by a city utility
4 extending lines outside city boundaries, then the
5 owners and future customers in the Requested Area
6 will not have available to them the protections
7 provided by the Commission. In fact, because the
8 owners and future customers in the Requested Area
9 would not have a vote in city elections, they may
10 not have meaningful options to express disapproval
11 of the city's operation of the utility system or
12 the rates charged by the utility.

13 **Q. DOES THAT CONCLUDE YOUR DIRECT TESTIMONY?**

14 **A. Yes.**


15

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing testimony has been furnished by U.S. Mail this 10 day of August, 2000 to:

Patricia Christensen
Florida Public Service Commission
2540 Shumard Oak Blvd.
Room 370
Tallahassee, FL 32399-0850

Suzanne Brownless
1311-B Paul Russell Road
Suite 201
Tallahassee, FL 32301


J. Stephen Menton

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BEFORE THE

FLORIDA PUBLIC SERVICE COMMISSION

APPLICATION FOR AMENDMENT OF
CERTIFICATE NO. 106-W
IN LAKE COUNTY BY
FLORIDA WATER SERVICES CORPORATION

CONTAINING

APPLICATION AND EXHIBITS

NOVEMBER 1999

PART II NEED FOR SERVICE

- A) Exhibit A - If the applicant is requesting an extension of territory, a statement regarding the need for service in the proposed territory, such as anticipated development in the proposed service area.
- B) Exhibit n/a - If the applicant is requesting a deletion of territory, a statement specifying the reasons for the proposed deletion, demonstrating that it is in the public interest and explaining the effect of the proposed deletion on the ability of any customer, or potential customer, to receive water and/or wastewater service, including alternative source(s) of service.
- C) Exhibit B - A statement that to the best of the applicant's knowledge, the provision of service will be consistent with the water and wastewater sections of the local comprehensive plan at the time the application is filed, as approved by the Department of Community Affairs, or, if not, a statement demonstrating why granting the amendment would be in the public interest.

PART III SYSTEM INFORMATIONA) WATER

- (1) Exhibit C - A statement describing the proposed type(s) of water service to be provided by the extension (i.e., potable, non-potable or both).
- (2) Exhibit D - A statement describing the capacity of the existing lines, the capacity of the existing treatment facilities, and the design capacity of the proposed extension.
- (3) Exhibit E - The numbers and dates of any construction or operating permits issued by the Department of Environmental Protection for the system proposed to be expanded.
- (4) Exhibit F - A description of the types of customers anticipated to be served by the extension, i.e., single family homes, mobile homes, duplexes, golf course, clubhouse, commercial, etc.
- (5) If the utility is requesting a deletion of territory, provide the number of current active connections within the territory to be deleted.

not applicable

(5) Exhibit G - Evidence that the utility owns the land where the water facilities that will serve the proposed territory are, or will be, located. If the utility does not own the land, a copy of the agreement, such as a 99-year lease, which provides for the long-term continuous use of the land. The Commission may consider a written easement or other cost-effective alternative.

B) WASTEWATER (no applicable)

- (1) Exhibit n/a - A statement describing the capacity of the existing lines, the capacity of the existing treatment and disposal facilities, and the design capacity of the proposed extension.
- (2) Exhibit n/a - The numbers and dates of any construction or operating permits issued by the Department of Environmental Protection for the system proposed to be expanded.
- (3) Exhibit n/a - If the utility is planning to build a new wastewater treatment plant, or upgrade an existing plant to serve the proposed territory, provide a written description of the proposed method(s) of effluent disposal.
- (4) If (3) above does not include effluent disposal by means of reuse, provide a statement that describes with particularity the reasons for not using reuse.
- (5) Exhibit n/a - A description of the types of customers anticipated to be served by the extension, i.e., single family homes, mobile homes, duplexes, golf course, clubhouse, commercial; etc.
- (6) If the utility is requesting a deletion of territory, provide the number of current active connections within the territory to be deleted.

not applicable

(7) Exhibit n/a - Evidence that the utility owns the land where the wastewater facilities that will serve the proposed territory are, or will be, located. If the utility does not own the land, a copy of the agreement, such as a 99-year lease, which provides for the long-term continuous use of the land. The Commission may consider a written easement or other cost-effective alternative.

PART IV FINANCIAL AND TECHNICAL INFORMATION

- A) Exhibit H - A statement as to the applicant's technical and financial ability to render reasonably sufficient, adequate and efficient service.
- B) Exhibit I - A detailed statement regarding the proposed method of financing the construction, and the projected impact on the utility's capital structure.
- C) Provide the number of the most recent Commission order establishing or amending the applicant's rates and charges. Order No. PSC-99-1794-FOF-WS, issued September 14, 1999, in Docket No. 950495-WS.
- D) Exhibit J - A statement regarding the projected impact of the extension on the utility's monthly rates and service availability charges.

PART V TERRITORY DESCRIPTION AND MAPS

A) TERRITORY DESCRIPTION

Exhibit K - An accurate description of the territory proposed to be added or deleted, using township, range and section references as specified in Rule 25-30.030(2), F.A.C. If the water and wastewater territory is different, provide separate descriptions. (Water Only)

B) TERRITORY MAPS

Exhibit L - One copy of an official county tax assessment map or other map showing township, range and section with a scale such as 1" =200' or 1" =400' on which the proposed territory to be added or deleted is plotted by use of metes and bounds or quarter sections and with a defined reference point of beginning. If the water and wastewater territory is different, provide separate maps. (Water Only)

C) SYSTEM MAPS

Exhibit M - One copy of detailed map(s) showing proposed lines and facilities and the territory proposed to be served. Map(s) shall be of sufficient scale and detail to enable correlation with a description of the territory proposed to be served. Provide separate maps for water and wastewater systems. (Water Only)

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PART VI NOTICE OF ACTUAL APPLICATION

A) Exhibit N - An affidavit that the notice of actual application was given in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, by regular mail to the following:

- (1) the governing body of the municipality, county, or counties in which the system or the territory proposed to be served is located;
- (2) the privately owned water utilities that hold a certificate granted by the Public Service Commission and are located within the county in which the territory proposed to be served is located;
- (3) if any portion of the proposed territory is within one mile of a county boundary, the utility shall notice the privately owned utilities located in the bordering counties that hold a certificate granted by the Commission;
- (4) the regional planning council;
- (5) the Office of Public Counsel;
- (6) the Public Service Commission's Director of Records and Reporting;
- (7) the appropriate regional office of the Department of Environmental Protection; and
- (8) the appropriate water management district.

Copies of the Notice and a list of entities noticed shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.

B) Exhibit O - An affidavit that the notice of actual application was given in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail or personal delivery of each customer of the system. A copy of the notice shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.

C) Exhibit P - Immediately upon completion of publication, an affidavit that the notice of actual application was published once in a newspaper of general circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code. A copy of the proof of publication shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.

PART VII FILING FEE

Indicate the filing fee enclosed with the application:
\$ 200.00 (for water)

Note: Pursuant to Rule 25-30.020, Florida Administrative Code, the amount of the filing fee is as follows:

- (1) For applications in which the area to be extended or deleted has the proposed capacity to serve up to 100 ERC's, the filing fee shall be \$100.
- (2) For applications in which the proposed area to be extended or deleted has the proposed capacity to serve from 101 to 200 ERCs, the filing fee shall be \$200.
- (3) For applications in which the area to be extended or deleted has the proposed capacity to serve from 201 to 500 ERCs, the filing fee shall be \$500.
- (4) For applications in which the area to be extended or deleted has the proposed capacity to serve from 501 to 2,000 ERCs, the filing fee shall be \$1,000.
- (5) For applications in which the area to be extended or deleted has the proposed capacity to serve from 2,001 to \$4,000 ERCs, the filing fee shall be \$1,750.
- (6) For applications in which the area to be extended or deleted has the proposed capacity to serve more than 4,000 ERCs, the filing fee shall be \$2,250.

PART VIII TARIFF AND ANNUAL REPORTS

- A) Exhibit Q - An affidavit that the utility has tariffs and annual reports on file with the Commission
- B) Exhibit R - The original and two copies of proposed revisions to the utility's tariff(s) to incorporate the proposed change to the certificated territory. Please refer to Rules 25-9.009 and 25-9.010, Florida Administrative Code, regarding page numbering or tariff sheets before preparing tariff revisions. (The rules and sample tariff sheets are attached).

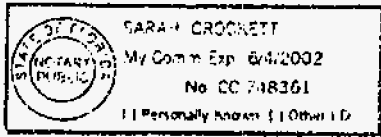
PART IX AFFIDAVIT

I, Charles L. Sweat, Vice President - Developer Relations & Planning for Florida Water Services Corporation (applicant) do solemnly swear or affirm that the facts stated in the foregoing application and all exhibits attached thereto are true and correct and that said statements of fact thereto constitute a complete statement of the matter to which it relates.

Florida Water Services Corporation

By: Charles L. Sweat
Charles L. Sweat
Vice President -
Developer Relations & Planning

Subscribed and sworn to me this 2nd day of November, 1999, by Charles L. Sweat, Vice President - Developer Relations & Planning for Florida Water Services Corporation, a Florida corporation, who is personally known to me and did take an oath.



Sarah Crockett
Sarah Crockett
Notary Public, State of Florida
Commission Number: CC 748361
Commission Expires: 6/4/2002

*If the applicant is a corporation, the affidavit must be made by the president or other officer authorized by the by-laws of the corporation to act for it. If the applicant is a partnership or association, a member of the organization authorized to make such affidavit shall execute same.

reg-app

Exhibit A

If the applicant is requesting an extension of territory, a statement regarding the need for service in the proposed territory, such as anticipated development in the proposed service area.

The proposed area being requested for territory expansion consists of approximately 690 acres contiguous to the existing service territory. Florida Water Services has received a request from a developer for water service to serve 135 single family homes on this parcel. Substantially all of the 690 acre parcel is owned by this one developer.

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Exhibit B

A statement that to the best of the applicant's knowledge, the provision of service will be consistent with the water and wastewater sections of the local comprehensive plan at the time the application is filed, as approved by the Department of Community Affairs, or, if not, a statement demonstrating why granting the amendment would be in the public interest.

The proposed areas are contiguous to Florida Water's existing territory and can be readily provided water service. Based upon a review of the water sections of Lake County's Comprehensive plan, Florida Water Services Corporation believes that, to the best of its knowledge, the provision of service to these areas and to the proposed areas is consistent with the water section of the said plan. The extension of water service by Florida Water Services to customers in these areas benefits the local community due to the proximity of adjacent water lines which can be extended to the proposed areas and by utilizing Florida Water Service's expertise in the area.

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Exhibit C

A statement describing the proposed type(s) of water service to be provided by the extension (i.e., potable, non-potable, or both).

The water service territory amendment being proposed is only for potable water services.

Exhibit D

A statement describing the capacity of the existing lines, the capacity of the existing treatment facilities, and the design capacity of the proposed extension.

The developer for the proposed subdivision will design and construct all water lines from the project directly to the existing Palisades water treatment plant. The existing distribution system will not be used to serve water to the proposed development.

The existing water treatment plant includes two water supply wells at a rated capacity of 800 gallons per minute each. These wells can supply a maximum daily demand of 1,152,000 gallons per day and an instantaneous peak demand of 1,600 gallons per minute.

The estimated average water demand for the proposed development is approximately 135,000 gallons per day. The estimated maximum daily demand for the development is approximately 270,000 gallons per day. It is estimated that the existing plant has sufficient capacity to supply water to the proposed territory in addition to growth within the current service territory for approximately three years in accordance with current growth projections. A new water supply well will be required in approximately three years.

Exhibit E

The numbers and dates of any construction or operating permits issued by the Department of Environmental Protection for the system proposed to be expanded.

The outstanding permit for this plant is as follows:

20-069-0059R, Issued: March 18, 1997 (ST. Johns Water Management District).

A copy of the referenced permit is attached and marked as Appendix E-1.

Appendix E-1

000012

POST OFFICE BOX 1429

PALATKA, FLORIDA

TELEPHONE 904-329-4591

SUNCOM 904

TDD 904-329-4450

TDD SUNCOM 888

FAX (EXECUTIVE/LEGAL) 329-4115

PERMITTING 329-4315

SERVICE CENTERS

516 E. South Street
Orlando, Florida 32801
407-897-4300
TDD 407-897-5863

7775 Saymeadows Way
Suite 102
Jacksonville, Florida 32256
904-730-0377
TDD 904-730-7900

PERMITTING
305 East Drive
Melbourne, Florida 32904
407-984-5840
TDD 407-323-5388

2133 N. Wickham Road
Melbourne, Florida 32935-8109
407-254-1762
TDD 407-253-1203

EXHIBIT ()
CLS - 1
page 15 of 57



WATER MANAGEMENT DISTRICT

CONSUMPTIVE USE PERMIT CHAPTER 40C-20, F.A.C.

APPENDIX E-1

PAGE 1 OF 9

PERMIT NO. 20-069-0059R DATE ISSUED: March 18, 1997

AUTHORIZATION:

USE OF GROUND WATER FROM THE FLORIDAN AQUIFER FOR PUBLIC SUPPLY USE TO SERVE A POPULATION OF 983 IN TEN YEARS. FORMERLY KNOWN AS 2-069-1120ANMR.

LOCATION: Section 01 03 04 09 11 12 14 15; Township 22; Range 25 EAST
Lake County
PALISADES

ISSUED TO:
(owner)

FLORIDA WATER SERVICES
ATTN: MS. CHRISTINE ARCAND
1000 COLOR PLACE
APOPKA, FL 32750

This document shall serve as the formal permit for water use in accordance with Chapter 40C-20, F.A.C. This permit is issued by the St. Johns River Water Management District and subject to the enclosed limiting conditions.

This permit is a legal document and should be read and kept with your other important records. The referenced permit conditions may require submittal of additional information including water use reporting on form EN-50. All information submitted as compliance with permit conditions must be submitted to the nearest District Service Center and should include the above referenced permit number.

Permit issuance does not relieve the permittee from the responsibility of obtaining permits from any federal, state, and/or local agencies asserting concurrent jurisdiction over this work. Permittee agrees to hold and save the St. Johns River Water Management District and its successors harmless from any and all damages, claims, or liabilities which may arise from permit issuance. Said application, including all maps and specifications attached thereto, is by reference made a part hereof. This permit does not convey to Permittee any property rights nor any rights or privileges other than those specified herein, nor relieve the Permittee from complying with any law, regulation, or requirement affecting the rights of other bodies or agencies.

Kathy Chirry

James J. Williams

James J. Williams

Patricia T. Haden

City Manager

000013
Patricia T. Haden
City Manager

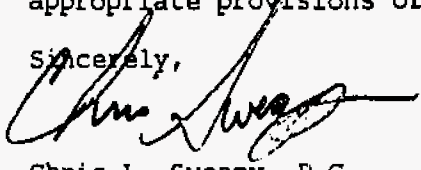
tabbies	EXHIBIT ()
	CLS - 1 page 16 of 57

20-069-0059R
FLORIDA WATER SERVICES INC.

Please be advised that the period of time within which a third party may request an administrative hearing on this permit may not have expired by the date of issuance. A potential petitioner has 19 days from the date on which the notice is received or 14 days from the date on which the notice is published, to file a petition for an administrative hearing pursuant to Chapter 120.57, F.S. Receipt of such a petition by the District may result in this permit becoming null and void.

This permit may be revoked or transferred at anytime pursuant to the appropriate provisions of Chapter 373, Florida Statues.

Sincerely,



Chris L. Sweazy, P.G.
Director, Division of Water Use Regulation

Enclosures: Notice of Rights
Conditions for Issuance

CC: District Permit File

00001

"EXHIBIT A"

CONDITIONS FOR ISSUANCE OF PERMIT NUMBER 20-069-0059R

FLORIDA WATER SERVICES INC.

