Holland+Knight

315 South Calhoun Street, Suite 600 Tallahassee, FL 32301 www.hklaw.com

October 20, 2006

D. BRUCE MAY, JR. 850-425-5607 bruce.may@hklaw.com

VIA HAND DELIVERY

Blanca S. Bayo Division of Commission Clerk and Administrative Services Florida Public Service Commission Capital Circle Office Center 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

Re:

D & E Water Resources, L.L.C.'s Application for Original Certificates for Proposed Water and Wastewater System and Request for Initial Rates and Charges ("Application")

Dear Ms. Bayo:

Enclosed for filing on behalf of D & E Water Resources, L.L.C. are: (i) the original and five copies of the referenced Application and attached exhibits; (ii) one copy of the territory and system maps; and (iii) two copies each of the proposed water and wastewater tariffs (original tariffs are in Appendix XI). Also enclosed are two checks for the filing fees in the amounts of \$1,500.00 for the original water certificate and \$750.00 for the original wastewater certificate.

Please acknowledge receipt of this filing by stamping the extra copy of this letter "filed" and returning the copy to me. Thank you for your assistance.

Sincerely,

Check received with filing and forwarded to Fiscal for deposit. Fiscal to forward deposit information to Records.

HOLLAND & KNIGHT LLP

initials of person who forwarded check

DBM:kjg

VED & FILED

Enclosures

BUREAU OF RECORDS

D. Bruce May, Jr.

Blanca Bayo October 20, 2006 Page 2

cc:

Russell Hagen Paul Hossain Gerry Hartman Clay Henderson

4111913_v1

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of D & E Water Resources, L.L.C. to operate a Water and Wastewater Utility in Flagler and Volusia Counties, Florida. Docket No. Occopy - WS

Filed: October 20, 2006

APPLICATION FOR ORIGINAL CERTIFICATE FOR PROPOSED WATER AND WASTEWATER SYSTEM AND REQUEST FOR INITIAL RATES AND CHARGES

COCUMENT NUMBER-DATE

09651 OCT 20 %

FPSC-COMMISSION CLERK

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of D & E Water Resources, L.L.C. to operate a Water and Wastewater Utility in Flagler and Volusia Counties, Florida. Docket No. Noca 94-WS

Filed: October 20, 2006

APPLICATION FOR ORIGINAL CERTIFICATES FOR PROPOSED WATER AND WASTEWATER SYSTEM AND REQUEST FOR INITIAL RATES AND CHARGES

D & E Water Resources, L.L.C. (the "Utility"), by and through its undersigned attorneys and pursuant to Sections 367.031 and 367.045, Florida Statutes, and Rule 25-30.033, Florida Administrative Code, files this application for original certificates to operate a water and wastewater utility in Flagler and Volusia Counties and for approval of initial rates and charges ("Application"). The Application is attached hereto as Composite Exhibit 1. In support of the Application, the Utility states:

1. The Utility's name and address are:

D & E Water Resources, L.L.C. One Concourse Parkway Suite 755 Atlanta, Georgia 30328

2. The names and addresses of the Utility's authorized representatives are:

D. Bruce May, Jr.
Holland & Knight, LLP
315 South Calhoun Street, Suite 600
Tallahassee, Florida 32301
Post Office Drawer 810
Tallahassee, Florida 32302-0810
Phone: (850) 224-7000

Fax: (850) 224-7000 Fax: (850) 224-8832

and

Clay Henderson Holland & Knight, LLP 200 South Orange Avenue, Suite 2600 Orlando, Florida 32801 P.O. Box 1526 Orlando, Florida 32802-1526

Phone: (407) 425-8500 Fax: (407) 244-5288

- 3. The Utility is subject to the exclusive jurisdiction of the Commission because its service will transverse the boundaries of Flagler and Volusia Counties, Florida. Section 367.171(7), Florida Statutes.
- 4. Pursuant to Rule 25-30.030(2), Florida Administrative Code, the Utility has obtained from the Commission a list of names and addresses of entities entitled to receive notice of the Application ("Notice List").
- 5. Within seven (7) days of filing this Application, the Utility will provide notice of the Application by regular mail to: (a) the governing bodies of Flagler and Volusia Counties, Florida; (b) the governing bodies of all municipalities within Flagler and Volusia Counties, Florida, stated on the Notice List; (c) the regional planning councils designated on the Notice List; (d) all water and wastewater utilities on the Notice List; (e) the Office of Public Counsel; (f) the Commission's Director of the Commission Clerk and Administrative Services; (g) the appropriate regional offices of Florida Department of Environmental Protection ("FDEP") (Orlando and Jacksonville); (h) the appropriate Water Management District; and (i) other entities stated on the Notice List. Such notice will contain all information required under Florida Administrative Code Rule 25-30.030(4).
- 6. Within seven (7) days of filing this Application, the Utility will provide a copy of the notice of the Application to the prospective customers of the system to be certificated.

- 7. Within seven (7) days of filing this Application, the Utility will publish notice of the Application once in a newspaper of general circulation in the territory proposed to be served.
- 8. Within fifteen (15) days of filing this Application, the Utility will submit affidavits to the Commission verifying that it has provided notice of its Application, along with a copy of the notice and list of entities receiving the notice pursuant to Florida Administrative Code Rule 25-30.030.
- 9. Included in the Application are all information, documents, and maps required by Florida Administrative Code Rule 25-30.033, including facts demonstrating the Utility's ability to provide service, the area and facilities involved, the need for service in the area involved, and the existence or nonexistence of service from other sources in the proposed service area. Also included in the Application are Schedules showing all rates, classifications, charges for service of every kind proposed by the Utility, and all rules, regulations and service availability policies.
- 10. The application fee required by Section 367.145, Florida Statutes, and Florida Administrative Code Rule 25-30.020, has been submitted to the Commission Clerk of Administrative Services, along with the filing of this Application.

WHEREFORE, the Utility requests that the Commission:

- a. Grant Utility's application for original certificates for a proposed water and wastewater system;
 - b. Approve initial rates and charges for the Utility;
 - c. Issue certificates of authorization for the water and wastewater system; and
 - d. Grant such other relief as appropriate.

Respectfully submitted this 20th day of October, 2006.

HOLLAND & KNIGHT LLP

Bruce May, Jr.

Florida Bar No. 354473

Holland & Knight, LLP

315 South Calhoun Street, Suite 600

Tallahassee, Florida 32301

Post Office Drawer 810

Tallahassee, Florida 32302-0810

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Clay Henderson

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Orlando, Florida 32801

P.O. Box 1526

Orlando, Florida 32802-1526

Phone:

(407) 425-8500

Fax:

(407) 244-5288

Attorneys for D & E Water Resources, L.L.C.

APPLICATION FOR ORIGINAL CERTIFICATE FOR A PROPOSED OR EXISTING SYSTEM REQUESTING INITIAL RATES AND CHARGES

(Pursuant to Section 367.045, Florida Statutes)

To:

Director, Division of the Commission Clerk & Administrative Services

Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

The undersigned hereby makes application for original certificate(s) to operate a water utility in Flagler and Volusia Counties, Florida, and submits the following information:

PARTI APPLICANT INFORMATION The full name (as it appears on the certificate), address and telephone number of A) the applicant: D & E Water Resources, L.L.C. Name of utility (770) 829-6330 Fax No. Phone No. One Concourse Parkway, Suite 755 Office street address 30328 Atlanta Georgia Zip Code State City Mailing address if different from street address Internet address if applicable The name, address and telephone number of the person to contact concerning B) this application: D. Bruce May, Jr. - Holland & Knight LLP (850) 224-7000 Phone No. Name Post Office Drawer 810 Street address 32302-0810 Tallahassee Florida State Zip Code City

and

	Clay Henderson - Holland & Knight LLP		(407) 425-8500			
	Name	Phone No.				
	200 South Orange Av	venue, Suite 2600				
	Street address					
	<u>Orlando</u>	Florida	32801			
	City	State	Zip Code			
C)	Indicate the organizational character of the applicant: (circle one)					
	Corporation	Partnership	Sole Proprietorship			
	Other Limited Liabilit	y Corporation Incorporat	ted in Delaware			
	(Specify)					
D)		orporation, indicate whet de Section 1362 to be ar	her it has made an election under n S Corporation:			
	Yes No _>	<u> </u>				
E)	If the applicant is a corporation, list names, titles and addresses of corporate officers, directors, partners, or any other person(s) or entities owning an interest in the applicant's business organization. (Use additional sheet if necessary).					
		y owned by D & E Wate				
	("D&EWRI"). D&EWF	RI is the sole and manag	ing member of Applicant.			
F)			s and addresses of all persons or ation. (Use additional sheet if			
	Not Applicable.		· · · · · · · · · · · · · · · · · · ·			
PART II	NEED FOR SER	RVICE				
A)	territory, such as anticother utilities within the	cipated (or actual) devel ne area proposed to be n the area and the step	need for service in the proposed opment in the area. Identify any e served which could potentially as the applicant took to ascertain			

B)	prov the Affa with	ibit <u>B</u> - A statement that to the best of the applicant's knowledge, the rision of service will be consistent with the water and wastewater sections of local comprehensive plan, as approved by the Department of Community irs at the time the application is filed. If the provision of service is inconsistent such plan, provide a statement demonstrating why granting the certificate ld be in the public interest.				
PART II	l	SYSTEM INFORMATION				
A)	WA	WATER				
	(1)	Exhibit <u>C</u> - A statement describing the proposed type(s) of water service to be provided (i.e., potable, non-potable or both).				
	(2)	ExhibitD The number of equivalent residential connections (ERCs) proposed to be served, by meter size and customer class. If development will be in phases, separate this information by phase. In addition, if the utility is in operation, provide the current number of ERCs by meter size and customer class.				
	(3)	Description of the types of customers anticipated (i.e., single family, mobile homes, clubhouse, commercial, etc.):				
		The Applicant is currently proposing to serve only general service customers. The potable water service will be provided to primarily single-family customers in the proposed Heart Island Equestrian Estates Development as well as other development within Flagler County.				
	(4)	In the case of an existing utility, provide the permit number and the date of approval of facilities by the Department of Environmental Protection (DEP) or the agency designated by DEP to issue permits:				
		Not Applicable.				
	(5)	Indicate the design capacity of the treatment plant in terms of equivalent residential connections (ERCs) and gallons per day (gpd). If development will be in phases, separate this information by phase.				
		(ERCs)(GPD)				
	(6)	Indicate the type of treatment: The full extent of treatment required has not yet been determined. Test wells will be drilled and analyzed.				

- (7) Indicate the design capacity of the transmission and distribution lines in terms of ERCs and gpd. If development will be in phases, separate this information by phase.
 - The design capacity of the transmission and distribution lines will be up to 294,000 GPD, sufficient to serve 840 ERCs. Six water treatment plant facilities are proposed to serve various areas throughout the service area.
- (8) Provide the date the applicant began or plans to begin serving customers:
 - Service will begin as soon as immediately possible after certification and rate approval by the Commission.
- (9) Exhibit <u>E</u> Evidence, in the form of a warranty deed, that the utility owns the land where the water facilities are or will be located. If the utility does not own the land, a copy of the agreement which provides for the long term continuous use of the land, such as a 99-year lease. The Commission may consider a written easement or other cost-effective alternative.

The applicant may submit a contract for the purchase and sale of land with an unexecuted copy of the warranty deed provided the applicant files an executed and recorded copy of the deed, or executed copy of the lease, within thirty days after the order granting the certificate.

B) WASTEWATER

- (1) Exhibit ____ The number of equivalent residential connections (ERCs) proposed to be served, by meter size and customer class. If development will be in phases, separate this information by phase. In addition, if the utility is in operation, provide the current number of ERCs by meter size and customer class.
- (2) Description of the types of customers anticipated (i.e., single family, mobile homes, clubhouse, commercial, etc.):
 - The Applicant is currently proposing to serve general service customers. The wastewater service will be provided to primarily single-family customers in the proposed Heart Island Equestrian Estates Development as well as other development within Flagler County.
- (3) In the case of an existing utility, provide the permit number and the date of approval of facilities by the Department of Environmental Protection (DEP) or the agency designated by DEP to issue permits:

		Not Applicable.			
	(4)	Indicate the design capacity of the treatment plant and effluent disposal system in terms of equivalent residential connections (ERCs) and gallons per day (gpd). If development will be in phases, separate this information by phase.			
		333 (ERCs)99,000 (GPD)			
	(5)	Indicate the type of treatment and disposal (percolation pond, spray field, etc.): The full extent of treatment required has not yet been determined.			
	(6)	Exhibit If the applicant does not propose to use reuse as a means of effluent disposal, provide a statement that describes, with particularity, the reasons for not using reuse.			
	(7)	Indicate the design capacity of the collection lines in terms of ERCs and GPD. If development will be in phases, separate this information by phase.			
		333 (ERCs)99,000 (GPD)			
	(8)	Provide the date the applicant began or plans to begin serving customers:			
		Service will begin as soon as immediately possible after certification and rate approval by the Commission.			
	(9)	Exhibit <u>E</u> - Evidence, in the form of a warranty deed, that the utility owns the land where utility treatment facilities are or will be located. If the utility does not own the land, a copy of the agreement which provides for the long term continuous use of the land, such as a 99-year lease.			
		The Commission may consider a written easement or other cost-effective alternative. The applicant may submit a contract for the purchase and sale of land with an unexecuted copy of the warranty deed provided the applicant files an executed and recorded copy of the deed, or executed copy of the lease, within thirty days after the order granting the certificate.			
PART IV	,	FINANCIAL AND TECHNICAL INFORMATION			
A)		oit <u>F</u> - A statement regarding the financial and technical ability of the cant to provide reasonably sufficient and efficient service.			
B)	ExhibitG A detailed financial statement (balance sheet and income				

statement), certified if available, of the financial condition of the applicant, showing all assets and liabilities of every kind and character. The income statement shall be for the preceding calendar or fiscal year. If an applicant has not operated for a full year, then the income statement shall be for the lesser period. The financial statement shall be prepared in accordance with Rule 25-30.115, Florida Administrative Code. If available, a statement of the source and application of funds shall also be provided.

- C) Exhibit H A list of all entities, including affiliates, upon which the applicant is relying to provide funding to the utility, and an explanation of the manner and amount of such funding, which shall include their financial statements and any financial agreements with the utility. This requirement shall not apply to any person or entity holding less than 10 percent ownership interest in the utility.
- D) Exhibit ___ A schedule showing the projected cost of the proposed system (or actual cost of the existing system) by uniform system of accounts (USOA) account numbers pursuant to Rule 25-30.115, F.A.C. In addition, provide the capacity of each component of the system in ERCs and gallons per day. If the utility will be built in phases, this schedule shall apply to the design capacity of the first phase only. Provide a separate exhibit for the water and sewer systems.
- F) Exhibit <u>K</u> A schedule showing the projected capital structure, including the methods of financing the construction and operation of the utility until the utility reaches 80 percent of the designed capacity of the system(s).
- G) Exhibit ___ A cost study, including customer growth projections, which supports the proposed rates, miscellaneous service charges, customer deposits and service availability charges. A sample cost study is enclosed with the application package. Provide a separate cost study for the water and sewer systems.
- H) Exhibit N/A If the base facility and usage rate structure (as defined in Rule 25-30.437(6), F.A.C.) is not utilized for metered service, provide an alternative rate structure and a statement supporting why the alternative is appropriate.
- I) Exhibit M If a different return on common equity other than the current equity

leverage formula established by order of the Public Service Commission pursuant to Section 367.081(4), F.S. is utilized, provide competent substantial evidence supporting the use of a different return on common equity. Information on the current equity leverage formula may be obtained by contacting the accounting section at the listed number.

PART V ALLOWANCE FOR FUNDS USED DURING CONSTRUCTION (AFUDC)

Please note the following:

- A) Utilities obtaining initial certificates pursuant to Rule 25-30.033, F.A.C., are authorized to accrue AFUDC for projects found eligible pursuant to Rule 25-30.116(1), F.A.C.
- B) A discounted monthly AFUDC rate calculated in accordance with Rule 25-30.116(3), F.A.C., shall be used to insure that the annual AFUDC charged does not exceed authorized levels.
- C) The date the utility shall begin to charge the AFUDC rate shall be the date the certificate of authorization is issued to the utility so that such rate can apply to initial construction of the utility facilities.

PART VI TERRITORY DESCRIPTION AND MAPS

A) TERRITORY DESCRIPTION

Exhibit N - An accurate description, using township, range and section references as specified in Rule 25-30.030(2), Florida Administrative Code. If the water and wastewater service territories are different, provide separate descriptions.

B) <u>TERRITORY MAPS</u>

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

C) **SYSTEM MAPS**

Exhibit N - One copy of detailed map(s) showing proposed lines, facilities and the territory proposed. Additionally, identify any existing lines and facilities.

Map(s) should be of sufficient scale and detail to enable correlation with a description of the territory to be served. Provide separate maps for water and wastewater systems.

PART VII NOTICE OF ACTUAL APPLICATION

- A) Exhibit O An affidavit that the notice of actual application was given in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, by regular mail to the following:
 - (1) the governing body of the municipality, county, or counties in which the system or the territory proposed to be served is located;
 - (2) the privately owned water and wastewater utilities that hold a certificate granted by the Public Service Commission and that are located within the county in which the utility or the territory proposed to be served is located;
 - (3) if any portion of the proposed territory is within one mile of a county boundary, the utility shall notice the privately owned utilities located in the bordering counties and holding a certificate granted by the Commission:
 - (4) the regional planning council;
 - (5) the Office of Public Counsel;
 - (6) the Public Service Commission's Director of the Division of the Commission Clerk and Administrative Services;
 - (7) the appropriate regional office of the Department of Environmental Protection;
 - (8) and the appropriate water management district.

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

- B) Exhibit O An affidavit that the notice of actual application was given in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail or personal delivery to each customer of the system. A copy of the notice shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.
- C) Exhibit P Immediately upon completion of publication, an affidavit that the notice of actual application was published once in a newspaper of general

circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code. A copy of the proof of publication shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.

PART VIII FILING FEE

Indicate the	filing fee	enclosed	with the	application:	

<u>\$ 1,500.00</u> (for water) and <u>\$ 750.00</u> (for wastewater).

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

- (1) For applications in which the utility has the capacity to serve up to 500 ERC's, the filing fee shall be **\$750**.
- (2) For applications in which the utility has the capacity to serve from 501 to 2,000 ERC's the filing fee shall be \$1,500.
- (3) For applications in which the utility has the capacity to serve from 2,001 ERC's to 4,000 ERC's the filing fee shall be **\$2,250**.
- (4) For applications in which the utility has the capacity to serve more than 4,000 ERC's the filing fee shall be \$3,000.

PART IX TARIFF

Exhibit Q - The original and two copies of water and/or wastewater tariff(s) containing all rates, classifications, charges, rules and regulations. Sample tariffs are enclosed with the application package.

PART X AFFIDAVIT

I Tom Lindquist, in my capacity as executive vice president of D&E Water Resources, LLC, a Delaware limited liability company, (applicant) do solemnly swear or affirm that the facts stated in the forgoing application and all exhibits attached thereto are true and correct and that said statements of fact thereto constitutes a complete statement of the matter to which it relates. BY: Applicant's Signature
Tom Lindquist Applicant's Name (Typed)
<u>Executive Vice President</u> Applicant's Title *
. , m
Subscribed and sworn to before me this day of October month
in the year of 2006 by Thomas M. Lindquist who is personally known to
meor produced identification
Type of Identification Produced
THE A LANGE
Notary Public's Signature

Print, Type or Stamp Commissioned Name of Notary Public

^{*} If 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 applicant is a partnership or association, a member of the organization authorized to make such affidavit shall execute same.

COMPOSITE EXHIBIT 1

TABLE OF CONTENTS

EXHIBITS

<u>Exhibit</u>	<u>Name</u>
Α	Need for Service
В	Consistency with Local Comprehensive Plans
С	Type of Service Provided
D	Customers, Facility, and Services
Ε	Land Ownership
F	Financial and Technical Ability
G	Financial Statement
Н	Funding of Utility
I	Projected Cost of the System
J	Operating Expenses
K	Projected Capital Structure
L	Cost of Service Study
М	Return on Common Equity
N	Territory Description, Territory Maps, and System Maps
0	Affidavit: Notice of Application (Late Filed)
	Affidavit: Notice to Customers (Late Filed)
Р	Affidavit: Notice of Publication (Late Filed)
Q	Water Tariff and Wastewater Tariff

TABLE OF CONTENTS (cont.)

APPENDICES

Appendix I:

Attachments to Exhibit A - Heart Island Equestrian Estates

Documentation, Bunnell Annexation Agreement and Letters

Requesting Service

Appendix II:

Attachments to Exhibit B – Comprehensive Plan Research

Appendix III:

Attachment to Exhibit E – Draft Lease Agreement

Appendix IV:

Attachment to Exhibit F – Corporate Structure Chart

Appendix V:

Attachment to Exhibit F – Funding Agreement

Appendix VI:

Attachment to Exhibit F - Annual Report of Plum Creek Timber

Company, Inc.

Appendix VII:

Attachments to Exhibit F - Plum Creek Timber Company, Inc.,

Creative Environmental Solutions, Hartman Consulting & Design,

and Holland & Knight, LLP Information

Appendix VIII:

Attachment to Exhibit L - Cost Study and Rate Design

Appendix IX:

Attachments to Exhibit N - Proposed Service Territory: Legal

Description and Map

Appendix X:

Attachment to Exhibit O - Affidavits, Notice, and FPSC List of

Entities to be Notified

Appendix XI:

Attachment to Exhibit Q - Original Water Tariff and Wastewater

Tariff

EXHIBIT A

There is currently a need for water and wastewater service in the service territory described in this application. The land within the proposed service territory is currently owned by the Utility's affiliates Plum Creek Timberlands LP and Plum Creek Investment Company (hereinafter Plum Creek). These affiliates are in the process of developing lands within Volusia and Flagler Counties.

In Volusia County, Plum Creek has obtained zoning approval and now is seeking permits in conjunction with its joint venture partner The Landmar Group, LLP to develop Heart Island Equestrian Estates ("HIEE") Residential Planned Unit Development within the proposed service territory. HIEE will consist of 335 residential units with approximately 313 that will require potable water and some of the lots will require wastewater services. A copy of Resolution 2005-115 of the Volusia County Council is attached in Appendix I.

In Flagler County, Plum Creek has recently annexed its lands into the City of Bunnell and is in the process of planning for future development of its property. Plum Creek has executed an Annexation Agreement with the City of Bunnell which contemplates this and supports the creation of the D&E service area. A copy of the Annexation Agreement is attached in Appendix I. Currently, Plum Creek is in the process of obtaining subdivision approval for Oak View a residential development in the City of Bunnell.

All of these development plans are currently in the initial stages and Plum Creek anticipates working with the relevant local governmental entities and the Department of Community Affairs to develop and finalize these plans.

No other utilities have facilities within the area proposed to be served, and there are no other utilities in the area that are capable of providing the required level of service. In reaching this conclusion, the Utility reviewed information from the Florida Public Service Commission, the Florida Department of Environmental Protection, and the Florida

Department of Health and Human Services, regarding utilities currently operating in and around the proposed service territory. Since the Utility's affiliate currently owns all of the land within the proposed service territory, the Utility is in the optimal position to provide water and wastewater service in the most efficient and cost effective manner.

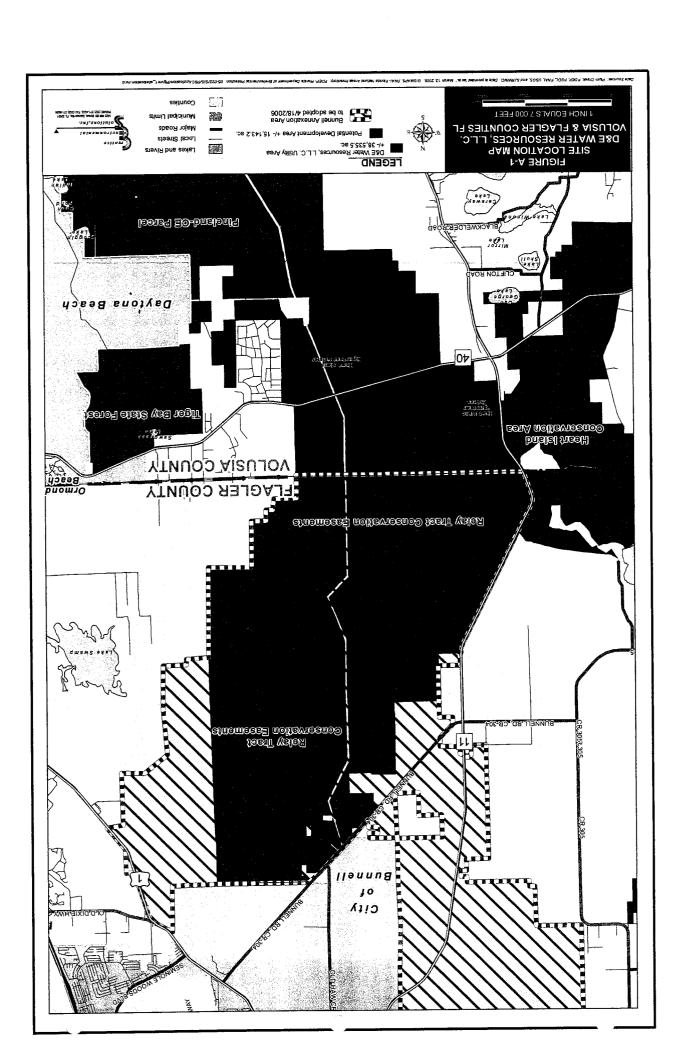


EXHIBIT B

To the best of the Utility's knowledge, the provision of the water and wastewater services within the territory described herein will be consistent with the goals, objectives and policies of the comprehensive plans of Volusia County, the City of Bunnell, Flagler County, the City of Deland, the City of Daytona Beach, the City of Ormond Beach, and the City of Palm Coast as found to be in compliance with Chapter 163 Florida Statutes by the Florida Department of Community Affairs. An analysis of these Comprehensive Plans, particularly those of the City of Bunnell and Volusia County within which jurisdictions the land area of the Utility is situated, revealed no policies that directly prohibit the creation of a private utility, which would provide the type of water and sewer services proposed. Pertinent sections from each of the referenced comprehensive plans are reviewed in **Appendix II.**

EXHIBIT C

The Utility plans to provide potable water and wastewater service to residential customers located throughout the proposed service territory which traverses the boundaries between Flagler and Volusia Counties. The water will be chlorinated and will meet all the Florida Department of Environmental Protection requirements for public drinking water. In Volusia County, currently there are a total of 335 residential lots, both 2.5-acre and 5.0-acre, proposed in Heart Island Equestrian Estates, which is located within the proposed service territory. It is anticipated that these lots will be developed in various phases, with 4 potable water facilities located throughout the service territory to serve the development. An estimated 313 of the 335 lots will require potable water service and 34 of the lots will require low pressure wastewater service. The remaining customers will be on well and/or septic. In the Flagler County portion of the proposed service territory. Plum Creek is in the initial planning stages for residential development within the County. It is anticipated that there will be approximately 350 residential water customers of which 299 will be provided wastewater service in the first phase of development within Flagler County. The remaining 51 customers will have septic tanks. The Utility's system will be managed from one centrally-located office. responsible for the management, maintenance, customer service, and administrative support will be the same for the Utility's operation in both counties. Staffing, planning, and budgeting will be done on a system-wide basis, rather than county by county. Operation costs will not vary materially from county to county and rates will be uniform throughout the Utility's service area.

EXHIBIT D

Exhibit D describes the number of equivalent residential connections (ERCs) proposed to be served by customer class. Also, Exhibit D discusses the types of customers anticipated, type of water and wastewater treatment, the proposed facilities, and the capacity of the facilities in ERCs and gallons per day (gpd).

EQUIVALENT RESIDENTIAL CONNECTIONS AND PROJECTED ANNUAL DEMAND

<u>Water</u>

At the present time, the Utility proposes to provide service to the following general service customers to be located within Heart Island Equestrian Estates and the proposed Plum Creek Phase 1 development within Flagler County. All of these customers will be equipped with a 5/8" X 3/4" meter.

General Service:

ERCs Added		
Construction		
116		
120		
92		
164		
134		
626		

Assuming each of these ERCs uses 350 gallons per day (gpd) and is active 80.0% of the time, it is anticipated that once all of these 626 customers are connected, they will have an annual demand of approximately 63,977,200 gallons.

Furthermore, it is anticipated that these customers will connect equally throughout the year that the phase is constructed. Given this assumption, **Table 1** below presents the

annual connections, average connections, and end of year connections as well as the anticipated annual gallonage (based on average connections) for years 2 through 6.

Table 1

Annual ERCs, Average ERCs, Total ERCs, and Annual Flow Projections

Potable Water Supply

	Year 2	Year 3	Year 4	Year 5	Year 6
Annual ERCs	116	120	92	164	134
Average ERCs	58	176	282	410	559
Total ERCs	116	236	328	492	626
Flow (1,000 Gallons) ⁽¹⁾	5,927	17,987	28,820	41,902	57,130

Note: (1) Based on average ERCs utilizing 350 gallons per day and active 80% of the time throughout the year.

Wastewater

At the present time, the Utility proposes to provide service to the following general service customers to be located within Heart Island Equestrian Estates and the proposed Plum Creek Phase 1 development within Flagler County. All of these customers will be provided water service by the Utility.

General Service:

ERCs Added		
Construction		
60		
80		
80		
80		
33		
333		

Assuming each of these ERCs uses 300 gallons per day (gpd) and is active 80.0% of the time, it is anticipated that once all of these 333 customers are connected, they will have an annual demand of approximately 29,170,800 gallons.

Furthermore, it is anticipated that these customers will connect equally throughout the year that the phase is constructed. Given this assumption, **Table 2** below presents the annual connections, average connections, and end of year connections as well as the anticipated annual gallonage (based on average connections) for years 2 through 6.

Table 1

Annual ERCs, Average ERCs, Total ERCs, and Annual Flow Projections

Wastewater Service

	Year 2	Year 3	Year 4	Year 5	Year 6
Annual ERCs	60	80	80	80	33
Average ERCs	30	100	180	260	316
Total ERCs	60	140	220	300	333
Demand (1,000 Gallons) ⁽¹⁾	2,628	8,760	15,768	22,776	27,725

Note: (1) Actual Flows based on average ERCs utilizing 300 gallons per day and active 80% of the time throughout the year. Billable flow will be higher as it will be based on metered water flows.

TYPE OF TREATMENT AND CAPACITY OF FACILITIES

Water

The potable water facilities will provide chlorination via a hypochlorinator for disinfection purposes. There are 6 proposed potable water facilities consisting of 2 wells each that will serve approximately 626 equivalent residential connections (ERCs) across the service territory. These facilities will be 6" wells with a total system capacity of 294,000 gallons per day with a capacity to serve 840 ERCs. **Figures D-1, D-2, and D-3** present typical water treatment and well schematics to be utilized by the Utility.

<u>Wastewater</u>

The Wastewater treatment plant (WWTP) will have a 60' kW mobile generator set. Three (3) 33,000 gallons per day (gpd) average annual daily flow (AADF) preengineered secondary (tube type) wastewater treatment plants will be phased in at the

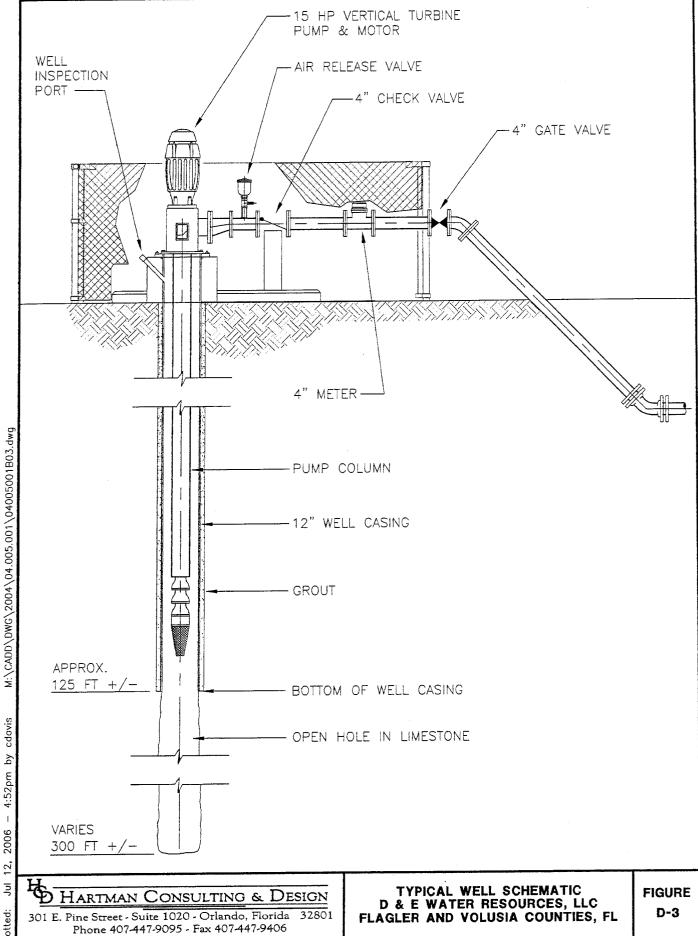
site. Initially, two (2) 1½ acre rapid infiltration basins will be built, thereafter; one (1) 2 acre rapid infiltration basin will be built with each subsequent 33,000 gpd AADF expansion. The raw sewage will be pumped to the WWTP via low pressure subdivision or booster pumping stations. These facilities will have a capacity of 99,000 gpd AADF and will serve approximately 333 ERCs.

TYPE OF CUSTOMERS ANTICIPATED

Currently, the Utility is proposing to serve general service customers. The potable water service and wastewater service will be provided to various customers located in Heart Island Equestrian Estates as well as Plum Creek Phase 1 development in Flagler County. In addition, there is a possibility of providing bulk raw water within Flagler County. The Utility is cooperating with the Flagler County Water Resources Planning Council and with St. Johns River Water Management District and any bulk raw water withdrawn by the Utility in Flagler County, will be sold to entities within Flagler County.

Provision of Service

The Utility will construct the proposed water and wastewater facilities and begin providing water service as soon as immediately possible upon certification and rate approval by the Commission.



12,

Plotted:

EXHIBIT E

D & E Water Resources, L.L.C. will not own any of the land where the Utility's facilities will be located. Instead, the Utility will lease the land from the Landowner, Plum Creek Timberlands, LP and Plum Creek Land Company. Attached hereto as **Appendix III**, are copies of the lease agreements, which provides for the continuous use of the land owned by the Utility's related party, Plum Creek Timberlands LP and Plum Creek Land Company, and from whom the Utility will lease the property.

EXHIBIT F

Exhibit F is a statement regarding the financial and technical ability of the Applicant to provide reasonably sufficient and efficient service. D & E Water Resources, L.L.C. is a wholly owned subsidiary of D & E Water Resources, Inc., a Delaware corporation. D & E Water Resources, Inc. is wholly-owned by Plum Creek Manufacturing LP. The majority owner of Plum Creek Manufacturing LP is Plum Creek Timberlands LP, which is a subsidiary of Plum Creek Timber Company, Inc., a publicly-traded Real Estate Investment Trust (REIT). A corporate structure for Plum Creek Timber Company, Inc. is contained in **Appendix IV**.

Financial Ability of D & E Water Resources, L.L.C.

D & E Water Resources, L.L.C.'s financial ability to operate is summarized on the proforma financial analysis attached as **Appendix VIII** to Exhibit L. Inter-company is the only debt of this corporation. Sixty (60%) is anticipated debt and Forty (40%) is anticipated infusion of cash from an affiliate, Plum Creek Timber Company, Inc. A copy of the Funding Agreement between the Utility and Plum Creek Timber Company, Inc. whereby Plum Creek Timber Company, Inc. agrees to provide the Utility with the funding necessary to build and operate the utility system is contained in **Appendix V**. Plum Creek Timber Company, Inc.'s annual report is contained in **Appendix VI**.

Technical Ability of D & E Water Resources, L.L.C.

The related landowner, Plum Creek Timberlands LP owns all of the land and has overseen all of the water resources within the proposed service territory. Plum Creek Timberlands LP has vast experience in water management through its silva/agricultural oversight and has been a leader in water conservation measures and innovative resource management techniques for use of non-potable water. In addition, the Utility's affiliate company has been managing B & C Water Resources, L.L.C. for approximately the past year. **Appendix VII** provides brief information on Plum Creek Timberlands LP and its affiliates. Appendix VII also includes information on the Utility's consultant,

Hartman Consulting & Design, which has been retained to provide the technical expertise necessary to construct, operate, and maintain the Utility's proposed water system; Holland & Knight, LLP, the Utility's attorneys; and Creative Environmental Solutions, the Utility's environmental and land planning consultant.

EXHIBIT G

The Utility has not yet begun operation and thus does not have a detailed balance sheet, a statement of financial condition, or an operating statement. However, Exhibits I and J include information concerning all of the assets of the Utility to be utilized in the provision of water service and the operation and maintenance expenses anticipated to be incurred in such operation. These lists of assets and O&M expenses are prepared in accordance with the provisions of Rule 25-30.115, Florida Administrative Code and comply with the requirements of Rule 25-30.032 (1) (r) and (s).

EXHIBIT H

As described in Exhibit F, the Utility's affiliate – Plum Creek Timber Company, Inc. is the entity that has agreed to provide funding to the Utility as and when needed to insure that all needs for capital improvement are met in a timely manner and to insure the continued provision of a safe and efficient potable water service in the future within the proposed service territory. The Funding Agreement that Plum Creek Timber Company, Inc. entered into with the Utility is found in **Appendix V.** Plum Creek Timber Company's annual report is found in **Appendix VI.**

EXHIBIT I

Exhibit I is a schedule showing the projected cost of the proposed water and wastewater system by uniform system of accounts (USOA) account numbers pursuant to Rule 25-30.115, Florida Administrative Code. In addition, the capacity of the system in Equivalent Residential Connections (ERCs) is provided.

D & E WATER RESOURCES, L.L.C. CAPITAL COSTS POTABLE WATER SUPPLY

	Appount No. and Nome	In Service	Do	r I Init Coot	Bala	Account ance at end
	Account No. and Name	Year		r Unit Cost		of Year 6
301	Organization					
1	Organizational Costs	1	\$	75,000	\$	75,000
304	Structures and Improvements					
1	Site Work Development	1	\$	1,430	\$	1,430
2	Site Work Development	2	\$	1,490	\$	2,980
1	Site Work Development	3	\$	1,550	\$	1,550
2	Site Work Development	4	\$	1,610	\$	3,220
1	4' Site Fencing With 2-12' Gates	1	\$	17,130	\$	17,130
2	4' Site Fencing With 2-12' Gates	2	\$	17,810	\$	35,620
1	4' Site Fencing With 2-12' Gates	3	\$	18,520	\$	18,520
2	4' Site Fencing With 2-12' Gates	4	\$	19,260	\$	38,520
1	4' Site Fencing With 4' Gate	1	\$	1,080	\$	1,080
2	4' Site Fencing With 4' Gate	2	\$	1,120	\$	2,240
1	4' Site Fencing With 4' Gate	3	\$	1,170	\$	1,170
2	4' Site Fencing With 4' Gate	4	\$	1,210	\$	2,420
1	13'- 4"x17'- 4" Cone Building (12 x 16 Interior) (231.01)	1	\$	6,440	\$	6,440
	SQ. FT. With 9' Interior Light			·		·
2	13'- 4"x17'- 4" Cone Building (12 x 16 Interior) (231.01)	2	\$	6,690	\$	13,380
-	SQ. FT. With 9' Interior Light			,		,
1	13'- 4"x17'- 4" Cone Building (12 x 16 Interior) (231.01)	3	\$	6,960	\$	6,960
	SQ. FT. With 9' Interior Light		•	,		,
2	13'- 4"x17'- 4" Cone Building (12 x 16 Interior) (231.01)	4	\$	7,240	\$	14,480
	SQ. FT. With 9' Interior Light			,		,
307	Wells and Springs					
2	6" Wells – 300' Depth with 125' Casing & Pumping	1	\$	45,640	\$	91,280
	Equip.			,		,
4	6" Wells – 300' Depth with 125' Casing & Pumping	2	\$	47,460	\$	189,840
	Equip.			,		,
2	6" Wells – 300' Depth with 125' Casing & Pumping	- 3	\$	49,350	\$	98,700
_	Equip.		·	, , , , , ,		,
4	6" Wells – 300' Depth with 125' Casing & Pumping	4	\$	51,320	\$	205,280
•	Equip.		·	,		,
311	Pumping Equipment					
1	40 KW Mobile Generators (Trailer Mounted)	1	\$	27,160	\$	27,160
1	40 KW Mobile Generators (Trailer Mounted)	2	\$	28,240	\$	28,240
320	Water Treatment Equipment		•	1	,	,
1	Chlorine Feed Pumps With Piping (0 – 0.5 GPM)	1	\$	3,580	\$	3,580
2	Chlorine Feed Pumps With Piping (0 – 2.0 GPM)	2	\$	4,680	\$	9,360
1	Chlorine Feed Pumps With Piping (0 – 0.5 GPM)	3	\$	3,870	\$	3,870
2	Chlorine Feed Pumps With Piping (0 – 2.0 GPM)	4	\$	5,060	\$	10,120
_		·	•	.,	•	,

D & E WATER RESOURCES, L.L.C. CAPITAL COSTS POTABLE WATER SUPPLY

		In Service				Account ince at end
	Account No. and Name	Year Year	Per	Unit Cost	0	f Year 6
000	Distribution December and Ottombries					
330	Distribution Reservoirs and Standpipes	4	¢	25.050	œ	25.050
1	15,000 Gallon Hydro pneumatic Tanks	1	\$	35,050	\$	35,050 73,000
2	15,000 Gallon Hydro pneumatic Tanks	2 3	\$ \$	36,450 37,900	\$	72,900
1	15,000 Gallon Hydro pneumatic Tanks	4	э \$	37,900 39,410	\$	37,900 78,830
2	15,000 Gallon Hydro pneumatic Tanks	1	φ \$	360	\$	78,820 360
1	50 Gallon Day Tanks	2	φ \$	370	\$ @	740
2	50 Gallon Day Tanks	3	φ \$	390	\$	390
1	50 Gallon Day Tanks	4	э \$	400	\$ \$	800
2 1	50 Gallon Day Tanks	1	φ \$	740	\$	740
2	450 Holding Tanks	2	э \$	740 770	э \$	
1	450 Holding Tanks	3	\$ \$	800	φ \$	1,540 800
2	450 Holding Tanks 450 Holding Tanks	4	φ \$	830	φ \$	1,660
331	Transmission and Distribution Mains	4	φ	830	Ψ	1,000
2	Air Release Valves 1" #101ST	1	\$	280	\$	560
4	Air Release Valves 1" #101ST	2	\$	290	\$	1,160
2	Air Release Valves 1" #10161	3	\$	300	\$	600
4	Air Release Valves 1" #10101	4	\$	310	, \$	1,240
1	6" x 4" Reducer 45 LBS.	1	\$	190	\$	190
2	6" x 4" Reducer 45 LBS.	2	\$	200	\$	400
1	6" x 4" Reducer 45 LBS.	3	\$	210	\$	210
2	6" x 4" Reducer 45 LBS.	4	\$	220	\$	440
1	4" Check Valves LL&E - 048000	1	\$	680	\$	680
2	4" Check Valves LL&E - 048000	. 2	\$	710	\$	1,420
1	4" Check Valves LL&E - 048000	3	\$	730	\$	730
2	4" Check Valves LL&E - 048000	4	\$	760	\$	1,520
1	4" Gate Valves ARD – 04FLGD	1	\$	280	\$	280
2	4" Gate Valves ARD – 04FLGD	2	\$	290	\$	580
1	4" Gate Valves ARD – 04FLGD	3	\$	300	\$	300
2	4" Gate Valves ARD – 04FLGD	4	\$	310	\$	620
3	4" – 45 Degree Bends 35 LBS.	1	\$	150	\$	450
6	4" – 45 Degree Bends 35 LBS.	2	Š	160	\$	960
3	4" – 45 Degree Bends 35 LBS.	3	\$	160	\$	480
6	4" – 45 Degree Bends 35 LBS.	4	\$	170	\$	1,020
2	4" – 90 Degree Bends 40 LBS.	1	\$	170	\$	340
4	4" – 90 Degree Bends 40 LBS.	2	\$	180	\$	720
2	4" – 90 Degree Bends 40 LBS.	3	\$	190	\$	380
4	4" – 90 Degree Bends 40 LBS.	4	\$	190	\$	760
1	6" x 4" Wyes 115	1	\$	490	\$	490
2	6" x 4" Wyes 115	2	\$	510	\$	1,020
1	6" x 4" Wyes 115	3	\$	530	\$	530
2	6" x 4" Wyes 115	4	\$	550	\$	1,100
-	- · · · · · · / ++ · · · ·	,	+		7	,

D & E WATER RESOURCES, L.L.C. CAPITAL COSTS POTABLE WATER SUPPLY

	Account No. and Name	In Service Year	Per	Unit Cost	Bala	Account ance at end of Year 6
350	4" PVC Pipe 350.4	1	\$	20	\$	7,000
700	4" PVC Pipe 350.4	2	\$	20	\$	14,000
350	4" PVC Pipe 350.4	3	\$	20	\$	7,000
700	4" PVC Pipe 350.4	4	\$	20	\$	14,000
25	6" PVC Pipe 10.50/LF. 100 (25'.4)	1	\$	30	\$	750
50	6" PVC Pipe 10.50/LF. 100 (25'.4)	2	\$	30	\$	1,500
25	6" PVC Pipe 10.50/LF. 100 (25'.4)	3	\$	30	\$	750
50	6" PVC Pipe 10.50/LF. 100 (25'.4)	4	\$	30	\$	1,500
1	6" Check Valve LL&E - 068000	1	\$	930	\$	930
2	6" Check Valve LL&E - 068000	2	\$	970	\$	1,940
1	6" Check Valve LL&E - 068000	3	\$	1,010	\$	1,010
2	6" Check Valve LL&E - 068000	4	\$	1,050	\$	2,100
6000	6" Water Main x 6000 L.F. to distribution system split (4	1	1 \$ 20			120,000
	Systems)					
6000	6" Water Main x 6000 L.F. to distribution system split (4	2	\$	20	\$	120,000
	Systems)					
6000	6" Water Main x 6000 L.F. to distribution system split (4	3 \$ 30		30	\$	180,000
	Systems)					
6000	6" Water Main x 6000 L.F. to distribution system split (4	4	\$	30	\$	180,000
	Systems)					
<i>334</i>	Meters and Meter Installation					
1	4" Water Meter – WTC – 101400	1	\$	1,520	\$	1,520
2	4" Water Meter – WTC – 101400	2	\$	1,590	\$	3,180
1	4" Water Meter – WTC – 101400	3	\$	1,650	\$	1,650
2	4" Water Meter – WTC – 101400	4 \$ 1,710		\$	3,420	
2	2" Water Meter – WTC – 101200	1 \$ 200		\$	400	
4	2" Water Meter – WTC – 101200	2	\$	210	\$	840
2	2" Water Meter – WTC – 101200	3	\$	220	\$	440
4	2" Water Meter – WTC – 101200	4	\$	220	\$	880
339	Other Plant and Miscellaneous Equipment					
1	Control Panels ·	1	\$	2,360	\$	2,360
2	Control Panels	2	\$	2,450	\$	4,900
1	Control Panels	3	\$	2,550	\$	2,550
2	Control Panels	4	\$	2,650	\$	5,300

EXHIBIT I

D & E WATER RESOURCES, L.L.C. CAPITAL COSTS POTABLE WATER SUPPLY

	Account No. and Name	In Service Year	Per	Unit Cost	Bala	Account ance at end of Year 6
345	Power Operated Equipment					
1	Air Compressors	1	\$	1,450	\$	1,450
2	Air Compressors	2	\$	1,510	\$	3,020
1	Air Compressors	3	\$	1,570	\$	1,570
2	Air Compressors	4	\$	1,630	\$	3,260
	Total Potable Water Supply				\$	1,849,670
CAPACI	TY:					
	Equivalent Residential Connections:	840				
	Average Daily Flow (thousand gallons):	294,000				

D & E WATER RESOURCES, L.L.C. CAPITAL COSTS WASTEWATER PLANT

		In Service	_			Account ance at end
	Account No. and Name	Year	Pe	r Unit Cost		of Year 6
054	Owner in attion					
351	Organization	4	¢	75.000	ф	75.000
1	Organizational Costs	1	\$	75,000	\$	75,000
<i>354</i>	Structures and Improvements	4	æ	80.000	ø	90.000
1	Site Work (40 acres)	1 1	\$	80,000	\$	80,000
1	Site Security/Fencing		\$ \$	35,000	\$	35,000
1	Building/Shed	1	э \$	12,000	\$	12,000
1	Wastewater Treatment Plant (33,000 gallons per day)	1		150,000	\$	150,000
1	Wastewater Treatment Plant (33,000 gallons per day)	2	\$	155,980	\$	155,980
1	Wastewater Treatment Plant (33,000 gallons per day)	4	\$	168,670	\$	168,670
1	Percolation Ponds	1	\$	45,000	\$	45,000
1	Percolation Ponds	2	\$	46,790	\$	46,790
1	Percolation Ponds	4	\$	50,600	\$	50,600
360	Collection Sewers - Force		_		_	
•	4" PVC Forcemain	1	\$	20	\$	760,000
364	Flow Measuring Devices					
1	4" Mag. Meter	1	\$	8,260	\$	8,260
371	Pumping Equipment					
1	In-line Grinder Station	3	\$	51,360	\$	51,360
1	60 KW Mobile Generator	1	\$	38,000	\$	38,000
389	Other Plant and Miscellaneous Equipment					
1	MCC - Control System	1	\$	52,100	\$	52,100
1	Additions	2	\$	11,020	\$	11,020
1	Additions	4	\$	11,920	\$	11,920
394	Laboratory					
1	Operational Lab Kit - Water and Wastewater)	2	\$	8,540	\$	8,540
395	Power Operated Equipment					
2	Air Compressors	1	\$	3,000	\$	6,000
1	Site Vehicle	2	\$	4,780	\$	4,780
1	Hedge Hog/Attachments	2	\$	3,330	\$	3,330
1	Mower	2 2	\$	3,950	\$	3,950
1	Lump Sum Site Equipment	2	\$	6,340	\$	6,340
397	Miscellaneous		•	,	,	r - · -
1	FPL Transmission & Feed	1	\$	34,000	\$	34,000
•	Total Wastewater Plant	,	,	- 1,200	\$	1,818,640
					т	.,

CAPACITY:

Equivalent Residential Connections: 333
Average Annual Daily Flow (thousand gallons): 99,000

EXHIBIT J

Exhibit J is a schedule showing the projected typical operating expenses of the proposed water and wastewater systems by USOA account numbers when approximately 80% of the design capacity of the system is being utilized.

