

ORIGINAL

LAW OFFICES
COX & REYNOLDS
A PARTNERSHIP OF PROFESSIONAL ASSOCIATIONS
SAVINGS OF AMERICA BUILDING, 10TH FLOOR
4875 NORTH FEDERAL HIGHWAY
FORT LAUDERDALE, FLORIDA 33308
TELEPHONE (954) 491-5220
TELECOPIER (954) 491-0702

November 13, 1998

FEDERAL EXPRESS

Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shaumard Oak Boulevard
Tallahassee, Florida 32399-0850

961321-WS
~~981321-WS~~

**RE: Point Water and Sewer, Inc. vs. The Point Property Owners Association;
Clay Circuit Court Case Number: 96-1954-CA
Your Docket No. 961321- WS- Application for certificates to provide water
and Wastewater service in Clay County by Point Water and Sewer, Inc.**

Dear Director:


Enclosed please find the original and five (5) copies of the completed application package for the transfer to a regulated water or wastewater utility to a governmental authority along with attached exhibits.

There are no applicable proposed tariff sheets and we have not included the required regulatory fee and completed RAF form because we will continue to operate the facility until the connection date which is anticipated to be within the next 9 months.

ACK _____
AFA _____
APP _____
CAF _____
CMU _____
CTR _____
EAG _____
LEG I _____
LIN _____
OPC _____
RCH _____
SEC _____
WAS Brady _____
DTH _____

Thank you for your cooperation and attention to this matter.

Very truly yours,


DOUGLAS H. REYNOLDS

DHR/cv
Enclosures
cc: Point Water & Sewer, Inc. (w/encs.)
James Yonge (w/encs.)
Grady Williams (w/encs.)

DOCUMENT NUMBER-DATE

12889 NOV 17 8

FPSC-RECORDS/REPORTING

ORIGINAL

APPLICATION FOR TRANSFER TO GOVERNMENTAL AUTHORITY

(Pursuant to Section 367.071(4)(a), Florida Statutes)

TO: Director, Division of Records and Reporting
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, Florida 32399-0850

The undersigned hereby makes application for the approval of the transfer of all of the facilities operated under Water Certificate No.: * and/or Wastewater Certificate No. * located in Clay County, Florida, and submits the following:

PART I APPLICANT INFORMATION

A) The full name (as it appears on the certificate), address and telephone number of the

Seller (utility);

POINT WATER & SEWER, INC.
(904) 716-6084
4313 U.S. 17th South, Suite 404
Orange Park, Florida 32073

(Mailing address same as above)
(No internet address available)

*PWS does not have a certificate and has been operating pursuant to Order No. PSC-97-0588-FOF-WS.

DOCUMENT NUMBER-DATE

12889 NOV 17 88

FPSC-RECORDS/REPORTING

- B) The name, address and telephone number of a representative of the utility to contact concerning this application:

DOUGLAS H. REYNOLDS
4875 North Federal Highway, 10th Floor
Ft. Lauderdale, Florida 33308
(954)491-5220

- C) The full name, address and telephone number of the governmental authority:

CLAY COUNTY UTILITY AUTHORITY
Telephone: (904)272-5999
782 Foxridge Center Drive
Orange Park, Florida 32065

(Mailing address same as above)
(No internet address available)

- D) The name , address and telephone number of a representative of the governmental authority to contact concerning this application:

Ray O. Avery
(904)272-5999 X31
782 Foxridge Center Drive
Orange Park, Florida 32065

PART II FINANCIAL INFORMATION

- A) Exhibit 1 -A copy of the contract pursuant to Rules 25-30.037 (4)(c) and (d), Florida Administrative Code.
- B) Exhibit 2 - A statement regarding the disposition of customer deposits and the accumulated interest thereon.

- C) Exhibit 3- A statement regarding the disposition of any outstanding regulatory assessment fees, fines or refunds owed.
- D) Exhibit 4- A statement that the buyer (governmental authority) obtained from the utility or the Commission the utility's most recent available income and expense statement, balance sheet and statement of rate base for regulatory purposes and contributions-in-aid-of-construction.
- E) Indicate the date on which the buyer proposes to take official action to acquire the utility: See Exhibit 5.

If only a portion of the utility's facilities is being transferred, a revised territory description and map of the utility's remaining territory must be provided, as discussed in PART III, below.

IF THE UTILITY'S ENTIRE FACILITIES ARE BEING , PLEASE DISREGARD PART III OF THIS APPLICATION FORM.

PART III CERTIFICATION

A) TERRITORY DESCRIPTION

Exhibit N/a - An accurate description of the utility's revised territory. If the water and wastewater territory is different, provide separate descriptions.

Note: Use the Survey of Public Lands method (township , range, section, and quarter section), if possible, or a metes and bounds description. Give the subdivision or project name. The description should NOT refer to land grants or plat books, but may use geographic boundaries (i.e., road- right-of-ways, railroads, rivers, creeks, etc). The object is to make the description as brief, but as accurate as possible.

B) TERRITORY MAPS

Exhibit N/a - 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 remaining territory is plotted or 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.

C) TARIFF SHEETS

Exhibit N/a - The original and two copies of tariff sheet(s) revised to show correct service 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. (Pages 9-10.) Sample Tariff sheets are attached. (Pages 11-14).

PART IV AFFIDAVIT

STATE OF FLORIDA)
) ss:
COUNTY OF BROWARD)

I JOHN YONGE, President of the POINT WATER & SEWER, INC., 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.

BY: _____

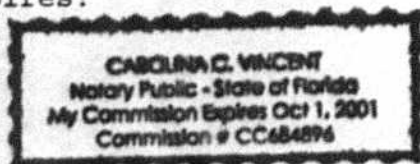
JOHN YONGE, President
POINT WATER & SEWER, INC.

Subscribed and sworn to before me this 13th day of November , 1998, by John Yonge as President of POINT WATER & SEWER, INC., who has provided Driver's License (4520-477-65-218-0) as identification.

NOTARY PUBLIC

State of Florida at Large

My commission expires:



*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.

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RECYCLED PAPER



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EXHIBIT 1

**AGREEMENT BETWEEN POINT WATER & SEWER, INC. CLAY COUNTY
UTILITY AUTHORITY, IGR, INC., JAMES E. YONGE, WHITNEY'S SAILCENTER,
INC., AND THE POINT PROPERTY OWNERS ASSOCIATION, INC.,
DATED NOVEMBER 3, 1998.**

AGREEMENT

THIS AGREEMENT ("Agreement") is made effective this 3rd day of November, 1998, by and among **POINT WATER & SEWER, INC.**, a Florida corporation ("Seller"), whose address is c/o Cox & Reynolds, Savings of America Building, 10th Floor, 4875 North Federal Highway, Fort Lauderdale, Florida 33308; **CLAY COUNTY UTILITY AUTHORITY**, an independent special district created and existing under Chapter 94-491, Laws of Florida, Special Acts of 1994 ("Purchaser"), whose address is 782 Foxridge Center Drive, Orange Park, Florida 32065, **IGR, INC.**, a Florida corporation ("IGR"), whose address is 1256 Seminole Drive, Ft. Lauderdale, FL; **JAMES E. YONGE**, a married man dealing with his separate non-homestead property, whose address is 1256 Seminole Drive, Ft. Lauderdale, FL ("Yonge"); **WHITNEY'S SAILCENTER, INC.**, a Florida corporation, d/b/a Whitney's Marine, whose address is 3027 Highway 17, Orange Park, FL 32073 ("Whitney's"); and **THE POINT PROPERTY OWNERS ASSOCIATION, INC.**, a Florida not-for-profit corporation, whose address is 301 Scenic Point Lane, Orange Park, FL 32073 ("PPOA").

BACKGROUND

The Seller owns and operates a pumping, treatment, and distribution system (hereinafter sometimes referred to as the "Seller's Water System") and a sanitary wastewater collection, treatment and disposal system (hereinafter sometimes referred to as the "Seller's Wastewater System"), which serve only the properties described in Schedule "A", attached hereto and herein incorporated by reference, being the common areas and platted and constructed Units 11 through 29 of The Point, a subdivision of a portion of Lot 19, CREIGHTON FOREST, Clay County, Florida, recorded in Plat Book 4, page 8, according to Declaration set forth in Official Records Volume 590, page 360, amended in Official Records Volume 634, page 432, of the Public Records of Clay County, Florida (the "Point"), and the property known as Whitney's Marine (the "Marina") (such developed units and

common areas of The Point, together with the Marina, being hereinafter described as the "Project"). The Seller's Water System and the Seller's Wastewater System are sometimes herein referred to collectively as the "Utility System".

The Utility System operates under the jurisdiction and authority of the Florida Public Service Commission (the "Commission"), which authorizes it to provide water and wastewater service to the Project, which is situated in unincorporated Clay County, Florida.

The owners of property within the Project served by the Utility System and the Seller desire to terminate the operation of the Utility System by Seller, and instead connect the Project to the central water, wastewater and reuse wastewater systems owned, operated and maintained by the Purchaser (hereinafter, "Purchaser's Systems").

Connection of the Purchaser's Systems to the Project shall require that Purchaser first expend the sum of approximately \$173,564.00 for construction of off-site improvements, bond issuance costs, environmental site assessment, and related closing expenses. After said off-site improvements are completed by Purchaser, it will be possible to disconnect the Seller's water treatment plant, wastewater treatment plant, and effluent outfall line from the remainder of Seller's Utility System, and upon connecting to Purchaser's Systems, then commence providing the Project with central water and wastewater service (the "Connection Date").

Yonge is the owner of existing platted Unit 28 within the Point, together with a proportionate share of the common areas relating thereto, being a part of the Project, which is an existing constructed unit, and which shall be initially served by Purchaser's System.

IGR is the owner of existing platted Unit 29 within the Point, together with a proportionate share of the common areas relating thereto, being a part of the Project, which is an existing

constructed unit, and which shall be initially served by Purchaser's System, and also is the owner of certain undeveloped platted Units Nos. 1 through 10 and Nos. 30 through 34 of The Point, which are not defined to be within the Project by this Agreement (the "Development Lots"), and which Development Lots are not to be initially served by the Purchaser's System, but which may in the future connect to Purchaser's Systems as outlined in Paragraph 33 of the Project Development Agreement (hereinafter defined), attached as Exhibit L hereto.

Seller is the present owner of certain existing easement rights within the Project, and with respect to the Development Lots, which are necessary to be assigned and transferred to Purchaser for Purchaser to provide central water and wastewater service to the Project after the Connection Date.

Seller is the present holder of the exclusive right to serve the Project with water and sewer utility service, by virtue of that certain Amended and Restated Declaration of Covenants, Conditions, Restrictions and Provisions for Party Wall of The Point, as recorded at O.R. Book 628, page 432 - 479 of the current public records of Clay County, Florida, as amended by the First Amendment thereto recorded at O.R. Book 634, pages 135 - 139 of said public records, and as further amended by the Second Amendment thereto recorded at O.R. Book 1172, pages 750 - 774 of the current public records of Clay County, Florida.

PPOA is the homeowner's association for individual unit owners within the Project, which is responsible for the maintenance and upkeep of certain designated portions of common areas within the Project. The owners of the existing constructed platted units within the Project, being Units represented by PPOA desire that their individual properties be connected to the Purchaser's System.

The acquisition of certain assets of the Utility System by the Purchaser has been determined by the Purchaser to be in the best interest of the Purchaser, and the Seller is willing to sell those assets to the Purchaser upon the terms and conditions set forth in this Agreement.

Yonge or his nominee is willing to advance the costs of Purchaser in connection with providing central water and wastewater service to the Project, in consideration for the Purchaser's issuance of a tax exempt bond to Yonge, and other consideration to Seller sufficient in amount to compensate Seller for the assets of the Utility System to be conveyed at Closing (hereinafter defined), together with the easement and other intangible rights to be assigned at Closing to Purchaser by Seller.

NOW, THEREFORE, in consideration of the premises and of the covenants and agreements herein contained, the undersigned parties hereby agree as follows:

1. FURNISHING OF DOCUMENTS.

Prior to or contemporaneous with the execution of this Agreement, the Seller will make available to the Purchaser, for inspection at Purchaser's premises, the following, to the extent that the same exist:

Exhibit A: Intentionally Deleted.

Exhibit B: Intentionally Deleted.

Exhibit C: Intentionally Deleted.

Exhibit D: Intentionally Deleted.

Exhibit E: Intentionally Deleted.

Exhibit F: Intentionally Deleted.

Exhibit G: For information purposes, but not for assignment and transfer to Purchaser, copies of current or active operation permits, and permits for work not started or not completed, and applications or other documents, together with effective dates and expiration dates (if any) demonstrating approval of the facilities of the Utility System by all applicable governmental authorities, including, but not limited to the Florida Department of Environmental Protection.

Exhibit H: Intentionally Deleted.

Exhibit I: Intentionally Deleted.

Exhibit J: A copy of the most current annual report as filed by Seller with the Commission, or of the current Commission Order establishing current rates for the Utility System.

Exhibit K: Intentionally Deleted.

Exhibit L: The form of the Project Developer Agreement, to be executed in recordable form and joined in by the parties indication therein, and delivered to Purchaser at Closing.

Exhibit M: Form of Bill of Sale to be executed and delivered by Seller to Purchaser at the time of Closing.

Exhibit N: Definitive list of "Excluded Assets" as referenced in Article 2(b) hereof.

Exhibit O: Amortization Schedule for the Bond (hereinafter defined) to be issued to Yonge by Purchaser at Closing.

Exhibit P: A blanket Grant of Easement, to be granted to Purchaser by Whitney's and PPOA in the form attached hereto at Closing and to be joined in by the parties indicated therein.

Exhibit Q: Assignment of Easements from Seller to Purchaser, joined in by the other parties to this Agreement.

Exhibit R: A schedule of any and all insurance policies in force covering the Seller as they may relate to the Purchased Assets for a period of five (5) years prior to the date of Closing hereof, indicating the name and address of the carrier, the policy number and the type of coverage provided.

Exhibit S: Intentionally Deleted.

Exhibit T: Intentionally Deleted.

Exhibit U: Intentionally Deleted.

Exhibit V: Intentionally Deleted.

Exhibit W: Description of Existing Easements for the Utility System, with the form of Easement Indemnification to be delivered by Seller to Purchaser at Closing..

Exhibit X: Intentionally Deleted.

Exhibit Y: Intentionally Deleted.

Exhibit Z: A Representations, Warranties, and Indemnity Agreement concerning hazardous materials.

It is agreed by and between the parties hereto that any and all documents, contracts, or other agreements affecting Purchaser's title to the Purchased Assets, or obligations of the Seller not provided to the Purchaser during the disclosure period, shall not be acquired by the Purchaser hereby and the Seller shall remain responsible as obligor thereunder.

The Purchaser shall have until the Closing Date within which to either approve or disapprove each of the foregoing exhibits. Should the Purchaser fail to advise Seller of its disapproval of any such exhibit prior to the Closing, then for all purposes hereof the Purchaser shall be deemed to have approved the same. Should the Purchaser advise Seller prior to the Closing of Purchaser's disapproval of any such exhibit, then in such event the Seller shall have a reasonable opportunity to

cure, prior to Closing, the matter or matters objected to by Purchaser. In the event the Seller is unable to so cure, unless the same is expressly waived in writing by the Purchaser prior to the Closing, the parties shall be released of any further obligation to each other arising hereunder. With respect to plans and maps, reproducible will be furnished if available, and if not, copies of same will be acceptable by the Purchaser, and will be provided at Closing. All exhibits will be updated to the time of Closing, and thereafter as of the Connection Date, if appropriate, at Purchaser's expense.

2. COVENANT TO SELL AND PURCHASE AND DESCRIPTION OF PURCHASED ASSETS.

The Purchased hereby agrees to buy, and the Seller hereby agrees to sell, the Purchased Assets of the Seller to the Purchaser for the Purchase Price and upon the terms, and subject to the conditions and other provisions hereof.

(a) For convenience, the term "Purchased Assets" shall be used to designate all of the Seller's sewer collection system and related lines and facilities, from the point of connection to Seller's wastewater treatment plant to the point of customer's service connection (i.e., the plumber's point of connection to the Seller's sewer system) and all of the Seller's water distribution system and related lines and facilities, from the point of connection to Seller's water treatment plant to the point of termination of Seller's water system at each individual customer or unit connection, which typically is the curb stop location where meters for individual customers would typically be installed in accordance with generally accepted industry standards, together with other assets, business properties and rights both tangible and intangible which the Seller owns or in which it has an interest regarding the "Utility System" (but shall not include the "Excluded Assets" described in

Article 2.(b) hereof), all of which are being purchased hereunder by the Purchaser and which include the following:

(1) All easements, licenses and rights-of-way and consents owned by Seller for the construction, operation and maintenance of the Utility System. Seller warrants that it is the sole and present holder and owner of said easements, licenses and rights-of-way.

(2) All water supply and distribution facilities and wastewater collection facilities including, but not limited to pumps, tanks, lift stations, transmission mains, distribution mains, supply pipes, collection pipes or facilities, irrigation quality water and effluent disposal facilities, valves, meters, meter boxes, service connections and all other physical facilities and property installations in use in connection with the Utility System operated by the Seller,

(3) All assignable immunities, privileges, permits, licenses, license rights, easements, consents, grants, ordinances, leaseholds, rights-of-way and all rights to construct, maintain and operate the Utility System and systems for the transmission and distribution of potable water and the collection and disposal of wastewater and every right of every character whatever in connection therewith, and the obligations thereof; all agencies for the supply of water to the Utility System or others; all water rights, flowage rights and all renewals, extensions, additions or modifications of any of the foregoing; together with all rights granted to Seller. Upon Closing, this Agreement shall operate as an assignment of all such rights, however, at Purchaser's request Seller shall execute written assignments of such rights. The parties shall cooperate in applying for and obtaining transfer of all such rights requiring regulatory approval or notice.

(4) Any prints, plans, engineering reports, surveys, specifications, shop drawings, equipment manuals, and other information reasonably required by the Purchaser which are

in possession of Seller, and its agents (but not its attorneys) on the Closing Date pertaining to the operation of the water distribution and wastewater collection facilities of the Utility System.

(5) Any record drawings, including as-built drawings where available, showing all facilities of the Utility System, which are in possession of Seller, and its agents (but not its attorneys) on the Closing Date.

(6) Those items described as Purchased Assets in the Exhibits referenced herein above.

(b) Excluded Assets:

(1) Cash, bank accounts, utility deposits and prepaid expenses not to be prorated of Seller which are Seller's sole property and are not subject to refund to customers, including Developers or others.

(2) Escrow and other Seller provisions for payment of federal and state income taxes. As Seller remains responsible for filing and satisfying income tax obligations, such escrow or other funds held by the Seller shall remain with the Seller after Closing.

(3) The existing wastewater treatment package plant, effluent discharge line and outfall easement to the St. Johns River, water well and water treatment package plant constituting part of the Utility System, together with other additional equipment which is not utilized in the operation and maintenance of the Utility System in Clay County.

(4) All notes and accounts receivable of Seller provided however that, except as otherwise specifically provided for herein, Seller shall remain obligated to pay all accounts payable and other payables and liabilities of Seller incurred or accrued prior to Closing.

3. CONDITION OF PURCHASED ASSETS AT CLOSING.

(a) Seller has advised the Purchaser that, after due inquiry, it has no knowledge of any material defects, patent or latent, in the Purchased Assets being conveyed to the Purchaser hereby. Seller warrants that the condition of the Purchased Assets at Closing are is "AS IS" condition, which shall be in substantially the same condition as it was at the time(s) of inspection by the Purchaser's engineer, Edward Hernandez, P.E. As an accommodation to the Purchaser, Seller shall assign to the Purchaser at Closing all right, title and interest it may have in all engineering and architectural specifications, engineering studies, planning documents, tests, licenses and permits (if assignable), investigation and surveys relating to the Purchased Assets, if any (hereinafter referred to as the "planning documents"). The Purchaser shall not assume or be obligated to pay any sums due for services rendered prior to the date of Closing hereunder or to the service agreements entered into by Seller with respect to the planning documents which are not expressly assumed by the Purchaser pursuant to this Agreement. Seller is not obligated to obtain any planning documents not already in its possession. As to leases, easements, or other property or other assets that the Seller is utilizing and the Purchaser intends to use, all rights therein shall be transferred to the Purchaser in "AS IS" condition, as those terms would be defined by custom and usage in the trade.

(b) Seller, by and through its officers, agents and attorneys, have reviewed the Phase I Environmental Site Assessment of The Point Condominiums Water and Sewer Facilities dated July, 1998, prepared by Cummings Associates, Ltd. (the "Environmental Assessment"). Seller warrants that it has no current actual knowledge or belief that the Utility System or any easements or facilities related thereto are affected by any environmental contamination, as defined by the Comprehensive Environmental Response Compensation Liability Act, as enacted in December, 1980,

and amended, the Superfund Amendment and Reauthorization Act, as currently amended, the Resource Conservation and Recovery Act, as amended, or the Toxic Substance Control Act, as amended, and any corresponding Florida acts relating to the subject matter thereof (collectively, the "Environmental Laws"), other than that which is disclosed by the Environmental Assessment.

(c) Prior to Closing or the Connection Date, the Purchaser shall have the right, at any reasonable time, to enter upon the property of the Seller in order to inspect and tag the assets of the Utility System to familiarize itself with day-to-day operations, and to review the practices of the Seller with respect to the conditions agreed to herein, and to include within such inspection, Seller's compliance with any and all federal and state regulatory requirements.

4. PURCHASE PRICE: PAYMENT

The parties hereto have agreed upon a purchase price through a substantial and complicated negotiating process. The purchase price agreed upon is neither the highest, nor the lowest, amount that could be justified as a fair value of the Utility System according to the terms and conditions of this Agreement. Such Agreement has been reached in order to make the acquisition of the Purchased Assets attainable by the Purchaser with a view that the Purchaser will carry through the written commitments of the Seller to its consumers, and that the Purchaser will attempt to operate the system in as efficient manner as possible, subsequent to Closing.

The Purchaser hereby agrees to pay to the Seller at Closing, subject to the adjustments and prorations referred to elsewhere herein, a total Purchase Price (herein so called) as follows:

Consideration to Seller:	<u>\$100,000.00</u>
Total Purchase Price	<u>\$100,000.00</u>

In further consideration to Seller and each of the other parties to this Agreement, effective as of the Connection Date, defined below, the Purchaser is assuming the responsibility of providing central water and sewer service to the Project, in accordance with the terms and provisions of a Developer Agreement to be entered into with IGR, and to be consented to and subject to an assumption agreement by PPOA and Whitney's, at Closing (hereinafter, the "Project Developer Agreement") in the form set forth in Exhibit L hereto, and herein incorporated by reference, and in the future to provide IGR, its successors and assigns, with central water and wastewater service to the Development Lots, upon IGR's compliance with the provisions hereof and under the Project Developer Agreement. The Purchaser's ability to pay the purchase price is conditioned upon (i) full and final execution of the Project Developer Agreement and IGR's advance funding of the total fees and expenses to Purchaser called for therein in the amount of \$173,564.00 (hereinafter, the "Project Costs") and (ii) Yonge's acceptance of a privately issued tax-exempt bond by Purchaser to Yonge in the face amount of \$273,564.00, having a maturity of 9 years and 363 days from the date of the first interest payment date, bearing interest at a fixed rate of 7%, and being payable in accordance with the attached amortization schedule attached as Exhibit O hereto (the "Bond"). The \$273,564.00 face amount of the Bond shall be allocated between (i) the acquisition cost of the Utility System to Purchaser of \$100,000 and (ii) the reimbursement of the Project Costs advanced by IGR under the Project Developer Agreement.

Although stated elsewhere in this Agreement, it is specifically agreed by and among the parties hereto, that the Purchaser shall not, and at Closing will not, purchase or assume any of the liability or outstanding obligations of the Utility System and the Seller shall remain responsible for same, including payment or satisfaction of its outstanding debts, obligations, liabilities and responsibilities

existing prior to Closing. In the event of present or future litigation arising out of the ownership or operation of the Utility System by the Seller prior to the Connection Date, Seller hereby agrees to defend, indemnify, and hold Purchaser harmless from and against any claims or liabilities whatsoever due to Seller's ownership or operation of the Utility System prior to said Connection Date. In the event of future litigation arising out of the ownership or operation of the central water and wastewater system provided in replacement thereof by Purchaser from and after the Connection Date, Purchaser hereby agrees to defend, indemnify, and hold Seller harmless from and against any claims or liabilities whatsoever due to Purchaser's ownership or operation of the central water and wastewater system provided in replacement of the Utility System from and after the Connection Date.

5. DEVELOPERS' AGREEMENTS, RIGHTS THEREUNDER, AND SERVICE TO CUSTOMERS.

(a) The Seller represents to the Purchaser that it has not entered into any commitment, agreement, or obligation to provide water or wastewater utility service whatsoever.

(b) The Seller and IGR shall assign to Purchaser at Closing the exclusive right to serve the Project with water and wastewater utility service, as created and existing under that one certain Amended and Restated Declaration of Covenants, Conditions, Restrictions and Provisions for Party Wall of The Point, as recorded at O.R. Book 628, page 432 - 479 of the current public records of Clay County, Florida, as amended by the First Amendment thereto recorded at O.R. Book 634, pages 135 - 139 of said public records, and as further amended by the Second Amendment thereto recorded at O.R. Book 1172, pages 750 - 774 of the current public records of Clay County, Florida.

6. PURCHASER'S WARRANTIES.

(a) The Purchaser will, subsequent to Closing and the Connection Date, and consistent with prudent business practices, industry standards applicable thereto, and the requirements of the appropriate governmental agencies having jurisdiction over the assets and businesses of said Utility System:

(1) Provide water and wastewater services to all properties, improvements thereon and the occupants thereof, located within the Service Area, after connection has been made pursuant to Purchaser's completion of off-site facilities contemplated in the Project Developer Agreement, sufficient to serve the Project, disconnect Seller's water treatment and wastewater treatment package plants from, and connect Purchaser's System to, the remaining distribution and collection facilities of the Utility System, exclusive of the effluent discharge line to the St. Johns River.

7. SELLER'S WARRANTIES: Seller represents and warrants as follows:

(a) Seller is a corporation duly organized, validly existing, and in good standing under the laws of the State of Florida, with all requisite corporate power and authority to own its properties and carry on the business in which it is engaged.

(b) All necessary corporate proceedings have been duly taken to authorize the execution, delivery and performance of this Agreement, and the agreements, consents, conveyances, and the other documents and Agreements referenced herein ("Collateral Documents") by the Seller in the transaction as contemplated by this Agreement and the Collateral Documents.

(c) Seller has full corporate power and authority to execute, deliver and perform under this Agreement and the Collateral Documents which, when executed and delivered by the

Seller, will constitute the legal, valid and binding obligation of the Seller in accordance with their terms.

(d) The execution, delivery and performance of this Agreement and the Collateral Documents will not violate any provision of law, order of any court or agency of government, the Articles of Incorporation or By-Laws of the Seller, or any indenture, agreement, or other instrument to which the Seller is a party, or by which it is bound.

(e) From and after the date of the execution of this Agreement, Seller will not, without the prior written consent of the Purchaser, dispose of or encumber any of the Purchased Assets, with the exception of any transactions occurring in the ordinary course of Seller's business.

(f) The Seller will permit full examination by the Purchaser's authorized representatives of all existing contractual obligations, physical systems, assets, real estate, rights-of-way, easements, and inventories utilized by the Seller in the ordinary course of business by the Seller. Moreover, Seller warrants and represents that there will be no material depletion of the assets of the Seller, nor any material change in the condition of said assets, from and after the date of execution hereof through the Connection Date (excepting only changes for connection to Purchaser's System pursuant to the Project Developer Agreement), and that such facilities will be properly maintained within the custom and usage of the industry up until and through the Connection Date.

(g) In the interim between the execution of this Agreement and the Connection Date, Seller shall operate and maintain the Utility System in a normal and usual manner to the end that the value of the same will not be diminished or depleted other than by normal wear and tear. During this period Seller shall continue to operate under the jurisdiction of the Commission and bill and collect the rates approved by the Commission.

(h) Seller will reasonably cooperate by opening records, providing access to records and facilities to assist in the acquainting of the Purchaser's operating and administrative personnel, and professional advisors, in the operation of the Utility System.

(i) The information provided to the Purchaser by Seller as provided for in Exhibits and Collateral Documents hereto shall be true and correct to Seller's best knowledge and belief, after due inquiry, and shall not omit any material fact necessary to make the information provided by Seller not misleading, and said Exhibits and Collateral Documents shall be incorporated herein by reference and made a part hereof.

(j) Seller is in sole and exclusive ownership, possession, and control of the Purchased Assets and Seller shall deliver sole and exclusive possession of the Purchased Assets to Purchaser on the Connection Date.

(k) Except for Permitted Encumbrances provided for below and the requisite authorizations or consents of the applicable governmental authorities with respect to the sale and transfer of all licenses and permits to own and operate the Utility Systems, Seller has good and marketable title to the Purchased Assets.

(l) There will be after Closing, no liens, claims or encumbrances of whatever type of nature upon or against the Purchased Assets, including, but not limited to, mortgages, financing statements or security instruments filed under the Uniform Commercial Code either in Clay County or with the Secretary of State.

(m) Seller shall perform all of the conditions to Closing which should be performed by Seller prior to Closing and the Connection Date, as provided herein.

(n) The Utility System was cited by the United States Environmental Protection Agency ("EPA") prior to operation by Seller. This citation has since been resolved, and is no longer pending.

(o) There exists no present employment contract or employment benefit package which is not "at-will", under which Seller is the employer which cannot be canceled within thirty (30) days notice or less, without the payment of any consideration of such cancellation. Seller hereby further covenants and warrants that it will terminate, at its sole cost and expense, any existing package plant operator agreements prior to the Connection Date.

(p) During the period of time between the date of this Agreement and the Connection Date, Seller shall maintain adequate fire and extended coverage insurance to cover the cost of any repairs to the plants and Utility Systems that may be necessitated by casualty damage, and the risk of loss during said period of time shall fall upon the Seller. From and after the date of Connection Date, the Purchaser shall maintain such adequate fire and extended coverage insurance as to insure that the Purchaser will be in a position to fulfill its obligations to repair and maintain the Utility System, as such obligations are contained within this Agreement. The risk of loss shall pass to the Purchaser at the time of connection to the Purchaser's System.

(q) After the execution of this Agreement, Seller will not, without the prior written consent of the Purchaser, which will not be unreasonably withheld, enter into any new Developer Agreements. In any event, subsequent to the execution of this Agreement and prior to the Connection Date, any and all connection charges or developer contributions made in order to induce Seller to provide water or wastewater utility service to any developer or third party shall be

segregated into a separate and distinct escrow account and all of the proceeds thereof shall be delivered to the Purchaser on the Connection Date.