DATED March 18, 1997

1. District authorized staff, upon proper identification, will have permission to enter, inspect and observe permitted and related facilities in order to determine compliance with the approved plans, specifications and conditions of this permit.
2. Nothing in this permit should be construed to limit the authority of the St. Johns River Water Management District to declare a water shortage and issue orders pursuant to Section 373.175, Florida Statutes, or to formulate a plan for implementation during periods of water shortage, pursuant to Section 373.246, Florida Statutes. In the event a water shortage, as declared by the District Governing Board, the permittee must adhere reductions in water withdrawals as specified by the District.
3. Prior to the construction, modification, or abandonment of a well, the permittee must obtain a Water Well Construction Permit from the St. Johns River Water Management District or the appropriate local government pursuant to Chapter 40C-3, Florida Administrative Code. Construction, Modification, or abandonment of a well will require modification of the consumptive use permit when such construction, modification or abandonment is other than that specified and described on the consumptive use permit application form.
4. Leaking or inoperative well casings, valves, or controls must be repaired or replaced as required to eliminate the leak or make the system fully operational.
5. Legal uses of water existing at the time of permit application may not be significantly adversely impacted by the consumptive use. If unanticipated significant adverse impacts occur, the District shall revoke the permit in whole or in part to curtail or abate the adverse impacts, unless the impacts can be mitigated by the permittee.
6. Off-site land uses existing at the time of permit application may not be significantly adversely impacted as a result of the consumptive use. If unanticipated significant adverse impacts occur, the District shall revoke the permit in whole or in part to curtail or abate the adverse impacts, unless the impacts can be mitigated by the permittee.

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20-069-0059R

7. The District must be notified, in writing, within 30 days of any sale, conveyance, or other transfer of a well or facility from which the permitted consumptive use is made or within 30 days of any transfer of ownership or control of the real property at which the permitted consumptive use is located. All transfers of ownership or transfers of permits are subject to the provisions of section 40C-1.612, F.A.C..
8. A District-issued identification tag shall be prominently displayed at each withdrawal site by permanently affixing such tag to the pump, headgate, valve or other withdrawal facility as provided by Section 40C-2.401, Florida Administrative Code. Permittee shall notify the District in the event that a replacement tag is needed.
9. If the permittee does not serve a new projected demand located within the service area upon which the annual allocation was calculated, the annual allocation will be subject to modification.
10. The permittee must ensure that all service connections are metered.
11. Landscape irrigation is prohibited between the hours of 10:00 a.m. and 4:00 p.m., except as follows:
 - A. Irrigation using a micro-irrigation system is allowed anytime.
 - B. The use of reclaimed water for irrigation is allowed anytime, provided appropriate signs are placed on the property to inform the general public and District enforcement personnel of such use. Such signs must be in accordance with local restrictions.
 - C. Irrigation of, or in preparation for planting, new landscape is allowed any time of day for one 30 day period provided irrigation is limited to the amount necessary for plant establishment.
 - D. Watering in of chemicals, including insecticides, pesticides, fertilizers, fungicides, and herbicides when required by law, the manufacturer, or best management practices is allowed anytime within 24 hours of application.
 - E. Irrigation systems may be operated anytime for maintenance and repair purposes not to exceed ten minutes per hour per zone.

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20-069-0059R

- 12. Treated effluent must be used as irrigation water when it becomes available, economically feasible, and permissible under applicable state and federal statutes or regulations promulgated thereunder.
- 13. Whenever feasible, the permittee must use native vegetation that requires little supplemental irrigation for landscaping within the service area of the project.
- 14. All submittals made to demonstrate compliance with this permit must include the CUP number 20-069-0059 plainly labeled.
- 15. This permit will expire 10 years from the date of issuance.
- 16. Maximum annual ground water withdrawals from Wells A and D, as listed in the application, must not exceed 127.75 million gallons.
- 17. Maximum daily ground water withdrawals from Wells A and D, as listed in the application, must not exceed 0.674 million gallons.
- 18. Well no. A, as listed on the application, must continue to be monitored with a totalizing flowmeter. Prior to the use of proposed Well D, the well must be equipped with an inline totalizing flowmeter. These meters must maintain 95% accuracy, be verifiable, and be installed according to the manufacturer s specifications.
- 19. Total withdrawals from Wells. A and D, as listed on the application, must be recorded continuously, totaled monthly, and reported to the District at least every six months from the initiation of the monitoring using District Form No. EN-50. The reporting dates each year will be as follows for the duration of the permit:

Reporting Period	Report Due Date
January - June	July 31
July - December	January 31

- 20. The permittee must maintain all flowmeters. In case of failure or breakdown of any meter, the District must be notified in writing within 5 days of its discovery. A defective meter must be repaired or replaced within 30 days of its discovery.
- 21. The permittee must have all flowmeters checked for accuracy once every 3 years within 30 days of the anniversary date of permit issuance, and recalibrated if the difference between

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20-069-0059R

the actual flow and the meter reading is greater than 5%. District Form No. EN-51 must be submitted to the District within 10 days of the inspection/recalibration.

22. The permittee must implement the Water Conservation Plan submitted to the District on February 16, 1996, in accordance with the schedule contained therein.
23. The permittee must conduct a detailed water audit within two years of permit issuance, and submit it to the District. All water uses given in the audit must be documented on how the amounts were metered or determined. If the water audit shows that the unaccounted for water losses exceed 10%, a leak detection and repair program must be implemented.
24. The permittee must evaluate the feasibility of installing the proposed Well D into the Lower Floridan aquifer, in order to minimize impacts on the Upper Floridan aquifer system. A feasibility report for a Lower Floridan well must be submitted to the District for review and approval prior to obtaining a well construction permit.
25. Prior to the construction of Well D, the permittee must submit a proposal to conduct an Aquifer Performance Test (APT) on Well D for District review and approval. This proposal must be in accordance with the APT guidelines presented in Appendix F of the Applicant's Handbook.
26. On or before July 1, 2000 and again on or before July 1, 2005, the permittee must submit a letter/report documenting the consistency of the permitted activities with actual water use. The permittee must verify the permittee address, project's service area, number of service connections and population served and the number and capacity of wells.

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NOTICE OF RIGHTS

1. A person whose substantial interests are or may be determined has the right to request an administrative hearing by filing a written petition with the St. Johns River Water Management District (District). Pursuant to District rule 40C-1.511, Florida Administrative Code, the petition must be filed at the office of the District Clerk at District Headquarters, Highway 100 West, Palatka, Florida 32178-1429 within nineteen (19) days of the District depositing notice of its intent in the mail (for those persons to whom the District mails actual notice) or within fourteen (14) days of newspaper publication of the notice of its intent (for those persons to whom the District does not mail actual notice). Such a petition must comply with District rule 40C-1.521, Florida Administrative Code.
2. If the Governing Board took action which substantially differs from the notice of intent to grant or deny the permit application, a person whose substantial interests are or may be determined has the right to request an administrative hearing. Pursuant to District rule 40C-1.511, Florida Administrative Code, the petition must be filed at the office of the District Clerk at District Headquarters, Highway 100 West, Palatka, Florida 32178-1429, within nineteen (19) days of the District depositing notice of final agency action the the mail (for those persons to whom the District mails actual notice) or within fourteen (14) days of newspaper publication of the notice of its final agency action (for those persons to whom the District does not mail actual notice). Such a petition must comply with District rule 40C-1.521, Florida Administrative Code.
3. A substantially interested person has the right to a formal administrative hearing pursuant to Section 120.57(1), Florida Statutes, where there is a dispute between the District and the party regarding an issue of material fact. A petition for formal hearing must comply with the requirements set forth in Section 40C-1.521(2), Florida Administrative Code.
4. A substantially interested person has the right to an informal hearing pursuant to Section 120.57(2), Florida Statutes, where no material facts are in dispute. A petition for an informal hearing must comply with the requirements set forth in Section 40C-1.521(2), Florida Administrative Code.
5. A petition for an administrative hearing is deemed filed upon delivery of the petition to the District Clerk at the District headquarters in Palatka, Florida. (Section 40C-1.013, Florida Administrative Code)
6. Failure to file a petition for an administrative hearing, within the requisite time frame shall constitute a waiver of the right to an administrative hearing. (Section 40C-1.511, Florida Administrative Code)
7. The right to an administrative hearing and the relevant procedures to be followed are governed by Chapter 120, Florida Statutes, and Chapter 40C-1, Florida Administrative Code.

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NOTICE OF RIGHTS

8. An applicant with a legal or equitable interest in real property who believes that a District permitting action is unreasonable or will unfairly burden the use of his property, has the right to, within 30 days of receipt of notice of the District's intent to grant or deny a permit application, apply for a special master proceeding under section 70.51, Florida Statutes, by filing a written request for relief at the office of the District Clerk located at District headquarters, Highway 100 West, Palatka, Florida 32178-1429. A request for relief must contain the information listed in subsection 70.51(6), Florida Statutes.
9. A timely filed request for relief under section 70.51, Florida Statutes, tolls the time to request an administrative hearing under paragraph no. 1 or 2 above. (Paragraph 70.51(10)(b), Florida Statutes) However, the filing of a request for an administrative hearing under paragraph no. 1 or 2 above waives the right to a special master proceeding. (Subsection 70.51(10)(b), Florida Statutes)
10. Failure to file a request for relief within the requisite time frame shall constitute a waiver of the right to a special master proceeding. (Subsection 70.51(3), Florida Statutes)
11. Any substantially affected person who claims that final action of the District constitutes an unconstitutional taking of property without just compensation may seek review of the action in circuit court pursuant to Section 373.617, Florida Statutes, and the Florida Rules of Civil Procedures, by filing an action in circuit court within 90 days of the rendering of the final District action, (Section 373.617, Florida Statutes).
12. Pursuant to Section 120.68, Florida Statutes, a person who is adversely affected by final District action may seek review of the action in the district court of appeal by filing a notice of appeal pursuant to the Florida Rules of Appellate Procedure, within 30 days of the rendering of the final District action.
13. A party to the proceeding before the District who claims that a District order is inconsistent with the provisions and purposes of Chapter 373, Florida Statutes, may seek review of the order pursuant to Section 373.114, Florida Statutes, by the Florida Land and Water Adjudicatory Commission, by filing a request for review with the Commission and serving a copy on the Department of Environmental Protection and any person named in the order within 20 days of adoption of a rule or the rendering of the District order.
14. For appeals to the District courts of appeal, a District action is considered rendered after it is signed on behalf of the District, and is filed by the District Clerk.

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15. Failure to observe the relevant time frames for filing a petition for judicial reviews described in paragraphs #11 and #12 or for Commission review as described in paragraph #13 will result in waiver of that right to review.

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a copy of the foregoing Notice of Rights has been sent by U.S. Mail to:

FLORIDA WATER SERVICES INC.
ATTN: MS. CHRISTINE ARCAND
1000 COLOR PLACE
APOPKA, FL 32750

at 4:00 p.m. this 20 day of MARCH, 1997

Gloria Jean Lewis

Permit Data Services
Director, Gloria Lewis

St. Johns River Water Management District
Post Office Box 1429
Palatka, FL 32178-1429
(904) 329-4566

20-069-0059AR

000021

Exhibit F

A description of the types of customers anticipated to be served by the extension, i.e., single family homes, mobile homes, duplexes, golf course, clubhouse, commercial, etc.

The proposed territory consists of approximately 690 acres. We expect low density housing in the area to consist of 135 single-family residence's, a golf course and a golf club house.

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Exhibit G

Evidence that the utility owns the land where the water facilities that will serve the proposed territory are, or will be, located. If the utility does not own the land, a copy of the agreement, such as a 99-year lease, which provides for the long-term continuous use of the land. The Commission may consider a written easement or other cost-effective alternative.

Please see attached Appendix G-1.

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Appendix G-1

Warranty Deed

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REC 17.00- 91 31786
DOC 1065.35
IF 250

PAGE 1 OF

SPECIAL WARRANTY DEED

BOOK 1113 PAGE 2410

THIS SPECIAL WARRANTY DEED made the 3rd day of December, 1990 by PALISADES GOLF PARTNERS, a Florida general partnership, having its place of business at 255 S. Orange Avenue, Suite 1111, Orlando, Florida 32801 ("Grantor") to SOUTHERN STATES UTILITIES, INC., a Florida corporation, having its place of business at 1000 Color Place, Apopka, Florida 32703 ("Grantee").

WITNESSETH: that Grantor, for and in consideration of the sum of \$10.00 and other valuable consideration, receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto Grantee, all the following land situate in Lake County, Florida:

See Exhibit A attached hereto and made a part hereof.

SUBJECT TO, taxes accruing subsequent to December 31, 1989, and those items described on Exhibit B attached hereto and made a part hereof.

TOGETHER with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD, the same in fee simple forever.

AND Grantor hereby covenants with Grantee that it is lawfully seized of the Property in fee simple; that it has good right and lawful authority to sell and convey the Property; that it hereby warrants the title to the Property and will defend the same against the lawful claims of all persons claiming by, through, or under the Grantor.

(Wherever used herein the terms "Grantor" and "Grantee" include all the parties to this instrument and the heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations.)

IN WITNESS WHEREOF, Grantor has caused these presents to be executed in its name, and its corporate seal to be hereunto affixed, by its proper officers thereunto duly authorized, the day and year first above written.

Signed, sealed and delivered in the presence of:

PALISADES GOLF PARTNERS,
a Florida general partnership

By: PALISADES GOLF CLUB LIMITED PARTNERSHIP, a Florida limited partnership, general partner

Colin R. Taylor
[Signature]

By: *[Signature]*
Robert A. Davis
As Its General Partner

By: U.S. GOLF (PALISADES), INC., a Florida corporation, general partner

Ann K. Chandler
Lenny L. Salerese

By: *[Signature]*
Warren J. Stanchina
As Its President

PREPARED BY AND RETURN TO:
ANN K. CHANDLER, ESQ.
Attorney, Senterfit & Gibson
12th Floor, Firstate Tower
P. O. Box 231
Orlando, FL 32802

ARC:GENERAL:AM

JUN 25 11 42 AM '91

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STATE OF FLORIDA

COUNTY OF Orange

BOOK 1113 PAGE 2411

The foregoing instrument was acknowledged before me this 20th day of December 1990, by ROBERT A. DAVIS, a general partner of PALISADES GOLF CLUB LIMITED PARTNERSHIP, a Florida limited partnership, which is a general partner of PALISADES GOLF PARTNERS, a Florida general partnership on behalf of both partnerships.

(NOTARIAL SEAL)

William L. Taylor
Notary Public
My Commission Expires:

STATE OF FLORIDA

COUNTY OF Orange

Notary Public, State of Florida
My Commission expires Aug. 7, 1992

The foregoing instrument was acknowledged before me this 25th day of October, 1990, by WARREN J. STANCHINA, as President of U.S. GOLF (PALISADES), INC., a Florida corporation, which is a general partner of PALISADES GOLF PARTNERS, a Florida general partnership, on behalf of the corporation and the partnership.

(NOTARIAL SEAL)

Notary Public
My Commission Expires:

NOTARY PUBLIC STATE OF FLORIDA
BY COMMISSION EXP. 12-22-1991
BOOKS 1289 & 1290, 1291, AND

THIS DOCUMENT PREPARED BY
AND RETURN TO:
ANN K. CHANDLER
Akerman, Senterfitt & Eidson
17th Floor, Firststate Tower
P.O. Box 231
Orlando, FL 32802

Parcel Identification
Numbers:
Grantee's Federal Tax
Identification
Number:

401373
STATE OF FLORIDA
DOCUMENTARY STAMP TAX
DEPT. OF REVENUE
JUN 21 1991
873.35

401331
STATE OF FLORIDA
DOCUMENTARY STAMP TAX
DEPT. OF REVENUE
JUN 21 1991
192.00

BOOK 1113 PAGE 2412

Commence at the Northwest corner of Section 12, Township 22 South, Range 25 East, Lake County, Florida; thence run S 89°35'05" E along the north line of said Section 12 for a distance of 891.00 feet to the westerly right-of-way line of Jalaxy Road; thence S 00°04'55" W along said westerly right-of-way line for a distance of 179.72 feet to the POINT OF BEGINNING; thence continue S 00°04'55" W along said westerly right-of-way line for a distance of 200.00 feet; thence N 89°55'05" W parallel to the aforesaid north line of Section 12 for a distance of 210.00 feet; thence run N 00°04'55" E parallel to the aforesaid westerly right-of-way line of Jalaxy Road for a distance of 200.00 feet; thence run S 89°35'05" E parallel to the aforesaid north line of Section 12 for a distance of 210.00 feet the aforesaid westerly right-of-way line of Jalaxy Road and the Point of Beginning, LESS the East 10.00 feet thereof.