EXHIBIT J

D & E WATER RESOURCES, L.L.C. OPERATING EXPENSES OF UTILITY POTABLE WATER SUPPLY

Account No.	Description	Те	est Year - Year 6
Operation an	d Maintenance Expenses		
601	Salaries and Wages - Employees	\$	46,795
603	Salaries and Wages - Other		23,100
604	Employees Pensions and Benefits		15,442
610	Purchased Water		-
615	Purchased Power		56,370
616	Fuel for Power Production		1,800
618	Chemicals		17,438
620	Materials and Supplies		2,000
630	Contractual Services		15,500
640	Rents		6,524
650	Transportation Expense		2,818
655	Insurance Expense		4,300
665	Regulatory Expense		-
670	Bad Debt Expense		1,000
675	Miscellaneous Expense		1,931
Total Operati	on and Maintenance Expenses	\$	195,018
•	and Amortization	•	54.000
403	Depreciation Expense	\$	54,830
407	Amortization Expense - CIAC	<u></u>	(20,162)
Total Deprec	iation and Amortization	\$	34,668
Taxes Other	Than Income Taxes		
408.10	Utility Regulatory Assessment Fees	\$	15,115
408.11	Property Taxes		-
408.12	Payroll Taxes		•
408.13	Other Taxes and Licenses		-
408.20	Other Income and Deductions	-	-
Total Taxes (Other Than Income Taxes	\$	15,115
Income Taxe			
409	Federal, State, and Local Income Taxes		-
Total Income	Taxes	\$	-
Return on Inv	vestment	\$	91,086
Total Revenu	e Requirement	\$	335,887
Less: Miscel	laneous Revenues	-	-
Net Revenue	Requirement	\$	335,887

EXHIBIT J

D & E WATER RESOURCES, L.L.C. OPERATING EXPENSES OF UTILITY WASTEWATER PLANT

Account No.	Description	Te	est Year - Year 6
Operation and	I Maintenance Expenses		
701	Salaries and Wages - Employees	\$	23,397
703	Salaries and Wages - Other		-
704	Employees Pensions and Benefits		7,721
710	Purchased Water		-
715	Purchased Power		89,955
716	Fuel for Power Production		-
718	Chemicals		23,845
720	Materials and Supplies		4,600
730	Contractual Services		9,000
740	Rents		8,030
750	Transportation Expense		2,818
755	Insurance Expense		4,300
765	Regulatory Expense		<u>.</u>
770	Bad Debt Expense		1,000
775	Miscellaneous Expense		1,747
Total Operation	on and Maintenance Expenses	\$	176,413
Depreciation a	and Amortization		
403	Depreciation Expense	\$	56,582
407	Amortization Expense - CIAC	-	(21,885)
Total Deprecia	ation and Amortization	\$	34,697
Taxes Other T	han Income Taxes		
408.10	Utility Regulatory Assessment Fees	\$	13,873
408.11	Property Taxes		-
408.12	Payroll Taxes		-
408.13	Other Taxes and Licenses		-
408.20	Other Income and Deductions	·	
Total Taxes O	ther Than Income Taxes	\$	13,873
Income Taxes			
409	Federal, State, and Local Income Taxes		-
Total Income	Taxes	\$	-
Return on Inve	estment	\$	83,296
Total Revenue	Requirement	\$	308,279
Less: Miscell	aneous Revenues		-
Net Revenue F	Requirement	\$	308,279

EXHIBIT K

Exhibit K is a schedule showing the projected capital structure, including the methods of financing construction and operation of the Utility until the Utility reaches approximately eighty percent (80%) of the design capacity of the water and wastewater systems. Please note that this schedule presents the anticipated capital structure at the end of Year 6, the Test Year.

EXHIBIT K

D & E WATER RESOURCES, L.L.C. PROJECTED CAPITAL STRUCTURE AND RATE OF RETURN AT END OF YEAR 6 - POTABLE WATER SUPPLY

	Amo	unt of Capital	Weight	Cost Rate (1)(2)	Weighted Cost
Equity	\$	418,787	40.00%	11.54%	4.620%
Debt		628,180	60.00%	6.80%	4.080%
Total	\$	1,046,966	100.00%		8.700%

Note:

- (1) FPSC Order # PSC-06-0554-CO-WS, issued June 27, 2006, establishes the following leverage formula for 2006: Return on Equity = 7.26% + 1.714/Equity Ratio, and the Allowable Range of Return = 8.97% @ 100% Equity to 11.54% @ 40% Equity.
- (2) For related party debt, cost is equal to the 5-year average of the prime rate.

EXHIBIT K

D & E WATER RESOURCES, L.L.C. PROJECTED CAPITAL STRUCTURE AND RATE OF RETURN AT END OF YEAR 6 - WASTEWATER PLANT

	Amou	nt of Capital	Weight	Cost Rate (1)(2)	Weighted Cost
Equity	\$	382,972	40.00%	11.54%	4.620%
Debt		574,458	60.00%	6.80%	4.080%
Total	\$	957,431	100.00%		8.700%

Note:

⁽¹⁾ FPSC Order # PSC-06-0554-CO-WS, issued June 27, 2006, establishes the following leverage formula for 2006: Return on Equity = 7.26% + 1.714/Equity Ratio, and the Allowable Range of Return = 8.97% @ 100% Equity to 11.54% @ 40% Equity.

⁽²⁾ For related party debt, cost is equal to the 5-year average of the prime rate.

EXHIBIT L

Exhibit L includes the cost study, which supports the proposed rates, miscellaneous service charges, customer deposits, and service availability charges. The cost of service for potable water service and wastewater service including revenue requirements and rate design was developed using the Florida Public Service Commission standards. The cost study is included in **Appendix VIII.**

EXHIBIT M

Exhibit M evidences the use of the current equity leverage formula established by the Florida Public Service Commission. The most recent order (PSC-06-0554-CO-WS) issued June 27, 2006, establishes the following leverage formula:

Return on Common Equity = 7.26% + 1.714/Equity Ratio

Based on this formula, the range of return on common equity is from 8.97% at 100% equity to 11.54% at 40% equity.

This amount corresponds to the equity cost of capital rate shown on Exhibit K.

EXHIBIT N

Exhibit N provides the territory descriptions and associated area and system maps of the area proposed to be certificated by the Utility in this application.

Territory Description

Attached hereto as **Appendix IX** is a description of the territory proposed for inclusion in the Utility's certificated service area using township range and section references. This is in compliance with Rule 25-30.033 (1) and 25-30.030 (2), Florida Administrative Code.

Territory Maps

Attached hereto as **Appendix IX** is a copy of a map showing the township range and section references with the proposed service territory plotted thereon. This series of 12 maps (**Maps 1 – 12**) utilizes a scale of 1" = 400 feet as proposed under Subsection (n) of Rule 25-30.033, Florida Administrative Code. In addition, attached is a map (**Map 13**) utilizing a much smaller scale (1" = 6,000 feet), which is more readily usable for the Commission in evaluating this Application.

System Maps

Attached hereto as **Appendix IX** is a water system map (**Map 14**) showing proposed water lines and facilities. Also attached is a wastewater system map (**Map 15**) showing proposed wastewater lines and facilities.

EXHIBIT O

Exhibit O will be a late-filed exhibit consisting of an affidavit that the Notice of Actual Application ("Notice") was given in accordance with Sections 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, by regular mail to the following:

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

Copies of the Affidavit, Notice, and a list of entities identified by the Florida Public Service Commission staff to receive notice are included as **Appendix X**.

Exhibit O will also include a late-filed Affidavit that the Notice of Actual Application was given in accordance with Rule 25-30.030, Florida Administrative Code, by regular mail or personal delivery to each prospective customer of the system. A copy of the draft affidavit is attached as **Appendix X**.

EXHIBIT P

Exhibit P will be a late-filed affidavit that the Notice of Actual Application was published once in the newspapers of general circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code.

EXHIBIT Q

Exhibit Q contains the original water and wastewater tariffs containing all rates, classifications, charges, rules and regulations (See **Appendix XI**). Also, included as part of this application are two (2) additional copies of the original water and wastewater tariffs. These copies are labeled and included separate from the bound application.

Appendix I:

Attachments to Exhibit A

Heart Island Equestrian Estates Documentation, Bunnell Annexation Agreement, and Letters Requesting Service





County of Volusia

Growth and Resource Management Building and Zoning

123 West Indiana Avenue • Room 205 • DeLand, Florida 32720-4253
Telephone (386) 943-7059 • Fax (386) 740-5297
www.volusia.org

May 10, 2006

Clay Henderson Creative Environmental Solutions, Inc. 1425 NW 6th Street Gainesville, Florida 32601

RE: Zoning Case PUD-05-012

Dear Mr. Henderson:

At its meeting of June 16, 2005, the County Council adopted Order and Resolution 2005-115 for the Heart Island Equestrian Estates RPUD.

Enclosed is a copy of the final Development Agreement signed by the County Chair and the Deputy County Manager. Please have this document recorded in the Public Records of Volusia County. Once you have had the document recorded, please send two (2) copies of the document showing the OR book and page number to this office for our records.

If you have any questions regarding how the PUD document should read, please contact Mr. Scott Ashley, Planning Manager, at this office.

Failure to provide the PUD documents completed as indicated above will result in nonrecognition of the PUD by the Growth and Resource Management Department. Until receipt of these signed and recorded documents, this is considered a pending zoning case.

Please be advised that any use or development of the subject property may be required to meet concurrency and other requirements of the adopted Volusia County Comprehensive Plan as required by Part II Chapter 163 Florida Statutes, the Local Government Comprehensive Planning and Land Development Regulation Act, and Rule 9J-5 of the Florida Administrative Code.

Sincerely,

Mary B. Robinson

Director, Building and Zoning

MBR:SA:ys

Enclosure

c: Plum Creek Land Company, 1 Concourse Pkwy NE, Ste. 755, Atlanta, GA 30328 PUD-05-012 Case File



IN THE COUNTY COUNCIL OF THE

COUNTY OF VOLUSIA, FLORIDA

IN RE: Application of

Creative Environmental Solutions, Inc.

Case No: PUD-05-012

RESOLUTION # 2005–115

ORDER AND RESOLUTION

GRANTING A REQUEST FOR CHANGE OF ZONING FROM A-1, FR, & RC TO

HEART ISLAND EQUESTRIAN ESTATES RPUD

(RESIDENTIAL PLANNED UNIT DEVELOPMENT)

TO ESTABLISH A RURAL CLUSTER DEVELOPMENT

The application of CREATIVE ENVIRONMENTAL SOLUTIONS, INC. (hereinafter,

"Applicant") for rezoning was heard by and before the Volusia County Council, Volusia County,

Florida, on June 16, 2005. Based upon the verified Application and other supporting documents,

maps, charts, overlays, other evidence and instruments, the advice, report, recommendations of

the Growth and Resource Management, Legal Department, other Departments and agencies of

Volusia County, and the testimony adduced and evidence received at the Public Hearing on this

Application by the Planning and Land Development Regulation Commission on May 10, 2005,

and otherwise being fully advised, the Volusia County Council does hereby find and determine as

follows:

GENERAL FINDINGS

- A. That the application of Applicant was duly and properly filed herein on December 27, 2004, as required by law.
- B. That all fees and costs which are, by law, regulation or ordinance required to be borne and paid by the Applicant have been paid.
- C. That the Applicant is the agent for a 7079.68 acre parcel of land which is situated in Volusia County, State of Florida. This parcel of land is under unified ownership and described more particularly in the survey and legal description, a true copy of which is attached hereto as Exhibit "A".
- D. That the Applicant has held a pre-application meeting as required by the Volusia County Zoning Ordinance No. 80-8, as amended.
- E. That the Applicant has complied with the "Due Public Notice" requirements of the Volusia County Zoning Ordinance No. 80-8, as amended.
- F. That the owner of the property, Plum Creek Land Company, agrees with the provisions of the Development Agreement.

FINDINGS REGARDING REZONING

- A. That the Applicant has applied for a change of zoning from the present zoning classifications of the parcel described in Exhibit "A" from Prime Agriculture (A-1), Forestry Resource (FR) and Resource Corridor (RC) to Residential Planned Unit Development (RPUD).
- B. That the said rezoning to RPUD is authorized pursuant to Section 1.2.3.3 of the Future Land Use Element of the Volusia County Comprehensive Plan which requires rezoning to RPUD to establish a Planned Rural Cluster Development whereby there is no increase in density

from the current land use designation and residential units are clustered so as to retain seventy five percent (75%) or more of the parcel as open space, or in land use compatible with or permissible under the parcel's preexisting land use designation.

C. That the said rezoning to an RPUD is consistent with both the Volusia County Comprehensive Plan, Ordinance No. 90-10, as amended, and the intent and purpose of the Volusia County Zoning Ordinance No. 80-8, as amended, and does promote the public health, safety, morals, general welfare and orderly growth of the area affected by the rezoning request.

NOW, THEREFORE, BE IT RESOLVED AND ORDERED BY THE COUNTY
COUNCIL OF VOLUSIA COUNTY, FLORIDA, IN OPEN MEETING DULY
ASSEMBLED IN THE THOMAS C. KELLY COUNTY ADMINISTRATION
BUILDING, COUNTY COUNCIL MEETING ROOM, DELAND, FLORIDA, THIS 16th
DAY OF JUNE, A.D., 2005, AS FOLLOWS:

- A. That the application of Applicant for the rezoning of the subject parcel is hereby granted.
- B. That the zoning classification of the subject parcel described in Exhibit "A" attached hereto (the "Property") is hereby amended from A-1, FR, and RC to RPUD as described in Article VII of the Volusia County Zoning Ordinance No. 80-8, as amended, shall apply to the RPUD in the same manner as the Residential Estate Zoning Classification except as modified herein.
- C. That the Official Zoning Map of Volusia County is hereby amended to show the rezoning of the Property to RPUD.
 - D. That Volusia County Zoning Ordinance No. 80-8, as amended, is consistent with

the provisions of the "Development Agreement" as hereinafter set forth in this Order and Resolution and with respect to any conflict between Ordinance No. 80-8, as amended, and the "Development Agreement", the provisions of the "Development Agreement" shall govern. Ordinance No. 80-8, as amended, shall govern with respect to any matter not covered by the "Development Agreement." The Volusia County Zoning Enforcement Official will ensure overall compliance with this Order and Resolution.

- E. Unless otherwise provided for herein, Article VIII, Supplementary Regulations of Volusia County Zoning Ordinance No. 80-8, as amended, shall substantially apply to the RPUD in the same manner as the Residential Estate (RE) zoning classification.
- F. Nothing in this Order and Resolution shall abridge the requirements of any Volusia County Ordinance other than Zoning Ordinance 80-8, as amended. Timing and review procedures contained in this Order and Resolution may be modified to comply with the Volusia County Land Development Code, Ordinance No. 88-3, as amended. Further, nothing in the Development Agreement is intended to abridge the requirements of Ordinance No. 88-3, as amended, and any other County Ordinances.

DEVELOPMENT AGREEMENT

A. <u>Development Concept.</u> The Property shall be developed as a Rural Cluster Development substantially in accordance with Section 1.2.3.3 of the *Future Land Use Element of the Volusia County Comprehensive Plan.* Heart Island Equestrian Estates (the "Project") will be a conservation development whereby important natural resources, wetlands, and habitat will be protected and development will be clustered onto areas more suitable for development. Pursuant to the Comprehensive Plan, the Project will be developed as a RPUD pursuant to the Heart Island

Equestrian Estates Master Development Plan. The Master Development Plan shall govern the development of the Property as an RPUD Planned Rural Cluster Development and shall regulate the future land use of this parcel. As contemplated by the Comprehensive Plan, this Order and Resolution authorizes conservation easements over 75% of the Project. The terms and conditions of the conservation easements will be perpetual and will govern future conduct by the developer, lot owners, and Volusia County.

- 1. <u>Master Development Plan</u>. The Heart Island Equestrian Estates Master Development Plan shall consist of the Conceptual Plan prepared by Creative Environmental Solutions, Inc., dated December 23, 2004 and revised March 28, 2005, and this Development Agreement. The Conceptual Plan is hereby approved and incorporated in this Order and Resolution by reference as Exhibit "B". The Master Development Plan shall be filed and retained for public inspection in the Growth and Resource Management Department, and it shall constitute a supplement to the Official Zoning Map of Volusia County.
- 2. <u>Amendments</u>. All amendments of the Master Development Plan, other than those deemed by the Zoning Enforcement Official to be minor amendments as set out by Section 813.06 of Ordinance No. 80-8, as amended, shall require the review and recommendation of the Planning and Land Development Regulation Commission and action by the Volusia County Council in the same manner as a rezoning of the parcel.
- 3. <u>Subdivision Approval</u>. After the Master Development Plan is recorded, and prior to any construction, including clearing and landfill, an overall development plan, a preliminary and/or a final plat of the area to be subdivided, shall be submitted for review and approval in the manner required by Article II of the Volusia County Land Development Code,

Ordinance No. 88-3, as amended.

- 4. <u>Final Site Plan Approval</u>. After the Master Development Plan is recorded, and prior to issuance of any permits for construction, including clearing and landfill, a Final Site Plan shall be prepared and submitted for review and approval in the manner required by Article III of the Volusia County Land Development Code, Ordinance No. 88-3, as amended.
- B. <u>Unified Ownership</u>. The Owner shall maintain unified ownership of Property until after issuance of the Master Development Plan.
- C. Phases of Development. The Applicant intends to seek permits from federal, state, local, and water management district for Phase 1 upon approval of the rezoning and commence construction in 2006. It is anticipated that the Applicant will seek permits for Phase 2 and 3 after all permits are obtained for Phase 1. It is anticipated that construction for Phase 2 and 3 will commence in 2008 and 2009, respectively. Timing for phasing could be accelerated or delayed depending upon the issuance of permits from the county and applicable agencies, changes in market conditions, or other unanticipated factors. Each phase is keyed and identified on the Conceptual Plan, Exhibit "B".
- D. <u>Land Uses Within the PUD</u>. The development of the parcel shall be consistent with the uses prescribed for each area within the proposed RPUD. The location and size of said land use areas are shown on the Conceptual Plan, Exhibit "B". The following land uses shall be allowed as permitted principal uses and structures along with their customary accessory uses and structures:

Residential Estate - A maximum of 335 single family standard dwellings, together with accessory uses and structures such as barns, garages, and sheds, together with essential utility

services, infrastructure, fire station, recreation areas, water supply wells, and Class A Home Occupations, as follows:

- (a) 93 2.5 acre Lots
- (b) 219 5 acre Lots
- (c) 15 10 acre Lots
- (d) 8 Lots in Excess of 240 acres
- (e) 1-2 acre lot for Volusia County Fire Services Fire Station along S.R. 40

Recreational Areas – an area set aside in each phase of the project for privately owned and commercially operated facilities providing outdoor recreation relating to riding stables, canoeing, kayaking, hiking, and backpacking.

Forestry Resource - subject to Silviculture Manual for best management practices.

E. Development Standards.

Minimum Lot Area	2.5 acres; lots may be larger as labeled on Master Conceptual Plan
Lot coverage	35%
Minimum Lot Width/Depth	150 ft
Minimum Yard Size	
Front Yard	40 ft
Rear Yard	40 ft
Side Yard	20 ft
Waterfront Yard	40 ft
Minimum Floor Area	2,000 square feet

Maximum Height	40 ft

- F. Supplemental Standards. Heart Island Equestrian Estates may be designed to accommodate horses and other farm animals and domestic pets. Cow, Pigs, Hogs, and Poultry, shall be prohibited. Horses shall not be permitted on 2.5 acre lots. Horses shall only be allowed on lots of 5 acres or larger at a density of one horse per 2.5 acres. Other than Class A Home Occupations, and Riding Stables, no other commercial activity shall be permitted.
- G. Cluster Provisions. Heart Island Equestrian Estates is a Planned Rural Cluster Development RPUD project with development designed on less than 25% of the project area which shall be designated as the Cluster Area. At least 75% of the project area will be designated as a Conservation Area subject to a Conservation Easement which shall retain only eight residential single family lots in a confined area as set forth below. All other development rights on that portion of the property will transfer underlying density to the Cluster Area. Thereafter development in excess of the retained residential units shall be prohibited outside the Cluster Area. No further subdivisions shall be permitted. In the event that Volusia County elects to designate a Rural Land Stewardship Area under the provisions of Sec 163.3177, or some other similar variant of a transfer of development rights program, then the developer retains the right to underlying density not utilized in this project in the amount of the 335 less the actual number of total units approved which shall be deemed "transferable rural land use credits" which may be transferred to a receiving zone pursuant to policies, rules, or ordinances established by the County Council under such terms and conditions as may be established under an applicable transfer of development program.

- H. <u>Conservation Areas</u>. Heart Island Equestrian Estates shall be conservation development designed around the protection of a number of environmental features as shown on the Master Development Plan subject to different types of conservation easements. Each of these conservation easements will be recorded in the Clerk of the Court of Volusia County, shall be perpetual and govern the future conduct of the developer, lot owners, and Volusia County.
- 3,188 acres) shall be designated as Sustainable Forestry Area which shall be considered open space and a preexisting land use. Each lot within the Sustainable Forestry Area shall be at least 240 acres and construction of a dwelling and accessory structures shall be limited to one contiguous upland acre and clearing shall be limited to five acres, not including lands required to access the dwelling site. The remaining portion of each lot shall be subject to a conservation easement which shall sever all development rights within the area and prohibit construction of additional dwelling units therein. The conservation easement shall require that Silviculture practices be subject to Silviculture Best Management Practices Manual of the Division of Forestry.
- 2. <u>Common Open Space [C-2]</u>. At least twenty percent of the Project (approximately 1,861 acres) shall be designated as common open space and shall meet the following standards:
- (a) It shall be identified on the plat and dedicated by deed and conservation easement, and usable by all residents of the RPUD. Useable space will be in the form of primarily passive recreational areas with residents having physical access to the space. Facilities including but not limited to lakes, parks, pasture, riding stables, horse trails, canoe

launches and nature trails shall be placed in a manner that functions with the site's natural amenities or recreational needs of future residents.

- (b) Common open space should have the following qualities: accessibility, visibility, security, and either physical or visual interconnection.
- (c) The location, shape, size and character shall be illustrated on the conservation and conceptual plan and shall be subject to a conservation easement which shall prohibit residential development on the Property and limit use of the Property to passive recreation.
- (d) To the extent that any of the area within this conservation area is currently in pine plantation, the owner may undertake a preliminary selective cut so as to allow the area to more mimic a native pine Flatwoods ecosystem retaining at least 100 stems per acre. In addition, the owner may clear cut those areas identified on the plan as pasture.
- (e) Wetlands, as the term is used within the Common Open Space area, shall be defined as those areas of the Property identified in the Manual for Best Management Practices for Silviculture Appendix 5 as "Common Wetland Types." There shall be no harvesting in the Wetlands as identified in the BMP Manual with the exception of salvage harvesting following a natural disaster.
- 3. <u>Natural Areas [C-3]</u>. At least ten percent of the common open space (approximately 394 acres) shall be subject to a conservation easement which shall preserve the property in a natural state subject to access by trails as more specifically provided herein.
- 4. Wetlands [C-4]. In addition to areas designated above, there may be areas identified as Wetlands and/or Floodplains which shall occur on individual lots. In such cases the

wetlands, together with a 50 foot upland buffer, and floodplains shall be subject to conservation easement designed to protect the wetland areas.

5. <u>Heart Island Conservation Area.</u> The project is adjacent to lands owned by Plum Creek Timberlands LP, an affiliate of the owner, subject to a conservation easement in favor of St. Johns River Water Management District.

I. Environmental Considerations.

- 1. Trails. The Heart Island Equestrian Estates Project will be linked to the Heart Island Conservation Area, Tiger Bay State Forest and other lands subject to conservation easements within the Volusia Conservation Corridor. Public use of trails within Heart Island Equestrian Estates shall be restricted. Equestrian, pedestrian, and multi-use trails may be mowed, dirt, mulch, boardwalk or paved and shall be no more than 25 feet in width. Horse trails will not be designed to cross SR 40.
- 2. <u>Floodplain</u>. The 100-Year FEMA flood areas have been excluded from the development plan and shall be subject to conservation easements.
- 3. Wetlands. Jurisdictional wetlands within the Project shall be protected by applicable state and federal law, local ordinance, and as more particularly set forth herein. All wetlands within the areas designated as C-3 and C-4 shall be protected through Conservation Easement. Silviculture operations within the C-1 and C-2 areas will continue to be subject to Silviculture Best Management Practices Manual State of Florida, Department of Agriculture and Consumer Services, Division of Forestry, 2003 Edition or such later edition as may then be in effect, and exemptions set forth in Section 404 of the Clean Water Act. Except as required to access upland areas subject to development, wetlands within the Cluster Area shall be protected.

Prior to development within each phase in the Cluster Area, the developer shall undertake a delineation of jurisdictional wetlands. Within the Cluster Area wetlands shall be protected through conservation easement which will restrict development of any dwelling unit, accessory structure, or impervious surface within wetlands. Nevertheless, it is anticipated that there will be minimal wetland impacts associated with the development of internal roads and trails. In the event of unavoidable wetland impacts, appropriate mitigation will be achieved.

- 4. <u>Haw Creek.</u> Phase 1 is of the project is located adjacent to Little Haw Creek (a tributary of the Haw Creek Outstanding Florida Waterway). Most of the wetlands and floodplain in this area will be designated on the Master Development Plan and Conservation Easement as Natural Area so as to function as a wildlife corridor. Except as required to access upland areas subject to development wetlands, buffers, and floodplain of Little Haw Creek shall be protected through conservation easement. Septic Tanks shall be located no less than 75 feet from required wetland buffers adjacent to Little Haw Creek.
- 5. <u>Tree Preservation</u>. In addition to the provisions set forth herein, tree preservation and common space requirements will be as provided by the Volusia County Land Development Regulations.
- 6. <u>Listed Species</u>. Prior to filing of the overall development plan, the applicant shall identify those animal species protected under the Federal Endangered Species Act which are known to inhabit the site. The applicant shall prepare an appropriate management plan for the protection of those species on site.
- J. <u>Sewage Disposal and Potable Water</u>. Provision for sewage disposal shall be by septic tank. Potable water may be provided to the site by the owner or one of its affiliates.

Provision for sewage and potable water will be provided in accordance with the Comprehensive Plan, Land Development Code, and Florida Administrative Code.

- K. <u>Stormwater Drainage</u>. Provision for stormwater retention shall be in accordance with the Land Development Code, Article VIII, Ordinance No. 88-3, as amended. The Property shares a border with the Plantation Pines unrecorded subdivision which includes a drainage ditch. The owner will provide access to authorized representatives of Plantation Pines to clean and maintain the ditch, upon reasonable notice and approval of the means by which the maintenance will be performed, such approval will not be unreasonably withheld.
- L. <u>Access and Transportation System Improvements</u>. At the time of construction, all access and transportation system improvements shall be provided in accordance with the Land Development Code, as amended. The Project shall be developed in substantial accordance with the following access and transportation system improvements:
- access. The RPUD is designed to provide appropriate access points for each phase. In some circumstances, multiple access points are necessary to preserve existing wetlands or other sensitive features. In almost all cases, the proposed access points correspond to existing timber roads. During Phase 1, the Applicant will construct two access points to State Road 11, and a single access point to State Road 40. During the construction of Phase 2, the Applicant will construct four access points to State Road 40. During the construction of Phase 3, three access points to State Road 40 will be constructed. All access points will be spaced in accordance with the Florida Department of Transportation (FDOT) access management code. All constructed access points will allow for bi-directional traffic movements.
 - 2. <u>Transportation System Improvements</u>. As required by the Land

Development Code, left and right turn lanes will be constructed. If required, the necessary improvements will be constructed at the time the specific phase is constructed. It is not anticipated that a traffic signal is warranted for any of the roadway connections.

- 3. The Project shall comply with the Corridor Management Plan for the SR 40 National Scenic Byway or Florida Scenic Highway designation. There shall be a 75 foot vegetative buffer maintained between the right of way of SR 40 and SR 11 and any adjacent lot.
- M. <u>Internal Roadways</u>. The Project will construct a local street system to provide access to all of the residential lots. The street system will be constructed to the County's standards and dedicated to the County when complete. Volusia County design criteria will be followed during the conceptual phase. (See Exhibit "B" Preliminary Plan)

- N. <u>Historical Resources</u>. Prior to initiating development or land clearing actions, the owner will cause to be performed an archaeological survey on areas of the project designated by the County Historic Preservation Officer. The results of the survey will be provided to the Historic Preservation Offer to determine whether a certificate of designation pursuant to Article III of the Volusia County Historic Preservation Ordinance (Sec. 62-71 Volusia County Code of Ordinances) as appropriate.
- O. <u>Building or Property Owners Association</u>. It is the intent of the Applicant to create a home owner's association. The charter and by-laws of said association and any other agreements, covenants, easements or restrictions shall be furnished to the County of Volusia at the time of creation. The Applicant shall be responsible for recording said information in the Public Records of Volusia County, Florida. Also, the Applicant shall bear and pay all costs for recording all of the aforementioned documents.

With respect to the enforcement of said agreements, covenants, easements or restrictions entered into between the Applicant and the owners or occupiers of property within the RPUD, the County of Volusia shall only enforce the provisions of the "Development Agreement" and Volusia County Zoning Ordinance No. 80-8, as amended, whichever is applicable, and not the private agreements entered into between the aforementioned parties. The Applicant has agreed to put a restriction in the homeowners agreement restricting use of All Terrain Vehicles (ATV's) on trails established pursuant to Section I-1, unless necessary: (i) to protect or enhance the purposes of the Conservation Easement, (ii) for emergency purposes, (iii) for silvicultural purposes, and (iv) to retrieve game that has been hunted legally.

- P. Expiration of PUD. Within five (5) years from the effective date of this Order and Resolution, the Applicant shall have submitted a subdivision plan as described in Section A, 3. of this "Development Agreement". In the event that the subdivision plan is not submitted on or before the date indicated, this agreement shall expire unless the Zoning Enforcement Official, for good cause shown, shall approve a minor amendment to extend the time period indicated in this paragraph.
- Q. <u>Binding Effect of Plans, Recording and Effective Date.</u> The Master Development Plan, including any and all supplementary orders and resolutions, and the Preliminary Plan shall bind and inure to the benefit of the Applicant and any successor in title or interest. The RPUD zoning, provisions of the "Development Agreement," and all approved plans shall run with the land and shall be administered in a manner consistent with Article IX of the Volusia County Zoning Ordinance No. 80-8, as amended.

This Order and Resolution and all subsequent Orders and Resolutions shall be filed with the Clerk of the Court and recorded within forty-five (45) days following execution of the document by the Volusia County Council, in the Official Records of Volusia County, Florida. One copy of the document, bearing the book and page number of the Official Record in which the document was recorded, shall be submitted to the Growth and Resource Management Department. The date of receipt of this document by the Growth and Resource Management Department shall constitute the effective date of the RPUD or its subsequent amendments. The Applicant shall pay all filing costs for recording documents.

R. <u>Conceptual Approval</u>. The parties hereto acknowledge that there will not be an

increase in density but that reductions in density and/or intensity may occur as a result of changes to roadway design, location and size of structures, actual location of parking spaces, specific locations for land uses, and locations and design of stormwater storage, landscape buffers and upland buffers may result to comply with the Volusia County Land Development Code, Ordinance No. 88-3, as amended. Upon determination of the Zoning Enforcement Official, these revisions may be processed as minor amendments as set forth in Section 813.06 of the Volusia County Zoning Ordinance No. 80-8, as amended. The Applicant agrees to revise and record the Revised Preliminary Plan which reflects any such changes with the Clerk of the Court immediately following the expiration of the 30 day period for appealing Development Review Committee (DRC) decisions to the County Council. A copy of the Revised Preliminary Plan, bearing the book and page number of the Official Record in which the document was recorded, shall be submitted to the Growth and Resource Management Department.

, DONE	and ORDERED	by the County	Council	of Volusia	County,	Florida,	this
16 day of _	and ORDERED	_, 200 5					

ATTEST:

VOLUSIA COUNTY COUNCIL

Matt Greeson

Acting County Manager

Frank Bru

Chair

STATE OF FLORIDA COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me this day of
My, 2006, by Matthew H. Greeson and Frank T. Bruno, Jr., for
County Manager and Chair, Volusia County Council, respectively, on behalf of
ne County of Volusia, and who are personally known to me.
•
NOTARY PUBLIC, STATE OF
FLORIDA
Type or Print Name:
Whin the
Commission No.:
My Commission Expires:
MARCY A. ZIMMERMAN Notary Public - State of Florida All the Commission Expires Exp. 9, 2010

Commission # DD 516818 Bonded By National Notary Assn.

1	
2 3	The foregoing instrument was acknowledged before me this day of
4	April , 2006, Carl Salafrio, Vice President of Creative
5	Environmental Solutions, Inc., the Applicant, who is personally known to me, or who
6	has produced FL DL as identification.
7	
8	
9	Carl Salafino
10	
11	Brian garvers
12	NOTARY PUBLIC, STATE OF FLORIDA
13	Type or Print Name:
14	Brian Jowess
15	Commission No.: Dro368752
16	My Commission Expires: \(\sigma - 3 - \infty \)
17	•
18	
19	BRIAN JOWERS
20	Notary Public, State of Florida My comm. expires Nov. 03, 2008 No. DD368752

1	OWNER: PLUM CREEK LAND COMPANY				
2					
3 4	By: \lun New				
5	Larry Neilson				
6	Senior Vice President				
7	Planning and Business Development				
8					
9 10	The foregoing instrument was acknowledged before me this 5th day of				
11	, 2006, by Larry Neilson, Senior Vice President, Planning and				
12	Business Development of Plum Creek Land Company, the owner, who is personally				
13	known to me, or who has produced his WA State I cense as identification.				
14					
15	THE THE STATE OF T				
16	SION EL SION E				
17	NOTARY PUBLIC, STATE OF WASHINGTON				
18	Type or Print Name:				
19	PUBLIC S Kathleen S. Sims				
20	OF WASHING Commission No.: NA				
21	My Commission Expires: 12/19/07				
22					
23					
24	Revised March 10, 2006				
	# 3594764_u3				

25

2

EXHIBIT "A"

LEGAL DESCRIPTION

(See Attached)

EXHIBIT A

Heart Island Equestrian Estates Legal Description

TRACT 1

A parcel of land lying in Section 36, Township 14 South, Range 29 East, Section 31, Township 14 South, Range 30 East and in Sections 4 and 5, Township 15 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

BEGIN at the Northwest corner of Section 31, Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 31, N 89° 26' 37" E, a distance of 1414.27 feet to a point 20 feet East of the centerline of a Forest Management Road locally known as Forest Management Road "A"; thence departing the North line of said Section 31 and on a line 20 feet East of the centerline of aforesaid Forest Management Road "A" through the following courses: S 40°46'37" E, a distance of 527.19 feet; thence S 21°36'29" E, a distance of 769.11 feet, thence S 21°56'54" E, a distance of 653.58 feet, thence S 21°33'25" E, a distance of 1169.70 feet, thence S 13°34'29" E, a distance of 344.53 feet, thence S 10°40'05" E, a distance of 1291.34 feet, thence S 10°38'13" E, a distance of 1352.46 feet, thence S 16°44'18" W, a distance of 71.03 feet to a point hereafter referred to as "POINT A"; thence returning to the POINT OF BEGINNING proceed on the North line of Section 36, Township 14 South, Range 29 East, Volusia County, Florida, S 89°38'06" W, a distance of 2993.67 feet; to a point on the Easterly Right of Way Line of State Road 11 (a 200 foot right of way, per Florida Department of Transportation Right of Way Maps Sections 7909-104 & 79100-2901); thence departing said North line and on said Easterly Right of Way Line, S 4°38'21" E, a distance of 5362.16 feet to a point on the South line of aforesaid Section 36, Township 14 South, Range 29 East, Volusia County, Florida; thence departing said Easterly Right of Way Line and on the South line of said Section 36 the same being the North Line of the Northwest 1/4 of Section 5, Township 15 South, Range 30 East, Volusia County, Florida, N 88°46'28" E, a distance of 1497.46 feet to the Northwest corner of the Northeast 1/4 of Section 5, Township 15 South, Range 30 East, Volusia County, Florida; thence continue on the South Line of aforesaid Section 36 the same being the North Line of the Northeast 1/4 of Section 5, Township 15 South, Range 30 East, Volusia County, Florida, N 89°06'19" E, a distance of 1320.86 feet, thence departing said North and South lines, S 0°02'24" E, a distance of 2447.12 feet to a point on the Northerly Limited Access Right of Way Line of State Road 40 (per Florida Department of Transportation Right of Way Maps Sections 79100-2503); thence on said Northerly Limited Access Right of Way Line and Northerly Right of Way Line of State Road 40 through the following courses: N 82°09'53" E, a distance of 633.43 feet, thence S 7°50'07" E, 50.00 feet a point on the Northerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Maps Sections 79100-2503); thence continue on said Northerly Right of Way Line of State Road 40 through the following courses: N 82°09'53" E, a distance of 3245.96 feet to the beginning of a curve concave Northwesterly having a radius of 5661.65 feet and a central angle of 7°46'30"; thence on the arc of said curve a distance of 768.28 feet said arc being subtended by a chord that bears N 78°16'38" E, a distance of 767.69 feet to the curves end and a point on a meandering line between an existing pine plantation and wetland said point bearing S 50°15'49" E, a distance of 2075.89 feet from aforesaid "POINT A"; thence departing the Northerly Right of Way Line of State Road 40 and on said meander line between an existing pine plantation and wetland, Northwesterly, a distance of 2272 feet, more or less to aforesaid "POINT A" to close.

LESS Maintained Right of Way for Clifton Cemetery Road, a County Maintained Right of Way.

TOGETHER WITH:

TRACT 2

A parcel of land lying in Sections 28, 29, 32 and 33, Township 14 South, Range 30 East, and in Sections 2 and 3, Township 15 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

Begin at the Northwest corner of Section 28, Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 28, N 89°49'43" E, a distance of 4718.82 feet to a point on the Westerly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing the North

line of said Section 28 and on the Westerly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses: S 1°00'03" E, a distance of 6622.81 feet; thence S 88°59'57" W, a distance of 100.00 feet, thence S 1°00'03" E, a distance of 68.01 feet, thence S 21°24'53" E, a distance of 68.01 feet, thence N 68°35'07" E, a distance of 100.00 feet, thence S 21°24'53" E, a distance of 2921.78 feet to a point on the Northerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence departing said Westerly Right of Way Line and on the Northerly Right of Way Line of said State Road 40, S 74°23'23" W, a distance of 8883.67 feet to a point 20 feet West of the centerline of a Forest Management Road locally known as Forest Management Road "B"; thence departing the Northerly Right of Way Line of said State Road 40 on a line 20 feet West of the centerline of aforesaid Forest Management Road "B" through the following courses: N 6°53'15" W, a distance of 852.23 feet; thence N 6°45'50" W, a distance of 912.39 feet; thence N 2°05'12" E, a distance of 406.43 feet, thence N 16°22'41" E, a distance of 711.44 feet, thence N 13°13'29" E, a distance of 121.87 feet; thence N 0°07'38" E, a distance of 157.15 feet; thence N 5°09'02" W, a distance of 654.24 feet, thence N 34°25'28" E, a distance of 638.85 feet, thence N 35°16'31" E, a distance of 697.29 feet; thence N 35°05'04" E, a distance of 724.86 feet; thence N 44°52'43" E, a distance of 438.82 feet; thence N 29°00'58" E, a distance of 710.66 feet to a point on the South Line of Section 29, Township 14 South, Range 30 East, Volusia County, Florida; thence on the South Line of said Section 29, N 89°26'37" E, a distance of 269.52 feet to the Southwest corner of the East 1/2 of the East 1/4 of said Section 29; thence departing the South line of said Section 29 and on the West Line of the East 1/2 of the East 1/4 of said Section 29, N 1°07'29" W, a distance of 5409.16 feet to the Northwest corner of the East 1/2 of the East 1/4 of said Section 29; thence departing said West Line and on the North line of the East 1/2 of the East 1/4 of said Section 29, N 88°47'01" E, a distance of 662.33 feet to the POINT OF BEGINNING.

TOGETHER WITH:

TRACT 3

A parcel of land lying in Sections 27, 28, 33 and 34, Township 14 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

Begin at the Northeast corner of Section 27, Township 14 South, Range 30 East, Volusia County, Florida; thence on the East Line of said Section 27, S 0°43'05" E, a distance of 5281.63 feet to the Southeast corner of said Section 27, the same being the Northeast corner of Section 34, Township 14 South, Range 30 East, Volusia County, Florida; thence departing the East Line of said Section 27 and on the East Line of said Section 34, S 0°50'04" E, a distance of 2995.90 feet to a point on the Northerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence departing said East Line and on the Northerly Right of Way Line of said State Road 40 the same being on a curve concave Southerly having a radius of 2925.76 feet and a central angle of 18°35'49", thence on the arc of said curve a distance of 949.64 feet, said arc being subtended by a chord that bears S 83°41'17" W, a distance of 945.48 feet to the curves end; thence continue on the Northerty Right of Way Line of said State Road 40, S 74°23'23" W, a distance of 3756.48 feet to a point on the Easterly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing the Northerly Right of Way Line of State Road 40 and on the Easterly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses: N 21°24'53" W, a distance of 2948.26 feet, thence N 1°00'03" W, a distance of 6614.46 feet to a point on the North Line of Section 28, Township 14 South, Range 30 East, Volusia County, Florida; thence departing said Easterly Line and on the North Line of said Section 28, N 89°49'43" E, a distance of 347.16 feet to the Northeast corner of said Section 28, the same being the Northwest corner of aforesaid Section 27, Township 14 South, Range 30 East, Volusia County, Florida; thence departing the North Line of aforesaid Section 28 and on the North line of said Section 27, N 89°38'58" E, 5292.80 feet to the POINT OF BEGINNING.

TOGETHER WITH:

TRACT 4

A parcel of land lying in Sections 33 and 34, Township 14 South, Range 30 East, and in Sections 1,2,3,10,11 and 12, Township 15 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

BEGIN at the Southeast corner of Section 11, Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of said Section 11, S 88°55'30" W, a distance of 3990.49 feet to a point 20 feet West of the centerline of a Forest Management Road locally known as Forest Management Road "B"; thence departing the South line of said Section 11 and on a line 20 feet West of the centerline of aforesaid Forest Management Road "B" through the following courses: N 11°38'03" W, a distance of 700.17 feet; thence N 12°01'10" W, a distance of 1003.87 feet; thence N 22°14'32" W, a distance of 113.06 feet; thence N 41°52'28" W, a distance of 1301.42 feet, thence N 40°57'20" W, a distance of 1522.12 feet, thence N 40°58"25" W. a distance of 1023.75 feet; thence N 44°13'57" W, a distance of 1374.87 feet; thence N 39°26'42" W, a distance of 171.82 feet; thence N 34°35'32" W, a distance of 598.98 feet; thence N 32°03'38" W. a distance of 241.75 feet, thence N 32°27'25" W, a distance of 231.99 feet, thence N 52°23'12" W, a distance of 124.74 feet, thence N 59°04'17" W, a distance of 279.13 feet, thence N 49°23'17" W, a distance of 103.20 feet, thence N 26°53'00" W, a distance of 89.78 feet, thence N 18°32'13" W. a distance of 496.41 feet; thence N 18°45'34" W, a distance of 709.38 feet; thence N 18°33'39" W, a distance of 937.03 feet to a point on the Southerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence on said Southerly Right of Way Line of State Road 40, N 74°23'23" E, a distance of 8902.90 feet to a point on the Westerly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing the Southerly Right of Way Line of said State Road 40 and on the Westerly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses, S 21°24'53" E, a distance of 8620.26 feet; thence S 60°43'11" W, a distance of 197.04 feet; thence S 00°54'18" W, a distance of 3253.41 feet to a point on the South line of Section 12, Township 15 South, Range 30 East, Volusia County, Florida; thence departing the Westerly Right of Way line of said Power & Light Company Right of Way and on the South line of said Section 12, S 89°22'49" W, a distance of 1775.66 to the POINT OF BEGINNING.