(r) Intentionally Deleted.

(s) That to the best of its knowledge and belief, and after due inquiry, there are no representations or warranties contained herein or made hereunder, and no exhibits, certificate, schedule or other document furnished or to be furnished in connection with the transaction contemplated hereby, including without limitation the Collateral Documents, which contain or will contain a misstatement of material fact, or omits or will omit to state a material fact required to be stated in order to make the statement therein not misleading.

(t) To its best knowledge and belief, Seller is not in default with respect to any order, writ, injunction, or decree of any court or federal, state, municipal or other governmental department. As of the Closing, there is no pending or threatened litigation or governmental action, which has not been settled by binding agreement of all interested parties, which could prohibit or interfere with the performance of this Agreement and the Collateral Documents.

(u) To its best knowledge and belief, Seller has not violated in connection with its ownership, use, maintenance or operation of the Purchased Assets prior to the Connection Date any applicable environmental, federal, state, county, or local laws relating to pollution or protection of the environment, including, but not limited to, the Environmental Laws. Seller has not authorized the placing or depositing of hazardous substances on the real estate portion of the Purchased Assets except, if at all, in accordance with the applicable Environmental Laws, and Seller has no actual knowledge of any hazardous substance having been, or currently being, placed or deposited on the premises except in accordance with such Laws.

(v) Seller hereby agrees to save and hold the Purchaser harmless from, and to indemnify Purchaser against, any and all losses or damages (including, but not limited to attorney fees) suffered by Purchaser resulting from:

(1) Any misrepresentation by Seller of material fact contained in this Agreement.

(2) Any breach of the representations or warranties made by Seller pursuant to the Agreement.

(3) Any and all known claims by developers for acts or promises other than as set out in the Developers Agreements and assumed by Purchaser. In this regard, Seller specifically understands and agrees that Purchaser may elect to change the terms and conditions of Seller's tariff upon acquisition of the Utility System, and may institute a connection charge policy which is higher, lower, or other than that of the Seller.

(4) Any promise made by the Seller which was not disclosed by the Seller to the Purchaser and which the Purchaser is forced, by action of law or otherwise, to honor.

(w) The representations and warranties contained in Article 3 hereof are true and correct.

8. PERMITTED ENCUMBRANCES

(a) Permitted Encumbrances. As used above, "Permitted Encumbrances" mean and include the following:

(1) All present and future building restrictions, zoning regulations and all present and future laws, ordinances, resolutions, regulations and orders of any governmental authority having jurisdiction over the real estate and the use thereof as represented herein.

(2) The lien of all property taxes for the calendar year in which the Closing takes place and thereafter; provided, however, that Seller shall provide to the Clay County Tax Collector the required escrow for property taxes up to the Connection Date, as required under Section 196.295, Florida Statutes.

(3) Easements, restrictions, reservations, rights-of-way, conditions and limitations of record, if any, which are not coupled with any reverter or forfeiture provisions, including (without limitation) any drainage, canal, mineral, road, or other reservation of record in favor of the State of Florida or any of its agencies or governmental or quasi-governmental entities, or as maybe set forth in any "Murphy Deeds", none of which, however, shall impair or restrict the use of the Project for the operation of the Utility System; provided, however, that all such easements with respect to water and sewer utility service shall be assigned to Purchaser by Seller, and joined in by IGR and the other parties hereto except for Seller, in the form attached as Exhibit Q hereto.

(4) Such other matters as are permitted under the terms of this Agreement.

9. CONDITIONS PRECEDENT TO CLOSING. The obligations of each party to close the transaction contemplated by this Agreement are subject to the conditions that, at or before the Closing Date:

(a) Neither Party shall be prohibited by decree or law from consummating the transaction.

(b) There shall not be pending or threatened any legal action or proceeding that would prevent the acquisition of the Purchased Assets or hinder the ability of the Purchaser to close the transaction, issue the Bond or pay the purchase price, or inhibit or restrict in any manner its use, title, or enjoyment of the Purchased Assets.

(c) The Board of Directors and Stockholders of Seller shall have ratified and approved the execution of this Agreement and authorized the sale of the Purchased Assets and true copies of the resolutions evidencing such ratification and approval have been delivered to the Purchaser.

(d) The Board of Supervisors of Purchaser shall have held a public hearing, and shall have ratified and approved the execution of this Agreement and authorized the acquisition of the Purchased Assets, payment of the Purchase Price and issuance of the Bond, and certified copies of the Resolutions evidencing such ratification and approval have been delivered to the Seller.

(e) The parties shall each have performed all the undertaking required to be performed by them under the terms hereof, prior to or at Closing, including without limitation the execution and delivery of all closing documents contemplated herein.

(f) As of the Closing Date, there shall have been no material adverse change in the applicable law or the business of the Seller of the Utility System being acquired by the Purchaser hereby.

(g) All warranties and representations herein of the parties hereto shall be true as of the Closing Date.

(h) Seller understands and agrees that Purchaser's ability and obligation to close on this Agreement is conditioned upon Purchaser's issuance and delivery of the tax exempt Bond to Yonge, in satisfaction of \$100,000.00 of the Purchase Price obligation and the reimbursement of the projected connection costs.

(i) IGR's full and complete compliance with, and payment of all sums due under, the Project Developer Agreement.

10. CLOSING DATE, CLOSING AND CONNECTION DATE.

(a) This transaction shall be closed of even date with the effective date hereof ("Closing Date"), concurrent with the full and final execution of this Agreement.

(b) Unless specified below to occur as of the Connection Date, at Closing, in addition to satisfying any of the conditions precedent to Closing, set forth in Article 9 above, the parties hereto shall ensure that:

(1) Intentionally Deleted.

(2) Taxes on the Purchased Assets, including without limitation tangible personal property taxes, shall be prorated as of the Connection Date, and Seller shall be required to escrow with the Clay County Tax Collector such prorated taxes in accordance with Section 196.295, Florida Statutes, and other applicable laws.

(3) All taxes and assessments accrued or owed by the Seller as of the later of the Closing Date or the Connection Date shall be and remain the obligation of the Seller. All taxes and assessments imposed or attempted to be imposed from and after the later of the Closing Date or the Connection Date shall be the obligation of the Purchaser.

(4) Seller is not holding any monies for connection charges imposed for service on the Utility System remain the Seller's sole and separate property with no claim of the Purchaser therefor, and no obligation of Purchaser to reimburse Seller or the customer for the same.

(5) All transfers required or necessary hereunder shall take place on the Closing Date, unless extended by mutual consent.

(6) Each of the respective parties hereto, except for Purchaser, shall pay the fees of its own attorneys, bankers, engineers, accountants, and other professional advisers or

consultants in connection with the negotiation, preparation and execution of this Agreement and any documents associated with the Closing of the sale and purchase transaction contemplated herein. Purchaser's attorney's fees have been included in the face amount of the Bond.

(7) All bills for services incurred or rendered in connection with the operation of the Utility System prior to the later of the Closing Date or the Connection Date shall be paid by Seller.

(8) All prorations required pursuant to the provisions hereof, shall be made and agreed upon by the parties hereto, provided, however, that such prorations shall be readjusted between the parties on the Connection Date.

11. CONNECTION DATE. Upon Closing, Purchaser shall promptly commence construction of the off-site improvements specified in the Project Developer Agreement, and within a reasonable time from the Closing Date, not to exceed nine (9) months, shall have completed the off-site improvements contemplated therein. When Purchaser has completed such off-site improvements, the Purchaser shall give Seller at least ten (10) business days' notice of the date on which Project service from the Seller's Utility System shall be disconnected, at which time the Project shall be connected to the Purchaser's Systems, and thereafter Purchaser shall be responsible for billing its customers at the Project for usage and such other payments and charges addressed in the Project Developer Agreement and Purchaser's then current rate resolution as in effect and applicable to all ratepayers and users of the Purchaser's Systems. The items covered by Article 10(b)(2), (3), (6), (8), (9), and/or (10) shall be prorated as of the Connection Date, or the prior closing proration, if any, shall be adjusted as of the Connection Date. Within 120 days of the Connection Date, Seller agrees to remove the existing water treatment package plant and wastewater treatment package plant from

the Project. PPOA and Whitney's shall be solely responsible for enforcing this obligation, and not Purchaser. However, as part of the post Connection Date duties, Purchaser shall remove any slabs on which the package plants were situated, and shall restore the sites of the same to a level grade, as part of the project construction cost to connect the Project to Purchaser's central water and wastewater systems. PPOA shall be responsible for payment of any cost of slab removal and grade leveling in excess of \$700.00.

In the event that Seller fails to remove the existing water treatment package plant and waste water treatment package plant (collectively the "Package Plants") from the Project within 120 days of the Connection Date, it shall be conclusively presumed that Seller has abandoned any ownership interest in the Package Plants in favor of Whitney's and PPOA, jointly, as tenants in common. Whitney's and PPOA shall thereafter be fully authorized to sell or dispose of the Package Plants in any manner deemed fit and they shall be entitled to retain the full amount of the proceeds of any such disposition without accountability to Seller. In the event that the proceeds of any disposition of the Package Plants is less than the reasonable costs incurred in removing the Package Plants, Whitney's and PPOA reserve the right to recover any such deficiency, together with attorney's fees, from Seller. Seller agrees not to remove any machinery, equipment, or components of the Package Plants on or after the Connection date except incidental to Seller's timely removal of the Package Plants from the Project. As additional security, to insure Seller's timely removal of the Package Plants, Whitney's and PPOA may pay their last month's statement for water and sewer service provided by Seller to the trust account of the law firm of Cox & Reynolds, 4875 North Federal Highway, Fort Lauderdale, Florida 33308, which sums shall be retained by Cox & Reynolds until the Package Plants are timely

removed by Seller, or, in the event the Package Plants are not timely removed by Seller, until such time as all claims arising out of Seller's failure to remove the Package Plants have been resolved.

12. LICENSE DURING INTERIM PERIOD. From the Closing Date through and including the Connection Date, Purchaser hereby irrevocably grants to Seller a license to use the Purchased Assets in connection with providing continuous water and wastewater service to the Project at the current rates in effect for the Seller. This license shall survive Closing and shall terminate immediately upon the connection of the Project to the Purchaser's Systems as of the Connection Date. During the period that such license is in effect, Seller shall be solely responsible for (i) operating the Purchased Assets in order to provide interim water and wastewater service to the Project, (ii) billing and collecting for its services to the users of such systems at the Project, (iii) paying all of the operating expenses for the interim use of the Purchased Assets during the license period, and (iv) fully complying with all regulatory requirements during the license period. Seller hereby agrees to indemnify, defend and hold Purchaser harmless against any and all liabilities arising or accruing with respect to the Purchased Assets and Seller's operation of the Utility System, through and including the actual time of connection of the Project to Purchaser's Systems on the Connection Date. All monies collected by Seller during this interim period shall be the sole property of Seller.

13. CUSTOMER AND USER REQUIREMENTS FOR CONNECTION TO PURCHASER'S SYSTEMS. As of the Connection Date, all existing customers and users of the Utility System shall be required to apply in writing for service from Purchaser, pay all applicable security deposits and advance fees for hook up and connection required of Purchaser's ratepayers by Purchaser's then current rate resolution, and join in the grant or assignment of easements and utility

service rights to the Project as contemplated to be documented and delivered to Purchaser at Closing hereunder, prior to being permitted to connect to and receive water or wastewater service from Purchaser's Systems. Purchaser agrees to accept the substituted performance and payment of the PPOA, in lieu of that required for certain dissenting or non-joining unit owners of the Project Units 11 through 29, as and only to the extent and under the circumstances permitted pursuant to the express provisions of the Project Development Agreement.

14. FLORIDA PUBLIC SERVICE COMMISSION MATTERS. Unless otherwise required to be applied for only in the name of Seller by applicable Florida Public Service Commission rules and policies, within fifteen (15) days of the Closing Date, the parties shall jointly petition the Florida Public Service Commission for approval of the transfer of service of the customers and users of the Utility System to Purchaser, such transfer to be effective upon the Connection Date. Seller shall file any reports, if required, and satisfy its outstanding Florida gross receipts tax obligations through the later of the Closing Date or the Connection Date. All costs and expenses relative to terminating its relationship with the Florida Public Service Commission shall be borne by the Seller. Copies of the Order(s) of the Commission acknowledging sale of the Utility System to the Purchaser shall be promptly provided to the Purchaser, upon Seller's receipt thereof.

15. RELEASE, HOLD HARMLESS AND INDEMNITY OF PURCHASER. Each of Seller, Yonge, IGR and PPOA release Purchaser from any and all liability in connection with any pending law suits or administrative actions between any of Seller, Yonge, IGR and PPOA, and any and all prior disputes between any of Seller, Yonge, IGR and PPOA. The above named parties, excluding Purchaser, have, contemporaneous with or prior to entering into this Agreement, have

entered into confidential settlement agreements among themselves, resolving all issues outstanding between them (but not as to dissenting unit owners).

16. SURVIVAL. The provisions of this Agreement shall survive the Closing hereof and the Connection Date, and shall not be merged herein.

17. OTHER MISCELLANEOUS PROVISIONS.

(a) The parties hereto recognize and agree that time is of the essence in this Agreement.

(b) Intentionally Deleted.

(c) This writing embodies the entire agreement and understandings between the parties hereto and there are no other agreements or understandings, oral or written, with reference to the subject matter hereof that are not merged herein and superseded hereby. No alteration, change or modification to the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto. This Agreement, regardless of where executed, shall be governed and construed according to the laws of the State of Florida. This Agreement may be executed in each of several copies, each of which shall be considered an original.

(d) Each party will, at any time and from time to time after the Closing Date, upon request of the other party, execute, acknowledge and deliver, or will cause to be executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, powers of attorney and assurances as may be required in order to implement and perform any of the obligations, covenants and agreements of the parties herein. Good faith is a condition of this Agreement.

(e) In no event, however, shall the provision of subsection "d" above be construed so as to allow access by the Purchaser or third parties to the books and records of any parent or

affiliated corporation of the Seller for purposes other than complying with the terms and conditions hereof.

(f) Neither Purchaser nor Seller may transfer or assign this Agreement or the respective duties or obligations hereunder without obtaining the prior written consent of the other. The Purchaser hereby consents to the assignment of this Agreement by the Seller to its stockholders in liquidation of the Seller and consents to the assignment of the Purchase Price by Seller to Yonge.

(g) The Seller and Purchaser represent and warrant each to the other that they have not dealt with either a broker, salesman, or finder in connection with any part of the transaction contemplated by this Agreement, and, in so far as they know, no broker, salesman or other person is entitled to any commission or fee with respect to such transaction. Further, each party shall indemnify the other against any claim or loss incurred or suffered as a result of any broker's or salesman's commission or finders fee alleged to be payable because of any statements, act or omissions of the indemnifying party.

(h) Any notice or other document to be given hereunder by any party to the other shall be in writing and shall be delivered personally or sent by certified mail, postage prepaid, or by facsimile transmission, to the address specified for such party on the first page of this Agreement.

If to Seller, IGR or Yonge, a copy shall be provided to:

Douglas H. Reynolds, Esq.
Cox & Reynolds
Savings of America Building, 10th Floor
4875 North Federal Highway
Fort Lauderdale, FL 33308

If to Purchaser, a copy shall be provided to:

Grady H. Williams, Jr.
Attorney at Law
1279 Kingsley Avenue, Ste. 117
Orange Park, FL 32073

If to PPOA, a copy shall be provided to:

J. Michael Lindell, Esq.
Hayes & Lindell, P.A.
Suite 620, Blackstone Bldg.
233 East Bay Street
Jacksonville, FL 32202-3447

(i) All salaries of employees to the Closing Date and all obligations of Seller as of the Closing Date to said employees for accrued vacation pay or severance or for sick term benefits pay shall be paid by Seller.

(j) This Agreement may be varied, modified or altered only by written instrument signed by the parties hereto.

(k) All representations and warranties heretofore made by any party to the other are merged into this Agreement.

(l) The headings used are for convenience only, and the parties herein agree that they shall be disregarded in the construction of this Agreement.

(m) As of the date of entry into this Agreement, as of the Closing Date, and as of the Connection Date there are and shall be no actions, suits, or proceedings pending, to the knowledge of the Seller, or affecting the Purchased Assets, at law or in equity, before any federal,

state, county, municipal or government court, department, commission, board, bureau, agency or instrumentality which involves the possibility of any judgment, assessment or liability which would affect the title of the Purchaser or would be a lien on any of the Purchased Assets or the revenues generated by the Utility System or would materially adversely affect the Purchaser's use of the Purchased Assets. It is agreed that this subsection "m" may be satisfied by the posting of an appropriate bond, suretyship contract or other acceptable guarantee to the Purchaser to cure or relieve any such lien or encumbrance that might be created prior to or after the date of Closing for any of the causes mentioned herein.

(n) The parties acknowledge that Purchaser and Seller shall have the right to seek specific performance to compel the Seller or Purchaser, to act or perform in accordance with the requirements of this Agreement. Such right of specific performance shall not, however, be the sole or exclusive remedy of each party against the other and each party further hereby preserves its rights to seek damages, due to the failure of the other to close this Agreement or to satisfy the obligations contained herein which exist after Closing.

(o) The drafting of this Agreement constituted a joint effort of the parties hereto, and in the interpretation hereof, it shall be assumed that no other party had any more input or influence herein than any other.

(p) It is agreed by and between the parties hereto that all words, terms, and conditions herein contained are to be read in concert, each with the other, and that a provision contained under one heading may be considered to be equally applicable under another heading in the interpretation of this Agreement.

(q) This Agreement is solely for the benefit of the parties hereto and no other causes of action shall accrue upon or by reason hereof to or for the benefit of any third party, who or which is not a formal party hereto.

18. ITEMS PREVIOUSLY DELIVERED. Seller hereby represents and warrants to Purchaser that all of the following described items, to the extent that the same exist, and without warranty as to the quality of any such item or matter described, have previously been provided to Purchaser for Purchaser's inspection, review and/or approval:

(a) Plans and specifications showing the water wells, water treatment plants, storage tanks, wastewater treatment plants and effluent disposal facilities of the Utility System as now constructed (as-built), together with a map showing the water distribution lines, wastewater collection lines, lift stations, effluent disposal facilities, and appurtenances as now constructed, and all other facilities constituting the Utility System.

(b) Seller's existing survey(s) of all or part of all Utility System easements and facilities.

19. ITEMS NOT EXISTING. Seller hereby represents and warrants to Purchaser that none of the following described items exist or apply to the Utility System, and therefore it is not possible to prepare information concerning or deliver to Purchaser the described items, copies or summaries thereof:

(a) Seller's Certificates issued by the Commission and presently in effect relating to the operation of the Utility System.

(b) Developer agreements or customer agreements under which the Seller has any continuing obligations.

(c) Agreements entered into between Seller and other parties which would or might be considered to be an encumbrance upon the "Purchased Assets," as defined herein, including, but not limited to, construction contracts, and oral agreements.

(d) Equipment, computers, software, water reading devices, vehicles, tools, parts, laboratory equipment, office equipment, unset or reserved meters, or other personal property located on or used in connection with the assets being acquired by Purchaser pursuant to this Agreement and that Seller uses in normal operation of the Utility System.

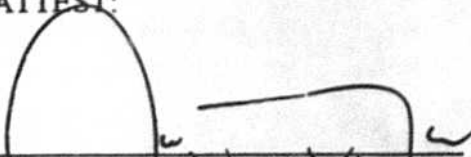
(e) Customer deposits and accounts receivable of the Utility System.

(f) Existing warranties by third parties respecting completed or in progress construction work for the Utility System.

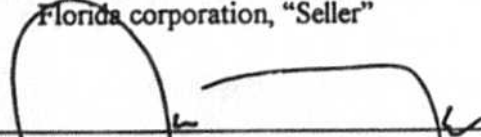
(g) Real estate owned by Seller, whereupon any pumping, lift stations, collection and/or disposal and other Utility System related facilities of all and any type are located, including all tanks and other improvements located thereon.

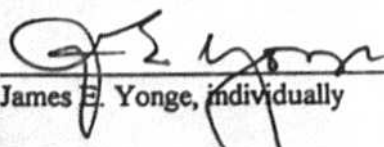
IN WITNESS WHEREOF, the parties have hereunto caused this Agreement to be executed the day and year aforesaid in counterparts, each counterpart to be considered an original

ATTEST:


Print Name: John Yonge
Secretary
(Seal)

POINT WATER & SEWER, INC., a
Florida corporation, "Seller"

By: 
John Yonge, President


James E. Yonge, individually

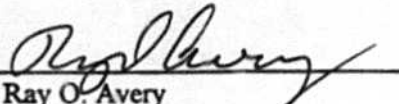
ATTEST:



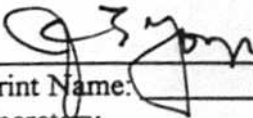
Print Name: Crista H. Price
Secretary

(Seal)

CLAY COUNTY UTILITY AUTHORITY,
an independent special district created
and existing under Chapter 94-491,
Laws of Florida, Special Acts of 1994,
"Purchaser"

By: 
Ray O. Avery
Executive Director

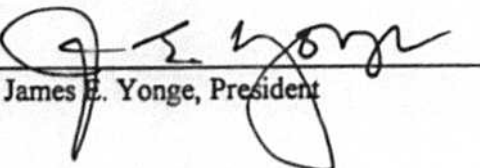
ATTEST:



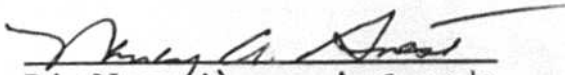
Print Name: _____
Secretary

(Seal)

IGR, INC., a Florida corporation

By: 
James E. Yonge, President

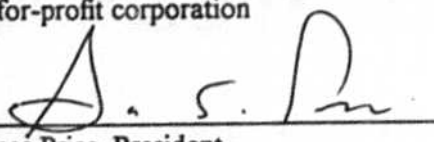
ATTEST:


Print Name: Nancy A. Guest

Secretary

(Seal)

**THE POINT PROPERTY OWNERS
ASSOCIATION, INC.,** a Florida not-
for-profit corporation

By: 
James Price, President

SCHEDULE A

PARCEL "A": Units 11 through 29, THE POINT, being a subdivision of part of Lot 19, CREIGHTON FOREST, recorded in Plat Book 4, page 8, according to Declaration set forth in Official records Volume 590, page 360, amended in Official Records Volume 634, page 432.

PARCEL "B": That portion of the "Commons Area", THE POINT, being a Subdivision of part of Lot 19, CREIGHTON FOREST, recorded in Plat Book 4, page 8, according to Declaration set forth in Official Records Volume 590, page 360, amended in Official Records volume 634, page 432, which lies within those lands described in Official Records Volume 592, page 83.

PARCEL "C": A portion of Lot 19, CREIGHTON FOREST, according to plat thereof, recorded in Plat Book 4, page 8, public records of Clay County, Florida, and a portion of Section 44, Township 4 South, Range 26 East, Clay County, Florida, adjacent thereto (being a portion of the lands described in Official Records Book 393, page 75, public records of Clay County, Florida) and being more particularly described as follows:

For a point of beginning, begin at a permanent reference monument which is the Northwest corner of said Lot 19, CREIGHTON FOREST, according to Plat Book 4, page 8, public records of Clay County, Florida, and referred to in Official Records Book 152, page 527 of said public records; thence run South 3 degrees 20 minutes 30 seconds West along the Easterly right of way line of U.S. Highway No. 17, 219 feet; thence run North 84 degrees 57 minutes 16 seconds East, 286 feet, more or less, to the waters of the St. Johns River and to the Easterly line of the real property conveyed by the State of Florida Board of Trustees of the Internal Improvement Trust Fund as recorded in Official Records Book 258, page 328, public records of Clay County, Florida; thence on said Easterly line run North 16 degrees 35 minutes 18 seconds West, 378 feet to the end of said Easterly line; thence run North 45 degrees 20 minutes 44 seconds West, 109.8 feet along the Northeasterly line of said real property described in Official Records Book 258, page 328; thence South 5 degrees 9 minutes 22 seconds West, 242 feet; thence South 89 degrees 58 minutes 52 seconds West, 14 feet; thence South 00 degrees 16 minutes 43 seconds East, 27 feet, more or less, to the Northeast line of said Lot 19; thence Northwesterly 80 feet, more or less, to a point which bears North 03 degrees 20 minutes 30 seconds East, 47 feet, more or less, from the point of beginning; thence South 03 degrees 20 minutes 30 seconds West 47 feet, more or less, to the Point of Beginning.

EXHIBIT G
COPIES AND SCHEDULE OF EXISTING AND APPLIED FOR PERMITS



Department of Environmental Protection

Lawton Chiles
Governor

Northeast District
7825 Baymeadows Way, Suite B200
Jacksonville, Florida 32256-7590

Virginia B. Wetherell
Secretary

May 23, 1997

CERTIFIED MAIL - RETURN RECEIPT

In the Matter of an Application
for Permit by:

DEP File No. 297836
Clay County
The Point Townhomes WWTF

Mr. John Yonge, President
Point Water and Sewer, Inc.
4753 Raggedy Point Road
Orange Park, Florida 32073

NOTICE OF PERMIT ISSUANCE

Enclosed is Permit Number FL0042871 to operate an existing 0.015 mgd AADF permitted capacity extended aeration WWTF with disinfected effluent dechlorinated and discharged to the St. Johns River issued under section 403 of the Florida Statutes.

A person whose substantial interests are affected by the Department's proposed permitting decision may petition for an administrative hearing in accordance with sections 120.569 and 120.57 of the Florida Statutes, or all parties may reach a written agreement on mediation as an alternative remedy under section 120.573 before the deadline for filing a petition. Choosing mediation will not adversely affect the right to a hearing if mediation does not result in a settlement. The procedures for petitioning for a hearing are set forth below, followed by the procedures for pursuing mediation.

The petition must contain the information set forth below and must be filed (received) in the Department's Office of General Counsel, 3900 Commonwealth Boulevard, Mail Station 35, Tallahassee, Florida, 32399-3000. Petitions filed by the permit applicant or any of the parties listed below must be filed within fourteen days of receipt of this notice of intent. Petitions filed by any other person must be filed within fourteen days of publication of the public notice or within fourteen days of receipt of this notice of intent, whichever occurs first. A petitioner must mail a copy of the petition to the applicant at the address indicated above, at the time of filing. The failure of any person to file a petition (or a request for mediation, as discussed below) within the appropriate time period shall constitute a waiver of that person's right to request an administrative determination (hearing) under sections 120.569 and 120.57 of the Florida Statutes, or to intervene in this proceeding and participate as a party to it. Any subsequent intervention will be only at the discretion of the presiding officer upon the filing of a motion in compliance with rule 28-5.207 of the Florida Administrative Code.

A petition must contain the following information:

- (a) The name, address, and telephone number of each petitioner; the Department's permit identification number and the county in which the subject matter or activity is located;
- (b) a statement of how and when each petitioner received notice of the Department's action;

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- (c) a statement of how each petitioner's substantial interests are affected by the department's action;
- (d) a statement of the material facts disputed by the petitioner, if any;
- (e) a statement of facts that the petitioner contends warrant reversal or modification of the Department's action;
- (f) a statement of which rules or statutes the petitioner contends require reversal or modification of the Department's action; and
- (g) and a statement of the relief sought by the petitioner, stating precisely the action that the petitioner wants the Department to take.

Because the administrative hearing process is designed to formulate final agency action, the filing of a petition means that the Department's final action may be different from the position taken by it in this notice of intent. Persons whose substantial interests will be affected by any such final decision of the Department on the application have the right to petition to become a party to the proceeding, in accordance with the requirements set forth above.

Any person may elect to pursue mediation by reaching a mediation agreement with all parties to the proceeding (which includes the Department and any person who has filed a timely and sufficient petition for a hearing) and by showing how the substantial interests of each mediating party are affected by the Department's action or proposed action. The agreement must be filed in (received by) the Office of General Counsel of the Department at 3900 Commonwealth Boulevard, Mail Station 35, Tallahassee, Florida 32399-3000, by the same deadline as set forth above for the filing of a petition.

The agreement to mediate must include the following:

- (a) the names, addresses, and telephone numbers of any persons who may attend the mediation;
- (b) the name, address, and telephone number of the mediator selected by the parties, or a provision for selecting a mediator within a specified time;
- (c) the agreed allocation of the costs and fees associated with the mediation;
- (d) the agreement of the parties on the confidentiality of discussions and documents introduced during mediation;
- (e) the date, time, and place of the first mediation session, or a deadline for holding the first session, if no mediator has yet been chosen;
- (f) the name of each party's representative who shall have authority to settle or recommend settlement;
- (g) either an explanation of how the substantial interests of each mediating party will be affected by the action or proposed action addressed in this action or a statement clearly identifying the petition for hearing that each party has already filed, and incorporating it by reference; and
- (h) the signatures of all parties or their authorized representatives.

As provided in section 120.573 of the Florida Statutes, the timely agreement of all parties to mediate will toll the time limitations imposed by section 120.569 and 120.57 for requesting and holding an administrative hearing. Unless otherwise agreed by the parties, the mediation must be concluded within sixty days of the execution of the agreement. If mediation results in settlement of the administrative dispute, the Department must enter a final order incorporating the agreement of the parties. Persons whose substantial interests will be affected by such a modified final decision of the Department have a right to petition for a hearing only in accordance with the requirements for

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such petitions set forth above, and must therefore file their petitions within fourteen days of receipt of this notice. If mediation terminates without settlement of the dispute, the Department shall notify all parties in writing that the administrative hearing processes under section 120.569 and 120.57 remain available for disposition of the dispute, and the notice will specify the deadlines that then will apply for challenging the agency action and electing remedies under those two statutes.

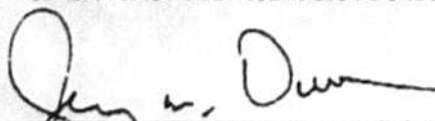
This action is final and effective on the date filed with the Clerk of the Department unless a petition (or request for mediation) is filed in accordance with the above. Upon the timely filing of a petition (or request for mediation) this order will not be effective until further order of the Department.

Any party to the order has the right to seek judicial review of the order under section 120.68 of the Florida Statutes, by the filing of a notice of appeal under rule 9.110 of the Florida Rules of Appellate Procedure with the Clerk of the Department in the Office of General Counsel, 3900 Commonwealth Boulevard, Mail Station 35, Tallahassee, Florida, 32399-3000; and by filing a copy of the notice of appeal accompanied by the applicable filing fees with the appropriate district court of appeal. The notice of appeal must be filed within 30 days from the date when the final order is filed with the Clerk of the Department.