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MEMO: LEGIBILITY OF WRITING,
TYPING OR PRINTING UNSATISFACTORY
IN THIS DOCUMENT WHEN MICROFILMING

Exhibit H

A statement as to the applicant's technical and financial ability to render reasonably sufficient, adequate and efficient service.

Florida Water Services has the requisite technical and financial ability to render service to the proposed amended territory. Florida Water Services has been regulated by the Commission since 1964 and currently owns and operates in 145 water and wastewater service territories throughout the state which are under the Commission's regulatory authority. Florida Water Services has a staff of engineers, scientists, accountants, and other professionals based in its Orlando headquarters, as well as, licensed operators that operate and maintain facilities located throughout the state. Furthermore, Florida Water Services facilities are in substantial compliance with all applicable environmental regulations. At year-end 1998, Florida Water Services' capital structure consisted of more than \$204 million in total capital, including more than \$118 million in long-term debt and more than \$86 million in equity capital. The Commission has acknowledged the technical and financial ability of Florida Water Services Corporation in numerous proceedings, including transfers and amendments. In consideration of the foregoing, Florida Water Services submits that it has more than adequate technical and financial ability to render service to the proposed amended territory.

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Exhibit I

A detailed statement regarding the proposed method of financing the construction, and the projected impact on the utility's capital structure.

Water lines will be designed and constructed by the developers in accordance with Florida Water Service's standards and specifications and then donated to Florida Water Services.

000030

Exhibit J

A statement regarding the projected impact of the extension on the utility's monthly rates and service availability charges.

The proposed amendment concerns the Palisades service area. Florida Water Services believes that the addition of the proposed territory should have no immediate effect on the current monthly rates at Palisades.

The impact of the territory extension on Florida Water Services' prospective service availability charges will be negligible.

000031

Exhibit K

An accurate description of the territory proposed to be added or deleted, using township, range, and section references as specified in Rule 25-30.030(2), F.A.C. If the water and wastewater territory is different, provide separate descriptions.

Service territory additions for water are as follows:

That portion of Township 22 South, Range 25 East, Lake County Florida described as follows:

Section 2

The N ½ of the SW ¼ of the SW ¼, Section 2.

The W ½ of NW ¼ of the SW ¼, Section 2.

Section 3

The E ½, Section 3.

The NW ¼, Section 3.

The N ¾ of the E ½ of the SW ¼, Section 3.

Section 4

The E ¼ of the NE ¼, Section 4.

The N 990 feet of the W ½ of the E ½ of the NE ¼, Section 4.

That portion of Township 21 South, Range 25 East, Lake County Florida

Section 33

The SE ¼ of the SE ¼, Section 33.

Section 34

The SW ¼ of the SW ¼, Section 34.

Exhibit L

One copy of an official county tax assessment map or other map showing township, range, and section with a scale such as 1" = 200' or 1" = 400' on which the proposed territory to be added or deleted is plotted by use of metes and bounds or quarter sections and with a defined reference point of beginning. If the water and wastewater territory is different, provide separate maps.

Please see Appendix L-1 enclosed with original filing.

000033

Exhibit M

One copy of detailed map(s) showing proposed lines and facilities and the territory proposed to be served. Map(s) shall be of sufficient scale and detail to enable correlation with a description of the territory proposed to be served. Provide separate maps for water and wastewater systems.

Please see Appendix M-1 enclosed with original filing.

000034

Exhibit N

An affidavit that the notice of actual application was given in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, by regular mail.

Please see attached Affidavit and Appendixes N-1, N-2, and N-3.

000035


Affidavit

State of Florida
County of Orange

Before me, the undersigned authority, personally appeared Sarah Crockett, as Legal Secretary of Florida Water Services Corporation ("Florida Water") and after being duly sworn, said:

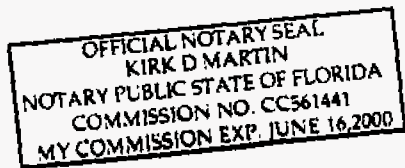
1. That she has personal knowledge of the matters contained herein.
2. Attached hereto and identified as "Appendix N-1" is a copy of the request Florida Water sent to the Public Service Commission ("Commission") pursuant to Rule 25-30.030(2), Florida Administrative Code.
3. Attached hereto and identified as "Appendix N-2" is a copy of the Commission's reply to Florida Water's aforementioned request.
4. Copies of the notice of application, attached hereto and identified as "Appendix N-3" were sent by U.S. Mail on November 2, 1999, to those entities identified by the Commission on the aforesaid "Appendix N-2."


Further Affiant sayeth not.



 Sarah Crockett
 Legal Secretary
 Florida Water Services Corporation

The foregoing instrument was acknowledged before me this 2nd day of NOVEMBER, 1999, by Sarah Crockett, Legal Secretary for Florida Water Services Corporation who is personally known to me and did take an oath.





 Kirk D. Martin
 Notary Public, State of Florida at Large
 Commission Number: CC561441
 My Commission Expires: JUNE 16, 2000

Appendix N-1

Letter to Commission

000037



EXHIBIT ()
CLS - 1
page 40 of 57

Nov. 1
~~October 28, 1999~~

Via Facsimile: (850) 413-7000

Mr. Richard Redemann
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Lake County - Palisades

Dear Mr. Redemann:

In accordance with the terms of the application for amendment of certificate, please forward to me a listing of the entities to be noticed pursuant to Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code.

I have attached the water legal description.

Please return the list via fax (407/598-4241) if possible.

If you should need any additional information in order to process this request, please call me at (407) 598-4162. Thank you for your assistance.

Sincerely,


Sarah Crockett
Legal Secretary

Attachments

000035

That portion of Township 22 South, Range 25 East, Lake
County Florida described as follows:

Section 2

The N ½ of the SW ¼ of the SW ¼, Section 2.

The W ½ of NW ¼ of the SW ¼, Section 2.

Section 3

The E ½, Section 3.

The NW ¼, Section 3.

The N ¼ of the E ½ of the SW ¼, Section 3.

Section 4

The E ¼ of the NE ¼, Section 4.

The N 990 feet of the W ½ of the E ½ of the NE ¼, Section
4.

That portion of Township 21 South, Range 25 East, Lake
County Florida

Section 33

The SE ¼ of the SE ¼, Section 33.

Section 34

The SW ¼ of the SW ¼, Section 34.

Appendix N-2

List of Entities

LIST OF WATER AND WASTEWATER UTILITIES IN LAKE COUNTY

(VALID FOR 60 DAYS)
11/01/1999-12/30/1999UTILITY NAMEMANAGERLAKE COUNTY

AQUASOURCE UTILITY, INC. (WS822) ✓✓ 200 CORPORATE CENTER DRIVE, SUITE 300 CORANPOLIS, PA 15108	RICK HERSKOVITZ (412) 393-3000
BRENDENWOOD WATER SYSTEM (WU020) ✓✓ P. O. BOX 350294 GRAND ISLAND, FL 32735-0294	PAUL E. DAY (352) 357-9466
CENTURY ESTATES UTILITIES, INC. (WU725) ✓✓ 325 SOUTH ORLANDO AVENUE WINTER PARK, FL 32789-3660	JOSEPH LINARTAS (407) 611-2804
CENTURY REALTY FUNDS, INC. AND HASELTON ASSOCIATES, L.P. D (WS577) ✓✓ P. O. BOX 5252 LAKE LAND, FL 33807-5252	RAYMOND MOATS (941) 647-1581
CRYSTAL RIVER UTILITIES, INC. (WU766) ✓ & AQUASOURCE UTILITY, INC 200 CORPORATE CENTER DRIVE, SUITE 300 CORANPOLIS, PA 15108	RICK HERSKOVITZ (412) 393-3000
FLORIDA WATER SERVICES CORPORATION (WS227) ✓ P. O. BOX 609520 ORLANDO, FL 32860-9520	BRIAN P. ARMSTRONG (407) 598-4152
HARBOR HILLS UTILITIES, L.P. (WU171) ✓✓ 6538 LAKE GRIFFIN ROAD LADY LAKE, FL 32159-2900	M. HUEY (352) 753-8600
LAKE GROVES UTILITIES, INC. (WS641) ✓✓ 2335 SANDERS ROAD NORTHBROOK, IL 60062-6196	CARL WENZ (847) 498-6440
LAKE UTILITY COMPANY (WS619) ✓✓ 25201 U.S. HIGHWAY 27 LEESBURG, FL 34748 9099	EARL THIELF (352) 326-4170
LAKE UTILITY SERVICES, INC (WU563) ✓✓ 200 WEATHERSIELD AVENUE ALTAMONTE SPRINGS, FL 32714-4027	DON RASMUSSEN (407) 869-1919

LIST OF WATER AND WASTEWATER UTILITIES IN LAKE COUNTY

(VALID FOR 60 DAYS)
11/01/1999-12/30/1999UTILITY NAMEMANAGERLAKE COUNTY (continued)

LAKE YALE CORPORATION D/B/A LAKE YALE UTILITY COMPANY (WS700) ✓✓ 11643 MARTEL COURT LAFESBURG, FL 34788-8103	LEROY K. NEW (352) 483-1377
PENNSBROOKE UTILITIES, INC. (WS677) ✓✓ 146 HORIZON COURT LAKELAND, FL 33813-1742	FRANK H. HAAS (941) 646-2904
PINE HARBOUR WATER UTILITIES (WU635) ✓✓ P. O. BOX 447 FRUITLAND PARK, FL 34731-0477	JIM C. BRANNIAM (352) 787-7944
RAINTRIP UTILITIES, INC. (WU663) ✓✓ 37731 STATE ROAD 19 UMATILLA, FL 32784-9618	DON MONN (904) 357-3767
SHANGRI-LA BY THE LAKE UTILITIES, INC. (WS728) ✓✓ 11654 LONG LAKE DRIVE SPARTA, MI 49345	WILLIAM E. WERNER (616) 887-8888
SOUTHLAKE UTILITIES, INC. (WS638) ✓✓ P. O. BOX 6209 TALLAHASSEE, FL 32314-6209	ROBERT L. CHAPMAN, III (888) 876-3569
SUN COMMUNITIES FINANCE LIMITED PARTNERSHIP (WS755) ✓✓ ATTN: WATER OAK 31700 MIDDLEBELT ROAD, SUITE 145 FARMINGTON HILLS, MI 48334	JOSE A. DIEZ-ARGUELLES (850) 224-9634
W.B.B. UTILITIES, INC. (WU639) ✓✓ 4116 BAIR AVENUE FRUITLAND PARK, FL 34731-9647	RICHARD E. BAIR (352) 787-4347

LIST OF WATER AND WASTEWATER UTILITIES IN LAKE COUNTY

(VALID FOR 60 DAYS)
11/01/1999-12/30/1999UTILITY NAMEMANAGERGOVERNMENTAL AGENCIESADMINISTRATOR, CITY OF UMATILLA ✓✓
P. O. BOX 2286
UMATILLA, FL 32784-2286CLERK, BOARD OF COUNTY COMMISSIONERS, LAKE COUNTY ✓✓
P. O. BOX 7800
TAVARFS, FL 32718-7800DLP CENTRAL DISTRICT ✓✓
3319 MAGUIRE BLVD., SUITE 237
ORLANDO, FL 32803-3767DEP SOUTHWEST DISTRICT ✓✓
3804 COCONUT PALM DRIVE
TAMPA FL 33618-8318EAST CENTRAL FLORIDA PLANNING COUNCIL ✓✓
1011 WYMORE ROAD, SUITE 105
WINTER PARK, FL 32789MAYOR, CITY OF CLERMONT ✓✓
P. O. BOX 120219
CLERMONT, FL 32712-0219MAYOR, CITY OF EUSTIS ✓✓
P. O. DRAWER 68
EUSTIS, FL 32727-0068MAYOR, CITY OF FRUITLAND PARK ✓✓
506 WEST BERCKMAN STREET
FRUITLAND PARK, FL 34731-3200MAYOR, CITY OF GROVELAND ✓✓
156 SOUTH LAKE AVENUE
GROVELAND, FL 34736-2597

LIST OF WATER AND WASTEWATER UTILITIES IN LAKE COUNTY

(VALID FOR 60 DAYS)
11/01/1999-12/30/1999

<u>UTILITY NAME</u>	<u>MANAGER</u>
MAYOR, CITY OF LEESBURG ✓✓ P. O. BOX 490630 LEESBURG, FL 32749 0630	
MAYOR, CITY OF MASCOTTE ✓✓ P. O. BOX 5A MASCOTTE, FL 34753 0056	
MAYOR, CITY OF MINNEOLA ✓✓ P. O. BOX 678 MINNEOLA, FL 34755-0678	
MAYOR, CITY OF MOUNT DORA ✓✓ P. O. BOX 176 MOUNT DORA, FL 32756-0176	
MAYOR, CITY OF TAVARES ✓✓ P. O. BOX 1068 TAVARES, FL 32778-1068	
MAYOR, TOWN OF ASTATULA ✓✓ P. O. BOX 609 ASTATULA, FL 34705-0609	
MAYOR, TOWN OF HOWEY-IN-THE-HILLS ✓✓ P. O. BOX 67 HOWEY-IN-THE-HILLS, FL 34737-0067	
MAYOR, TOWN OF LADY LAKE ✓✓ 225 WEST GUAVA STREET LADY LAKE, FL 32159-3735	
MAYOR, TOWN OF MONTVERDE ✓✓ P. O. BOX 560008 MONTVERDE, FL 34729-0008	

LIST OF WATER AND WASTEWATER UTILITIES IN LAKE COUNTY

(VALID FOR 60 DAYS)
11/01/1999-12/30/1999

UTILITY NAME

MANAGER

ST. JOHNS RIVER WTR MANAGEMENT DISTRICT ✓✓
P.O. BOX 1429
PALATKA, FL 32178-1429

STATE OFFICIALS

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

DIVISION OF RECORDS AND REPORTING ✓✓
FLORIDA PUBLIC SERVICE COMMISSION
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

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Appendix N-3

Copy of Notice

000046

LEGAL NOTICE

NOTICE OF APPLICATION FOR AMENDMENT OF WATER

You are hereby given notice on November 2, 1999, pursuant to Section 367.045, Florida Statutes, of the Application of Florida Water Services Corporation to amend its Water Certificate No. 106-W to amend territory in Lake County, Florida as follows:

Township 22 South, Range 25 East, Lake County FloridaSection 2

The N $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$, Section 2.

The W $\frac{1}{2}$ of NW $\frac{1}{4}$ of the SW $\frac{1}{4}$, Section 2.

Section 3

The E $\frac{1}{2}$, Section 3.

The NW $\frac{1}{4}$, Section 3.

The N $\frac{3}{4}$ of the E $\frac{1}{2}$ of the SW $\frac{1}{4}$, Section 3.

Section 4

The E $\frac{1}{4}$ of the NE $\frac{1}{4}$, Section 4.

The N 990 feet of the W $\frac{1}{2}$ of the E $\frac{1}{2}$ of the NE $\frac{1}{4}$, Section 4.

Township 21 South, Range 25 East, Lake County FloridaSection 33

The SE $\frac{1}{4}$ of the SE $\frac{1}{4}$, Section 33.

Section 34

The SW $\frac{1}{4}$ of the SW $\frac{1}{4}$, Section 34.

Any objection to the said application must be made in writing within thirty days from this date to: Director, Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0870. A copy of said objection should be mailed to the application, whose address is: Florida Water Services Corporation, Attn: Matthew J. Feil, Esquire, P.O. Box 609520, Orlando, Florida 32860-9520

000047

Exhibit O

An affidavit that the notice of actual application was given in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail or personal delivery to each customer of the system. A copy of the notice shall accompany the affidavit.

Rule 25-30.030(6), Florida Administrative Code, requires notice be given "to each customer of the system to be certificated, transferred, acquired, or deleted." Because there are currently no customers in the territory to be added and no "system" is in place in the proposed amended territory, this rule is inapplicable.