TOGETHER WITH:

TRACT 5

A parcel of land lying in Sections 34 and 35, Township 14 South, Range 30 East, Sections 1, 2, and 12, Township 15 South, Range 30 East and in Section 7, Township 15 South, Range 31 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

BEGIN at the Northeast corner of Section 12, Township 15 South, Range 30 East, Volusia County, Florida: thence on the East line of said Section 12, S 00°40'00" E, a distance of 2650,44 feet to the Northwest Corner of the South 1/2 of Section 7, Township 15 South, Range 31 East, Volusia County, Florida; thence departing said East line and on the North line of the South 1/2 of said Section 7, N 89°19'09" E, a distance of 5278.30 feet to the Northeast corner of the South 1/2 of said Section 7; thence departing said North line and on the East line of the South 1/2 of said Section 7, S 00°41'03" E, a distance of 2409.52 feet to the Northeast comer of the South 230 feet of said Section 7 as recorded in Official Records Book 2622, Page 1169 of the Public Records of Volusia County, Florida; thence departing said East line and on the North line of the South 230 feet of said Section 7, S 89°07'44" W, a distance of 5267.09 feet to the Northwest corner of the South 230 feet of said Section 7; thence departing said North line and on the West line of the South 1/2 of said Section 7, N 00°56'56" W, a distance of 1275.69 feet to a point on the Easterly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing said West line and on said Easterly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses: N 35°48'21" W, a distance of 1384.61 feet, thence S 90°00'00" W, a distance of 1795.79 feet; thence N 21°24'53" W, a distance of 1273.78 feet, thence N 22°17'46" W, a distance of 3904.12 feet, thence N 21°24'53" W, a distance of 4287.20 feet to a point on the Southerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence departing the Easterly Right of Way Line of said Florida Power & Light Company Right of Way and on the Southerly Right of Way Line of said State Road 40 through the following courses: N 74°23'23" E, a distance of 3736.15 feet to the beginning of a curve concave Southerly having a radius of 2725.76 feet and a central angle of 23°10'10"; thence on the arc of said curve a distance of 1102.25 feet said arc being subtended by a chord that bears N 85°58'28" E, a distance of 1094.76 feet to the curves end; thence S 82°26'27" E, a distance of 1305.72 feet to a point on the West line of PLANTATION PINES (an unrecorded subdivision); thence departing said Southerly Right of Way line and on the West line of said PLANTATION PINES (an

unrecorded subdivision) S 00°40'09" E, a distance of 1721.08 feet to the Northeast corner of Section 1, Township 15 South, Range 30 East, Volusia County, Florida; thence on the East line of said Section 1, the same being the West line of aforesaid PLANTATION PINES (an unrecorded subdivision), S 00°40'38" E, a distance of 5300.64 feet to the POINT OF BEGINNING.

TOGETHER WITH:

TRACT 6

A parcel of land lying in Sections 5 and 8, Township 15 South, Range 31 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

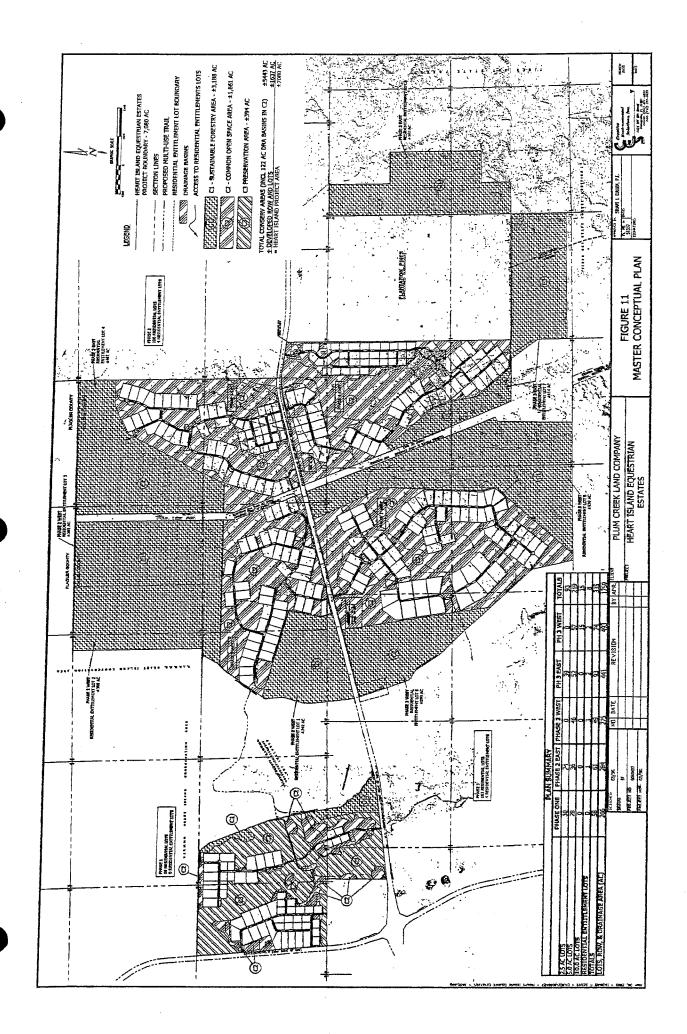
Begin at the Northwest corner of Section 5, Township 15 South, Range 31 East, Volusia County, Florida, thence on the North Line of said Section 5, N 89°36'29" E, a distance of 1319.85 feet to the Northeast corner of the West 1/2 of the Northwest 1/4 of said Section 5; thence departing said North Line and on the East Line of the West 1/2 of the Northwest 1/4 of said Section 5, S 0°43'40" E, a distance of 2635.16 feet to the Southeast corner of the West 1/2 of the Northwest 1/4 of said Section 5, said corner being on the North Line of the Southwest 1/4 of said Section 5: thence departing said East Line and on the North Line of the Southwest 1/4 of said Section 5, N 89°26'21" E, a distance of 1321.45 feet to the Northeast corner of the Southwest 1/4 of said Section 5; thence departing said North Line and on the East line of the Southwest 1/4 of said Section 5, S 0°45'47" E, a distance of 2631.54 feet to the Southeast corner of the Southwest 1/4 of said Section 5, the same being the Northeast corner of the Northeast 1/4 of the Northwest 1/4 of Section 8, Township 15 South, Range 31 East, Volusia County, Florida; thence on the East Line of the Northeast 1/4 of the Northwest 1/4 of said Section 8, S 0°56'00" E, a distance of 1310.73 feet to the Southeast corner of the Northeast 1/4 of the Northwest 1/4 of said Section 8; thence departing said East Line and on the South Line of the Northeast 1/4 of the Northwest 1/4 of said Section 8, S 89°04'11" W, a distance of 1326.03 feet to the Southwest corner of the Northeast 1/4 of the Northwest 1/4 of said Section 8 the same being the Northeast corner of the Southwest 1/4 of the Northwest 1/4 of said Section 8; thence departing said South Line and on the East Line of the Southwest 1/4 of the Northwest 1/4 of said Section 8, S 0°48'30" E, a distance of 1315.24 feet to the Southeast corner of the Southwest 1/4 of the Northwest 1/4 of said Section 8; thence departing said East Line and on the South Line of the Southwest 1/4 of the Northwest 1/4 of said Section 8, S 88°52'31" W, a distance of 1328.91 feet to the Southwest corner of the Northwest 1/4 of said Section 8; thence departing said South Line and on the West Line of the Northwest 1/4 of said Section 8 the same being on the East Line of PLANTATION PINES (an unrecorded subdivision), N 0°41'03" W, a distance of 2639.52 feet to the Northwest Corner of said Section 8, the same being the Southwest corner of the Southwest 1/4 of aforesaid Section 5; thence on the West line of the Southwest 1/4 said Section 5, the same being on the East Line of aforesaid PLANTATION PINES (an unrecorded subdivision), N 0°41'17" W. a distance of 2639.58 feet to the Southwest corner of the West 1/2 of the Northwest 1/4 of said Section 5; thence on the West Line of the West 1/2 of the Northwest 1/4 of said Section 5, the same being on the East Line of aforesaid PLANTATION PINES (an unrecorded subdivision), N 0°41'34" W, a distance of 2639.04 feet to the POINT OF BEGINNING.

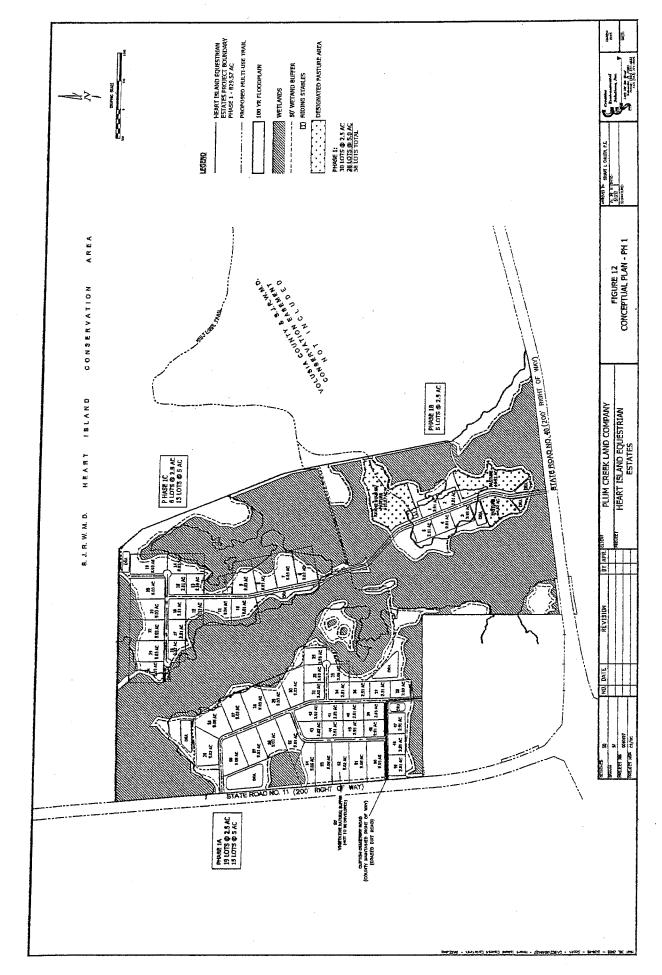
2

EXHIBIT "B"

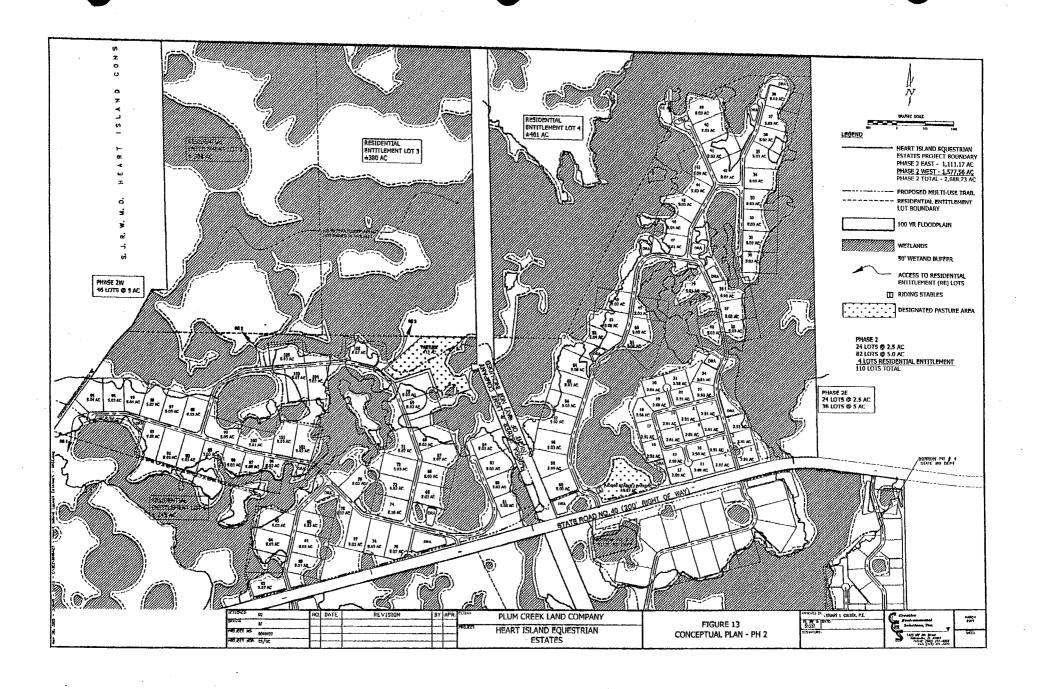
The Conceptual Plan Including Phasing Plan

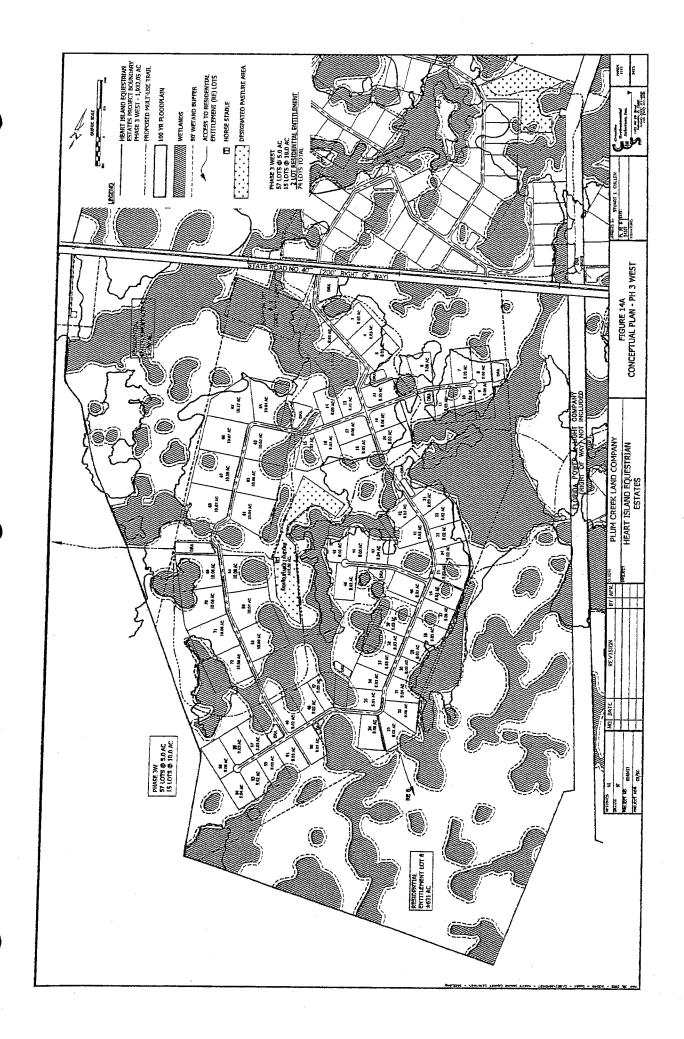
(See Attached)

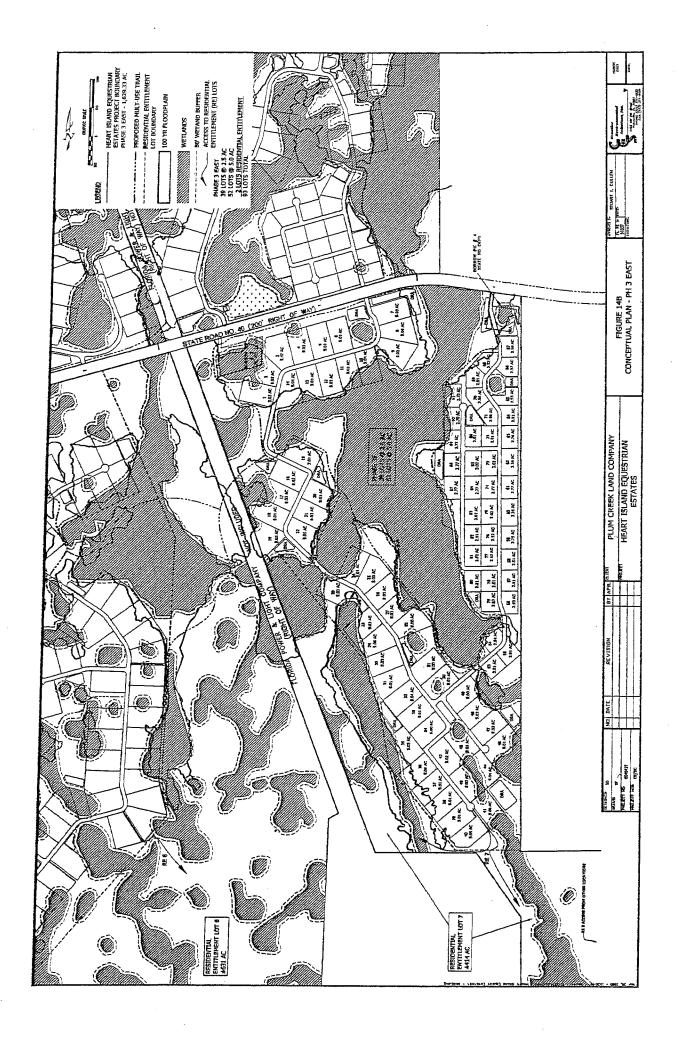




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BUNNELL ANNEXATION AGREEMENT

ANNEXATION AGREEMENT

THIS AGREEMENT made and entered into this 20th day of June, 2006, by and between, the CITY OF BUNNELL, FLORIDA, a municipal corporation, 200 S. Church Street, Bunnell, Florida 32110 (hereinafter referred to as "City"); and PLUM CREEK TIMBERLANDS LP, a Delaware limited partnership and PLUM CREEK INVESTMENT COMPANY, an Oregon corporation each of P.O. Box 157 Gulf Hammock, Florida 32639 (hereinafter collectively referred to as "Owner").

WHEREAS, Owner has caused a Petition for Voluntary Annexation to be filed for the property described in Exhibit A; and

WHEREAS, the City is desirous of annexing said property, and has satisfied itself that the conditions for annexation and the economics thereof are satisfactory, and

WHEREAS, Owner is desirous of defining certain rights relating to land use, silviculture, hunting, and water and wastewater utility services.

NOW, THEREFORE, based on the foregoing, the parties agree as follows:

1. DESCRIPTION

The property which is the subject of this Agreement is a forestry parcel of approximately 26,600 acres located south of S.R. 304 and east of S.R. 11, all located in Flagler County, Florida. The property is more specifically described in the legal description which is attached hereto and incorporated by reference as Exhibit A (the "Property").

2. LAND USE AND PERMITTED USES

The Property is currently designated as "Agriculture and Wetlands" in the Flagler County Comprehensive Plan and Land Development Regulations. Upon Annexation the Property shall be designated as "Agriculture and Wetlands" under the Comprehensive Plan and Land Development Regulations of the City of Bunnell until such time as the Comprehensive Plan and Land Development Regulations are amended. Any new development within the Property shall be

developed in compliance with all applicable City ordinances, resolutions, and regulations effective at that time.

It is acknowledged that the Property contains lands long managed as private hunting areas and a public hunting area known as Relay Wildlife Management Area which is used in cooperation with the Florida Fish and Wildlife Conservation Commission. So long as any portion of the Property is utilized for hunting purposes, the City of Bunnell shall not enact any ordinances restricting use of firearms within the Property.

It is further acknowledged that the Property contains lands long managed for timber operations including the harvesting of upland and wetland timber under prevailing State of Florida Silviculture Best Management Practices. So long as any portion of the Property is utilized for said timber operations, the City of Bunnell shall not enact any ordinances restricting said forestry operations with the Property.

3. <u>UTILITIES</u>

The City acknowledges that the Owner, or one of its affiliates, is in the process of making application to the Florida Public Service Commission ("FPSC") for certification as a water and wastewater utility for an integrated utility system on lands it owns within Flagler County and adjoining lands in Volusia County ("Utility Service Area) and recognizes that the FPSC has exclusive jurisdiction and authority to grant such certificate because the proposed service area transverses two counties. The Owner, or one of its affiliates, has already been approved for a development project in Volusia County which will be served by water wells in Volusia County. Likewise, the Owner intends to provide water service to lands it owns and plans for future development in Flagler County from wells within Flagler County. The City further acknowledges that the Property is located within the contemplated Utility Service Area and the City shall not oppose and will indicate its support for Owner's application for certification by letter to be filed in the FPSC certification proceeding. At such time that the Owner or one of its

affiliates is granted FPSC certification to operate as a water and wastewater utility, the City and the Owner agree to cooperate in water resource development and delivery of wholesale water services in the City in the following respects:

- a. The Owner and City agree to cooperate in their respective studies relating the groundwater and water supply. It is contemplated that the Owner will undertake a natural resources assessment of groundwater under the Owner's lands and it is contemplated that the City will undertake a Water Supply Needs Study as part of its ongoing planning. The Owner and City agree to share non-proprietary information, collected data, and analysis concerning the potential resources and may utilize such information as supportive documents for comprehensive plan amendments or consumptive use permits. It is contemplated that these studies will be completed by the City and Owner, respectively within two years of the execution of this agreement.
- b. The Owner and City agree to plan for future water resource development and water supply under such terms and conditions as they may agree based upon the natural resources assessment and the needs of the City and Owner. The Owner and City agree to support each other in seeking consumptive use permits to meet current and future needs for potable water. The Owner and City agree that water from the Owner's utility first shall be dedicated and sold to serve development and agriculture on Owner's lands in Flagler County including lands currently owned and those that may be owned in the future, if any. The Owner acknowledges its desire that the City be its preferred customer and that water in excess of that needed to serve its property will be made available to the City to meet current and future needs under such terms and conditions as they may agree.
- c. Prior to July 1, 2011, the Owner may only sell water in Flagler County to its customers within the approved Utility Service Area or the City. After July 1, 2011, the City shall have a right of first refusal to acquire water from the Utility in the following manner. In the event that the Owner's utility has water in excess of that needed to serve Owner's land in Flagler County

("Excess Water") and Owner desires to sell all or a portion of the Excess Water, then Owner shall provide written notice to the City of the specific quantity of water that is available for sale to the City (" Notice of Intent"). If the City fails to advise the Owner of its desire to purchase said quantity of Excess Water within sixty (60) days of the Notice of Intent, then the Owner may sell the Excess Water to any other buyer(s) in Flagler County at its discretion. If within sixty (60) days of the Notice of Intent, the City provides written notice to the Owner that it intends to exercise its right to purchase said quantity of Excess Water, then the Owner and the City shall proceed to negotiate the price, terms and conditions governing the purchase and sale of said quantity of Excess Water. If the City and the Owner fail to execute a formal contract for the purchase and sale of said quantity of Excess Water within ninety (90) days of the City's written notice of its intention to exercise its right to purchase said quantity of Excess Water, then the Owner may sell all or part of the Excess Water to any other buyer at its discretion.

d. The City and the Owner agree that in the event that it is not economically or practically feasible for the Owner to provide water and/or wastewater services to portions of its property then the City would be given the opportunity to provide such services under such terms and conditions as they could agree.

4. PERFORMANCE GUARANTEES

Should any part of the Property be sold to an individual or corporation not already a party to this Agreement, the purchaser of such property shall be bound by the terms of this Agreement and applicable regulations of the City, where not inconsistent with, or contrary to, this Agreement. Accordingly, the City shall record the Agreement with the Clerk of Circuit Court in Flagler County within ten days of the date of this Agreement or as soon as practicable thereafter.

5. CONSISTENCY OF DEVELOPMENT

The City agrees to permit the development of the annexed area in the manner defined by

this Annexation Agreement, and applicable City ordinances consistent with, and not contrary to, the terms of this Annexation Agreement.

6. AMENDMENT

This Agreement may only be amended in writing, upon mutual consent of the parties.

7. STATUTORY CONFLICT AND FAILURE TO ADDRESS PARTICULAR MATTERS

To the extent there is a conflict between this Agreement and any existing City resolution, regulation or ordinance, this Agreement shall control. However, all other applicable City ordinances in effect at the time of execution of this Agreement continue to apply. Further, the failure of this Agreement to address a particular permit, condition, term or restriction shall not forgive the necessity of complying with the law governing said permitting requirements, conditions, terms or restrictions.

8. APPEAL

If Owner is aggrieved by any decision of any City department head interpreting the terms of this Agreement, that party shall first file a written appeal with the City Manager. City Manager shall issue a formal reply to the written appeal within 7 days after receipt of the appeal. If Owner is aggrieved by a decision of the City Manager, an appeal shall be made to the City Commission. The appeal shall be initiated by the filing of a written request with the City Clerk for placement of the issue on the City Commission agenda. After receiving the request, the City Clerk shall place the matter on the next available City Commission agenda.

9. BINDING EFFECT

All of the terms and provisions of this Agreement, shall be binding upon, inure to the benefit of and be enforceable by the parties and their respective legal representatives and their successors in title and interest. The provisions of the Agreement and all approved plans shall run with the land, and shall be administered in a manner consistent with the laws of the State of Florida.

10. GOVERNING LAW

This Agreement shall be governed by the laws of the State of Florida.

IN WITNESS WHEREOF, the parties have caused this Agreement to be made and entered into the date and year first written above.

ATTEST:

CITY COMMISSION OF THE CITY OF BUNNELL, FLORIDA

Konya D. Johnson

City Clerk

By: Joann B. King

Mayor

Dated: 6-56-06

APPROVED FOR FORM AND CORRECTNESS:

Name: Sidney M. Nawell

City Attorney

Witnessed by:

OWNER:

PLUM CREEK TIMBERLANDS LP By Plum Creek Timber I, L.L.C.

The Gonemi Partner

Coillian Sullivan

Witness name typed

Xush Melled

Witness name typed

By: MADLL

Name: Rick R. Holley

PLUM CREEK INVESTMENT COMPANY

Name: Rick R. Holley

Title: President and CED

ACKNOWLEDGMENT

STATE OF WASHINGTON)
)ss
COUNTY OF KING)

On this 22nd day of June, 2006, before me personally appeared Rick R. Holley, to me known to be the President and CEO, of Plum Creek Timber I, L.L.C., general partner of Plum Creek Timberlands, L.P., the limited partnership that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said limited partnership for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument on behalf of the limited partnership and that the seal affixed is the seal of said limited partnership.

HEREOF, I have hereunto set my hand and affixed my official IN WITNESS

seal the day and fear fast above

Notary Public in and for the

State of Washington Residing at: Renton

My Commission Expires: 10/29/06 Printed Name: Paul A. Hill II

ACKNOWLEDGMENT

STATE OF WASHINGTON))ss COUNTY OF KING)

On this 22nd day of June, 2006, before me personally appeared Rick R. Holley, to me known to be the President and CEO, of Plum Creek Investment Company, the corporation that executed the within and foregoing instrument, and acknowledged the said instrument to be the free and voluntary act and deed of said corporation for the uses and purposes therein mentioned, and on oath stated that they were authorized to execute said instrument on behalf of the corporation and that the seal affixed is the seal of said corporation.

have hereunto set my hand and affixed my official

seal the day and year

Notary Public in and for the

State of Washington Residing at: Renton

My Commission Expires: 10/29/06

Printed Name: Paul A. Hill II

COUNTY OF Jeacle	t			
Ü	ıment was acknowledged l	hafora ma this Al	th day of	JUNE
2006, by JOANN B. KI	who is personally	y known to me	or who	has produced
	as identification and who			
				,

STATE OF FLORIDA

Notary name typoffary Public-State Of Florida
Dawn R. Deatsch
Seal/Stamp:
Commission # DD417112
Expires: APR. 11, 2009
Bonded Thru Atlantic Bonding Co., Inc.

EXHIBIT A Legal Description of Property to be Annexed

PLUM CREEK TIMBERLANDS, L.P.

Flagler County, Florida

TOWNSHIP 13 SOUTH - RANGE 30 EAST:

SECTION 10 - ALL THAT PART LYING SOUTH & EAST OF COUNTY ROAD 304; LESS AND EXCEPT THAT PORTION DESCRIBED IN OR 700, PAGE 124.

SECTION 11 - BUNNELL DEV CO SUBD ALL EXCEPT TRACTS 6-7 BLOCK B

SECTION 12 - BUNNELL DEV CO SUBD - ALL

SECTION 13 - BUNNELL DEV CO SUBD - ALL

SECTION 14 - BUNNELL DEV CO SUBD ALL

SECTION 15 - BUNNELL DEV CO SUBD ALL, EXCEPT: TRACTS 1 & 2 BLOCK; FLORIDA POWER & LIGHT RIGHT OF WAY; AND THAT PORTION AS DESCRIBED IN OR 700, PAGE 124.

SECTION 16 – THAT PORTION OF THE FOLLOWING LAYING SOUTH AND EAST OF CR 304: S1/2 OF NE1/4 & SE1/4 & NE1/4 OF SW1/4

SECTION 21 – ALL, LAYING SOUTH OF COUNTY ROAD 304; LESS AND EXCEPT THE FLORIDA POWER & LIGHT RIGHT OF WAY; AND LESS AND EXCEPT THAT PORTION DESCRIBED IN OR 1325, PAGE 1871.

SECTION 22 - ALL EXCEPT FLORIDA POWER & LIGHT RIGHT OF WAY

SECTION 23 – ALL

SECTION 24 - ALL

SECTION 25 – ALL

SECTION 26 - ALL

SECTION 27 – ALL EXCEPT FLORIDA POWER & LIGHT RIGHT OF WAY

SECTION 28 – ALL EXCEPT FLORIDA POWER & LIGHT RIGHT OF WAY

SECTION 32 - ALL

SECTION 33 – ALL EXCEPT FLORIDA POWER & LIGHT RIGHT OF WAY

SECTION 34 - ALL EXCEPT FLORIDA POWER & LIGHT RIGHT OF WAY

SECTION 35 – ALL

SECTION 36 - ALL

TOWNSHIP 14 SOUTH – RANGE 29 EAST:

SECTION 12 – THAT PART LYING SOUTH & EAST OF STATE ROAD 11

SECTION 13 – THAT PART LYING SOUTH & EAST OF STATE ROAD 11

SECTION 23 – THAT PART LYING EAST OF STATE ROAD 11

SECTION 24 - ALL

TOWNSHIP 14 SOUTH - RANGE 30 EAST:

SECTION 1 – ALL

SECTION 2-ALL

SECTION 3 – ALL EXCEPT FLORIDA POWER & LIGHT RIGHT OF WAY

SECTION 4 – ALL EXCEPT FLORIDA POWER & LIGHT RIGHT OF WAY

SECTION 5 – ALL

SECTION 6 – ALL LAYING EAST OF STATE ROAD 11

SECTION 7 – ALL LAYING EAST OF STATE ROAD 11

SECTION 8-ALL

SECTION 9 – ALL EXCEPT FLORIDA POWER & LIGHT RIGHT OF WAY

SECTION 10 – ALL EXCEPT FLORIDA POWER & LIGHT RIGHT OF WAY

SECTION 11 - ALL

SECTION 12 - ALL

SECTION 14 - ALL

SECTION 15 - ALL

SECTION 16 – ALL EXCEPT FLORIDA POWER & LIGHT RIGHT OF WAY

SECTION 17 – ALL

SECTION 18 - ALL

SECTION 19 - ALL

SECTION 20 - ALL

SECTION 21 – ALL EXCEPT FLORIDA POWER & LIGHT RIGHT OF WAY

. SECTION 22 – ALL

SECTION 23 - NW1/4 & W3/4 OF NW1/4 OF NE1/4

PLUM CREEK INVESTMENT COMPANY

Flagler County, Florida

TOWNSHIP 13 SOUTH - RANGE 30 EAST:

A PARCEL OF LAND LYING IN SECTIONS 10 AND 15, TOWNSHIP 13 SOUTH, RANGE 30 EAST, FLAGLER COUNTY, FLORIDA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS: FROM A POINT OF REFERENCE BEING THE SOUTHWEST CORNER OF SAID SECTION 10, BEAR S86°53'34"E ALONG THE SOUTH LINE OF SAID SECTION 10 A DISTANCE OF 249.50 FEET TO THE SOUTHERLY RIGHT-OF-WAY OF COUNTY ROAD 304; THENCE N41°37'15"E ALONG THE SAID SOUTHERLY RIGHT-OF-WAY LINE OF COUNTY ROAD 304 A DISTANCE OF 1385.48 FEET TO AN INTERSECTION WITH THE EASTERLY RIGHT-OF-WAY LINE OF THE FLORIDA POWER & LIGHT RIGHT-OF-WAY (300'R/W) BEING THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE CONTINUE N41°37'15"E 2818.53 FEET; THENCE N41°27'55"E 1173.68 FEET TO A POINT ALONG SAID SOUTHERLY RIGHT-OF-WAY LINE OF COUNTY ROAD 304, SAID POINT BEING THE SOUTHWEST CORNER OF OFFICIAL RECORDS BOOK 360, PAGES 74 THRU 76 AS RECORDED IN THE RECORDS OF FLAGLER COUNTY, FLORIDA; THENCE LEAVING SAID SOUTHERLY RIGHT-OF-WAY LINE OF COUNTY ROAD 304 ALONG THE SOUTHERLY LINE OF SAID OFFICIAL RECORDS BOOK 360, PAGES 74 THRU 76 S86°54'03''E 1371.88 FEET; THENCE S01°25'22"E 359.06 FEET; THENCE S41°27'55"W 1763.90 FEET; THENCE S41°37'15"W 3630.65 FEET TO A POINT ON THE EASTERLY RIGHT-OF-WAY LINE OF THE FLORIDA POWER & LIGHT RIGHT-OF-WAY (300' R/W); THENCE ALONG SAID EASTERLY RIGHT-OF-WAY LINE N16°50'03"W 1548.88 FEET TO THE SOUTHERLY OF COUNTY ROAD 304 AND THE POINT OF BEGINNING OF THIS DESCRIPTION.

LESS & EXCEPT THE FOLLOWING DESCRIPTION:

A 10.00 ACRE PARCEL OF LAND LYING IN SECTION 10, TOWNSHIP 13 SOUTH, RANGE 30 EAST, FLAGLER COUNTY, FLORIDA AND MORE PARTICULARLY DESCRIBED AS FOLLOWS: FROM A POINT OF REFERENCE BEING THE SOUTHWEST CORNER OF SECTION 10, BEAR S86°53'34"E ALONG THE SOUTH LINE OF SAID SECTION 10 A DISTANCE OF 249.50 FEET TO THE SOUTHERLY RIGHT-OF-WAY OF COUNTY ROAD 304; THENCE N41°37'15"E ALONG THE SAID SOUTHERLY RIGHT-OF-WAY OF COUNTY ROAD 304 A DISTANCE OF 1385.48 FEET T AN INTERSECTION WITH THE EASTERLY RIGHT-OF-WAY LINE OF THE FLORIDA POWER & LIGHT RIGHT-OF-WAY (300' R/W); THENCE CONTINUE N41°37'15"E ALONG THE SOUTHERLY LINE OF COUNTY ROAD 304 A DISTANCE OF 330.00 FEET OT THE POINT OF BEGINNING OF THIS DESCRIPTION; THENCE CONTINUE N41°37'15"E ALONG SAID RIGHT-OF-WAY LINE A DISTANCE OF 330.00 FEET; THENCE \$48°22'45"E A DISTANCE OF 1320.00 FEET; THENCE S41°37'15"W A DISTANCE OF 330.00 FEET; THENCE N48°22'45"W A DISTANCE OF 1320.00 FEET TO THE SOUTHERLY LINE OF COUNTY ROAD 304 AND THE POINT OF BEGINNING.

SAID PARCEL CONTAINS 137.8601 ACRES, MORE OR LESS.

#3864718_v1

LETTERS REQUESTING SERVICE



April 3, 2006

D & E Water Resources, L.L.C. C/O Plum Creek Doug Cole 999 Third Avenue, Suite 4300 Seattle, Washington 98104-4096

Re: Request for Water and Wastewater Service

Dear Doug:

Our company, LandMar, is developing Heart Island Equestrian Estates ("HIEE") — a residential subdivision in Volusia County. HIEE appears to be located within your company's proposed service area and will require the following utility services: raw water, potable water, alternative water (stormwater and reclaimed water reuse) and wastewater services. Accordingly, we are hereby requesting such services from your utility at rates to be established by the Florida Water Public Service Commission. As soon as possible, please provide confirmation that your utility is in a position to provide HIEE with the requested services.

Should you need additional information or have questions regarding our development, please do not hesitate to contact me at (386) 446-6428.

Sincerely,

Jim Cullis

Regional Vice President

Plum Creek Land Company One Concourse Parkway, Suite 755 Atlanta, Georgia 30328

April 20, 2006



D&E Water Resources, L.L.C. 999 Third Avenue Suite 4300 Seattle, WA 98104

Re: Request for Water and Wastewater Service

Dear Mr. Hagan:

Our company, Plum Creek Land Company is interested in pursuing residential subdivision opportunities in Flagler County on property currently owned by Plum Creek Timberlands, L.P. These subdivisions appear to be located within your company's proposed service area and are anticipated to have a density of one unit per developable acre. The subdivisions will require the following utility services: raw water, alternative water (stormwater and reclaimed water reuse), potable water, and wastewater services. Accordingly, we are hereby requesting such services from your utility at rates to be established by the Florida Water Public Service Commission. As soon as possible, please provide confirmation that your utility is in a position to provide our company with the requested services.

Should you need additional information or have questions regarding our development plans, please do not hesitate to contact me.

Sincerely,

Plum Creek Land Company

James A. Kilberg

Vice/President, Land Asset Management

Appendix II:

<u>Attachments to Exhibit B</u>

Comprehensive Plan Research

The goals, objectives and policies of the comprehensive plans of the City of Bunnell, Flagler County, Volusia County, the City of Deland, the City of Daytona Beach, the City of Ormond Beach, and the City of Palm Coast have been reviewed as a part of the research undertaken to prepare this Application for Certification of Proposed Water and Wastewater Systems. The following analysis of these Comprehensive Plans summarizes the consistency of the proposed utility with the pertinent sections of the respective plans.

Since the land area encompassed by the proposed Certificated Territory is located in the City of Bunnell and Volusia County, the Comprehensive plans of those jurisdictions will have direct influence on land use and utility services within the proposed Territory. Since the City of Bunnell annexed of the Applicant's land area within Flagler County in June 2006, the City will continue to recognize the land use patterns of the County over that portion of the Territory until such time as the City amends its Future Land Use Map and other Plan elements.

Use of standard acronyms: In an attempt to reduce the volume of this review, the following acronyms are used extensively. These acronyms are also commonly used throughout the planning community:

FLUE = Future Land Use Element

FLUM = Future Land Use Map

GOPs = Goals, Objectives and Policies

PUD = Planned Unit Development

DCA = Florida Department of Community Affairs

Volusia County Comprehensive Plan

(Note: Copy of Plan as obtained from the County does not indicate date of adoption or planning horizon year. Digital file names in page footers include 2004 and what appears to be a Final Transmittal version.)

Plum Creek Land Company (Company) has commenced planning and land use entitlement of a Residential Planned Unit Development (RPUD) on it properties in Volusia County. The proposed development is known as Heart Island Equestrian Estates RPUD. This development activity is consistent with the Goals, Objectives and Policies of the Volusia County Comprehensive Plan. The Application for the RPUD is referred to as Case No. PUD-05-012 on which a draft Resolution containing a Development Agreement is under review. Article J of the Development Agreement states that: "Potable water may (emphasis added) be provided to the site by the owner or one of its affiliate". Provision for sewage and potable water will be provided in accordance with the Comprehensive Plan, Land Development Code, and Florida Administrative Code. This "Application for Original Certification" is a part of the Company's intent to provide potable water as provided in Article J.

The Company's intent to provide potable water and wastewater services is fully consistent with the Goals, Objectives and Policies of the Volusia County Comprehensive Plan (Plan) that govern both land development and the provision of potable water and wastewater services.

Chapter 1: Future Land Use Element

Section B. <u>Future Land Use Categories</u> of the Future Land Use Element establishes the basic definitions of land use categories or designations that are applied to lands throughout the County. The majority of the Company's lands are designated as "Forestry Resource" (FR) with a small amount classified as "Environmental Systems Corridor" (ESC) pursuant to the Future Land Use Element of the Plan. These designations are also reflected on the County's Future Land Use Map. These Categories are actually sub-categories of the Natural Resource Management Areas

(NRMA) category. While the FR and ESC designations are most commonly used elsewhere in the Plan, the NRMA category is also referred to in a manner that is inclusive of FR and ESC.

While the "Forestry Resource" designation is intended primarily for silvicultural and related uses and the "Environmental Systems Corridor" designation is intended to protect important ecological resource corridors, both do allow residential development. The "Environmental Systems Corridor" designation allows the development of one residential unit per each twenty-five acres. The use of the RPUD for the Heart Island Equestrian Estates provides an appropriate planning approach for "clustering" the development to protect the resources in a manner that is consistent with the designations. Provision of central water and wastewater services are further means of protecting the resources consistent with the GOPs of the Comprehensive Plan.

Section B. <u>FUTURE LAND USE CATEGORIES</u>, Paragraph 18. <u>Future Land Use/Zoning Matrix</u> defines the zoning classifications that can be utilized on lands defined by Land Use Categories. Based on this matrix, the Rural Planned Unit Development (RPUD) is a consistent Zoning classification for both the "Forestry Resource" and "Environmental Systems Corridor" Land Use designations that apply to the Company's lands. The use of Planned Unit Developments (PUDs) is established in the Comprehensive Plan under Section B.17 of the Future Land Use Element and permits the use of PUDs for the clustering of development as long as the overall density allowed on the comprehensive plan is not exceeded

While the "Forestry Resource" designation allows the development of one residential unit per each twenty acres, densities as high a one unit per each five acres are possible through adherence to policies on clustering and planned development. The definition of the FR category specifically states that "Increased densities in the range of 1 du/20 acres to 1 du/5 acres may be allowed if part of an existing development or project is developed as a cluster subdivision under Policy 1.2.3.3. In other instances, densities of 1 du/10 acres may be permitted if consistent with Policy 1.2.1.6 or 1.4.1.8.

Policy 1.2.3.3 "allows for development options for large tracts of agricultural lands." "The intent of this provision is to permit development that is permissible under the present land use designations, but at the same time retain lands for agricultural purposes, open space activities, such as hunting or recreational or natural resource protection." The policy specifically permits the use of Planned Development Cluster on lands that are designated as NRMA (therefore including RF and ESC sub-categories) on the FLUM. Specific guidelines are provided for the use of Planned Development Clusters. Key among them are:

"5. The planned development may provide for central water and wastewater utilities to supply its residents' potable water and sewerage needs."

and

"9. The planned development is developed through the Planned Unit Development (PUD) process."

Therefore, since the Heart Island Equestrian Estates RPUD is being permitted under the PUD process, the provision of central water and wastewater utilities is consistent with the Future Land Use Element of the comprehensive plan.

Chapter 6: Sanitary Sewer Sub-Element

The Goals, Objective and Policies (GOPs) of the Sanitary Sewer Sub-Element indicate that the County intends that development throughout the County be adequately served with appropriate sanitary sewer systems. Policy 6.1.1.6 contains a permissive "may" that would enable the development of a sanitary sewer system to serve the Heart Island Equestrian Estates RPUD:

"Central sewer systems may be installed in Rural Communities, Rural Villages, and Rural Recreational areas that are established in the Comprehensive Plan provided that said systems are designed to serve only the development within the geographic area encompassed by the Rural Community or Recreational area."

Policy 6.1.1.7 also provides an option for the County to enter into agreements with developers for the County to provide sewer service:

"Volusia County may negotiate agreements with developers for the County to provide wastewater facilities in accordance with the Master Plan for the affected County sewer service area and the County's design and construction standards."

By use of the permissive "may" the policy appears to give the developer an option for providing its own service. Also, Plum Creek's properties are outside the "affected County sewer service area."

Policy 6.1.1.9 indicates that the County can or would require the installation of a sewer system for developments were connection to an existing system is not possible:

"Except as may otherwise be permitted in this Sub-element, Volusia County shall require the installation of a central sewer collection and transmission system. The County may require the installation of a wastewater treatment plant, in accordance with County land development regulations where connection to an existing central sanitary sewer system is not available and connection to a central sanitary sewer system when said system is available within in (sic) areas designated for urban uses by the Future Land Use Map."

The Heart Island Equestrian Estates RPUD and accompanying Developer's Agreement could provide the vehicle for establishing a central sewer system under this policy.

The following policies of the Sanitary Sewer Sub-Element clearly indicate that the provision of wastewater services by private utilities is consistent with the County's Plan:

Objective 7.1.8 Throughout the planning period, Volusia County shall coordinate the provision of sanitary sewer service to the unincorporated area based upon the Comprehensive Plan, so as to ensure the efficient and economical delivery of this service.

Policy 6.1.5.7 The County shall initiate a program with the owners of the various privately-held wastewater systems (especially the area-wide systems) serving portions of the unincorporated region. The purpose of this program will be to foster coordination and may include the submission of periodic reports by the utility to the Growth management Services Group.

Policy 6.1.5.8 The County shall seek to establish ties to the Florida Public Service Commission and other appropriate regulatory agencies.

Chapter 7: Potable Water Sub-Element

The Goals, Objective and Policies (GOPs) of the Potable Water Sub-Element indicate that the County intends that development throughout the County be adequately served with potable water. Policy 7.1.1.4 contains a permissive "may" that is consistent with the language of the proposed Development Order for the Heart Island Equestrian Estates RPUD:

"Volusia County <u>may</u> (emphasis added) require the developer to provide and dedicate to the County the potable water distribution system and treatment facilities within any new development as provided for in the County's land development regulations."

Policy 7.1.1.8 also provides the basis on which the County may permit property owners and developers to provide their own water systems. Again, the language is consistent with the proposed Development Order for the Heart Island Equestrian Estates RPUD:

"Volusia County <u>may</u> (emphasis added) negotiate agreements with developers for the County to provide potable water facilities for the affected service area and the County's design and construction standards."

The following policies of the Potable Water Sub-Element clearly indicate that the provision of potable water by private utilities is consistent with the County's Plan:

Objective 7.1.8 Throughout the planning period, Volusia County shall coordinate the provision of potable water service to the unincorporated area so as to ensure the efficient and economical delivery of this service.

Policy 7.1.8.8 The County shall initiate a program with the owners of the various privately-held potable water systems (especially the area-wide systems) serving portions of the unincorporated region. The purpose of this program will be to foster coordination and may include the submission of periodic reports by the utility to the Growth management Services Group.

Policy 7.1.8.9 The County shall seek to establish ties to the Florida Public Service Commission and other appropriate regulatory agencies.

Other Policies establish standards for the provision of service:

Policy 7.1.1.1 Volusia County adopts a level of service standard providing for an annual average daily volume of 300 gallons of potable water per equivalent residential unit, applicable to unincorporated areas, except those areas encompassed by an adopted service area agreement with a municipality.

Policy 7.1.1.3 Volusia County shall require the construction of facilities for providing a minimum fire flow as a condition of development approval. Applicable fire flow rates for individual land uses shall be required a provided for by the Land Development Code.

Objective 7.1.5 Volusia County shall maintain its program of water conservation.

Policy 7.1.5.3 Volusia County shall continue to require the use of water-conserving plumbing fixtures in all new development, subject to County regulations in effect.

Policy 7.1.5.6 Volusia County shall continue to implement the water conservation ordinance.

City of Bunnell - Bunnell Comprehensive Plan, Revised August 1990.

The City of Bunnell has undertaken a program to annex lands to the south of the pre-2005 municipal boundary, and, in June of 2006, annexed all of the properties in Flagler County that are owned by Plum Creek. The Annexation Agreement establishes agreements between the City and Plum Creek on the management of the water and sewer services within the Company's lands. Given this action, the City will need to amend its Comprehensive Plan to acknowledge these commitments as well as to provide land use designations on an expanded Future Land Use Map.