Executed in Jacksonville, Florida.

BTW

STATE OF FLORIDA DEPARTMENT
OF ENVIRONMENTAL PROTECTION



Gary M. Owen, P.E.
Water Facilities Administrator

JMO/jd

CERTIFICATE OF SERVICE

The undersigned duly designated deputy agency clerk hereby certifies that this NOTICE OF PERMIT ISSUANCE and all copies were mailed by certified mail before the close of business on 5/29/97 to the listed persons.

Copies furnished to:

Darryl Joyner, DEP, Tallahassee
Douglas H. Reynolds, Cox & Reynolds
Robert A. Routh
James Lucas, P.E., J, Lucas and Associates
Patricia Brady, PSC

FILING AND ACKNOWLEDGEMENT
Fl. 50 on this date, pursuant to §120.52, Florida
Statutes, with the designated Department Clerk
receiving which is hereby acknowledged.
[Signature] Clerk 5/29/97 Date



Department of Environmental Protection

Lawton Chiles
Governor

Northeast District
7825 Baymeadows Way, Suite B200
Jacksonville, Florida 32256-7590

Virginia B. Wetherell
Secretary

STATE OF FLORIDA DOMESTIC WASTEWATER FACILITY PERMIT

PERMITTEE:

Point Water and Sewer, Inc.

RESPONSIBLE AUTHORITY:

Mr. John Yonge, President
4753 Raggedy Point Road
Orange Park, FL 32073

PERMIT NUMBER:

FL0042871

ISSUANCE DATE:

May 23, 1997

EXPIRATION DATE:

May 22, 2002

FACILITY ID. NO.:

FL0042871 (3110P00304)

APPLICATION NO.:

297836

FACILITY:

The Point Townhomes WWTF
U. S. Highway 17, Fleming Island
Orange Park, FL 32073
Clay County

Latitude: 30° 08' 48" N Longitude: 81° 42' 00" W

This permit is issued under the provisions of Chapter 403, Florida Statutes, and applicable rules of the Florida Administrative Code and constitutes authorization to discharge to waters of the state under the National Pollutant Discharge Elimination System. The above named permittee is hereby authorized to operate the facilities shown on the application and other documents attached hereto or on file with the Department and made a part hereof and specifically described as follows:

TREATMENT FACILITIES:

An existing 0.015 mgd annual average daily flow (AADF) permitted capacity extended aeration wastewater treatment plant (WWTP) consisting of a 17,765 gallon aeration tank, a 2,880 gallon secondary clarifier, a 1,463 gallon chlorine contact chamber, and dechlorination. WWTP residuals are stabilized in an aerobic digester prior to hauling to a land application site.

EFFLUENT DISPOSAL:

Surface Water Discharge: An existing 0.015 mgd AADF permitted discharge to St. Johns River (Class III fresh waters) at Discharge Location (D001). The point of discharge is located approximately at latitude 30° 08' 48" N, longitude 81° 42' 00" W.

IN ACCORDANCE WITH: The limitations, monitoring requirements and other conditions as set forth in Pages 1 through 15 of this permit.

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 FACILITY: The Point Townhomes WWTF
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 Orange Park, FL 32073

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2. Effluent samples shall be taken at the monitoring site locations listed in Permit Condition I. A. 1. and as described below:

Monitoring Location Site Number	Description of Monitoring Location
EFA-1	Post-Disinfection
EFD-1	Final Effluent

3. The arithmetic mean of the monthly fecal coliform values collected during an annual period shall not exceed 200 per 100 mL of effluent sample. The geometric mean of the fecal coliform values for a minimum of 10 samples of effluent each collected on a separate day during a period of 30 consecutive days (monthly), shall not exceed 200 per 100 mL of sample. No more than 10 percent of the samples collected (the 90th percentile value) during a period of 30 consecutive days shall exceed 400 fecal coliform values per 100 mL of sample. Any one sample shall not exceed 800 fecal coliform values per 100 mL of sample. Note: To report the 90th percentile value, list the fecal coliform values obtained during the month in ascending order. Report the value of the sample that corresponds to the 90th percentile (multiply the number of samples by 0.9). For example, for 30 samples, report the corresponding fecal coliform number for the 27th value of ascending order. [62-600.440(4)(c), 6-8-93]
4. A minimum of 0.5 mg/L total residual chlorine must be maintained for a minimum contact time of 15 minutes based on peak hourly flow. [62-600.440(4)(b), 6-8-93]
5. In order to calculate the unionized ammonia value, the final treated effluent must be sampled for total ammonia nitrogen and temperature and pH of the effluent at the time of sample collection. The unionized ammonia value shall be calculated based on the total ammonia nitrogen, temperature, and pH.

B. Other Limitations and Monitoring and Reporting Requirements

1. During the period beginning on the issuance date and lasting through the expiration date of this permit, the treatment facility shall be limited and monitored by the permittee as specified below:

			Limitations	Monitoring Requirements			
Parameter	Units	Max/Min	Annual Average	Monitoring Frequency	Sample Type	Monitoring Location Site Number	Notes
Flow	mgd	Maximum	0.015	5 Days/Week	Elapsed time meters on pumps	INF-1	See Cond. I.B.3, 4
Carbonaceous Biochemical Oxygen Demand (5 day)	mg/L	Report	-	Monthly	Grab	INF-1	See Cond. I.B.3
Total Suspended Solids	mg/L	Report	-	Monthly	Grab	INF-1	See Cond. I.B.3

2. Samples shall be taken at the monitoring site locations listed in Permit Condition I. B. 1 and as described below:

Monitoring Location Site Number	Description of Monitoring Location
INF-1	Influent prior to biological treatment

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3. Influent samples shall be collected so that they do not contain digester supernatant or return activated sludge, or any other plant process recycled waters. [62-601.500(4), 5-31-93]
4. Elapsed time meters on pumps shall be utilized to measure flow and calibrated at least annually. [62-601.200(17) and .500(6), 5-31-93]
5. The approved analytical methods and corresponding required MDL (method detection limit) and PQL (practical quantification limit) for parameters monitored at outfall D001 are (note: if multiple methods are approved for a given parameter, they are all listed with corresponding MDLs/PQLs separated by a "/" if different):

PARAMETER	ANALYTICAL METHOD	MDL (units)	PQL (units)
CBOD ₅	405.1	0.2 (mg/L)	1.0 (mg/L)
TSS	160.2	4.0 (mg/L)	4.0 (mg/L)
pH	150.1	0.1 (s.u.)	0.1 (s.u.)
Fecal Coliform	600/8-78-017	1 (no/100 mL)	2 (no/100 mL)
Total Residual Chlorine (for disinfection)	330.1 or 330.2 or 330.4 or 330.5	10.0 / 1000.0 / 100.0 / 200.0 (µg/L)	10.0 / 1000.0 / 100.0 / 200.0 (µg/L)
Total Residual Chlorine (after dechlorination)	330.1 or 330.5	10.0 / 200.0 (µg/L)	10.0 / 200.0 (µg/L)

The MDLs and PQLs listed above shall constitute the minimum reporting levels for the life of the permit. The Department shall not accept results for which the laboratory's MDLs or PQLs are greater than those listed above. Unless otherwise specified, sample results shall be reported as follows:

- a) Results greater than or equal to the PQL shall be reported as the measured quantity.
- b) Results less than the PQL and greater than or equal to the MDL shall be reported as the PQL value followed by the lab code "m" and the value of the MDL in parentheses. These values shall be deemed equal to the MDL when necessary to calculate an average for that parameter and when determining compliance with permit limits.
- c) Results less than the MDL shall be reported as the MDL followed by the lab code "u". A value of one half the MDL or half the effluent limit, whichever is lower, shall be used for that sample when necessary to calculate an average for that parameter. Values less than the MDL are considered to demonstrate compliance with an effluent limit or monitoring requirement.

[62-4.246, 6-13-96]

6. The permittee shall provide safe access points for obtaining representative influent, reclaimed water, and effluent samples which are required by this permit. [62-601.500(5), 5-31-93]
7. During the period of operation authorized by this permit, the permittee shall complete and submit to the Department on a monthly basis Discharge Monitoring Report(s) (DMR), Form 62-620.910(10), as attached to this permit. The permittee shall make copies of the attached DMR form(s) and shall

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submit the completed DMR form(s) to the Department by the twenty-eighth (28th) of the month following the month of operation at the address specified below:

Florida Department of Environmental Protection
 Wastewater Facilities Regulation Section, Mail Station 3551
 Twin Towers Office Building
 2600 Blair Stone Road
 Tallahassee, Florida 32399-2400

[62-620.610(18), 11-29-94][62-601.300(1),(2), and (3), 5-31-93]

8. Unless specified otherwise in this permit, all reports and notifications required by this permit, including 24-hour notifications, shall be submitted to or reported to, as appropriate, the Department's Northeast District Office at the address specified below.

Florida Department of Environmental Protection
 Northeast District Office
 Florida Dept. of Environmental Protection 7825 Baymeadows Way, Suite 200B
 Jacksonville, Florida 32256-7590

Phone Number - (904) 448-4330

FAX Number - (904) 448-4366 All FAX copies shall be followed by original copies.

II. RESIDUALS MANAGEMENT REQUIREMENTS

- The method of residuals use or disposal by this facility is land application.
- Land application of residuals shall be in accordance with the conditions of this permit and the requirements of Chapter 62-640, F.A.C. [62-640, 3-1-91]
- The domestic wastewater residuals for this facility are classified as Class C.
- The wastewater treatment facility permittee shall be responsible for proper handling, use, and disposal of its residuals and will be held responsible for any disposal violations that occur unless the permittee can demonstrate that it has delivered residuals that meet the chemical criteria and appropriate stabilization requirements of this permit and that the disposer (e.g. hauler, contractor, or disposal/land application site owner) has legally agreed in writing to accept responsibility for proper disposal. [62-640.300(3), 3-1-91]
- The permittee shall sample and analyze the residuals at least once every 12 months. All samples shall be representative and shall be taken after final treatment of the residuals but before use or disposal. Sampling and analysis shall be in accordance with the U.S. Environmental Protection Agency publication - FOTW Sludge Sampling and Analysis Guidance Document, 1989. The following parameters shall be sampled and analyzed:

Parameter	Maximum Concentration	Maximum Cumulative Loading
Total Nitrogen	(Report only) % dry weight	Not applicable

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Total Phosphorus	(Report only) % dry weight	Not applicable
Total Potassium	(Report only) % dry weight	Not applicable
Cadmium	100 mg/kg dry weight	4.4 pounds /acre *
Copper	3000 mg/kg dry weight	125 pounds/acre
Lead	1500 mg/kg dry weight	500 pounds/acre
Nickel	500 mg/kg dry weight	125 pounds/acre
Zinc	10,000 mg/kg dry weight	250 pounds/acre
pH	(Report only) standard units	Not applicable
Total Solids	(Report only) %	Not applicable

* The annual application rate for cadmium shall not exceed 0.5 pounds/acre/year.

6. Class C residuals shall not be used on unrestricted access areas. [62-640.600(7)(b), 3-1-91]
7. Class C residuals application shall be in accordance with the Agricultural Use Plan approved by the Department for this facility. [62-640.300(1), 3-1-91]
8. The public shall be restricted from the application area for 12 months after the last application of Class C residuals. [62-640.600(7)(d), 3-1-91]
9. Root crops, and fruits and vegetables which touch the soil and which are to be consumed raw shall not be grown on the application site for 18 months after the last application of Class C residuals. [62-640.600(7)(c), 3-1-91]
10. Fruits and vegetables which do not touch the soil and which are to be consumed raw shall not be harvested from the application site for 60 days following the last application of Class C residuals. Orchard tree crops, which do not come in contact with the residuals due to the application method, are exempted. This exemption does not apply to orchard tree crops which have fallen to the ground before harvesting. [62-640.600(7)(d), 3-1-91]
11. Pasture vegetation on the application site shall not be cut or used for grazing by livestock for 30 days following the last application of Class C residuals. [62-640.600(7)(e), 3-1-91]
12. The wastewater treatment facility permittee shall apply for a minor permit revision on DEP Form 62-620.910(9) for new, modified, or expanded residuals land application sites. The facilities permit shall be revised to include the new or revised Agricultural Use Plan(s) prior to application of residuals to the new, modified, or expanded sites. Current Agricultural Use Plan(s) identify residuals landspreading on the following sites: [62-620.330, 11-29-94]

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		Site Location	
Site Name	Application Area (Acres)	City	County
Effie Peterson Site	100	Jacksonville	Duval

13. Annual residuals application rates shall not exceed the agronomic rates based on the nitrogen requirements of the site vegetation in accordance with the approved Agricultural Use Plan(s). [62-640.700(3)(d), 3-1-91]
14. Residuals shall be applied with techniques and equipment to assure uniform application over the site. [62-640.700(3)(n), 3-1-91]
15. The pH of the domestic wastewater residuals soil mixture shall be 6.5 or greater at the time domestic wastewater residuals are applied. At a minimum, testing shall be done annually. [62-640.700(3)(h), 3-1-91]
16. The permittee shall maintain records of application areas and application rates on DEP Form 62-640.900(3) and shall have these records available for inspection upon request by the Department or the appropriate Local Environmental Program. These records shall include:
 - a. Date of application of the residuals,
 - b. Location of the residuals application site,
 - c. Amount of residuals applied or delivered,
 - d. Identification of specific areas of the site where residuals were applied and acreage of that area,
 - e. Method of incorporation of residuals (if any),
 - f. Water table level at time of application, and
 - g. Concentration of nitrogen and heavy metals in the residuals, percent solids, and date of last analysis.

The permittee shall provide: annual updates to the Agricultural Use Plan(s) to reflect any changes in domestic wastewater residuals characteristics or agricultural practices; summaries of the total residuals, nitrogen, and heavy metals applied on an annual basis; and annual summaries of the cumulative metals applied. Updates to the Agricultural Use Plan(s) and annual summaries, including copies of applicable analytical laboratory reports for the wastewater residuals analysis for that period, shall be submitted to the Northeast District Office by July 1 of each year. [62-640.700(3)(e) and (p), 3-1-91]

III. GROUND WATER MONITORING REQUIREMENTS

Section III is not applicable to this facility.

IV. ADDITIONAL REUSE AND LAND APPLICATION REQUIREMENTS

Section IV is not applicable to this facility.

V. OPERATION AND MAINTENANCE REQUIREMENTS

1. During the period of operation authorized by this permit, the wastewater facilities shall be operated under the supervision of a(n) operator(s) certified in accordance with Chapter 61E12-41, F.A.C. In

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accordance with Chapter 62-699, F.A.C., this facility is a Category III, Class D facility and, at a minimum, operators with appropriate certification must be on the site as follows:

A Class D or higher operator for 3 nonconsecutive visits/week for 1 1/2 hours/week. The lead operator must be a Class D operator, or higher.

[62-699.5-20-94] [62-620.630(3), 11-29-94] [62-699.310, 5-20-92] [62-610.462, 1-9-96]

2. A certified operator shall be on call during periods the plant is unattended. Daily checks of the plant shall be performed by the permittee or his representative or agent 5 days per week. On those days when the facility is not staffed by a certified operator, the permittee shall ensure that flow, pH, and total residual chlorine (for disinfection) are monitored in accordance with Section I of this permit. [62-699.311(1), 5-20-92]
3. The application to renew this permit shall include an updated capacity analysis report prepared in accordance with Rule 62-600.405, F.A.C. [62-600.405(3), 6-8-93]
4. The application to renew this permit shall include a detailed operation and maintenance performance report prepared in accordance with Rule 62-600.735, F.A.C. [62-600.735(1), 6-8-93]
5. The permittee shall maintain the following records and make them available for inspection on the site of the permitted facility:
 - a. Records of all compliance monitoring information, including all calibration and maintenance records and all original strip chart recordings for continuous monitoring instrumentation and a copy of the laboratory certification showing the certification number of the laboratory, for at least three years from the date the sample or measurement was taken;
 - b. Copies of all reports required by the permit for at least three years from the date the report was prepared;
 - c. Records of all data, including reports and documents, used to complete the application for the permit for at least three years from the date the application was filed;
 - d. Monitoring information, including a copy of the laboratory certification showing the laboratory certification number, related to the residuals use and disposal activities for the time period set forth in Chapter 62-640, F.A.C., for at least three years from the date of sampling or measurement;
 - e. A copy of the current permit;
 - f. A copy of the current operation and maintenance manual as required by Chapter 62-600, F.A.C.;
 - g. A copy of the facility record drawings;
 - h. Copies of the licenses of the current certified operators; and
 - i. Copies of the logs and schedules showing plant operations and equipment maintenance for three years from the date of the logs or schedules. The logs shall, at a minimum, include identification of the plant; the signature and certification number of the operator(s) and the signature of the person(s) making any entries; date and time in and out; specific operation and maintenance activities; tests performed and samples taken; and major repairs made. The logs shall be

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maintained on-site in a location accessible to 24-hour inspection, protected from weather damage, and current to the last operation and maintenance performed.

[62-620.350, 11-29-94][61E12-41.010(1)(e), 11-02-93]

VI. SCHEDULES

Section VI is not applicable to this facility.

VII. INDUSTRIAL PRETREATMENT PROGRAM REQUIREMENTS

This facility is not required to have a pretreatment program at this time. [62-625.500, 11-29-94]

VIII. OTHER SPECIFIC CONDITIONS

1. If the permittee wishes to continue operation of this wastewater facility after the expiration date of this permit, the permittee shall submit an application for renewal, using Department Forms 62-620.910(1) and (2), no later than one-hundred and eighty days (180) prior to the expiration date of this permit. [62-620.410(5), 11-26-94]
2. Florida water quality criteria and standards shall not be violated as a result of any discharge or land application of reclaimed water or residuals from this facility. [62-600.320(9), 11-29-94 and 62-302.510(5), 2-27-95][62-640.700(3)(c), 3-1-91]
3. In the event that the treatment facilities or equipment no longer function as intended, are no longer safe in terms of public health and safety, or odor, noise, aerosol drift, or lighting adversely affects neighboring developed areas at the levels prohibited by Rule 62-600.400(2)(a), F.A.C., corrective action (which may include additional maintenance or modifications of the permitted facilities) shall be taken by the permittee. Other corrective action may be required to ensure compliance with rules of the Department. [62-600.410(8), 6-8-93]
4. The deliberate introduction of stormwater in any amount into collection/transmission systems designed solely for the introduction (and conveyance) of domestic/industrial wastewater; or the deliberate introduction of stormwater into collection/transmission systems designed for the introduction or conveyance of combinations of storm and domestic/industrial wastewater in amounts which may reduce the efficiency of pollutant removal by the treatment plant is prohibited. [62-604.130(3), 5-31-93]
5. Collection/transmission system overflows shall be reported to the Department in accordance with Permit Condition IX. 20. [62-604.550, 5-31-93] [62-620.610(20), 11-29-94]
6. The operating authority of a collection/transmission system and the permittee of a treatment plant are prohibited from accepting connections of wastewater discharges which have not received necessary pretreatment or which contain materials or pollutants (other than normal domestic wastewater constituents):
 - a. Which may cause fire or explosion hazards; or
 - b. Which may cause excessive corrosion or other deterioration of wastewater facilities due to chemical action or pH levels; or

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- c. Which are solid or viscous and obstruct flow or otherwise interfere with wastewater facility operations or treatment; or
- d. Which result in treatment plant discharges having temperatures above 40°C.

[62-604.130(4), 5-31-93]

- 7. The treatment facility, storage ponds, rapid infiltration basins, and/or infiltration trenches shall be enclosed with a fence or otherwise provided with features to discourage the entry of animals and unauthorized persons. [62-600.410, 6-8-93]
- 8. Screenings and grit removed from the wastewater facilities shall be collected in suitable containers and hauled to a Department approved Class I landfill or to a landfill approved by the Department for receipt/disposal of screenings and grit. [62-7.540, 12-10-85]
- 9. The permittee shall provide adequate notice to the Department of the following:
 - a. Any new introduction of pollutants into the facility from an industrial discharger which would be subject to Chapter 403, F.S., and the requirements of Chapter 62-620, F.A.C. if it were directly discharging those pollutants; and
 - b. Any substantial change in the volume or character of pollutants being introduced into that facility by a source which was identified in the permit application and known to be discharging at the time the permit was issued.

Adequate notice shall include information on the quality and quantity of effluent introduced into the facility and any anticipated impact of the change on the quantity or quality of effluent or reclaimed water to be discharged from the facility.

[62-620.625(2), 11-29-94]

IX. GENERAL CONDITIONS

- 1. The terms, conditions, requirements, limitations and restrictions set forth in this permit are binding and enforceable pursuant to Chapter 403, Florida Statutes. Any permit noncompliance constitutes a violation of Chapter 403, Florida Statutes, and is grounds for enforcement action, permit termination, permit revocation and reissuance, or permit revision. [62-620.610(1), 11-29-94]
- 2. This permit is valid only for the specific processes and operations applied for and indicated in the approved drawings or exhibits. Any unauthorized deviations from the approved drawings, exhibits, specifications or conditions of this permit constitutes grounds for revocation and enforcement action by the Department. [62-620.610(2), 11-29-94]
- 3. As provided in Subsection 403.087(6), F.S., the issuance of this permit does not convey any vested rights or any exclusive privileges. Neither does it authorize any injury to public or private property or any invasion of personal rights, nor authorize any infringement of federal, state, or local laws or regulations. This permit is not a waiver of or approval of any other Department permit or authorization that may be required for other aspects of the total project which are not addressed in this permit. [62-620.610(3), 11-29-94]
- 4. This permit conveys no title to land or water, does not constitute state recognition or acknowledgment of title, and does not constitute authority for the use of submerged lands unless herein provided and

PERMITTEE: Point Water and Sewer, Inc.
FACILITY: The Point Townhomes WWTF
U.S. 17, Fleming Island
Orange Park, FL 32073

PERMIT NUMBER: FLO042871
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the necessary title or leasehold interests have been obtained from the State. Only the Trustees of the Internal Improvement Trust Fund may express State opinion as to title. [62-620.610(4), 11-29-94]

5. This permit does not relieve the permittee from liability and penalties for harm or injury to human health or welfare, animal or plant life, or property caused by the construction or operation of this permitted source; nor does it allow the permittee to cause pollution in contravention of Florida Statutes and Department rules, unless specifically authorized by an order from the Department. The permittee shall take all reasonable steps to minimize or prevent any discharge, reuse of reclaimed water, or residuals use or disposal in violation of this permit which has a reasonable likelihood of adversely affecting human health or the environment. It shall not be a defense for a permittee in an enforcement action that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit. [62-620.610(5), 11-29-94]
6. If the permittee wishes to continue an activity regulated by this permit after its expiration date, the permittee shall apply for and obtain a new permit. [62-620.610(6), 11-29-94]
7. The permittee shall at all times properly operate and maintain the facility and systems of treatment and control, and related appurtenances, that are installed and used by the permittee to achieve compliance with the conditions of this permit. This provision includes the operation of backup or auxiliary facilities or similar systems when necessary to maintain or achieve compliance with the conditions of the permit. [62-620.610(7), 11-29-94]
8. This permit may be modified, revoked and reissued, or terminated for cause. The filing of a request by the permittee for a permit revision, revocation and reissuance, or termination, or a notification of planned changes or anticipated noncompliance does not stay any permit condition. [62-620.610(8), 11-29-94]
9. The permittee, by accepting this permit, specifically agrees to allow authorized Department personnel, including an authorized representative of the Department and authorized EPA personnel, when applicable, upon presentation of credentials or other documents as may be required by law, and at reasonable times, depending upon the nature of the concern being investigated, to:
 - a. Enter upon the permittee's premises where a regulated facility, system, or activity is located or conducted, or where records shall be kept under the conditions of this permit;
 - b. Have access to and copy any records that shall be kept under the conditions of this permit;
 - c. Inspect the facilities, equipment, practices, or operations regulated or required under this permit, and
 - d. Sample or monitor any substances or parameters at any location necessary to assure compliance with this permit or Department rules.[62-620.610(9), 11-29-94]
10. In accepting this permit, the permittee understands and agrees that all records, notes, monitoring data, and other information relating to the construction or operation of this permitted source which are submitted to the Department may be used by the Department as evidence in any enforcement case involving the permitted source arising under the Florida Statutes or Department rules, except as such use is proscribed by Section 403.111, Florida Statutes, or Rule 62-620.302, Florida Administrative Code. Such evidence shall only be used to the extent that it is consistent with the Florida Rules of Civil Procedure and applicable evidentiary rules. [62-620.610(10), 11-29-94]

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Orange Park, FL 32073

PERMIT NUMBER: FL0042871
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EXPIRATION DATE: May 22, 2002
APPLICATION NO.: 297836

11. When requested by the Department, the permittee shall within a reasonable time provide any information required by law which is needed to determine whether there is cause for revising, revoking and reissuing, or terminating this permit, or to determine compliance with the permit. The permittee shall also provide to the Department upon request copies of records required by this permit to be kept. If the permittee becomes aware of relevant facts that were not submitted or were incorrect in the permit application or in any report to the Department, such facts or information shall be promptly submitted or corrections promptly reported to the Department. [62-620.610(11), 11-29-94]
12. Unless specifically stated otherwise in Department rules, the permittee, in accepting this permit, agrees to comply with changes in Department rules and Florida Statutes after a reasonable time for compliance; provided, however, the permittee does not waive any other rights granted by Florida Statutes or Department rules. A reasonable time for compliance with a new or amended surface water quality standard, other than those standards addressed in Rule 62-302.500, F.A.C., shall include a reasonable time to obtain or be denied a mixing zone for the new or amended standard. [62-620.610(12), 11-29-94]
13. The permittee, in accepting this permit, agrees to pay the applicable regulatory program and surveillance fee in accordance with Rule 62-4.052, F.A.C. [62-620.610(13), 11-29-94]
14. This permit is transferable only upon Department approval in accordance with Rule 62-620.340, F.A.C. The permittee shall be liable for any noncompliance of the permitted activity until the transfer is approved by the Department. [62-620.610(14), 11-29-94]
15. The permittee shall give the Department written notice at least 60 days before inactivation or abandonment of a wastewater facility and shall specify what steps will be taken to safeguard public health and safety during and following inactivation or abandonment. [62-620.610(15), 11-29-94]
16. The permittee shall apply for a revision to the Department permit in accordance with Rules 62-620.300, 62-620.420 or 62-620.450, F.A.C., as applicable, at least 90 days before construction of any planned substantial modifications to the permitted facility is to commence or with Rule 62-620.300 for minor modifications to the permitted facility. A revised permit shall be obtained before construction begins except as provided in Rule 62-620.300, F.A.C. [62-620.610(16), 11-29-94]
17. The permittee shall give advance notice to the Department of any planned changes in the permitted facility or activity which may result in noncompliance with permit requirements. The permittee shall be responsible for any and all damages which may result from the changes and may be subject to enforcement action by the Department for penalties or revocation of this permit. The notice shall include the following information:
 - a. A description of the anticipated noncompliance;
 - b. The period of the anticipated noncompliance, including dates and times; and
 - c. Steps being taken to prevent future occurrence of the noncompliance.[62-620.610(17), 11-29-94]
18. Sampling and monitoring data shall be collected and analyzed in accordance with Rule 62-4.246, Chapters 62-160 and 62-601, F.A.C., and 40 CFR 136, as appropriate.
 - a. Monitoring results shall be reported at the intervals specified elsewhere in this permit and shall be reported on a Discharge Monitoring Report (DMR), DEP Form 62-620.910(10).

PERMITTEE: Point Water and Sewer, Inc.
FACILITY: The Point Townhomes WWTF
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- b. If the permittee monitors any contaminant more frequently than required by the permit, using Department approved test procedures, the results of this monitoring shall be included in the calculation and reporting of the data submitted in the DMR.
- c. Calculations for all limitations which require averaging of measurements shall use an arithmetic mean unless otherwise specified in this permit.
- d. Any laboratory test required by this permit for domestic wastewater facilities shall be performed by a laboratory that has been certified by the Department of Health and Rehabilitative Services (DHRS) under Chapter 10D41, F.A.C., to perform the test. On-site tests for dissolved oxygen, pH, and total chlorine residual shall be performed by a laboratory certified to test for those parameters or under the direction of an operator certified under Chapter 61E12-41, F.A.C.
- e. Under Chapter 62-160, F.A.C., sample collection shall be performed by following the protocols outlined in "DER Standard Operating Procedures for Laboratory Operations and Sample Collection Activities" (DER-QA-001/92). Alternatively, sample collection may be performed by an organization who has an approved Comprehensive Quality Assurance Plan (CompQAP) on file with the Department. The CompQAP shall be approved for collection of samples from the required matrices and for the required tests.

[62-620.610(18), 11-29-94]

- 19. Reports of compliance or noncompliance with, or any progress reports on, interim and final requirements contained in any compliance schedule detailed elsewhere in this permit shall be submitted no later than 14 days following each schedule date. [62-620.610(19), 11-29-94]
- 20. The permittee shall report to the Department any noncompliance which may endanger health or the environment. Any information shall be provided orally within 24 hours from the time the permittee becomes aware of the circumstances. A written submission shall also be provided within five days of the time the permittee becomes aware of the circumstances. The written submission shall contain: a description of the noncompliance and its cause; the period of noncompliance including exact dates and time, and if the noncompliance has not been corrected, the anticipated time it is expected to continue; and steps taken or planned to reduce, eliminate, and prevent recurrence of the noncompliance.
 - a. The following shall be included as information which must be reported within 24 hours under this condition:
 - 1. Any unanticipated bypass which causes any reclaimed water or effluent to exceed any permit limitation or results in an unpermitted discharge,
 - 2. Any upset which causes any reclaimed water or the effluent to exceed any limitation in the permit,
 - 3. Violation of a maximum daily discharge limitation for any of the pollutants specifically listed in the permit for such notice, and
 - 4. Any unauthorized discharge to surface or ground waters.
 - b. If the oral report has been received within 24 hours, the noncompliance has been corrected, and the noncompliance did not endanger health or the environment, the Department shall waive the written report.