000048

Exhibit P

Immediately upon completion of publication, an affidavit that the notice of actual application was published once in a newspaper of general circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code. A copy of the proof of publication shall accompany the affidavit. This may be a late-filed exhibit.

The required affidavit of publication will be provided separately as a late-filed exhibit. Attached hereto as Appendix P-1 is the Florida Water Services' request for publication of the required notice.

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Appendix P-1

Request for Publication

000050



EXHIBIT ()
CLP - 1
page 53 of 57

October 28, 1999

Via Facsimile: (407) 420-5011

The Orlando Sentinel
Attn: Legal Advertising
633 North Orange Avenue
Orlando, FL 32801

Re: Legal Notice

Dear Sir or Madam:

Attached is a legal notice to be run one time in the Lake County edition of the Sentinel at your earliest convenience. **Please fax a copy of the legal notice to me prior to publication at (407)598-4241.** I will also need an affidavit of publication as soon as possible.

The invoice and affidavit should be sent to:

Sarah Crockett
Florida Water Services Corporation
P. O. Box 609520
Orlando, FL 32860-9520

If you need any additional information, please call me at (407) 598-4162. Thank you for your cooperation.

Sincerely,


Sarah Crockett
Legal Secretary

Attachment

000051

LEGAL NOTICE**NOTICE OF APPLICATION FOR AMENDMENT OF WATER**

You are hereby given notice on November 1, 1999, pursuant to Section 367.045, Florida Statutes, of the Application of Florida Water Services Corporation to amend its Water Certificate No. 106-W to amend territory in Lake County, Florida as follows:

Township 22 South, Range 25 East, Lake County Florida**Section 2**

The N $\frac{1}{2}$ of the SW $\frac{1}{4}$ of the SW $\frac{1}{4}$, Section 2.

The W $\frac{1}{2}$ of NW $\frac{1}{4}$ of the SW $\frac{1}{4}$, Section 2.

Section 3

The E $\frac{1}{2}$, Section 3.

The NW $\frac{1}{4}$, Section 3.

The N $\frac{1}{4}$ of the E $\frac{1}{2}$ of the SW $\frac{1}{4}$, Section 3.

Section 4

The E $\frac{1}{4}$ of the NE $\frac{1}{4}$, Section 4.

The N 990 feet of the W $\frac{1}{2}$ of the E $\frac{1}{2}$ of the NE $\frac{1}{4}$, Section 4.

Township 21 South, Range 25 East, Lake County Florida**Section 33**

The SE $\frac{1}{4}$ of the SE $\frac{1}{4}$, Section 33.

Section 34

The SW $\frac{1}{4}$ of the SW $\frac{1}{4}$, Section 34.

Any objection to the said application must be made in writing within thirty days from this date to: Director, Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida, 32399-0870. A copy of said objection should be mailed to the application, whose address is: Florida Water Services Corporation, Attn: Matthew J. Feil, Esquire, P.O. Box 609520, Orlando, Florida 32860-9520

000052

Exhibit Q

An affidavit that the utility has tariffs and annual reports on file with the Commission.

Please see attached.


Affidavit

State of Florida
County of Orange

Before me, the undersigned authority, personally appeared Charles L. Sweat, Vice President – Developer Relations & Planning for Florida Water Services Corporation (“Florida Water”) and after being duly sworn, said:


1. That he has personal knowledge of the matters contained herein.
2. That Florida Water has tariffs and annual reports on file with the Florida Public Service Commission.

Further Affiant sayeth not.



 Charles L. Sweat
 Vice President, Business Development
 Florida Water Services Corporation

The foregoing instrument was acknowledged before me this 2nd day of November, 1997, by Charles L. Sweat, Vice President – Developer Relations & Planning for Florida Water Services Corporation, who is personally known to me and did take an oath.



 Sarah Crockett
 Notary Public, State of Florida at Large
 Commission Number: 02748361
 My Commission Expires: 12/4/2002

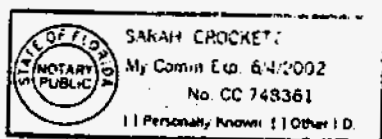


Exhibit R

The original and two copies of proposed revisions to the utility's tariff(s) to incorporate the proposed change to the certificated territory. Please refer to Rules 25-9.009 and 25-9.010, Florida Administrative Code, regarding page numbering of tariff sheets before preparing the tariff revisions.

An original and two separate copies of revised tariff sheet are enclosed with the cover letter.

000055

**FLORIDA WATER SERVICES CORPORATION
& The Summits Land Trust**

WATER SERVICE AGREEMENT

**for
The Summit
in the
Palisades System
located in Lake County, Florida**

FPSC Certificate Numbers 106-W

This instrument was prepared
under the supervision of:
John L. Tillman, Senior Vice President
Business Development
Florida Water Services Corporation
P.O. Box 609520
Orlando, Florida 32860-9520

This AGREEMENT is made this 25th day of Feb 19 2000, by and between Florida Water Services Corporation, a Florida Corporation (hereafter "UTILITY"), and The Summits Land Trust a Florida Land Trust (hereafter "DEVELOPER").

RECITALS

1. The DEVELOPER intends to acquire certain properties located in Lake County, Florida, more particularly described in Exhibit "A", attached to and incorporated in this Agreement and hereinafter referred to as the "DEVELOPER's Property" and Developer and Utility intend to make the duties and responsibilities of each under this agreement subject to Developers acquisition of the Developer's property..
2. The DEVELOPER intends to construct on site and off site water infrastructure to serve a 135 unit single family subdivision with golf course, clubhouse and two comfort stations as improvements to the DEVELOPER's Property (which improvements shall hereinafter be referred to as the "Improvements") in accordance with the Development Plan attached hereto as Exhibit "B" which will require Water Service Capacity.
3. The DEVELOPER has completed and executed an Application for Water Service, a true copy of which is attached to and incorporated in this Agreement as Exhibit "C".
4. Water Service Capacity for the Improvements shall be provided ~~in the~~ manner described below and subject to the terms and conditions provided herein.
5. The UTILITY is willing to provide Water Service Capacity to the DEVELOPER in accordance with and subject to the terms and conditions of this Agreement and applicable rules, regulations, laws and requirements.

ACCORDINGLY, in consideration of the Recitals hereof for and in consideration of the mutual undertakings and agreements herein contained and assumed, and other good and valuable consideration received by each party from the other, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby agree to as follows:

SECTION 1 RECITALS. The above Recitals are true and correct, and form a material part of this Agreement.

SECTION 2 DEFINITIONS. The parties agree that in construing this Agreement, the following words, phrases, and terms shall have the following meanings unless the context requires otherwise:

- 2.1 "Allowance for Funds Prudently Invested" (AFPI) means an FPSC approved fee designed to cover the carrying costs of actual

company investment in plant prudently constructed for future customer use.

2.2 "Agreement" means this FLORIDA WATER SERVICES CORPORATION & The Summits Land Trust WATER SERVICE AGREEMENT, as it may be amended from time to time.

2.3 "Contribution-in-Aid-of-Construction" means any amount or items of money or services or property received by the UTILITY from the DEVELOPER, any portion of which is provided at no cost to the UTILITY which represents an addition to the capital of the UTILITY and utilized to offset the cost of extending the UTILITY's Systems to the DEVELOPER's Property.

2.4 "Customer Installation" means all Facilities on the customer's side of the Point of Delivery.

2.5 "DEVELOPER" (or "APPLICANT" in Exhibit "C") means The Summits Land Trust a Florida Land Trust, its successors and assigns. In Exhibit "C", DEVELOPER may be referred to as "APPLICANT".

2.6 "DEVELOPER's Property" means that land described in Exhibit "A" hereto.

2.7 "Development Plan" means the document describing the proposed Improvements to be constructed on the DEVELOPER's Property and the anticipated time schedule for construction thereof as set forth in Exhibit "B" attached to and incorporated in this Agreement.

2.8 "ERC" means Equivalent Residential Connection as that term is used and defined in the UTILITY's Tariff, as it may be amended from time to time (also sometimes referred to as "EDU", or Equivalent Dwelling Unit).

2.9 "FDEP" means the Florida Department of Environmental Protection, an agency of the State of Florida, or any successor agency.

2.10 "FPSC" means the Florida Public Service Commission, an agency of the State of Florida, or any successor agency.

2.11 "GPD" means gallons per day on an annual average basis.

2.12 "Improvements" means the Improvements (including roads, drainage, grading, lot layout, water supply facilities, maintenance, and

service lines to the Point of Delivery) which will be constructed and developed by the DEVELOPER on the DEVELOPER's Property.

2.13 "Interested Parties" means the parties executing Exhibit "D" attached to and incorporated in this Agreement for the purpose of subordinating their interests in the DEVELOPER's Property to this Agreement. DEVELOPER warrants that the persons executing said Exhibit "D" are all persons having an interest in the DEVELOPER's Property, other than the DEVELOPER, whether as a mortgagee, secured lien holder, tenant or otherwise.

2.14 "Lot or Tract" means each separate subdivided building site as platted of record or as shown on the Development Plan.

2.15 "Master Plan" means the master plan for UTILITY's System prepared by UTILITY or its engineers, as amended or modified from time to time.

2.16 "Off-Site Facilities" means the portion of the Water Facilities which extends or expands the UTILITY's System to provide Water Service to the DEVELOPER's Property.

2.17 "On-Site Facilities" means the portion of the Water Facilities that has been or will be located wholly within the DEVELOPER's Property.

2.18 "Phase" means a part of the DEVELOPER's Property which is being or is to be developed as a unit.

2.19 "Plans and Specifications" means those documents and drawings prepared by the DEVELOPER's engineer for the design and construction of certain Water Facilities and approved by the UTILITY, as described in Subsection 2.28 hereof.

2.20 "Plant Capacity Charge" means the charge made by the UTILITY for each new Customer Installation to the UTILITY's System which is designed to defray a portion of the cost of the UTILITY's Water Treatment and Production System (as described in Subsection 2.30 hereof) and the UTILITY's other costs of the Water System, as may be amended from time to time with the approval of the FPSC and set forth in the Tariff.

2.21 "Point of Delivery" means the point where the UTILITY's service line is connected to the customer's line. Unless otherwise

indicated by the UTILITY, the Point of Delivery shall be at a point on the customer's lot line.

2.22 "Refundable Advance" or "Refundable Advance for Construction" means money paid or property transferred to the Company by the Applicant for the installation of facilities which may not be used and useful for a period of time. The advance is made to temporarily defray the Company's costs so that the proposed extension may be rendered economically feasible and, in turn, so that service may be obtained. As additional Customers connect to the extension, portions of the advance will be returned to the Applicant over a specified period of time in accordance with a written agreement.

2.23 "Tariff" means the UTILITY's Tariff on file with the FPSC, or as that document may be amended from time to time.

2.24 "UTILITY" means FLORIDA WATER SERVICES CORPORATION, a water and sewer utility as defined in Chapter 367, Florida Statutes, its successors or assigns.

2.25 "UTILITY's System" means all Water Facilities and interests in real and personal property owned, operated, managed or controlled by the UTILITY now and in the future and used to provide Water Service Capacity to existing and future customers within the certified service area of the UTILITY.

2.26 "Water" means water satisfactory for drinking, cooking and domestic purposes meeting the quality standards of the FDEP.

2.27 "Water Facilities" means all facilities, including but not limited to water transmission, meters and other appurtenant facilities for the provision of piped Water to the DEVELOPER's Property in accordance with all applicable governmental regulations. Water Facilities are necessary for the UTILITY to provide Water Service Capacity to the DEVELOPER's Property.

2.28 "Water Service Capacity" means the readiness and ability of the UTILITY to furnish Water Service to each Lot or Tract in accordance with applicable governmental requirements and regulations. Water Service Capacity is typically expressed as a rate of Water flow measured in GPD.

2.29 "Water Treatment and Production Facilities" means any treatment and production facilities, including wells, plants, pumps and

necessary appurtenant equipment necessary to withdraw and/or treat raw water in order to produce potable water.

SECTION 3 DESIGN, CONSTRUCTION, AND OPERATION OF ON-SITE FACILITIES. The DEVELOPER agrees as a condition precedent to its receipt of Water Service Capacity to do the following:

3.1 Design of On-Site Facilities. The DEVELOPER shall, at its expense, cause its own Florida registered professional engineer to design and produce and submit to the UTILITY for its review and approval or rejection prior to construction, graphic Plans and Specifications for the construction of the On-Site Facilities. The Plans and Specification may be limited to the first Phase only, and subsequent Phases may be furnished from time to time. However, each such Phase shall conform to the Development Plan for the DEVELOPER's Property attached hereto or, if not so attached, such Development Plan shall be submitted to the UTILITY concurrent with or prior to submission of the Plans and Specifications for the first Phase. The DEVELOPER may modify its Development Plan at any time and from time to time with the consent of the UTILITY, which consent shall not be unreasonably withheld, provided such modification does not unduly interfere with existing facilities or commitments or increase the Water Service Capacity required by the DEVELOPER's Property. The DEVELOPER shall submit a copy of the modified plan to the UTILITY. The DEVELOPER shall cause its professional engineer, licensed by the State of Florida, to submit to UTILITY Plans and Specifications governing the materials to be used by DEVELOPER and the method and manner of installation.

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(15)

3.2 Approval of Plans and Specifications for On-Site Facilities. The UTILITY shall review, and reject or approve, any such Plans and Specifications submitted pursuant to Subsection 3.1 hereof within ~~forty~~ ^{five} ~~five (45)~~ days after its receipt of the Plans and Specifications. The DEVELOPER's professional engineer, licensed by the State of Florida, shall make corrections or modifications at DEVELOPER's expense to any portion of the Plans and Specifications which are unacceptable to the UTILITY and shall resubmit the corrected or modified Plans and Specifications to the UTILITY for further review until UTILITY shall have approved the Plans and Specifications. The UTILITY shall have, in each case, ~~thirty (30)~~ days within which to approve or reject any such revision to said Plans and Specifications. Any such submitted Plans and

[Handwritten note] fifteen

[Handwritten signature]
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(15)

Specifications which are not approved or rejected within the time period provided shall be deemed approved. As set forth in the UTILITY's tariff on file with the FPSC, the DEVELOPER shall also pay the UTILITY's costs and expenses incurred in reviewing any such Plans and Specifications within ten (10) days after receipt by the DEVELOPER of written invoice therefor, which charge shall be provided in Section 6.3 hereof.

3.3 Permitting. The DEVELOPER shall, at its expense, obtain all necessary state and local permits or approvals required for the construction of the On-Site Facilities to be constructed pursuant to this Agreement. The DEVELOPER shall send written copies of all permit applications filed with state or local governmental entities to the UTILITY and shall also provide the UTILITY with copies of all written permits, approvals, requests for additional information or denials received by the DEVELOPER in connection with such permit application.

3.4 Construction of On-Site Facilities. After UTILITY's approval of the Plans and Specifications for any phase or portion of the On-Site Facilities, the DEVELOPER shall, at its expense, construct and install that phase or portion of the On-Site Facilities as the same are depicted in the UTILITY approved Plans and Specifications therefor. The DEVELOPER warrants that the On-Site Facilities to be constructed by it pursuant to this Agreement shall be constructed in accordance with the approved Plans and Specifications, and also in accordance with all other applicable federal, state and local laws, regulations, rules and ordinances. All construction of the On-Site Facilities to be constructed or installed by DEVELOPER hereunder shall be done by a Florida certified contractor approved in advance by the UTILITY as competent to perform such work. The UTILITY's approval of such contractor(s) shall not be unreasonably withheld. After completion of construction and prior to acceptance or approval of such Facilities by UTILITY, DEVELOPER, agrees to furnish to UTILITY one (1) set of Mylar Record Drawings showing specification locations, depth, and other appropriate details of all Water Facilities as located by a licensed surveyor along with three (5) prints of the Record Drawings which have been sealed by the surveyor. Prior to acceptance by UTILITY, DEVELOPER shall provide UTILITY with a certification by DEVELOPER's Registered Professional Engineer of Record that the facilities described in such Record Drawings were constructed, pressure tested, and bacteriologically cleared in accordance with approved plans and specifications, and applicable regulatory requirements. In addition, DEVELOPER will provide UTILITY with three (3) sets of all

appropriate manuals for operation of any pumping stations and other mechanical and electrical equipment installed by DEVELOPER, as applicable.