The date of the Comprehensive Plan, August 1990, raises a concern as to its current validity. At that time the corporate limits of the city were rather small and did not extend southward toward the Plum Creek properties; there were several miles of unincorporated lands lying between the two areas.

Future Land Use Element

None of the land use goals, objectives and policies appear to impact the properties of Plum Creek or the Company's ability to incorporate a water service district. The Annexation Agreement

specifically states that the City supports the development of a water and sewer service territory by Plum Creek.

Within the Future Land Use Element, Policy 1.8 clearly sets the stage for the City to have pursued this annexation:

"Encourage annexation to the City of those properties which can be adequately provided with public services, meet the goals and objectives of the Comprehensive Plan, and will increase the tax base of the City."

Again, the recent Annexation of the Plum Creek property influences the City's management of land development on the property. Under Florida law, the City has to recognize the land use patterns of the County's FLUM until such time as the City amends its FLUM. As part of the annexation process, the City has committed to apply land use designations that will enable the development of one residential unit per acre on the Plum Creek properties. Thus, the City will be proceeding to establish a land use designation(s) that will implement this commitment. The Annexation Agreement provides the ability of Plum Creek to develop a water and sewer system to support such development.

Sanitary Sewer, Solid Waste, Drainage, Potable Water, and Natural Groundwater Aquifer Recharge Element – Potable Water Sub-Element

While sub-elements are provided for analysis and discussion, the goals, objectives and policies are not similarly divided. For example, Objective 3 reads: "Bunnell shall provide for a coordinated program of public utilities extensions for public systems within the City."

The well location map provided in the FLUE is also included in this element.

Objective 1: Within one year of the scheduled submission date of this plan, the City will adopt ordinances and codes that ensure prior to the time of development permit is issued, adequate facility capacity is available or will be available when needed to serve the proposed development.

Objective 3: Bunnell shall provide for a coordinated program of public utilities extensions for public systems within the City. (emphasis added)

Policy 4.4: Consistent with the urban growth policies of the FLUE of this plan and as shown on the FLUM 2000, provision of centralized sanitary sewer and potable water service shall be made available to <u>all areas of the City</u> as capacity improvements are made. (emphasis added)

Given the Annexation Agreement as cited above, the Application for Certification of Proposed Water and Wastewater Systems is supported by these policies.

Urban Service Area Ordinance, August 20, 1991

This ordinance defines an "extra-territorial" service area that extends well outside the then defined city limits, particularly to the south. The ordinance is aimed at defining the City's service area to protect service authority in area of potential annexation.

Flagler County Comprehensive Plan 2000 – 2010 Adopted on January 3, 2000

The June 2006 annexation of Plum Creek's property into the City of Bunnell removes the proposed Territory from direct planning management by Flagler County. However, review of the County's Comprehensive Plan has identified several policies that provide the County's support for the utilization of private utilities.

The GOPs of the Future Land Use and Infrastructure Elements of the Flagler Plan clearly provide for and anticipate the provision of potable water services by private utilities. Policy 9.3 of the FLUE clearly relies upon the Public Service Commission to define service areas:

"The service areas for utility providers shall be as defined by the <u>public service</u> <u>commission</u> for the various utilities. The County shall assist the utilities in their long range planning to provide for effective, efficient utility services."

Exhibit "A", Future Land Use Element - 2000 - 2010

The FLUE also contains GOPs which support the establishment of private utility systems and establishes the County's role in coordinating various systems:

Objective 9: Flagler County shall coordinate the utility needs of the <u>private</u> (emphasis added) and public utilities and the need to accommodate dredge spoil disposal sites within the County consistent with the policies and criteria of the Flagler County Comprehensive Plan and consistent with the facility implementation plans of the various utilities and other federal and state agencies.

Policy 9.1: Flagler County shall include the utilities within their land development process in order to both identify evolving demand, and in order to identify areas of changing service demand.

Policy 9.2: The Land Development Code shall allow public utility as a special use in any zone to provide necessary locations.

The FLUE also contains GOPs which establish concurrency standards for the provision of utility services:

Objective 14: Flagler County shall maintain a Concurrency Management system which establishes procedures and/or processes that the county government uses the (sic) assures that no development orders or permits will be issued which result in a reduction of the adopted level of service standards of this Plan at the time that the impact of development occurs.

- Policy 14.2: The concurrency requirement may be satisfied and approval of a development permit may be granted if potable water, wastewater, solid waste and drainage service is available to meet adopted levels-of-service standards specified in the Capital Improvement Element as follows:
 - (4) The necessary facilities and services are guaranteed in an enforceable development agreement. An enforceable development agreement may include but is not limited to, development agreements pursuant to Section 163.3220, FS, or an agreement or development order issued pursuant to Chapter 380, FS. The agreement must guarantee that the necessary facilities and services will be in place when the impacts of the development occur.

Policy 14.5: Public and <u>private</u> (emphasis added) utility service facilities that support land development will be authorized at the time of development order or permit, available concurrent with the impacts of development.

The Future Land Use Map indicates that the majority of the Company's lands in Flagler County are designated as Agriculture and Timberlands 1 Unit / 5 acres, with a minor amount being designated as Conservation. However, the legend on the FLUM is not consistent with Policy 1.4 of the FLUE which identifies the gross density of Agricultural Districts as "one unit per twenty (20) acres." The legend of the FLUM also lists an Agriculture designation with a density of 1 unit / 20 acres; however, that category does not appear to be applied to any lands on the FLUM.

FLUE GOPs also provide for the development of a variety of "rural cluster" developments in agricultural and rural areas. Such policies should support development on Plum Creek properties in a format similar to that utilized for the Heart Island Equestrian Estates RPUD in Volusia County. Applicable GOPs include the following:

- Goal 1: To achieve orderly, harmonious and judicious use of the land through a distribution of compatible land uses, fostering the viability of new and existing communities while maintaining the agricultural pursuit of the county, and recognizing and preserving the integrity of the natural environment.
- Objective 1: Future growth and development will continue to be managed through implementation and enforcement of land development regulations.
- Policy 1.4: The County shall continue to administer land development regulations governing Agricultural Districts as adopted in to the Flagler Land Development Code. This agricultural district allows bona-fide agricultural pursuits, timber production and limited residential development at a gross density of one unit per twenty (20) acres.

The following GOPs are more specific to the development of clustered developments in rural areas:

- Objective 3: Flagler County shall inventory the possible innovative land development regulations available and provide an assessment of their applicability.
- Policy 3.3: Flagler County shall continue to encourage development under the "rural village" provisions of the Land Development Code.

Objective 7: Low density-rural estate (1 unit per acre) development shall be directed into or abutting the planned urban service area boundary as shown on Map 25 "Planned Urban Service Area." Any new low density-rural estate (1 unit per acre) developments located outside the planned urban service area will require an amendment to the "Future Land Use Map" and the planned urban service area boundary. New rural development shall be directed into the general rural areas as shown on the future Land Use Map. General rural areas are all lands lying west of the Florida East Coast Railroad. The specific intent is to limit new rural communities in order to protect agricultural land and discourage the proliferation of urban sprawl. New low density-rural estate and new rural communities shall only be permitted when it can be positively demonstrated that there is land needed for growth and economic development during the planning time frame by data and analysis gathered by a professionally accepted and applied methodology.

- Policy 7.1: "Low Density Rural Estate Areas" will not require central water and sewer systems in most cases and will be developed at a density of 1 unit per acre.
- Policy 7.2: General Rural Areas shall be developed at a density range consistent with the following:
- c) New Rural Communities and subdivisions (40 acres or more and containing 400 dwelling units or less) Maximum Allowable Density 1 unit per 5 acres.
 - 1. All such rural communities shall consist of residential uses and customary accessory uses.
 - 2. All rural communities shall be required to meet concurrency management criteria
 - 3. Rural communities shall not be approved unless the developer can show adequate levels of fire response times (12-15 minutes) for rural areas and

provide positive proof that the site will be accessible to emergency vehicles within a 12-15 minute response time.

- 4. All rural communities are required to manage runoff from the 25 year frequency
- 5. Fifty percent (50%) of the lot area within rural communist shall remain in open space and, if wooded, remain wooded. The absolute limitation of clearing shall be 50% of the gross lot area.
- 6. Design standards for rural communities require clustering of dwelling units. Conventional subdivision design standards may be modified to allow for reduced development costs. Examples of cost savings . . .
- 7. Gross density transfers into rural communities are intended to allow incentives for clustering and other techniques, to provide more compact patterns of development. Utilizing the base density of one dwelling unit per 5 acres, tracts over 40 acres must cluster 50% of the dwellings at 1 du per acre and the remaining permitted dwelling units at a density greater than one dwelling unit per acre with at least 80% of the total land area remaining as undeveloped land being put into common open space for the residents of that development. Covenants and restrictions or conservation easement will require the land to be placed in common open space on a permanent basis.
- d) Large Scale Rural Communities and subdivisions (500 acres or more and containing 400 dwelling units or more) Maximum Allowable density two units per acre. It is the policy of Flagler County to encourage new rural communities greater than 400 dwelling units to be reviewed as a Development of Regional Impact. These new rural communities may be permitted within the general rural area provided they are located within one half (2) miles (sic) of the planned urban service area boundary. These rural communities will require central water and sewer facilities.

Exhibit "D", Infrastructure Element (Sanitary Sewer, Solid Waste, Drainage Water, and Aquifer Recharge Protection) Note: While not listed in title, the Data and Analysis section of the Element includes II. Sanitary Sewer Sub-Element and III. Potable Water Sub-Element. However, the Goals, Objectives and Policies combine wastewater and water within the policy structure.

GOPs provided in the Infrastructure Element which establish standards for the provision of wastewater and water services and, in some instances, reference the role of private utilities, include the following:

- Goal 1: Through the regulatory process, Flagler County shall ensure the development, operation and maintenance of cost-effective and efficient potable water and wastewater systems that promote timely, orderly and efficient land development patterns while protecting the public health and environment.
- Objective 1.1: Coordinate the sizing and location of publicly and <u>privately</u> (emphasis added) funded wastewater and water facilities with the Future Land Use Map through County staff approval during project planning, design and permitting.
- Policy 1.1.1: Centralized water and wastewater programs and facilities will be designed to service the densities and intensities of development projected in the Future Land Use Element.
- Policy 1.1.2: Within one year of adoption of the EAR based Plan Amendment, Flagler County shall require by ordinance that all central <u>private</u> (emphasis added) water and wastewater owners must prepare, and update every five (5) years, a master plan for system development including a five-year capital improvements program.

Policy 1.1.5: The following acceptable level of service (LOS) standards for the unincorporated areas based on the average daily flow are hereby established, and shall be used as the basis for determining the availability of facility capacity and the demand generated by a development.

Potable Water Criteria:

125 gallons per capita per day Equivalent Residential Unit = 300 gallons per day

Wastewater Criteria:

110 gallons per capita per day Equivalent Residential Unit = 240 gallons per day

- Policy 1.1.6: Flagler County shall continue to implement a procedure to monitor the potable water and sewer systems' capacities based on the above LOS standards, and to determine of at (sic) the time a development is requested that adequate facility capacities are available or will be available when needed to serve the development.
- Policy 1.1.8: The Planning Department shall prepare bi-annual summaries of capacity and demand information for each facility and service area.
- Policy 1.1.9: All improvements for replacement, expansion or increase in capacity of facilities shall be compatible with the adopted level of service standard for those facilities.
- Objective 1.4: All present and future wastewater and water treatment facilities shall meet all applicable federal and state regulations.
- Objective 1.5: The per capita consumption of water shall be reduced 10% from 1995 levels by the year 2005 through the implementation of the following policies. Potable water shall be utilized more efficiently on a per capita basis as compared to (sic).
- Policy 1.5.2: Flagler County will continue to implement its water conservation related ordinances which include the use of low volume plumbing fixtures and the use of xeriscape landscaping techniques.
- Policy 1.5.3: Flagler County will continue to implement its water conservation related ordinances in an effort to reduce per capita consumption of water by 10%. The 10% reduction shall occur by the year 2005 using 1995 as the base year.
- Objective 1.10: Prevent urban sprawl by utilizing compact development pattern in the Future Land Use Map that results in the effective provision of wastewater and water services and minimizes the capital costs of providing these utility services.
- Policy 1.10.1: Future growth at urban densities or intensities will be encouraged only in areas which have sufficient existing or planned capacity on central water and wastewater systems and are available for connecting. Areas of planned capacity will be implemented as those areas where improvements are scheduled in the Capital Improvements Program, or within a designated utility service area.
- Objective 1.11: Use of public funds or <u>private</u> (emphasis added) financing commitments for the extension of water and wastewater services as a vehicle for managing growth.
- Policy 1.11.1: Water and wastewater systems in Flagler County should be self-supporting and should not utilize ad Valorem taxation (emphasis added).
- Policy 1.11.2: Consistent with the "user pays" philosophy, <u>future users of wastewater and</u> water systems should be responsible for bearing the expansion or construction costs of

water and wastewater treatment and transmission facilities resulting from their impacts (emphasis added).

City of Palm Coast, 2020 Comprehensive Plan Goals, Objectives and Policies, Adopted on April 6, 2004, City of Palm Coast Ordinance 2004-08

Based upon a review of the City's Comprehensive Plan as well as the annexation of Plum Creek properties as well as intervening lands between the City of Palm Coast and Plum Creek properties, this "Application for Original Certification" should not be affected in any manner by the Plan.

Executive Summary

Page ES-3: The FLUM classifies the allowable land uses on properties in the City to the year 2020 to ensure compatible land uses that meet community needs and can receive appropriate public services.

Page ES-6: Ref to Chapter 5, Infrastructure Element: "Among the most important recommendations of the Element are acquisition of the water and sewer utility, protection of groundwater aquifers and wellfields, water conservation, and management of growth to prevent urban sprawl."

Chapter 1 – Future Land Use Element

Page 1-2: "Rural areas around the City's perimeter are designated with the Greenbelt FLUM designation, intended as a way to promote low densities, define urban form, and prevent urban sprawl."

Objective 1.1.1 - FLUM Designations and Zoning Districts

Policy 1.1.1.1 – The following future land use designations shall be established on the FLUM: E. Greenbelt – In general, the Greenbelt FLUM is intended to define urban boundaries and form. To prevent urban sprawl, this designation is applied to many areas around the City's perimeter to provide a transition between the City's more urbanized lands and the undeveloped parts or agricultural lands in the unincorporated county. Objective 1.1.4.1 – Discourage Urban Sprawl, Policy 1.1.4.3 – the Greenbelt land use designation shall be used to define urban boundaries and prevent urban sprawl.

Goal 1.2: Quality of Life; Objective 1.2.1 – Preservation of Natural Resources and Open Space; Policy 1.2.1.5 – The City shall pursue annexation of environmentally sensitive properties <u>adjacent</u> to the City (emphasis added) to protect natural resources, which enhance the quality of life for the citizens of Palm Coast. <u>and</u> Policy 1.2.1.7 – The City shall identify and consider seeking funds for the land acquisition of potable water wellfields and recharge areas.

Goal 1.3: Adequate Public Facilities and Concurrency; Objective 1.3.1 – Ensure Adequate Public Facilities concurrent with New Development; Policy 1.3.1.3 – The City shall encourage development to locate in the areas where public facilities, infrastructure, and services are available. Where there are deficiencies and where appropriate, the City shall require the developer to provide or extend the facilities (emphasis added) as necessary to accommodate development. and Policy 1.3.1.4 – the City shall seek opportunities for financing and maintaining public facilities and services in partnership with other entities (emphasis added) to leverage public resources. In additions, the City shall join in intergovernmental agreements with the County, State, Federal government and private sector (emphasis added), as appropriate, to identify and build public facilities (emphasis added), and allocate the costs of such facilities in proportion to the benefits accruing to each.

Policy 1.3.2.4 – The CMS (Concurrency Management System) adopted in the City's Land Development Code shall, at a minimum, provide for the following: F. A requirement that the local government shall maintain adopted LOS standards for roads, sanitary sewer, solid waste, drainage, potable water, and parks and recreation.

Policy 1.3.2.6 – The updated CMS for sanitary sewer, solid waste, drainage and potable water facilities developed for the City's Land Development Code shall, at a minimum, include the following provisions: (as one option) B. The City shall require that at the time a development order or development permit is issued the facilities or services needed to serve the new development area constructed.

Goal 1.5: Annexation; Objective 1.5.1 – Develop Annexation Plans and Policies: (includes) Explore opportunities for annexation of wellfields, aquifer recharge areas, and other open spaces. And at Policy 1.5.14 – The City shall encourage annexation whenever desirable to reduce the costs of providing municipal services and for other appropriate municipal purposes."

Chapter 5 - Infrastructure Element

Under the introductory Summary for Potable Water and Sanitary Sewer, the fact that the City has acquired the private systems in the City and their capacities is discussed briefly.

Goal 5.1: Potable Water Service; Policy 5.1.1.2 indicates that: "When the City's potable water facility reaches 80% of the SJRWMD consumptive use permit and/or FDEP permitted plant capacity" the City will undertake actions to increase capacity. However, there is not a clear indication of what levels of capacity were being used at the time.

Policy 5.1.1.3 – By December 1, 2006, the City shall develop a water supply facilities work plan covering at least a 10-year planning period. The plan, at a minimum, shall identify new or proposed water supply facilities that are necessary to serve existing and new development.

Policy 5.1.1.9 – The City shall take all steps practicable and feasible in order to review and comment on master utility plans for public and <u>private</u> (emphasis added) potable water facilities in existing and future service areas in and adjacent to the City for consistency with the City's plan.

Objective 5.1.2 – Aquifer Sustainability; Policy 5.1.2.2 – The City shall participate in the water supply planning process in conjunction with the SJRWMD and other pertinent entities, with the objective to develop a regional water supply plan that will reasonable ensure adequate quantity and quality of potable water resources needed to meet future water use conflicts or unacceptable impacts to natural resources. And Policy 5.1.2.3 – The City shall coordinate with the SJRWMD and other pertinent entities to evaluate additional potential water supply sources and recovery technologies for the City potable water service area when considering new or expanding facilities. Water supply sources and recovery technologies may include, but shall not be limited to: reuse, use of surface water and stormwater, reverse osmosis, etc....

Objective 5.1.3 – Existing Facilities and Urban Sprawl: Maximize the use of existing facilities, discourage urban sprawl, and coordinate future expansion plans consistent with projected needs to accommodate development at the densities permitted in the FLUE of the Plan. Policy 5.1.3.2 – the City shall designate urban densities or intensities on the FLUM only in areas that have sufficient existing or planned capacity for potable water facilities and wastewater facilities where connection is available consistent with Policies 1.1.1.2 and 1.1.3.2. For the purposes of this Plan, any residential density exceeding one (1) dwelling unit per acre shall be deemed to be an urban density. Policy 5.1.3.3 – The City shall maximize the use of existing potable water facilities in the planned service areas by system expansion and upgrades, rather than developing "satellite systems" which promote urban sprawl.

Goal 5.2: Sanitary Sewer Facilities. Policy 5.2.1.3 indicates that: "When the City's sanitary sewer facility reaches 80% of regulatory permitted and/or plant capacity" the City will undertake actions to increase capacity. However, there is not a clear indication of what levels of capacity were being used at the time.

City of Ormond Beach 2010 Comprehensive Plan Updated April 1, 2004

Based upon a review of the City's Comprehensive Plan, this "Application for Original Certification" should not be affected in any manner by the Plan.

Future Land Use Element - Goals, Objectives and Policies; and Land Use Plan - Directive Text for the Location of Future Land Uses Updated April 1, 2004

The Goals, Objective and Polices as well as the "Directive Text" emphasize the accommodation of the projected population growth of the City within the established corporate boundaries of the City. Under Goal 1, Land Use Distribution; A. Residential, on page 2 of the future Land Use Element, it is clearly stated that the existing land in the city that is zoned residential will accommodate approximately 54,500 persons compared to a 2010 population forecast (demand) of 39,042. Additionally, in Goal 5, Development Standards and Regulations, it is further recognized that the current land use and zoning designations provide far more commercial land than is needed to serve the projected population and that part of this land could be re-classified as high density residential. Such a conversion would exacerbate the capacity-forecast disparity.

While the FLUE does recognize that the "projections do not take into account the impact of future annexations" (page 29), the FLUE does not define any specific annexation areas extending toward or into lands of the applicant.

Additionally, Objective 6.3, Urban Sprawl, states that: "The City shall manage the available supply of developable land by delineating the amount of land and by distributing the types of land uses needed to accommodate growth and development. The City shall, through interlocal coordination, discourage urban sprawl by directing development to the areas within its urban service area boundaries."

Policy 6.3.1 further states that: "The City recognizes that the urban growth area must be relatively stable and shall thus resist expansion of the area unless it can be demonstrated that the supply of available land inside the urban boundary will be exhausted within the five-year period." Policy 6.3.2 also states that: "Future urban development requiring access or connection to public facilities shall be located within the incorporated area or within the designated urban service boundaries in the unincorporated areas established by interlocal agreement." Given the above stated population capacity-forecast disparity, it is difficult to imagine that the supply of available land will be exhausted in five years or even longer. As a further potential contributor to urban sprawl which the Plan intends to combat, the Tiger Bay State Forest abuts the western boundary of the City in Volusia County and lies between the City and the Applicant's proposed utility area.

Finally, as discussed above, the Applicant has planned the development of the Heart Island Equestrian Estates RPUD on its Volusia County land holdings. The Resolution and Development Agreement for that RPUD enable the Applicant to provide potable water service to the development.

Utilities Element: Potable Water and Sanitary Sewer Sub-element - Goals, Objectives and Policies Updated April 1, 2004

This element does not appear to contain any policy that would affect the Applicant's proposed service. Policy 1.5.8 defines conditions for providing water service to unincorporated areas

outside the City and appears to make such service optional at the request of the property owner: "The City shall provide water and sewer services within the unincorporated areas identified in the plan in accordance with the Interlocal Agreement. Pending the consummation of an Agreement, these areas would be eligible to receive City water and sewer service **if requested** and if there is available capacity." (emphasis added). As discussed above, the Applicant is proceeding with planning and development of the Heart Island Equestrian Estates RPUD on its Volusia County land holdings with the intent of providing potable water service through the requested Certificated District.

City of Daytona Beach Comprehensive Plan

(Unlike other plans reviewed herein, the Daytona Beach plan does not have a specific horizon year. The Update Record on the title page indicates that there were updates to the plan in 2003.)

Based upon a review of the City's Comprehensive Plan, this "Application for Original Certification" should not be affected in any manner by the Plan.

Section 1 - Future Land Use Element and Neighborhoods - Goals, Objectives and Policies

Selected Future Land Use Goals, Objectives and Policies provide for the coordination of planning activities adjacent to or affecting unincorporated areas with Volusia County. Specifically, Objective 3.2, Unincorporated Area addresses unincorporated areas "adjacent to The City." Policy 3.2.1 specifically defines a planning framework for "adjacent" areas:

"Through participation in the Volusia county Growth Management commission ensure that all plan amendments involving unincorporated areas adjacent to The City or in The City service areas contain a growth management strategy. Such a strategy shall identify an approach to containing, directing or phasing growth in a manner that will achieve a compact, compatible and contiguous urban development pattern while protecting the area's natural resources."

"The City shall work with property owners to determine advantages to annexation."

As with the Ormond Beach plan, specific policies acknowledge the presence of Tiger Bay State Forest which lies between the City and the Applicant's properties. Specifically, Neighborhood Development Policies for Neighborhood V at (f) Issue, reads as follows:

"The State Division of Forestry and the St. John's River Water Management District have acquired a large area in this neighborhood for the expansion of the Tiger Bay State Forest. Policy: Appropriate resource management activities, including silviculture, shall be permitted on public property pursuant to "Silvaculture Best Management Practices, 1993" published by the Florida Department of Agriculture and Consumer Services, Division of Forestry, and consistent with the resource management plan for the state forest."

Section 4 - Infrastructure Element - Goals, Objectives and Policies

The Infrastructure Element does not appear to contain any goal, objective or policy that relates to the Applicant's property. Objective 1.2, Current Deficiencies and Replacement – Potable Water, states that:

"The City has sufficient capacity to meet current level of service standards for water treatment. There are no large scale and high cost potable water improvements necessary to meet current demand."

At Objective 1.8, Urban Sprawl: Water and Sewer, it appears that the City does not anticipate westward expansion of its systems: "The City shall not extend residential water and sewer lines west of the current services boundary before 2000." (There is no explanation of the use of "2000" in a plan that has been amended after that date.)

City of Deland, Comprehensive Plan 2004

Based upon a review of the City's Comprehensive Plan, this "Application for Original Certification" should not be affected in any manner by the Plan.

Chapter 1 - Future Land Use Element

None of the land use GOPs appear to impact the properties of Plum Creek or the Company's ability to incorporate a water service district.

The following policies indicate that the City will require developers to provide water systems. However, since the land holdings of Plum Creek are not in the City, these policies have no effect.

Policy 7.1.3: Site plans shall indicate the approval from the Utilities Department of water and sewer systems for the proposed development.

Policy 7.1.4: It is the city's discretion to require additional sewer and/or water facilities as need from a developer to serve the subject development.

Chapter 4 - Public Services element - Includes Potable Water Sub-Element

None of the potable water GOPs appear to impact the properties of Plum Creek or the Company's ability to incorporate a water service district.

The following GOPs at least suggests that the City is not interested in extending water service across extensive undeveloped areas. These GOPs would appear to support Plum Creek's approach of serving its Heart Lake Equestrian Community through establishment of a certified water service area.

Goal II: Produce an adequate quantity of potable water in the most effective manner. Policy 2.1.1: As needed to supply the demand for potable water, the expand the (sic) number of water wells.

Objective 2.5: The City will implement regulations that prohibit new developments from extending potable water lines more than 1,800 feet through undeveloped properties to serve the proposed development and require that developers bear the cost of water main extensions. Policy 2.5.5: The city shall not permit new development to extend water lines more than 1,800' through undeveloped area to serve the proposed development. (This does not apply to extension of utility lines within approved developments.)

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Appendix III:

Attachment to Exhibit E

Draft Lease Agreements

WATER LEASES

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") made as of April 17, 2006 ("Effective Date"), between **PLUM CREEK TIMBERLANDS**, **L P**, a Delaware limited partnership, whose Federal ID Number is 91-1920356 ("PLUM CREEK") and **D & E WATER RESOURCES**, **L.L.C.**, a Delaware limited liability company ("LESSEE").

WITNESSETH:

- 1. <u>Granting Clause.</u> PLUM CREEK, in consideration of the covenants, consideration, royalties, and the agreements of LESSEE herein contained, grants, leases and lets unto LESSEE, upon the terms herein set forth, the exclusive right to investigate, explore, prospect, drill and produce potable and non-potable water ("Water") on approximately 31,168 acres more or less, located in Volusia and Flagler, Florida (the "Leased Premises"). A more detailed description of the Leased Premises is attached as Exhibit "A".
- 2. <u>No Warranty of Title.</u> PLUM CREEK does not warrant title to the Water or the surface rights hereunder. LESSEE covenants with PLUM CREEK that LESSEE's operations shall not violate the rights of any third persons not parties to this Lease, whether those rights are documented or apparent from an examination of the Leased Premises.
- 3. <u>Limitation of Rights Granted.</u> The rights and privileges granted by this Lease are limited to the rights and privileges PLUM CREEK possesses and has lawful right to lease, and this Lease shall not be construed as leasing or attempting to lease to LESSEE any rights and privileges other or more than those that are vested in PLUM CREEK.
- 4. <u>Exceptions and Reservations</u>. PLUM CREEK excepts and reserves all oil, gas, timber, and minerals not specifically leased under this Lease for all purposes together with full and free rights of ingress and egress as may be necessary or convenient in the proper development thereof or of other lands. The rights and privileges excepted and reserved to PLUM CREEK shall be exercised with due regard for the operations of LESSEE under this Lease, and in a manner as to not unreasonably interfere with the operations of LESSEE.
- 5. <u>Primary Term</u>. Subject to the provisions below, this Lease is for a term of twenty years from the Effective Date (the "Primary Term")
- 6. <u>Delay Rentals</u>. If operations for drilling are not commenced on the Leased Premises on or before one year from the Effective Date, this Lease will terminate unless on or before such anniversary date LESSEE pays PLUM CREEK a delay rental of One Dollar (\$1.00) per acre, which shall cover the privilege of deferring commencement of

drilling operations for 12 months. In like manner and upon like payments annually the commencement of drilling operations may be further deferred for successive 12-month periods during the Primary Term.

7. Rental / Royalty Payments.

- a) Annual Rent. LESSEE shall pay to PLUM CREEK an annual rental payment of \$100.00 per well site, plus sales tax, (the "Annual Rent") all as compensation for the LESSEE's right to PLUM CREEK's property and the impact of LESSEE's right to utilize the surface and the impact of such uses on the Leased Premises.
- b) Royalty Payments In the event that LESSEE withdraws more than 4,000,000 gallons of water per year from the Leased Premises LESSEE shall pay PLUM CREEK the sum of \$0.10 per thousand gallons of water withdrawn from the Leased Premises, plus sales tax, (the "Royalty") all as compensation for the LESSEE'S right to PLUM to withdraw Water from PLUM CREEK's property.
- c) Measurement of Water Production. LESSEE shall measure the Water produced from the Leased Premises with a read-out meter at each wellhead, tank battery and/or sales delivery point. The face of the meter shall be visible to PLUM CREEK at all times and PLUM CREEK's royalty payment for Water shall be based on the full amount of Water production indicated by such meter and not reduced by subsequent loss or shrinkage occurring down-stream. The meter(s) should be calibrated on a regular basis to assure accuracy. Royalty shall be paid on sales delivery volumes.
- d) Adjustments to the Annual Rent and Royalty. At least ninety (90) days but not earlier than one hundred twenty (120) days prior to the end of the third year of this Lease, and within the same period prior to the end of each succeeding 3-year period, LESSEE and PLUM CREEK shall renegotiate the Annual Rent and the Royalty to be paid over the next 3-year period. The purpose of renegotiating the Annual Rent and the Royalty is to reflect the increase in the fair value of the Leased Premises, the rights to withdraw Water, and Well Site Production Facilities over the last 3-year period.
- e) Resolution of Impasse. If LESSEE and PLUM CREEK are unable to agree on the amount of increase in the Annual Rent or the Royalty to be paid over the subject 3-year period, then at least forty-five (45) days but not earlier than ninety (90) days prior to the commencement of the subject 3-year period, LESSEE and PLUM CREEK shall agree upon a qualified appraiser who will calculate the increase in the Annual Rent and/or the Royalty to be paid over the subject 3-year period. If the parties are unable to agree upon an appraiser to be used, then LESSEE and PLUM CREEK shall select a qualified appraiser of its choice and make the calculations, and the average of the two appraisers shall be binding on the parties. Calculations by the appraiser or appraisers shall in either case be made and delivered to LESSEE and PLUM CREEK at least fifteen (15) days prior to the commencement of the subject 3-year period. Neither the calculations of the appraiser or appraisers nor

- anything contained herein shall operate to reduce the Annual Rent or the Royalty below the amount of the Annual Rent or the Royalty in effect at the time the negotiations or calculations are conducted as set forth herein or below the then existing Annual Rent or Royalty plus inflation using the compounded index percentage approved for regulated water and wastewater utilities by the Florida Public Service Commission for each intervening year since that last Annual Rent Royalty amount was set.
- f) Effect of Restrictions In addition to renegotiating the Annual Rent and the Royalty every 3 years as set forth above, any time that, in PLUM CREEK's reasonable opinion, the impact of any local, regional, state, or federal rule, ordinance, law, or policy directly or indirectly affects PLUM CREEK's use of the Leased Premises or its other lands not subject to this Lease by further restricting or requiring changes in land or water uses near Well Sites, or as a result of withdrawals or activities related to withdrawals, LESSEE and PLUM CREEK shall renegotiate the Annual Rent and the Royalty. The purpose of this renegotiation shall be to reflect the diminution in value of the affected Leased Premises or other lands of PLUM CREEK. At anytime that PLUM CREEK reasonably deems such diminution in value to have occurred. PLUM CREEK shall notify LESSEE in writing and, within forty-five (45) days thereof, Owner and LESSEE shall renegotiate the Annual Rent and Royalty to compensate PLUM CREEK for the diminution in value. If PLUM CREEK and LESSEE are unable to agree on a renegotiated Annul Rent or Royalty, then LESSEE and PLUM CREEK shall agree upon a qualified appraiser who will calculate such compensation. If the parties are unable to agree upon a qualified appraiser to be used, the PLUM CREEK and LESSEE shall each select a qualified appraiser of its choice to make the necessary calculations, and the average of the two appraisers shall be binding on the parties.
- 8. <u>Proportionate Reduction of Royalty and Annual Rentals.</u> If PLUM CREEK owns an interest in the Leased Premises less than the entire water rights and royalty related thereto, then the delay rentals and royalties due PLUM CREEK shall be reduced proportionately.
- 9. Retention of Acreage. Following the Primary Term LESSEE shall be entitled, subject to the other provisions of this Lease, to extend the Lease as to any 5 acre well site and as long thereafter as Water is produced in Paying Quantities from such Well Site. As used in this Lease "Paying Quantities" is Operating Revenue sufficient to pay all Operating Cost of a prudent operator during the prior 12 months of operation on a lease basis. "Operating Revenue" is all revenue from the sale of production attributable to the water well, less the amount of Royalties paid for such production. "Operating Cost" is direct (variable) operating expenses for operating the well. By way of illustration depreciation and administrative overhead cost are not a direct operating expense.

- 10. Relocation or Abandonment of Wells Sites. If PLUM CREEK shall reasonably determine that for PLUM CREEK's beneficial use of the Leased Premises a Well Site must be relocated, PLUM CREEK will provide a substitute Well Site located as closely as reasonably possible to the one removed, and PLUM CREEK shall bear the expense of such relocation, including cost of plugging. The Royalty shall be renegotiated based upon the costs of such relocation efforts. Upon the abandonment of any Well Site, or the removal from any Well Site, LESSEE shall clean up the Well Site and leave the same in neat and presentable condition.
- 11. <u>Payment of Taxes, Mortgage or Liens.</u> LESSEE, at its option, may pay any tax, mortgage or other lien bearing upon the Leased Premises and/or PLUM CREEK's water rights with the right to enforce it and apply rentals and royalties accruing hereunder toward recouping the payment.
- 12. Force Majeure. If any operation permitted or required in this Lease, or the performance by LESSEE of any covenant, agreement or requirement hereof is delayed or interrupted directly or indirectly by any past or future acts, orders, regulations or requirements of the Government of the United States or any state or other governmental body, or any agency, officer, representative or authority of any of them, or because of delay or inability to get materials, labor, equipment or supplies, or on account of any other similar or dissimilar cause beyond the control of LESSEE, the period of such delay or interruption is not counted against LESSEE, and the Primary Term of this Lease is automatically extended, so long as the cause or causes for such delays or interruptions continue and for a period of two months thereafter; and such extended term shall constitute and shall be considered for the purposes of this Lease as a part of the Primary Term. LESSEE shall not be liable to PLUM CREEK in damages for failure to perform any operation permitted, or required hereunder or to comply with any covenant, agreement or requirement hereof during the time LESSEE is relieved from the obligation to comply with such covenants, agreements or requirements. In no event shall the suspension of obligations as permitted under this paragraph exceed two vears.

13. <u>LESSEE's Use of the Surface of the Leased Premises.</u>

a) Notice of Intent to Use the Surface. LESSEE assumes the risk of use of the surface of the Leased Premises and agrees to use the minimum amount of acreage that is necessary for a prudent operator in the operations permitted. LESSEE shall give the surface owner of record at least 30, but not more than 60 days, advance written notice of its intention to use the surface of the Leased Premises. If PLUM CREEK owns the surface, the notice shall be directed to PLUM CREEK's Resource Manager at P.O. Box 808, (Highway 100), Lake Butler, FL 32054 (the "Resource Manager") at least 30, but not more than 60 days, advance written notice of its intention to use the surface of the Leased Premises. With this notice, LESSEE shall include a plat or plats showing the area it plans to use and the location of the proposed facilities. The surface owner may salvage for its account all or so much of the forest products from this area, as it desires within the 30 to 60 days after

receipt of notice. LESSEE shall dispose of the forest products not salvaged by the surface owner from such area, in a manner stipulated by, or acceptable to the surface owner, to prevent hazards from fire and insect infestation to forest products on the Leased Premises and on adjacent lands. LESSEE agrees to pay all costs of improvements to any roads on the Leased Premises the road for its usage, maintain the roads in good condition during such usage, and use the roads in a prudent manner so as not to interfere with PLUM CREEK's use of such roads.

- b) <u>Damage Payments.</u> LESSEE assumes for itself, its agents and invitees, the liability for prompt payment to surface owner for any and all damages to surface owner's property, equipment, timber and other improvements located on the Leased Premises that may be caused by the operations of LESSEE, its agents and invitees on the Leased Premises.
- 14. <u>Prudent Operator.</u> LESSEE shall conduct its operations on the Leased Premises in a prudent, modern, efficient and safe manner. By way of illustration, but not limitation, LESSEE shall immediately repair any water leaks from pipelines, wellheads or pumping stations located on the Leased Premises.
- 15. <u>Pipelines</u>. If LESSEE shall construct any pipelines or water distribution systems on the Leased Premises, it shall bury all such pipelines or distribution systems to a minimum depth of 36 inches below the surface of the earth, or at such other depth as may be authorized by PLUM CREEK.
- 16. <u>Compliance with Regulations</u>. LESSEE shall conduct operations in full compliance with the related regulations established by the appropriate State or Governmental Authority having jurisdiction in such matters. The obligations imposed by this paragraph shall survive expiration or termination of this Lease.
- 17. <u>Debris</u>. All refuse generated by LESSEE'S operations on the Leased Premises, including without limitation, lunch or snack containers, paper, cans, oilcans, bottles, filters, tires, and discarded equipment, must be disposed of properly away from the Leased Premises.
- 18. Environmental Definitions. As used in this Lease the term "Environmental Law" shall mean, any federal, state or local law, statute, decree, ordinance, code, rule, or regulation, including, without limiting the generality of the foregoing, the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, the Hazardous Materials Transportation Act, the Resource Conservation and Recovery Act, the Toxic Substance Control Act of 1976, and any federal, state or local so-called "Superfund" or "Superlien" law or ordinance relating to the emission, discharge, release, threatened release into the environment of any pollutant, contaminant, chemical, hazardous, toxic or dangerous waste, substance or material (including, without limitation, ambient air, surface water, groundwater or land), or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or

handling of such substances and any regulations, codes, plans, orders, decrees, judgments, injunctions, notices or demand letters issued, entered, promulgated or approved thereunder. As used herein, the term "Hazardous Material" shall mean any pollutants, contaminants, chemicals, hazardous, toxic or dangerous waste, substance or material, or any other substance or material regulated or controlled pursuant to any Environmental Law now or at any time hereafter in effect, including any other substances defined as "hazardous substances" or "toxic substances" in any Environmental Law.

- 19. General and Environmental Indemnification. LESSEE shall defend and indemnify and keep indemnified, and hold harmless, PLUM CREEK from and against all actions or causes of action, claims, losses and damages of every kind, including costs and attorney's fees, incident to or in any manner resulting in injury to persons (including employees, agents, representatives, invitees and licensees of LESSEE, or others engaged by LESSEE), and damages to property or other legal consequences growing out of the use and occupancy of the Leased Premises and any and all operations or other work or services contemplated or undertaken thereon by LESSEE, its agents, representatives, or others engaged by it to perform the same, including without limitation all acts of commission or omission of LESSEE, its said agents, representatives, invitees, employees and licensees. LESSEE also indemnifies PLUM CREEK and agrees to hold PLUM CREEK harmless from and against any and all loss, liability, damage, injury, cost, expense and claims of any kind whatsoever paid, incurred or suffered by, or asserted against, PLUM CREEK for, with respect to, or as a direct or indirect result of the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from the Leased Premises of any Hazardous Material arising out of, in connection with or in any manner related to the use of the Leased Premises by LESSEE, including, without limiting the generality of the foregoing, any loss, liability, damage, injury, cost, expense or claim asserted or arising under any Environmental Law as defined below. This indemnity shall survive the expiration or earlier termination of this Lease.
- 20. <u>Insurance</u>. LESSEE covenants and agrees to obtain and maintain during the Term of this Lease the following insurance coverage:
 - a) General Liability. Commercial General Liability covering claims for bodily injury, death and property damage, including Comprehensive Form, Premises and Operations, Independent Contractors, Products and Completed Operations, Personal Injury, Contractual, Broadform Property Damage, Cross Liability and Hostile Fire liability coverages, with a combined single limit of \$1,000,000 for bodily injury, death and property damage each or per occurrence and \$2,000,000 general aggregate, with pollution coverage, in an amount of not less than \$1,000,000 Additionally, the policy shall not exclude X, C or U (Explosion, Collapse or Underground) or Subsidence. As used in this Lease "Subsidence" is defined as sinking or settling of land caused by heavy rains or man-made caverns. Subsidence does not include earth movement caused by an earthquake.

- b) <u>Umbrella Liability</u>. Excess Liability insurance providing limits of not less than \$10,000,000 each occurrence and annual aggregate over General Liability, Automobile Liability, and Employers Liability.
- c) Environmental Liability. Pollution Legal Liability providing On-Site Clean-up protection and Third Party Off-Site Cleanup of Pollution Conditions, as well as protection for Bodily Injury and Property Damage resulting from operations granted under this Lease. Limit of Liability shall be not less than \$10,000,000. PLUM CREEK shall be an Additional Insured.
- d) <u>Automobile Liability</u>. Comprehensive Automobile Liability covering owned, non-owned, hired and other vehicles, with a combined single limit of \$1,000,000 for bodily injury, death and property damage per occurrence and \$1,000,000 general aggregate.
- e) Fire and Extended Coverage Insurance on Improvements and Personalty. During the Term of this Lease, LESSEE shall keep all improvements, installations, machinery and equipment placed by it and all other personal property placed by it on the Leased Premises continuously insured against loss or damage by theft, fire or lightning (with extended coverage if available) in an amount equal to the fair market value thereof, subject to reasonable and customary deductibles. If at the time of any loss LESSEE is in default to PLUM CREEK, PLUM CREEK may require the proceeds be paid to PLUM CREEK, to satisfy LESSEE's obligations to PLUM CREEK. If LESSEE is not in default under this Lease, the proceeds shall be used for the repair or restoration of the property regarding which loss occurred, if the property is needed for the future development of the Leased Premises.
- f) Workers' Compensation. LESSEE covenants and agrees that all employees of LESSEE or any other persons performing work on the Leased Premises pursuant to this Lease will be fully covered by or insured always by Workers' Compensation. LESSEE shall comply with all applicable Workers' Compensation laws, rules and regulations of the state in which the Leased Premises is located and shall make all necessary contributions or other payments.
- g) <u>Employer's Liability</u>. Employer's Liability insurance in an amount of not less than \$500,000 each accident.
- h) Policy Requirements. All certificates of insurance furnished by LESSEE to evidence insurance coverage shall provide for thirty days written notice by the insurance company to the designated representative of PLUM CREEK before the cancellation, material change or non-renewal of any insurance policy referred to in this Lease. All liability insurance policies shall be written on an "occurrence" policy form and by insurance companies acceptable to PLUM

CREEK with a Best's Key Rating Guide of B+ or better, with a financial rating of at least VI. If LESSEE fails at any time to maintain the insurance coverage as required above, LESSEE shall cease operations immediately and shall not resume operations pursuant to this Lease until after the failure has been corrected. Except for Workers' Compensation Insurance, PLUM CREEK and PLUM CREEK Timber Company, Inc. and its subsidiaries and/or affiliates shall be named as an Additional Insured on all such required policies. The additional insured endorsement must be ISO CG20 10 11 85 or other form with like wording. If the additional insured endorsement is not ISO CG20 10 11 85 or like form, LESSEE must maintain Completed Operations coverage with additional insured extension for a period of two (2) years after completion and acceptance by PLUM CREEK of the work performed. LESSEE shall be responsible for payment of any and all deductibles from insured claims under its policies. The coverage afforded under any insurance policy obtained by LESSEE pursuant to this Paragraph shall be primary coverage regardless of whether or not PLUM CREEK has similar coverage. LESSEE shall not perform any operations on the Leased Premises unless and until evidence of such insurance, including renewals thereof, has been delivered to and approved by PLUM CREEK. PLUM CREEK reserves the right to require a certified copy of the policies or to examine the actual policies. LESSEE shall not self-insure any of the insurance coverages required by this Lease without the prior written consent of PLUM CREEK. The minimum limits of coverage required by this Lease may be satisfied by a combination of primary and excess or umbrella insurance policies. The maintenance of this insurance shall not in any way operate to limit the liability of LESSEE to PLUM CREEK under this Lease.

- i) Certificate of Insurance Evidencing Coverage. LESSEE shall give PLUM CREEK's Resource Manager a certificate of insurance evidencing the above coverage before conducting any operations on the Leased Premises. The certificate shall provide for 10 days written notice by the insurance company to the designated representative of PLUM CREEK before the cancellation, material change or non-renewal of the policy. If LESSEE fails at any time to maintain the insurance coverage as required above, LESSEE shall cease operations on the Leased Premises immediately and shall not resume operations until the failure has been corrected. The coverage afforded under any insurance policy obtained by LESSEE pursuant to this paragraph shall be primary coverage regardless of whether or not PLUM CREEK has similar coverage. Except for Workers' Compensation and employer liability insurance, PLUM CREEK shall be named as additional insured under all policies of insurance issued to LESSEE according to the terms of this Lease. LESSEE shall not self-insure any of the insurance coverage required by this Lease without the prior written consent of PLUM CREEK.
- 21. <u>Data and Reports to PLUM CREEK</u>. LESSEE agrees it shall furnish PLUM CREEK when practicable after receipt and without cost to PLUM CREEK, copies of Title

Opinions and State or Federal conservation orders or regulations pertaining to the Leased Premises.

- 22. Retention and Audit of Records. LESSEE shall keep and preserve for at least five years accurate records showing the quantity of Water produced and saved from the Leased Premises in such detail sufficient for PLUM CREEK to verify its Royalty is being properly paid (the "Records"). PLUM CREEK and its agents ("Auditor"), with at least 14 days notice, shall have access at all reasonable business hours to the Records. LESSEE also hereby grants to Auditor, the right to obtain from any purchaser of Water from the Leased Premises information as to the quantity of Water purchased.
- 23. <u>Surrender of Acreage.</u> LESSEE may at any time execute and deliver to PLUM CREEK or place of record a release or releases covering any portion or portions of the Leased Premises and thereby surrender this Lease as to such portion or portions.