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[62-620.610(20), 11-29-94]

21. The permittee shall report all instances of noncompliance not reported under Permit Conditions IX. 18. and 19. of this permit at the time monitoring reports are submitted. This report shall contain the same information required by Permit Condition IX. 20 of this permit. [62-620.610(21), 11-29-94]

22. Bypass Provisions.

- a. Bypass is prohibited, and the Department may take enforcement action against a permittee for bypass, unless the permittee affirmatively demonstrates that:
 1. Bypass was unavoidable to prevent loss of life, personal injury, or severe property damage; and
 2. There were no feasible alternatives to the bypass, such as the use of auxiliary treatment facilities, retention of untreated wastes, or maintenance during normal periods of equipment downtime. This condition is not satisfied if adequate back-up equipment should have been installed in the exercise of reasonable engineering judgment to prevent a bypass which occurred during normal periods of equipment downtime or preventive maintenance; and
 3. The permittee submitted notices as required under Permit Condition IX. 22. b. of this permit.
- b. If the permittee knows in advance of the need for a bypass, it shall submit prior notice to the Department, if possible at least 10 days before the date of the bypass. The permittee shall submit notice of an unanticipated bypass within 24 hours of learning about the bypass as required in Permit Condition IX. 20. of this permit. A notice shall include a description of the bypass and its cause; the period of the bypass, including exact dates and times; if the bypass has not been corrected, the anticipated time it is expected to continue; and the steps taken or planned to reduce, eliminate, and prevent recurrence of the bypass.
- c. The Department shall approve an anticipated bypass, after considering its adverse effect, if the permittee demonstrates that it will meet the three conditions listed in Permit Condition IX. 22. a. 1. through 3. of this permit.
- d. A permittee may allow any bypass to occur which does not cause reclaimed water or effluent limitations to be exceeded if it is for essential maintenance to assure efficient operation. These bypasses are not subject to the provisions of Permit Condition IX. 22. a. through c. of this permit.

[62-620.610(22), 11-29-94]

23. Upset Provisions

- a. A permittee who wishes to establish the affirmative defense of upset shall demonstrate, through properly signed contemporaneous operating logs, or other relevant evidence that:
 1. An upset occurred and that the permittee can identify the cause(s) of the upset;
 2. The permitted facility was at the time being properly operated;
 3. The permittee submitted notice of the upset as required in Permit Condition IX. 20. of this permit; and

PERMITTEE: Point Water and Sewer, Inc.
FACILITY: The Point Townhomes WWTF
U.S. 17, Fleming Island
Orange Park, FL 32073

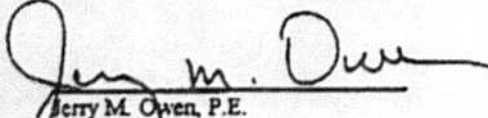
PERMIT NUMBER: FL0042871
ISSUANCE DATE: May 23, 1997
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4. The permittee complied with any remedial measures required under Permit Condition IX. 5. of this permit.
- b. In any enforcement proceeding, the permittee seeking to establish the occurrence of an upset has the burden of proof.
- c. Before an enforcement proceeding is instituted, no representation made during the Department review of a claim that noncompliance was caused by an upset is final agency action subject to judicial review.

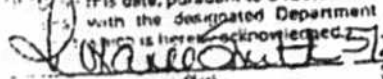
[62-620.610(23), 11-29-94]

Executed in Jacksonville, Florida.

AFW
STATE OF FLORIDA DEPARTMENT OF
ENVIRONMENTAL PROTECTION


Jerry M. Owen, P.E.
Water Facilities Administrator

DATE: 5-29-97

FILED AND ACKNOWLEDGEMENT
On this date, pursuant to §120.52, Florida
with the designated Department Clerk.
which is hereby acknowledged.

Clerk.

**STATEMENT OF BASIS
FOR
STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION
DOMESTIC WASTEWATER FACILITY PERMIT**

PERMIT NUMBER: FL0042871
 FACILITY NAME: The Point Townhomes WWTF
 FACILITY LOCATION: Orange Park, Clay County
 NAME OF PERMITTEE: Point Water and Sewer, Inc.
 PERMIT WRITER: Jon Dinges

1. **EFFLUENT DISPOSAL AND REUSE LOCATION(S):**

Surface Water Discharge:

Outfall D001

The facility discharges to St. Johns River (Class III Fresh Waters).

2. **DESCRIPTION OF FACILITIES:**

An existing 0.015 mgd annual average daily flow (AADF) permitted capacity extended aeration wastewater treatment plant (WWTP) consisting of a 17,765 gallon aeration tank, a 2,880 gallon secondary clarifier, a 1,463 gallon chlorine contact chamber, and dechlorination. WWTP residuals are stabilized in an aerobic digester prior to hauling to a land application site.

3. **BASIS FOR EFFLUENT AND RECLAIMED WATER LIMITS AND MONITORING REQUIREMENTS (INCLUDING EFFLUENT MONITORING REQUIREMENTS):**

The following table provides the basis for Part I. A. provisions

Outfall D001

Parameter	Basis	Rationale
Carbonaceous Biochemical Oxygen Demand (5 day)	Annual Average	62-600.420(1)(a) & .740(1)(b)1.a. FAC
	Monthly Average	62-620.625(5) FAC & 40 CFR 133.102(a)(4)(i)
	Weekly Average	62-620.625(5) & 40 CFR 133.102(a)(4)(i)
	Single Sample Max.	62-600.740(1)(b)1.d.FAC
Total Suspended Solids	Annual Average	62-600.420(1)(a) & .740(1)(b)1.a. FAC
	Monthly Average	62-600.740(1)(b)1.b. FAC
	Weekly Average	62-600.740(1)(b)1.c. FAC
	Single Sample Max.	62-600.740(1)(b)1.d. FAC
pH	Minimum and Maximum	62-302.530(52) FAC
Fecal Coliform	Annual Average	62-600.440(4)(e)1. FAC

Bacteria	Monthly Geo. Mean. 90th Percentile Single Sample Max.	62-600.440(4)(c)2. FAC 62-600.440(4)(c)3. FAC 62-600.440(4)(c)4. FAC
Total Residual Chlorine (For Dechlorination)	Single Sample Max.	62-660.440(2) FAC & 62-302.530(19) FAC
Total Residual Chlorine (For Disinfection)	Minimum	62-660.440(4)(b) FAC
Monitoring Frequency and Sample Type	All Parameters	62-601 FAC & 62-699 FAC and/or BPJ of permit writer
Sampling Location	All Parameters	62-601 FAC and BPJ of permit writer

The following were used as the basis of the permit limitations/conditions:

A. FAC refers to various portions of the Florida Administrative Code.

The effective dates of FAC Rule Chapters cited in the table are as follows:

Chapter	Effective Date
62-4	02-02-94
62-302	02-27-95
62-600	06-08-93
62-601	05-31-93
62-620	11-29-94
62-650	11-27-89
62-699	05-20-92

B. FS refers to various portions of the Florida Statutes

C. CFR refers to various portions of the Code of Federal Regulations, Title 40

D. BPJ refers to Best Professional Judgment

The renewed NPDES permit contains the same limits as the previous NPDES permit. The facility discharge is limited to 0.015 mgd AADF, which is a relatively small discharge. As a result, the Department believes that secondary limits will be adequate to protect the classification of the receiving stream.

The following table provides the basis for Part I. B. provisions.

Other Limitations and Monitoring Requirements:

Parameter	Basis	Rationale
Flow	Annual Average	62-600.400(3)(b)FAC
Carbonaceous Biochemical Oxygen Demand (5 day)	Monitor & Report	62-601.300(1)FAC

Total Suspended Solids	Monitor & Report	62-601.300(1)FAC
------------------------	------------------	------------------

The following were used as the basis of the permit conditions:

FAC refers to various portions of the Florida Administrative Code

The effective dates of FAC Rule Chapters cited in the table are as follows:

Chapter	Effective Date
62-601	05-31-93

4. RESIDUALS MANAGEMENT:

Class of residuals stabilization to be provided: C

Proposed method of residuals use or disposal: Land application at the Effie Peterson site in Duval county.

See the table below for the rationale for the Part II.A. residuals limits and monitoring requirements.

Parameter		Basis for Limit/Monitoring Requirement
Total Nitrogen % dry weight	Report	62-640.700(1)(b) F.A.C.
Total Phosphorus % dry weight	Report	62-640.700(1)(b) F.A.C.
Total Potassium % dry weight	Report	62-640.700(1)(b) F.A.C.
Cadmium, mg/kg dry weight	Maximum	62-640.700(2) F.A.C.
Cadmium, pounds/acre/yr	Maximum	62-640.700(2) F.A.C.
Copper	Maximum	62-640.700(2) F.A.C.
Lead, mg/kg dry weight	Maximum	62-640.700(2) F.A.C.
Nickel, mg/kg dry weight	Maximum	62-640.700(2) F.A.C.
Zinc, mg/kg dry weight	Maximum	62-640.700(2) F.A.C.
pH, std. units	Report	62-640.700(1)(b) F.A.C.
Total Solids, %	Report	62-640.700(1)(b) F.A.C.
Nitrogen, lb/ac/yr	Maximum	62-640.700(3)(d) F.A.C.
Cadmium, lb/ac	Cumulative Maximum	62-640.700(3)(e) or (4)(f) F.A.C.
Copper	Cumulative Maximum	62-640.700(3)(e) or (4)(f) F.A.C.
Lead, lb/ac	Cumulative Maximum	62-640.700(3)(e) or (4)(f) F.A.C.
Nickel, lb/ac	Maximum Cumulative	62-640.700(3)(e) or (4)(f) F.A.C.
Zinc, lb/ac	Cumulative Maximum	62-640.700(3)(e) or (4)(f) F.A.C.
Monitoring Frequency	All Parameters	62-640.700(1)(a) F.A.C.

The following were used as the basis of the permit conditions:

FAC refers to various portions of the Florida Administrative Code

The effective dates of FAC Rule Chapters cited in the table are as follows:

<u>Chapter</u>	<u>Effective Date</u>
62-640	8-12-1990

5. INDUSTRIAL PRETREATMENT REQUIREMENTS:

Not Applicable

6. PROPOSED SCHEDULE FOR PERMIT ISSUANCE:

Draft permit to Applicant	February 13, 1997
Proposed Public Comment Period	Beginning February 17, 1997
Proposed Public Comment Period	Ending March 19, 1997
Proposed permit to EPA (if necessary)	February 17, 1997
Notice of Agency Action	May 23, 1997
Effective Date of Permit	May 23, 1997

DEPARTMENT OF ENVIRONMENTAL PROTECTION DISCHARGE MONITORING REPORT - PART A

When Completed mail this report to: Department of Environmental Protection, Wastewater Facilities Management Section, MS 3551, 2600 Blair Stone Road, Tallahassee, FL 32399-2400

PERMITTEE NAME: Point Water and Sewer, Inc.
MAILING ADDRESS: 4755 Staggy Point Road
Orange Park, FL 32073

PERMIT NUMBER: FL0042871
MONITORING PERIOD From: To:
LIMIT: Final
CLASS SIZE: Minor

REPORT: Monthly
GROUP: Domestic

FACILITY: The Point Townhomes WWTF
LOCATION: U. S. Highway 17
Fleming Island
Orange Park, FL 32073
COUNTY: Clay

FACILITY ID: FL0042871
GMS ID NO.: 3110P00304
DISCHARGE POINT NUMBER: D001
PLANT SIZE/TREATMENT TYPE: RID

WAFR SITE NO.: 8561
GMS TEST SITE NO.: 3110X10177

Parameter		Quantity or Loading	Units	Quality or Concentration	Units	No. Ex.	Frequency of Analysis	Sample Type
CBOD5	Sample Measurement							
CBOD5	Sample Measurement							
CBOD5	Sample Measurement							
TSS	Sample Measurement							
TSS	Sample Measurement							
TSS	Sample Measurement							
pH	Sample Measurement							
Fecal Coliform Bacteria	Sample Measurement							

I certify under penalty of law that I have personally examined and am familiar with the information submitted herein, and based on my inquiry of those individuals immediately responsible for obtaining the information, I believe the submitted information is true, accurate and complete. I am aware that there are significant penalties for submitting false information including the possibility of fine and imprisonment.

NAME/TITLE OF PRINCIPAL EXECUTIVE OFFICER OR AUTHORIZED AGENT	SIGNATURE OF PRINCIPAL EXECUTIVE OFFICER OR AUTHORIZED AGENT	TELEPHONE NO	DATE (YY/MM/DD)

COMMENT AND EXPLANATION OF ANY VIOLATIONS (Reference all attachments here):

DISCHARGE MONITORING REPORT - PART A (Continued)

FACILITY NAME: The Point Townhomes WWTF

PERMIT NUMBER: FL0042871

DISCHARGE POINT NUMBER: D001

WAFR SITE No.: 8561

Parameter		Quantity or Loading	Units	Quality or Concentration	Units	No. Ex.	Frequency of Analysis	Sample Type
Fecal Coliform Bacteria	Sample Measurement							
STORE NAME	Formal Measurement							
TRC for disinfection	Sample Measurement							
STORE NAME	Formal Measurement							
TRC for disinfection	Sample Measurement							
STORE NAME	Formal Measurement							
Flow	Sample Measurement							
STORE NAME	Formal Measurement							
Flow	Sample Measurement							
STORE NAME	Formal Measurement							
CBOD5	Sample Measurement							
STORE NAME	Formal Measurement							
TSS	Sample Measurement							
STORE NAME	Formal Measurement							
	Sample Measurement							
	Formal Measurement							
	Sample Measurement							
	Formal Measurement							
	Sample Measurement							
	Formal Measurement							

904-253-5331 PRESIDENTIAL D.P.

JUN 24 '37 19:22

DEPARTMENT OF ENVIRONMENTAL PROTECTION DISCHARGE MONITORING REPORT - PART A

When Completed mail this report to: Department of Environmental Protection, Wastewater Facilities Management Section, MS 3331, 2600 Blair Stone Road, Tallahassee, FL 32399-2400

PERMITTEE NAME: Point Water and Sewer, Inc.
MAILING ADDRESS: 4753 Raggedy Point Road
Orange Park, FL 32073

PERMIT NUMBER: FL0042871
MONITORING PERIOD From: To:
LIMIT: Final
CLASS SIZE: Minor

REPORT GROUP: Quarterly Domestic

FACILITY: The Point Townhomes WWTF
LOCATION: U. S. Highway 17
Fleming Island
Orange Park, FL 32073
COUNTY: Clay

FACILITY ID: FL0042871
OMS ID NO.: 3110P00304
DISCHARGE POINT NUMBER: D001
PLANT SIZE/TREATMENT TYPE: IID

WAFR SITE NO.: 8361
OMS TEST SITE NO.: 3110X10177

Parameter		Quantity or Loading		Units	Quality or Concentration			Units	No. Ex.	Frequency of Analysis	Sample Type
Nitrogen, Total as N	Sample Measurement						REPORT (MAX)			Quarterly	Grab
Ammonia, Total as N	Sample Measurement						REPORT (MAX)			Quarterly	Grab
Ammonia, Un-ionized as N	Sample Measurement						REPORT (MAX)			Quarterly	Grab
Organic Nitrogen, Total as N	Sample Measurement						REPORT (MAX)			Quarterly	Grab
NO ₂ + NO ₃ , Total & DET. as N	Sample Measurement						REPORT (MAX)			Quarterly	Grab
Phosphorus, Total as P	Sample Measurement						REPORT (MAX)			Quarterly	Grab
Phosphorus in Total Orthophosphate as P	Sample Measurement						REPORT (MAX)			Quarterly	Grab
Temperature, Water (Coulgrade)	Sample Measurement						REPORT (MAX)			Quarterly	Grab

DAILY SAMPLE RESULTS - PART B

Facility ID: _____

Month/Year: _____

Days of the Months	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30/31
Flow (MGD)																														
Chlorine Residual after Contact																														
Chlorine Residual after Dechlorination																														
CBOD5 Influent (mg/l)																														
TSS Influent (mg/l)																														
CBOD5 Effluent (mg/l)																														
TSS Effluent (mg/l)																														
pH Effluent																														
Fecal Coliform (col./100ml)																														
Total Nitrogen (mg/l as N)																														
Total Ammonia (mg/l as N)																														
Nitrate + Nitrite (mg/L as N)																														
Un-ionized Ammonia (mg/L as N)																														
Organic Nitrogen (mg/L as N)																														
Total Phosphorous (mg/L as P)																														
Orthophosphate (mg/L as P)																														

Plant Staffing:

Day Shift Operator	Class _____	Certificate No. _____	Name: _____
Evening Shift Operator	Class _____	Certificate No. _____	Name: _____
Night Shift Operator	Class _____	Certificate No. _____	Name: _____
Lead Operator	Class _____	Certificate No. _____	Name: _____

Type of Effluent Disposal or Reclaimed Water Reuse: _____

Limited Wet Weather Discharge Activated: Yes _____ No _____ Not Applicable _____ If yes, cumulative days of wet weather discharge: _____

* Attach additional sheets necessary to list all certified operators necessary for required operations.

EXHIBIT J
ANNUAL REPORT

STATE OF FLORIDA

Commissioners:
JULIA L. JOHNSON, CHAIRMAN
J. TERRY DEASON
SUSAN F. CLARK
JOE GARCIA
E. LEON JACOBS, JR.



DIVISION OF WATER & WASTEWATER
CHARLES H. HILL
DIRECTOR
(850) 413-6900

Public Service Commission

May 1, 1998

Ms. Emma J. Pfister, CPA
Machen, Powers, Disque & Boyle, Chartered
707 S.E. 3rd Avenue, Suite 400
Fort Lauderdale, Florida 33316

Dear Ms. Pfister:

Your request for an additional extension to file the 1997 annual report for Point Water & Sewer, Inc. has been received.

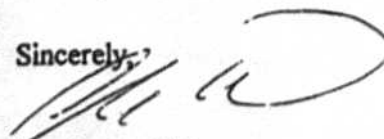
Under Rule 25-30.110(3), Florida Administrative Code (F.A.C.), an extension may be granted where the request contains a statement of good cause and specifies a date by which the annual report will be filed. The reasons stated in your letter of April 29, 1998 meet these requirements. Therefore, your request for a extension is hereby granted. The report is now due on or before May 29, 1998. However, no further extensions will be granted.

Please be reminded that Rule 25-30.110(6),(7), F.A.C., requires that a penalty be assessed against any utility that fails to file an Annual Report in the following manner:

- (a) fails to file an Annual Report by March 31 or by an approved extended filing date;
- (b) fails to file a complete report; or
- (c) fails to file an original and two (2) copies of the Annual Report.

If you have any questions concerning this letter, please refer them to JoAnn Chase at (850) 413-7003.

Sincerely,


Charles H. Hill
Director

cc: Bureau of Special Assistance (Gonzalez, Chase)
Division of Legal Services (L. Jaber)
Annual Report File

FILE

CLASS "C"

WATER AND/OR WASTEWATER UTILITIES

(Gross Revenue of Less Than \$150,000 Each)

ANNUAL REPORT

Mr. John Yonge
Point Water & Sewer, Inc.
4753 Raggedy Point Road
Orange Park, Florida 32073

IS# 2104167 --W --S F10042871
Certificate Number(s)

Submitted To The

STATE OF FLORIDA



PUBLIC SERVICE COMMISSION

FOR THE

YEAR ENDED DECEMBER 31, 1997

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Point Water & Sewer, Inc.
4753 Raggedy Point Rd.
Orange Park, FL 32073

REPORT OF

(EXACT NAME OF UTILITY)

Physical Location of Plant

Scenic Point Dr. US 17 South
Orange Park, FL 32073

Mailing Address

Street Address

County

Telephone Number

904-269-1825

Date Utility First Organized

1980 9-12-95

Check the business entity of the utility as filed with the Internal Revenue Service:

☐ Individual

☐ Sub Chapter S Corporation

☒ 1120 Corporation

☐ Partnership

Name, Address and phone where records are located:

John Yonge

Name of subdivisions where services are provided:

4753 RAGGEDY POINT ROAD, ORANGE PARK, FL 32073
(904) 716-6084

Point Water & Sewer, Inc.
4753 Raggedy Point Rd.
Orange Park, FL 32073

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: JOHN YONGE	PRESIDENT	SAME AS ABOVE	13,750
Person who prepared this report: EMMA J. PFISTER, CPA (FINANCIAL SECTION) Officers and Managers:	OUTSIDE ACCOUNTANT	C/O MACHEN, POWERS, DISQUE & BOYLE 707 S.E. THIRD AVE. SUITE 400 FT. LAUDERDALE, FL 33316	\$ \$ \$ \$ \$

Report every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the reporting utility:

Name	Percent Ownership in Utility	Principle Business Address	Salary Charged Utility
JOHN YONGE	50%	SAME AS ABOVE	\$ 13,750
PATRICK CARR	50%	SAME	\$ 0
			\$
			\$
			\$
			\$
			\$

GENERAL INSTRUCTIONS

1. Prepare this report in conformity with the 1984 National Association of Regulatory Utility Commissioners (NARUC) Uniform System of Accounts for Water and Wastewater Utilities as adopted by Rule 25-30.115 (1), Florida Administrative Code.
 2. Interpret all accounting words and phrases in accordance with the Uniform System of Accounts (USOA), Commission Rules and the definitions on next page.
 3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
 4. For any question, section, or page which is not applicable to the respondent enter the words "Not Applicable." Do not omit any pages.
 5. Where dates are called for, the month and day should be stated as well as the year.
 6. All schedules requiring dollar entries should be rounded to the nearest dollar.
 7. Complete this report by means which result in a permanent record. You may use permanent ink or a typewriter. Do not use a pencil.
 8. If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule in the report. Additional pages should reference the appropriate schedules, state the name of the utility, and state the year of the report.
 9. If it is necessary or desirable to insert additional statements for the purpose of further explanation of schedules, such statements should be made at the bottom of the page or on an additional page. Any additional pages should state the name of the utility and the year of the report, and reference the appropriate schedule.
 10. The utility shall file the original and two copies of the report with the Commission at the address below, and keep a copy for itself. Pursuant to Rule 25-30.110 (3), Florida Administrative Code, the utility must submit the report by March 31 for the preceeding year ending December 31.
- Florida Public Service Commission
Division of Water and Wastewater
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**
11. Pursuant to Rule 25-30.110 (7) (a), Florida Administrative Code, any utility that fails to file its annual report or extension on or before March 31, or within the time specified by any extension approved in writing by the Division of Water and Wastewater, shall be subject to a penalty. The penalty shall be based on the number of calendar days elapsed from March 31, or from an approved extended filing date, until the date of filing. The date of filing shall be included in the days elapsed.

GENERAL DEFINITIONS

ADVANCES FOR CONSTRUCTION - This account shall include advances by or in behalf of customers for construction which are to be refunded either wholly or in part. (USOA)

ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (AFUDC) - This account shall include concurrent credits for allowance for funds used during construction based upon the net cost of funds used for construction purposes and a reasonable rate upon other funds when so used. Appropriate regulatory approval shall be obtained for "a reasonable rate". (USOA)

AMORTIZATION - The gradual extinguishment of an amount in an account by distributing such amount over a fixed period, over the life of the asset or liability to which it applies, or over the period during which it is anticipated the benefit will be realized. (USOA)

CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC) - Any amount or item of money, services, or property received by a utility, from any person or governmental agency, any portion of which is provided at no cost to the utility, which represents an addition or transfer to the capital of the utility, and which is utilized to offset the acquisition, improvement, or construction costs of the utility's property, facilities, or equipment used to provide utility services to the public. (Section 367.021 (3), Florida Statutes)

CONSTRUCTION WORK IN PROGRESS (CWIP) - This account shall include the cost of water or wastewater plant in process of construction, but not yet ready for services. (USOA)

DEPRECIATION - The loss in service value not restored by current maintenance, incurred in connection with the consumption or prospective retirement of utility plant in the course of service from causes which are known to be in the current operation and against which the utility is not protected by insurance. (Rule 25-30.140 (I), Florida Administrative Code)

EFFLUENT REUSE - The use of wastewater after the treatment process, generally for reuse as irrigation water or for in plant use. (Section 367.021 (6), Florida Statutes)

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WATER) - (Rule 25-30.515 (8), Florida Administrative Code.)

- (a) 350 gallons per day;
- (b) The number of gallons a utility demonstrates in the average daily flow for a single family unit; or
- (c) The number of gallons which has been approved by the DEP for a single family residential unit.

EQUIVALENT RESIDENTIAL CONNECTION (ERC) - (WASTEWATER) - Industry standard of 80% of Water ERC or 280 gallons per day for residential use.

GUARANTEED REVENUE CHARGE - A charge designed to cover the utility's costs including, but not limited to the cost of the operation, maintenance, depreciation, and any taxes, and to provide a reasonable return to the utility for facilities, a portion of which may not be used and useful to the utility or its existing customers. (Rule 25-30.515 (9), Florida Administrative Code)

LONG TERM DEBT - All Notes, Conditional Sales Contracts, or other evidences of indebtedness payable more than one year from date of issue. (USOA)

PROPRIETARY CAPITAL (For proprietorships and partnerships only) - The investment of a sole proprietor, or partners, in an unincorporated utility. (USOA)

RETAINED EARNINGS - This account reflects corporate earnings retained in the business. Credits would include net income or accounting adjustments associated with correction of errors attributable to a prior period. Charges to this account would include net losses, accounting adjustments associated with correction of errors attributable to a prior period or dividends. (USOA)

70 TRANS

FINANCIAL SECTION

[illegible]

Point Water & Sewer, Inc.
4753 Raggedy Point Rd.
Orange Park, FL 32073

REPORT OF

(EXACT NAME OF UTILITY)

Physical Location of Plant
Scenic Point Dr. US 17 South
Orange Park, FL 32073

Mailing Address

Street Address /

County

Telephone Number

904-269-1825

Date Utility First Organized

1980 9-12-9

Check the business entity of the utility as filed with the Internal Revenue Service:

☐ Individual

☐ Sub Chapter S Corporation

☒ 1120 Corporation

☐ Partnership

Name, Address and phone where records are located:

John Yonge

Name of subdivisions where services are provided:

4753 RAGGEDY POINT ROAD, ORANGE PARK, FL 32073
(904) 716-6084

Point Water & Sewer, Inc.
4753 Raggedy Point Rd.
Orange Park, FL 32073

CONTACTS:

Name	Title	Principle Business Address	Salary Charged Utility
Person to send correspondence: JOHN YONGE	PRESIDENT	SAME AS ABOVE	13,750
Person who prepared this report: EMMA J. PFISTER, CPA (FINANCIAL SECTION)	OUTSIDE ACCOUNTANT	C/O MACHEN, POWERS, DISQUE & BOYLE 707 S.E. THIRD AVE. SUITE 400 FT. LAUDERDALE, FL 33316	\$ \$ \$ \$ \$
Officers and Managers:			

Report every corporation or person owning or holding directly or indirectly 5 percent or more of the voting securities of the reporting utility:

Name	Percent Ownership in Utility	Principle Business Address	Salary Charged Utility
JOHN YONGE	50%	SAME AS ABOVE	\$ 13,750
PATRICK CARR	50%	SAME	\$ 0
			\$
			\$
			\$
			\$
			\$

UTILITY NAME: _____

Point Water & Sewer, Inc.
4753 Ragged Point Rd.
Orange Park, FL 32073

DATE: 12/31/97
YEAR OF REPORT:
DECEMBER 31, 1997

INCOME STATEMENT

Account Name	Ref. Page	Water	Wastewater	Other	Total Company
Gross Revenue:					
Residential _____		\$ 7,167	\$ 7,166	\$ _____	\$ 14,333
Commercial _____		4,558	4,559	_____	9,117
Industrial _____		_____	_____	_____	_____
Multiple Family _____		_____	_____	_____	_____
Guaranteed Revenues _____		_____	_____	_____	_____
Other (Specify) _____		_____	_____	_____	_____
Total Gross Revenue _____		\$ 11,725	\$ 11,725	\$ _____	\$ 23,450
Operation Expense (Must tie to pages W-3 and S-3)	W-3				
	S-3	\$ 31,915	\$ 39,886	\$ _____	\$ 71,801
Depreciation Expense _____	F-5	1,350	3,650	_____	5,000
CIAC Amortization Expense _____	F-8	_____	_____	_____	_____
Taxes Other Than Income _____	F-7	2,310	3,332	_____	5,642
Income Taxes _____	F-7	_____	_____	_____	_____
Total Operating Expense		\$ 35,575	\$ 46,868	\$ _____	\$ 82,443
Net Operating Income (Loss)		\$ (23,850)	\$ (35,143)	\$ _____	\$ (58,993)
Other Income:					
Nonutility Income _____		\$ _____	\$ _____	\$ _____	\$ _____
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Other Deductions:					
Miscellaneous Nonutility Expenses _____		\$ _____	\$ _____	\$ _____	\$ _____
Interest Expense _____		7,935	7,935	_____	15,870
_____		_____	_____	_____	_____
_____		_____	_____	_____	_____
Net Income (Loss)		\$ (31,785)	\$ 43,078	\$ _____	\$ (74,863)

Point Water & Sewer, Inc.
 4753 Raggedy Point Rd.
 Orange Park, FL 32073

YEAR OF REPORT
 DECEMBER 31, 1997

COMPARATIVE BALANCE SHEET

ACCOUNT NAME	Reference Page	Current Year	Previous Year
Assets:			
Utility Plant in Service (101-105) -----	F-5,W-1,S-1	\$ 100,000	\$ 100,000
Accumulated Depreciation and Amortization (108) -----	F-5,W-2,S-3	(10,833)	(5,833)
Net Utility Plant -----		\$ 89,167	\$ 94,167
Cash -----		939	13,300
Customer Accounts Receivable (141) -----		3693	12,230
Other Assets (Specify): -----			
DEFERRED EXPENSES -----		10,926	15,934
LOAN REC. - J. YONGE -----		2,020	2,020
Total Assets -----		\$ 106,745	\$ 137,651
Liabilities and Capital:			
Common Stock Issued (201) -----	F-6	500	500
Preferred Stock Issued (204) -----	F-6		
Other Paid in Capital (211) -----			
Retained Earnings (215) -----	F-6	(106,340)	(31,475)
Proprietary Capital (Proprietary and partnership only) (218) -----	F-6		
Total Capital -----		\$ (105,840)	\$ (30,975)
Long Term Debt (224) -----	F-6	\$ 72,983	\$ 36,722
Accounts Payable (231) -----		5,001	13,394
Notes Payable (232) -----		100,000	100,000
Customer Deposits (235) -----		3,317	3,097
Accrued Taxes (236) -----			
Other Liabilities (Specify) -----			
ACCRUED INTEREST PAYABLE -----		31,284	15,413
Advances for Construction -----			
Contributions in Aid of Construction - Net (271-272) -----	F-8		
Total Liabilities and Capital -----		\$ 106,745	\$ 137,651

UTILITY NAME: _____

Point Water & Sewer, Inc.
4753 Raggedy Point Rd.
Orange Park, FL 32073

YEAR OF REPORT
DECEMBER 31, 1997

GROSS UTILITY PLANT

Plant Accounts: (101 - 107) inclusive	Water	Wastewater	Plant other Than Reporting Systems	Total
Utility Plant in Service (101) _____	\$ 27,000	\$ 73,000	\$ _____	\$ 100,000
Construction Work in Progress (105) _____	_____	_____	_____	_____
Other (Specify) _____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Utility Plant _____	\$ 27,000	\$ 73,000	\$ _____	\$ 100,000

ACCUMULATED DEPRECIATION (AD) AND CIAC AMORTIZATION OF UTILITY PLANT

Account 108	Water	Wastewater	A/D & CIAC AM Other Than Reporting Systems	Total
Balance First of Year 1/1/97	\$ 1,575	\$ 4,258	\$ _____	\$ 5,833
<u>Add Credits During Year:</u>				
Accruals charged to depreciation account _____	\$ _____	\$ _____	\$ _____	\$ _____
Salvage _____	_____	_____	_____	_____
Other Credits (specify) _____	_____	_____	_____	_____
DEPRECIATION EXP. _____	1,350	3,650	_____	5,000
Total Credits _____	\$ 2,925	\$ 7,908	\$ _____	\$ 10,833
<u>Deduct Debits During Year:</u>				
Book cost of plant retired _____	\$ _____	\$ _____	\$ _____	\$ _____
Cost of removal _____	_____	_____	_____	_____
Other debits (specify) _____	_____	_____	_____	_____
Total Debits _____	\$ _____	\$ _____	\$ _____	\$ _____
Balance End of Year _____	\$ 2,925	\$ 7,908	\$ _____	\$ 10,833

UTILITY NAME Point Water & Sewer, Inc.
4753 Raggedy Point Rd.
Orange Park, FL 32073

... 1992 8 16 77 ...
 YEAR OF REPORT
 DECEMBER 31, 1997

CAPITAL STOCK (201 - 204)

	Common Stock	Preferred Stock
Par or stated value per share _____	\$1.00	_____
Shares authorized _____	1,000	_____
Shares issued and outstanding _____	500	_____
Total par value of stock issued _____	500	_____
Dividends declared per share for year _____	0	_____

RETAINED EARNINGS (215)

	Appropriated	Un-Appropriated
Balance first of year _____	\$ _____	\$ (31,475)
Changes during the year (Specify):		
NET LOSS FROM OPERATIONS FOR THE YEAR ENDED 12/31/97	_____	(94,865)
_____	_____	_____
_____	_____	_____
Balance end of year _____	\$ _____	\$ (106,340)

PROPRIETARY CAPITAL (218)

	Proprietor Or Partner	Partner
N/A		
Balance first of year _____	\$ _____	\$ _____
Changes during the year (Specify):		
_____	_____	_____
_____	_____	_____
Balance end of year _____	\$ _____	\$ _____

LONG TERM DEBT (224)

Description of Obligation (Including Nominal Date of Issue and Date of Maturity):	Interest		Principal per Balance Sheet Date
	Rate	# of Pymts	
LOAN PAYABLE - T.G.R., INC.	6.31	_____	\$ 34,352
LOAN PAYABLE - JIM YONGE	6.31	_____	38,631
Total _____			\$ 72,983

Point Water & Sewer, Inc.
4753 Raggedy Point Rd.
Orange Park, FL 32073

YEAR OF REPORT
DECEMBER 31, 1997

TAXES ACCRUED (236)

(a)	Water (b)	Wastewater (c)	Other (d)	Total (e)
1. Balance first of year	\$ 1246	\$ 1851	\$	\$ 3097
Add Accruals charged:				
State ad valorem tax	\$	\$	\$	\$
Local property tax	325	880		1,205
Federal income tax				
State income tax				
Regulatory assessment fee	527	528		1,055
Other (Specify)				
PAYROLL TAXES	1184 529	1184 529		2368 1,058
OTHER	274	740		1014
2. Total Taxes Accrued	\$ 1,381	\$ 1,937	\$	\$ 3,318
	2310	3352		5642
Deduct Taxes Paid:				
State ad valorem tax	\$	\$	\$	\$
Local property tax	355	960		1315
Federal income tax				
State income tax				
Regulatory assessment fee	891	891		1782
Other (Specify)				
PAYROLL TAXES	655	655		1310
OTHER	274	740		1014
3. Total Taxes Paid	\$ 2175	\$ 3246	\$	\$ 5421
4. Balance end of year	\$ 1,381	\$ 1,937	\$	\$ 3,318
(1 + 2 - 3 = 4)				

PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning outside rate, management, construction, advertising, labor relations, public relations, or other similar professional services rendered the respondent for which aggregate payments during the year to any corporation, partnership, individual, or organization of any kind whatever amounting to \$500 or more.