3.5 Inspection, Testing, and Approval of Construction. During the construction of the On-Site Facilities by DEVELOPER, the UTILITY shall have the continuing right to inspect such installations to determine compliance with the Plans and Specifications. The UTILITY shall have the right to control the quality of the installation, and further, shall be entitled to perform standard tests for pressure, exfiltration, infiltration, line and grade, and all other normal engineering tests to determine that the system has been installed in accordance with the Plans and Specifications and good engineering practices, but it shall remain the responsibility of the DEVELOPER's Registered Professional Engineer of Record to certify that such construction by the DEVELOPER complies with approved plans and specifications and applicable regulatory requirements. DEVELOPER agrees to pay to UTILITY a reasonable sum to cover the cost of inspection of installations made by DEVELOPER or DEVELOPER's contractor, which charge shall be as provided in Subsection 6.3 hereof.

3.6 Conveyance or Dedication of Facilities and Easements. Prior to acceptance of any phase or portion of the On-Site Facilities for ownership, operation and maintenance by the UTILITY, the DEVELOPER shall, with the respect to such phase or portion constructed or otherwise provided by the DEVELOPER, (a) convey, grant or dedicate to the UTILITY free and clear of all liens and encumbrances, such easements as are reasonably necessary for the UTILITY to own, operate, maintain, repair, expand, and replace the On-Site Facilities accepted by the UTILITY, including all On-Site Facilities constructed thereon, and (b) transfer and convey to the extent that the same are transferable all governmental approvals and permits that will enable the UTILITY to operate the applicable phase or portion of those On-Site Facilities and provide Water Service Capacity to the Improvements, and notify all governmental agencies of such transfer and conveyance as may be required by law. The UTILITY shall review and approve or reject within ~~forty-five (45)~~ ^{after (15)} days after receipt thereof, all documents submitted by the DEVELOPER pursuant to this Subsection 3.6.

Additionally, No later than ten (10) days after written request by the UTILITY (but prior to the UTILITY's acceptance of any phase of the On-Site Facilities), the DEVELOPER shall provide the UTILITY either:
a) a title report by a Florida title company acceptable to UTILITY, or b)

an opinion of DEVELOPER's counsel. Said title report or opinion of counsel shall be to the effect that the lands to be encumbered by all easements to be conveyed or dedicated by the DEVELOPER to the UTILITY pursuant to this Agreement with respect to that phase or portion of the On-Site Facilities to be accepted by the UTILITY for ownership, operation, and maintenance are, in fact, owned by the DEVELOPER, free and clear of all liens (including mechanics' liens) and encumbrances, other than those acceptable and approved by the UTILITY. Should any of said liens and encumbrances be unacceptable to UTILITY, UTILITY shall notify DEVELOPER in writing within twenty (20) days of UTILITY's receipt of the title report or opinion of counsel. UTILITY's failure to notify DEVELOPER in writing of any unacceptable liens and encumbrances within said twenty (20) day period shall be deemed as UTILITY's approval of those liens and encumbrances. Such title report or opinion of counsel, when rendered, may reflect that the lands involved are encumbered by a development mortgage or mortgages, but any such mortgage or mortgages must be subordinated to or released from the lands upon which easements are to be granted to the UTILITY pursuant to this Agreement at the time such On-Site Facilities and easements are granted to the UTILITY.

Notwithstanding the above, whenever the development of the DEVELOPER's Property involves one customer or a unity of title of several customers, and/or in the opinion of utility ownership by the UTILITY of the On-Site Facilities is not necessary, that at the option of UTILITY, DEVELOPER shall retain ownership and the obligation for maintenance of such On-Site Facilities as UTILITY shall hereinafter designate in writing.

As long as said Property then remains in one Customer, DEVELOPER or its successors or assigns shall have the right to retain ownership and the obligation for maintenance. The retention of ownership of such On-Site Facilities by DEVELOPER shall not diminish the right of UTILITY to provide service to the property of others by or through the full utilization of such easement rights as provided for herein and utilization for such purpose in accordance with the Master Plan. In the event of such use by others, DEVELOPER's cost of maintaining such On-Site Facilities shall be shared between DEVELOPER and UTILITY (or DEVELOPER and other parties when DEVELOPER retains ownership of such On-Site Facilities) in accordance with each such party's hydraulic share (based on each party's proportionate flows) or such other method as said party shall mutually determine. Notwithstanding anything to the contrary contained herein, the UTILITY shall not be required to accept title to any Customer Installations.

3.7 Characterization and Surrender of On-Site Facilities. Upon acceptance by the UTILITY of any On-Site Facilities as aforesaid, the accepted facilities shall become part of the UTILITY's System (as appropriate), and the DEVELOPER shall surrender control of said On-Site Facilities and execute and deliver to the UTILITY all documents or instruments necessary for that purpose, including but not limited to a Bill of Sale and a Waiver and Release of Lien, both in a form acceptable to the UTILITY. If the DEVELOPER shall fail or refuse to do so, then the UTILITY shall be entitled to specifically enforce the provisions of this Subsection 3.7 against the DEVELOPER.

3.8 Bonding/Warranty Requirements. After receipt of the DEVELOPER's Registered Professional Engineer's certification that the facilities were constructed, tested, and cleared in accordance with approved plans and specifications and all applicable regulatory requirements, UTILITY agrees to accept and maintain each phase of On-Site Facilities that is completed by DEVELOPER, except for Customer Installations which are not the responsibility of UTILITY as hereinafter provided. DEVELOPER shall indemnify and hold UTILITY harmless from and in respect of any repairs or replacements required to be made to said On-site Facilities conveyed by DEVELOPER to UTILITY which occur within one (1) year from the date of acceptance of said On-Site Facilities by the UTILITY. Simultaneously, with the conveyance of the On-Site Facilities described above from DEVELOPER to UTILITY, the DEVELOPER shall deliver to UTILITY an executed contract bond in the total amount of the actual costs of construction of said On-Site Facilities. The contract bond shall have as the surety thereon, such surety company as is authorized to write bonds of such character and amount in accordance with the laws of the State of Florida. The attorney-in-fact, or other officer who signs such contract bond for a surety company shall file with such Bond a certified copy of his power of attorney authorizing him to do so. The contract bond may be written either, with the DEVELOPER's contractor as "principal" and the DEVELOPER and the UTILITY as "co-obligees" or, in the alternative, with the DEVELOPER as principal and the UTILITY as the "obligee". The contract bond shall remain in force for one (1) year following the date of final acceptance by UTILITY of the work done pursuant to this Agreement to protect the UTILITY against losses resulting from any and all defects in materials or improper performance of that work. Upon demand by the UTILITY, the DEVELOPER shall correct or cause to be corrected all such defects which are discovered within said warranty period or periods as set forth above, failing which UTILITY shall make such repairs and/or correct such defects in materials and the

DEVELOPER and/or its surety shall be liable to UTILITY for its costs arising therefrom.

DEVELOPER shall provide UTILITY with a Letter of Warranty in a form acceptable to UTILITY.

DEVELOPER may request that UTILITY waive the bonding requirement and accept in its place an indemnification from DEVELOPER. In such case, DEVELOPER shall indemnify and hold UTILITY harmless from an in respect of any repairs or replacements required to be made to said On-Site Facilities conveyed by DEVELOPER to UTILITY which occur within one (1) year from the date of inspection and acceptance of said On-Site Facilities by the UTILITY. Should DEVELOPER wish to request said waiver, a written request shall be made to UTILITY, and UTILITY shall either approve or deny said request within twenty (20) days of its receipt of the written request.

Upon demand by the UTILITY, the DEVELOPER shall correct or cause to be corrected all such defects which are discovered within said warranty period or periods as set forth above, failing which UTILITY shall make such repairs and/or correct such defects in materials or facilities and the DEVELOPER shall be liable to UTILITY for its costs arising therefrom.

DEVELOPER agrees to provide to UTILITY a copy of the Construction Contractor's One Year Warranty and any applicable equipment Warranties and to the extent possible shall assign such warranties to UTILITY.

3.9 Assurance of Title to Property. Within a period of forty-five (45) days after the execution of this contract, at the expense of DEVELOPER, DEVELOPER shall deliver to UTILITY an opinion of title from a qualified attorney-at-law, or a title report by a Florida title company acceptable to UTILITY, with respect to the DEVELOPER's Property, which opinion or report shall include a current report on the status of the title, setting out the name of the legal title holders, the outstanding mortgages, taxes, liens, tenancies or parties in possession and other covenants affecting the DEVELOPER's Property. The provisions of this Section are for the purpose of evidencing DEVELOPER's legal right to grant the exclusive rights of service and lien rights contained in this Agreement.

3.10 Effect of Reviews, Inspections, Approvals, and Acceptances. The reviews, inspections, approvals and acceptances by the UTILITY of the Plans and Specifications and construction shall not constitute a waiver of any claims arising from (1) faulty or defective design, (2) faulty or defective construction, (3) unsettled liens and encumbrances, and (4) tort claims.

3.11 Operation and Maintenance of On-Site Facilities. Subject to the DEVELOPER's compliance with Sections 3 and 5 hereof, the UTILITY or its successors shall in writing accept ownership and assume responsibility for the operation and maintenance of those On-Site Facilities for which the UTILITY has approved the design, construction, and documents specified in Subsection 3.6, excluding the Customer Installations. Upon acceptance of ownership and assumption of the responsibility for the operation and maintenance of any such On-Site Facilities by the UTILITY as contemplated in this Agreement, all customers of those On-Site Facilities shall be deemed customers of the UTILITY's System, and the UTILITY shall set and collect all water rates, fees, charges and deposits for those On-Site Facilities, without exception, in accordance with its Tariff. In addition to other applicable requirements, all property owners and customers must provide at their expense necessary individual service lines, or UTILITY will provide such lines for a fee, as a condition precedent to receiving Water Service Capacity from the UTILITY.

SECTION 4 OFF-SITE FACILITIES. Where applicable, and as required by the approved Plans and Specifications, the DEVELOPER shall construct and install at its sole expense any Off-Site Facilities required to extend Water Service Capacity to the DEVELOPER's Property, in accordance with the Master Plan. The construction and conveyance of all such Off-Site Facilities shall be governed by the terms and provisions of Section 3 hereof.

SECTION 5 EASEMENTS.

5.1 Grant of Easements. The DEVELOPER hereby grants and gives to the UTILITY, its successors and assigns, subject to the terms of this Agreement, the exclusive right or privilege to construct, install, own, maintain, expand, and operate Water Facilities (hereafter "Facilities") in, under, upon, over, and across the DEVELOPER's Property to serve the DEVELOPER's Property; and to provide service to the property of others in accordance with the Master Plan, an exclusive right or privilege to construct, install, own, maintain, repair, and operate said Facilities in, under, upon, over, and across the present and future streets, roads, terraces, alleys, easements, reserved utility strips, and utility sites, and

any public place or common area as provided for dedicated to, or otherwise available for public use, whether or not provided for in any plats, agreements, dedications, or grants of record. The blanket easements to facilitate service to DEVELOPER's Property shall be released upon the location of the actual easements when constructed. DEVELOPER agrees to execute specific easements to be recorded in the public records. In the event the UTILITY wrongfully fails to provide Water Service Capacity as set forth in this Agreement, DEVELOPER may revoke the exclusivity of this grant and be released of liability for additional easements not then being utilized by UTILITY and make such other arrangements as it deems necessary for the further provisions of Water Service Capacity to the DEVELOPER's Property.

5.2 Rights of Ingress and Egress. The foregoing grants include the necessary right of ingress and egress to any part of the DEVELOPER's Property upon which UTILITY is constructing, operating, or maintaining such Facilities; the foregoing grants shall be for such period of time as and to the fullest extent that UTILITY or its successors or assigns require such rights, privileges or easements in the construction, ownership, maintenance, operation, repair, or expansion of said Facilities.

5.3 Private Property Installations. In the event mains, lines, or facilities are to be installed in lands within or outside the DEVELOPER's Property, in areas outside of streets and public ways, then DEVELOPER or the owner shall grant to UTILITY, without cost to UTILITY, the necessary easement or easements for such private property installation by express grant; provided, all such private property installations shall be made in such manner as not to interfere with the then primary use of such private property as represented by DEVELOPER herein.

5.4 Errors in Line Locations. The UTILITY and DEVELOPER will use due diligence in ascertaining all easement locations; however, should UTILITY or DEVELOPER install any Facilities outside a dedicated easement area, UTILITY will not be required to move or relocate any such Facilities lying outside a dedicated easement area, or private easement area conveyed by an express grant, so long as the Facilities do not interfere with the then or proposed use of the area in which the Facilities have been installed, and so long as the UTILITY obtains a private easement for such line location, which DEVELOPER will give if same is within its reasonable power to do so. Should the UTILITY be obligated to relocate any such Facility installed by DEVELOPER, then DEVELOPER shall reimburse to the UTILITY, the UTILITY's cost

reasonably incurred in connection with such relocation. The UTILITY shall be responsible for the relocation of any such Facility installed by the UTILITY.

5.5 Use of Easement Grants. The UTILITY agrees that all easement grants will be utilized in accordance with the established and generally accepted practices of the water industry with respect to the installation of all such Facilities in any of the easement areas to serve the DEVELOPER's Property and the property of others in accordance with the Master Plan; and that DEVELOPER or DEVELOPER's successors or assigns in granting any easement herein, or pursuant to the terms of this instrument, shall have the right to grant exclusive or non-exclusive rights, privileges and easements to other persons, firms, or corporations to provide to the Property any utility services other than water service.

SECTION 6 RATES, FEES, AND CHARGES. As a condition to the provision of Water Service Capacity, the DEVELOPER agrees to pay certain rates, fees and charges as Contributions-in-Aid-of-Construction as hereinafter set forth in this Section 6, and as more specifically described in Exhibit E and E-1 attached hereto and made a part hereof by this reference. All rates, fees and charges as set forth herein are due from DEVELOPER to UTILITY upon execution of this Agreement.

6.1 Service Availability Charges.

(1) To induce the UTILITY to provide Water Treatment and Production Facilities to DEVELOPER for use on the DEVELOPER's Property, the DEVELOPER agrees to pay the UTILITY Plant Capacity Charges in the amount of \$700.00 per ERC or EDU for water capacity. Accordingly, the DEVELOPER's total Plant Capacity Charges, based upon 150.5882 ERC's or EDUs for water capacity, is One Hundred Six Thousand Eight Hundred Thirty Eight and 74/100 Dollars (\$106,838.74) pursuant to this Section 6 and as specified in Exhibit E and E-1. Additionally, the DEVELOPER agrees to pay the UTILITY Allowance for Funds Prudently Invested. The number of ERCs of Water Service Capacity attributable to each Customer Installation shall be determined in accordance with the UTILITY's rules and regulations, the UTILITY's tariff on file with the FPSC and the applicable FPSC regulations.

(2) The DEVELOPER shall be required to pay the applicable charge (as set by UTILITY from time to time) for water meters and meter installations of sufficient capacity for all single-family, residential, multi-family, mobile home, commercial

installation or any other connection requiring a measuring device. A current schedule of meter charges has been attached to and incorporated in this Agreement as Exhibit E and E-1.

6.2 Rates and Charges. Rates and other charges to DEVELOPER and/or individual customers of Water Service Capacity shall be those set forth from time to time in the Tariff approved by the FPSC. However, notwithstanding any provision in this Agreement, the UTILITY may establish, amend, revise, and enforce, from time to time in the future, its Tariff (including capacity for connection charges and Guaranteed Revenue Charges), provided that such rates, fees, charges, and deposits are uniformly applied to customers in its service area and are non-discriminatory as applied to the same classification of service throughout its service area, subject to FPSC approval. The UTILITY may establish, amend, or revise, from time to time in the future, and enforce rules and regulations covering Water Service Capacity to the DEVELOPER's Property. Such rules and regulations so established by the UTILITY shall at all times be reasonable and subject to such regulation as may be applicable. Any initial or future lower or increased rate, rate schedules, capacity charges or other fees and charges, and rules and regulations established, amended or revised and enforced by the UTILITY from time to time in the future, shall be binding upon DEVELOPER, upon any person or other entity holding by, through or under DEVELOPER, and upon any user or customer of the Water Service Capacity provided to the DEVELOPER's Property.