24. Defaults and Remedies.

- a) Default. LESSEE shall be in "Default" if LESSEE shall at any time fail to provide any Monthly Statement when due or fail to pay as and when due any royalty or Damages to the surface owner, under paragraph 13, required to be paid hereunder, and the failure continues for fifteen (15) days after written notification of such Default; provided, however, that if there is a dispute as to the amount due and all undisputed amounts are paid and Monthly Statements received by PLUM CREEK, the 15-day period shall be extended until five days after such dispute is settled by final court decree, arbitration or agreement. LESSEE shall also be in "Default" if LESSEE shall fail to perform or be guilty of a breach of any one or more of any of the terms, conditions, covenants, stipulations, and agreements of this Lease relating to matters other than the payment of money and shall fail within 15 days after written notice of the breach shall have been given by PLUM CREEK to LESSEE, to cure the breach, if cure is possible within the 15 day period, or if not to begin to cure and thereafter diligently pursue cure of any breach, provided that immediately upon receipt of written demand from PLUM CREEK, LESSEE will terminate all mining operations hereunder until such time as LESSEE has cured the breach to the satisfaction of PLUM CREEK.
- b) <u>Forfeiture</u>. If LESSEE is in Default, PLUM CREEK shall have the right to terminate this Lease and to enter the Leased Premises and hold and possess the same, and all the property of the LESSEE thereon, free and acquit from any claims of LESSEE thereto.
- c) Right to take Possession Without Forfeiture. If PLUM CREEK takes possession of the Leased Premises as a result of Default, PLUM CREEK shall have the option, to divide the Leased Premises in any manner PLUM CREEK may determine and to lease the Leased Premises or portions thereof as PLUM CREEK may elect. PLUM CREEK reserves the right to bring action

- or proceedings for the recovery of any deficits remaining unpaid, as PLUM CREEK may believe appropriate.
- d) No Waiver. A waiver by PLUM CREEK of any Default under this Lease shall not prevent the right of PLUM CREEK to forfeit this Lease for any other cause, or for the same cause occurring at any other time. The receipt by PLUM CREEK from LESSEE of payments after the occurrence of any Default, or the continued recognition by PLUM CREEK of LESSEE as its tenant after the occurrence of any Default shall not be deemed a waiver of PLUM CREEK's right of forfeiture, so long as the cause of forfeiture continues to exist. Receipt and acceptance by PLUM CREEK of any amounts tendered by LESSEE shall not constitute an agreement by PLUM CREEK that the amounts are the proper amounts due or a waiver of PLUM CREEK's claims for greater amounts. All payments by LESSEE to PLUM CREEK shall apply on the items longest past due, and the receipt of any such payment shall not be a waiver either of the right of distress or the right of forfeiture or any other remedy available to PLUM CREEK with respect to items which remain undischarged after crediting the payments.
- e) Removal of Equipment and Improvements Upon Termination by Default. Upon the termination of this Lease for Default any personal property and all permanent improvements shall, at PLUM CREEK's option, be and become the property of PLUM CREEK or be removed from the Leased Premises at the direction of PLUM CREEK, but at the sole expense of LESSEE.
- 25. Release of Acreage and Removal of Property and Fixtures. When this lease or any portion of it expires or is terminated, for any reason whatsoever, LESSEE agrees to furnish PLUM CREEK, within 30 days thereafter, a Release covering that portion of the lease so affected in appropriate form and duly executed, in order that the Release may be placed of public record. LESSEE shall have 90 days from the date of the Release to remove from the released acreage any property or fixtures placed by LESSEE on the abandoned land. Unless the time period is extended by written consent of PLUM CREEK, any property or fixtures of LESSEE left on the abandoned land after the appropriate removal date shall, at the option of PLUM CREEK, become PLUM CREEK's property and fixtures or be removed from such land at the direction of PLUM CREEK but at the sole expense of LESSEE.
- 26. <u>Notices.</u> All notices and payments, except that notice to the Resource Manager, given under the terms of this Lease shall be directed as follows:

To PLUM CREEK:

Plum Creek Timberlands, L P

Mineral Department

One Concourse Parkway, Suite 755

Atlanta, GA 30328

Telecopy: 770-730-7272

With Copy to:

Plum Creek Timberlands, LP

Law Department

One Concourse Parkway, Suite 755

Atlanta, GA 30328

Telecopy: 770-671-0211

To LESSEE:

D & E WATER RESOURCES, INC.

Energy and Natural Resources 999 Third Avenue, Suite 4300 Seattle, Washington 98104 Telecopy: 206-467-3786

or to such other address as each party may designate by written notice to the other party. The deposit in the mail of any letter so addressed and with postage prepaid shall, for this Lease, be notice to the addressees of the contents of the letter.

- 27. <u>Dispute Resolution.</u> Except as otherwise provided herein, in the event of any disputes, claims and other matters in question between PLUM CREEK and LESSEE arising out of the terms and conditions of this Lease and the performance of either party hereunder, PLUM CREEK and LESSEE shall attempt in good faith to resolve such matter promptly by negotiation between senior executives who have authority to settle the controversy and who do not have direct responsibility for administration of this Lease.
- 28. <u>Liens.</u> LESSEE shall conduct its operations in such a manner as to prevent any lien from being attached to the Leased Premises. If any lien should so attach, LESSEE shall take immediate steps to liquidate the indebtedness represented by the lien to remove the lien from the public records. Always LESSEE shall hold PLUM CREEK harmless and indemnify it against the effect of any such lien or purported lien.
- 29. <u>No Modification.</u> The terms and conditions of this Lease may not be modified, altered or amended except by a writing that is executed by PLUM CREEK and LESSEE and of equal formality with this Lease.
- 30. <u>Assignments.</u> This Lease may not be assigned in whole or in part by LESSEE without the prior written consent of PLUM CREEK. In the event of any such assignment, LESSEE shall not be released from its obligation relative to the payment of royalties or from the performance of any of the other obligations or conditions herein contained.
- 31. <u>Prior Agreements.</u> This Lease constitutes the sole and entire existing agreement between PLUM CREEK and LESSEE and expresses all the obligations of and the restrictions imposed upon PLUM CREEK and LESSEE. All prior agreements and commitments, whether oral or written, between the parties are either superseded by specific paragraphs of this Lease or, without such coverage, specifically withdrawn.

32. <u>Headings</u>. The use of headings in this Lease is solely for the convenience of indexing the various paragraphs and shall in no event limit or defines or otherwise affects any provision in this Lease.

IN WITNESS WHEREOF, this instrument is executed effective the date first above written.

WITNESSES:	PLUM CREEK TIMBERLANDS, L P BY: PLUM CREEK Timber I, L.L.C. Its: General Partner
	Ву:
	Title:
	D & E WATER RESOURCES, L.L.C.
	Ву:
	Title:

ACKNOWLEDGMENT

STATE OF WASHINGTON

COUNTY OF KING

On this the __ day of April , 2006, personally appeared before me, the undersigned authority in and for the said County and State, within my jurisdiction, the within named Russell S. Hagen who acknowledged himself to be the General Manager Energy and Natural Resources of PLUM CREEK TIMBER I, L.L.C. the general partner of PLUM CREEK TIMBERLANDS, L P, and that for and on behalf of said limited liability company, he did sign, seal and deliver the foregoing LEASE AGREEMENT for the purposes mentioned on the day and year therein mentioned, after first having been duly authorized by said limited liability company so to do.

Notary Public My commission expires:
STATE OF WASHINGTON
COUNTY OF KING
On this the
Notary Public
My commission expires:

EXHIBIT "A"

PARCEL 2 - TRACT "A"

A parcel of land lying in Sections 10, 11, 12, 13, 14 and 15, Township 13 South, Range 30 East, Flagler County, Florida and being a portion of the subdivision of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida and being more particularly described as follows:

BEGIN at the Southeast corner of Section 12, Township 13 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 12, N 01°53'47" W, a distance of 5329.76 feet to the Northeast corner of said Section 12: thence departing said East line and on the North line of said Section 12, S 89°22'13" W, a distance of 5046.45 feet to the Northwest corner of said Section 12, the same being the Northeast corner of aforesaid Section 11, Township 13 South, Range 30 East, Flagler County, Florida; thence on the North line of said Section 11, S 89°35'41" W, a distance of 5413.22 feet to the Northwest corner of said Section 11; thence departing said North line and on the West line of said Section 11, S 1°14'45" E, a distance of 669.38 feet to the Northwest corner of Tract 6, Block B of Section 11, Township 13 South, Range 30 East of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida; thence departing said West line and on the North line of said Tract 6, Block B, of Section 11, N 89°33'02" E, a distance of 676.64 feet to the Northeast corner of said Tract 6, Block B, of Section 11; thence departing said North line and on the East line of Tract 6, Block B and the East line of Tract 7, Block B all in Section 11, Township 13 South, Range 30 of said BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County. Florida, S 01°14'43" E, a distance of 1337.72 feet to the Southeast corner of said Tract 7. Block B, of Section 11: thence departing said East lines and on the South line of said Tract 7. Block B, of Section 11, S 89°27'44" W, a distance of 676.61 feet to the Southwest corner of said Tract 7, Block B, of Section 11; thence departing the South line of said Tract 7, Block B, of Section 11 and on the West line of said Tract 7, Block B. of Section 11, the same being the East line of Section 10, Township 13 South, Range 30 East, Flagler County, Florida, N 01°14'45" W, a distance of 530.41 feet to the Southeast corner of a parcel of land as described in Official Records Book 700, Page 124 of the Public Records of Flagler County, Florida; thence departing said East and West lines and on the Southeasterly line of said parcel of land as described in Official Records Book 700, Page 124 of the Public Records of Flagler County, Florida, S 41°36'27" W, a distance of 1766.36 feet; thence continue on said Southeasterly line, S 41°45'47" W, a distance of 3627.29 feet to the Southwesterly corner of said parcel of land as described in Official Records Book 700, Page 124 of the Public Records of Flagler County, Florida, said corner being on the East line of a Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said Southeast line and on

the East line of said Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida, S 16°41'34" E, a distance of 1738.79 feet to a point on the North line of Tract 11, Block B of Section 15, Township 13 South, Range 30 East of aforesaid BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida; thence departing said East line and on the North line of said Tract 11, Block B, of Section 15, S 86°41'51" E, a distance of 594.56 feet to the Northeast corner of said Tract 11, Block B, of Section 15; thence departing said North line and on the East line of said Tract 11, Block B, of Section 15, S 01°51'03" E, a distance of 669.29 feet to the Southeast corner of said Tract 11, Block B, of Section 15; thence departing said East line and on the South line of said Tract 11, Block B, of Section 15, N 86°43'47" W, a distance of 412.04 feet to a point on the East line of aforesaid Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said South line and on the East line of said Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida through the following courses: S 16°41'34" E, a distance of 1659.46 feet; thence N 73°18'26" E, a distance of 50.00 feet; thence S 16°41'34" E, a distance of 119.71 feet; thence S 26°20'10" W, a distance of 119.71 feet; thence N 63°39'50" W, a distance of 50.00 feet; thence S 26°20'10" W, a distance of 1002.58 feet to a point on the South line of Section 15, Township 13 South, Range 30 East, Flagler County, Florida, thence on said South line of said Section 15, S 86°52'11" E, a distance of 3150.33 feet to the Southeast corner of said Section 15: thence departing said South line, S 29°34'48" W, a distance of 71.00 feet to a point on the South Maintained Right of Way line of "Relay Road 9" (a Private Road); thence on the South Maintained Right of Way line of said "Relay Road 9", through the following courses: N 89°20'27" E, a distance of 2753.49 feet; thence N 89°58'57" E, a distance of 542.17 feet; thence N 88°58'33" E, a distance of 2108.33 feet to a point on the East Maintained Right of Way line of "Relay Road 12" (a Private Road); thence departing said South Maintained Right of Way line of "Relay Road 9" on the East Maintained Right of Way line of said "Relay Road 12", N 0°28'30" W, a distance of 3482.39 feet to a point on the South Maintained Right of Way line of "Relay Road 10" (a Private Road) and the beginning of a curve concave Southeasterly having a radius of 125.00 feet and a central angle of 43°32'07"; thence departing the East Maintained Right of Way line of said "Relay Road 12" and on the South Maintained Right of Way line of said "Relay Road 10" and on the arc of said curve a distance of 94.98 feet said arc being subtended by a chord which bears N 21°17'33" E, a distance of 92.71 feet to the curves end: thence continue on the South Maintained Right of Way line of said "Relay Road 10" through the following courses: N 43°03'37" E, a distance of 72.28 feet; thence N 50°30'25" E, a distance of 122.34 feet; thence N 69°30'14" E, a distance of 120.05 feet; thence N 71°53'35" E, a distance of 136.22 feet; thence N 65°23'52" E, a distance of 107.59 feet; thence N 57°13'53" E, a distance of 117.33 feet; thence N 50°33'04" E, a distance of 536.84 feet; thence N 40°48'31" E, a distance of 180.65 feet; thence N 43°22'12" E, a distance of 60.92 feet; thence N 49°37'12" E, a distance of 97.92 feet; thence N 56°23'41" E, a distance of 1669.02 feet; thence N 58°51'52" E, a distance of 92.42 feet; thence N 64°08'46" E, a distance of 91.58 feet; thence N 72°44'28" E, a distance of

368.38 feet; thence N 79°56'35" E, a distance of 101.54 feet; thence S 80°49'49" E, a distance of 71.54 feet; thence S 66°51'48" E, a distance of 176.65 feet; thence S 68°39'11" E, a distance of 110.07 feet; thence S 78°54'10" E, a distance of 142.60 feet; thence S 85°45'53" E, a distance of 1250.31 feet to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT "B"

A parcel of land lying in Sections 12, 13, 22, 23, 24, 25, 26, 27, 34 and 35, Township 13 South, Range 30 East, Flagler County, Florida and lying in Sections 2, 3, 10, 11, 14 and 15, Township 14 South, Range 30 East, Flagler County, Florida and being a portion of the subdivision of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida and being more particularly described as follows:

COMMENCE at the Northeast corner of Section 13, Township 13 South, Range 30 East, Flagler County, Florida: thence on the East line of said Section 13. S 2°12'01" E. a distance of 78.26 feet to the POINT OF BEGINNING; thence continue along the East line of said Section 13, S 2°12'01" E, a distance of 5224.92 feet to the Northeast corner of Section 24, Township 13 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 24, S 1°39'56" E, a distance of 5330.16 feet to the Northeast corner of Section 25, Township 13 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 25, S 1°55'02" E, a distance of 2672.59 feet to the East Quarter corner of said Section 25; thence continue on said East line S 2°00'45" E, a distance of 2694.96 feet to the Southeast corner of said Section 25; thence departing the East line of said Section 25, S 89°06'20" W, a distance of 5358.28 feet to a point on the Westerly Maintained Right of Way line of "Relay Road 12" (a Private Road); thence on the Westerly Maintained Right of Way line of said "Relay Road 12", through the following courses: S 1°37'59" E, a distance of 4479.07 feet; thence S 3°49'05" E, a distance of 587.46 feet; thence S 1°26'24" E, a distance of 5497.16 feet; thence S 1°13'51" W, a distance of 858.47 feet; thence departing said Westerly Maintained Right of Way line of "Relay Road 12", and on the Westerly line of the Halifax Basin, through the following courses: S 2°06'48" E, a distance of 1987.94 feet; thence S 86°19'18" W. a distance of 1062.98 feet; thence S 89°49'00" W, a distance of 1750.63 feet; thence S 88°10'03" W, a distance of 1114.30 feet; thence S 0°50'04" E, a distance of 4253.61 feet; thence departing said Westerly line of the Halifax Basin, S 89°21'12" W. a distance of 1585.74 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 5" (a Private Road); thence on the Centerline of the Maintained Right of Way of said "Relay Road 5", through the following courses: N 45°09'48" W, a distance of 504.10 feet; thence N 29°46'37" W, a distance of 1621.36 feet; thence N 34°58'17" W, a distance of 196.85 feet; thence N 25°49'43" W, a distance of 172.43 feet; thence N 2°36'37" W, a distance of 134.60 feet; thence N 15°20'26" E, a distance of 159.07 feet; thence N 49°10'50" E, a distance of 162.05 feet; thence N 57°33'48" E, a distance of 1491.56 feet; thence N 40°48'02" E, a distance of 154.68 feet; thence N 8°48'44" E, a distance of 157.25 feet; thence N 0°22'30" W, a distance of 1045.82 feet; thence N

5°38'10" W, a distance of 897.04 feet; thence N 7°58'50" W, a distance of 811.14 feet; thence N 2°34'49" W, a distance of 645.45 feet; thence N 6°39'36" E, a distance of 550.91 feet; thence N 19°14'57" E, a distance of 230.24 feet; thence N 48°26'49" E, a distance of 247.18 feet; thence N 36°28'10" E. a distance of 243.07; thence N 10°45'32" E, a distance of 233.99 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 4" (a Private Road); thence departing the Centerline of the Maintained Right of Way of "Relay Road 5" and on the Centerline of the Maintained Right of Way of said "Relay Road 4" through the following courses: N 89°00'18" W, a distance of 599.18 feet; thence S 87°04'43" W, a distance of 1051.01 feet; thence S 80°05'16" W, a distance of 1282.86 feet; thence S 76°39'33" W, a distance of 800.98 feet; thence S 81°15'55" W, a distance of 285.07 feet; thence S 76°58'32" W, a distance of 512.51 feet to a point on the Easterly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida: thence departing the Centerline of the Maintained Right of Way of said "Relay Road 4" and on the Easterly Right of Way line of said Florida Power and Light Company Right of Way through the following courses: N 22°02'08" W, a distance of 3116.10 feet; thence N 0°26'57" W, a distance of 6500.00 feet; thence N 1°04'34" W, a distance of 5200.00 feet; thence N 1°46'19" W, a distance of 2600.57 feet; thence N 26°20'10" E, a distance of 4134.17 feet to the North line of Section 22, Township 13 South, Range 30 East, Flagler County, Florida; thence departing the Easterly Right of Way line of said Florida Power and Light Company Right of Way and on the North line of said Section 22, S 86°52'11" E, a distance of 3150.33 feet to the Northeast corner of said Section 22; thence departing said North line, S 29°34'48" W, a distance of 71.00 feet to a point on the South Maintained Right of Way line of "Relay Road 9" (a Private Road); thence on the South Maintained Right of Way line of said "Relay Road 9", through the following courses: N 89°20'27" E, a distance of 2753.49 feet; thence N 89°58'57" E, a distance of 542.17 feet; thence N 88°58'33" E, a distance of 2108.33 feet to a point on the East Maintained Right of Way line of "Relay Road 12" (a Private Road); thence departing said South Maintained Right of Way line of "Relay Road 9" on the East Maintained Right of Way line of said "Relay Road 12", N 0°28'30" W, a distance of 3482.39 feet to a point on the South Maintained Right of Way line of "Relay Road 10" (a Private Road) and the beginning of a curve concave Southeasterly having a radius of 125.00 feet and a central angle of 43°32'07"; thence departing the East Maintained Right of Way line of said "Relay Road 12" and on the South Maintained Right of Way line of said "Relay Road 10" and on the arc of said curve a distance of 94.98 feet said arc being subtended by a chord which bears N 21°17'33" E, a distance of 92.71 feet to the curves end; thence continue on the South Maintained Right of Way line of said "Relay Road 10" through the following courses: N 43°03'37" E, a distance of 72.28 feet; thence N 50°30'25" E, a distance of 122.34 feet; thence N 69°30'14" E, a distance of 120.05 feet; thence N 71°53'35" E, a distance of 136.22 feet; thence N 65°23'52" E, a distance of 107.59 feet; thence N 57°13'53" E, a distance of 117.33 feet; thence N 50°33'04" E, a distance of 536.84 feet; thence N 40°48'31" E, a distance of 180.65 feet; thence N 43°22'12" E, a distance of 60.92 feet; thence N 49°37'12" E, a distance of 97.92 feet; thence N 56°23'41" E, a distance of 1669.02 feet; thence N 58°51'52" E, a distance of 92.42 feet; thence N 64°08'46" E, a distance of 91.58 feet; thence N 72°44'28" E, a distance of 368.38 feet; thence N 79°56'35" E, a distance of 101.54 feet;

thence S 80°49'49" E, a distance of 71.54 feet; thence S 66°51'48" E, a distance of 176.65 feet; thence S 68°39'11" E, a distance of 110.07 feet; thence S 78°54'10" E, a distance of 142.60 feet; thence S 85°45'53" E, a distance of 1250.31 feet to the POINT OF BEGINNING.

Together with:

Parcel 2 - Tract "C"

A parcel of land lying in Sections 35 and 36, Township 13 South, Range 30 East, Flagler County, Florida and lying in Sections 1, 2, 11, 12 and 14, Township 14 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

BEGIN at the Northeast corner of Section 36, Township 13 South, Range 30 East, Flagler County, Florida: thence on the East line of said Section 36, S 01°52'15" E, a distance of 5249.16 feet to the Southeast corner of said Section 36, the same being the Northeast corner of Section 1, Township 14 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 1, S 00°14'28" E, a distance of 5296.99 feet; to the Southeast corner of said Section 1, the same being the Northeast corner of Section 12, Township 14 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 12, S 01°56'03" E, a distance of 5259.13 feet to the Southeast corner of said Section 12; thence departing said East line and on the South line of said Section 12, S 87°56'12" W, a distance of 5264.99 feet to the Southwest corner of said Section 12 the same being the Northeast corner of Section 14, Township 14 South, Range 30 East, Flagler County, Florida; thence departing said South line and on the East line of said Section 14, S 00°33'38" E, a distance of 5294.00 feet to the Southeast corner of said Section 14; thence departing said East line and on the South line of said Section 14, S 88°56'35" W, a distance of 795.54 feet; thence departing said South line N 0°43'27" W; a distance of 3483.72; thence S 89°21'12" W, a distance of 3183.19 feet; thence N 0°50'04" W, a distance of 4253.61 feet; thence N 88°10'03" E, a distance of 1114.30 feet; thence N 89°49'00" E, a distance of 1750.63 feet; thence N 86°19'18" E, a distance of 1062.98 feet; thence N 02°06'48" W, a distance of 1987.94 feet to a point on the Westerly Maintained Right of Way line of said "Relay Road 12" (a Private Road); thence on the Westerly Maintained Right of Way line of said "Relay Road 12", through the following courses: N 01°13'51" E, a distance of 858.47 feet; thence N 01°26'24" W, a distance of 5497.16 feet; thence N 03°49'05" W, a distance of 587.46 feet; thence N 01°37'59" W, a distance of 4479.07 feet; thence departing said Westerly Maintained Right of Way line of said "Relay Road 12", N 89°06'20" E, a distance of 5358.28 to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT "D"

A parcel of land lying in Sections 2, 3, 9, 10, 11, 14, 15, 16, 21, 22 and 23, Township 14 South, Range 30 East, Flagler County, Florida, and being more particularly described as follows:

BEGIN at the Southeast corner of Section 21, Township 14 South, Range 30 East, Flagler County, Florida; thence on the South line of said Section 21, S 89°49'43" W, a distance of 347.16 feet to a point on the Easterly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said South line and on the Easterly Right of Way line of said Florida Power and Light Company Right of Way through the following courses: N 1°00'03" W, a distance of 785.64 feet; thence N 0°50'45" W, a distance of 11098.95 feet; thence N 42°58'43" E, a distance of 3248.83 feet; thence S 47°01'17" E, a distance of 50.00 feet; thence N 42°58'43" E, a distance of 131.86 feet; thence N 22°02'08" W, a distance of 131.86 feet; thence S 67°57'52" W, a distance of 50.00 feet; thence N 22°02'08" W, a distance of 2248.01 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 4" (a Private Road); thence departing the Easterly Right of Way line of said Florida Power and Light Company Right of Way and on the Centerline of the Maintained Right of Way of said "Relay Road 4" through the following courses: thence N 76°58'32" E. a distance of 512.51 feet; thence N 81°15'55" E, a distance of 285.07 feet; thence N 76°39'33" E, a distance of 800.98 feet; thence N 80°05'16" E, a distance of 1282.86 feet; thence N 87°04'43" E, a distance of 1051.01 feet; thence S 89°00'18" E, a distance of 599.18 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 5" (a Private Road); thence departing the Centerline of the Maintained Right of Way of "Relay Road 4" and on the Centerline of the Maintained Right of Way of said "Relay Road 5", through the following courses: S 10°45'32" W, a distance of 233.99 feet; thence S 36°28'10" W, a distance of 243.07 feet; thence S 48°26'49" W, a distance of 247.18 feet; thence S 19°14'57" W, a distance of 230.24 feet; thence S 6°39'36" W, a distance of 550.91 feet; thence S 2°34'49" E, a distance of 645.45 feet; thence S 7°58'50" E, a distance of 811.14 feet; thence S 5°38'10" E, a distance of 897.04 feet; thence S 0°22'30" E, a distance of 1045.82 feet; thence S 8°48'44" W, a distance of 157.25 feet; thence S 40°48'02" W, a distance of 154.68 feet; thence S 57°33'48" W, a distance of 1491.56 feet; thence S 49°10'50" W, a distance of 162.05 feet; thence S 15°20'26" W, a distance of 159.07 feet; thence S 2°36'37" E, a distance of 134.60 feet; thence S 25°49'43" E, a distance of 172.43 feet; thence S 34°58'17" E, a distance of 196.85 feet; thence S 29°46'37" E, a distance of 1621.36 feet; thence S 45°09'48" E, a distance of 504.10 feet; thence departing the Centerline of the Maintained Right of Way of said "Relay Road 5", N 89°21'12" E, a distance of 4768.94 feet; thence S 0°43'27" E, a distance of 3483.72 feet to a point on the North line of Section 23, Township 14 South, Range 30 East, Flagler County, Florida; thence on said North line, S 88°56'35" W, a distance of 870.72 feet to the Northeast corner of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 23; thence departing said North line and on the East line of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 23. S 1°10'11" E, a distance of 1318.43 feet to the Southeast corner of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 23; thence departing said East line and on the South line of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said

Section 23, S 89°11'22" W, a distance of 1002.43 feet to the Southwest corner of the West 3/4 of the Northwest 1/4 of the Northwest 1/4 of said Section 23; thence departing said South line and on the East line of the Northwest 1/4 of said Section 23, S 0°59'18" E, a distance of 1313.31 feet to the Southeast corner of the Northwest 1/4 of said Section 23; thence departing said East line and on the South line of the Northwest 1/4 of said Section 23, S 89°30'49" W, a distance of 2670.27 feet to the Southwest corner of the Northwest 1/4 of said Section 23; thence departing said South line and on the West line of said Section 23, S 1°57'19" E, a distance of 2685.77 feet to the Southwest corner of said Section 23, the same being the Southeast corner of Section 22, Township 14 South, Range 30 East, Flagler County, Florida; thence departing said West line and on the South line of said Section 22, S 89°38'58" W, a distance of 5292.80 feet to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT "E"

A parcel of land lying in Sections 13, 23 and 24, Township 14 South, Range 29 East, Flagler County, Florida, and lying in Sections 32 and 33, Township 13 South, Range 30 East, Flagler County, Florida and lying in Sections 3, 4, 5, 8, 9, 10, 16, 17, 18, 19, 20 and 21, Township 14 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

COMMENCE at the Southeast corner of Section 21, Township 14 South, Range 30 East. Flagler County, Florida; thence on the South line of said Section 21, S 89°49'43" W. a distance of 647.19 feet to a point on the Westerly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida for the POINT OF BEGINNING; thence continue on the South line of said Section 21, S 89°49'43" W, a distance of 4718.82 feet to the Southeast corner of Section 20, Township 14 South, Range 30 East, Flagler County, Florida; thence on the South line of said Section 20, S 88°47'01" W, a distance of 5298.64 feet to the Southeast corner of Section 19. Township 14 South, Range 30 East, Flagler County, Florida; thence on the South line of said Section 19, S 89°19'45" W, a distance of 5297.80 feet to the Southeast corner of Section 24, Township 14 South, Range 29 East, Flagler County, Florida; thence on the South line of said Section 24, S 89°23'20" W, a distance of 5207.14 feet to a point on the Easterly Right of Way line of State Road 11 (a variable width Right of Way per Florida Department of Transportation Right of Way Maps Section 7305-1237); thence departing said South line and on the Easterly Right of Way line of said State Road 11 through the following courses: N 20°24'51" W, a distance of 2930.37 feet to the beginning of a curve concave Easterly having a radius of 1309.89 feet and a central angle of 46°49'53"; thence on the arc of said curve a distance of 1070.65 feet said arc being subtended by a chord which bears N 03°00'06" E, a distance of 1041.10 feet to the curves end; thence N 26°25'02" E, a distance of 943.90 feet to a point on the Southerly Maintained Right of Way line of an Un-Named Forest Management Road (a Private Road); thence departing said Easterly Right of Way line of said State Road 11

and on the Southerly and Easterly Maintained Right of Way line of said Un-Named Forest Management Road through the following courses: N 85°32'18" E, a distance of 478.40 feet; thence N 82°31'02" E, a distance of 145.70 feet; thence N 88°08'58" E, a distance of 914.53 feet; thence S 67°41'49" E a distance of, 483.36 feet; thence S 68°05'09" E, a distance of 382.72 feet; thence N 89°06'42" E, a distance of 421.46 feet; thence S 71°40'23" E, a distance of 183.41 feet; thence N 75°42'29" E, a distance of 479.29 feet; thence N 70°18'39" E, a distance of 1173.27 feet; thence N 1°19'52" W, a distance of 84.93 feet; thence N 29°56'34" W, a distance of 72.33 feet; thence N 60°26'33" W, a distance of 182.44 feet; thence N 28°46'19" W, a distance of 279.51 feet; thence N 7°10'19" W, a distance of 208.33 feet; thence N 54°45'50" W, a distance of 165.66 feet; thence N 59°13'06" W, a distance of 130.55 feet; thence N 40°38'00" W, a distance of 201.78 feet; thence N 7°14'45" W, a distance of 142.69 feet; thence N 30°27'17" W, a distance of 348.70 feet; thence N 41°04'25" W, a distance of 63.36 feet; thence N 61°19'01" W, a distance of 77.91 feet; thence N 19°47'15" W, a distance of 98.52 feet; thence N 28°13'06" W, a distance of 50.52 feet; thence N 47°22'23" W, a distance of 68.18 feet; thence N 9°23'57" W, a distance of 105.09 feet; thence N 33°52'10" W, a distance of 274.06 feet; thence N 52°54'53" W, a distance of 189.54 feet; thence N 29°25'35" W, a distance of 212.63 feet; thence N 40°17'46" W, a distance of 50.15 feet; thence N 72°29'31" W, a distance of 93.59 feet; thence N 24°05'07" W, a distance of 62.87 feet; thence N 10°24'23" W, a distance of 111.71 feet; thence N 15°15'51" W, a distance of 127.93 feet; thence N 28°38'04" W, a distance of 514.83 feet; thence departing said Southerly and Easterly Maintained Right of Way line of said Un-Named Forest Management Road, N 89°50'18" E, a distance of 3111.09 feet to a point on the Southerly Maintained Right of Way line of "Relay Road 41" (a Private Road); thence on the Southerly Maintained Right of Way line said "Relay Road 41" and its Easterly projection, through the following courses: N 84°05'49" E, a distance of 640.34 feet; thence N 87°04'31" E, a distance of 1376.85 feet; thence N 85°37'18" E, a distance of 3308.37 feet to a point on the Easterly Maintained Right of Way line of "Relay Road 14" (a Private Road); thence on the Easterly Maintained Right of Way line of said "Relay Road 14", through the following courses: N 1°38'24" W, a distance of 2408.29 feet; thence N 1°36'22" W, a distance of 2795.88 feet; thence N 1°30'45" W, a distance of 2591.53 feet; thence N 1°35'50" W, a distance of 3207.05 feet; thence N 2°03'07" W, a distance of 2009.45 feet to the Southwest corner of Section 32, Township 13 South, Range 30 East, Flagler County, Florida; thence departing the Easterly Maintained Right of Way line of said "Relay Road 14", N 88°46'57" E, a distance of 687.93 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 21" (a Private Road); thence on the Centerline of the Maintained Right of Way of said "Relay Road 21" through the following courses: N 0°25'59" E, a distance of 150.18 feet; thence N 6°37'03" W, a distance of 536.01 feet; thence N 11°16'14" W, a distance of 606.06 feet to the beginning of a curve concave Southeasterly having a radius of 335.85 feet and a central angle of 71°05'56"; thence on the arc of said curve a distance of 416.76 feet said arc being subtended by a chord which bears N 24°16'44" E, a distance of 390.53 feet to the curves end; thence N 59°49'42" E, a distance of 438.34 feet to the beginning of a curve concave Northwesterly having a radius of 267.00 feet and a central angle of 71°26'49"; thence on the arc of said curve a distance of 332.94 feet said arc being subtended by a chord which bears N 24°06'18" E, a distance of 311.79 feet to the

curves end; thence N 11°37'07" W, a distance of 1223.86 feet to the beginning of a curve concave Southeasterly having a radius of 233.00 feet and a central angle of 116°23'25"; thence on the arc of said curve a distance of 473.31 feet said arc being subtended by a chord which bears N 46°34'36" E, a distance of 396.03 feet to the curves end; thence S 75°13'42" E, a distance of 1327.37 feet; thence S 78°01'36" E, a distance of 518.35 feet; thence S 63°38'56" E, a distance of 2303.63 feet; thence S 72°22'36" E, a distance of 146.11 feet to the beginning of a curve concave Southwesterly having a radius of 85.00 feet and a central angle of 69°39'15; thence on the arc of said curve a distance of 103.33 feet said arc being subtended by a chord which bears S 37°32'58" E, a distance of 97.09 feet to the curves end; thence S 2°43'21" E, a distance of 1294.37 feet; thence S 19°28'38" E, a distance of 248.00 feet; thence S 2°20'20" E, a distance of 463.96 feet; thence departing the Centerline of the Maintained Right of Way of "Relay Road 21", S 88°49'10" E, a distance of 1177,70 feet: thence N 46°39'50" E, a distance of 221.07 feet; thence N 14°37'45" E, a distance of 307.75 feet; thence N 63°32'28" E, a distance of 422.87 feet; thence S 85°26'12" E, a distance of 400.06 feet; thence S 75°16'42" E, a distance of 235.73 feet; thence S 47°50'56" E, a distance of 357.80 feet; thence S 27°30'57" E, a distance of 347.29 feet; thence S 71°45'23" E, a distance of 188.69 feet; thence S 40°04'33" E, a distance of 712.94 feet; thence S 27°24'47" E, a distance of 424.67 feet; thence S 5°17'48" E, a distance of 526.22 feet; thence S 61°46'39" E, a distance of 265.05 feet; thence N 16°56'59" E, a distance of 208.92 feet; thence N 12°16'37" E, a distance of 321.13 feet; thence N 20°34'25" E, a distance of 394.57 feet; thence N 63°59'11" E, a distance of 237.48 feet; thence N 40°36'39" E, a distance of 302.36 feet; thence N 71°39'06" E, a distance of 147.23 feet; thence S 68°11'27" E, a distance of 403.35 feet to a point on the Westerly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida, thence on the Westerly Right of Way line of said Florida Power and Light Company Right of Way through the following courses: S 0°26'57" E, a distance of 1278.44 feet; thence S 89°33'03" W, a distance of 100.00 feet; thence S 0°26'57" E, a distance of 69.06 feet; thence S 22°02'08" E, a distance of 69.06 feet; thence N 67°57'52" E, a distance of 100.00 feet; thence S 22°02'08" E, a distance of 5280.14 feet; thence S 42°58'43" W, a distance of 3178.33 feet; thence N 47°01'17" W, a distance of 50.00 feet; thence S 42°58'43" W, a distance of 120.11 feet; thence S 0°50'45" E, a distance of 120.11 feet; thence N 89°09'15" E, a distance of 50.00 feet; thence S 0°50'45" E, a distance of 11120.02 feet; thence S 1°00'03" E, a distance of 781.70 feet to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT "F"

A parcel of land lying in Sections 12, 13 and 24, Township 14 South, Range 29 East, Flagler County, Florida, and lying in Sections 5, 6, 7, 8, 17 and 18, Township 14 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

COMMENCE at the Northeast Corner of Section 6, Township 14 South, Range 29 East, Flagler County, Florida for the POINT OF BEGINNING; thence on the North line of said Section 6, S 89°45'33" W, a distance of 2593.13 feet to a point on the Easterly Right of Way line of State Road 11 (a variable width Right of Way per Florida Department of Transportation Right of Way Maps Section 7305-1237) said point being on a curve concave Southeasterly having a radius of 2939.79 feet and a central angle of 26°32'24"; thence departing said North line and on the Easterly Right of Way line of said State Road 11 and on the arc of said curve a distance of 1361.74 feet said arc being subtended by a chord which bears S 13°08'50" W, a distance of 1349.60 feet to the curves end; thence continue on said Easterly Right of Way line through the following courses: S 26°25'02" W, a distance of 2034.28 feet; thence S 63°34'58" E, a distance of 47.50 feet; thence S 26°25'02" W, a distance of 15200.38 feet to a point on the Southerly Maintained Right of Way line of an Un-Named Forest Management Road (a Private Road); thence departing the Easterly Right of Way line of said State Road 11 and on the Southerly and Easterly Maintained Right of Way line of said Un-Named Forest Management Road through the following courses: N 85°32'18" E, a distance of 478.40 feet; thence N 82°31'02" E, a distance of 145.70 feet; thence N 88°08'58" E, a distance of 914.53 feet; thence S 67°41'49" E a distance of, 483.36 feet; thence S 68°05'09" E, a distance of 382.72 feet; thence N 89°06'42" E, a distance of 421.46 feet; thence S 71°40'23" E, a distance of 183.41 feet; thence N 75°42'29" E, a distance of 479.29 feet; thence N 70°18'39" E, a distance of 1173.27 feet; thence N 1°19'52" W, a distance of 84.93 feet; thence N 29°56'34" W, a distance of 72.33 feet; thence N 60°26'33" W, a distance of 182.44 feet; thence N 28°46'19" W, a distance of 279.51 feet; thence N 7°10'19" W, a distance of 208.33 feet; thence N 54°45'50" W, a distance of 165.66 feet; thence N 59°13'06" W, a distance of 130.55 feet; thence N 40°38'00" W, a distance of 201.78 feet; thence N 7°14'45" W, a distance of 142.69 feet; thence N 30°27'17" W, a distance of 348.70 feet; thence N 41°04'25" W, a distance of 63.36 feet; thence N 61°19'01" W, a distance of 77.91 feet; thence N 19°47'15" W, a distance of 98.52 feet; thence N 28°13'06" W, a distance of 50.52 feet; thence N 47°22'23" W, a distance of 68.18 feet; thence N 9°23'57" W, a distance of 105.09 feet; thence N 33°52'10" W, a distance of 274.06 feet; thence N 52°54'53" W, a distance of 189.54 feet; thence N 29°25'35" W, a distance of 212.63 feet; thence N 40°17'46" W, a distance of 50.15 feet; thence N 72°29'31" W, a distance of 93.59 feet; thence N 24°05'07" W, a distance of 62.87 feet; thence N 10°24'23" W, a distance of 111.71 feet; thence N 15°15'51" W, a distance of 127.93 feet; thence N 28°38'04" W, a distance of 514.83 feet; thence departing said Southerly and Easterly Maintained Right of Way line of said Un-Named Forest Management Road, N 89°50'18" E, a distance of 3111.09 feet to a point on the Southerly Maintained Right of Way line of "Relay Road 41" (a Private Road); thence on the Southerly Maintained Right of Way line said "Relay Road 41" and its Easterly projection, through the following courses: N 84°05'49" E, a distance of 640.34 feet; thence N 87°04'31" E, a distance of 1376.85 feet; thence N 85°37'18" E, a distance of 3308.37 feet to a point on the Easterly Maintained Right of Way line of "Relay Road 14" (a Private Road); thence on the Easterly Maintained Right of Way line of said "Relay Road 14", through the following courses: N 1°38'24" W, a distance of 2408.29 feet; thence N 1°36'22" W, a distance of 2795.88 feet; thence N 1°30'45" W, a

distance of 2591.53 feet; thence N 1°35'50" W, a distance of 3207.05 feet; thence N 2°03'07" W, a distance of 2009.45 feet to the POINT OF BEGINNING.

Together With:

PARCEL 2 - TRACT "G"

A parcel of land lying in Sections 32 and 33, Township 13 South, Range 30 East, Flagler County, Florida and lying in Section 4, Township 14 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

BEGIN at the Northwest corner of Section 32, Township 13 South, Range 30 East, Flagler County, Florida: thence on the North line of said Section 32, N 88°43'17" E, a distance of 5344.33 feet to the Northwest corner of Section 33, Township 13 South, Range 30 East, Flagler County, Florida; thence departing the North line of said Section 32 and on the North line of said Section 33, N 89°02'16" E, a distance of 5327.65 feet to a point on the Westerly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said North line and on the Westerly Right of Way line of said Florida Power and Light Company Right of Way through the following courses; S 1°04'34" E, a distance of 1032.17 feet; thence S 0°26'57" E, a distance of 5227.11 feet; thence departing said Westerly Right of Way line, N 68°11'27" W, a distance of 403.35 feet; thence S 71°39'06" W, a distance of 147.23 feet; thence S 40°36'39" W, a distance of 302.36 feet; thence S 63°59'11" W, a distance of 237.48 feet; thence S 20°34'25" W, a distance of 394.57 feet; thence S 12°16'37" W, a distance of 321.13 feet; thence S 16°56'59" W, a distance of 208.92 feet; thence N 61°46'39" W. a distance of 265.05 feet; thence N 5°17'48" W, a distance of 526.22 feet; thence N 27°24'47" W, a distance of 424.67 feet; thence N 40°04'33" W, a distance of 712.94 feet; thence N 71°45'23" W, a distance of 188.69 feet; thence N 27°30'57" W, a distance of 347.29 feet; thence N 47°50'56" W, a distance of 357.80 feet; thence N 75°16'42" W. a distance of 235.73 feet; thence N 85°26'12" W, a distance of 400.06 feet; thence S 63°32'28" W. a distance of 422.87 feet: thence S 14°37'45" W. a distance of 307.75 feet; thence S 46°39'50" W, a distance of 221.07 feet; thence N 88°49'10" W, a distance of 1177.70 feet; thence N 2°20'20" W, a distance of 463.96 feet; thence N 19°28'38" W, a distance of 248.00 feet; thence N 2°43'21" W, a distance of 1294.37 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 21" (a Private Road) said point being on a curve concave Southwesterly having a radius of 85.00 feet and a central angle of 69°39'15"; thence on the Centerline of the Maintained Right of Way of said "Relay Road 21" and the arc of said curve, a distance of 103.33 feet said arc being subtended by a chord which bears N 37°32'58" W, a distance of 97.09 feet to the curves end; thence continue on the Centerline of the Maintained Right of Way of said "Relay Road 21" through the following courses: N 72°22'36" W, a distance of 146.11 feet; thence N 63°38'56" W, a distance of 2303.63 feet; thence N 78°01'36" W, a distance of 518.35 feet; thence N 75°13'42" W, a distance of 1327.37 feet to the beginning of a curve concave Southeasterly, having a radius of 233.00 feet and a central angle of 116°23'25"; thence on the arc of said curve a distance of 473.31 feet said arc being

subtended by a chord which bears S 46°34'36" W, a distance of 396.03 feet to the curves end; thence S 11°37'07" E, a distance of 1223.86 feet to the beginning of a curve concave Northwesterly, having a radius of 267.00 feet and a central angle of 71°26'49"; thence on the arc of said curve a distance of 332.94 feet said arc being subtended by a chord which bears S 24°06'18" W, a distance of 311.79 feet to the curves end; thence S 59°49'42" W, a distance of 438.34 feet to the beginning of a curve concave Southeasterly, having a radius of 335.85 feet and a central angle of 71°05'56"; thence on the arc of said curve a distance of 416.76 feet said arc being subtended by a chord which bears S 24°16'44" W, a distance of 390.53 feet to the curves end; thence S 11°16'14" E, a distance of 606.06 feet; thence S 6°37'03" E, a distance of 536.01 feet; thence S 0°25'59" W, a distance of 150.18 feet; thence departing the Centerline of the Maintained Right of Way of said "Relay Road 21", S 88°46'57" W, a distance of 687.93 feet to the Southwest corner of aforesaid Section 32, Township 13 South, Range 30 East, Flagler County, Florida; thence on the West line of said Section 32, N 1°27'57" W, a distance of 5551.65 feet to the POINT OF BEGINNING.

Together With:

Parcel 2 - Tract "H"

A parcel of land lying in Sections 21 and 28, Township 13 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

Commence at the Northeast corner of Section 21, Township 13 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 21, S 01°38'28" E, a distance of 2912.85 feet the POINT OF BEGINNING; thence continue on said East line, S 01°38'28" E, a distance of 730.84 feet to a point on the Westerly line of a Florida Power & Light Company Right of Way as described in Official Records Book 215. Page 141 of the Public Records of Flagler County, Florida; thence departing said East line and on the Westerly Right of Way line of said Florida Power & Light Company Right of Way as described in Official Records Book 215. Page 141 of the Public Records of Flagler County, Florida through the following courses: S 26°20'10" W, 81.11 feet; thence N 63°39'50" W, a distance of 100.00 feet; thence S 26°20'10" W, a distance of 75.03 feet; thence S 01°46'19" E, 75.03 feet; thence N 88°13'41" E, a distance of 100.00 feet; thence S 01°46'19" E, a distance of 2623.85 feet; thence S 01°04'34" E, a distance of 4164.37 feet to a point on the South line of Section 28, Township 13 South, Range 30 East, Flagler County, Florida; thence departing said Westerly Right of Way line and on the South line of said Section 28, S 89°02'16" W, a distance of 5327.65 feet to the Southwest corner of said Section 28; thence departing said South line and on the West line of said Section 28, N 01°44'05" W, a distance of 5336.53 feet to the Northwest corner of said Section 28, the same being the Southwest corner of aforesaid Section 21; thence on the West line of said Section 21, N 00°36'48" W, a distance of 2959.76 feet to a point on the South line of a parcel of land as described in Official Records Book 1325, Page 871 of the Public Records of Flagler County, Florida; thence on said South line through the following courses: N 89°23'12" E, a distance of 2873.95 feet; thence S 43°02'23" E. a distance of 383.63 feet to the beginning of a curve concave Southwesterly having a radius of 25.00 feet and a central angle of 66°53'45"; thence on the arc of said curve a distance of 29.19 feet said arc being subtended by a chord which bears S 09°35'31" E, a distance of 27.56 feet to the curves end and a point of reverse curvature a curve concave Northeasterly having a radius of 54.00 feet and a central angle of 156°53'45"; thence on the arc of said curve a distance of 147.87 feet said arc being subtended by a chord which bears S 54°35'31" E, a distance of 105.81 feet to the curves end; thence N 46°57'37" E, a distance of 54.00 feet; thence S 43°02'23" E, a distance of 325.77 feet; thence N 89°25'06" E, a distance of 1908.32 to the POINT OF BEGINNING.