[illegible]

* check the ^{F-7} aerial w/ photo with
Kris Brown of
etc

Point Water & Sewer, Inc.
 1753 Raggedy Point Rd.
 Orange Park, FL 32073

...CHL 187462 & 187477 12009

OFF INVOICED YEAR OF REPORT
 870509 12 31 1996

CONTRIBUTIONS IN AID OF CONSTRUCTION (271) N/A

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year	\$	\$	\$
2) Add credits during year	\$	\$	\$
3) Total			
4) Deduct charges during the year			
5) Balance end of year			
6) Less Accumulated Amortization			
7) Net CIAC	\$	\$	\$

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS) N/A

Report below all developers or contractors agreements from which cash or property was received during the year.		Indicate "Cash" or "Property"	Water	Wastewater
Sub-total			\$	\$
Report below all capacity charges, main extension charges and customer connection charges received during the year.				
Description of Charge	Number of Connections	Charge per Connection		
		\$	\$	\$
Total Credits During Year (Must agree with line # 2 above.)			\$	\$

ACCUMULATED AMORTIZATION OF CIAC N/A

	Water	Wastewater	Total
Balance First of Year	\$	\$	\$
Add Credits During Year:			
Deduct Debits During Year:			
Balance End of Year (Must agree with line #6 above.)	\$	\$	\$

Point Water & Sewer, Inc.
 4753 Raggedy Point Rd.
 Orange Park, FL 32073

OFFICE OF THE CITY CLERK
 YEAR OF REPORT
 DECEMBER 31, 1996

CONTRIBUTIONS IN AID OF CONSTRUCTION (271) N/A

(a)	Water (b)	Wastewater (c)	Total (d)
1) Balance first of year_____	\$ _____	\$ _____	\$ _____
2) Add credits during year_____	\$ _____	\$ _____	\$ _____
3) Total_____	_____	_____	_____
4) Deduct charges during the year_____	_____	_____	_____
5) Balance end of year_____	_____	_____	_____
6) Less Accumulated Amortization_____	_____	_____	_____
7) Net CIAC_____	\$ _____	\$ _____	\$ _____

ADDITIONS TO CONTRIBUTIONS IN AID OF CONSTRUCTION DURING YEAR (CREDITS) N/A

Report below all developers or contractors agreements from which cash or property was received during the year.		Indicate "Cash" or "Property"	Water	Wastewater
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
_____		_____	_____	_____
Sub-total_____			\$ _____	\$ _____
Report below all capacity charges, main extension charges and customer connection charges received during the year.				
Description of Charge	Number of Connections	Charge per Connection		
_____	_____	\$ _____	\$ _____	\$ _____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
_____	_____	_____	_____	_____
Total Credits During Year (Must agree with line # 2 above.)_____			\$ _____	\$ _____

ACCUMULATED AMORTIZATION OF CIAC N/A

	Water	Wastewater	Total
Balance First of Year_____	\$ _____	\$ _____	\$ _____
Add Credits During Year_____	_____	_____	_____
Deduct Debits During Year_____	_____	_____	_____
Balance End of Year (Must agree with line #6 above.)	\$ _____	\$ _____	\$ _____

**** COMPLETION OF SCHEDULE REQUIRED ONLY IF AFUDC WAS CHARGED DURING YEAR ****

UTILITY NAME: _____

Point Water & Sewer, Inc.
4753 Raggedy Point Rd.
Orange Park, FL 32073

YEAR OF REPORT
DECEMBER 31, 1997

Point Water & Sewer, Inc.
4753 Raggedy Point Rd.
Orange Park, FL 32073

SCHEDULE OF COST OF CAPITAL USED FOR AFUDC CALCULATION (1) N/A

Class of Capital (a)	Dollar Amount (b)	Percentage of Capital (c)	Actual Cost Rates (d)	Weighted Cost [c x d] (e)
Common Equity	\$ _____	_____ %	_____ %	_____ %
Preferred Stock	_____	_____ %	_____ %	_____ %
Long Term Debt	_____	_____ %	_____ %	_____ %
Customer Deposits	_____	_____ %	_____ %	_____ %
Tax Credits - Zero Cost	_____	_____ %	0.00 %	_____ %
Tax Credits - Weighted Cost	_____	_____ %	_____ %	_____ %
Deferred Income Taxes	_____	_____ %	_____ %	_____ %
Other (Explain)	_____	_____ %	_____ %	_____ %
Total	\$ _____	100.00 %		_____ %

(1) Must be calculated using the same methodology used to calculate AFUDC rate approved by the Commission.

APPROVED AFUDC RATE

Current Commission approved AFUDC rate: _____ %
Commission Order approving AFUDC rate: _____

DECEMBER 31 1954
YEAR OF REPORT

WATER UTILITY plant 2000

[illegible]

UTILITY NAME: _____

YEAR OF REPORT
DECEMBER 31, 1997

WATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
301	Organization _____	\$ _____	\$ _____	\$ _____	\$ _____
302	Franchises _____	_____	_____	_____	_____
303	Land and Land Rights _____	_____	_____	_____	_____
304	Structures and Improvements _____	27,000	_____	_____	27,000
305	Collecting and Impounding Reservoirs _____	_____	_____	_____	_____
306	Lake, River and Other Intakes _____	_____	_____	_____	_____
307	Wells and Springs _____	_____	_____	_____	_____
308	Infiltration Galleries and Tunnels _____	_____	_____	_____	_____
309	Supply Mains _____	_____	_____	_____	_____
310	Power Generation Equipment _____	_____	_____	_____	_____
311	Pumping Equipment _____	_____	_____	_____	_____
320	Water Treatment Equipment _____	_____	_____	_____	_____
330	Distribution Reservoirs and Standpipes _____	_____	_____	_____	_____
331	Transmission and Distribution Lines _____	_____	_____	_____	_____
333	Services _____	_____	_____	_____	_____
334	Meters and Meter Installations _____	_____	_____	_____	_____
335	Hydrants _____	_____	_____	_____	_____
339	Other Plant and Miscellaneous Equipment _____	_____	_____	_____	_____
340	Office Furniture and Equipment _____	_____	_____	_____	_____
341	Transportation Equipment _____	_____	_____	_____	_____
342	Stores Equipment _____	_____	_____	_____	_____
343	Tools, Shop and Garage Equipment _____	_____	_____	_____	_____
344	Laboratory Equipment _____	_____	_____	_____	_____
345	Power Operated Equipment _____	_____	_____	_____	_____
346	Communication Equipment _____	_____	_____	_____	_____
347	Miscellaneous Equipment _____	_____	_____	_____	_____
348	Other Tangible Plant _____	_____	_____	_____	_____
	Total Water Plant _____	\$ 27,000	\$ _____	\$ _____	\$ 27,000

UTILITY NAME:

Point Water & Sewer, Inc.
4753 Raggedy Point Rd.
Orange Park, FL 32073

YEAR OF REPORT
DECEMBER 31, 1997

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WATER

Acct. No. (a)	Account (b)	Average Service Life In Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
		COMPOSITE						
304	Structures and Improvements	20	%	5 %	\$ 1525 5,033	\$	\$ 1350 5,000	\$ 10,033
305	Collecting and Impounding Reservoirs		%	%				
306	Lake, River and Other Intakes		%	%				
307	Wells and Springs		%	%				
308	Infiltration Galleries & Tunnels		%	%				
309	Supply Mains		%	%				
310	Power Generating Equipment		%	%				
311	Pumping Equipment		%	%				
320	Water Treatment Equipment		%	%				
330	Distribution Reservoirs & Standpipes		%	%				
331	Trans. & Dist. Mains		%	%				
333	Services		%	%				
334	Meter & Meter Installations		%	%				
335	Hydrants		%	%				
339	Other Plant and Miscellaneous Equipment		%	%				
340	Office Furniture and Equipment		%	%				
341	Transportation Equipment		%	%				
342	Stores Equipment		%	%				
343	Tools, Shop and Garage Equipment		%	%				
344	Laboratory Equipment		%	%				
345	Power Operated Equipment		%	%				
346	Communication Equipment		%	%				
347	Miscellaneous Equipment		%	%				
348	Other Tangible Plant		%	%				
	Totals				\$ 1525 5,033	\$	\$ 1350 5,000	\$ 10,033

* This amount should tie to Sheet F-5.

UTILITY NAME: Point Water & Sewer, Inc.
4753 Raggedy Point Rd.
Orange Park, FL 32073

YEAR OF REPORT
 DECEMBER 31, 1997

WATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
601	Salaries and Wages - Employees	\$
603	Salaries and Wages - Officers, Directors, and Majority Stockholders <u>MANAGEMENT</u>	<u>6,875</u>
604	Employee Pensions and Benefits	
610	Purchased Water	
615	Purchased Power	
616	Fuel for Power Production	
618	Chemicals	<u>2,467</u>
620	Materials and Supplies	
630	Contractual Services:	
	Operator and Management <u>SEE 603 ABOVE</u>	
	Testing <u>SERVICE TECHNICIAN</u>	<u>3,300</u>
	Other <u>LEGAL AND ACCOUNTING FEES</u>	<u>15,332</u>
640	Rents	
650	Transportation Expense	
655	Insurance Expense	<u>1,172</u>
665	Regulatory Commission Expenses (Amortized Rate Case Expense)	<u>2,049</u>
670	Bad Debt Expense	
675	Miscellaneous Expenses	<u>720</u>
	Total Water Operation And Maintenance Expense	\$ <u>31,915</u> *
	* This amount should tie to Sheet F-3.	

WATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers		Total Number of Meter Equivalents (c x e) (f)
			Start of Year (d)	End of Year (e)	
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
2"	D,C,T	8.0			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
4"	D,C	25.0			
4"	T	30.0			
6"	D,C	50.0			
6"	T	62.5			
Other (Specify):					
Unmetered Customers					
Total					

** D = Displacement
 C = Compound
 T = Turbine

Point Water & Sewer Inc.

Schedule W-3

A/C 675 Miscellaneous Expenses-Water

Bank Charges	90
Office Supplies & Expenses	83
Repairs & Maintenance	<u>547</u>
Total	\$720

UTILITY NAME: Point Water & Sewer, Inc.
4753 Raggedy Point Rd.
Orange Park, FL 32067

SYSTEM NAME: _____

YEAR OF REPORT
DECEMBER 31, 1997

PUMPING AND PURCHASED WATER STATISTICS

(a)	Water Purchased For Resale (Omit 000's) (b)	Finished Water From Wells (Omit 000's) (c)	Recorded Accounted For Loss Through Line Flushing Etc. (Omit 000's) (d)	Total Water Pumped And Purchased (Omit 000's) [(b)+(c)-(d)] (e)	Water Sold To Customers (Omit 000's) (f)
January _____	_____	_____	_____	_____	_____
February _____	_____	_____	_____	_____	_____
March _____	_____	_____	_____	_____	_____
April _____	_____	_____	_____	_____	_____
May _____	_____	_____	_____	_____	_____
June _____	_____	_____	_____	_____	_____
July _____	_____	_____	_____	_____	_____
August _____	_____	_____	_____	_____	_____
September _____	_____	_____	_____	_____	_____
October _____	_____	_____	_____	_____	_____
November _____	_____	_____	_____	_____	_____
December _____	_____	_____	_____	_____	_____
Total for Year _____	_____	_____	_____	_____	_____

If water is purchased for resale, indicate the following:

Vendor _____

Point of delivery _____

If water is sold to other water utilities for redistribution, list names of such utilities below:

MAINS (FEET)

Kind of Pipe (PVC, Cast Iron, Coated Steel, etc.)	Diameter of Pipe	First of Year	Added	Removed or Abandoned	End of Year
PVC	4"	500'	_____	_____	_____
PVC	2"	50'	_____	_____	_____
VCP	8"	485'	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____
_____	_____	_____	_____	_____	_____

UTILITY NAME: Point Water & Sewer, Inc.
4753 Raggedy Point Rd.
Orange Park, FL 32073

SYSTEM NAME: _____

YEAR OF REPORT
 DECEMBER 31, 1997

WELLS AND WELL PUMPS
 (If Available)

(a)	(b)	(c)	(d)	(e)
Year Constructed <u>1980</u>	_____	_____	_____	_____
Types of Well Construction and Casing <u>Free Flowing Artesian</u>	_____	_____	_____	_____
<u>Casing @ 340'</u>	_____	_____	_____	_____
Depth of Wells <u>600'</u>	_____	_____	_____	_____
Diameters of Wells <u>4"</u>	_____	_____	_____	_____
Pump - GPM _____	_____	_____	_____	_____
Motor - HP <u>1 HP</u>	_____	_____	_____	_____
Motor Type <u>Booster Pump</u>	_____	_____	_____	_____
Yields of Wells in GPD _____	_____	_____	_____	_____
Auxiliary Power _____	_____	_____	_____	_____
* Submersible, centrifugal, etc.				

RESERVOIRS

(a)	(b)	(c)	(d)	(e)
Description (steel, concrete)	<u>Steel</u>	_____	_____	_____
Capacity of Tank _____	<u>6000 gal</u>	_____	_____	_____
Ground or Elevated _____	<u>Ground</u>	_____	_____	_____

HIGH SERVICE PUMPING

(a)	(b)	(c)	(d)	(e)
Motors				
Manufacturer _____	<u>Lincoln</u>	_____	_____	_____
Type _____	<u>213 +</u>	_____	_____	_____
Rated Horsepower _____	<u>7.5</u>	_____	_____	_____
Pumps				
Manufacturer _____	<u>Pearless Pump</u>	_____	_____	_____
Type _____	<u>610A</u>	_____	_____	_____
Capacity in GPM _____	<u>140</u>	_____	_____	_____
Average Number of Hours Operated Per Day _____	<u>n/a</u>	_____	_____	_____
Auxiliary Power _____	_____	_____	_____	_____

UTILITY NAME: Point Water & Sewer, Inc.
4753 Raggedy Point Rd.
Orange Park, FL 32073

YEAR OF REPORT
DECEMBER 31, 1992

SOURCE OF SUPPLY

List for each source of supply (Ground, Surface, Purchased Water etc.)			
Gals. per day of source	<u>Average 16,500</u>		
Type of Source	<u>Ground</u>		

WATER TREATMENT FACILITIES

List for each Water Treatment Facility:			
Type	<u>Open system</u>		
Make			
Gals. per day capacity	<u>0.25 million</u>		
High service pumping			
Gallons per minute			
Reverse Osmosis			
Lime Treatment			
Unit Rating			
Filtration			
Pressure Sq. Ft.			
Gravity GPD/Sq.Ft.			
Disinfection			
Chlorinator	<u>✓</u>		
Ozone			
Other			
Auxiliary Power	<u>N/A</u>		

OTHER WATER SYSTEM INFORMATION

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

- Present ERCs * now being served 29
- Maximum ERCs ** that system can efficiently serve 36
- Present system connection capacity (in ERC's) using existing lines 36
- Future connection capacity (in ERC's) upon service area buildout N/A
- Estimated annual increase in ERCs * N/A
- List fire fighting facilities and capacities (including number of fire hydrants) N/A
- List percent of certificated area where service connections are installed (total for each county) N/A
- What is the current need for system upgrading and/or expansion? N/A
- What are plans for future system upgrading and/or expansion? N/A
- Have questions 8 and 9 been discussed with an engineer? (if so, state name and address) N/A
- Has an application for a construction permit been filed with the DEP? (if so, explain) N/A
- Department of Environmental Protection ID # 2104167
 Water Management District ID # FL0042871

* ERC = (Total Gallons Sold / 365 days) / 350 Gallons Per Day
 ** Total Plant Capacity / 350 gallons

YEAR OF REPORT
1999

Point Water & Sewer, Inc.
4753 Raggedy Point Rd.
Orange Park, FL 32078

UTILITY NAME

WASTEWATER UTILITY PLANT ACCOUNT

WASTEWATER OPERATING SECTION

Account Number	Description	Amount
300	Plant Wastewater Plant	2,300.00
301	Plant Wastewater Plant	
302	Plant Wastewater Plant	
303	Plant Wastewater Plant	
304	Plant Wastewater Plant	
305	Plant Wastewater Plant	
306	Plant Wastewater Plant	
307	Plant Wastewater Plant	
308	Plant Wastewater Plant	
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398	Plant Wastewater Plant	
399	Plant Wastewater Plant	
400	Plant Wastewater Plant	

* This amount should be to sheet F-6.

UTILITY NAME: Point Water & Sewer, Inc.
4753 Raggedy Point Rd.
Orange Park, FL 32070

YEAR OF REPORT
 DECEMBER 31, 1997

WASTEWATER UTILITY PLANT ACCOUNTS

Acct. No. (a)	Account Name (b)	Previous Year (c)	Additions (d)	Retirements (e)	Current Year (f)
351	Organization_____	\$ _____	\$ _____	\$ _____	\$ _____
352	Franchises_____	_____	_____	_____	_____
353	Land and Land Rights_____	_____	_____	_____	_____
354	Structures and Improvements_____	<u>73,000</u>	_____	_____	<u>73,000</u>
360	Collection Sewers - Force_____	_____	_____	_____	_____
361	Collection Sewers - Gravity_____	_____	_____	_____	_____
362	Special Collecting Structures_____	_____	_____	_____	_____
363	Services to Customers_____	_____	_____	_____	_____
364	Flow Measuring Devices_____	_____	_____	_____	_____
365	Flow Measuring Installations_____	_____	_____	_____	_____
370	Receiving Wells_____	_____	_____	_____	_____
371	Pumping Equipment_____	_____	_____	_____	_____
380	Treatment and Disposal Equipment_____	_____	_____	_____	_____
381	Plant Sewers_____	_____	_____	_____	_____
382	Outfall Sewer Lines_____	_____	_____	_____	_____
389	Other Plant and Miscellaneous Equipment_____	_____	_____	_____	_____
390	Office Furniture and Equipment_____	_____	_____	_____	_____
391	Transportation Equipment_____	_____	_____	_____	_____
392	Stores Equipment_____	_____	_____	_____	_____
393	Tools, Shop and Garage Equipment_____	_____	_____	_____	_____
394	Laboratory Equipment_____	_____	_____	_____	_____
395	Power Operated Equipment_____	_____	_____	_____	_____
396	Communication Equipment_____	_____	_____	_____	_____
397	Miscellaneous Equipment_____	_____	_____	_____	_____
398	Other Tangible Plant_____	_____	_____	_____	_____
	Total Wastewater Plant_____	\$ <u>73,000</u>	\$ _____	\$ _____	\$ <u>73,000*</u>

* This amount should tie to sheet F-5.

Point Water & Sewer, Inc.
 UTILITY NAME: 4753 Raggedy Point Rd.
 Orange Park, FL 32073

YEAR OF REPORT
 DECEMBER 31, 1997

ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT - WASTEWATER

Acct. No. (a)	Account (b)	Average Service Life in Years (c)	Average Salvage in Percent (d)	Depr. Rate Applied (e)	Accumulated Depreciation Balance Previous Year (f)	Debits (g)	Credits (h)	Accum. Depr. Balance End of Year (f-g+h=i) (i)
354	Structures and Improvements	Composite 20	%	5 %	\$ 4258	\$	\$ 3650	\$ 7908
360	Collection Sewers - Force		%	%				
361	Collection Sewers - Gravity		%	%				
362	Special Collecting Structures		%	%				
363	Services to Customers		%	%				
364	Flow Measuring Devices		%	%				
365	Flow Measuring Installations		%	%				
370	Receiving Wells		%	%				
371	Pumping Equipment		%	%				
380	Treatment and Disposal Equipment		%	%				
381	Plant Sewers		%	%				
382	Outfall Sewer Lines		%	%				
389	Other Plant and Miscellaneous Equipment		%	%				
390	Office Furniture and Equipment		%	%				
391	Transportation Equipment		%	%				
392	Stores Equipment		%	%				
393	Tools, Shop and Garage Equipment		%	%				
394	Laboratory Equipment		%	%				
395	Power Operated Equipment		%	%				
396	Communication Equipment		%	%				
397	Miscellaneous Equipment		%	%				
398	Other Tangible Plant		%	%				
	Totals				\$ 4258	\$	\$ 3650	\$ 7908

* This amount should tie to Sheet F-5.

UTILITY NAME Point Water & Sewer, Inc.
4753 Raggedy Point Rd
Orange Park, FL 32073

YEAR OF REPORT
DECEMBER 31, 1997

WASTEWATER OPERATION AND MAINTENANCE EXPENSE

Acct. No.	Account Name	Amount
701	Salaries and Wages - Employees	\$
703	Salaries and Wages - Officers, Directors, and Majority Stockholders <u>MANAGEMENT</u>	<u>6,875</u>
704	Employee Pensions and Benefits	
710	Purchased Wastewater Treatment	
711	Sludge Removal Expense	
715	Purchased Power	
716	Fuel for Power Production	
718	Chemicals	<u>6,670</u>
720	Materials and Supplies	
730	Contractual Services:	
	Operator and Management <u>SEE 703 ABOVE</u>	
	Testing <u>SERVICE TECHNICIAN</u>	<u>3,300</u>
	Other <u>LEGAL & PROFESSIONAL/ENGINEERING</u>	<u>16,168</u>
740	Rents	
750	Transportation Expense	
755	Insurance Expense	<u>3,172</u>
765	Regulatory Commission Expenses (Amortized Rate Case Expense)	<u>2,049</u>
770	Bad Debt Expense	
775	Miscellaneous Expenses	<u>1,652</u>
	Total Wastewater Operation And Maintenance Expense	\$ <u>39,886*</u>
	* This amount should tie to Sheet F-3.	

WASTEWATER CUSTOMERS

Description (a)	Type of Meter ** (b)	Equivalent Factor (c)	Number of Active Customers Start of Year (d)	End of Year (e)	Total Number of Meter Equivalents (c x e) (f)
5/8"	D	1.0			
3/4"	D	1.5			
1"	D	2.5			
1 1/2"	D,T	5.0			
2"	D,C,T	8.0			
3"	D	15.0			
3"	C	16.0			
3"	T	17.5			
4"	D,C	25.0			
4"	T	30.0			
6"	D,C	50.0			
6"	T	62.5			
Other (Specify):					
Unmetered Customers			<u>2</u>		
Total			<u>2</u>		

** D = Displacement
 C = Compound
 T = Turbine

Point Water & Sewer Inc.

Schedule S-3

A/C 775 Miscellaneous Expenses-Wastewater

Bank charges	90
Office Supplies & Expenses	83
Repairs & Maintenance	<u>1479</u>
Total	\$1652

A/C 730 Contractual Services-Other-Wastewater

Legal & Accounting Fees	\$15333
Contract Services-Engineering	<u>835</u>
Total	\$16168

UTILITY NAME: _____

Point Water & Sewer, Inc.

4753 Raggedy Point Rd.

Orange Park, FL 32073

PUMPING EQUIPMENT

YEAR OF REPORT

DECEMBER 31, 1997

695967

Lift Station Number	_____	_____	_____	_____	_____	_____
Make or Type and nameplate data on pump	German Pump	_____	_____	_____	_____	_____
Model	13025	_____	_____	_____	_____	_____
Year installed	1980	_____	_____	_____	_____	_____
Rated capacity	25,000 GPD	_____	_____	_____	_____	_____
Size	_____	_____	_____	_____	_____	_____
Power:	_____	_____	_____	_____	_____	_____
Electric	<input checked="" type="checkbox"/>	_____	_____	_____	_____	_____
Mechanical	<input type="checkbox"/>	_____	_____	_____	_____	_____
Nameplate data of motor	Magnum Century Electric	_____	_____	_____	_____	_____

SERVICE CONNECTIONS

Size (inches)	_____	_____	_____	_____	_____	_____
Type (PVC, VCP, etc.)	_____	_____	_____	_____	_____	_____
Average length	_____	_____	_____	_____	_____	_____
Number of active service connections	2	_____	_____	_____	_____	_____
Beginning of year	1997	_____	_____	_____	_____	_____
Added during year	2/1	_____	_____	_____	_____	_____
Retired during year	1997	_____	_____	_____	_____	_____
End of year	_____	_____	_____	_____	_____	_____
Give full particulars concerning inactive connections	_____	_____	_____	_____	_____	_____

COLLECTING AND FORCE MAINS

	Collecting Mains	Force Mains					
Size (inches)	8"	_____	_____	_____	_____	_____	_____
Type of main	VCP	_____	_____	_____	_____	_____	_____
Length of main (nearest foot)	455'	_____	_____	_____	_____	_____	_____
Beginning of year	1980	_____	_____	_____	_____	_____	_____
Added during year	_____	_____	_____	_____	_____	_____	_____
Retired during year	_____	_____	_____	_____	_____	_____	_____
End of year	1997	_____	_____	_____	_____	_____	_____

MANHOLES

Size (inches)	2	_____	_____	_____
Type of Manhole	_____	_____	_____	_____
Number of Manholes:	1	_____	_____	_____
Beginning of year	1980	_____	_____	_____
Added during year	_____	_____	_____	_____
Retired during year	_____	_____	_____	_____
End of Year	1997	_____	_____	_____

UTILITY NAME: _____

SYSTEM NAME: Point Water & Sewer, Inc.
4753 Baggey Point Rd.
Orange Park, FL 32073

DATE OF REPORT: _____

YEAR OF REPORT
DECEMBER 31, 1997

TREATMENT PLANT

Manufacturer <u>American</u>	<u>American</u>		
Type <u>Steel</u>	<u>Single Port</u>		
"Steel" or "Concrete"			
Total Capacity <u>15,000 GPD</u>			
Average Daily Flow <u>10,000</u>			
Effluent Disposal			
Total Gallons of Wastewater treated <u>1,092</u>			

MASTER LIFT STATION PUMPS

Manufacturer						
Capacity (GPM's)						
Motor:						
Manufacturer						
Horsepower						
Power (Electric or Mechanical)						

PUMPING WASTEWATER STATISTICS

Months	Gallons of Treated Wastewater	Effluent Reuse Gallons to Customers	Effluent Gallons Disposed of on site
January <u>1997</u>	<u>8500</u>		
February	<u>9000</u>		
March	<u>10750</u>		
April	<u>12000</u>		
May	<u>12000</u>		
June	<u>14000</u>		
July	<u>14,000</u>		
August	<u>12000</u>		
September	<u>10000</u>		
October	<u>11000</u>		
November	<u>9000</u>		
December	<u>10000</u>		
Total for year			

If Wastewater Treatment is purchased, indicate the vendor: _____

UTILITY NAME: Point Water & Sewer, Inc.
4750 Peggedy Point Rd.
SYSTEM NAME: Orange Park, FL 32073

Point Water & Sewer, Inc.