6.3 Engineering Review and Inspection Fees. Pursuant to the provisions of Section 3 and Section 4 of this Agreement, and as set forth in the UTILITY's tariff on file with the FPSC in order to recover actual costs incurred by the UTILITY, DEVELOPER shall pay to the UTILITY Engineering Review and Inspection Fees in the sum of Seven Hundred Fifty and No/100 Dollars (\$750.00), upon execution of this Agreement. Said fees shall include the following:

- (1) Review by the UTILITY and its engineers of DEVELOPER's engineering Plans and Specifications for DEVELOPER's On-Site and Off-Site Facilities; and
- (2) Review and inspection by the UTILITY or its engineers of DEVELOPER's construction of its On-Site and Off-Site Facilities as provided for in this Agreement.

6.4 Payment of Customer Deposits. The DEVELOPER shall pay to the UTILITY the appropriate customer deposit as provided by the

UTILITY tariff which shall be held as customer deposits and will be administered in accordance with the provisions of the Tariff and FPSC requirements.

6.5 Reimbursement of Legal and Administrative Costs. In preparing this Agreement, the UTILITY has incurred substantial "up-front" legal and administrative costs. Upon the execution of this Agreement, the DEVELOPER shall pay to the UTILITY a fee in the amount of \$500.00 to defray the UTILITY's legal and administrative costs in negotiating, preparing, and executing this Agreement. Additionally, Recording Fees shall be paid as noted in Exhibit E and E-1.

6.6 General Rate Provisions.

(1) Payment of the sums set forth in this Section 6 does not and will not result in the UTILITY waiving any of its rates, fees, charges, rate schedules, or rules and regulations, and their enforcement shall not be affected in any manner whatsoever by DEVELOPER making the contribution. The UTILITY shall not be obligated to refund to DEVELOPER any portion of such sums for any reason whatsoever, except as specifically provided herein. In the event that the UTILITY fails to provide Water Service Capacity as provided for herein, the UTILITY shall not be obligated to pay any interest or rate of interest upon such sums. In the event the UTILITY fails to provide Water Service Capacity as provided for above, DEVELOPER shall be entitled to a refund of all moneys paid hereunder in which event the parties shall be released from any and all liability or obligation to the other arising hereunder or, in lieu thereof, the DEVELOPER shall have the right to pursue any other remedies, if any, available to it.

(2) Neither DEVELOPER nor any person or other entity holding any of the Property by, through or under DEVELOPER, or otherwise, shall have any present or future right, title, claim, or interest in and to the contributions or to any of the water facilities and properties of the UTILITY, and all prohibitions applicable to DEVELOPER with respect to no refund of any such charges or contributions, no interest payment on said charges or contributions and otherwise, are applicable to all persons or entities, except for that which may be provided in this Section.

(3) Any user or customer of Water Service Capacity shall not be entitled to offset any bill or bills rendered by the UTILITY for such service or services against the contributions or charges. DEVELOPER shall not be entitled to offset the contributions or charges against any claim or claims of the UTILITY.

(4) If all or any portion of the UTILITY's System is acquired by a governmental entity, DEVELOPER acknowledges and agrees that any right to refund it may have under this Agreement shall terminate, expire, and be of no further force or effect.

SECTION 7 ALLOCATION AND PROVISION OF WATER SERVICE CAPACITY.

7.1 Allocation. Subject to the DEVELOPER's compliance with the terms and conditions of this Agreement; the UTILITY hereby agrees to allocate and reserve Thirty Four Thousand Four Hundred Twenty Five (34,425) GPD for the Single Family Homes, Three Thousand Three Hundred Seventy Five (3,375) GDP for the Clubhouse and Six Hundred (600) GPD for the two Comfort stations and 00/100 for a total of (38,400) GPD of Water Service Capacity to the DEVELOPER for use by the DEVELOPER with its Improvements on the DEVELOPER's Property, as specified in Exhibit B. Any such allocated Water Service Capacity which is not connected or used by the DEVELOPER within five (5) years from the date of execution of this Agreement shall revert back to the UTILITY, and, in such an event, the UTILITY shall not be obligated to refund Plant Capacity Charges or other rates, fees, or charges paid by the DEVELOPER. The Water Service Capacity reserved pursuant to this Agreement shall be made available for use by the DEVELOPER, its successors and assigns in accordance with the provisions of Section 8, hereof.

7.2 Provision of Water Service Capacity. Upon the completed conveyance of On-Site Facilities to the UTILITY, payment of applicable rates, fees and charges, and the physical connection of a given Customer Installation to the UTILITY's System, the UTILITY agrees to continuously provide Water Service Capacity to said Customer Installation in accordance with the terms and conditions of this Agreement, its Tariff, and applicable requirements of the FPSC and FDEP. Notwithstanding the above, the UTILITY does not guarantee or warrant any special service, pressure, quality, or other facility other than what is required to fulfill a duty of reasonable care to the customers to whom it provides such Water Service Capacity.

7.3 Prior Approvals. Notwithstanding anything to the contrary contained in this Agreement, the parties recognize that the parties may be required to obtain approvals from various governmental authorities having jurisdiction and regulatory power over the construction, maintenance and operations of the Water Treatment and Production Facilities and Water Facilities, before it can render service to the DEVELOPER's Property. The parties will diligently and earnestly make the necessary and proper applications to all governmental authorities, and will pursue the same to the end that it will use its best efforts to obtain such approvals. Applications for the approval of Plans and Specifications for those said Facilities to be constructed by the DEVELOPER shall be forwarded by DEVELOPER's engineers to the applicable governmental agencies subsequent to the UTILITY's approval of such Plans and Specifications. This Agreement shall be filed for record with the applicable governmental agency.

SECTION 8 CUSTOMER INSTALLATIONS.

8.1 Notice of Initial Connection to UTILITY's System. The DEVELOPER shall give the UTILITY written notice that DEVELOPER is connecting the On-Site Facilities to the UTILITY's System not less than ten (10) business days prior to said connection(s) so that the UTILITY may inspect said connection(s); ~~provided;~~ however, that if the date of inspection occurs on a Saturday, Sunday, or legal holiday, the UTILITY may postpone its inspection until the next occurring day which is not a Saturday, Sunday, or legal holiday. If DEVELOPER fails to give said written notice, the UTILITY may require DEVELOPER to uncover and expose said connection for inspection, at the sole cost of DEVELOPER or the UTILITY may disconnect any DEVELOPER installations from the UTILITY's system at the DEVELOPER's expense.

8.2 Connection of Individual Customer Installations. Although the responsibility for connecting the installation to the UTILITY at the Point of Delivery is that of the DEVELOPER or entity other than UTILITY, with reference to such connections, the parties agree as follows:

- (1) Only cast iron, PVC, or other such materials as UTILITY may reasonably approve in writing shall be used for said connections;
- (2) Except as otherwise provided in Subsection (4) below, all Customer Installation connections must be inspected by UTILITY before backfilling and covering of any pipes;

(3) Notice to UTILITY requesting an inspection of a Customer Installation connection may be given by the plumber or DEVELOPER, and UTILITY will make a good effort to inspect said Customer Installation within forty-eight (48) hours of said notice, or on the next occurring day which is not a Saturday, Sunday or legal holiday;

(4) If UTILITY fails to inspect the Customer Installation connection within forty-eight (48) hours after such inspection is due to occur as provided hereabove, the DEVELOPER or owner may backfill or cover the pipes without UTILITY's approval; provided, however, the DEVELOPER shall remain liable for any claims arising from (a) faulty or defective design, (b) faulty or defective construction, and (c) tort claims associated with said pipes and backfilling.

(5) If the DEVELOPER does not comply with the foregoing inspection provisions, UTILITY may refuse service to a connection that has not been inspected until DEVELOPER complies with these provisions or may disconnect any DEVELOPER installation that has improperly been connected to the UTILITY's system at DEVELOPER's expense, and..

(6) The cost of constructing, operating, repairing, or maintaining the Customer Installations shall be that of DEVELOPER or others than UTILITY.

8.3 Application for Service. The DEVELOPER, its successors, or the occupant(s) of the DEVELOPER's Property, shall make written application to the UTILITY for the opening of an account(s) for service. Said application is to be made only after the payment of all System Capacity Charges and other capital contributions as required in Section 6 hereof. At the time of making said application for service, the applicant shall pay all service charges as set forth in the Tariff filed with the FPSC. Within ten (10) business days after DEVELOPER's receipt of any building permits for construction of all or any portion of the Improvements, the DEVELOPER shall send a true copy of any such building permits to the UTILITY.

SECTION 9 INCORPORATION OF LAWS, RULES, AND POLICIES. This Agreement shall be read in conjunction with and be subject to all existing and future federal, state, and local laws, rules and policies applicable to water utilities in any manner or form, and all existing and future UTILITY rules, policies, and Tariff provisions.

SECTION 10 COVENANT NOT TO ENGAGE IN UTILITY BUSINESS. The DEVELOPER, as a further consideration for this Agreement, agrees that it will not engage in the business of providing Water Service Capacity to the DEVELOPER's Property during the period of time the UTILITY, its successors and assigns, provide Water Service Capacity to the DEVELOPER's Property, it being the intention of the parties hereto that the foregoing provision shall be a covenant running with the land and under said provision and also under other provisions of this Agreement the UTILITY shall have the sole and exclusive right and privilege to provide Water Service Capacity to the DEVELOPER's property and to the occupants of each residence, building or unit constructed thereon.

SECTION 11 DISCLAIMERS; LIMITATIONS ON LIABILITY.

11.1 STATUS. THE PARTIES DEEM EACH OTHER TO BE INDEPENDENT CONTRACTORS, AND NOT AGENTS OF THE OTHER.

11.2 INDEMNITY. THE DEVELOPER SHALL INDEMNIFY THE UTILITY, ITS RESPECTIVE AGENTS AND EMPLOYEES, FROM AND AGAINST ANY AND ALL CLAIMS, LIABILITY, DEMANDS, DAMAGES, EXPENSES, FEES, FINES, PENALTIES, SUITS, PROCEEDINGS, ACTIONS AND FEES, INCLUDING ATTORNEY'S FEES, FOR INJURY (INCLUDING DEATH) TO PERSONS OR DAMAGE TO PROPERTY OR PROPERTY RIGHTS THAT MAY ARRIVE FROM OR BE RELATED TO ACTS, ERRORS, OR OMISSIONS OF THE DEVELOPER, ITS AGENTS, EMPLOYEES, SERVANTS, LICENSEES, INVITEES, OR CONTRACTORS OR BY ANY PERSON UNDER THE CONTROL OR DIRECTION OF THE DEVELOPER, OR BY THE DEVELOPER'S USE OF THE UTILITY'S SYSTEM, AND THE DEVELOPER SHALL INDEMNIFY THE UTILITY AS AFORESAID FROM ALL LIABILITY, CLAIMS AND ALL OTHER ITEMS ABOVE MENTIONED, ARISING OR GROWING OUT OF OR CONNECTED WITH ANY DEFAULT, BREACH, VIOLATION OR NONPERFORMANCE BY THE DEVELOPER OF ANY COVENANT, CONDITION, AGREEMENT OR PROVISION CONTAINED IN THIS AGREEMENT CONCERNING ALL OR ANY PART OF THE UTILITY'S SYSTEM.

11.3 FORCE MAJEURE. THE UTILITY SHALL NOT BE LIABLE OR RESPONSIBLE TO THE DEVELOPER BY REASON OF THE FAILURE OR INABILITY OF THE UTILITY TO TAKE ANY ACTION IT IS REQUIRED TO TAKE OR TO COMPLY WITH THE REQUIREMENTS IMPOSED HEREBY (OR ANY INJURY TO

THE DEVELOPER OR BY THOSE CLAIMING BY OR THROUGH THE DEVELOPER, WHICH FAILURE, INABILITY OR INJURY IS CAUSED DIRECTLY OR INDIRECTLY BY FORCE MAJEURE AS HEREINAFTER SET FORTH). THE TERM "FORCE MAJEURE" AS EMPLOYED HEREIN SHALL MEAN ACTS OF GOD, STRIKES, LOCK-OUTS OR OTHER INDUSTRIAL DISTURBANCE; ACTS OF PUBLIC ENEMIES, WAR BLOCKAGES, RIOTS, ACTS OF ARMED FORCES, MILITIA, OR PUBLIC AUTHORITY, EPIDEMICS; BREAKDOWN OF OR DAMAGE TO MACHINERY, PUMPS, OR PIPE LINES; LANDSLIDES, EARTHQUAKES, FIRES, STORMS, FLOODS, OR WASHOUTS; ARRESTS, TITLE DISPUTES, OR OTHER LITIGATION; GOVERNMENTAL RESTRAINTS OF ANY NATURE WHETHER FEDERAL, STATE, COUNTY, MUNICIPAL OR OTHERWISE, CIVIL OR MILITARY; CIVIL DISTURBANCES; EXPLOSIONS, FAILURE OR INABILITY TO OBTAIN NECESSARY MATERIALS, SUPPLIES, LABOR OR PERMITS OR GOVERNMENTAL APPROVALS WHETHER RESULTING FROM OR PURSUANT TO EXISTING OR FUTURE RULES, REGULATIONS, ORDERS, LAWS OR PROCLAMATIONS WHETHER FEDERAL, STATE, COUNTY, MUNICIPAL OR OTHERWISE, CIVIL OR MILITARY; OR BY ANY OTHER CAUSES, WHETHER OR NOT OF THE ~~SAME~~ KIND ENUMERATED HEREIN, NOT WITHIN THE SOLE CONTROL OF THE UTILITY AND WHICH BY EXERCISE OF DUE DILIGENCE THE UTILITY IS UNABLE TO OVERCOME.

11.4 DISCLAIMER OF THIRD PARTY BENEFICIARIES. THIS AGREEMENT IS SOLELY FOR THE BENEFIT OF AND SHALL BE BINDING UPON THE FORMAL PARTIES HERETO AND THEIR RESPECTIVE AUTHORIZED SUCCESSORS AND ASSIGNS, AND NO RIGHT OR CAUSE OF ACTION SHALL ACCRUE UPON OR BY REASON HEREOF, TO OR FOR THE BENEFIT OF ANY THIRD PARTY NOT A PARTY TO THIS AGREEMENT OR AN AUTHORIZED SUCCESSOR OR ASSIGNEE THEREOF.

11.5 DISCLAIMER OF SECURITY. NOTWITHSTANDING ANY OTHER PROVISION OF THIS AGREEMENT, THE DEVELOPER EXPRESSLY ACKNOWLEDGES (1) THAT IT HAS NO PLEDGE OF OR LIEN UPON ANY REAL PROPERTY (INCLUDING, SPECIFICALLY, THE UTILITY'S SYSTEM), ANY PERSONAL PROPERTY, OR ANY EXISTING OR FUTURE REVENUE SOURCE OF THE UTILITY (INCLUDING, SPECIFICALLY, ANY

REVENUES OR RATES, FEES, OR CHARGES COLLECTED BY THE UTILITY IN THE CONNECTION WITH THE UTILITY'S SYSTEM) AS SECURITY FOR ANY AMOUNTS OF MONEY PAYABLE BY THE UTILITY UNDER THIS AGREEMENT; AND (2) THAT ITS RIGHTS TO ANY PAYMENTS OR CREDITS UNDER THIS AGREEMENT ARE SUBORDINATE TO THE RIGHTS OF ALL HOLDERS OF ANY STOCKS, BONDS, OR NOTES OF THE UTILITY, WHETHER CURRENTLY OUTSTANDING OR HEREAFTER ISSUED.