Together With:

PARCEL 2 - TRACT "I"

A parcel of land lying in Sections 10, 15, 16 and 22, Township 13 South, Range 30 East, Flagler County, Florida and being a portion of the subdivision of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida and being more particularly described as follows:

BEGIN at the Southeast corner of Section 16, Township 13 South, Range 30 East, Flagler County, Florida; thence on the South line of said Section 16, N 89°36'11" W, a distance of 2671.24 feet to the Southwest corner of the Southeast 1/4 of said Section 16; Thence departing said South line and on the West line of the Southeast 1/4 of said Section 16, N 1°32'31" W, a distance of 1328.92 feet to the Northeast corner of the South 1/2 of the Southwest 1/4 of said Section 16; thence departing said West line and on the North line of the South 1/2 of the Southwest 1/4 of said Section 16, N 89°55'51" W, a distance of 805.85 feet to the Southeasterly Right of Way line of State Road 304 (a variable width Right of Way per Florida Department of Transportation Right of Way Maps Section 73510-2601); thence departing said North line and on the Southeasterly Right of Way line of said State Road 304 through the following courses: N 41°47'02" E. a distance of 828.22 feet; thence S 48°12'58" E, a distance of 25.00 feet; thence N 41°47'02" E, a distance of 2771.95 feet to a point on the North line of the Southeast 1/4 of the Northeast 1/4 of aforesaid Section 16; thence departing said Southeasterly Right of Way line and on the North line of the Southeast 1/4 of the Northeast 1/4 of said Section 16, N 89°38'48" E, a distance of 979.85 feet to the Southwest corner of the Northwest 1/4 of the Northwest 1/4 of Section 15, Township 13 South, Range 30 East, Flagler County, Florida; thence departing said North line and on the West line of the Northwest 1/4 of the Northwest 1/4 of said Section 15, N 1°38'39" W, a distance of 1057.12 feet to the Southeasterly Right of Way line of State Road 304 (a variable width Right of Way per Florida Department of Transportation Right of Way Maps Section 73510-2601); thence departing said West line and on the Southeasterly Right of Way line of said State Road 304, N 41°45'47" E, a distance of 1395.30 feet to a point on the Westerly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing the Southeasterly Right of Way line of said State

Road 304 and on the Westerly Right of Way line of said Florida Power and Light Company Right of Way, S 16°41'34" E, a distance of 2994.33 feet to a point on the North line of the South 1/2 of Track 10, Block B of the subdivision of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida; thence departing said Westerly Right of Way line and on the North line of the South 1/2 of said Track 10, Block B, N 86°41'51" W, a distance of 414.48 feet to the Northwest corner of the South 1/2 of said Track 10, Block B; thence departing said North line and on the West line of the South 1/2 of said Track 10, Block B, S 1°44'51" E, a distance of 669.93 feet to the Southwest corner of said Track 10, Block B; thence departing said West line and on the South line of said Track 10, Block B, S 86°43'47" E, a distance of 598.21 feet to a point on the Westerly Right of Way line of aforesaid Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said South line and on the Westerly Right of Way line of said Florida Power and Light Company Right of Way through the following courses: S 16°41'34" E, a distance of 1750.17 feet: thence S 26°20'10" W, a distance of 5062.48 feet to a point on the West line of Section 22, Township 13 South, Range 30 East, Flagler County, Florida; thence departing said Westerly Right of Way line and on the West line of said Section 22, N 1°38'28" W, a distance of 3643.68 feet to the Point of Beginning.

Together With:

PARCEL 2 - TRACT "J"

A parcel of land lying in Sections 31 and 32, Township 14 South, Range 30 East, Sections 3,4,9,10,11,13,14 and 15, Township 15 South, Range 30 East and in Sections 17 and 18, Township 15 South, Range 31 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

Commence at the Northeast corner of Section 32, Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 32, S 89° 26' 37" W, a distance of 929.66 feet to a point 20 feet West of the centerline of a Forest Management Road locally known as Forest Management Road "B", said point being the POINT OF BEGINNING; thence departing said North line and on a line 20 feet West of the centerline of aforesaid Forest Management Road "B" through the following courses, S 29° 00' 58" W, a distance of 710.66 feet; thence S 44° 52' 43" W, a distance of 438.82 feet; thence S 35° 05' 04" W, a distance of 724.86 feet; thence S 35° 16' 31" W, a distance of 697.29 feet; thence S 34° 25' 28" W, a distance of 638.85 feet; thence S 05° 09' 02" E, a distance of 654.24 feet; thence S 00° 07' 38" W, a distance of 157.15 feet; thence S 13° 13' 29" W, a distance of 121.87 feet; thence S 16° 22' 41" W, a distance of 711.44 feet; thence S 02° 05' 12" W, a distance of 406.43 feet; thence S 06° 45' 50" E, a distance of 912.39 feet; thence S 06° 53' 15" E, a distance of 852.23 feet to the Northerly Right of Way line of State Road 40, a 200 feet wide Right of Way per Florida Department of Transportation Right of Way Map, Section 79100-2503; thence on said Northerly Right of Way line of State Road 40 through the following courses, S 74° 23'

23" W, a distance of 3070.73 feet to the beginning of a curve concave to the North having a radius of 5661.65 feet and a central angle of 07° 46' 30"; thence on the arc of said curve a distance of 768.28 feet, said arc being subtended by a chord which bears S 78° 16' 38" W, a distance of 767.69 feet to the curves end; thence S 82° 09' 53" W, a distance of 1700.46 feet to a point 20 feet East of the centerline of a Forest Management Road locally known as Forest Management Road "A"; thence departing the Northerly Right of Way line of aforesaid State Road 40 and on a line 20 feet East of the centerline of aforesaid Forest Management Road "A" through the following courses, N 12° 44' 55" E, a distance of 1347.80 feet; thence N 23° 08' 22" E, a distance of 182.04 feet; thence N 42° 32' 13" E, a distance of 183.72 feet; thence N 60° 00' 18" E, a distance of 103.80 feet; thence N 77° 48' 25" E, a distance of 126.84 feet; thence S 88° 11' 11" E, a distance of 79.27 feet; thence N 68° 20' 24" E, a distance of 57.73 feet; thence N 16° 44' 18" E, a distance of 71.03 feet; thence N 10° 38' 13" W, a distance of 1352.46 feet; thence N 10° 40' 05" W, a distance of 1291.34 feet; thence N 13° 34' 29" W, a distance of 344.53 feet; thence N 21° 33' 25" W, a distance of 1169.70 feet; thence N 21° 56' 54" W, a distance of 653.58 feet; thence N 21° 36' 29" W, a distance of 769.11 feet; thence N 40° 46' 37" W, a distance of 527.19 feet to a point on the North line of Section 31, Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 31, N 89° 26' 37" E, a distance of 3865.19 feet to the Northeast corner of said Section 31, the same being the Northwest corner of aforesaid Section 32, Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 32, N 89° 26' 37" E, a distance of 4349.80 feet to the POINT OF BEGINNING.

Together With:

PARCEL 4 - TRACT "K"

Commence at the Southeast corner of Section 17, Township 15 South, Range 31 East, Volusia County, Florida; thence on the South line of said Section 17, S 88° 39' 52" W, a distance of 5311.55 feet to the Southwest corner of said Section 17, the same being the Southeast corner of Section 18, Township 15 South, Range 31 East, Volusia County, Florida; thence on the South line of said Section 18, S 88° 39' 52" W. a distance of 5316.86 feet to the Southwest corner of said Section 18, the same being the Southeast corner of Section 13, Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of said Section 13, S 88° 59' 03" W, a distance of 828.38 feet to a point on the Westerly line of a Florida Power and Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida, said point being the POINT OF BEGINNING; thence continue on the South line of said Section 13, S 88° 59' 03" W, a distance of 4483.97 feet to the Southwest corner of said Section 13, the same being the Southeast corner of Section 14, Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of said Section 14, S 88° 42' 00" W, a distance of 2638.88 feet to the Southeast corner of the Southwest 1/4 of said Section 14; thence continue on the South line of said Section 14, S 88° 44' 35" W, a distance of 2633.47 feet to the Southwest corner of said Section 14, the same being the Southeast corner of Section 15, Township 15

South, Range 30 East, Volusia County, Florida; thence on the South line of the East 1/2 of said Section 15, S 89° 24' 13" W, a distance of 2668.10 feet to the Southwest corner of the East 1/2 of said Section 15; thence departing said South line and on the West line of the East 1/2 of said Section 15, N 00° 27' 35" W, a distance of 1339.92 feet to the Southeast corner of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15; thence departing said West line and on the South line of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15, S 89° 21' 21" W, a distance of 667.60 feet to the Southwest corner of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15; thence departing said South line and on the West line of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15. N 00° 29' 03" W, a distance of 1339.36 feet to the Northwest corner of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15; thence departing said West line and on the South line of the Northwest 1/4 of said Section 15, S 89° 18' 30" W, a distance of 2004.51 feet to the Southwest corner of the Northwest 1/4 of said Section 15; thence departing said South line and on the West line of the Northwest 1/4 of said Section 15, N 00° 33' 27" W, a distance of 2681.18 feet to the Northwest corner of said Section 15, the same being the Southeast corner of Section 9, Township 15 South, Range 30 East, Volusia County, Florida; thence departing said West line and on the South line of the East 1/2 of said Section 9, S 88° 52' 36" W, a distance of 2610.14 feet to the Southwest corner of the East 1/2 of said Section 9; thence departing said South line and on the West line of the East 1/2 of said Section 9, N 01° 34' 25" W, a distance of 5270.67 feet to the Northwest corner of the East 1/2 of said Section 9, the same being the Southwest corner of the East 1/2 of Section 4, Township 15 South, Range 30 East, Volusia County, Florida; thence on the West line of the East 1/2 of said Section 4, N 00° 16' 16" W, a distance of 2972.04 feet to a point on the Southerly Right of Way line of State Road 40, a 200 feet wide Right of Way per Florida Department of Transportation Right of Way Map, Section 79100-2503, said point being on a curve concave to the North having a radius of 5861.65 feet and a central angle of 06° 51' 35"; thence departing said West line and on said Southerly Right of Way line of State Road 40 and on the arc of said curve a distance of 701.78 feet, said arc being subtended by a chord which bears N 77° 49' 10" E, a distance of 701.36 feet to the curves end; thence continue on said Southerly Right of Way line of State Road 40, N 74° 23' 23" E, a distance of 3071.83 feet to a point 20 feet West of the centerline of a Forest Road locally known as Forest Management Road "B"; thence departing the Southerly Right of Way line of State Road 40 and on a line 20 feet West of the centerline of aforesaid Forest Management Road "B" through the following courses, S 18° 33' 39" E, a distance of 937.03 feet; thence S 18° 45' 34" E, a distance of 709.38 feet; thence S 18° 32' 13" E, a distance of 496.41 feet; thence S 26° 53' 00" E, a distance of 89.78 feet; thence S 49° 23' 17" E, a distance of 103.20 feet; thence S 59° 04' 17" E, a distance of 279.13 feet; thence S 52° 23' 12" E, a distance of 124.74 feet; thence S 32° 27' 25" E, a distance of 231.99 feet; thence S 32° 03' 38" E, a distance of 241.75 feet; thence S 34° 35' 32" E, a distance of 598.98 feet; thence S 39° 26' 42" E, a distance of 171.82 feet; thence S 44° 13' 57" E, a distance of 1374.87 feet; thence S 40° 58' 25" E, a distance of 1023.75 feet; thence S 40° 57' 20" E, a distance of 1522.12 feet; thence S 41° 52' 28" E, a distance of 1301.42 feet; thence S 22° 14' 32" E, a distance of 113.06 feet; thence S 12° 01' 10" E, a distance of 1003.87 feet; thence S 11° 38' 03" E, a distance of 700.17

feet to a point on the North line of Section 14, Township 15 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 14, N 88° 55' 30" E, a distance of 3990.49 feet to Northeast corner of said Section 14, the same being the Northwest corner of Section 13, Township 15 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 13, N 89° 22' 49" E, a distance of 3305.64 feet to a point on the Westerly line of the aforesaid Florida Power and Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing said North line and on the Westerly line of said Florida Power and Light Company Right of Way, S 21° 25' 08" E, a distance of 1264.30 feet; thence continue on the Westerly line of said Florida Power and Light Company Right of Way, S 10° 39' 05" E, a distance of 4200.89 feet to the POINT OF BEGINNING.

Together With:

PARCEL 2 - TRACT "L"

Commence at the Southeast corner of Section 17, Township 15 South, Range 31 East, Volusia County, Florida; thence on the South line of said Section 17, S 88° 39' 52" W, a distance of 1327.89 feet to the Southeast corner of the Southwest 1/4 of the Southeast 1/4 of said Section 17 and the POINT OF BEGINNIG; thence continue on the South line of said Section 17, S 88° 39' 52" W, a distance of 3983.66 feet to Southwest corner of said Section 17, the same being the Southeast corner of Section 18, Township 15 South, Range 31 East, Volusia County, Florida; thence on the South line of said Section 18, S 88° 39' 52" W, a distance of 5316.86 feet to the Southwest corner of said Section 18, the same being the Southeast corner of Section 13. Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of said Section 13, S 88° 59' 03" W, a distance of 524.08 feet to a point on the Easterly line of a Florida Power and Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing said South line and on the Easterly line of said Florida Power and Light Company Right of Way, N 10° 39' 05" W, a distance of 351.79 feet; thence continue on the Easterly line of said Florida Power and Light Company Right of Way, N 10° 13' 38" W, a distance of 4090.33 feet; thence continue on the Easterly line of said Florida Power and Light Company Right of Way, N 21° 25' 07" W, a distance of 1002.42 feet to the North line of aforesaid Section 13. Township 15 South, Range 30 East, Volusia County, Florida; thence departing said Easterly line of said Florida Power and Light Company Right of Way and on the North line of said Section 13, N 89° 22' 49" E, a distance of 1593.79 feet to the Northeast corner of said Section 13, the same being the Northwest corner of aforesaid Section 18, Township 15 South, Range 31 East, Volusia County, Florida; thence on the North line of said Section 18, N 89° 07' 44" E, a distance of 5266.05 feet to the Northeast corner of said Section 18, the same being the Northwest corner of aforesaid Section 17, Township 15 South, Range 31 East, Volusia County, Florida; thence on the North line said Section 17, N 88° 46' 28" E, a distance of 1334.66 feet to the Northeast corner of the West 1/2 of the Northwest 1/4 of said Section 17; thence departing said North line and on the East line of the West 1/2 of the Northwest 1/4 of said Section 17, S 01° 25'

22" E, a distance of 2633.79 feet to the Southeast corner of the West 1/2 of the Northwest 1/4 of said Section 17; thence departing said East line and on the South line of the West 1/2 of the Northwest 1/4 of said Section 17, S 88° 43' 11" W, a distance of 1331.27 feet to the Southwest corner of the West 1/2 of the Northwest 1/4 of said Section 17; thence departing said South line and on the West line of said Section 17, S 01° 29' 47" E, a distance of 1317.54 feet to the Northwest corner of the South 1/2 of the Southwest 1/4 of said Section 17; thence departing said West line and on the North line of the Southwest 1/4 of the Southwest 1/4 of said Section 17 and on the North line of the Southwest 1/4 of the Southeast 1/4 of said Section 17, N 88° 41' 31" E, a distance of 3988.73 feet to the Northeast corner of the Southwest 1/4 of the Southeast 1/4 of said Section 17; thence departing said North lines and on the East line of the Southwest 1/4 of the Southwest 1/4 of said Section 17, S 01° 16' 32" E, a distance of 1315.61 feet to the POINT OF BEGINNING.

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "Lease") made as of April 17, 2006 ("Effective Date"), between **PLUM CREEK LAND COMPANY**, a Delaware corporation whose Federal ID Number is 91-1920356 ("PLUM CREEK") and **D & E WATER RESOURCES**, **L.L.C.**, a Delaware limited liability company ("LESSEE").

WITNESSETH:

- 1. <u>Granting Clause.</u> PLUM CREEK, in consideration of the covenants, consideration, royalties, and the agreements of LESSEE herein contained, grants, leases and lets unto LESSEE, upon the terms herein set forth, the exclusive right to investigate, explore, prospect, drill and produce potable and non-potable water ("Water") on approximately 7,079.68 acres more or less, located in Volusia County Florida (the "Leased Premises"). A more detailed description of the Leased Premises is attached as Exhibit "A".
- 2. <u>No Warranty of Title.</u> PLUM CREEK does not warrant title to the Water or the surface rights hereunder. LESSEE covenants with PLUM CREEK that LESSEE's operations shall not violate the rights of any third persons not parties to this Lease, whether those rights are documented or apparent from an examination of the Leased Premises.
- 3. <u>Limitation of Rights Granted.</u> The rights and privileges granted by this Lease are limited to the rights and privileges PLUM CREEK possesses and has lawful right to lease, and this Lease shall not be construed as leasing or attempting to lease to LESSEE any rights and privileges other or more than those that are vested in PLUM CREEK.
- 4. <u>Exceptions and Reservations</u>. PLUM CREEK excepts and reserves all oil, gas, timber, and minerals not specifically leased under this Lease for all purposes together with full and free rights of ingress and egress as may be necessary or convenient in the proper development thereof or of other lands. The rights and privileges excepted and reserved to PLUM CREEK shall be exercised with due regard for the operations of LESSEE under this Lease, and in a manner as to not unreasonably interfere with the operations of LESSEE.
- 5. <u>Primary Term</u>. Subject to the provisions below, this Lease is for a term of twenty years from the Effective Date (the "Primary Term")
- 6. <u>Delay Rentals</u>. If operations for drilling are not commenced on the Leased Premises on or before one year from the Effective Date, this Lease will terminate unless on or before such anniversary date LESSEE pays PLUM CREEK a delay rental of One Dollar (\$1.00) per acre, which shall cover the privilege of deferring commencement of

drilling operations for 12 months. In like manner and upon like payments annually the commencement of drilling operations may be further deferred for successive 12-month periods during the Primary Term.

7. Rental / Royalty Payments.

- a) Annual Rent. LESSEE shall pay to PLUM CREEK an annual rental payment of \$100.00 per well site, plus sales tax, (the "Annual Rent") all as compensation for the LESSEE's right to PLUM CREEK's property and the impact of LESSEE's right to utilize the surface and the impact of such uses on the Leased Premises.
- b) Royalty Payments In the event that LESSEE withdraws more than 4,000,000 gallons of water per year from the Leased Premises LESSEE shall pay PLUM CREEK the sum of \$0.10 per thousand gallons of water withdrawn from the Leased Premises, plus sales tax, (the "Royalty") all as compensation for the LESSEE'S right to PLUM to withdraw Water from PLUM CREEK's property.
- c) Measurement of Water Production. LESSEE shall measure the Water produced from the Leased Premises with a read-out meter at each wellhead, tank battery and/or sales delivery point. The face of the meter shall be visible to PLUM CREEK at all times and PLUM CREEK's royalty payment for Water shall be based on the full amount of Water production indicated by such meter and not reduced by subsequent loss or shrinkage occurring down-stream. The meter(s) should be calibrated on a regular basis to assure accuracy. Royalty shall be paid on sales delivery volumes.
- d) Adjustments to the Annual Rent and Royalty. At least ninety (90) days but not earlier than one hundred twenty (120) days prior to the end of the third year of this Lease, and within the same period prior to the end of each succeeding 3-year period, LESSEE and PLUM CREEK shall renegotiate the Annual Rent and the Royalty to be paid over the next 3-year period. The purpose of renegotiating the Annual Rent and the Royalty is to reflect the increase in the fair value of the Leased Premises, the rights to withdraw Water, and Well Site Production Facilities over the last 3-year period.
- e) Resolution of Impasse. If LESSEE and PLUM CREEK are unable to agree on the amount of increase in the Annual Rent or the Royalty to be paid over the subject 3-year period, then at least forty-five (45) days but not earlier than ninety (90) days prior to the commencement of the subject 3-year period, LESSEE and PLUM CREEK shall agree upon a qualified appraiser who will calculate the increase in the Annual Rent and/or the Royalty to be paid over the subject 3-year period. If the parties are unable to agree upon an appraiser to be used, then LESSEE and PLUM CREEK shall select a qualified appraiser of its choice and make the calculations, and the average of the two appraisers shall be binding on the parties. Calculations by the appraiser or appraisers shall in either case be made and delivered to LESSEE and PLUM CREEK at least fifteen (15) days prior to the commencement of the subject 3-year period. Neither the calculations of the appraiser or appraisers nor

- anything contained herein shall operate to reduce the Annual Rent or the Royalty below the amount of the Annual Rent or the Royalty in effect at the time the negotiations or calculations are conducted as set forth herein or below the then existing Annual Rent or Royalty plus inflation using the compounded index percentage approved for regulated water and wastewater utilities by the Florida Public Service Commission for each intervening year since that last Annual Rent Royalty amount was set.
- f) Effect of Restrictions In addition to renegotiating the Annual Rent and the Royalty every 3 years as set forth above, any time that, in PLUM CREEK's reasonable opinion, the impact of any local, regional, state, or federal rule, ordinance, law, or policy directly or indirectly affects PLUM CREEK's use of the Leased Premises or its other lands not subject to this Lease by further restricting or requiring changes in land or water uses near Well Sites, or as a result of withdrawals or activities related to withdrawals, LESSEE and PLUM CREEK shall renegotiate the Annual Rent and the Royalty. The purpose of this renegotiation shall be to reflect the diminution in value of the affected Leased Premises or other lands of PLUM CREEK. At anytime that PLUM CREEK reasonably deems such diminution in value to have occurred, PLUM CREEK shall notify LESSEE in writing and, within forty-five (45) days thereof, Owner and LESSEE shall renegotiate the Annual Rent and Royalty to compensate PLUM CREEK for the diminution in value. If PLUM CREEK and LESSEE are unable to agree on a renegotiated Annul Rent or Royalty, then LESSEE and PLUM CREEK shall agree upon a qualified appraiser who will calculate such compensation. If the parties are unable to agree upon a qualified appraiser to be used, the PLUM CREEK and LESSEE shall each select a qualified appraiser of its choice to make the necessary calculations, and the average of the two appraisers shall be binding on the parties.
- 8. <u>Proportionate Reduction of Royalty and Annual Rentals.</u> If PLUM CREEK owns an interest in the Leased Premises less than the entire water rights and royalty related thereto, then the delay rentals and royalties due PLUM CREEK shall be reduced proportionately.
- 9. Retention of Acreage. Following the Primary Term LESSEE shall be entitled, subject to the other provisions of this Lease, to extend the Lease as to any 5 acre well site and as long thereafter as Water is produced in Paying Quantities from such Well Site. As used in this Lease "Paying Quantities" is Operating Revenue sufficient to pay all Operating Cost of a prudent operator during the prior 12 months of operation on a lease basis. "Operating Revenue" is all revenue from the sale of production attributable to the water well, less the amount of Royalties paid for such production. "Operating Cost" is direct (variable) operating expenses for operating the well. By way of illustration depreciation and administrative overhead cost are not a direct operating expense.

- 10. Relocation or Abandonment of Wells Sites. If PLUM CREEK shall reasonably determine that for PLUM CREEK's beneficial use of the Leased Premises a Well Site must be relocated, PLUM CREEK will provide a substitute Well Site located as closely as reasonably possible to the one removed, and PLUM CREEK shall bear the expense of such relocation, including cost of plugging. The Royalty shall be renegotiated based upon the costs of such relocation efforts. Upon the abandonment of any Well Site, or the removal from any Well Site, LESSEE shall clean up the Well Site and leave the same in neat and presentable condition.
- 11. <u>Payment of Taxes, Mortgage or Liens.</u> LESSEE, at its option, may pay any tax, mortgage or other lien bearing upon the Leased Premises and/or PLUM CREEK's water rights with the right to enforce it and apply rentals and royalties accruing hereunder toward recouping the payment.
- Force Majeure. If any operation permitted or required in this Lease, or the 12. performance by LESSEE of any covenant, agreement or requirement hereof is delayed or interrupted directly or indirectly by any past or future acts, orders, regulations or requirements of the Government of the United States or any state or other governmental body, or any agency, officer, representative or authority of any of them, or because of delay or inability to get materials, labor, equipment or supplies, or on account of any other similar or dissimilar cause beyond the control of LESSEE, the period of such delay or interruption is not counted against LESSEE, and the Primary Term of this Lease is automatically extended, so long as the cause or causes for such delays or interruptions continue and for a period of two months thereafter; and such extended term shall constitute and shall be considered for the purposes of this Lease as a part of the Primary Term. LESSEE shall not be liable to PLUM CREEK in damages for failure to perform any operation permitted, or required hereunder or to comply with any covenant, agreement or requirement hereof during the time LESSEE is relieved from the obligation to comply with such covenants, agreements or requirements. In no event shall the suspension of obligations as permitted under this paragraph exceed two vears.

13. <u>LESSEE's Use of the Surface of the Leased Premises.</u>

a) Notice of Intent to Use the Surface. LESSEE assumes the risk of use of the surface of the Leased Premises and agrees to use the minimum amount of acreage that is necessary for a prudent operator in the operations permitted. LESSEE shall give the surface owner of record at least 30, but not more than 60 days, advance written notice of its intention to use the surface of the Leased Premises. If PLUM CREEK owns the surface, the notice shall be directed to PLUM CREEK's Resource Manager at P.O. Box 808, (Highway 100), Lake Butler, FL 32054 (the "Resource Manager") at least 30, but not more than 60 days, advance written notice of its intention to use the surface of the Leased Premises. With this notice, LESSEE shall include a plat or plats showing the area it plans to use and the location of the proposed facilities. The surface owner may salvage for its account all or so much of the forest products from this area, as it desires within the 30 to 60 days after

receipt of notice. LESSEE shall dispose of the forest products not salvaged by the surface owner from such area, in a manner stipulated by, or acceptable to the surface owner, to prevent hazards from fire and insect infestation to forest products on the Leased Premises and on adjacent lands. LESSEE agrees to pay all costs of improvements to any roads on the Leased Premises the road for its usage, maintain the roads in good condition during such usage, and use the roads in a prudent manner so as not to interfere with PLUM CREEK's use of such roads.

- b) <u>Damage Payments.</u> LESSEE assumes for itself, its agents and invitees, the liability for prompt payment to surface owner for any and all damages to surface owner's property, equipment, timber and other improvements located on the Leased Premises that may be caused by the operations of LESSEE, its agents and invitees on the Leased Premises.
- 14. <u>Prudent Operator.</u> LESSEE shall conduct its operations on the Leased Premises in a prudent, modern, efficient and safe manner. By way of illustration, but not limitation, LESSEE shall immediately repair any water leaks from pipelines, wellheads or pumping stations located on the Leased Premises.
- 15. <u>Pipelines</u>. If LESSEE shall construct any pipelines or water distribution systems on the Leased Premises, it shall bury all such pipelines or distribution systems to a minimum depth of 36 inches below the surface of the earth, or at such other depth as may be authorized by PLUM CREEK.
- 16. <u>Compliance with Regulations</u>. LESSEE shall conduct operations in full compliance with the related regulations established by the appropriate State or Governmental Authority having jurisdiction in such matters. The obligations imposed by this paragraph shall survive expiration or termination of this Lease.
- 17. <u>Debris</u>. All refuse generated by LESSEE'S operations on the Leased Premises, including without limitation, lunch or snack containers, paper, cans, oilcans, bottles, filters, tires, and discarded equipment, must be disposed of properly away from the Leased Premises.
- 18. Environmental Definitions. As used in this Lease the term "Environmental Law" shall mean, any federal, state or local law, statute, decree, ordinance, code, rule, or regulation, including, without limiting the generality of the foregoing, the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, the Hazardous Materials Transportation Act, the Resource Conservation and Recovery Act, the Toxic Substance Control Act of 1976, and any federal, state or local so-called "Superfund" or "Superlien" law or ordinance relating to the emission, discharge, release, threatened release into the environment of any pollutant, contaminant, chemical, hazardous, toxic or dangerous waste, substance or material (including, without limitation, ambient air, surface water, groundwater or land), or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or

handling of such substances and any regulations, codes, plans, orders, decrees, judgments, injunctions, notices or demand letters issued, entered, promulgated or approved thereunder. As used herein, the term "Hazardous Material" shall mean any pollutants, contaminants, chemicals, hazardous, toxic or dangerous waste, substance or material, or any other substance or material regulated or controlled pursuant to any Environmental Law now or at any time hereafter in effect, including any other substances defined as "hazardous substances" or "toxic substances" in any Environmental Law.

- 19. General and Environmental Indemnification. LESSEE shall defend and indemnify and keep indemnified, and hold harmless, PLUM CREEK from and against all actions or causes of action, claims, losses and damages of every kind, including costs and attorney's fees, incident to or in any manner resulting in injury to persons (including employees, agents, representatives, invitees and licensees of LESSEE, or others engaged by LESSEE), and damages to property or other legal consequences growing out of the use and occupancy of the Leased Premises and any and all operations or other work or services contemplated or undertaken thereon by LESSEE, its agents, representatives, or others engaged by it to perform the same, including without limitation all acts of commission or omission of LESSEE, its said agents, representatives, invitees, employees and licensees. LESSEE also indemnifies PLUM CREEK and agrees to hold PLUM CREEK harmless from and against any and all loss, liability, damage, injury, cost, expense and claims of any kind whatsoever paid, incurred or suffered by, or asserted against, PLUM CREEK for, with respect to, or as a direct or indirect result of the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from the Leased Premises of any Hazardous Material arising out of, in connection with or in any manner related to the use of the Leased Premises by LESSEE, including, without limiting the generality of the foregoing, any loss, liability, damage, injury, cost, expense or claim asserted or arising under any Environmental Law as defined below. This indemnity shall survive the expiration or earlier termination of this Lease.
- 20. <u>Insurance</u>. LESSEE covenants and agrees to obtain and maintain during the Term of this Lease the following insurance coverage:
 - a) General Liability. Commercial General Liability covering claims for bodily injury, death and property damage, including Comprehensive Form, Premises and Operations, Independent Contractors, Products and Completed Operations, Personal Injury, Contractual, Broadform Property Damage, Cross Liability and Hostile Fire liability coverages, with a combined single limit of \$1,000,000 for bodily injury, death and property damage each or per occurrence and \$2,000,000 general aggregate, with pollution coverage, in an amount of not less than \$1,000,000 Additionally, the policy shall not exclude X, C or U (Explosion, Collapse or Underground) or Subsidence. As used in this Lease "Subsidence" is defined as sinking or settling of land caused by heavy rains or man-made caverns. Subsidence does not include earth movement caused by an earthquake.

- b) <u>Umbrella Liability</u>. Excess Liability insurance providing limits of not less than \$10,000,000 each occurrence and annual aggregate over General Liability, Automobile Liability, and Employers Liability.
- c) Environmental Liability. Pollution Legal Liability providing On-Site Clean-up protection and Third Party Off-Site Cleanup of Pollution Conditions, as well as protection for Bodily Injury and Property Damage resulting from operations granted under this Lease. Limit of Liability shall be not less than \$10,000,000. PLUM CREEK shall be an Additional Insured.
- d) <u>Automobile Liability</u>. Comprehensive Automobile Liability covering owned, non-owned, hired and other vehicles, with a combined single limit of \$1,000,000 for bodily injury, death and property damage per occurrence and \$1,000,000 general aggregate.
- e) Fire and Extended Coverage Insurance on Improvements and Personalty. During the Term of this Lease, LESSEE shall keep all improvements, installations, machinery and equipment placed by it and all other personal property placed by it on the Leased Premises continuously insured against loss or damage by theft, fire or lightning (with extended coverage if available) in an amount equal to the fair market value thereof, subject to reasonable and customary deductibles. If at the time of any loss LESSEE is in default to PLUM CREEK, PLUM CREEK may require the proceeds be paid to PLUM CREEK, to satisfy LESSEE's obligations to PLUM CREEK. If LESSEE is not in default under this Lease, the proceeds shall be used for the repair or restoration of the property regarding which loss occurred, if the property is needed for the future development of the Leased Premises.
- f) Workers' Compensation. LESSEE covenants and agrees that all employees of LESSEE or any other persons performing work on the Leased Premises pursuant to this Lease will be fully covered by or insured always by Workers' Compensation. LESSEE shall comply with all applicable Workers' Compensation laws, rules and regulations of the state in which the Leased Premises is located and shall make all necessary contributions or other payments.
- g) Employer's Liability. Employer's Liability insurance in an amount of not less than \$500,000 each accident.
- h) Policy Requirements. All certificates of insurance furnished by LESSEE to evidence insurance coverage shall provide for thirty days written notice by the insurance company to the designated representative of PLUM CREEK before the cancellation, material change or non-renewal of any insurance policy referred to in this Lease. All liability insurance policies shall be written on an "occurrence" policy form and by insurance companies acceptable to PLUM

CREEK with a Best's Key Rating Guide of B+ or better, with a financial rating of at least VI. If LESSEE fails at any time to maintain the insurance coverage as required above, LESSEE shall cease operations immediately and shall not resume operations pursuant to this Lease until after the failure has been corrected. Except for Workers' Compensation Insurance, PLUM CREEK and PLUM CREEK Timber Company, Inc. and its subsidiaries and/or affiliates shall be named as an Additional Insured on all such required policies. The additional insured endorsement must be ISO CG20 10 11 85 or other form with like wording. If the additional insured endorsement is not ISO CG20 10 11 85 or like form, LESSEE must maintain Completed Operations coverage with additional insured extension for a period of two (2) years after completion and acceptance by PLUM CREEK of the work performed. LESSEE shall be responsible for payment of any and all deductibles from insured claims under its policies. The coverage afforded under any insurance policy obtained by LESSEE pursuant to this Paragraph shall be primary coverage regardless of whether or not PLUM CREEK has similar coverage. LESSEE shall not perform any operations on the Leased Premises unless and until evidence of such insurance, including renewals thereof, has been delivered to and approved by PLUM CREEK. PLUM CREEK reserves the right to require a certified copy of the policies or to examine the actual policies. LESSEE shall not self-insure any of the insurance coverages required by this Lease without the prior written consent of PLUM CREEK. The minimum limits of coverage required by this Lease may be satisfied by a combination of primary and excess or umbrella insurance policies. The maintenance of this insurance shall not in any way operate to limit the liability of LESSEE to PLUM CREEK under this Lease.

- i) Certificate of Insurance Evidencing Coverage. LESSEE shall give PLUM CREEK's Resource Manager a certificate of insurance evidencing the above coverage before conducting any operations on the Leased Premises. The certificate shall provide for 10 days written notice by the insurance company to the designated representative of PLUM CREEK before the cancellation, material change or non-renewal of the policy. If LESSEE fails at any time to maintain the insurance coverage as required above, LESSEE shall cease operations on the Leased Premises immediately and shall not resume operations until the failure has been corrected. The coverage afforded under any insurance policy obtained by LESSEE pursuant to this paragraph shall be primary coverage regardless of whether or not PLUM CREEK has similar coverage. Except for Workers' Compensation and employer liability insurance, PLUM CREEK shall be named as additional insured under all policies of insurance issued to LESSEE according to the terms of this Lease. LESSEE shall not self-insure any of the insurance coverage required by this Lease without the prior written consent of PLUM CREEK.
- 21. <u>Data and Reports to PLUM CREEK</u>. LESSEE agrees it shall furnish PLUM CREEK when practicable after receipt and without cost to PLUM CREEK, copies of Title

Opinions and State or Federal conservation orders or regulations pertaining to the Leased Premises.

- 22. Retention and Audit of Records. LESSEE shall keep and preserve for at least five years accurate records showing the quantity of Water produced and saved from the Leased Premises in such detail sufficient for PLUM CREEK to verify its Royalty is being properly paid (the "Records"). PLUM CREEK and its agents ("Auditor"), with at least 14 days notice, shall have access at all reasonable business hours to the Records. LESSEE also hereby grants to Auditor, the right to obtain from any purchaser of Water from the Leased Premises information as to the quantity of Water purchased.
- 23. <u>Surrender of Acreage</u>. LESSEE may at any time execute and deliver to PLUM CREEK or place of record a release or releases covering any portion or portions of the Leased Premises and thereby surrender this Lease as to such portion or portions.

24. Defaults and Remedies.

- a) Default. LESSEE shall be in "Default" if LESSEE shall at any time fail to provide any Monthly Statement when due or fail to pay as and when due any royalty or Damages to the surface owner, under paragraph 13, required to be paid hereunder, and the failure continues for fifteen (15) days after written notification of such Default; provided, however, that if there is a dispute as to the amount due and all undisputed amounts are paid and Monthly Statements received by PLUM CREEK, the 15-day period shall be extended until five days after such dispute is settled by final court decree, arbitration or agreement. LESSEE shall also be in "Default" if LESSEE shall fail to perform or be guilty of a breach of any one or more of any of the terms, conditions, covenants, stipulations, and agreements of this Lease relating to matters other than the payment of money and shall fail within 15 days after written notice of the breach shall have been given by PLUM CREEK to LESSEE, to cure the breach, if cure is possible within the 15 day period, or if not to begin to cure and thereafter diligently pursue cure of any breach, provided that immediately upon receipt of written demand from PLUM CREEK, LESSEE will terminate all mining operations hereunder until such time as LESSEE has cured the breach to the satisfaction of PLUM CREEK.
- b) <u>Forfeiture.</u> If LESSEE is in Default, PLUM CREEK shall have the right to terminate this Lease and to enter the Leased Premises and hold and possess the same, and all the property of the LESSEE thereon, free and acquit from any claims of LESSEE thereto.
- c) Right to take Possession Without Forfeiture. If PLUM CREEK takes possession of the Leased Premises as a result of Default, PLUM CREEK shall have the option, to divide the Leased Premises in any manner PLUM CREEK may determine and to lease the Leased Premises or portions thereof as PLUM CREEK may elect. PLUM CREEK reserves the right to bring action

- or proceedings for the recovery of any deficits remaining unpaid, as PLUM CREEK may believe appropriate.
- d) No Waiver. A waiver by PLUM CREEK of any Default under this Lease shall not prevent the right of PLUM CREEK to forfeit this Lease for any other cause, or for the same cause occurring at any other time. The receipt by PLUM CREEK from LESSEE of payments after the occurrence of any Default, or the continued recognition by PLUM CREEK of LESSEE as its tenant after the occurrence of any Default shall not be deemed a waiver of PLUM CREEK's right of forfeiture, so long as the cause of forfeiture continues to exist. Receipt and acceptance by PLUM CREEK of any amounts tendered by LESSEE shall not constitute an agreement by PLUM CREEK that the amounts are the proper amounts due or a waiver of PLUM CREEK's claims for greater amounts. All payments by LESSEE to PLUM CREEK shall apply on the items longest past due, and the receipt of any such payment shall not be a waiver either of the right of distress or the right of forfeiture or any other remedy available to PLUM CREEK with respect to items which remain undischarged after crediting the payments.
- e) Removal of Equipment and Improvements Upon Termination by Default. Upon the termination of this Lease for Default any personal property and all permanent improvements shall, at PLUM CREEK's option, be and become the property of PLUM CREEK or be removed from the Leased Premises at the direction of PLUM CREEK, but at the sole expense of LESSEE.
- 25. Release of Acreage and Removal of Property and Fixtures. When this lease or any portion of it expires or is terminated, for any reason whatsoever, LESSEE agrees to furnish PLUM CREEK, within 30 days thereafter, a Release covering that portion of the lease so affected in appropriate form and duly executed, in order that the Release may be placed of public record. LESSEE shall have 90 days from the date of the Release to remove from the released acreage any property or fixtures placed by LESSEE on the abandoned land. Unless the time period is extended by written consent of PLUM CREEK, any property or fixtures of LESSEE left on the abandoned land after the appropriate removal date shall, at the option of PLUM CREEK, become PLUM CREEK's property and fixtures or be removed from such land at the direction of PLUM CREEK but at the sole expense of LESSEE.
- 26. <u>Notices.</u> All notices and payments, except that notice to the Resource Manager, given under the terms of this Lease shall be directed as follows:

To PLUM CREEK:

Plum Creek Land Company Mineral Department One Concourse Parkway, Suite 755 Atlanta, GA 30303 Telecopy: 770-730-7272 With Copy to:

Plum Creek Land Company

Law Department

One Concourse Parkway Suite 755

Atlanta, GA 30303

Telecopy: 770-671-0211

To LESSEE:

D & E WATER RESOURCES, INC.

Energy and Natural Resources 999 Third Avenue, Suite 4300 Seattle, Washington 98104 Telecopy: 206-467-3786

or to such other address as each party may designate by written notice to the other party. The deposit in the mail of any letter so addressed and with postage prepaid shall, for this Lease, be notice to the addressees of the contents of the letter.

- 27. <u>Dispute Resolution.</u> Except as otherwise provided herein, in the event of any disputes, claims and other matters in question between PLUM CREEK and LESSEE arising out of the terms and conditions of this Lease and the performance of either party hereunder, PLUM CREEK and LESSEE shall attempt in good faith to resolve such matter promptly by negotiation between senior executives who have authority to settle the controversy and who do not have direct responsibility for administration of this Lease.
- 28. <u>Liens.</u> LESSEE shall conduct its operations in such a manner as to prevent any lien from being attached to the Leased Premises. If any lien should so attach, LESSEE shall take immediate steps to liquidate the indebtedness represented by the lien to remove the lien from the public records. Always LESSEE shall hold PLUM CREEK harmless and indemnify it against the effect of any such lien or purported lien.
- 29. <u>No Modification.</u> The terms and conditions of this Lease may not be modified, altered or amended except by a writing that is executed by PLUM CREEK and LESSEE and of equal formality with this Lease.
- 30. <u>Assignments.</u> This Lease may not be assigned in whole or in part by LESSEE without the prior written consent of PLUM CREEK. In the event of any such assignment, LESSEE shall not be released from its obligation relative to the payment of royalties or from the performance of any of the other obligations or conditions herein contained.
- 31. <u>Prior Agreements.</u> This Lease constitutes the sole and entire existing agreement between PLUM CREEK and LESSEE and expresses all the obligations of and the restrictions imposed upon PLUM CREEK and LESSEE. All prior agreements and commitments, whether oral or written, between the parties are either superseded by specific paragraphs of this Lease or, without such coverage, specifically withdrawn.

32. <u>Headings</u>. The use of headings in this Lease is solely for the convenience of indexing the various paragraphs and shall in no event limit or defines or otherwise affects any provision in this Lease.

IN WITNESS WHEREOF, this instrument is executed effective the date first above written.

WITNESSES:	PLUM CREEK LAND COMPANY
	By:
	Title:
	D & E WATER RESOURCES, L.L.C.
	,
	Ву:
	Title:

<u>ACKNOWLEDGMENT</u>

STATE OF WASHINGTON

COUNTY OF KING

On this the __ day of April, 2006, personally appeared before me, the undersigned authority in and for the said County and State, within my jurisdiction, the within named Russell S. Hagen who acknowledged himself to be the General Manager Energy and Natural Resources of PLUM CREEK LAND COMPANY and that for and on behalf of said corporation, he did sign, seal and deliver the foregoing LEASE AGREEMENT for the purposes mentioned on the day and year therein mentioned, after first having been duly authorized by said limited liability company so to do.

Notary Public
My commission expires:
STATE OF WASHINGTON
COUNTY OF KING
On this the day of April 2006, personally appeared before me
On this the day of April, 2006, personally appeared before me,, the undersigned authority in and for the said County and State, within my jurisdiction, the
within named, who acknowledged himself to be the Vice
President of D & E WATER RESOURCES, L.L.C., and that for and on behalf of said
company, he did sign, seal and deliver the foregoing LEASE AGREEMENT for the
purposes mentioned on the day and year therein mentioned, after first having been duly
authorized by said corporation so to do.
Notary Public
Ny commission expires:

EXHBIT "A "

PARCEL 3 - TRACT "A"

A parcel of land lying in Section 36, Township 14 South, Range 29 East, Section 31, Township 14 South, Range 30 East and in Sections 4 and 5, Township 15 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

BEGIN at the Northwest corner of Section 31, Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 31, N 89° 26' 37" E, a distance of 1414.27 feet to a point 20 feet East of the centerline of a Forest Management Road locally known as Forest Management Road "A"; thence departing the North line of said Section 31 and on a line 20 feet East of the centerline of aforesaid Forest Management Road "A" through the following courses: S 40°46'37" E, a distance of 527.19 feet; thence S 21°36'29" E, a distance of 769.11 feet; thence S 21°56'54" E, a distance of 653.58 feet; thence S 21°33'25" E, a distance of 1169.70 feet; thence S 13°34'29" E, a distance of 344.53 feet; thence S 10°40'05" E, a distance of 1291.34 feet; thence S 10°38'13" E, a distance of 1352.46 feet; thence S 16°44'18" W, a distance of 71.03 feet to a point hereafter referred to as "POINT A"; thence returning to the POINT OF BEGINNING proceed on the North line of Section 36, Township 14 South, Range 29 East, Volusia County, Florida, S 89°38'06" W, a distance of 2993.67 feet; to a point on the Easterly Right of Way Line of State Road 11 (a 200 foot right of way, per Florida Department of Transportation Right of Way Maps Sections 7909-104 & 79100-2901); thence departing said North line and on said Easterly Right of Way Line, S 4°38'21" E, a distance of 5362.16 feet to a point on the South line of aforesaid Section 36, Township 14 South, Range 29 East, Volusia County, Florida; thence departing said Easterly Right of Way Line and on the South line of said Section 36 the same being the North Line of the Northwest 1/4 of Section 5, Township 15 South, Range 30 East, Volusia County, Florida, N 88°46'28" E, a distance of 1497.46 feet to the Northwest corner of the Northeast 1/4 of Section 5, Township 15 South, Range 30 East, Volusia County, Florida; thence continue on the South Line of aforesaid Section 36 the same being the North Line of the Northeast 1/4 of Section 5, Township 15 South, Range 30 East, Volusia County, Florida, N 89°06'19" E, a distance of 1320.86 feet; thence departing said North and South lines, S 0°02'24" E, a distance of 2447.12 feet to a point on the Northerly Limited Access Right of Way Line of State Road 40 (per Florida Department of Transportation Right of Way Maps Sections 79100-2503); thence on said Northerly Limited Access Right of Way Line and Northerly Right of Way Line of State Road 40 through the following courses: N 82°09'53" E, a distance of 633.43 feet; thence S 7°50'07" E. 50.00 feet a point on the Northerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Maps Sections 79100-2503); thence continue on said Northerly Right of Way Line of State Road 40 through the following courses: N 82°09'53" E, a distance of 3245.96 feet to the beginning of a curve concave Northwesterly having a radius of 5661.65 feet and a

central angle of 7°46'30"; thence on the arc of said curve a distance of 768.28 feet said arc being subtended by a chord that bears N 78°16'38" E, a distance of 767.69 feet to the curves end and a point on a meandering line between an existing pine plantation and wetland said point bearing S 50°15'49" E, a distance of 2075.89 feet from aforesaid "POINT A"; thence departing the Northerly Right of Way Line of State Road 40 and on said meander line between an existing pine plantation and wetland, Northwesterly, a distance of 2272 feet, more or less to aforesaid "POINT A" to close.

LESS Maintained Right of Way for Clifton Cemetery Road, a County Maintained Right of Way.

TOGETHER WITH:

PARCEL 3 - TRACT "B"

A parcel of land lying in Sections 28, 29, 32 and 33, Township 14 South, Range 30 East, and in Sections 2 and 3, Township 15 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

Begin at the Northwest corner of Section 28, Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 28, N 89°49'43" E, a distance of 4718.82 feet to a point on the Westerly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing the North line of said Section 28 and on the Westerly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses: S 1°00'03" E, a distance of 6622.81 feet; thence S 88°59'57" W, a distance of 100.00 feet; thence S 1°00'03" E, a distance of 68.01 feet; thence S 21°24'53" E, a distance of 68.01 feet; thence N 68°35'07" E, a distance of 100.00 feet; thence S 21°24'53" E, a distance of 2921.78 feet to a point on the Northerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence departing said Westerly Right of Way Line and on the Northerly Right of Way Line of said State Road 40, S 74°23'23" W, a distance of 8883.67 feet to a point 20 feet West of the centerline of a Forest Management Road locally known as Forest Management Road "B"; thence departing the Northerly Right of Way Line of said State Road 40 on a line 20 feet West of the centerline of aforesaid Forest Management Road "B" through the following courses: N 6°53'15" W, a distance of 852.23 feet; thence N 6°45'50" W, a distance of 912.39 feet; thence N 2°05'12" E, a distance of 406.43 feet; thence N 16°22'41" E, a distance of 711.44 feet; thence N 13°13'29" E, a distance of 121.87 feet; thence N 0°07'38" E, a distance of 157.15 feet; thence N 5°09'02" W, a distance of 654.24 feet; thence N 34°25'28" E, a distance of 638.85 feet; thence N 35°16'31" E, a distance of 697.29 feet; thence N 35°05'04" E, a distance of 724.86 feet; thence N 44°52'43" E, a distance of 438.82 feet; thence N 29°00'58" E, a distance of 710.66 feet to a point on the South Line of Section 29, Township 14 South, Range 30 East, Volusia County, Florida; thence on the South Line of said Section 29, N 89°26'37" E, a distance of 269.52 feet to the Southwest corner of the East 1/2 of the East 1/4 of

said Section 29; thence departing the South line of said Section 29 and on the West Line of the East 1/2 of the East 1/4 of said Section 29, N 1°07'29" W, a distance of 5409.16 feet to the Northwest corner of the East 1/2 of the East 1/4 of said Section 29; thence departing said West Line and on the North line of the East 1/2 of the East 1/4 of said Section 29, N 88°47'01" E, a distance of 662.33 feet to the POINT OF BEGINNING.