YEAR OF REPORT
DECEMBER 31, 1997

OTHER WASTEWATER SYSTEM INFORMATION

Furnish information below for each system not physically connected with another facility. A separate page should be supplied where necessary.

1. Present ERCs * now being served 29
2. Maximum ERCs ** that system can efficiently serve 36
3. Present system connection capacity (in ERC's) using existing lines N/A
4. Future connection capacity (in ERC's) upon service area buildout N/A
5. Estimated annual increase in ERCs * N/A
6. State any plans and estimated completion dates for any enlargements of this system. _____
7. List percent of certificated area where service connections are installed (total for each county) N/A
8. If present systems do not meet the requirements of DEP Rule 62-4, Florida Administrative Code, submit the following:
 - a. Evaluation of the present plant or plants in regard to meeting the DEP's rules.
 - b. Plans for funding and construction of the required upgrading.
 - c. Have these plans been coordinated with the DEP? _____
 - d. Do they concur? _____
 - e. When will construction begin? _____
9. Do you discharge effluent to surface waters? YES
10. Department of Environmental Protection ID # 2104167
Water Management District ID # FL 0042871

* $ERC = (\text{Total Gallons Treated} / 365 \text{ days}) / 280 \text{ Gallons Per Day}$

Note: Total Gallons Treated includes both Wastewater treated and Purchased Wastewater Treatment.

** Total Plant Capacity / 280 gallons

UTILITY NAME:

Point Water & Sewer, Inc.
4763 Raggedy Point Rd.
Orange Park, FL 32073

YEAR OF REPORT
DECEMBER 31,

CERTIFICATION OF ANNUAL REPORT

I HEREBY CERTIFY, to the best of my knowledge and belief:

- | | | | |
|--|--------------------------------|----|--|
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 1. | The utility is in substantial compliance with the Uniform System of Accounts prescribed by the Florida Public Service Commission in Rule 25-30.115 (1), Florida Administrative Code. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 2. | The utility is in substantial compliance with all applicable rules and orders of the Florida Public Service Commission. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 3. | There have been no communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices that could have a material effect on the financial statement of the utility. |
| YES
<input checked="" type="checkbox"/> | NO
<input type="checkbox"/> | 4. | The annual report fairly represents the financial condition and results of operations of the respondent for the period presented and other information and statements presented in the report as to the business affairs of the respondent are true, correct, and complete for the period for which it represents. |

Items Certified

1. <input checked="" type="checkbox"/>	2. <input checked="" type="checkbox"/>	3. <input checked="" type="checkbox"/>	4. <input checked="" type="checkbox"/>
---	---	---	---

(signature of chief executive officer of the utility)

1. <input checked="" type="checkbox"/>	2. <input checked="" type="checkbox"/>	3. <input checked="" type="checkbox"/>	4. <input checked="" type="checkbox"/>
---	---	---	---

(signature of chief financial officer of the utility)

Each of the four items must be certified YES or NO. Each item need not be certified by both officers. The items being certified by the officer should be indicated in the appropriate area to the left of the signature.

Notice: Section 837.06, Florida Statutes, provides that any person who knowingly makes a false statement in writing with the intent to mislead a public servant in the performance of his duty shall be guilty of a misdemeanor of the second degree.

TO AVOID PENALTY AND INTEREST CHARGES, THE REGULATORY ASSESSMENT FEE RETURN MUST BE FILED ON OR BEFORE

Water Utility Regulatory Assessment Fee Return

Florida Public Service Commission

(Instructions For Filing On Back of Form)

FOR PSC USE ONLY

STATUS:

Actual Return
Estimated Return

PERIOD COVERED:

1-1-97 to

12-31-97

POINT WATER & SEWER, INC.
4753 Raggedy Point ROAD
Orange Park, FL 32073

\$ 0604001
\$ 003001
P
0604001
004010
I

Complete Below If Address Has Changed

Utility Name	Address	City / State	Zip Code
--------------	---------	--------------	----------

Florida Public Service Commission Certificate

WATER OPERATING REVENUES:

1. Unmetered Water Revenue (460)

MEASURED WATER REVENUE

2. Residential Revenues (461.1)

3. Commercial Revenues (461.2)

4. Industrial Revenues (461.3)

5. Public Authorities (461.4)

6. Multiple Family Dwelling (461.5)

7. TOTAL METERED SALES

FIRE PROTECTION REVENUES

8. Public Fire Protection (462.1)

9. Private Fire Protection (462.2)

10. TOTAL FIRE PROTECTION REVENUE

11. Other Sales to Public Authorities (464)

12. Sales to Irrigation Customers (465)

13. SALES FOR RESALE (466)

14. Interdepartmental Sales (467)

15. TOTAL WATER SALES (Lines 1+7+10+11+12+13+14)

OTHER WATER REVENUES

16. Guaranteed Revenues (Include Revenues from A.F.P.I. Charges) (469)

17. Forfeited Discounts (470)

18. Miscellaneous Service Revenues (471)

19. Rents From Water Property (472)

20. Interdepartmental Rents (473)

21. Other Water Revenues (474) Describe

22. TOTAL OTHER WATER REVENUES

(Lines 16+17+18+19+20+21)

23. TOTAL WATER OPERATING REVENUES* (Lines 15+22)

24. LESS: Expense for Purchased Water From

FPSC-Regulated Utility

25. NET WATER OPERATING REVENUES (Line 23 Less Line 24)

26. Regulatory Assessment Fee Due

27. LESS: Approved Prior-Period Credit

28. NET REGULATORY ASSESSMENT FEE

(Lines 26A + 26B Less Line 27)**

29. Penalty for Late Payment

30. Interest for Late Payment

31. TOTAL AMOUNT DUE

* These amounts must agree with Annual Report Schedule F-3

If service was purchased from a regulated utility, please insert its name:

FILE

** Minimum Fee -

I, the undersigned owner / officer of the above-named utility, have read the foregoing. Under penalties of perjury, I declare that, to the best of my knowledge and belief, the above is a true and correct statement of gross revenues derived from intrastate business for the period indicated.

Utility Official:

(Signature)
John Yung
(Name - Please Print)

(Date)

Telephone Number ()

P.F.I. No.

(Title)
716-6084
59-3411801

Wastewater Utility Regulatory Assessment Fee Return

Florida Public Service Commission

(Instructions For Filing On Back of Form)

FOR PSC USE ONLY

\$ _____ 0604002
 _____ 003001
 \$ _____ P
 _____ 0604002
 _____ 004010
 \$ _____ I

— Actual Return
 — Estimated Return

OD COVERED:

1-1-97
 12-3-97

Point WATER & SEWER INC
 4753 Raggedy Point Road
 Orange Park, FL 32073

Complete Below If Address Has Changed

Utility Name	Address	City / State	Zip Code
Florida Public Service Commission Certificate			
WASTEWATER OPERATING REVENUES:			
FLAT-RATE REVENUES			
1. Residential Revenues (\$21.1)	\$ _____	\$ _____	\$ 7166
2. Commercial Revenues (\$21.2)	_____	_____	4539
3. Industrial Revenues (\$21.3)	_____	_____	_____
4. Revenues from Public Authorities (\$21.4)	_____	_____	_____
5. Multiple Family Dwelling Revenues (\$21.5)	_____	_____	_____
6. Other Revenues (\$21.6)	\$ _____	\$ _____	\$ _____
7. TOTAL FLAT-RATE REVENUES	\$ _____	\$ _____	\$ _____
MEASURED REVENUES			
8. Residential Revenues (\$22.1)	_____	_____	_____
9. Commercial Revenues (\$22.2)	_____	_____	_____
10. Industrial Revenues (\$22.3)	_____	_____	_____
11. Revenues from Public Authorities (\$22.4)	_____	_____	_____
12. Multiple Family Dwelling Revenues (\$22.5)	\$ _____	\$ _____	\$ _____
13. TOTAL MEASURED REVENUES	\$ _____	\$ _____	\$ _____
14. Revenues from Public Authorities (\$23)	_____	_____	_____
15. Revenues from Other Systems (\$24)	_____	_____	_____
16. Interdepartmental Revenues (\$25)	_____	_____	_____
17. TOTAL (Lines 7+13+14+15+16)	\$ _____	\$ _____	\$ 11,725
OTHER WASTEWATER REVENUES			
18. Guaranteed Revenues (Include Revenues from A.F.P.L. Charges) (\$30)	\$ _____	\$ _____	\$ _____
19. Sales of Sludge (\$31)	_____	_____	_____
20. Forfeited Discounts (\$32)	_____	_____	_____
21. Rents From Wastewater Property (\$34)	_____	_____	_____
22. Interdepartmental Rents (\$35)	_____	_____	_____
23. Other Wastewater Revenues (\$36) Describe:	_____	_____	_____
24. TOTAL OTHER WASTEWATER REVENUES	\$ _____	\$ _____	\$ 11,725
(Lines 18+19+20+21+22+23)	\$ _____	\$ _____	\$ _____
25. TOTAL WASTEWATER OPERATING REVENUES* (Lines 17+24)	\$ _____	\$ _____	\$ 11,725
26. LESS: Expense for Purchased Wastewater Treatment From FPSC-Regulated Utility	\$ _____	\$ _____	\$ 528
27. NET WASTEWATER OPERATING REVENUES (Line 25 Less Line 26)	\$ _____	\$ _____	\$ 528
28. Regulatory Assessment Fee Due	\$ _____	\$ _____	\$ 528
29. LESS: Approved Prior-Period Credit	\$ _____	\$ _____	\$ 528
30. NET REGULATORY ASSESSMENT FEE (Lines 28A + 28B Less Line 29)**	\$ _____	\$ _____	\$ 528
31. Penalty for Late Payment	_____	_____	_____
32. Interest for Late Payment	_____	_____	_____
33. TOTAL AMOUNT DUE	\$ _____	\$ _____	\$ 528

FILE

* These amounts must agree with Annual Report Schedule F-3
 If service was purchased from a regulated utility, please insert its name: _____

I, the undersigned owner / officer of the above-named utility, have read the foregoing. Under penalties of perjury, I declare that, to the best of my knowledge and belief, the above is a true and correct statement of gross revenues derived from intrastate business for the period indicated.

Utility Official: _____

(Signature)
 JOHN YORGE
 (Name - Please Print)

(Date)

Telephone Number (904) 716-6084

F.E.I. No.

59-3411861

EXHIBIT L
PROJECT DEVELOPER AGREEMENT

(FORM ATTACHED)

(Kingsley System)
Whitney's Marina &
The Point Condominium
Units 11 through 29

DEVELOPER AGREEMENT

THIS DEVELOPER AGREEMENT, made and entered into effective this 3rd day of November, 1998, by and between IGR, INC., a Florida corporation, a/k/a I.G.R., INC., being hereinafter referred to as "Developer", and CLAY COUNTY UTILITY AUTHORITY, an independent special district established under Chapter 94-491, Laws of Florida, Special Acts of 1994, hereinafter referred to as "Utility".

WHEREAS, Developer owns or controls or is otherwise affiliated with the water and wastewater utility service rights to lands located in Clay County, Florida, which are presently held by Point Water & Sewer, Inc. ("PWSI"), and said property being described in Exhibit "A", attached hereto and incorporated herein by reference (the "Property"); and

WHEREAS, Developer; Whitney's Sailcenter, Inc., a Florida corporation ("Whitney's"); and The Point Property Owners Association, Inc., a Florida not-for-profit corporation ("PPOA"), desire that the Utility provide central water, pumping, treatment and distribution service and/or central wastewater collection, treatment and disposal service for the Property; and

WHEREAS, the Utility is willing to provide, in accordance with the provisions of this Agreement central water and wastewater service to the Property and thereafter operate applicable facilities so that the occupants of the improvements on the Property will receive adequate water and wastewater service from the Utility; and

WHEREAS, Developer and Utility wish to enter into this Agreement setting forth their mutual understandings and undertakings regarding the furnishing of water and/or wastewater service by the Utility to the Property;

NOW, THEREFORE, for and in consideration of the premises, the mutual undertakings and agreements herein contained and assumed, Developer and Utility hereby covenant and agree as follows:

1. The foregoing statements are true and correct.
2. The following definitions and references are given for the purpose of interpreting the terms as used in this Agreement and apply unless the context indicates a different meaning:

(a) "Consumer Installation" - All facilities ordinarily on the consumer's side of the point of delivery.

(b) "Contribution-in-Aid-of-Construction (CIAC)" - The sum of money and/or the value of property represented by the cost of the wastewater collection system and water distribution system constructed or to be constructed which Developer or owner transfers, or agrees to transfer, to Utility, if so designated by the Utility, at no cost to Utility to provide utility service to specified property.

(c) "Equivalent Residential Connection (ERC)" - A factor expressed in gallons per day (GPD) which is used to convert a given average daily flow (ADF) to the equivalent number of residential connections. For this purpose the average daily flow of one water ERC is (450) GPD and one wastewater ERC is (311) GPD.

(d) "Point of Delivery" - The point where the pipes or meter of Utility are connected with the pipes of the consumer. Point of delivery for water service shall be at the consumer's side of the meter and for wastewater service at the lot or property line. Utility shall, according to the terms and conditions hereof, own all pipes and appurtenances to the point of delivery unless otherwise agreed. The pipes and appurtenances inside the point of delivery shall belong to others.

(e) "Service" - The readiness and ability on the part of Utility to furnish and maintain water and wastewater service to the point of delivery for each lot or tract pursuant to rules and regulations of applicable regulatory agencies.

3. Assurance of Title - Developer represents and warrants that Developer it has the legal right to grant the exclusive rights of service contained in this Agreement.

4. Connection Charges - In addition to the contribution of any wastewater collection systems and water distribution systems, where applicable, and further to induce Utility to provide water and wastewater service, Developer hereby agrees to pay to Utility the following service availability charges, as defined in the Rate Resolution (including Service Availability Policy), upon execution of this Agreement in order to reserve capacity in the System: \$173,564.00, based on attached schedule of project costs, less the water and sewer asset acquisition cost identified therein.

Payment of the above charges does not and will not result in Utility waiving any of its rates or rules and regulations and their enforcement shall not be affected in any manner whatsoever by Developer making payment of same. Except as specifically stated, Utility shall not be obligated to refund to Developer any portion of the value of the above charges for any reason whatsoever nor shall Utility pay any interest upon the above charges paid.

Except as otherwise stated in this Agreement, 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 charges paid or to any of the water or wastewater facilities and properties of Utility, and all

prohibitions applicable to Developer with respect to no refund of such charges, no interest payment on said charges and otherwise, are applicable to all persons or entities.

Any user or consumer of water and wastewater services shall not be entitled to offset any bill or bills rendered by Utility for such service or services against the connection charges paid. Developer shall not be entitled to offset the connection charges against any claim or claims of Utility as regards claims for breach of contract, damages, or charges of the like of Utility.

5. On-Site Installations - On-site facilities are those located within the Property for which Developer is requesting service. Developer shall convey to Utility, if so designated by Utility, all on-site water and wastewater lines, laterals, mains, lift stations, pump stations and appurtenant facilities (collectively referred to as "Components" or "On-Site System") on the Property with all contractual guarantees relating thereto. Conveyance shall take place within a reasonable time after installation of the On-Site System but prior to Utility's obligation to provide service. Until such time as the On-Site System is conveyed, the same shall be operated and maintained by Developer.

Utility shall have the right and obligation, at the Developer's expense not to exceed the total amount reflected under Paragraph 4, above, to construct and/or approve the construction of the on-site installations which shall be owned and maintained by Utility, if so designated by Utility. The Utility shall also have the right to review all plans and specifications, connections to its system and the Developer shall pay a fee equal to the Utility's actual cost to review such plans and specifications. The Utility shall have the right to inspect all phases of construction undertaken by outside contractors for facilities which are to be owned by the Utility, if so designated by Utility. The Developer will reimburse the Utility for its costs for such inspection, including all overhead associated with same.

The On-Site System shall be constructed in compliance with all regulatory requirements and the specifications and requirements of Utility. No construction shall commence until Utility has reviewed and approved Developer's contractor and the plans and specifications for construction of the water and wastewater systems for the project. The proposed electrical transformer layout of the electric utility providing service must be provided to the Utility prior to commencement of construction.

Developer agrees to transfer to Utility, if so designated by Utility, title to all water distribution and wastewater collection systems installed by Developer or Developer's contractor, which the Utility has agreed shall be owned and maintained by it pursuant to the provisions of this Agreement and shall:

(a) Deliver a Bill of Sale in a form acceptable to Utility for such water distribution and wastewater collection systems.

(b) Convey to Utility, if so designated by Utility, easements and/or rights-of-way covering all areas in which water and wastewater systems are installed, with adequate legal access to same, by recordable document in form satisfactory to Utility.

6. Off-Site Installations - Developer shall further construct all transmission mains, pump stations and appurtenant facilities necessary to connect the On-Site System to the nearest appropriate point in Utility's transmission system, as determined by Utility. The cost of any such off-site facilities have been included in the total amount payable under Paragraph 4 hereof. Utility may require Developer to oversize off-site transmission mains and appurtenant facilities in a manner consistent with Utility's Wastewater System Master Plan. The costs associated with construction of over-sized facilities which provide Utility with excess capacity for the benefit of other properties may be subject to refundable advance treatment pursuant to Utility's Service Availability Policy. The same transfer of title by Bill of Sale as provided under paragraph 5 of this Agreement, shall also apply to the Off-Site installations.

7. Agreement to Serve - Upon the completion of construction of the On-Site and Off-Site Facilities by Developer, or an appropriate phase thereof, and compliance with the terms and conditions of this Agreement and Utility's Service Availability Policy, Utility will allow connection or oversee the connection of the wastewater collection facility and water distribution facility installed by Developer to the central facilities of Utility in accordance with all rules, regulations and orders of the applicable governmental authorities. Utility agrees that once it provides water and wastewater service to the customers within the Property that it will continuously provide such service, at its cost and expense, but in accordance with the other provisions of this Agreement, the then current Rate Resolution in effect for Utility, and the requirements of the governmental authorities having jurisdiction over the operations of Utility. Utility shall not be liable for any temporary interruptions in service as a result of equipment failure, emergencies or Act of God.

8. Application for Service - Developer, or any owner of any parcel of the Property, or any occupant of any residence, building or unit located thereon shall not have the right to and shall not connect any consumer installation to the facilities of Utility until formal written application has been made to Utility by the prospective user of service, or either of them, in accordance with the then effective rules and regulations of Utility and approval for such connection has been granted.

9. Easements - Developer hereby grants and gives to Utility, its successors and assigns, including a Dependent or Independent Special District of Clay County, but subject to the terms of this Agreement, the exclusive right or privilege to construct, own, maintain and operate the water and wastewater facilities to serve the Property in, under, upon, over and across the present and future streets, roads, alleys, utility easements, reserved utility strips and utility sites. Mortgagees, if any, holding prior liens on the Property shall be required to release such liens, subordinate their position or join in the grant or dedication of the easements or rights-of-way, or give to Utility assurance by way of a "non-disturbance agreement", that in the event of

foreclosure, mortgagee would continue to recognize the easement rights of Utility. All water and wastewater collection facilities, save and except consumer installations, shall be covered by easements or rights-of-way if not located within platted or dedicated roads or rights-of-way for utility purposes and there shall be adequate legal access to same. It is hereby contemplated that the conveyance and assignment of all applicable easements for water and wastewater facilities to the Property now held by Point Water & Sewer, Inc. shall satisfy Developers obligations under this Paragraph 9.

Utility hereby agrees that all easement grants will be utilized in accordance with the established and generally accepted practices of the water and wastewater industry with respect to the installation of all its facilities in any of the easement areas.

10. Utility's Exclusive Right to Utility Facilities - Developer agrees with Utility that all water and wastewater facilities accepted by Utility in connection with providing wastewater and water services to the Property, shall at all times remain in the sole, complete and exclusive ownership of Utility, and any person or entity owning any part of the Property or any residence, building or unit constructed or located thereon, shall not have any right, title, claim or interest in and to such facilities or any part of them, for any purpose, including the furnishing of water and wastewater services to other persons or entities located within or beyond the limits of the Property.

11. Exclusive Right to Provide Service - Developer shall not engage in the business of providing potable water services or sanitary wastewater services to the Property during the period of time Utility provides water and wastewater services to the Property. Utility shall have the sole and exclusive right and privilege to provide water and wastewater services to the Property and to the occupants of such residence, building or unit constructed thereon.

12. Rates - Utility agrees that the rates to be charged to Developer and individual consumers of water and wastewater services shall be those set forth in the then current Rate Resolution most recently adopted by the Board of Supervisors of the Clay County Utility Authority as may be amended from time to time. However, notwithstanding any provision in this Agreement, Utility, its successors and assigns, may establish, amend or revise, from time to time in the future, and enforce in a reasonable manner, rates or rate schedules so established.

Notwithstanding any provision in this Agreement, Utility may establish, amend or revise, from time to time, in the future, and enforce rules and regulations covering water and wastewater services to the Property. However, all such rules and regulations so established by Utility shall at all times be reasonable and subject to such regulations as may be provided by law or contract.

13. Effluent Disposal Obligation - Intentionally Deleted.

14. Quality of Wastewater - No substance other than domestic wastewater will be placed into the sewage system and delivered to the lines of the Utility directly by Developer. The Developer shall be required to install grease traps for all non-residential kitchen facilities and sand traps if floor drains are connected to the Utility's sanitary wastewater transmission system. Such installation shall be in accordance with the requirements of the Utility. Should any non-domestic wastes, grease or oils, including, but not limited to, floor wax, paint, chlorides, or salt water or any substances and materials which contain any hazardous, flammable, toxic and/or industrial constituents, be directly delivered by Developer to the lines, of the Utility, Developer will be responsible for payment of the cost and expense required in correcting or repairing any resulting damage to the system or property of third parties.

In the event Utility determines that the Property to be served poses a threat of introducing chlorides, salt water, or similar constituents into the collection or transmission system at levels determined by the Utility to be harmful to the wastewater system, including, but not limited to, the system's ability to provide effluent meeting reuse standards as an irrigation supply source, the Utility has the right, in its reasonable discretion, to decline or discontinue service to such property or customer and to require such pretreatment or other measures as are necessary to protect the integrity of Utility's system and the ability to serve its members.

15. Binding Effect of Agreement - This Agreement shall be binding upon and shall inure to the benefit of Developer, Utility and their respective assigns and successors by merger, consolidation, conveyance or otherwise. Any assignment or transfer by Developer shall be subject to Utility approval which shall not be unreasonably withheld provided the assignee or transferee shall acknowledge in writing that it assumes the duties and responsibilities of Developer as set forth in this Agreement.

16. Notice - Until further written notice by either party to the other, all notices provided for herein shall be in writing and transmitted by messenger, by mail or by telegram, and if to Developer, shall be mailed or delivered to Developer at:

IGR, Inc.
c/o Douglas H. Reynolds, Esq.
Cox & Reynolds
Savings of America Building, 10th Floor
4875 North Federal Highway
Fort Lauderdale, FL 33308

and if to the Utility at:

Clay County Utility Authority
Attn: Executive Director
782 Foxridge Center Drive
Orange Park, Florida 32065

17. Laws of Florida - This Agreement shall be governed by the laws of the State of Florida and it shall be and become effective immediately upon execution by both parties hereto, subject to any approvals which must be obtained from governmental authority, if applicable.

18. Costs and Attorney's Fees - In the event the Utility or Developer is required to enforce this Agreement by court proceedings, by instituting suit or otherwise, then venue shall lie in Clay County, Florida, and the prevailing party shall be entitled to recover from the other party all cost incurred, including reasonable attorney's fees.

19. Force Majeure - In the event that the performance of this Agreement by either party is prevented or interrupted in consequence of any cause beyond the control of either party, including, but not limited to Act of God or of the public enemy, war, national emergency, allocation or of other governmental restrictions upon the use or availability of labor or materials, civil disorder, strike, embargo, natural disaster or catastrophe, unforeseeable failure or breakdown of transmission, treatment or other facilities, governmental rule, act, order, restriction, regulation, statute, ordinance, or order, decree, judgment, restraining order or injunction of any court, said party shall not be liable for such non-performance.

20. Indemnification - Intentionally Deleted.

MISCELLANEOUS PROVISIONS

21. The rights, privileges, obligations and covenants of Developer and Utility shall survive the completion of the work of Developer with respect to completing the facilities and services to any development phase and to the Property as a whole.

22. As to the subject matter of this Agreement, this Agreement supersedes all previous agreements or representations, either verbal or written, heretofore in effect between Developer and Utility, made with respect to the matters herein contained, and when duly executed, constitutes the agreement between Developer and Utility. No additions, alterations or variations of the terms of this Agreement shall be valid, nor can provisions of this Agreement be waived by either party, unless such additions, alterations, variations or waivers are expressed in writing and duly signed.

23. Whenever the singular number is used in this Agreement and when required by the context, the same shall include the plural, and the masculine, feminine and neuter genders shall each include the others.

24. Whenever approvals of any nature are required by either party to this Agreement, it is agreed that same shall not be unreasonably withheld or delayed.

25. The submission of this Developer Agreement for examination by Developer does not constitute an offer but becomes effective only upon execution thereof by Utility.

26. Failure to insist upon strict compliance of any of the terms, covenants, or conditions herein shall not be deemed a waiver of such terms, covenants, or conditions, nor shall any waiver or relinquishment of any right or power hereunder at any one time or times be deemed a waiver or relinquishment of such right or power at any other time or times.

27. It is because of inducements offered by Developer to Utility that Utility has agreed to provide water and wastewater services to Developer's project. Developer understands and agrees that capacity reserved hereunder cannot and shall not be assigned by Developer to Third Parties without the written consent of Utility, except in the case of a bona-fide sale of Developer's property.

28. Utility shall, as aforesaid, at all reasonable times and hours, have the right of inspection of Developer's internal lines and facilities. This provision shall be binding on the successors and assigns of the Developer.

29. The parties hereto recognize that prior to the time Utility may actually commence upon a program to carry out the terms and conditions of this Agreement, Utility may be required to obtain approval from various state and local governmental authorities having jurisdiction and regulatory power over the construction, maintenance, and operation of Utility. The Utility agrees that it will diligently and earnestly, make the necessary proper applications to all governmental authorities and will pursue the same to the end that it will use its best efforts to obtain such approval. Developer, agrees to provide necessary assistance to Utility in obtaining the approvals provided for herein.

30. It shall be Developer's responsibility to provide acceptable as-built drawings of the water and wastewater systems installed by Developer, which are to be accepted by Utility for ownership and maintenance, as set forth in paragraph 5 (d) herein; and it is understood and agreed that Utility's charges associated with the preparation of the CADD as-built drawings will be paid directly by Developer's licensed underground utility contractor. It shall be Developer's responsibility to properly instruct his contractor to contact Utility for an estimate of such charges and clarification of the required as-built drawing procedures.

31. It shall be Developer's customers' responsibility, utilizing the project's water and wastewater service within Developer's project, to apply to Utility for service after the installation of the water and wastewater utilities, have been completed and accepted by Utility. Upon completion of application for water and wastewater service and payment of the appropriate charges set forth in Utility's then current applicable Rate Resolution, including any security deposits required, service will be initiated to customers within Developer's Property.

32. With respect to Paragraph 31, above, and as a condition precedent to Utility's obligations hereunder, each of Whitney's Sailcenter, Inc., and the individual owners or occupants of Units 11 through 29 of The Point subdivision must make individual application for

service at the Utility's office, must sign and deliver the attached joinder and consents in recordable form, with respect to a special assessment for its pro rata share of the cost of the provision of service by Utility to the Property, including the full face amount of any bond issued in connection herewith, and must pay the current deposits, fees and service rates for utility service from Utility. In the event that any individual owner or occupant of one or more of Units 11 through 29 of The Point subdivision fail to satisfy the requirements of the preceding sentence, so long as at least two-thirds (2/3's) of such Unit owners or occupants do in fact satisfy those requirements, provided further that The Point Property Owners Association, Inc. (The "Association") instead satisfies the foregoing conditions with respect to each Unit affected, as to any dissenting or non-signing Unit owners, thereby agreeing and legally binding itself to perform all of the foregoing described obligations of such Unit owner to Utility in the place and stead of Utility, and in form and substance otherwise acceptable to Utility, then Utility shall and does agree to accept the substituted agreement and performance of the Association in the place of the dissenting and non-signing Unit owners.

33. This Developer Agreement does not cover platted but not yet constructed Units Nos. 1 through 10 and 30 through 34 of The Point subdivision, or any additional contiguous land owned by one or both of the parties constituting the Developer, or any affiliated person or entity to them. Service for other property, which may be served because of the off-site improvements made by Utility in order to bring service to the Property described herein, shall be the subject of a separate developer's agreement, by which such property owner is required to pay Utility's standard base facility charges, together with any other advance deposits and fees, and periodic payment of Utility's service rates, as required by Utility's then current Rate Resolution, for connection to and service from Utility's systems. It is expressly understood that not yet constructed Units Nos. 1 through 10 and 30 through 34 shall not be in any way responsible at anytime for the cost of service by Utility to the Property as referenced in paragraph 32. Costs of construction of additional mains, and of physical connection, to said units will be charged to Developer at Utility's actual cost. In addition, if connection to Units Nos. 1 through 10 and 30 through 34 of the Point is sought within seven (7) years of the date of May 31, 1995 date of the Utility Developer Agreement with Peter O. Dalton, which resulted in the Utility's Extension of its main North to the West side of Doctors Inlet Bridge on U.S. Highway 17, then Developer would also be liable for payment to Utility of its pro rata share of prior construction costs in the amount of \$9,894.00 as to water service connection, and \$9,506.00 as to sewer service connection.

34. Upon Developer's compliance with its removal obligations hereunder, Utility shall subcontract with Jeff's Excavation or their successor and shall be obligated to expend up to \$700.00 of the budgeted costs for this project towards the removal of the slabs on which the package plants rested and leveling of grade. PPOA shall be liable for any cost for slab removal and leveling the grade incurred in excess of \$700.00.

IN WITNESS WHEREOF, Developer and 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.