SECTION 12 TERMINATION AND OTHER REMEDIES. The UTILITY shall have the right, for any length of time, to terminate this Agreement, refuse to provide or terminate Water Service Capacity to the DEVELOPER or any structure on the DEVELOPER's Property in the event the DEVELOPER, or its successors and assigns fail to comply with any of the terms and conditions of the Agreement concerning all or any part of the UTILITY's System, UTILITY rules or policies, or any other general or special law or revisions thereof at any time (as may be determined by the UTILITY). Nothing contained in this Agreement shall be construed to prohibit the UTILITY from exercising or utilizing any other appropriate remedies for the enforcement of the terms and conditions of this Agreement by whatever means are provided by law or equity, including but not limited to the right of specific performance. In connection with any litigation, including appellate proceedings arising out of this Agreement or the violation of any law, rule, regulation, ordinance, resolution, or permit, if the UTILITY prevails it shall be entitled to recover reasonable attorneys' fees and costs hereunder. The exercise of UTILITY's termination or refusal rights hereunder shall, however, be subject to the UTILITY's and the FPSC's rules and regulations.

SECTION 13 NOTICE, PROPER FORM. Any notices required or allowed to be delivered hereunder shall be in writing and shall be deemed to be delivered when (1) hand delivered to the official hereinafter designated, or (2) upon receipt of such notice when deposited in the United States mail, postage prepaid, certified mail, return receipt requested, addressed to a party at the address set forth under the party's name below, or at such other address as the party shall have specified by written notice to the other parties delivered in accordance herewith:

UTILITY: John L. Tillman
Senior Vice President, Business Development
Florida Water Services Corporation
1000 Color Place
Apopka, Florida 32703

DEVELOPER: The Summits Land Trust

Robert A. Davis
Trustee
1311 South Vineland Road
Winter Garden, FL 34787

SECTION 14 NOTICES; DEFAULT. Each of the parties hereto shall give the other party written notice of any defaults hereunder and shall allow the defaulting party (1) thirty (30) days from the date of its receipt of such notice within which to cure any such defaults not related to the payment of money, or to commence and thereafter diligently pursue to completion good faith efforts to effect such cure and to thereafter notify the other party of the actual cure of any such defaults, or (2) ten (10) days from the date of its receipt of such notice within which to cure any such defaults related to the payment of money.

SECTION 15 ASSIGNMENTS.

15.1 Assignments by DEVELOPER. Except as expressly provided herein, the DEVELOPER agrees not to assign or transfer all or any portion of this Agreement. The allocation of Water Service Capacity granted to DEVELOPER may be assigned, transferred, leased, encumbered or disposed of if and only if:

- (1) The DEVELOPER has obtained the prior written consent of the UTILITY to such an assignment, sale or disposition;
- (2) The assignment is in direct connection with a bona fide sale of the DEVELOPER's Property or a portion thereof to which the Water Capacity reserve relates, and the UTILITY is notified in writing of such assignment; and
- (3) The assignee pays all of the UTILITY's legal and administrative costs incurred in connection with such Assignment and assumes all of the duties and obligations of the assignor under this Agreement.

In no instance shall any sale or assignment of Water Service Capacity reserved be made by DEVELOPER for a consideration which is more than that amount actually paid by DEVELOPER to reserve the Capacity, less any reimbursements. In all instances, the DEVELOPER and any assignee shall provide to the UTILITY, at the UTILITY's request, copies of all documents and such other information pertaining to or affecting such transfer as the UTILITY shall reasonably request.

15.2 Maintenance of Water Service Capacity. The UTILITY shall have the right to allocate its remaining unused Water Service Capacity

not allocated pursuant to this Agreement to other users as it determines to be in the public interest. Notwithstanding the entitlement contained in Section 7 and the provisions of Section 8, the UTILITY may otherwise allocate Water Service Capacity in the Water Facilities to other users as it determines to be in the public interest and shall not be deemed in default of this Agreement so long as the UTILITY determines that it can provide Water Service Capacity to the DEVELOPER in the amount demanded by it no later than ninety (90) days after receipt of written demand from the DEVELOPER, or upon such later date as may be agreed to by the parties in writing.

15.3 Assignments by UTILITY. The UTILITY shall have the right to assign or transfer this Agreement or the rights and responsibilities contained herein to any properly authorized commission, authority, corporation, or other public or private person, firm, or entity without consent of the DEVELOPER.

15.4 Notice of Transfer of DEVELOPER's Property. The DEVELOPER agrees to provide proper written notice to the UTILITY of the actual date of the legal transfer of Water Service Capacity from DEVELOPER to any third party. The DEVELOPER shall remain responsible for all costs and expenses, including utility bills, which arise as a result of DEVELOPER's failure to notify or improper notification to the UTILITY.

15.5 Binding Agreement on Successors. This Agreement shall be binding upon and shall inure to the benefit of the DEVELOPER, the UTILITY and their respective successors and assigns.

SECTION 16 RECORDATION. The parties hereto agree that an executed copy of this Agreement and Exhibits attached hereto shall be recorded in the Public Records of Lake County, Florida at the expense of the DEVELOPER.

SECTION 17 CERTIFICATE AMENDMENT. The parties hereto agree that, in the event that the DEVELOPER's Property lies outside of UTILITY's certificated area. DEVELOPER agrees to support the UTILITY's certificate amendment application and to cooperate fully with UTILITY in pursuit thereof. This agreement is subject to FPSC approval of said certificate amendment application.

SECTION 18 APPLICABLE LAW. This Agreement and the provisions contained herein shall be construed, controlled, and interpreted according to the laws of the State of Florida.

SECTION 19 SURVIVAL OF COVENANTS. The rights, privileges, obligations, and covenants of the DEVELOPER and the UTILITY shall survive the completion of the work

of the DEVELOPER with respect to any phase and to the DEVELOPER's Property as a whole.

SECTION 20 SEVERABILITY. If any part of this Agreement is found invalid or unenforceable by any court, such invalidity or unenforceability shall not affect the other parts of this Agreement if the rights and obligations of the parties contained therein are not materially prejudiced, and if the intentions of the parties can continue to be effected. To that end, this Agreement is declared severable.

SECTION 21 RECOVERY OF COSTS AND FEES. In the event the UTILITY or DEVELOPER is required to enforce this Agreement by court proceedings or otherwise, then the prevailing party shall be entitled to recover from the other party all costs incurred, including reasonable attorneys' fees, whether incurred prior to, during, or subsequent to such court proceedings or on appeal.

SECTION 22 AUTHORITY TO EXECUTE AGREEMENT. The signature by any person to this Agreement shall be deemed a personal warranty by that person that he has the full power and authority to bind any corporation, partnership, or any other business entity for which he purports to act hereunder.

If the DEVELOPER is a corporation, DEVELOPER shall provide UTILITY with a Certificate from the Florida Secretary of State's office, certifying that the DEVELOPER is a corporation in good standing. Additionally, DEVELOPER shall submit to UTILITY, in a form acceptable to UTILITY, a certified resolution of the corporate entity, certifying that the person executing this Agreement has the authority to do so on behalf of the DEVELOPER.

If the DEVELOPER is a partnership, DEVELOPER shall provide UTILITY with a notarized Affidavit of Partnership, in form acceptable to UTILITY, setting forth the names of all partners of the partnership, and attesting that the person executing this Agreement has the authority to do so on behalf of the DEVELOPER.

SECTION 23 TIME OF THE ESSENCE. Time is hereby declared of the essence to the lawful performance of the duties and obligations contained in this Agreement.

SECTION 24 ENTIRE AGREEMENT. This instrument and its exhibits constitute the entire Agreement between the parties and supersedes all previous discussions, understandings, and agreements between the parties relating to the subject matter of this Agreement.

SECTION 25 AMENDMENTS. Amendments to and waivers of the provisions contained in this Agreement may be made only by the parties in writing by formal amendment.

SECTION 26 CONDITION PRECEDENT TO EFFECTIVENESS OF THIS AGREEMENT. The parties hereto recognize that the FPSC's rules (specifically Fla. Admin. Code Rule 25-30.55) require that a copy of this Agreement be filed with the FPSC within thirty (30) days after the date of execution hereof. This Agreement shall not become effective, then, until the occurrence of one of the following two events: (1) the FPSC does not file or give a notice of intent to disapprove this Agreement within thirty (30) days after receipt of a true copy hereof, or (2) the FPSC withdraws any timely filed or given notice of intent to disapprove this Agreement, or otherwise approves this Agreement. In the event neither (1) or (2) above occur, then this Agreement shall be null and void and of no further force and effect, in which event, any moneys paid to the UTILITY pursuant to Subsection 6.1 shall be refunded to the DEVELOPER.

SECTION 27. CONDITION PRECEDENT - DEVELOPER'S CLOSING. Utility and Developer agree that the obligations, rights and duties of both parties under this agreement are contingent upon Developer's acquisition of the Developer's property within One Hundred Eighty (180) days of the execution of this agreement. If said acquisition does not occur within that time, this agreement shall be null and void. During said 180 day period, and in consideration of the Utility's having pursued a certificate amendment with the FPSC to include the Developer's property, Developer agrees on Developer's own behalf and on behalf of the current owner, Center Lake Properties, Ltd. ("Center Lake"), as agent of Center Lake, that neither Developer nor Center Lake shall negotiate with any other party for water or wastewater utility service for a period of ~~Eighteen (18) months~~; commencing on the date hereof. Any assignments of this agreement by Developer prior to closing must be approved by the Utility.

180 days



IN WITNESS WHEREOF, the DEVELOPER and the UTILITY have executed or have caused this Agreement, with the named Exhibits attached, to be duly executed in several counterparts, each of which counterpart shall be considered an original executed copy of this Agreement the day and year first above written.

Signed, sealed and delivered in presence of:
DEVELOPER:

Sue A. Henesy
Witness (1):

Sue A. Henesy
Print Name:

Clara S. Dozier
Witness (2):

Print Name:

The Summits Land Trust
Signed: Robert A. Davis
Name: Robert A. Davis
Title: Trustee

State of Florida

County of ORANGE

The foregoing was acknowledged before me this 17th day of FEBRUARY, 2000 by ROBERT A. DAVIS as TRUSTEE of SUMMITTS LAND TRUST TRUST, on behalf of the TRUST. He/She is personally known to me or has produced (identification, with number and expiration date) as identification.

My Comm Exp. 2/21/00
Bonded By Service Ins
No. CC534713
HARRY R. GILLI



Signed: [Signature]
Print Name: _____
My Commission Number: _____
Commission Expires: _____

UTILITY: FLORIDA WATER SERVICES CORPORATION

Sarah Crockett
Witness (1):

Sarah Crockett
Print Name:

Brenda Mazurak
Witness (2):

Brenda Mazurak
Print Name:

Signed: [Signature]
Name: John L. Tillman
Title: Senior Vice President,
Business Development

State of Florida
County of Orange

The foregoing was acknowledged before me this 25th day of FEBRUARY, 2000 by John L. Tillman as Senior Vice President, Business Development of FLORIDA WATER SERVICES CORPORATION, a Florida corporation, on behalf of the corporation. He is personally known to me.

OFFICIAL NOTARY SEAL
KIRK D MARTIN
NOTARY PUBLIC STATE OF FLORIDA
COMMISSION NO. CC561441
MY COMMISSION EXP. JUNE 16, 2000
Signed: [Signature]
Print Name: KIRK D. MARTIN
My Commission Number: CC561441
Commission Expires: JUNE 16, 2000

SAN

EXHIBIT A
TO
WATER SERVICE AGREEMENT

LEGAL DESCRIPTION AND GRAPHIC DEPICTION OF PROPERTY

LEGAL DESCRIPTION:

Please see attachment A-1

GRAPHIC DEPICTION:

Please see attachment A-2.

A-1(a)
THE SUMMIT

LEGAL DESCRIPTION:

The Southeast Quarter of the Southeast Quarter of Section 33, Township 21 South, Range 25 East, Lake County, Florida.

The Southwest Quarter of the Southwest Quarter of Section 34, Township 21 South, Range 25 East, Lake County, Florida.

Tracts 33 and 48 according to the Plat of Groveland Farms, Plat Book 2, Page 10, of Section 2, Township 22 South, Range 25 East, Lake County, Florida, being otherwise described as the West Half of the Northwest Quarter of the Southwest Quarter of said Section 2, Township 22 South, Range 25 East, Lake County, Florida.

The West 350 feet of the Northwest Quarter of the Southwest Quarter of the Southwest Quarter of Section 2, Township 22 South, Range 25 East, otherwise described as the West 350 feet of the North Half of the South Half of Government Lot 5, in said Section 2, Township 22 South, Range 25 East, Lake County, Florida.

The East Half of the Northeast Quarter, otherwise described as Government Lot 1, Section 3, Township 22 South, Range 25 East, Lake County, Florida.

The West Half of the Northeast Quarter, otherwise described as Government Lot 2, Section 3, Township 22 South, Range 25 East, Lake County, Florida.

The East Half of the Northwest Quarter, otherwise described as Government Lot 3, Section 3, Township 22 South, Range 25 East, Lake County, Florida.

The Northwest Quarter of the Northwest Quarter, otherwise described as the North Half of Government Lot 4, Section 3, Township 22 South, Range 25 East, Lake County, Florida.

The North Three-Quarters of the East Half of the Southwest Quarter, otherwise described as the North Three-Quarters of Government Lot 6, Section 3, Township 22 South, Range 25 East, less that portion lying South of Cherry Lake Road.

The Northwest Quarter of the Southeast Quarter, otherwise described as the North Half of Government Lot 7, Section 3, Township 22 South, Range 25 East, Lake County, Florida, also described as Tracts 39, 40, 41 and 42, Groveland Farms.

The North Half of the Southeast Quarter of the Southeast Quarter of the Southeast Quarter, otherwise described as the Northeast Quarter of the South Half of the South Half of Government Lot 8, Section 3, Township 22 South, Range 25 East, Lake County, Florida.

The North Three-Quarters of the East Half of the Southeast Quarter, otherwise described as the North Three-Quarters of Government Lot 8, all in Section 3, Township 22 South, Range 25 East, Lake County, Florida.

A-1(b)

THE SUMMIT
LEGAL DESCRIPTION CONT.
PAGE TWO

The North Half of the Southwest Quarter of the Southeast Quarter, otherwise described as the North Half of the South Half of Government Lot 7, in Section 3, Township 22 South, Range 25 East, Lake County, Florida.

The South Half of the Southwest Quarter of the Southeast Quarter, Section 3, Township 22 South, Range 25 East, Lake County, Florida.

The South Half of the Southeast Quarter of the South Half of Government Lot 8, Section 3, Township 22 South, Range 25 East, Lake County, Florida.

The Southwest Quarter of the South Half of Government Lot 8, Section 3, Township 22 South, Range 25 East, Lake County, Florida.

The North 990 feet of the West Half of the East Half of the Northeast Quarter of Section 4, Township 22 South, Range 25 East, Lake County, Florida.