TOGETHER WITH:

PARCEL 3 - TRACT "C"

A parcel of land lying in Sections 27, 28, 33 and 34, Township 14 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

Begin at the Northeast corner of Section 27, Township 14 South, Range 30 East, Volusia County, Florida; thence on the East Line of said Section 27, S 0°43'05" E, a distance of 5281.63 feet to the Southeast corner of said Section 27, the same being the Northeast corner of Section 34, Township 14 South, Range 30 East, Volusia County, Florida; thence departing the East Line of said Section 27 and on the East Line of said Section 34, S 0°50'04" E, a distance of 2995.90 feet to a point on the Northerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence departing said East Line and on the Northerly Right of Way Line of said State Road 40 the same being on a curve concave Southerly having a radius of 2925.76 feet and a central angle of 18°35'49"; thence on the arc of said curve a distance of 949.64 feet, said arc being subtended by a chord that bears S 83°41'17" W, a distance of 945.48 feet to the curves end; thence continue on the Northerly Right of Way Line of said State Road 40, S 74°23'23" W, a distance of 3756.48 feet to a point on the Easterly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing the Northerly Right of Way Line of State Road 40 and on the Easterly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses: N 21°24'53" W, a distance of 2948.26 feet; thence N 1°00'03" W, a distance of 6614.46 feet to a point on the North Line of Section 28, Township 14 South, Range 30 East, Volusia County, Florida; thence departing said Easterly Line and on the North Line of said Section 28, N 89°49'43" E, a distance of 347.16 feet to the Northeast corner of said Section 28, the same being the Northwest corner of aforesaid Section 27, Township 14 South, Range 30 East, Volusia County, Florida; thence departing the North Line of aforesaid Section 28 and on the North line of said Section 27, N 89°38'58" E, 5292.80 feet to the POINT OF BEGINNING.

TOGETHER WITH:

PARCEL 3 - TRACT "D"

A parcel of land lying in Sections 33 and 34, Township 14 South, Range 30 East, and in Sections 1,2,3,10,11 and 12, Township 15 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

BEGIN at the Southeast corner of Section 11, Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of said Section 11, S 88°55'30" W, a distance of 3990.49 feet to a point 20 feet West of the centerline of a Forest Management Road locally known as Forest Management Road "B"; thence departing the South line of said Section 11 and on a line 20 feet West of the centerline of aforesaid Forest Management Road "B" through the following courses: N 11°38'03" W, a distance of 700.17 feet; thence N 12°01'10" W, a distance of 1003.87 feet; thence N 22°14'32" W, a distance of 113.06 feet; thence N 41°52'28" W, a distance of 1301.42 feet; thence N 40°57'20" W, a distance of 1522.12 feet; thence N 40°58'25" W, a distance of 1023.75 feet; thence N 44°13'57" W, a distance of 1374.87 feet; thence N 39°26'42" W, a distance of 171.82 feet; thence N 34°35'32" W, a distance of 598.98 feet; thence N 32°03'38" W, a distance of 241.75 feet; thence N 32°27'25" W, a distance of 231.99 feet; thence N 52°23'12" W, a distance of 124.74 feet; thence N 59°04'17" W, a distance of 279.13 feet; thence N 49°23'17" W, a distance of 103.20 feet; thence N 26°53'00" W, a distance of 89.78 feet; thence N 18°32'13" W, a distance of 496.41 feet; thence N 18°45'34" W, a distance of 709.38 feet; thence N 18°33'39" W, a distance of 937.03 feet to a point on the Southerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence on said Southerly Right of Way Line of State Road 40, N 74°23'23" E, a distance of 8902.90 feet to a point on the Westerly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing the Southerly Right of Way Line of said State Road 40 and on the Westerly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses, S 21°24'53" E, a distance of 8620.26 feet; thence S 60°43'11" W, a distance of 197.04 feet; thence S 00°54'18" W, a distance of 3253.41 feet to a point on the South line of Section 12, Township 15 South, Range 30 East, Volusia County, Florida; thence departing the Westerly Right of Way line of said Power & Light Company Right of Way and on the South line of said Section 12, S 89°22'49" W, a distance of 1775.66 to the POINT OF BEGINNING.

TOGETHER WITH:

PARCEL 3 - TRACT "E"

A parcel of land lying in Sections 34 and 35, Township 14 South, Range 30 East, Sections 1, 2, and 12, Township 15 South, Range 30 East and in Section 7, Township 15 South, Range 31 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

BEGIN at the Northeast corner of Section 12, Township 15 South, Range 30 East, Volusia County, Florida; thence on the East line of said Section 12, S 00°40'00" E, a

distance of 2650.44 feet to the Northwest Corner of the South 1/2 of Section 7. Township 15 South, Range 31 East, Volusia County, Florida; thence departing said East line and on the North line of the South 1/2 of said Section 7, N 89°19'09" E, a distance of 5278.30 feet to the Northeast corner of the South 1/2 of said Section 7; thence departing said North line and on the East line of the South 1/2 of said Section 7. S 00°41'03" E, a distance of 2409.52 feet; to the Northeast corner of the South 230 feet of said Section 7 as recorded in Official Records Book 2622, Page 1169 of the Public Records of Volusia County, Florida: thence departing said East line and on the North line of the South 230 feet of said Section 7, S 89°07'44" W, a distance of 5267.09 feet to the Northwest corner of the South 230 feet of said Section 7; thence departing said North line and on the West line of the South 1/2 of said Section 7. N 00°56'56" W, a distance of 1275.69 feet to a point on the Easterly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing said West line and on said Easterly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses: N 35°48'21" W, a distance of 1384.61 feet; thence S 90°00'00" W, a distance of 1795.79 feet; thence N 21°24'53" W, a distance of 1273.78 feet; thence N 22°17'46" W, a distance of 3904.12 feet; thence N 21°24'53" W, a distance of 4287.20 feet to a point on the Southerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence departing the Easterly Right of Way Line of said Florida Power & Light Company Right of Way and on the Southerly Right of Way Line of said State Road 40 through the following courses: N 74°23'23" E, a distance of 3736.15 feet to the beginning of a curve concave Southerly having a radius of 2725.76 feet and a central angle of 23°10'10"; thence on the arc of said curve a distance of 1102.25 feet said arc being subtended by a chord that bears N 85°58'28" E, a distance of 1094.76 feet to the curves end; thence S 82°26'27" E, a distance of 1305.72 feet to a point on the West line of PLANTATION PINES (an unrecorded subdivision); thence departing said Southerly Right of Way line and on the West line of said PLANTATION PINES (an unrecorded subdivision) S 00°40'09" E, a distance of 1721.08 feet to the Northeast corner of Section 1, Township 15 South, Range 30 East, Volusia County, Florida; thence on the East line of said Section 1, the same being the West line of aforesaid PLANTATION PINES (an unrecorded subdivision), S 00°40'38" E, a distance of 5300.64 feet to the POINT OF BEGINNING.

TOGETHER WITH:

PARCEL 3 - TRACT "F"

A parcel of land lying in Sections 5 and 8, Township 15 South, Range 31 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

Begin at the Northwest corner of Section 5, Township 15 South, Range 31 East, Volusia County, Florida, thence on the North Line of said Section 5, N 89°36'29" E, a distance of 1319.85 feet to the Northeast corner of the West 1/2 of the Northwest 1/4 of said Section 5; thence departing said North Line and on the East Line of the West 1/2 of the

Northwest 1/4 of said Section 5, S 0°43'40" E, a distance of 2635.16 feet to the Southeast corner of the West 1/2 of the Northwest 1/4 of said Section 5, said corner being on the North Line of the Southwest 1/4 of said Section 5; thence departing said East Line and on the North Line of the Southwest 1/4 of said Section 5, N 89°26'21" E. a distance of 1321.45 feet to the Northeast corner of the Southwest 1/4 of said Section 5; thence departing said North Line and on the East line of the Southwest 1/4 of said Section 5, S 0°45'47" E, a distance of 2631.54 feet to the Southeast corner of the Southwest 1/4 of said Section 5, the same being the Northeast corner of the Northeast 1/4 of the Northwest 1/4 of Section 8, Township 15 South, Range 31 East, Volusia County, Florida; thence on the East Line of the Northeast 1/4 of the Northwest 1/4 of said Section 8, S 0°56'00" E, a distance of 1310,73 feet to the Southeast corner of the Northeast 1/4 of the Northwest 1/4 of said Section 8; thence departing said East Line and on the South Line of the Northeast 1/4 of the Northwest 1/4 of said Section 8, S 89°04'11" W, a distance of 1326.03 feet to the Southwest corner of the Northeast 1/4 of the Northwest 1/4 of said Section 8 the same being the Northeast corner of the Southwest 1/4 of the Northwest 1/4 of said Section 8; thence departing said South Line and on the East Line of the Southwest 1/4 of the Northwest 1/4 of said Section 8, S 0°48'30" E, a distance of 1315.24 feet to the Southeast corner of the Southwest 1/4 of the Northwest 1/4 of said Section 8; thence departing said East Line and on the South Line of the Southwest 1/4 of the Northwest 1/4 of said Section 8, S 88°52'31" W, a distance of 1328.91 feet to the Southwest corner of the Northwest 1/4 of said Section 8; thence departing said South Line and on the West Line of the Northwest 1/4 of said Section 8 the same being on the East Line of PLANTATION PINES (an unrecorded subdivision), N 0°41'03" W, a distance of 2639.52 feet to the Northwest Corner of said Section 8, the same being the Southwest corner of the Southwest 1/4 of aforesaid Section 5; thence on the West line of the Southwest 1/4 said Section 5, the same being on the East Line of aforesaid PLANTATION PINES (an unrecorded subdivision), N 0°41'17" W, a distance of 2639.58 feet to the Southwest corner of the West 1/2 of the Northwest 1/4 of said Section 5; thence on the West Line of the West 1/2 of the Northwest 1/4 of said Section 5, the same being on the East Line of aforesaid PLANTATION PINES (an unrecorded subdivision), N 0°41'34" W, a distance of 2639.04 feet to the POINT OF BEGINNING.

WASTEWATER LEASE

REAL ESTATE LEASE

THIS AGREEMENT, made and entered into this 15th day of September, 2006, by and between **PLUM CREEK TIMBERLANDS**, L.P., a Delaware limited partnership ("LESSOR"), and **D& E WATER RESOURCES**, LLC, a Delaware limited liability company ("LESSEE").

WITNESSETH:

- 1. LESSOR, in consideration of the uses, purposes and covenants hereinafter contained and set forth does hereby let, lease and demise unto LESSEE for a term of twenty years, beginning on the 15th day of September, 2006, and extending through the 15th day of September 2026, after which this Lease shall be self-renewing for successive terms of five (5) year each unless and until canceled by either party by giving written notice of cancellation to the other party at least one hundred eighty (180) days prior to the date of cancellation, the following described lands situated in the County of Flagler, State of Florida, as shown on the map attached hereto as Exhibit "A' and made apart hereof as if fully incorporated herein, together with all appurtenances and rights-of-way incident thereto for the sole purpose of operating and maintaining thereon a self-contained wastewater treatment facility.
- 2. As consideration for this Lease, LESSEE agrees to pay and LESSOR agrees to accept as rent the sum of TWO HUNDRED DOLLARS (\$200.00) per acre per year, payable in advance. Lien is hereby created and given by LESSEE in favor of and to LESSOR upon any and all property of LESSEE which may at any time during the term hereof be in, on or about the above-described premises as security for the payment of the aforesaid rent and observance by LESSEE of the covenants on its part herein contained.
- 3. LESSEE shall use and occupy said premises only for the purpose of using said demised premises as fully permitted and authorized, self contained, wastewater treatment facility and will not use the same for any other purpose whatsoever. LESSEE shall not use the premises for any illegal purpose or for any other business which may be extra hazardous on account of fire, environmental concerns or otherwise.

- 4. LESSEE agrees to pay for all electricity, gas, water and telephone services used by it on or about the demised premises.
- 5. LESSEE shall, at its own expense maintain the premises in a neat, clean and attractive order at all times. LESSEE shall not allow any condition to arise on said premises which will create a sanitation problem or would detract from the appearance of the premises.
- 6. LESSEE shall comply with all laws and ordinances and with the rules and regulations of any codes of Federal, State or local authority applicable to the use of the premises, including but not limited to, Environmental Laws. LESSEE also specifically agrees to indemnify LESSOR and hold LESSOR harmless from and against any and all loss, liability, damage, injury, cost, expense, including attorneys' fees and claims of any kind whatsoever paid, incurred or suffered by, or asserted against, LESSOR for, with respect to, or as a direct or indirect result of the presence on or under, or the escape, seepage, leakage, spillage, discharge, emission or release from the Premises of any hazardous material arising out of, in connection with, or in any manner related to the use of the Premises by LESSEE including, without limiting the generality of the foregoing, any loss, liability, damage, injury, cost, expense, including attorneys' fees, or claim asserted or arising under any environmental law. Notwithstanding any provision to the contrary contained in this Lease, the indemnity contained in this Paragraph 6 shall survive the expiration or earlier termination of this right-of-way, however, LESSEE's liability is limited to the directly the use of the leased premises by LESSEE or any acts or omissions of LESSEE, its employees, agents, contractors and/or customers and/or the use of the premises leased hereunder by LESSEE or others. As used herein, the term "Environmental Law" shall mean any federal, state, local or foreign law, statute, decree, ordinance, code, rule, or regulation, including, without limiting the generality of the foregoing, the Comprehensive Environmental Response Compensation and Liability act of 1980, as amended, the Hazardous Materials Transportation Act, the Resource Conservation and Recovery act, the Toxic Substance Control Act of 1976. and any federal, state or local so-called "Superfund" or "Superlien" law or ordinance relating to the emission, discharge, release, threatened release into the environment of

any pollutant, contaminant, chemical, hazardous, toxic or dangerous waste, substance or material (including, without limitation, ambient air, surface water, groundwater or land), or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport, or handling of such substances and any and all regulations, codes, plans, orders, decrees, judgments, injunctions, notices or demand letters issued, entered, promulgated or approved thereunder. As used herein, the term "Hazardous Material" shall mean any pollutants, contaminants, chemicals, hazardous, toxic or dangerous waste, substance or material, or any other substance or material regulated or controlled pursuant to any Environmental Law now or at any time hereafter in effect, including any other substances defined as "hazardous substances" or "toxic substances" in any Environmental Law. LESSEE further agrees that it will indemnify, defend, protect and save harmless LESSOR, its officers, agents and employees, from and against any and all claims, losses, liabilities, attorneys' fees, costs or other expenses arising out of or resulting from any injury, loss or damage to persons or property in, on or about the demised premises. The parties hereto acknowledge and agree that the obligation to indemnify assumed by LESSEE in Paragraphs 6 constitutes additional consideration to LESSOR without which LESSOR would not have agreed to this grant.

- 7. LESSEE shall be responsible for and shall obtain and pay for any necessary licenses, permits or papers required by any governmental authority, whether State, Federal or local. LESSEE agrees that it will, within thirty (30) days after receipt of a copy of the property tax statement from LESSOR, reimburse and pay to LESSOR the full amount of ad valorem taxes assessed and paid by LESSOR on the property herein described. LESSEE shall also pay all increases in real property or other taxes caused by buildings or other improvements on said premises, and LESSEE shall pay and assess all personal property taxes on personal property placed on the premises by LESSEE.
- 8. It is agreed that if LESSEE shall abandon or vacate the premises, LESSOR or its representatives may enter the same either by force or otherwise without being liable to any prosecution therefore and occupy or relet the premises on such terms as LESSOR may see fit.

- 9. If any default be made in the payment of rent or any part thereof at the time specified herein or in the performance of any of the covenants or agreements herein contained to be performed by LESSEE, LESSOR may terminate and cancel said Lease and the relationship of landlord and tenant at the option of LESSOR. In such event LESSOR may re-enter the premises and remove all persons and property therefrom and in such event LESSEE expressly waives the service of any notice in writing of intention to re-enter notice to terminate the tenancy, notice to quit and demand for possession. LESSEE will not assign this Lease or any portion thereof or sublet the premises or any portion thereof without the consent in writing having been first obtained from the LESSOR and then only upon the terms and conditions contained herein. LESSEE herein agrees that LESSOR may unreasonably withhold such consent.
- 10. All property of whatever kind or nature which may be now or hereinafter placed on or about the above-described premises shall be at the sole risk of LESSEE and LESSOR shall not be liable to the LESSEE for any damage or loss to said property nor for any injury taking place on said premises.
- 11. All structures or improvements subject to this Lease are leased by LESSOR to LESSEE as-is, where-is, with all faults, and without warranty, express or implied, as to any matter whatsoever, including without limitation, the condition of said structures or improvements, their merchantability or fitness for any particular purpose. LESSOR does not make any warranties, express or implied, that such structures or improvements can be used for any purpose whatsoever.
- 12. During the term of this Lease, LESSEE agrees that it will obtain and maintain the following coverage: Comprehensive Public Liability Insurance in the amount of not less than \$500,000.00 for any one person injured and \$500,000.00 for any one occurrence, and Property Damage Insurance in the amount of \$250,000.00, along with Vehicular Liability Insurance with all owned, non-owned and hired vehicles in an amount not less than \$500,000.00 for any one person injured, \$500,000.00 for any one accident, and Property Damage Insurance in the amount of \$250,000.00. LESSEE agrees that it will submit to LESSOR a certificate from its insurance carrier showing these coverages to be in full force and effect prior to entering upon said premises. In connection with the public liability insurance mentioned herein, the certificate of insurance furnished LESSOR by LESSEE shall specifically acknowledge and accept the

contractual liability and indemnification commitments assumed by LESSEE under this agreement.

- 13. LESSEE shall make no alterations, additions or excavations to said premises without the consent of LESSOR having first been obtained in writing.
- 14. LESSEE agrees that it will not commit waste nor permit waste to be done to the aforesaid property and premises, structures and improvements that at the expiration of this Lease, LESSEE shall promptly and peaceably deliver to LESSOR the aforesaid property and premises, structures and improvements in a good condition, natural wear and tear and the action of the elements excepted. In the event that LESSOR should permit and LESSEE should perform any alteration or excavation on said premises, LESSOR may require LESSEE at the termination of this Lease to restore said property to its condition prior to said alteration or excavation, and LESSEE shall do so if required.
- 15. At the termination or expiration of this Lease, LESSEE shall remove all buildings and structures placed on the demised premises by LESSEE and shall have any water, gas, telephone, sewer and electrical lines attached to said offices or other structures or to said property disconnected, removed and shut off in a proper and safe manner, all at the expense of the LESSEE. All offices and other structures placed on said property by LESSEE must be removed from said premises within thirty (30) days from the termination or expiration of this Lease and all water, gas, telephone, sewer and electric lines or connections must be property and safely shut off within thirty (30) days from the expiration or termination of this Lease. In the event that LESSEE should default in this requirement and LESSOR should have to remove said offices or other structures from the premises and/or disconnect, shut off or dismantle water, sewer, gas, telephone or electric lines or connections, LESSEE shall bear the expense of same and shall reimburse LESSOR for all costs and expenses incidental thereto. All property, including offices or other structures placed on said property by LESSEE which have not been removed from said premises within thirty (30) days from the date of the termination or expiration of this Lease shall, at LESSOR's option, become the property of LESSOR.
 - 16. All notices given under the terms of this Lease shall be directed as follows:

To PLUM CREEK:

Plum Creek Timberlands, LP

Mineral Department

One Concourse Parkway, Suite 755

Atlanta, GA 30328

Telecopy: 770-730-7272

With Copy to:

Plum Creek Timberlands, LP

Law Department

One Concourse Parkway, Suite 755

Atlanta, GA 30328

Telecopy: 770-671-0211

To LESSEE:

D & E WATER RESOURCES, INC. Energy and Natural Resources 999 Third Avenue, Suite 4300

999 Third Avenue, Suite 430 Seattle, Washington 98104 Telecopy: 206-467-3786

or to such other address as each party may designate by written notice to the other party. The deposit in the mail of any letter so addressed and with postage prepaid shall, for this Lease, be notice to the addressees of the contents of the letter.

- 17. In the event either party hereto institutes any suit or action to enforce the rights hereunder, the successful party in any such suit or action shall be entitled to recover from the other such sums as the court may adjudge, reasonable attorneys' fees in such suit or action, and on any appeals therefrom, except as provided herein.
- 19. LESSOR reserves the right to sell the leased property subject to the Lease at any time and further reserves the right to enter upon the leased property at reasonable times for the purpose of showing the leased property to prospective purchasers.
- 20. In the event that LESSOR by reason of a failure of LESSEE to perform any of the agreements or conditions herein contained shall be compelled to pay or shall pay any sum of money or shall be compelled to do or shall do any act which requires the payment of money than the sum or sums paid or required to be paid, together with all interest, costs and damages shall be added to the installment of rent becoming next due or any subsequent installment of rent and shall be collectible as additional rent in the same manner and with the same remedies as if it had been originally reserved.

- 21. It is understood and agreed by LESSEE that LESSEE's obligations hereunder with respect to indemnification and compliance with governmental laws, rules, regulations and the indemnities set forth herein shall survive the expiration and termination of this Lease.
- 22. If any term or provision of this Lease and agreement or the application thereof to any persons or circumstances shall to any extent be invalid or unenforceable, the remainder of this agreement or the application of such term or provisions to persons or circumstances other than those as to which it is invalid and unforeseeable shall not be affected thereby. Any provision of this Lease agreement shall be valid and shall be enforced to the full extent permitted by law. Failure of any party to exercise any rights hereunder shall not constitute a waiver of such right.
- 23. This Lease sets forth the entire agreement between the LESSEE and LESSOR and any other agreements or representations not contained herein shall be void and of no force or affect. This Lease and agreement may not be amended except by agreement in writing executed by both parties.
- 24. Except as otherwise provided herein, in the event of any disputes, claims and other matters in question between LESSOR and LESSEE arising out of the terms and conditions of this Lease and the performance of either party hereunder, LESSOR and LESSEE shall attempt in good faith to resolve such matter promptly by negotiation between senior executives who have authority to settle the controversy and who do not have direct responsibility for administration of this Lease.
- 25. This Lease may not be assigned in whole or in part by LESSEE without the prior written consent of LESSOR. In the event of any such assignment, LESSEE shall not be released from its obligation relative to the payment of royalties or from the performance of any of the other obligations or conditions herein contained.

IN WITNESS written.	WHEREOF,	this	instrument	is	executed	effective	the	date	first

WITNESSES:	PLUM CREEK TIMBERLANDS, L P BY: PLUM CREEK Timber I, L.L.C. Its: General Partner
	By:
	Title:
	D & E WATER RESOURCES, L.L.C.
	By:
	Title:

ACKNOWLEDGMENT

STATE OF WASHINGTON

COUNTY OF KING

On this the __ day of April , 2006, personally appeared before me, the undersigned authority in and for the said County and State, within my jurisdiction, the within named Russell S. Hagen who acknowledged himself to be the General Manager Energy and Natural Resources of PLUM CREEK TIMBER I, L.L.C. the general partner of PLUM CREEK TIMBERLANDS, L P, and that for and on behalf of said limited liability company, he did sign, seal and deliver the foregoing LEASE AGREEMENT for the purposes mentioned on the day and year therein mentioned, after first having been duly authorized by said limited liability company so to do.

	·
Notary Public	
My commission expires:	·

ACKNOWLEDGMENT

STATE OF WASHINGTON

COUNTY OF KING

Notary Public

My commission expires:

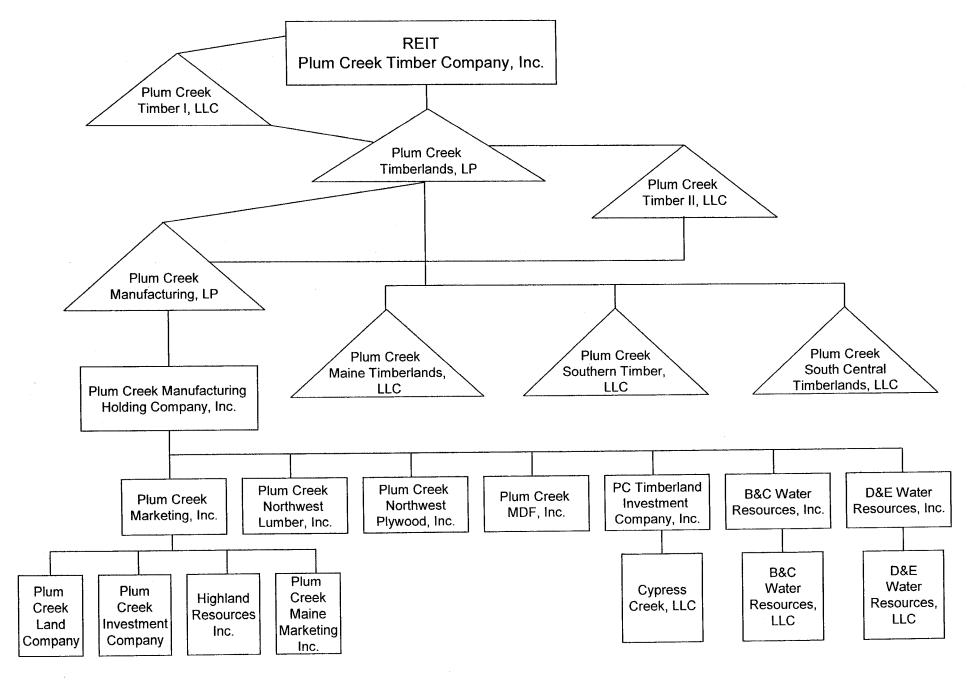
On	this	the	day	of		, 2006,	person	ally	appeared	before	me,
			, the und	ersigned	authority	in and	for the s	aid C	ounty and	State, v	vithin
my	jurisd	liction	, the wit	hin nam	ied,				who a	cknowle	
him	self to	be the	ne Vice P	resident	of D &	E WATE	R RESC	URC	ES, L.L.C.	, and tha	at for
and	on b	ehalf	of said of	company	, he did	sign, se	al and o	deliver	r the foreg	joing LE	ASE
AGF	REEM	ENT:	for the pu	rposes r	nentioned	on the	day and	year t	therein me	ntioned,	after
first	havin	g bee	n duly au	thorized	by said c	orporatio	n so to d	do.			
		-	_		•						

Appendix IV:

Attachment to Exhibit F

Corporate Structure Chart

Plum Creek Timber Company – REIT Structure



Appendix V:

Attachment to Exhibit F

Funding Agreement

FUNDING AGREEMENT

This Funding Agreement ("Agreement") is made and entered into this 5th day of October, 2006 by and among Plum Creek Timber Company, Inc., a Delaware corporation ("Plum Creek") and D & E Water Resources, L.L.C. ("Utility"), a Delaware limited liability corporation.

RECITALS

- 1. Plum Creek owns and controls Plum Creek Timberlands LP, which owns and controls Plum Creek Manufacturing, LP, which owns and controls Plum Creek Manufacturing Holding Company, Inc., which in turn owns 100% of the stock of D & E Water Resources, Inc., which is the sole and managing member of the Utility.
- 2. The Utility plans to build and operate a water and wastewater utility system in Volusia and Flagler Counties, Florida ("Utility System") and will apply to the Florida Public Service Commission ("Commission") for original water and wastewater utility certificates.
- 3. All of the land within the Utility's proposed service territory in Volusia and Flagler Counties is owned by Plum Creek's affiliates Plum Creek Timberland LP, Plum Creek Land Company, and Plum Creek Investment Company.
- 4. As an inducement to the Utility to operate the Utility System, Plum Creek seeks to assure the Commission that it intends to provide the Utility with an infusion of capital reasonable and necessary to allow the Utility to build and operate the system.

AGREEMENT

THEREFORE, in consideration of the foregoing premises and mutual promises, the Utility and Plum Creek agree as follows:

- 1. Plum Creek hereby agrees to provide reasonable and necessary funding to the Utility if needed for the Utility to build and operate the Utility Systems in Volusia and Flagler Counties, Florida.
- 2. The Utility agrees to provide Plum Creek with a written request for such funding at least thirty (30) days in advance of the date upon which any such funding is needed.
- 3. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Florida.
- 4. The obligations of Plum Creek shall not be assigned, either voluntarily or by operation of law, without the prior written consent of the Utility, which consent shall not be unreasonably withheld.

5. Any notice or other communication required or permitted to be given hereunder may be (i) personally delivered or (ii) transmitted by facsimile to the parties as follows (as elected by the party giving such notice, demand, or other communication):

If to the Utility:

Paul Hossain

One Concourse Parkway, Suite 755

Atlanta, GA 30328 Fax: (770) 730-7272

If to Plum Creek:

Erwin D. Barger, Jr.

One Concourse Parkway, Suite 755

Atlanta, GA 30328 Fax: (770) 671-0211

The date of any notice or other communication hereunder shall be deemed to be the earlier to occur of (i) the date of receipt if delivered personally or (ii) the date of transmission by facsimile (with personal delivery within 5 days thereafter). Any party may change its address for purposes hereof by notice to the others as set forth above.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date set forth above.

PLUM CREEK TIMBER COMPANY, INC.

By: David W. Lowbest

Title: SVP + CFO

Date: 10/13/06

D & E WATER RESOURCES, L.L.C.

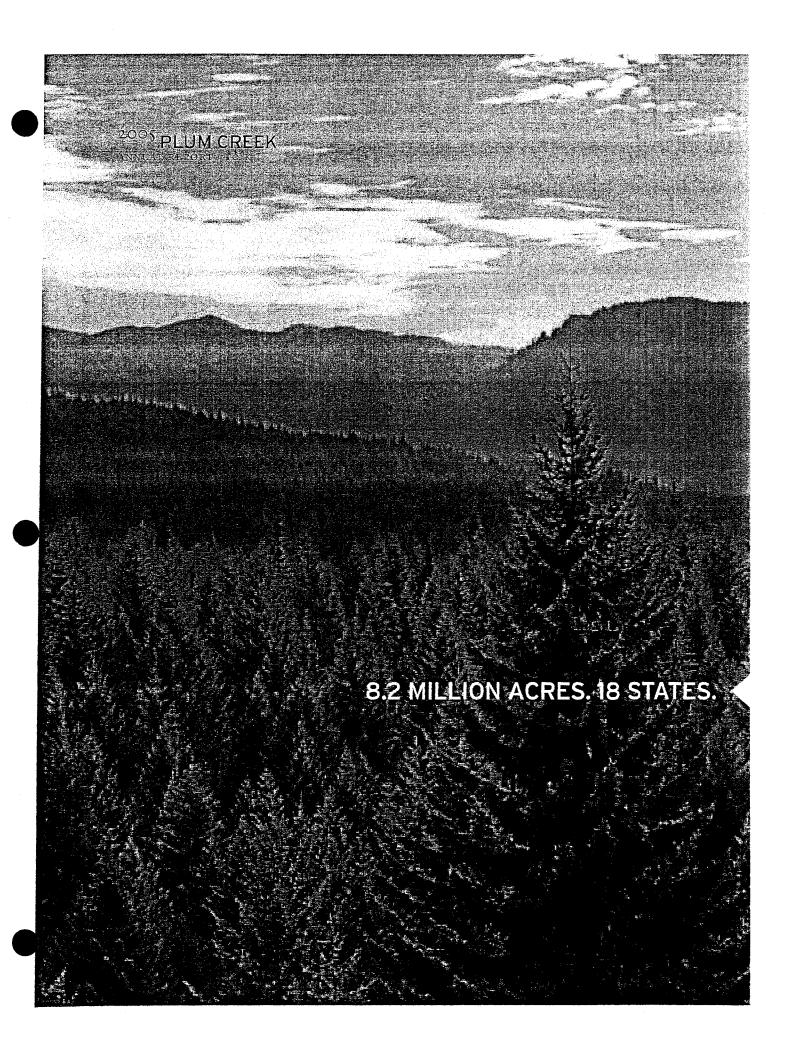
Title: E. P.

Date: /0/13/06

Appendix VI:

Attachment to Exhibit F

Annual Report of Plum Creek Timber Company, Inc.



HOW WE DO BUSINESS.

Our job is to maximize the value of the assets we own. The scope and scale of our ownership provides us with a unique perspective on timber and timberland markets that is unmatched. This gives us superior insight into value creation opportunities across the nation and leads to superior investment decisions.

We view each acre comprehensively—evaluating timber productivity, the potential from alternative land uses, and non-timber natural resources. Through this comprehensive effort, we gain an intimate understanding of what makes every acre uniquely valuable, and we are executing strategies to capture and deliver those values to our shareholders.

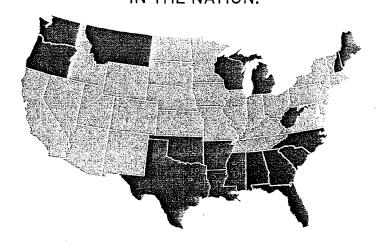
The timber and land assets we'own are a tremendous store of value. Their value increases as our forests grow and our lands appreciate in value. Because of this, we are unwilling to sacrifice exceptional performance in the future for modest performance in the present. Operationally, that means we harvest trees or sell land only when they have achieved optimal economic value.

As Plum Creek has grown, our disciplined approach to capital allocation has remained constant. Investment decisions are based on the value created by their long-term cash flows. Engaging in acquisitions that add to our cash flow, divesting of non-strategic assets through execution of market-timed land sales, and opportunistically repurchasing our stock are proven strategies designed to grow the long-term value of our shareholders' investment.

The successful execution of our strategies for value growth drives our eash flow, from which we pay our dividend. We believe paying a reliable and attractive dividend is the most direct and transparent way to deliver shareholder value. As we increase long-term sustainable cash flow, we expect to grow our dividend as well.

PLUM CREEK

PLUM CREEK IS THE LARGEST AND MOST GEOGRAPHICALLY DIVERSE LANDOWNER IN THE NATION.

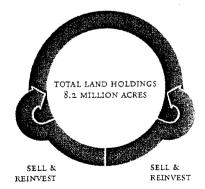


DISTRIBUTION OF ACREAGE IN THE UNITED STATES

NORTHWEST /	GULF SOUTH /	ATLANTIC SOUTH /	NORTHEAST /
I,709,000 ACRES	2,437,000 ACRES	1,859,000 ACRES	2,228,000 ACRES
p. 4	\$\psi\$. 8	p. 12	p. 16
Montana	Arkansas	Alabama	Maine
1,282,000	905,000	103,000	929,000
Oregon	Louisiana	Florida	Michigan
285,000	503,000	598,000	651,000
Washington	Mississippi	Georgia	New Hampshire
142,000	852,000	87 6. 000	
	Oklahoma 128,000	North Carolina 75,000	West Virginia
	Texas	South Carolina	Wisconsin
	49,000	207,000	501,000

Rick R. Holley
PRESIDENT AND CHIEF EXECUTIVE OFFICER

HOLD & GROW VALUE



- NON-STRATEGIC TIMBERLAND / 530,000 ACRES
- TIMBERLAND WITH HIGHER VALUES / 1.3 MILLION ACRES
- CORE TIMBERLAND /
 6.4 MILLION ACRES

DEAR FELLOW SHAREHOLDERS:

When I reflect back on what Plum Creek accomplished in 2005 and, perhaps more importantly, what we have achieved over the past several years, one theme is constant—a consistent and steadfast determination to create value for shareholders.

Toward this end, we remain extremely well positioned, as Plum Creek's assets are unmatched, in their scope, scale, and diversity—8.2 million acres in 18 states. Plum Creek has two distinct assets: the renewable tree resource and the land, a non-depreciating hard asset. Both have historically delivered attractive value growth.

Utilizing this asset base, our key strategies for value growth continue to be:

- Growing the value of our timber business by practicing sustainable timber management and environmental forestry; improving the quality and productivity of our lands; and growing our timber inventory, future harvest levels, and cash flow.
- Identifying, evaluating, and capturing the value of lands that have values in excess of timber value or are non-strategic. Create value through the entitlement process and capture that value through responsible development of our highestvalue properties.
- Increasing future cash flow and growing net asset value by being disciplined, effective allocators of capital.

During 2005, we made significant progress related to each of these key strategies. We increased profits from our timberlands by 5%. We grew our timber inventory and future harvests. We acquired approximately 754,000 acres of highly productive timberlands in attractive markets. And we grew the contribution and future value potential of our real estate segment. As a direct result of our strategic execution, we increased our dividend approximately 6% in 2005 and approximately 5% in February 2006.

We generate value by managing our lands in a superior manner. We apply our land management expertise in two areas, timber and real estate. Each has its own characteristics, requirements, markets, and partners. Understanding the differences between these two uses of the land—these two components of value—is critical to understanding the value of Plum Creek. I want to elaborate on the real estate side—because I believe it will become increasingly important to the value of your investment over time.

Applying our expertise begins with a comprehensive assessment of our lands. We determine the highest long-term value for each property we own—be it for the growing and harvesting of timber or for an alternative higher-value land use. We perform this ongoing analysis on our entire land portfolio.

The graphic on the left, which appeared in our last two annual reports, clearly illustrates how we manage our assets at Plum Creek. We've classified our lands into three distinct categories: core timberlands, highly productive timberlands in attractive long-term markets; non-strategic timberlands, lands that do not meet our core timberland criteria; and timberlands with higher values, lands that greatly exceed their timberland value for an alternative use.

You've long heard me discuss our timber asset. I believe we are one of the best managers of timber in the nation. We own an exceptional asset—more than 290 million tons of timber in excellent markets serving world-class customers. Over the last few years, we've increased both the acreage and productivity of our core timberlands, now at 6.4 million acres, resulting in an increase in our sustainable harvest over time. Our focused and dedicated foresters maximize the value of every tree we harvest. They know when to harvest to capture the best price and which customers value our products and service the most. We have the

flexibility to harvest less in weak markets, letting the timber continue to grow, and harvest more in strong markets to capture increased value.

For land, we undertake the same value maximization approach. Over the past few years, we've increased our assessment of the value of our 1.3 million acres of higher-value lands. We've tripled real estate revenues over the past four years, largely through the sale of some of our least productive lands. We've expanded the expertise of our real estate team and deepened our understanding of the extraordinary value of these select properties.

In addition, we've developed strategies to realize these higher values that rely on the application of our team's intellectual capital without committing significant financial capital.

Of the 1.3 million higher-value acres, we plan to sell 500,000 acres for conservation and 550,000 acres for residential or recreation purposes. For 225,000 acres, our "gems," we plan to entitle, improve and sell, or carefully develop through joint ventures.

As I mentioned before, our assessment of the underlying value of these lands has substantially increased from our original assessment done just two years ago.

For example, in late 2003, we had identified approximately 600,000 acres of recreation, higher and better use, and development lands, with an estimated premium to timberland value of \$790 million. Today, we have 775,000 acres of these types of land, with an estimated premium of almost \$2 billion. And over that same two-year period, we sold 42,000 acres of these lands—at an average of \$2,750 per acre—and generated significant value for the company.

Our very special properties, 225,000 acres, are uniquely positioned to reap the greatest value opportunities. We'll pursue entitlements for low-density, rural residential communities for about half of these properties. And, for the balance that are in the path of urban development or in exceptional recreation locations, we will identify a reputable and successful land development partner. Here, Plum Creek will contribute and/or sell the land in return for a minority participation in the revenues of the resulting development. These activities will be conducted by our taxable REIT subsidiaties.

During 2006, we will begin to realize income from the sale of entitled properties on a small portion of these lands. Over the next several years, we expect to grow revenues, income, and cash flow, further capturing exceptional values from these special properties.

At Plum Creek, capital allocation is "Job 1!" Effective capital allocation is about knowledge: understanding our assets, knowing our business, knowing our markets, understanding our customers, being disciplined in the daily management of this asset-rich business, and being patient when making acquisitions. It's also about focus—focusing each day on maximizing the value of every acre we own and every tree we harvest. And it's ultimately about delivering the best long-term value to shareholders, whether it's reinvesting to grow the company, purchasing Plum Creek stock, or growing the dividend.

Business conditions remain good as we enter 2006. The economy continues to grow, long-term demographics support healthy housing activity, and interest rates remain at historically low levels. Although markets remain strong, there continues to be some uncertainty around the lumber trade dispute between the U.S. and Canada.

Our 2005 net income of \$1.92 per share approached our 2004 level of \$1.97 per share, one of the best years in Plum Creek's history. Cash provided by operations for 2005 totaled \$516 million, and we ended the year with \$369 million in cash and cash equivalents. Plum Creek is financially sound and well positioned to have another good year in 2006.

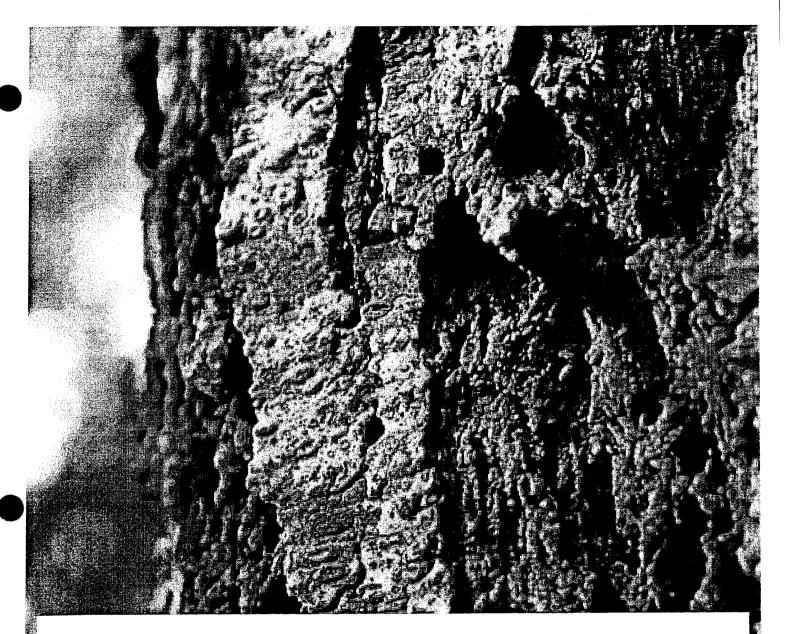
Although the company performed very well in all areas in 2005, our ultimate report card is the value we return to shareholders. We are proud of our consistent track record of delivering attractive long-term returns on your investment. Our annualized total returns over the last 10 years were 11.7%, exceeding the 9.1% of the S&P 500. However, we are disappointed with our total shareholder returns for 2005, a negative 2.3%. We will continue to focus on shareholder value in everything we do. This is a long-term business, and we manage it that way. These are long-term appreciating assets that will continue to deliver superior value over time.

I want to thank all the people at Plum Creek for their hard work and dedication—they're the ones who make it happen each and every day.

On behalf of our management, employees, and shareholders, I want to thank David Leland for his service to Plum Creek as its chief executive officer and most recently as the chairman of the Board. Dave retired from the Board in 2005 after 22 years of service to the company.

And, on behalf of all of us at Plum Creek, I thank you for your continued support.

RICK HOLLEY
PRESIDENT AND CHIEF EXECUTIVE OFFICER





- $\bullet\,$ over the past 15 years, we have permanently preserved NEARLY 300,000 ACRES OF FORESTS IN THE REGION.
- OUR TO WOOD-PRODUCT-MANUFACTURING FACILITIES ARE LOCATED IN MONTANA AND IDAHO.
- WE ARE THE LARGEST PRIVATE LANDOWNER IN THE STATE OF MONTANA.

PLUM CREEK GOT ITS START AS A PUBLICLY TRADED COMPANY

IN 1989 with 1.4 million acres of timberland in this region. Our forests in the region produce valuable softwood sawlogs and have high scenic, recreation, and conservation values.

NATURAL RESOURCES

Construction Materials

Decorative Rock

MANUFACTURED

PRODUCTS

Lumber

Plywood

Medium Density Fiberboard

PRINCIPAL TREE SPECIES

Softwoods /

Douglas-fir

Pseudotsuga menziesii

Western hemlock

Tsuga heterophylla

Western larch Larix occidentalis

Lodgepole pine Pinus contorta

Hardwoods /

Red alder Alnus rubra

NORTHWEST REGION

HIGHLY PRODUCTIVE TIMBERLANDS. NO CAFFEINE REQUIRED.

MONTANA OREGON WASHINGTON THE DEFINING CHARACTERISTIC of our lands throughout Montana, Oregon, and Washington is the presence of large softwood trees. Our Oregon and Washington timberlands are primarily located in the highly productive regions west of the Cascade mountain range where Douglas-fir is the dominant species.

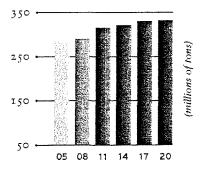
Our lands in Montana produce a variety of high-quality softwoods with tight grains that supply our lumber- and panel-manufacturing operations in the region.

In a typical year, softwood sawlogs account for more than 80% of our annual harvest in this region. These large logs are among the most valuable softwoods in the industry, particularly to customers who produce construction lumber and structural panels.

Each year, more and more people are drawn to the Northwest's natural beauty and outdoor lifestyle. Subsequently, certain properties in the region present opportunities to capture higher values due to their proximity to expanding metropolitan areas, such as Seattle, or their unique value for recreation or conservation.

PLUM CREEK'S GROWING TIMBER INVENTORY: 2005-2020

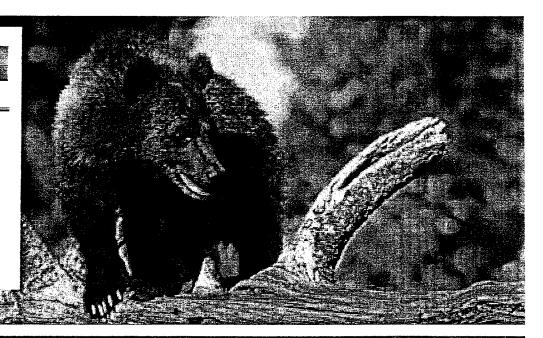
MERCHANTABLE INVENTORY



AS OUR TIMBER INVENTORY GROWS AND MATURES, OUR SUSTAINABLE TIMBER HARVEST WILL GROW AS WELL. OVER THE NEXT 15 YEARS, OUR HARVEST IS EXPECTED TO INCREASE BY NEARLY 25%. OUR GOAL IS TO FURTHER IMPROVE OUR HARVEST PROFILE THROUGH ATTRACTIVE ACQUISITIONS.



With a name like Ursus arctos horribilis, how could you not love it? As the largest private landowner of grizzly bear habitat, we have been a leader in developing conservation strategies for this threatened species. Thanks in part to these efforts, grizzly bears in Montana are well along the road to recovery.