WITNESSES:

DOUGLAS REYNOLDS

Print Name

Print Name

Rachel Barnegard

DEVELOPER:

IGR, INC., a/k/a I.G.R., INC.,
a Florida corporation

BY:

JAMES E. YONGE, President

Attest:

Corporate Secretary

(Seal)

STATE OF FLORIDA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 2nd, day of NOVEMBER, 1998, by JAMES E. YONGE, as President of IGR, INC., a/k/a I.G.R., INC., a Florida corporation, who is personally known to me or who has produced _____, as identification.

Printed Name

Notary Public

State of FLORIDA

My Commission Expires:



DOUGLAS H REYNOLDS
My Commission CC421975
Expires Nov. 20, 1998
Bonded by HAI
800-422-1555

(Seal)

WITNESSES:

Celeste Price
Print Name Celeste Price

Print Name

UTILITY:

CLAY COUNTY UTILITY AUTHORITY

BY: Ray O. Avery
Ray O. Avery

TITLE: Executive Director

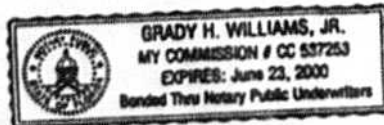
(corporate seal)

STATE OF FLORIDA
COUNTY OF CLAY

The foregoing instrument was acknowledged before me this 3rd,
day of November, 1998, by RAY O. AVERY, who is personally known
to me.

My Commission Expires:

Grady H. Williams, Jr.
Printed Name
Notary Public
State of Florida at Large



**THE POINT / WHITNEY'S
RECAP OF ALL CHARGES
AND ALLOCATION OF COST**

	ALLOCATION OF COST			COST TO BE PAID BY	
	Total Cost	The Point Existing ERC	The Point Future ERC	Whitney's Existing ERC	
Units Installed	46	19	15	12	
Existing or Future ERC's	45.5	18.5	15	12	
%	100%	41%	33%	26%	
WATER:					
Construction Cost (Estimated)					
Off site water	\$26,167.00	\$10,728.00	\$8,635.00	\$6,804.00	
On site water	\$7,026.00	\$2,881.00	\$2,319.00	\$1,826.00	
On site master meter	\$6,570.00	\$2,694.00	\$2,168.00	\$1,708.00	
Subtotal	\$39,763.00	\$16,303.00	\$13,122.00	\$10,338.00	
Est. for engineering & permitting (10%)	\$3,976.30	\$1,630.30	\$1,312.20	\$1,033.80	
Subtotal construction	\$43,739.30	\$17,933.30	\$14,434.20	\$11,371.80	
Pro rata share of prior construction cost	\$30,013.00	\$12,203.00	\$9,894.00	\$7,916.00	
Connection Fees	\$10,692.00	\$4,347.00	\$3,525.00	\$2,820.00	
Subtotal Water	\$84,444.30	\$34,483.30	\$27,853.20	\$22,107.80	
				\$26,680.97	\$17,058.33
				\$12,203.00	\$7,916.00
				\$4,347.00	\$2,820.00
				\$43,230.97	\$27,794.33
SEWER:					
Units Installed	38	19	15	4	
Existing or Future ERC's	37.5	18.5	15	4	
%	100%	49%	40%	11%	
Construction Cost (Estimated)					
Off site sewer force main	\$19,483.00	\$9,547.00	\$7,793.00	\$2,143.00	
On site sewer force main	\$11,784.00	\$5,774.00	\$4,714.00	\$1,296.00	
On site pump station upgrade	\$21,000.00	\$10,290.00	\$8,400.00	\$2,310.00	
Subtotal	\$52,267.00	\$25,611.00	\$20,907.00	\$5,749.00	
Est. for engineering & permitting (10%)	\$5,226.70	\$2,561.10	\$2,090.70	\$574.90	
Subtotal construction	\$57,493.70	\$28,172.10	\$22,997.70	\$6,323.90	
Pro rata share of prior construction cost	\$23,766.00	\$11,725.00	\$9,506.00	\$2,535.00	
Connection Fees	\$37,875.00	\$18,685.00	\$15,150.00	\$4,040.00	
Subtotal Sewer	\$119,134.70	\$58,582.10	\$47,653.70	\$12,898.90	
				\$47,719.77	\$9,773.93
				\$11,725.00	\$2,535.00
				\$18,685.00	\$4,040.00
				\$78,129.77	\$16,348.93
OTHER:					
Plan Review Charge (Estimated)	\$375.00	\$184.00	\$150.00	\$41.00	
Inspection Fees (Estimated)	\$385.00	\$189.00	\$154.00	\$42.00	
Subtotal Other	\$760.00	\$373.00	\$304.00	\$83.00	
				\$311.25	\$63.75
				\$319.55	\$65.45
				\$630.80	\$129.20
TOTAL	\$204,339.00	\$93,438.40 (1)	\$75,810.90	\$35,089.70 (2)	\$121,991.54
					\$44,272.46
					\$166,264.00

**Final Negotiated Reallocation of Charges
between Whitney's & The Point Property Owners Assoc.:**

% Allocation			
(1) Charges from above schedule	66.5%	33.5%	100.0%
(2) Bond attorney charges	\$110,565.56	\$55,698.44	\$166,264.00
(3) Slab removal per Jeff Excavation quote	\$3,325.00	\$1,675.00	\$5,000.00
(4) Phase I environmental survey	\$465.50	\$234.50	\$700.00
(5) Water and sewer asset acquisition	\$1,064.00	\$536.00	\$1,600.00
	\$66,500.00	\$33,500.00	\$100,000.00
Total	\$181,920.06	\$91,643.94	\$273,564.00

EXHIBIT A

PARCEL "A": Units 11 through 29, THE POINT, being a subdivision of part of Lot 19, CREIGHTON FOREST, recorded in Plat Book 4, page 8, according to Declaration set forth in Official records Volume 590, page 360, amended in Official Records Volume 634, page 432.

PARCEL "B": That portion of the "Commons Area", THE POINT, being a Subdivision of part of Lot 19, CREIGHTON FOREST, recorded in Plat Book 4, page 8, according to Declaration set forth in Official Records Volume 590, page 360, amended in Official Records volume 634, page 432, which lies within those lands described in Official Records Volume 592, page 83.

PARCEL "C": A portion of Lot 19, CREIGHTON FOREST, according to plat thereof, recorded in Plat Book 4, page 8, public records of Clay County, Florida, and a portion of Section 44, Township 4 South, Range 26 East, Clay County, Florida, adjacent thereto (being a portion of the lands described in Official Records Book 393, page 75, public records of Clay County, Florida) and being more particularly described as follows:

For a point of beginning, begin at a permanent reference monument which is the Northwest corner of said Lot 19, CREIGHTON FOREST, according to Plat Book 4, page 8, public records of Clay County, Florida, and referred to in Official Records Book 152, page 527 of said public records; thence run South 3 degrees 20 minutes 30 seconds West along the Easterly right of way line of U.S. Highway No. 17, 219 feet; thence run North 84 degrees 57 minutes 16 seconds East, 286 feet, more or less, to the waters of the St. Johns River and to the Easterly line of the real property conveyed by the State of Florida Board of Trustees of the Internal Improvement Trust Fund as recorded in Official Records Book 258, page 328, public records of Clay County, Florida; thence on said Easterly line run North 16 degrees 35 minutes 18 seconds West, 378 feet to the end of said Easterly line; thence run North 45 degrees 20 minutes 44 seconds West, 109.8 feet along the Northeasterly line of said real property described in Official Records Book 258, page 328; thence South 5 degrees 9 minutes 22 seconds West, 242 feet; thence South 89 degrees 58 minutes 52 seconds West, 14 feet; thence South 00 degrees 16 minutes 43 seconds East, 27 feet, more or less, to the Northeast line of said Lot 19; thence Northwesterly 80 feet, more or less, to a point which bears North 03 degrees 20 minutes 30 seconds East, 47 feet, more or less, from the point of beginning; thence South 03 degrees 20 minutes 30 seconds West 47 feet, more or less, to the Point of Beginning.

ADDENDUM TO AND JOINDER IN DEVELOPER AGREEMENT

The undersigned, being the ultimate user of a connection to the Utility's water, wastewater and/or reuse wastewater systems to be provided to the Property described in Exhibit A of the attached Developer Agreement, does hereby covenant as follows:

1. Within five (5) business days of the Utility notifying the undersigned that the Utility is prepared to commence service to the Property, the undersigned shall apply in writing for service with the Utility to the property owned or controlled by the undersigned, described as Parcel "C" in Exhibit A hereto.

2. In consideration for Developer advancing costs for off-site improvements to permit connection of the Property for service to Utility's systems, and in consideration of Utility issuing its tax exempt bond in the amount of \$273,564.00, bearing interest at 7%, payable as called for therein over a 9-year, 363-day term from the first interest only payment date thereunder, the undersigned shall repay its proportionate share of such bond obligation to Utility as a special assessment for the cost of connection of Utility service to the undersigned' property, as follows:

Total Assessment Amount:	\$273,564.00
Undersigned's Percentage Responsibility of Total Assessment Amount:	<u>33.50%</u>
Special Assessment Amount (plus interest as it accrues)	\$ 91,643.94

Quarterly Amortized Assessment Installment Payment at 7% over 9 years, 363 days: (Due commencing February 1, 1999, and continuing regularly thereafter on each succeeding May 1st, August 1st, and November 1st through and including November 1, 2008)	\$ 3,204.98
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The above calculated initial interest only payment and quarterly amortized assessment installment payment shall be billed to the undersigned's account quarterly with the undersigned's other water and wastewater fees and charges, and shall constitute a special assessment and lien against the undersigned's property, subject to enforcement and in the event of uncured default for nonpayment, even foreclosure, as provided by statute or rule applicable with respect to unpaid charges and fees owing to Utility.

3. The Undersigned shall be responsible for the payment of any intangible taxes or documentary stamp taxes due with respect to the foregoing special assessment amount, if any.

4. The unpaid principal balance of the special assessment amount owed by the undersigned may be prepaid to Utility in full or in part without penalty at any time. Payments received by Utility shall be applied first to any late fees or service charges, then to accrued unpaid interest, and finally to the outstanding principal balance of the special assessment amount.

5. The undersigned hereby irrevocable appoints the Executive Director of Utility as its attorney-in-fact for the purpose of executing any and all notices of special assessment and lien, joinders and consents as may be reasonably required by Utility for the purpose of evidencing the unpaid special assessment as a lien against the property of the undersigned, and confirming Utility's exclusive right to serve the undersigned's property with potable water service, wastewater collection service, and reuse wastewater, as applicable, over defined easements providing access to the undersigned's property.

6. The undersigned further agrees that the special assessment amount required to be repaid by the undersigned to Utility shall be a valid and subsisting lien against the subject property owned or controlled by the undersigned, and that the same shall not be extinguished or satisfied by any transfer of the interest of the undersigned in its property, whether by sale or mortgage foreclosure, or otherwise. This assessment obligation shall bind any successor owner of the undersigned's property, and Utility shall have the right to withhold service to this property in the event that the unpaid balance of the special assessment amount is not assumed and timely paid as it accrues hereunder. The undersigned agrees to notify its mortgagee and any successor owner of its property of the existence of this special assessment.

7. In consideration of the foregoing premises, and Utility's obligations under the attached Developer Agreement, the undersigned hereby quitclaims to Utility an easement over and across such portions of the Property described as follows:

Being a blanket easement of 7 1/2 feet on each side of any existing or future lines and related facilities for water or sewer service within the Parcel C property (Whitney's Marine) or within The Point subdivision, as recorded in Plat Book 4, Page 8 of the current public records of Clay County, Florida; provided, however, that Utility's easement would not extend to, and The Point Property Owner's Association, Inc. and/or Whitney's Sailcenter, Inc., respectively, shall be responsible for, any repairs to lines or facilities located under or within 5 feet of any existing buildings or improvements.

The undersigned does further consent to Point Water & Sewer, Inc.'s assignment and transfer to Utility of any and all rights to provide exclusive potable water, wastewater, and reuse wastewater to the Property in accordance with the terms and conditions of the attached Developer Agreement and this joinder and consent. The undersigned further confirms and ratifies the assignment to Utility of any existing water and sewer utility easements existing with respect to the Property.

8. The undersigned agrees that its own property to be served by Utility shall be separately metered at the expense of the undersigned, and agrees to pay the same to Utility at Utility's actual cost of such installation and the cost of the meter and any related facilities required for separate metering, prior to Utility commencing service to the Undersigned. Utility shall, in its sole discretion, apply available contingency funds from the construction budget for the off-site improvement, towards defraying in part the undersigned's cost of meter installation.

In witness whereof, the undersigned has executed and delivered the foregoing under seal effective for all purposes this 3rd day of November, 1998.

WITNESSES:

WHITNEY'S SAILCENTER, INC., d/b/a
Whitney's Marine, a Florida
Corporation

Kathleen M. Ward
Print Name KATHLEEN M. WARD

BY: Candis T. Whitney
CANDIS T. WHITNEY, President

Lisc Seter
Print Name Lisc Seter

-ATTEST: _____
~~Corporate Secretary~~

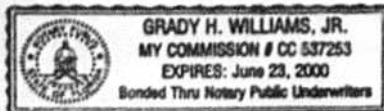
-(Seal)

STATE OF FLORIDA
COUNTY OF CLAY

The foregoing instrument was acknowledged before me this 30th, day of October, 1998, by CANDIS T. WHITNEY, as President of WHITNEY'S SAILCENTER, INC., d/b/a Whitney's Marine, who is personally known to me ~~or who has produced~~ _____, as identification.

Grady H. Williams, Jr.
Printed Name _____
Notary Public
State of Florida at Large

My Commission Expires:



(Seal)

ADDENDUM TO AND JOINDER IN DEVELOPER AGREEMENT

The undersigned, The Point Property Owners Association, Inc., being the owner's association for The Point, being named an intended third party beneficiary of the foregoing Developer Agreement, and being a ratepayer of a new connection to the Utility's water, wastewater and/or reuse wastewater systems to be provided to the Property described in Exhibit A of the attached Developer Agreement, does hereby covenant as follows:

1. Within five (5) business days of the Utility notifying the undersigned that the Utility is prepared to commence service to the Property, the undersigned shall apply in writing for service with the Utility to The Point project, being all of the property owned or controlled by the undersigned, exclusive of that described as Parcel "C" in Exhibit A hereto. Security deposit and quarterly billing obligations for actual water and wastewater service and related charges will be coordinated by the Utility through the undersigned, Whitney's Sailcenter, Inc. and the individual unit owners of Units 11-29 of The Point, and shall otherwise be subject to all rules, resolutions and policies then in effect for the Utility.

2. The Utility will master bill all of the units for The Point to the undersigned, and shall not be submetering or breaking out the individual unit water and wastewater service fees and charges. The undersigned shall be responsible for the timely payment of all quarterly billings for water and wastewater service to The Point, and also shall be responsible for making appropriate security deposit with Utility for water and wastewater service for all usage by The Point and units of The Point. The only separately billed usage will be that of Whitney's Sailcenter, Inc., which is served by an existing submeter, and which will be responsible for its own security deposit and payment of its own water and wastewater service fees and charges for its determined usage.

3. The undersigned shall be responsible for any cost of slab removal and return of former package plant sites to level grade, to the extent that the same exceeds the sum of \$700.00 to be expended for such purpose by the Utility.

4. In consideration of the foregoing premises, and Utility's obligations under the attached Developer Agreement, the undersigned hereby quitclaims to Utility an easement over and across such portions of the Property described as follows:

Being a blanket easement of 7 1/2 feet on each side of any existing or future lines and related facilities for water or sewer service within the Parcel C property (Whitney's Marine) or within The Point subdivision, as recorded in Plat Book 4, Page 8 of the current public records of Clay County, Florida; provided, however, that Utility's easement would not extend to, and The Point Property Owner's Association, Inc. and/or Whitney's Sailcenter, Inc., respectively, shall be responsible for, any repairs to lines or facilities located under or within 5 feet of any existing buildings or improvements.

The undersigned does further consent to Point Water & Sewer, Inc.'s assignment and transfer to Utility of any and all rights to provide exclusive potable water, wastewater, and reuse wastewater to the Property in accordance with the terms and conditions of the attached

Developer Agreement and this joinder and consent. The undersigned further confirms and ratifies the assignment to Utility of any existing water and sewer utility easements existing with respect to the Property.

In witness whereof, the undersigned has executed and delivered the foregoing under seal effective for all purposes this 3rd day of November, 1998.

WITNESSES:

Lix Seter
Print Name Lix Seter

Kathleen M. Ward
Print Name KATHLEEN M. WARD

THE POINT PROPERTY OWNER'S
ASSOCIATION, INC., a Florida not-
for-profit corporation

BY: A. S. Price
JAMES PRICE, President

ATTEST: W. M. G. G. G.
Corporate Secretary

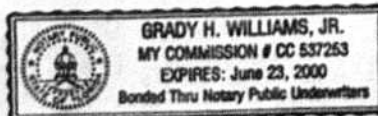
(Seal)

STATE OF FLORIDA
COUNTY OF CLAY

The foregoing instrument was acknowledged before me this 30th,
day of October, 1998, by JAMES PRICE, as President of THE
POINT PROPERTY OWNERS ASSOCIATION, INC., who is personally known to me
or who has produced _____, as identification.

Grady H. Williams, Jr.
Printed Name _____
Notary Public
State of Florida at Large

My Commission Expires:



(Seal)

ADDENDUM TO AND JOINDER OF UNIT OWNER IN DEVELOPER AGREEMENT

The undersigned, being the current owner of Unit No. ____ of The Point, a subdivision of a portion of Lot 19, CREIGHTON FOREST, Clay County, Florida, recorded in Plat Book 4, page 8, according to Declaration set forth in Official Records Volume 590, page 360, amended in Official Records Volume 634, page 432, of the Public Records of Clay County, Florida, together with a proportionate undivided interest in and to the common areas of The Point, and being an ultimate user of a connection to the Utility's water, wastewater and/or reuse wastewater systems to be provided to the Property described in Exhibit A of the attached Developer Agreement, does hereby covenant as follows:

1. Within five (5) business days of the Utility notifying the undersigned that the Utility is prepared to commence service to the Property, I shall apply in writing for service with the Utility to the property owned or controlled by the undersigned. Security deposit and quarterly billing obligations for actual water and wastewater service and related charges will be coordinated by the Utility through The Point Property Owners Association, Inc.; however, I shall otherwise be subject to all rules, resolutions and policies then in effect for the Utility.

2. In consideration for Developer advancing costs for off-site improvements to permit connection of the Property for service to Utility's systems, and in consideration of Utility issuing its tax exempt bond in the amount of \$273,564.00, bearing interest at 7%, payable as called for therein over a 9-year, 363-day term, the undersigned shall repay its proportionate share of such bond obligation to Utility as a special assessment for the cost of connection of Utility service to the undersigned' property, as follows:

Total Assessment Amount:	\$273,564.00
Undersigned's Percentage Responsibility	
of Total Assessment Amount to The Point:	<u>66.50%</u>
Special Assessment Amount to The Point	\$181,920.06
Divided by 19 Constructed Units =	
Constructed Unit Assessment Amount	<u>\$ 9,574.74</u>
(plus interest as it accrues)	

Quarterly Amortized Assessment Installment	
Payment at 7% over 9 years, 363 days:	\$ 334.85
(Due commencing February 1, 1999,	
and continuing regularly thereafter	
on each succeeding May 1st, August	
1st, and November 1st through	
and including November 1, 2008)	

The above calculated initial interest only payment quarterly amortized assessment installment payment shall be billed to the undersigned's account quarterly, and shall constitute a special assessment and lien against the undersigned's property, subject to enforcement and in the event of uncured default for nonpayment, even foreclosure, as provided by statute or rule applicable with respect to unpaid charges and fees owing to Utility.

3. The Undersigned shall be responsible for the payment of any intangible taxes or documentary stamp taxes due with respect to the foregoing special assessment amount, if any.

4. The unpaid principal balance of the special assessment amount owed by the undersigned may be prepaid to Utility in full or in part without penalty at any time. Payments received by Utility shall be applied first to any late fees or service charges, then to accrued unpaid interest, and finally to the outstanding principal balance of the special assessment amount.

5. The undersigned hereby irrevocable appoints the Executive Director of Utility as its attorney-in-fact for the purpose of executing any and all notices of special assessment and lien, joinders and consents as may be reasonably required by Utility for the purpose of evidencing the unpaid special assessment as a lien against the property of the undersigned, and confirming Utility's exclusive right to serve the undersigned's property with potable water service, wastewater collection service, and reuse wastewater, as applicable, over defined easements providing access to the undersigned's property.

6. The undersigned further agrees that the special assessment amount required to be repaid by the undersigned to Utility shall be a valid and subsisting lien against the subject property owned or controlled by the undersigned, and that the same shall not be extinguished or satisfied by any transfer of the interest of the undersigned in its property, whether by sale or mortgage foreclosure, or otherwise. This assessment obligation shall bind any successor owner of the undersigned's property, and Utility shall have the right to withhold service to this property in the event that the unpaid balance of the special assessment amount is not assumed and timely paid as it accrues hereunder. The undersigned agrees to notify its mortgagee and any successor owner of its property of the existence of this special assessment.

7. In consideration of the foregoing premises, and Utility's obligations under the attached Developer Agreement, the undersigned hereby quitclaims to Utility an easement over and across such portions of the Property described as follows:

Being a blanket easement of 7 1/2 feet on each side of any existing or future lines and related facilities for water or sewer service within the Parcel C property (Whitney's Marine) or within The Point subdivision, as recorded in Plat Book 4, Page 8 of the current public records of Clay County, Florida; provided, however, that Utility's easement would not extend to, and The Point Property Owner's Association, Inc. and/or Whitney's Sailcenter, Inc., respectively, shall be responsible for, any repairs to lines or facilities located under or within 5 feet of any existing buildings or improvements.

The undersigned does further consent to Point Water & Sewer, Inc.'s assignment and transfer to Utility of any and all rights to provide exclusive potable water, wastewater, and reuse wastewater to the Property in accordance with the terms and conditions of the attached Developer Agreement and this joinder and consent. The undersigned further confirms and ratifies the assignment to Utility of any existing water and sewer utility easements existing with respect to the Property.

In witness whereof, the undersigned has executed and delivered the foregoing under seal effective for all purposes this 3rd day of November, 1998.

WITNESSES:

CONSTRUCTED UNIT OWNER(S):

Print Name

BY: _____
PRINT NAME: _____

Print Name

BY: _____
PRINT NAME: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____, day of _____, 1998, by _____ and _____, as the owner(s) of the foregoing described constructed unit at The Point, each of whom is personally known to me or each of whom has produced _____, as identification.

My Commission Expires:

Printed Name _____
Notary Public
State of _____

(Seal)

EXHIBIT M
BILL OF SALE

(FORM ATTACHED)

**BILL OF SALE OF UTILITY SYSTEM ASSETS
BY POINT WATER & SEWER, INC.
TO CLAY COUNTY UTILITY AUTHORITY**

KNOWN ALL MEN BY THESE PRESENTS that POINT WATER & SEWER, INC. (hereinafter "Assignor") for the sum of TEN DOLLARS (\$10.00) and other good and valuable considerations paid by CLAY COUNTY UTILITY AUTHORITY (hereinafter "Assignee"), the receipt of which is hereby acknowledged, has granted, bargained, sold, transferred, set over and delivered, and by these presents does hereby grant, bargain, sell, transfer, set over and deliver, unto the Assignee, its successors and assigns, each and every portion of the water systems and wastewater systems (hereinafter "Utility System"), both tangible and intangible, serving the Project (herein so called) more fully described in Exhibit A, attached hereto and herein incorporated by reference, and such rights and obligations, whether contractual or not, as more fully set forth in the following paragraphs, which assets known as "transferred assets" of the Assignor including, but are not limited to, the following personalty:

(1) All easements, licenses, right-of way and consents owned by the Assignor for the construction, operation and maintenance of the Utility System.

(2)(a) All water supply and distribution facilities, and sewage collection facilities of every kind and description whatsoever, including, but not limited to, lift stations, transmission mains, distribution mains, supply pipes, collection pipes or facilities, valves, meters, meter boxes, service connections, and all other physical facilities and property installations in use in connection with the Utility System, unless otherwise excluded by a contrary provision of this Bill of Sale.

(3) All certificates, immunities, privileges, permits, grants, leaseholds for the procuring, distribution and transmission of water and for the collection and transmission of wastewater, and every right of every character whatever in connection therewith; all agency approvals for the supply of water, all water rights, flowage rights and riparian rights, and all renewals, extensions, additions or modifications of any of the foregoing.

(4) The exclusive right to serve the Project described in the Project with water and wastewater utility service, as created and existing under that one certain Amended and Restated Declaration of Covenants, Conditions, Restrictions and Provisions for Party Wall of The Point, as recorded at O.R. Book 628, page 432 - 479 of the current public records of Clay County, Florida, as amended by the First Amendment thereto recorded at O.R. Book 634, pages 135 - 139 of said public records, and as further amended by the Second Amendment thereto recorded at O.R. Book 1172, pages 750 - 774 of the current public records of Clay County, Florida.

(5) All warranties by third parties respecting completed or in-progress construction work, including professional engineering warranties, if any.

(6) All drawings, plans, prints, record drawings, including "as built" drawings and specifications, engineering documents showing all facilities of the Utility System.

(7) All other on-site property used in the operation of the Utility System, except as expressly excluded by any contrary provision of this Bill of Sale.

Notwithstanding any contrary provision contained in this Bill of Sale, the Assignor's existing wastewater treatment package plant, effluent discharge line and outfall easement to the St. Johns River, water well and water treatment package plant constituting part of the Utility System, together with other additional equipment which is not utilized in the operation and maintenance of the Utility System in Clay County are specifically excluded from this Bill of Sale.

Assignor, its successors and assigns, hereby covenants that is the lawful owner of the above referenced property, that the above reference property is free and clear of all liens and encumbrances and that it has good right to, and hereby does, transfer and convey the same to the Assignee, and that it will warrant and defend the same against the lawful claims and demands of all persons whomsoever.

IN WITNESS WHEREOF the parties have caused their names to be hereunto subscribed effective for all purposes this 3rd day of November, 1998.

Signed in the Presence of:

Rachel Barreghard
Witness
[Signature]
Witness

POINT WATER & SEWER, INC.,
a Florida corporation

By: [Signature]
John Yonge, President

Attest: [Signature]
Secretary

(Corporate Seal)

STATE OF FLA
COUNTY OF BROWARD

The foregoing instrument was acknowledged before me this 2ND day of NOVEMBER, 1998, by JOHN YONGE, as President for Point Water & Sewer, Inc., a Florida corporation, on behalf of the corporation, who is personally known to me or has produced _____ as identification.



DOUGLAS H REYNOLDS
My Commission CC421975
Expires Nov. 20, 1998
Bonded by HAI
800-422-1555

[Signature]
Notary Public
My Commission Expires:

(Seal)

QUITCLAIM JOINDER IN BILL OF SALE

For and in consideration of \$10.00 in hand paid, the receipt and sufficiency of which is hereby expressly acknowledge, each of the undersigned hereby quitclaim, assign and release forever to CLAY COUNTY UTILITY AUTHORITY ("Assignee") any and all claim, right, title and interest in and to the transferred assets described as being conveyed from POINT WATER & SEWER, INC. (hereinafter "Assignor") in the attached BILL OF SALE.

Executed by each of the undersigned effective for all purposes as of November 3, 1998.

Signed in the Presence of:

Rachel Bauregard
Witness

Douglas Reynolds
Witness

IGR, INC., a/k/a I.G.R., INC.,
a Florida corporation

By: [Signature]
James E. Yonge, President

Attest: [Signature]
Secretary
(Corporate Seal)

STATE OF FLA
COUNTY OF Broward

The foregoing instrument was acknowledged before me this 2nd day of November, 1998, by JAMES E. YONGE, as President for IGR, INC., A/K/A I.G.R., INC., a Florida corporation, on behalf of the corporation, who is personally known to me or has produced _____ as identification.



DOUGLAS H. REYNOLDS
My Commission CC421975
Expires Nov. 20, 1998
Bonded by HAI
800-422-1855

[Signature]
Notary Public
My Commission Expires:

(Seal)

THE POINT PROPERTY OWNERS
ASSOCIATION, INC., a Florida not-for-
profit corporation

Signed in the Presence of:

Lisa [Signature]
Witness

Kathleen M. Ward
Witness

By: A. S. Price
James Price, President

Attest: [Signature]
Secretary

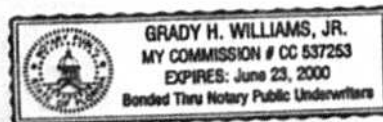
(Corporate Seal)

STATE OF FLORIDA
COUNTY OF CLAY

The foregoing instrument was acknowledged before me this 30th day of October, 1998, by JAMES PRICE, as President for The Point Property Owners Association, Inc., a Florida not-for-profit corporation, on behalf of the corporation, who is personally known to me ~~or has~~ produced _____ as identification.

Grady H. Williams, Jr.
Notary Public
My Commission Expires:

(Seal)



WHITNEY'S SAILCENTER, INC., D/B/A
WHITNEY'S MARINE, a Florida
corporation

Signed in the Presence of:

Kathleen M. Ward
Witness

Lise [Signature]
Witness

By: Candis T. Whitney
Candis T. Whitney, President

Attest: _____
Secretary _____
(Corporate Seal)

STATE OF FLORIDA
COUNTY OF CLAY

The foregoing instrument was acknowledged before me this 30th day of October, 1998, by CANDIS T. WHITNEY, as President for Whitney's Sailcenter, Inc., d/b/a Whitney's Marine, a Florida corporation, on behalf of the corporation, who is personally known to me ~~or has~~ produced _____ as identification.

Grady H. Williams, Jr.
Notary Public
My Commission Expires:

(Seal)

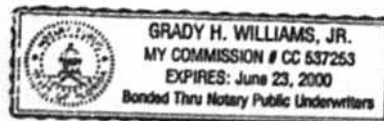


EXHIBIT A

PARCEL "A": Units 11 through 29, THE POINT, being a subdivision of part of Lot 19, CREIGHTON FOREST, recorded in Plat Book 4, page 8, according to Declaration set forth in Official records Volume 590, page 360, amended in Official Records Volume 634, page 432.

PARCEL "B": That portion of the "Commons Area", THE POINT, being a Subdivision of part of Lot 19, CREIGHTON FOREST, recorded in Plat Book 4, page 8, according to Declaration set forth in Official Records Volume 590, page 360, amended in Official Records volume 634, page 432, which lies within those lands described in Official Records Volume 592, page 83.