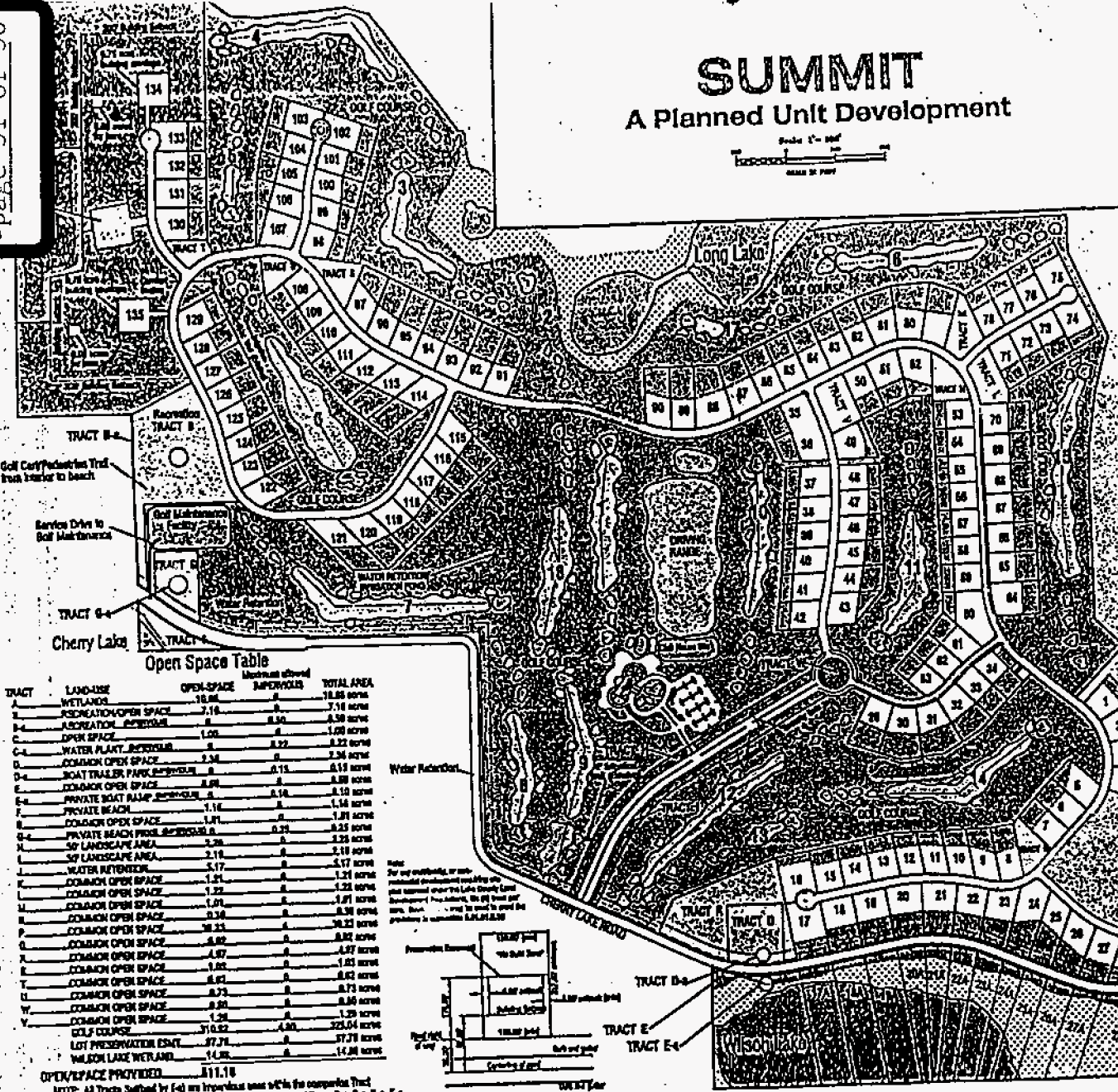
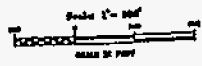
The Southwest Quarter of the Northwest Quarter of Section 3, Township 22 South, Range 25 East, also known as Tracts 17, 18, 31 and 32, according to the Plat of Groveland Farms, of said Section 3, Township 22 South, Range 25 East, Lake County, Florida.

The East 660 feet of Government Lot 1, Section 4, Township 22 South, Range 25 East, also described as the East 660 feet of the East Half of the Northeast Quarter of said Section 4, Township 22 South, Range 25 East, Lake County, Florida.

The East 970 feet of the North ½ of the Southwest Quarter of the Southwest Quarter of Section 2, Township 22 South, Range 25 East, Lake County, Florida. Otherwise known as HILTON HILLS SUBDIVISION as recorded in Plat Book 8, Page 83, Public Records of Lake County, Florida. LESS Lot 7, Block 1, HILTON HILLS SUBDIVISION, according to the plat thereof as recorded in Plat Book 8, Page 83, Public Records of Lake County, Florida.

SUMMIT

A Planned Unit Development



PROPOSED LAND USE _____ RESIDENTIAL & GOLF
 TOTAL AREA _____ 878.10 ACRES
 TOTAL NUMBER OF LOTS _____ 533
 GROSS DENSITY _____ 1 LOT PER 4 ACRES
 WATER _____ Provided by public water CENTRAL WATER
 SANITARY SEWAGE _____ INDIVIDUAL SEPTIC TANKS
 TOTAL LENGTH OF STREETS _____ 3.89 MILES
 MINIMUM LOT SIZE _____ 0.75 AC.
 *ROADS _____ PRIVATE
 *County shall provide backstop up to security date
 GOLF COURSE AREA _____ 323.04 ACRES
 TOTAL OPEN SPACE _____ 511.10 ACRES (58%)
 Storm Water Management _____ To be designed in accordance with St. Johns River Water Management District Regulations
 Air Protection _____ Central Water with Air Protection provided in accordance with Lake County Standards
 POLICE _____ County Sheriff's Department
 PARKS & RECREATION _____ Provided on Site

Open-Space Requirement

Project Acreage _____ 878.10 acres
 Less Water Bodies _____ 30.91 acres
 Less Cherry Lake Road R/W _____ 8.34 acres
 Gross Land Area _____ 838.85 acres
 x 80%
 Open Space Required (80%) _____ 671.08 acres

Proposed Building Setbacks

Front Setback _____ 12' from Centerline of Road or 25.00' from Right of Way (whichever ever is greater)
 Side Setback _____ 5.00'
 Rear Setback _____ 5.00' from Preservation Easement/
 6.00' in the absence of easement
 *Side and Rear Setbacks for lots 134 & 135 are as shown.

- Notes:**
- Preservation Easements for lots 170 thru 204 shall allow the concentration of setbacks to an open portion of Lake Nelson.
 - Lots 17 thru 38 on the North side of Cherry Lake Road to be shown conforming with the surrounding front lots, as defined by an 84' Right of Way of Cherry Lake Road.
 - Lots 17 thru 38 and common preserve to Lot 170 thru 204 to be bounded by the driveway access to Cherry Lake Road.
 - Preservation Easements shall be reserved for Open Space and Landscaping. Preservation Easement shall be indicated as a "No Build Zone".

Impervious Surface Ratio

0.30 of Total Lot Area for lots 1 thru 120
 0.20 of Total Lot Area for lots 134 & 135
 *Location of Building Footprints to be determined by Home Builder

LEGEND

- OPEN SPACE PRESERVATION EASEMENT
- WETLANDS
- LAKE WATER
- LANDSCAPED BUFFER ZONE*
- FRONT BOUNDARY LINE
- WETLAND PROTECTION LINE

Open Space Table

TRACT	LAND-USE	OPEN SPACE	PERCENTAGE	TOTAL AREA
A	WETLANDS	18.86	0	18.86 acres
B	RECREATION/OPEN SPACE	7.18	0	7.18 acres
B	RECREATION	0.30	0	0.30 acres
C	OPEN SPACE	1.00	0	1.00 acres
C	WATER PLANT BEDS/COMMON	0.22	0	0.22 acres
D	COMMON OPEN SPACE	2.34	0	2.34 acres
D	BOAT TRAILER PARK/COMMON	0.13	0	0.13 acres
E	COMMON OPEN SPACE	0.91	0	0.91 acres
E	PRIVATE BOAT RAMP/COMMON	0.10	0	0.10 acres
F	PRIVATE BEACH	1.14	0	1.14 acres
F	COMMON OPEN SPACE	1.21	0	1.21 acres
G	PRIVATE BEACH/COMMON	0.33	0	0.33 acres
H	COMMON OPEN SPACE	2.28	0	2.28 acres
I	SOY LANDSCAPE AREA	2.18	0	2.18 acres
I	WATER RETENTION	5.17	0	5.17 acres
J	COMMON OPEN SPACE	1.21	0	1.21 acres
K	COMMON OPEN SPACE	1.22	0	1.22 acres
L	COMMON OPEN SPACE	1.01	0	1.01 acres
M	COMMON OPEN SPACE	0.38	0	0.38 acres
N	COMMON OPEN SPACE	10.23	0	10.23 acres
O	COMMON OPEN SPACE	0.92	0	0.92 acres
O	COMMON OPEN SPACE	0.97	0	0.97 acres
P	COMMON OPEN SPACE	1.02	0	1.02 acres
P	COMMON OPEN SPACE	0.92	0	0.92 acres
Q	COMMON OPEN SPACE	0.73	0	0.73 acres
Q	COMMON OPEN SPACE	0.80	0	0.80 acres
R	COMMON OPEN SPACE	1.29	0	1.29 acres
S	COMMON OPEN SPACE	1.29	0	1.29 acres
T	COMMON OPEN SPACE	31.02	4.00	32.04 acres
T	GOLF COURSE	37.78	0	37.78 acres
T	WILSON LAKE WETLANDS	14.88	0	14.88 acres
OPEN SPACE PROVIDED		511.10		



NOTE: All Tracts Subject to [4] are independent units within the completed Tract of the same name. The location, Division, and Design of Tracts B-4, E-4, D-4, E-4, and B-4 to be determined at County Site Plan Submittal.

PUD MASTER PLAN
SUMMIT
 COUNTY, FLORIDA

SHEET 4 of 4
 CONCEPT PLAN

EXHIBIT B
 TO
 WATER SERVICE AGREEMENT

DEVELOPMENT PLAN

GENERAL DESCRIPTION:

Development of on-site and off-site water infrastructure to be a 135 unit single family subdivision with golf course, club house and two comfort stations..

Note: It is permissible for common landscaping areas to be irrigated from 4" on site irrigation wells.

SCHEDULE & ESTIMATES:

PHASE ID	SPECIFIC CONSTRUCTION (TYPE & SCOPE)	ASSOC. ERCS (WTR)	PROJECTED CONNECTION DATE	WATER CONTRIBUTED PROPERTY	WASTEWATER CONTRIBUTED PROPERTY
	Construct on-site and off-site water infrastructure as improvements to Developer Property to be a 135 Unit single family subdivision with golf course, country club & two comfort stations	148.23		On-site and off-site water distribution system up to and including individual water meters	N/A

EXHIBIT C
TO
WATER AGREEMENT

Water Service Application

Please see attached Application for Service Extension

FLORIDA WATER SERVICES CORPORATION

APPLICATION FOR SERVICE EXTENSION

Rule 25-30.525(et seq), Florida Administrative Code, governs the application process whereby water and wastewater service is extended to areas within a utility's certificated territory not served at the time by water or wastewater transmission lines and facilities. All applications for extending service must be made in writing on forms provided by the utility. Unless service is to be extended to a single residence or single commercial facility, the applicant and utility must together enter into a Developer Agreement prior to commencing with the service extension. This application is used to prepare such agreement and signing the application, the signatory warrants that the information provided herein is true to the best of his or her knowledge and belief and that the signatory is authorized to bind that person or entity making application. This application creates no vested rights in the applicant and shall not be construed as a guarantee of water or wastewater service to same.

- Name and address of person or entity making application for service:
Robert A Davis Trustee
1311 S Vineland Rd, Winter Garden FL 34787
- Applicant is a(n): Individual Corporation Partnership Limited Partnership
 Trust Political Entity Other: _____
- Service requested: Water Wastewater Other: _____
- Project name, phases, and estimated date(s) service is required:
The Summit, 3 Phases, Service needed by 7/1/2000
- Engineer's estimate of average daily flows on an annual basis:
Water: ~~200,000 GPD~~ 38,400 Wastewater: 0
Other: Fire Flow: 2500 GPM
- Intended land use of the development including densities and types of use:
135 Single Family Homes, One Acre Lots Average, 8000 SF Golf Club House
- Present and proposed zoning classification of property:
Present Zoning: Agrigultural
Proposed Zoning: PUD
- Nature of applicant's title to or interest in property:
Presently rezoning to a PUD for future development
- Other persons or entities sharing title to or having interest in property:
Center Lake Properties, Ltd
- Legal description of property:
See Attached
- Applicant elects to design and construct all on-site and off-site transmission lines and facilities.

Signed: Robert A Davis
Name: Robert A Davis
Title: Trustee

Date: 10/5/99
Telephone: (407) 656-5599

EXHIBIT D
TO
WATER SERVICE AGREEMENT

SUBORDINATION OF INTERESTS

The undersigned, as an inducement to FLORIDA WATER SERVICES CORPORATION to enter into this Developer Agreement with The Summits Land Trust A Florida Land Trust, does hereby join in the execution of this Developer Agreement for the purpose of subordinating the interests of the undersigned, in and to that real property more particularly described in Exhibit "A" attached hereto and made a part hereof, to the easements granted or to be granted to UTILITY, the facilities and water lines dedicated or to be dedicated to UTILITY, and rights of UTILITY as described in this Developer Agreement.

(NAME OF OTHER ENTITY HAVING INTEREST IN PROPERTY, I.E. MORTGAGEE)

Signed: _____
Print Name: _____
Title: _____
(Seal if applicable)

State of Florida

County of _____

The foregoing was acknowledged before me this _____ day of _____, 19____ by _____ as _____ of _____, a _____, on behalf of the _____. He/She is personally known to me or has produced _____ (type of identification with ID number and expiration date) as identification.

Signed: _____
Print Name: _____
Notary Public, State of _____
Commission Number: _____
My Commission Expires: _____

The undersigned hereby certifies that there are no other entities having any interest in that real property more particularly described in Exhibit "A" attached hereto and made a part hereof which requires joining in the execution of this Developer Agreement for the purpose of any subordination as described above.

Signed: _____
Name: _____
Title: _____
(Seal if applicable)

State of _____
County of _____

The foregoing was acknowledged before me this _____ day of _____, 19____ by _____, as representative of _____, a _____, on behalf of the _____. He is personally known to me or has produced _____ (type of identification with ID number and expiration date) as identification.

Signed: _____

Print Name: _____
Notary Public, State of _____
Commission Number: _____
My Commission Expires: _____

EXHIBIT E
 TO
WATER SERVICE AGREEMENT
 Summit Subdivision

**SCHEDULE OF CAPACITY, ALLOWANCE, & EXTENSION CHARGES, METER
 INSTALLATION FEES, AND OTHER APPLICABLE FEES**

CHARGES TO DEVELOPER

Plant Capacity Charges ¹ *:	\$105,411.74
A.F.P.I. Main Extension Charges	\$37,547.58
Refund for A.F.P.I. Charges:	(\$37,547.58)
Main Extension Charges:	\$67,162.34
Refund for Main Extension Charges:	(\$67,162.34)
SUBTOTAL System Capacity Fees:	<u>\$105,411.74</u>
Engineering Review and Inspection Fee:	\$750.00
Legal and Administrative Fee:	\$500.00
Certificate Amendment Filing Fee:	\$0.00
Recording of Agreement ³ :	\$177.00
TOTAL fees to be paid by DEVELOPER:	<u>\$106,838.74</u>

METER INSTALLATION FEES

5/8" X 3/4" Meter:	\$ 90.00	1 1/2" Meter:	\$300.00
3/4" Meter:	\$110.00	2" Meter:	\$385.00
1" Meter:	\$140.00	3" Meter:	Actual Cost

* Capacity fees and meter installation fees are to be paid at the time the meter is installed. Refer to Exhibit E-1 for breakdown of fees.

**CHARGES TO INDIVIDUAL CUSTOMERS OF
 WATER CAPACITY**

The individual customers of water capacity will be responsible for payment of the rates and charges approved by the Florida Public Service Commission that are effective upon connection.

¹ Based on May 1997 tariff rates for 38,400 GPD water:

³ Based on estimated document length of 39 pages; the first page at \$6.00, each additional page at \$4.50 per page; should the final agreement contain more or fewer pages, the DEVELOPER will be invoiced or receive a refund.

EXHIBIT E-1
 TO
 WATER SERVICE AGREEMENT
 Summit Subdivision

BREAKDOWN OF CAPACITY, METER INSTALLATION
 & OTHER APPLICABLE FEES

Residential Fees (Per Unit)	
Capacity:	\$700.00
Meter Installation (1 inch)	\$140.00
Account Deposit	\$41.00
Account Processing	\$15.00
Total	<u>\$896.00</u>
Two (2) Comfort Stations	
Capacity	\$1,647.03
Meter Installations (5/8X3/4 inch)	\$180.00
Account Deposits	\$82.00
Account Processing	\$30.00
Total	<u>\$1,939.03</u>
Country Club	
Capacity	9,264.71
Meter Installation (assuming 1 inch)	\$140.00
Account Deposit	\$41.00
Account Processing	\$15.00
Total	<u>\$9460.71</u>