PARCEL "C": A portion of Lot 19, CREIGHTON FOREST, according to plat thereof, recorded in Plat Book 4, page 8, public records of Clay County, Florida, and a portion of Section 44, Township 4 South, Range 26 East, Clay County, Florida, adjacent thereto (being a portion of the lands described in Official Records Book 393, page 75, public records of Clay County, Florida) and being more particularly described as follows:

For a point of beginning, begin at a permanent reference monument which is the Northwest corner of said Lot 19, CREIGHTON FOREST, according to Plat Book 4, page 8, public records of Clay County, Florida, and referred to in Official Records Book 152, page 527 of said public records; thence run South 3 degrees 20 minutes 30 seconds West along the Easterly right of way line of U.S. Highway No. 17, 219 feet; thence run North 84 degrees 57 minutes 16 seconds East, 286 feet, more or less, to the waters of the St. Johns River and to the Easterly line of the real property conveyed by the State of Florida Board of Trustees of the Internal Improvement Trust Fund as recorded in Official Records Book 258, page 328, public records of Clay County, Florida; thence on said Easterly line run North 16 degrees 35 minutes 18 seconds West, 378 feet to the end of said Easterly line; thence run North 45 degrees 20 minutes 44 seconds West, 109.8 feet along the Northeasterly line of said real property described in Official Records Book 258, page 328; thence South 5 degrees 9 minutes 22 seconds West, 242 feet; thence South 89 degrees 58 minutes 52 seconds West, 14 feet; thence South 00 degrees 16 minutes 43 seconds East, 27 feet, more or less, to the Northeast line of said Lot 19; thence Northwesterly 80 feet, more or less, to a point which bears North 03 degrees 20 minutes 30 seconds East, 47 feet, more or less, from the point of beginning; thence South 03 degrees 20 minutes 30 seconds West 47 feet, more or less, to the Point of Beginning.

EXHIBIT N
EXCLUDED ASSETS

Existing wastewater treatment package plant, effluent discharge line and outfall easement to the St. Johns River, water well and water treatment package plant constituting part of the Utility System, together with other additional equipment which is not utilized in the operation and maintenance of the Utility System in Clay County.

EXHIBIT O
AMORTIZATION TABLE FOR THE BOND

(ATTACHED)

CLAY COUNTY UTILITY AUTHORITY
Subordinate Utilities Revenue Bond, Series 1998

Principal Amount: \$273,564.00
Interest Rate: 7.00%
Term: Nine Years & 363 Day Bond

Date of Issuance: November 3, 1998

Bond Year	Date	Principal After Payment	Payment	Interest	Principal Payment
	November 3, 1998	\$ 273,564.00			
1	November 1, 1999	253,658.55	38,950.00	19,044.55	19,905.45
2	November 1, 2000	232,464.65	38,950.00	17,756.10	21,193.90
3	November 1, 2001	209,787.18	38,950.00	16,272.53	22,677.47
4	November 1, 2002	185,522.28	38,950.00	14,685.10	24,264.90
5	November 1, 2003	159,558.84	38,950.00	12,986.56	25,963.44
6	November 1, 2004	131,777.96	38,950.00	11,169.12	27,780.88
7	November 1, 2005	102,052.42	38,950.00	9,224.46	29,725.54
8	November 1, 2006	70,246.09	38,950.00	7,143.67	31,806.33
9	November 1, 2007	36,213.32	38,950.00	4,917.23	34,032.77
10	November 1, 2008	0.00	38,748.25	2,534.93	36,213.32
			<u>\$389,298.25</u>	<u>\$115,734.25</u>	<u>\$273,564.00</u>

EXHIBIT P
GRANT OF EASEMENT

(GRANT OF EASEMENT)

PREPARED UNDER THE DIRECTION OF,
RECORD & RETURN TO:
GRADY H. WILLIAMS, JR., ESQ.
c/o CLAY COUNTY UTILITY AUTHORITY
782 FOXRIDGE CENTER DRIVE
ORANGE PARK, FL 32065

GRANT OF EASEMENT

(Corporation)

Parcel No. _____

Project Name: Whitney's Marine and the

Point

Townhouse Units 11 through 29

THIS INDENTURE, made effective this 3rd day of November, A.D. 1998, BETWEEN WHITNEY'S SAILCENTER, INC., a Florida corporation, and THE POINT PROPERTY OWNERS ASSOCIATION, INC., a not-for-profit corporation organized and existing under the laws of the State of Florida, hereinafter collectively called GRANTOR, and CLAY COUNTY UTILITY AUTHORITY, hereinafter called GRANTEE, whose business address is 782 Foxridge Center Drive, Orange Park, Florida 32065.

WITNESSETH: That GRANTOR, for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration to them in hand paid by GRANTEE, the receipt whereof is hereby acknowledged, has granted, bargained, sold and conveyed to the GRANTEE, its successors and assigns forever an unobstructed right-of-way and easement with the right, privilege and authority to said GRANTEE, its successors and assigns, to construct, operate, lay, maintain, improve and/or repair associated equipment for water, wastewater and/or wastewater reuse utilities, any or all, on, along, over, through, across or under the following described land, situate in Clay County, Florida, to-wit:

Being a blanket easement extending 7 ½ feet on each side of any existing or future lines and related facilities for water, wastewater and/or wastewater reuse utilities, any or all, whether now or in the future located on, along, over, through, across or under the land described in Exhibit "A", attached hereto and by reference made a part hereof, excluding any portion of such facilities located under or within 5 feet of any existing buildings or improvements.

TOGETHER, with the right of said GRANTEE, its successors and assigns, of ingress and egress, to and over said above described premises, and for doing anything necessary or useful or convenient or removing at any time any and all of said improvements upon, over, under or in said lands, together also with the right and easements, privileges and appurtenances in and to said land which may be required for the enjoyment of the rights herein granted. GRANTOR does hereby fully warrant the title to the Grant of Easement described herein, and will defend the same against the lawful claims of all persons whomsoever.

(Signatures begin next page)

IN WITNESS WHEREOF, the said GRANTOR has caused this instrument to be executed in its name by its authorized officers and caused its Corporate Seal attested by its Secretary to be hereto affixed the day and year first above written.

Signed and Sealed in our Presence:

WHITNEY'S SAILCENTER, INC., a

Florida corporation

Witness: Kathleen M. Ward
Print Name: KATHLEEN M. WARD

By: [Signature]
Title: President

Witness: Lise Jeter
Print Name: Lise Jeter

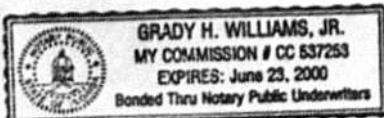
(Corporate Seal)

STATE OF FLORIDA
COUNTY OF CLAY

The foregoing instrument was acknowledged before me this 30th day of October, 1998, by Candice Whitney, as President of WHITNEY'S SAILCENTER, INC., who is personally known to me or who has produced [Signature] as identification.

Grady H. Williams, Jr.
Print Name
Notary Public, State of Florida at Large

My Commission Expires:



(SEAL)

Signed and Sealed in our Presence:

THE POINT PROPERTY OWNERS
ASSOCIATION, INC., a Florida
not-for-profit corporation

Witness:

Lisa Jeter

Print Name:

Lisa Jeter

By:

J. C. Price

Title:

Pres.

Witness:

Kathleen M. Ward

Print Name:

KATHLEEN M. WARD

ATTEST:

By:

Wendy A. Street
Secretary

(Corporate Seal)

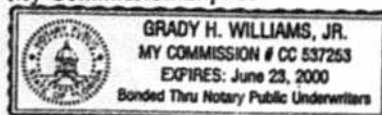
STATE OF FLORIDA
COUNTY OF CLAY

The foregoing instrument was acknowledged before me this 30th day of October, 1998, by James Price, as President of THE POINT PROPERTY OWNERS ASSOCIATION, INC., who is personally known to me or who has produced _____, as identification, and by Wendy Street, as SECRETARY of THE POINT PROPERTY OWNERS ASSOCIATION, INC., who is personally known to me or who has produced _____, as identification.

Print Name

Notary Public, State of Florida at Large

My Commission Expires:



(SEAL)

Accepted on behalf of the Clay County Utility Authority:

By:

Ray O. Avery
Ray O. Avery, Executive Director

EXHIBIT A

PARCEL "A": Units 11 through 29, THE POINT, being a subdivision of part of Lot 19, CREIGHTON FOREST, recorded in Plat Book 4, page 8, according to Declaration set forth in Official records Volume 590, page 360, amended in Official Records Volume 634, page 432.

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PARCEL "C": A portion of Lot 19, CREIGHTON FOREST, according to plat thereof, recorded in Plat Book 4, page 8, public records of Clay County, Florida, and a portion of Section 44, Township 4 South, Range 26 East, Clay County, Florida, adjacent thereto (being a portion of the lands described in Official Records Book 393, page 75, public records of Clay County, Florida) and being more particularly described as follows:

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JOINDER TO GRANT OF EASEMENT

The undersigned, having an interest in or claim to, or otherwise being affected by, the attached Grant of Easement over the land described in Exhibit "A" thereto, does hereby consent to and join in the above Grant of Easement to CLAY COUNTY UTILITY AUTHORITY, and does further acknowledge and agree that the same shall constitute a valid and subsisting easement upon the described property. Notwithstanding anything contained herein or in the attached Grant of Easement to the contrary, the undersigned shall have no liability for any warranty of title with respect to the described easement property of CLAY COUNTY UTILITY AUTHORITY. This joinder shall be a covenant and agreement running with the land, and shall be valid and enforceable against anyone claiming by, through or under the undersigned, or its heirs, successors and assigns.

IN WITNESS WHEREOF, the undersigned has caused this instrument to be executed in its name by its authorized officers and caused its Corporate Seal attested by its Secretary to be hereto affixed effective for all purposes as of November 3, 1998.

Signed and Sealed in our Presence:

Witness:

Print Name:

DOUGLAS KEYNARD

Witness:

Print Name:

Rachel Bailegard
Rachel Bailegard

IGR, INC., a Florida corporation

By:

JAMES E. YONGE, PRESIDENT

ATTEST:

By:

Secretary
(Corporate Seal)

STATE OF FLA

COUNTY OF Broward

The foregoing instrument was acknowledged before me this 2nd day of _____, 1998, by JAMES E. YONGE, as President of IGR, INC., who is personally known to me or who has produced _____ as identification, and by JAMES YONGE as SECRETARY of IGR, INC., who is personally known to me or who has produced _____ as identification.

Print Name _____

Notary Public, State of _____

My Commission Expires:



DOUGLAS H. BROWN, JR.
My Commission Expires 11/20/98
Expires Nov. 20, 1998
Bonded by HAI
OAL-422-1555

EXHIBIT Q
ASSIGNMENT OF EASEMENTS

(FORM ATTACHED)

THIS INSTRUMENT PREPARED BY:
Grady H. Williams, Jr., Esq.
1279 Kingsley Avenue Suite 117
Orange Park, FL 32073

ASSIGNMENT OF EASEMENTS

KNOW ALL MEN BY THESE PRESENTS, that POINT WATER & SEWER, INC., a Florida corporation, whose address is c/o Cox & Reynolds, Savings Bank of America Building, 10th Floor, 4874 North Federal Highway, Fort Lauderdale, Florida 33308 (hereinafter referred to as the "Assignor"), for and consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration paid by CLAY COUNTY UTILITY AUTHORITY, an independent special district established under Chapter 94-491, Laws of Florida, Special Acts of 1994, whose address is 782 Foxridge Center Drive, Orange Park, Florida 32065 (hereinafter referred to as "Assignee"), has granted, bargained, sold, transferred, assigned and delivered, and by these presents does grant, bargain, sell, transfer, assign and deliver unto the Assignee, its successors and assigns, all of Assignor's right, title and interest in and to all easements, recorded and unrecorded, rights of access, ingress and egress, permits, licenses, and rights-of-way owned or used by Assignor, whether in public or private property located in Clay County including, but not limited to, easements identified in platted, dedicated rights-of-way, utility Easements, and easements identified in Exhibit 1 attached hereto and incorporated herein by reference.

Assignor further assigns any and all easements which it may own with respect to its operation of the utility system serving the properties known as Whitney's Marine and The Point subdivision in Clay County, Florida, which may not otherwise be identified in Exhibit 1 attached hereto.

Notwithstanding anything contained herein to the contrary, Assignor's easement route for the effluent discharge (outfall) line from Assignor's existing sewer treatment package plant to the St. Johns River is expressly excluded from this conveyance.

Assignor, its successors and assigns, hereby covenants that it has the lawful right to assign the above interests, that it has satisfied all requirements in the easements to continue them in full force and effect and to avoid any abandonment or reverter provisions set forth therein, and does hereby assign the same to the assignee, and that it will warrant and defend the same against the lawful claims and demands of all persons whomsoever.

TO HAVE AND TO HOLD the same unto the Assignee, its successors and assigns forever.

[signatures start next page]

IN WITNESS WHEREOF, the Assignor has hereunto set its hand and seal to be effective for all purposes as of this 3rd day of November, 1998.

Signed in the Presence of:

Rachel Bassigard
Witness
[Signature]
Witness

POINT WATER & SEWER, INC.,
a Florida corporation

By: [Signature]
John Yonge, President

Attest: [Signature]
Secretary

(Corporate Seal)

STATE OF FLA
COUNTY OF Broward

The foregoing instrument was acknowledged before me this 2nd day of November 1998, by JOHN YONGE, as President for Point Water & Sewer, Inc., a Florida corporation, on behalf of the corporation, who is personally known to me or has produced _____ as identification.

[Signature]
Notary Public

My Commission Expires:

(Seal)



DOUGLAS H REYNOLDS
My Commission CC421975
Expires Nov. 20, 1998
Bonded by HAI
800-422-1555

QUITCLAIM JOINDER IN ASSIGNMENT OF EASEMENTS

For and in consideration of \$10.00 in hand paid, the receipt and sufficiency of which is hereby expressly acknowledge, each of the undersigned hereby quitclaim, assign and release forever to CLAY COUNTY UTILITY AUTHORITY ("Assignee") any and all claim, right, title and interest in and to the easement and easement rights described as being conveyed from POINT WATER & SEWER, INC. (hereinafter "Assignor") in the attached ASSIGNMENT OF EASEMENTS.

Executed by each of the undersigned effective for all purposes November 3, 1998.

IGR, INC., a/k/a I.G.R., INC.,
a Florida corporation, successor by
merger dated 8/19/91 to NOH, INC.,
HGF, INC., NML, INC., ZNK, INC.,
And QNK, INC.

Signed in the Presence of:

Rodol Bauregard
Witness
[Signature]
Witness

By: *[Signature]*
James E. Yonge, President
Attest: *[Signature]*
Secretary
(Corporate Seal)

STATE OF FLA
COUNTY OF BRWARD

The foregoing instrument was acknowledged before me this 2nd day of NOVEMBER 1998, by JAMES E. YONGE, as President for IGR, INC., A/K/A I.G.R., INC., a Florida corporation, on behalf of the corporation, who is personally known to me or has produced _____ as identification



DOUGLAS H REYNOLDS
My Commission OC421975
Expires Nov. 20, 1998
Bonded by HAI
800-422-1555

[Signature]
Notary Public
My Commission Expires:

(Seal)

THE POINT PROPERTY OWNERS
ASSOCIATION, INC., a Florida not-for-
profit corporation

Signed in the Presence of:

Liscarter
Witness

Kathleen M. Ward
Witness

By: J. S. Price
James Price, President

Attest: Mary A. [Signature]
Secretary

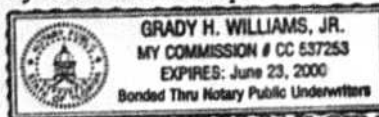
(Corporate Seal)

STATE OF FLORIDA
COUNTY OF CLAY

The foregoing instrument was acknowledged before me this 30th day of October, 1998, by JAMES PRICE, as President for The Point Property Owners Association, Inc., a Florida not-for-profit corporation, on behalf of the corporation, who is personally known to me or has produced _____ as identification.

Grady H. Williams, Jr.
Notary Public

My Commission Expires:



(Seal)

WHITNEY'S SAILCENTER, INC., D/B/A
WHITNEY'S MARINE, a Florida
corporation

Signed in the Presence of:

Kathleen M. Ward
Witness

Liscarter
Witness

By: Candis T. Whitney
Candis T. Whitney, President

Attest: _____
Secretary
(Corporate Seal)

STATE OF FLORIDA
COUNTY OF CLAY

The foregoing instrument was acknowledged before me this 30th day of October, 1998, by CANDIS T. WHITNEY, as President for Whitney's Sailcenter, Inc., d/b/a Whitney's Marine, a Florida corporation, on behalf of the corporation, who is personally known to me ~~or~~ has produced _____ as identification.

Grady H. Williams, Jr.

Notary Public

My Commission Expires:

(Seal)

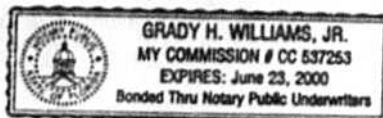


Exhibit 1
to Assignment of Easements

Easements for water and sewer utility service created or existing pursuant to plat of The Point, a subdivision of a portion of Lot 19, CREIGHTON FOREST, Clay County, Florida, recorded in Plat Book 4, page 8, according to Declaration set forth in Official Records Volume 590, page 360, amended in Official Records Volume 634, page 432, of the Public Records of Clay County, Florida.

Sewer Plant Easement created and described in Dock Use Agreement and Exchange of Easements dated June 25, 1980, recorded at O.R. Book 628, pages 415 - 431 of the current public records of Clay County, Florida.

Grant of Easements created and described in O.R. Book 628, page 455 of the current public records of Clay County, Florida.

Utility easements created under that one certain Amended and Restated Declaration of Covenants, Conditions, Restrictions and Provisions for Party Wall of The Point, as recorded at O.R. Book 628, page 432 - 479 of the current public records of Clay County, Florida, as amended by the First Amendment thereto recorded at O.R. Book 634, pages 135 - 139 of said public records, and as further amended by the Second Amendment thereto recorded at O.R. Book 1172, pages 750 - 774 of the current public records of Clay County, Florida.

Any easement rights covered by Quit-Claim Deed recorded at O.R. Book 724, pages 348 - 349 of the current public records of Clay County, Florida.

EXHIBIT R
COPIES OF INSURANCE POLICIES

EXHIBIT R
COPIES OF INSURANCE POLICIES

EXHIBIT W
DESCRIPTION OF EXISTING EASEMENTS FOR UTILITY SYSTEM

Easements for water and sewer utility service created or existing pursuant to plat of The Point, a subdivision of a portion of Lot 19, CREIGHTON FOREST, Clay County, Florida, recorded in Plat Book 4, page 8, according to Declaration set forth in Official Records Volume 590, page 360, amended in Official Records Volume 634, page 432, of the Public Records of Clay County, Florida.

Sewer Plant Easement created and described in Dock Use Agreement and Exchange of Easements dated June 25, 1980, recorded at O.R. Book 628, pages 415 - 431 of the current public records of Clay County, Florida.

Grant of Easements created and described in O.R. Book 628, page 455 of the current public records of Clay County, Florida.

Utility easements created under that one certain Amended and Restated Declaration of Covenants, Conditions, Restrictions and Provisions for Party Wall of The Point, as recorded at O.R. Book 628, page 432 - 479 of the current public records of Clay County, Florida, as amended by the First Amendment thereto recorded at O.R. Book 634, pages 135 - 139 of said public records, and as further amended by the Second Amendment thereto recorded at O.R. Book 1172, pages 750 - 774 of the current public records of Clay County, Florida.

Any easement rights covered by Quit-Claim Deed recorded at O.R. Book 724, pages 348 - 349 of the current public records of Clay County, Florida.

(FORM OF EASEMENT INDEMNIFICATION ATTACHED)

EASEMENT INDEMNIFICATION

This Easement Indemnification made and entered into effective for all purposes this 3rd day of November, 1998, by POINT WATER & SEWER, INC., a Florida corporation ("Assignor") in favor of CLAY COUNTY UTILITY AUTHORITY, an independent special district established under Chapter 94-491, Laws of Florida, Special Acts of 1994 ("Assignee").

WITNESSETH, that Assignor, for and in consideration of the premises, the sum of ONE (\$1.00) DOLLAR and other good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Assignor does hereby state and agree as follow:

1. Assignor has this date conveyed to Assignee certain assets comprising the Assignor's water and wastewater system located in Clay County, Florida ("Utility System"), pursuant to that Agreement dated of even date herewith.

2. Assignor hereby represents and warrants that, as of this date, all facilities comprising the Utility System and which are necessary for the Assignor to provide service to customers or to provide access to, maintain or repair its facilities, and which are not otherwise located: (i) on property deeded to Assignee in fee simple title, or (ii) in dedicated rights-of-way, are located in dedicated easements which Assignor is assigning to Assignee pursuant to an Assignment of Easements of even date herewith. Such easements are more fully described in a Grant of Easement or Assignment of Easements executed and delivered of even date herewith by Assignor to Assignee.

3. In the event of a subsequent challenge to the Assignee's legal right to own, use, operate, or possess any of the easements necessary for the Assignee's quiet enjoyment, ownership and operation of the Utility System ("Utility Easements"), Assignor shall, at its expense, but with the assistance and cooperation of the Assignee, diligently pursue and obtain in favor of the Assignee, legal possession and/or quiet title to the Utility Easements. In the event Assignor is unable to resolve any issue concerning the Assignee's legal right to possess or utilize utility easements within 180 days from the date of said issue or challenge is made known to the Assignor, Assignee may proceed to take whatever curative actions are deemed necessary in order to obtain the appropriate legal easements or title necessary for the Assignee to operate its Utility System. Assignor shall be responsible for all costs incurred by Assignee in obtaining easements or legal title for the operation of the Utility System.

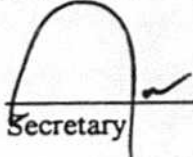
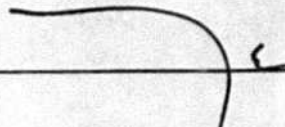
4. Assignor hereby agrees to indemnify, reimburse, defend and hold Assignee harmless for, from and against any and all lawsuits, liabilities, costs and expenses (including reasonable attorneys' fees) incurred by Assignee as a result of the location of the Utility System on property not described in a valid recorded easement conveyed to Assignor pursuant to the Assignment of Easements, or as a result of a defect in the original grant of easement to Assignor from the property owner thereof.

5. This Indemnification shall be binding on the successors, assigns, heirs, administrators, and executors of Assignor, and shall survive the dissolution of the Florida corporation, Point Water & Sewer, Inc.

6. This Indemnification shall expire five years from the date of the execution hereof.

IN WITNESS WHEREOF, the Assignor has hereunto caused this Easement Indemnification Agreement to be executed on the date and year aforesaid.

ATTEST:


Secretary

(Seal)

POINT WATER & SEWER, INC.

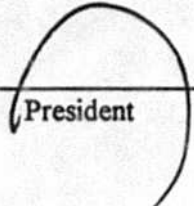
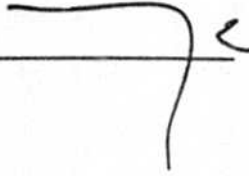
By: 
President


EXHIBIT Z
ENVIRONMENTAL RELEASE, HOLD HARMLESS AND INDEMNITY

(FORM ATTACHED)

INDEMNIFICATION AND HOLD HARMLESS AGREEMENT

THIS AGREEMENT is made and executed effective for all purposes as of this 3rd day of November, 1998, by and between POINT WATER & SEWER, INC., a Florida corporation (hereinafter referred to as the "Seller"), and CLAY COUNTY UTILITY AUTHORITY, an independent special district established under Chapter 94-491, Laws of Florida, Special Act of 1994 (hereinafter referred to as "Purchaser").

WITNESSETH

WHEREAS, Point Water & Sewer, Inc. ("Seller") and Clay County Utility Authority ("Purchaser") have entered into an Agreement of Purchase and Sale of Water and Wastewater Assets dated effective of even date herewith ("Agreement"), for the purchase and sale of the water system and wastewater system of the Seller; and

WHEREAS, Seller and Purchaser have each reviewed that certain Phase I Environmental Site Assessment of The Point Condominiums Water and Sewer Facilities dated July, 1998, prepared by Cummings Associates, Ltd. (the "Site Assessment"); and

WHEREAS, the parties recognize that Seller, its successors and assigns, will have a continuing legal and financial obligation with respect to environmental contamination, if any, on the utility easements and facilities being conveyed pursuant to the Agreement, for any environmental contamination actually known to Seller which has not been disclosed in writing to Purchaser and which is not otherwise disclosed in the Site Assessment.

NOW, THEREFORE, for and in consideration of the purchase of the assets pursuant to the Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Seller hereby represents and warrants to Purchaser, that to the best of Seller's current actual knowledge, made herein without due inquiry, and agrees to indemnify and hold Purchaser harmless as set forth herein:

1. Seller has obtained all permits, licenses and other authorizations which are required under federal, state and local laws to operate the system or to comply with all laws relating to the treatment, storage or distribution of water, collection, treatment and disposal of wastewater or the processing, distribution, use, treatment, storage, disposal, transport, or handling of pollutants, contaminants or chemicals, or industrial, toxic or hazardous substances or wastes. Seller is in full compliance with all terms and conditions of the required permits, licenses and authorizations, and is also in full compliance with all other law regulations, orders, judgments related thereto.

2. Seller, its successors and assigns, heirs, administrators, and executors, agree to indemnify, reimburse, defend and hold harmless Purchaser for, from and against all demands, claims, actions or causes of action, assessments, losses, damages, liabilities, costs, expenses, fees and

disbursements asserted against, imposed on or incurred by the Purchaser, directly or indirectly, (i) pursuant to or in connection with the application of any environmental law (as defined herein) to the acts or omissions occurring at any time of the Seller, and/or its officer, directors and/or employees, including, but not limited to, any acts or omissions with respect to the on-site and/or off-site disposal of waste and wastewater, or the threatened damage to the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) at any on-site or off-site location, occurring at any time, and alleged to have been caused, in whole or in part, by the transportation, treatment, storage, or disposal of any pollutant, contaminant, chemical, or industrial, toxic or hazardous substance or waste generated or produced in connection with the business of the Seller and/or its officers, directors and/or its employees, provided that Seller knew on or before its acquisition by Purchaser of the assets of Seller, of the acts or omissions allegedly causing damage to the environment, that the same were not disclosed in the Site Assessment and Seller, having knowledge of the same, failed to disclose the same in writing to Purchaser.

3. For the purpose of this indemnification, environmental law shall mean any federal, state, local or foreign statutory or common laws relating to pollution or protection of the environment including, without limitation, the Resource Conservation and Recovery Act ("RCRA") (42 U.S.C. Section 6901 et seq.), as amended, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA") (42 U.S.C. Section 9601 et seq.), as amended by the Superfund Amendments and Reauthorization Act of 1986 (P.L. 99-149), the Toxic Substances Control Act ("TSCA") (15 U.S.C. Section 2601 et seq.), any common law of nuisance or trespass, and any law or regulation relating to emissions, discharges, releases or threatened release of pollutants, contaminants or chemicals, or industrial, toxic, or hazardous substances or wastes in the environment (including, without limitation, ambient air, surface water, groundwater, land surface or subsurface strata) or otherwise relating to the treatment, storage and distribution of water, collection, treatment and disposal of wastewater or the processing, distribution, use, treatment, storage, disposal, transport or handling of pollutants, contaminants or chemicals, or industrial, toxic or hazardous substances or wastes.

4. Should environmental contamination of any kind be discovered subsequent to closing which existed prior to closing, and the same is not disclosed on the Site Assessment, Seller shall be responsible for all cost of cleanup, remediation, and fines or penalties associated with said contamination which may be required or imposed by any environmental law, if and only if Seller had current actual knowledge of such environmental contamination as of the date hereof and failed to disclose the same in writing to Purchaser.

5. It is not the intent of the parties hereto that this Indemnification and hold harmless agreement merge with the Agreement, but that the provisions hereof shall survive the execution hereof and be incorporated herein by specific reference.

6. It is agreed by and between the parties hereto that the representations, warranties and obligations created herein, are in addition to, and not a limitation of any other such obligations created pursuant to the terms of the Agreement.

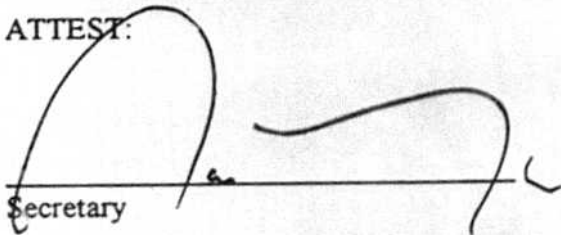
7. This Agreement shall be binding on the successors and assigns of Seller, and shall survive the dissolution of the Florida corporation, Point Water & Sewer, Inc.

8. The terms herein shall have the meanings assigned to them in the Agreement unless otherwise noted herein. If any term of this Agreement, or the application thereof to any person or circumstance shall to any extent be declared by a court of competent jurisdiction to be invalid or unenforceable, the remainder of this Agreement shall not be affected thereby and each term of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

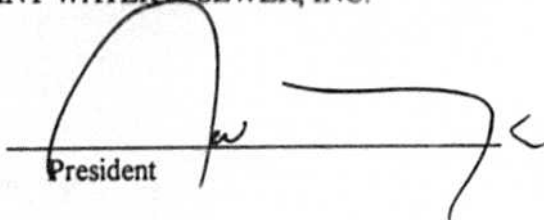
9. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, the parties hereto have executed this Indemnification and Hold Harmless Agreement in duplicate originals effective as of the date first set forth above.

ATTEST:


Secretary

POINT WATER & SEWER, INC.

By: 
President


Secretary

CLAY COUNTY UTILITY AUTHORITY

By: 
Ray O. Avery
Executive Director

EXHIBIT 2

RE: POINT WATER & SEWER, INC.

**STATEMENT REGARDING THE DISPOSITION OF CUSTOMER DEPOSITS AND
THE ACCUMULATED INTEREST THEREON.**

Point Water & Sewer, Inc., has never held customer deposits. Accordingly, there is no accumulated interest.

EXHIBIT 3

STATEMENT REGARDING THE DISPOSITION OF ANY OUTSTANDING REGULATORY ASSESSMENT FEES, FINES OR REFUNDS OWED.

PWS is current on all of its regulatory assessment fees, fines and refunds owed. PWS shall continue to remain current until it completes operations.

EXHIBIT 4

STATEMENT OF PROVIDING FINANCIAL INFORMATION

The Buyer, the CCUA, obtained from PWS the utility's most recent available income and expense statement of rate base for regulatory purposes and contributions-in-aid-of contributions.

EXHIBIT 5

Pursuant to the Sales Agreement Dated November 3, 1998, the CCUA acquired the utility on November 3, 1998, but PWS will continue to operate the facility until the connection date which is to occur within nine months of the November 3, 1998 closing date.