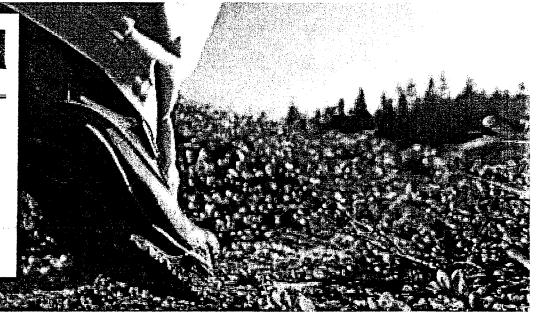
NORTHWEST / OREGON

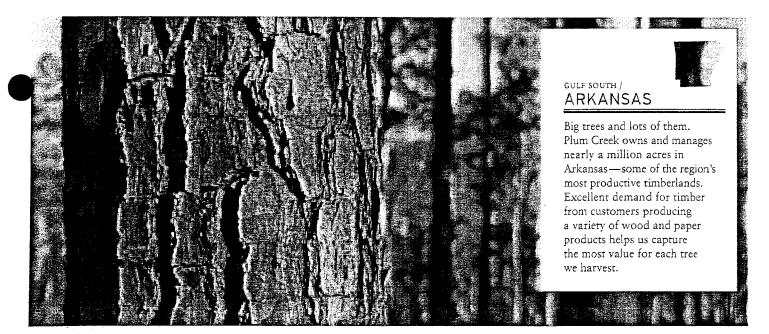
Imagine a 20-story building that keeps growing. Our lands in Oregon are well stocked with Douglas-fir—the second-tallest tree in the world. Our stands reach economic maturity in as few as 40 years. The Douglas-fir's fast growth and structural quality make it a desirable species for Oregon's sawmills.

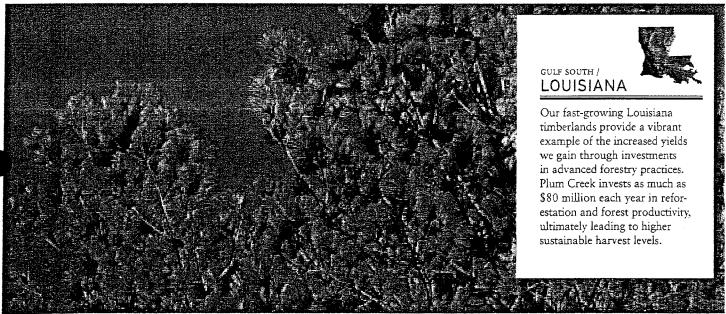


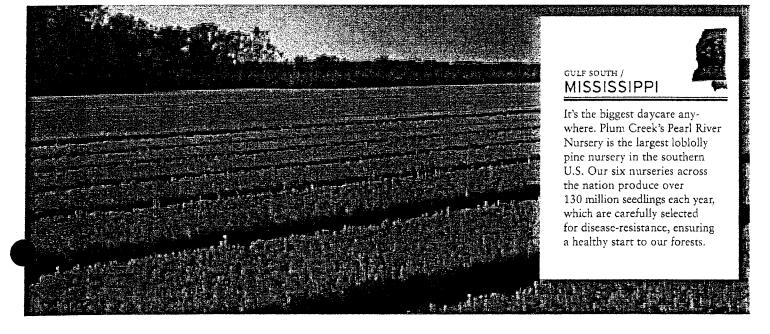
NORTHWEST / WASHINGTON

It's a long walk but worth every mile. Plum Creek worked with the U.S. Forest Service and conservation groups to protect nearly 10,000 acres in Washington surrounding the Pacific Crest Trail. This collaboration permanently set aside lands along this American treasure, helping preserve the trail for future generations.









GULF SOUTH REGION

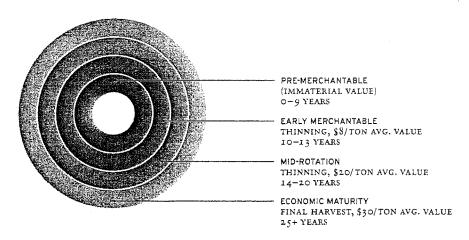
DEEP MARKETS. SERVED BY THE FASTEST-GROWING BASE OUTSIDE NASCAR.

ARKANSAS LOUISIANA MISSISSIPPI OKLAHOMA TEXAS PLUM CREEK'S 2.4 MILLION ACRES of timberlands in the Gulf South region are highly productive and feature vast expanses of southern yellow pine. The favorable climate of the U.S. South makes it one of the fastest growing regions in the world for high-quality softwood timber. A wide array of forest products manufacturers is located throughout the region to take advantage of the fast growth of southern yellow pine forests. This makes selling trees big business in this part of the country.

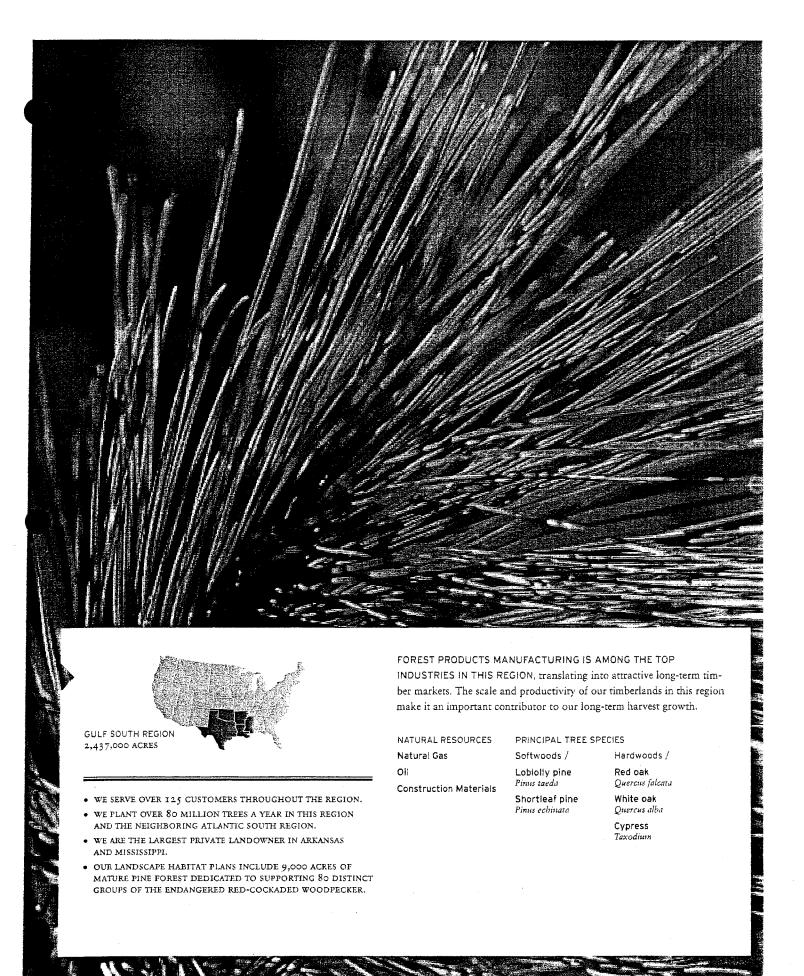
Careful management, such as thinning and fertilizing select lands, further increases the productivity and yield of our forests in this region and boosts the financial return we receive from these assets.

To understand the full value of our assets, sometimes you have to do a little digging. The careful exploration and extraction of mineral deposits, natural gas, and other non-timber resources provides additional sources of value across our ownership.

SOUTHERN YELLOW PINE DEVELOPMENT: 0-25+ YEARS



LOBLOLLY PINE IS THE DOMINANT SOUTHERN YELLOW PINE SPECIES IN PLUM CREEK'S SOUTHERN FORESTS. WELL-MANAGED LOBLOLLY PINE STANDS ARE TYPICALLY THINNED TWICE (TO ENHANCE THE GROWTH OF THE REMAINING TREES) DURING THEIR GROWTH TOWARD ECONOMIC MATURITY AND FINAL HARVEST. THE VALUE OF EACH HARVEST INCREASES AS THE TREES INCREASE IN DIAMETER AND CAN BE USED IN HIGHER-VALUE APPLICATIONS.

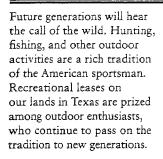


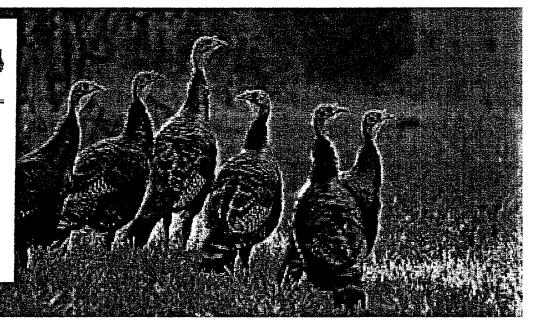


It can be called *Pinus taeda* or loblolly pine—either way, it's the fastest-growing softwood in the world. Loblolly pine is the most prevalent tree species grown on our southern timberlands. Oklahoma represents the western edge of this vital tree's range, which stretches east to the Atlantic seaboard.



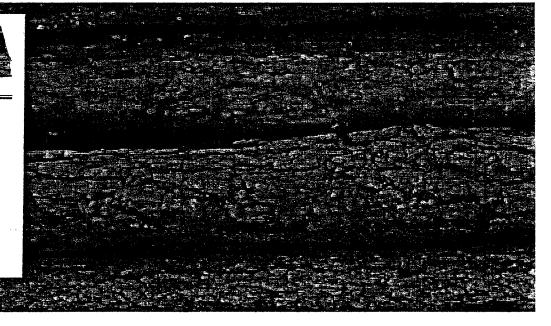
GULF SOUTH / TEXAS

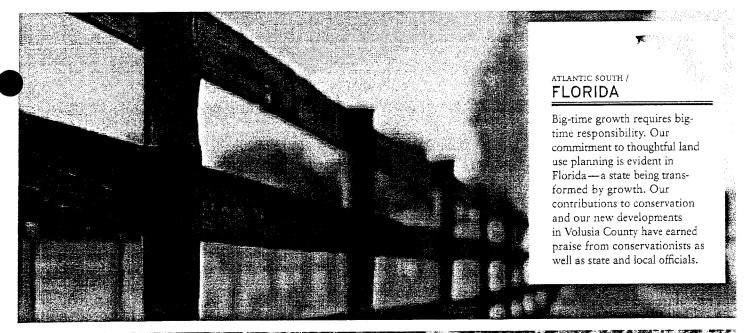


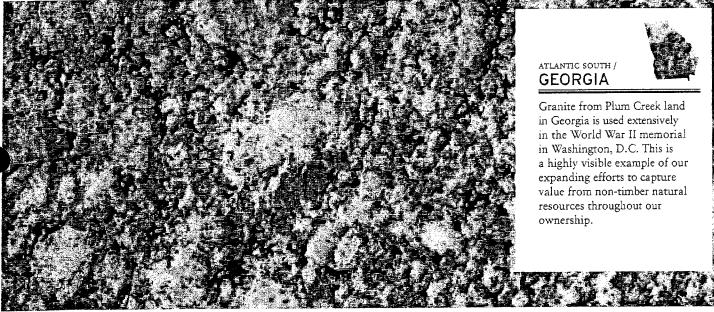


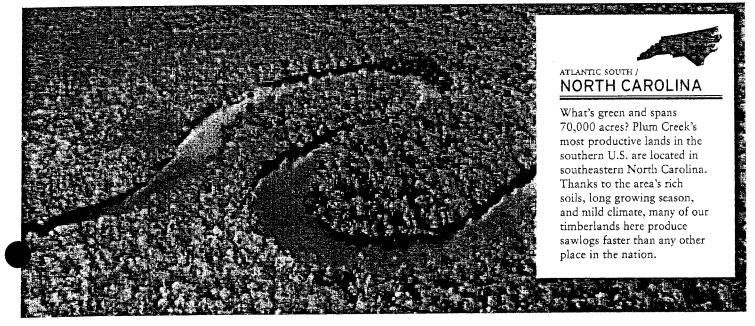
ALABAMA

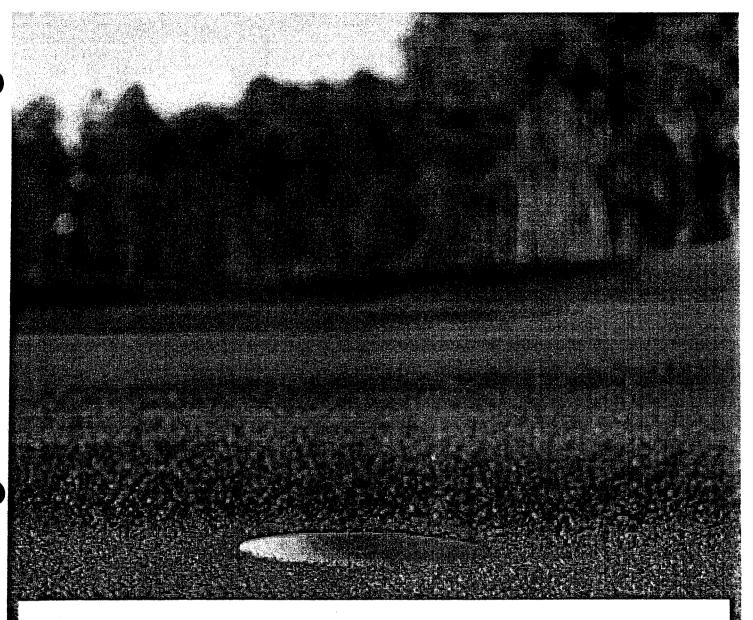
Forest products is the No. 1 manufacturing industry in Alabama for good reason—timberlands cover about two-thirds of the state. In every region, Plum Creek has the scale of ownership that allows us to deliver a reliable and consistent log supply, a service that our customers value.













- WE BELIEVE 540,000 ACRES IN THE REGION HAVE HIGHER VALUES FOR CONSERVATION, RECREATION, OR DEVELOPMENT PURPOSES.
- WE HAVE PERMANENTLY CONSERVED 96,000 ACRES OF TIMBERLANDS IN THIS REGION OVER THE PAST FOUR YEARS.
- WE SERVE OVER 260 CUSTOMERS THROUGHOUT THE REGION.
- WE ARE THE LARGEST PRIVATE LANDOWNER IN GEORGIA AND THE SECOND-LARGEST IN FLORIDA.

THIS REGION BENEFITS from the same climate and productivity as the neighboring Gulf South region, leading to similar financial returns from long-term timber investments. Additionally, regional population growth has led to increased demand for well-located land, providing opportunities to capture additional value.

NATURAL RESOURCES
Construction Materials

Industrial Minerals

PRINCIPAL TREE SPECIES

Softwoods / Loblolly pine Pinus taeda Hardwoods / White oak Quercus alba

Slash pine

Red oak Querous falcata

Pinus elliottii Quercus fe

Cypress
Taxodium

ATLANTIC SOUTH REGION

GROWING POPULATIONS. NOW GEESE AREN'T THE ONLY ONES FLYING SOUTH.

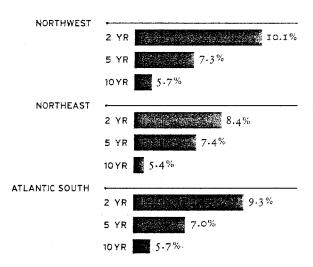
PLUM CREEK'S 1.8 MILLION ACRES of assets in the Atlantic South region illustrate our ability to integrate modern forest management practices with long-term conservation as well as responsible real estate development.

ALABAMA
FLORIDA
GEORGIA
NORTH CAROLINA
SOUTH CAROLINA

Spurred by the growth of cities such as Atlanta, Georgia; Charlotte, North Carolina; and Jacksonville, Florida, the region is increasingly driven by emerging demographics—especially young workers and retirees moving into these states. So, in addition to benefiting from strong demand for building materials, many of our assets here have grown in value dramatically. As real estate values rise, some of our lands become more valuable than they could ever be as industrial timberlands.

While the majority of our holdings in the region will remain highly productive timberlands throughout our lifetime, we evaluate our lands—in this and every other region—to understand all our value creation opportunities. With these opportunities comes responsibility. So we work to harmonize smart development, sustainably managed timberlands, and responsible stewardship with the interests of our neighbors, communities, and shareholders.

HISTORIC RESIDENTIAL PROPERTY APPRECIATION RATES IN PLUM CREEK REGIONS

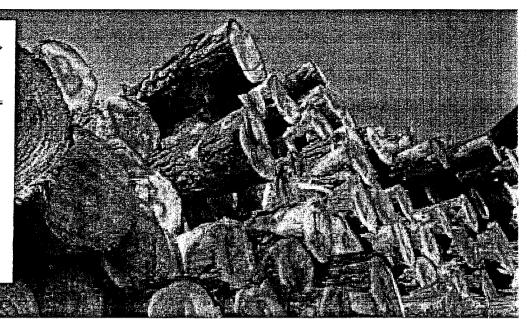


RURAL RESIDENTIAL PROPERTIES HAVE A LONG-TERM RECORD OF PRICE APPRECIATION. THE GRAPH ABOVE DEPICTS THE WEIGHTED AVERAGE COMPOUND ANNUAL GROWTH RATES OF RESIDENTIAL PROPERTY VALUES IN AREAS CONTAINING PLUM CREEK PROPERTIES WITH DEVELOPMENT POTENTIAL.

Source: Office of Federal Housing Enterprise Oversight, Plum Creek estimates

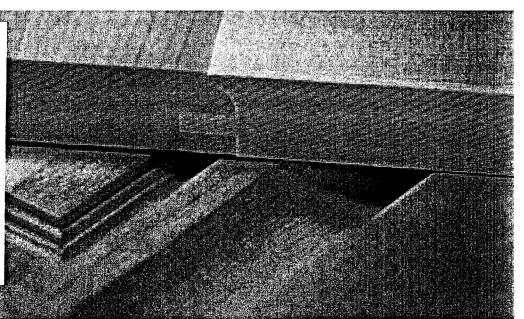


Log quality and diameter are key criteria for matching the right log with the right customer. Plum Creek's foresters focus their efforts on sorting, marketing, and delivering logs according to each customer's specifications, helping us maximize the value of each tree.



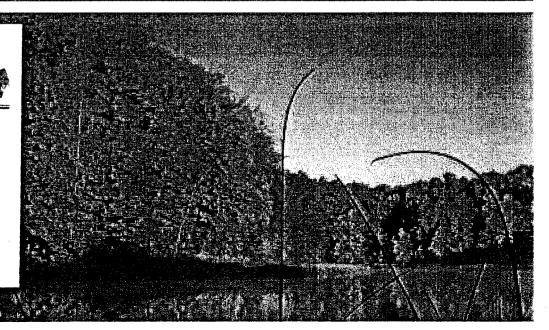
NORTHEAST /

The forest products industry is the largest manufacturing industry in this state by a factor of three to one. Plum Creek's Maine timberlands support a variety of local industries that produce a multitude of products—everything from baseball bats to fine handcrafted furniture.



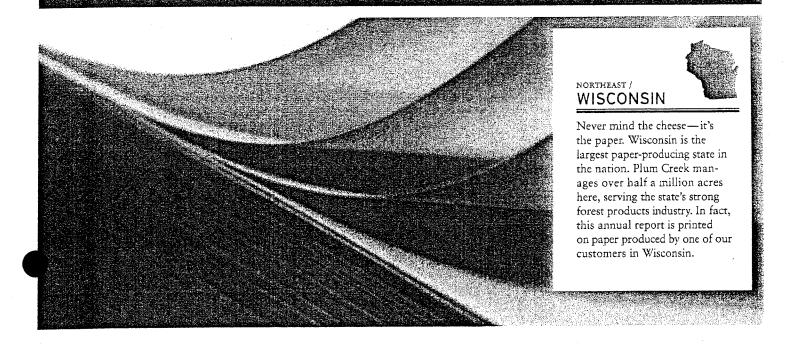
NORTHEAST / MICHIGAN

We're an accomplished matchmaker. Plum Creek assets in Michigan are well stocked with a variety of hardwoods. Pairing the right tree with the right customer is as much an art as a science, and our foresters match these valuable hardwood trees with customers from a diverse set of industries.





NORTHEAST / WEST VIRGINIA With high-value hardwoods, from black cherry to sugar maple, our lands in West Virginia produce logs that are used to create some of the finest hardwood veneers and furniture-grade lumber. Plum Creek's local managers work to identify and market high-quality hardwood logs to customers around the world.



NORTHEAST REGION

OUR MIXED FORESTS. CREATING THE MOST BEAUTIFUL FALLS OUTSIDE NIAGARA.

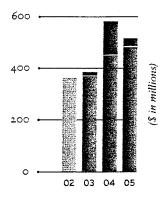
MAINE
MICHIGAN
NEW HAMPSHIRE
WEST VIRGINIA
WISCONSIN

OUR 2.2 MILLION ACRES of timberlands in the Northeast region feature a tremendous diversity of tree species and serve a healthy and broad customer base. The hardwoods that define our timberlands in this region—including maple, oak, and cherry—create the stunning mosaic of colors that make Northeastern autumns famous. These hardwoods also have far different applications from the softwoods that dominate our ownership in other regions of the country. This enhances the diversity of our customer base and the ultimate end-use markets for our timber. From the pulpwood needed by world-class paper producers to the hardwoods coveted by furniture manufacturers worldwide, our Northeast region benefits from healthy demand from a wide range of industries.

Year-round recreation opportunities abound in many of these areas, with good access from population centers such as Chicago, Milwaukee, Minneapolis, and New England. As one of the largest property owners in the region, significant conservation and select development opportunities are part of our value creation opportunity.

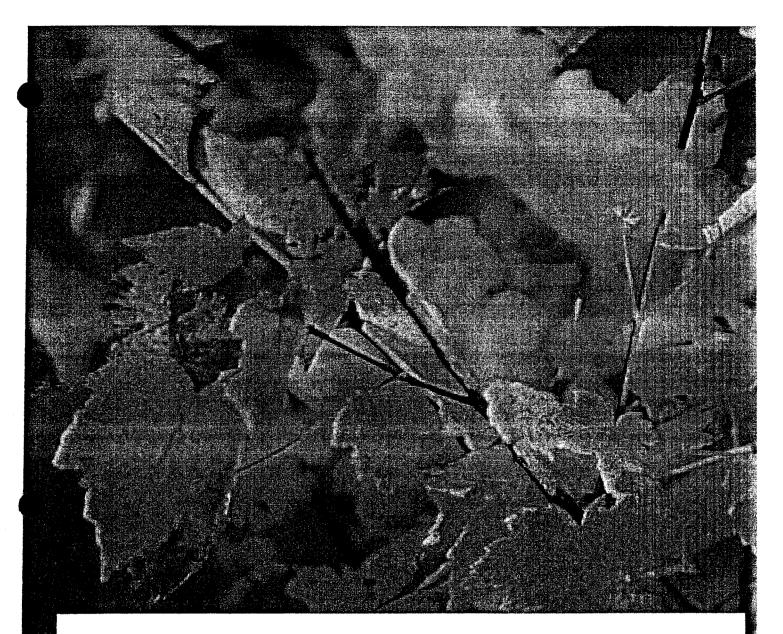
This year, Plum Creek added to its substantial asset base in the Northeast by acquiring 650,000 acres of well-managed timberlands in the Upper Peninsula of Michigan.

PLUM CREEK'S CASH FLOW FROM OPERATING ACTIVITIES



■ LARGE, NON-STRATEGIC TIMBERLAND SALES

PLUM CREEK HAS GROWN CASH FLOW SIGNIFICANTLY OVER THE PAST FOUR YEARS. DURING 2005, CASH FLOW FROM OPERATING ACTIVITIES WAS \$516 MILLION, INCLUDING \$31 MILLION (PICTURED IN BROWN) FROM THE SALE OF LARGE, NON-STRATEGIC TIMBERLANDS.





- NEARLY 70% OF OUR ANNUAL HARVEST IN THIS REGION CONSISTS OF HARDWOOD SPECIES.
- WE HAVE PERMANENTLY CONSERVED 47,000 ACRES OF TIMBERLANDS AND OVER 30 MILES OF SHORELINE IN THIS REGION.
- WE ARE THE LARGEST PRIVATE LANDOWNER IN THE STATES OF WISCONSIN AND MICHIGAN.
- WE SERVE OVER 215 CUSTOMERS THROUGHOUT THIS REGION.
- WE MANAGE OUR WISCONSIN LANDS UNDER A SUCCESSFUL HABITAT CONSERVATION PLAN THAT HELPS PROTECT THE THREATENED KARNER BLUE BUTTERFLY.

IN THIS REGION, WE MANAGE MIXED HARDWOOD FORESTS that provide products which serve a wide range of industries. These forests generate attractive financial returns and provide significant geographic, species, and end-market diversity to our timber portfolio.

NATURAL RESOURCES Coalbed Methane

Natural Gas

Construction Materials

PRINCIPAL TREE SPECIES

Black spruce Picea mariana

Red spruce Picea rubens

Balsam fir Abies balsaniea

Northern white cedar Thuja occidentalis

Red pine Pinus resinosa

Hardwoods / Softwoods /

Sugar maple Acer saccharum

> Quaking aspen Populus treniuloides

Black cherry Prunus serotina

Northern red oak Quercus rubra

White birch Betula papyrifera

Yellow birch Betula alleghaniensis

Yellow poplar Liriodendron tulipifera

QUESTION + ANSWER





Executive Committee FROM LEFT TO RIGHT /

Larry D. Neilson SENIOR VICE PRESIDENT, PLANNING AND BUSINESS DEVELOPMENT

Rick R. Holley
PRESIDENT AND CHIEF EXECUTIVE
OFFICER

Thomas M. Lindquist EXECUTIVE VICE PRESIDENT

William R. Brown EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

James A. Kraft SENIOR VICE PRESIDENT, GENERAL COUNSEL AND SECRETARY

Barbara L. Crowe
VICE PRESIDENT, HUMAN RESOURCES

Henry K. Ricklefs
VICE PRESIDENT, MANUFACTURED
PRODUCTS

Joan K. Fitzmaurice VICE PRESIDENT, AUDIT AND FINANCIAL SERVICES

WHAT IS PLUM CREEK'S COMMITMENT TO THE ENVIRONMENT?

A

Plum Creek has long understood that being excellent stewards of our lands goes hand in hand with being excellent stewards of our shareholders' investment.

Our sustainable forestry practices—on all 8.2 million acres—confirm this commitment. Sustainable Forestry Initiative® (SFI) principles and objectives guide our approach to forest management and to the procurement of wood for our manufacturing operations. This approach to practicing sustainable forestry incorporates the perpetual growing and harvesting of trees with the protection of wildlife, plants, soil, and water quality. All of Plum Creek's lands are independently certified to be in full compliance with the SFI® Standard and undergo rigorous periodic reviews that confirm our long-term commitment.

Our commitment doesn't stop there. Nearly 2 million acres of our lands are carefully managed under four habitat conservation plans and cooperative agreements with the federal government designed to protect and enhance habitat for threatened and endangered species.

Additionally, Plum Creek has permanently conserved nearly 500,000 acres of sensitive lands, preserving their unique natural values for future generations. We have a long history of partnering with conservation organizations and government agencies to permanently conserve sensitive ecosystems, important wildlife habitat, and special places.

HOW DOES PLUM CREEK MANAGE DIVIDEND GROWTH?

Α.,

Paying a reliable and attractive dividend to our shareholders is one of the most direct and transparent means we have of delivering shareholder value. The dividend and capital appreciation have produced very attractive annualized total shareholder returns of 13.4% over the past five years and 11.7% over the past 10 years. The values of our timber and land assets have grown considerably through long-term capital appreciation and active portfolio management. And our sustainable timber management practices produce a predictable and recurring harvest that generates much of our annual cash flow.

Plum Creek's board of directors, in its sole discretion, determines the amount and timing of the dividends we pay to our shareholders. Over the past two years, the board of directors has increased the quarterly dividend by approximately 14%. This reflects the company's successful execution of strategies designed to capture and create long-term shareholder value.

QT/ WHAT IS PLUM CREEK'S APPROACH TO REAL ESTATE DEVELOPMENT OPPORTUNITIES?

Through a careful and rigorous screening process, we have identified over 1.3 million acres that we believe have higher values than would be generated from perpetual timber production. This includes approximately 225,000 acres that we plan to entitle and sell for responsible development.

With these opportunities comes responsibility. Our regional land use plans are designed to reflect and preserve the unique character of a region, including working forest landscapes and support for conservation of sensitive areas. Plum Creek works with the communities where we work and live, local officials, and responsible conservation groups to establish long-term plans that provide certainty and predictability in future land use. Our goals are aimed at capturing significant economic value for our shareholders, enhancing economic opportunity for our neighboring towns and local businesses, and providing for long-term conservation.

WHAT ROLE DOES THE MANUFACTURING SEGMENT PLAY AT PLUM CREEK?

We are the largest private landowner and the largest manufacturer in Montana. Our manufacturing operations there provide an important strategic complement to our Montana timberlands. Through our lumber, plywood, and medium density fiberboard businesses, we create additional value from our unique timber resources in this region. This high-quality timber has a tight grain that enables us to manufacture high-valued specialty and industrial products. We sell these products to industrial and home center customers who value their quality and special attributes. This approach limits our exposure to more volatile commodity markets. As a result, our manufacturing segment consistently generates free cash flow and captures additional value for our shareholders.

2001-2005

SELECTED FIVE-YEAR FINANCIAL HIGHLIGHTS

\$ in millious-except per-share amounts		20054		2004B		2003¢		20020		2001F
INCOME STATEMENT ITEMS										
Revenues	\$	1,576	\$	1,528	\$	1,196	\$	1,137	\$	598
Operating Income		448		_477 :		.303 🗅		338		250
Net Interest Expense	14	109		111		117		. 103		54
Income before Income Taxes		339		-366		186		235		196
Benefit (Provision) for Income Taxes		(8)		(27)		6		(2)		142
Income from Continuing Operations		. 331	1218 M	- 339		192		233		338
Gain on Sale of Properties, Net of Tax		23		: (23 ; ;		field.		1		12
Net Income	3	354	\$	362	*	192	8	233	\$	338
Diluted Earnings per ShareF							214			
Income from Continuing Operations	. \$	1.79	\$	1.84	\$	1.04	. \$	1.26	٤	2.58
Net Income	\$	1.92	\$	1.97	\$.	1.04	\$	1.26	.\$	2.58
NON-CASH ITEMS							ireid Sea			
Depreciation, Depletion, and Amortization	\$	113	\$	114 .	\$	108	\$	106	\$	55
Basis in Real Estate Sold		124		134		. 66		28		ា8
BALANCE SHEET ITEMS							(4) (5) si			51.1.4.1.
Total Assets	\$.	4,812	\$.	4,378	5	4,411	\$ 2	1,299	\$.	4,129
Total Debt, including Timber Obligations		2,241		1,897		2,076	110	,884		1,70 1
Total Harvest Volume (nullion tons)		19.2		18.6		19.0		.19.3		13.9
	94		N. E.		1.12					

PLUM CREEK MERGED WITH THE TIMBER COMPANY IN OCTOBER 2001. THE MERGER WAS ACCOUNTED FOR AS A REVERSE ACQUISITION, WITH THE TEMBER COMPANY TREATED AS THE ACQUIRER FOR FINANCIAL REPORTING PURPOSES. AS A RESULT, THE FINANCIAL HIGHLIGHTS ABOVE REJECT THE RESULTS OF THE TIMBER COMPANY FOR TERIODS PRIOR TO THE MERGER. 2002 WAS THE FIRST FULL YEAR OF RESULTS FOR THE MERGED COMPANY.

- A During 2005, the company acquired a total of approximately 754,000 acres of timberlands located primarily in Michigan, Florida, and Arkansas for \$501 million. Additionally, the company sold approximately 40,000 acres of large, non-strategic timberlands for approximately \$31 million. The company recorded a loss of \$2 million, tepresenting the book basis of timber destroyed by Hurricane Katrina. The company sold coal and industrial mineral assets for \$24 million, resulting in a \$23 million gain, net of taxes.
- B During 2004, the company acquired approximately 78,000 acres of timberlands in Arkansas and Maine for \$66 million. Additionally, the company sold approximately 255,000 acres of large, non-strategic timberlands for \$133 million. The company recorded asset impairments of \$21 million related to the sale or expected sale of non-strategic timberlands. The company recorded a \$9 million pre-tax (\$5 million after-tax) impairment of lumber mill assets. The company sold its coalbed methane operating interest for \$27 million, resulting in a \$5 million gain. The company also sold coal assets in Virginia for \$23 million, resulting in a \$23 million gain.
- During 2003, the company acquired 139,000 acres of timberlands in Arkansas, South Carolina, and New Hampshire for \$162 million. Additionally, approximately 29,000 acres of large, non-strategic timberlands were sold in 2003 for \$13 million. The company recorded a loss of \$4 million, representing the book basis of timber destroyed by fire on approximately 45,000 acres in Montana.
- D. During 2002, the company acquired 307,000 acres of timberlands primarily in Wisconsin for approximately \$141 million.
- E During 2001, the company changed its accounting policy for reforestation costs. Additionally, as a consequence of The Timber Company merger, a tax benefit of \$216 million was recognized in 2001.
- F. On October 6, 2001 former shareholders of The Timber Company received Plum Creek common stock totaling 112.7 million shares (113.9 million diluted shares). Diluted earnings per share for 2001 were calculated using a weighted average 130.7 million diluted shares outstanding.

CORPORATE OFFICERS

Rick R. Holley

PRESIDENT AND CHIEF EXECUTIVE

OFFICER

William R. Brown EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

Thomas M. Lindquist EXECUTIVE VICE PRESIDENT

James A. Kraft senior vice president, general counsel and secretary

Larry D. Neilson SENIOR VICE PRESIDENT, PLANNING AND BUSINESS DEVELOPMENT

David A. Brown
VICE PRESIDENT AND CHIEF
ACCOUNTING OFFICER

Barbara L. Crowe
VICE PRESIDENT, HUMAN RESOURCES

Joan K. Fitzmaurice
VICE PRESIDENT, AUDIT AND
FINANCIAL SERVICES

James A. Kilberg -vice President, Land Management

David W. Lambert VICE PRESIDENT, BUSINESS DEVELOPMENT

Robert J. Olszewski vice president, environmental affairs

Thomas M. Reed
VICE PRESIDENT AND GENERAL
MANAGER, ATLANTIC SOUTH REGION

Henry K. Ricklefs

TYICE PRESIDENT,

MANUFACTURED PRODUCTS

Laura B. Smith TREASURER

Brent L. Stinnett vice president and general manager, gulf south region BOARD OF DIRECTORS lan B. Davidson (A, N, F) CHAIRMAN OF THE BOARD CHAIRMAN OF THE BOARD, DAVIDSON COMPANIES

Rick R. Holley PRESIDENT AND CHIEF EXECUTIVE OFFICER, PLUM CREEK

Robin Josephs (a, c, r)
FOUNDER AND MANAGING DIRECTOR,
ROPASADA, LLC

John G. McDonald (A, N)
PROTESSOR OF FINANCE,
STANFORD INVESTORS CHAIR
GRADUATE SCHOOL OF BUSINESS.

GRADUATE SCHOOL OF BUSIN STANFORD UNIVERSITY

Robert B. McLeod (c) CHAIRMAN AND CHIEF EXECUTIVE OFFICER, NEWLAND COMMUNITIES

Hamid R. Moghadam (c, n)
CHAIRMAN AND CHIEF
EXECUTIVE OFFICER,
AMB PROPERTY CORPORATION

John H. Scully (N)
MANAGING DIRECTOR,
SPO PARTNERS & CO.

Stephen C, Tobias (N)
MICE CHAIRMAN AND CHIEF
OPERATING OFFICER, NORFOLK
SOUTHERN CORPORATION

Carl B. Webb (A, c)
INTERIM PRESIDENT AND CHIEF
EXECUTIVE OFFICER,
TRIAD FINANCIAL CORP.

COMMITTEES OF THE BOARD OF DIRECTORS

A Audit

^c Compensation

N Corporate Governance and Nominating

F Audit Committee

Financial Expert

PRINCIPAL HEADQUARTERS
Plum Greek
999 Third Avenue, Suite 4300

Seattle, WA 98104 PHONE / 206-467-3600

URL/

www.plumcreek.com

INVESTOR RELATIONS

John B. Hobbs

DIRECTOR OF INVESTOR RELATIONS

800-858-5347 or 206-467-3600 ir@plumcreek.com

ANNUAL MEETING DATE / May 3, 2006 TIME /

9:00 a.m. LOCATION / Washington Athletic Club Lobby Level, Noble Room

1325 6th Avenue Seattle, WA 98101

FORM 10-K
Additional copies of this report
and Plum Creek's report on Form
10-K are available without charge
upon written request to:

Plum Creek Investor Relations 999 Third Avenue, Suite 4300 Seattle, WA 98104 INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM Ernst & Young LLP 999 Third Avenue, Suite 3500 Seattle, WA 98104-4086

STOCK INFORMATION LISTED / New York Stock Exchange Pacific Stock Exchange

SYMBOL / PCL CUSIP / 729 251 108

STOCK TRANSFER AGENT AND REGISTRAR Computershare Trust Company, N.A. P.O. Box 43010 Providence, RI 02940-3010

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OUTSIDE THE U.S. / 781-575-3120

TDD, HEARING-IMPAIRED / 800-952-9245

facsimile / 781-828-8813

computershare.com/equiserve

STATE PHOTOGRAPHY

NORTHWEST Montana

GRIZZLY BEAR, MT

Oregon
DOUGLAS-FIR TIMBERLANDS,
GOOS COUNTY, OR

Washington PACIFIC CREST TRAIL, STAMPEDE PASS, WA

GULF SOUTH
Arkansas
PINE SAWTIMBER STAND,
UNION COUNTY, AR

Louisiana Premerchantable lobioliy Pine, Winn Parish, la

Mississippi pearl river nursery, hazlehurst, ms Oklahoma
PINE TIMBERLANDS,
PUSHMATAHA COUNTY, OK

Texas WILD TURKEY, EASTERN SUBSPECIES

ATLANTIC SOUTH
Alabama
PINE SAWLOGS NEAR DOTHAN, AL
Florida

HEART ISLAND, VOLUSIA COUNTY, FL Georgia GREENE COUNTY WHITE GRANITE,

North Carolina PINE TIMBERLANDS, COLUMBUS COUNTY, NO

GREENE COUNTY, GA

South Carolina SAWTIMBER LOG SORT, MARKED FOR CUSTOMER, CLARENDON COUNTY, SC

MOOSEHEAD MANUFACTURING, MONSON, ME

Michigan HARDWOOD FOREST AND POND, IRON COUNTY, MI

New Hampshire RED MAPLE, COOS COUNTY, NH

West Virginia CHERRY HARDWOOD VENEER

Wisconsin
DOMTAR TITANIUM PRODUCED IN
PORT EDWARDS, WI

REGION PHOTOGRAPHY
Cover
DOUGLAS-FIR TIMBERLANDS NEAR
COOL BAY: OR

Northwest Region DETAIL OF DOUGLAS-FIR BARK

Gulf South Region
DETAIL OF LOBLOLLY PINE NEEDLES

Atlantic South Region GRAND CLUB GOLF COURSE, PALM COAST, FL

Northeast Region DETAIL OF RED MAPLE LEAVES



Plum Creek 999 Third Avenue Suite 4300 Seattle, Washington 98104

Appendix VII:

Attachments to Exhibit F

Plum Creek Timber Company, Inc., Creative Environmental Solutions, Hartman Consulting & Design, and Holland & Knight, LLP Information

PLUM CREEK TIMBER COMPANY, INC.

CREATIVE ENVIRONMENTAL SOLUTIONS



Creative Environmental Solutions, Inc.



Since 1994, Creative Environmental Solutions, Inc. (CES) has been committed to providing regulatory expertise and innovative techniques for developing effective and sustainable solutions for our clients.

PS is a professional consulting firm offering a wide range of services, Including: ecological assessment and manitoring, land and environmental planning, wetlanddelineation and mitigation. environmental and civil engineering, geological services, and Geographic Information System (GIS) services. From conception through field review, design, management and permitting, our team provides innovative approaches to resolve the complex regulatory and technical issues facing our clients.



Find out more by

Contactine Usi

Gainesville Office

1425 NW 6th Street Grinesylle, FL32601 Fax - (352) 371-0020

Phone : (352) 371-4333 gvilleinto@creativeenvironmental.com www.creativeenvironmental.com

Brooksville Office

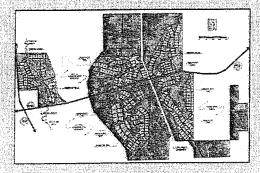
611 N Broad Street Brocksfille, FL 34601 Fax ([352] F96-2449 Phone - [352] 796-3374 byfileidoscheativeenvironner(tal.com **Environmental Services**

Our team of professional environmental scientists has over 35 years of combined experience in the regulatory and environmental consulting field.

- Wetland Delineations and Functional Analysis Assessments such as Uniform Mitigation Assessment Method (UMAM) and Wetland Rapid Assessment Procedure (WRAP)
- Protected Species Surveys and Permitting
- Mitigation Plans and Banking: Compliance, Permitting, Monitoring, Maintenance, and Marketing of Credits
- ♦ Habitat Surveys and Conservation Management Plans
- Environmental Inventory Reports
- Environmental Permitting: Environmental Resource, Industrial Waste, Water Use/Consumptive Use, and National Pollutant Discharge Elimination System



Land Planning Services



CES offers a full range of land planning and development services both at the local and state level.

- Highest and Best Land Use Determination
- Planning Due Diligence and Feasibility Analysis
- Comprehensive Plan Amendments, Planned Developments, and Rezoning
- Dynamic Presentations, Gonsensus Building, and Public Participation
- Conservation and Environmental Planning, Transfer of Development Rights, and Smart Growth Techniques

Engineering Services

Our projects combine the expertise of professional environmental and civil engineering.

- Subdivision Design, Land Development Plans, and Hydrological Monitoring Plans
- ♦ Construction Management, Inspection, and Certification
- ♦ Gompüter Modeling Hydraulic/Hydrological Stormwater Analysis and Design
- Best Management Practices (BMP) and Stormwater Pollution Prevention Plans (SWPPP)
- Spill Prevention, Control, and Countermeasures Plans (SPCCP)

www.creativeenvii	

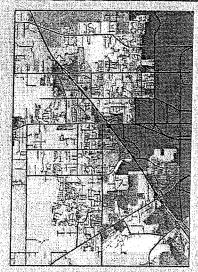
Geological Services

CES is fully equipped for geological services and has several certified professional geologists.

- Contamination Assessment Reports (CAR)
- Remedial Action Plans (RAP)
- Mine Planning and Permitting
- Rock and Mineral Exploration
- Petroleum Storage Tank Management
- ♦ Phase I-IV Environmental Site Assessments
- Environmental and Geotechnical Drilling
- Soil and Water Sampling and Testing
- Groundwater Modeling and Water Resource Planning



GIS Services



Our diverse, experienced GIS staff produces high quality products with a commitment to technological innovation.

- Data Creation, Acquisition, Interpretation, Mathematical Calculations, Translation, and Maintenance
- GPS Surveys Wetlands and Listed Species Inventories
- Suitability Modeling and Decision Analysis
- ArcIMS Service Creation Providing Interactive Maps on Websites, Interface Customization, and Server Maintenance
- Historical Aerial Photography Land Analysis
- Real Estate Parcel Analysis and Website Compilation
- Illustrative Graphics and Desktop Publishing
- Extensive Library of Spatial Data Including: Aerial Photography, FEMA, Zoning Classifications, Geological Formations, Topography, and Much More
- Experience in ArcView, ArcInfo, Trimble and Garmin GPS Products, Spatial Analyst, ERDAS Imagine, Adobe Products, AutoCAD, ArcIMS, and ArcPad



Statement of Qualifications ,

Creative Environmental Solutions, Inc. (CES) is an environmental consulting firm that has offered a wide range of valuable services for 12 years. From conception, through field review, design and permitting, our team offers comprehensive services. At CES, we use conventional and innovative approaches to resolve complex regulatory and technical issues confronting private sector and governmental clients.

We are committed to supplying cost-effective, high quality outcomes for a wide range of projects. We strive to maintain a close working relationship with our clients and seek to ensure that all options are explored and presented. Our services include: Environmental and Ecological Services, Land Use and Environmental Planning, Environmental and Civil Engineering, Geological Services, and Geographic Information System (GIS) Analysis.

Environmental and Ecological Services

Our team of professional environmental scientists has over 35 years of combined experience in the regulatory and environmental consulting fields.

- Wetland Delineations and Assessments
- Ecological Assessments
- Conservation Area Designations
- Protected Species Surveys and Permitting
- Wetland Mitigation Design and Assessment
- Wetland Mitigation Banking
- Environmental Inventory Reports
- Environmental Permitting: Environmental Resource, Industrial Waste, Water Use/Consumptive Use, and National Pollutant
- · Discharge Elimination System

Land Use and Environmental Planning Services

CES offers a full range of land use planning and development services. Our Planning Department has successfully completed projects in several jurisdictions in Florida. Our services include:

- Ecological Suitability Modeling and Decision Analysis
- Conservation Subdivision Design
- Highest and Best Land Use Determination
- Residential and Conservation Land Feasibility Analysis
- Project Management
- Comprehensive Plan Amendments and Rezoning
- Local, State, and Federal Regulatory Research
- Dynamic Presentations and Meeting Planning
- Public Outreach and Group Consensus Building
- Conservation Planning and Smart Growth



Statement of Qualifications ,

olutions, Inc.

Environmental and Civil Engineering Services

Our projects combine the expertise of professional environmental and civil engineering. Our engineers have experience with:

- Subdivision Design and Land Development Plans
- · Floodplain Analysis
- Construction Management, Inspection, and Certification
- Computer Modeling Hydraulic/Hydrological Stormwater Analysis and Design
- Best Management Practices Plans (BMP) and Stormwater Pollution Prevention Plans (SWPPP)
- Spill Prevention, Control, and Countermeasures Plans (SPCCP)
- Hydrological Monitoring Plans

Geological Services

The CES geological team includes certified professional geologists and project managers. Our team has worked on many projects including the following:

- Contamination Assessment Reports (CAR)
- Remedial Action Plans (RAP)
- Mine Planning and Permitting
- · Rock and Mineral Exploration
- Petroleum Storage Tank Management
- Phase I-IV Environmental Site Assessments
- Environmental and Geotechnical Drilling
- Soil and Water Sampling and Testing
- Groundwater Modeling

Geographic Information System (GIS) Analysis Services

Our experienced GIS analysts provide high quality products with a commitment to technological innovation. Our analysts have experience with:

- Data Creation, Acquisition, Interpretation, Mathematical Calculations, Translation, and Maintenance of Data
- GPS Surveys Wetlands and Listed Species Inventories
- Suitability Modeling and Decision Analysis
- ArcIMS Interactive Website Compilation and Customization
- Historical Aerial Photography Land Analysis
- Parcel Site Location Analysis for the Real Estate Industry
- Illustrative Graphics and Desktop Publishing
- Extensive Library of Spatial Data
- Experience in ArcView, ArcInfo, Trimble and Garmin GPS Products, Spatial Analyst, ERDAS Imagine, Adobe Products, AutoCAD, ArcIMS, and ArcPad

Contact us to find out how we can help you!

- Call (352) 371-4333 or Fax (352) 371-0020
- Email gvilleinfo@creativeenvironmental.com
- Visit our website at <u>www.creativeenvironmental.com</u>

GEORGE K. FOSTER, M.S., P.G.

Creative Environmental Solutions, Inc. President/ Senior Project Manager

AREAS OF SPECIALIZATION

Geology, Hydrogeology, Contamination Assessment, Storage Tank Removal, Groundwater Monitoring, Environmental and Exploration Drilling, Phase I/Phase II Environmental Auditing, Clay and Industrial Mineralogy, Portland Cement Chemistry, Waste Solidification/Stabilization

EXPERIENCE

Mr. Foster has 25 years of professional experience managing environmental, engineering, and geological projects. His early experience was acquired while working as geologist with Analex, as a quality control supervisor with Florida Mining and Materials, as a geologist with Mid-Florida Mining Company, and as a geologist/senior project manager with Environmental Science & Engineering, Inc. He currently serves as President of Creative Environmental Solutions, Inc.

CREATIVE ENVIRONMENTAL SOLUTIONS, INC.

President/ Senior Project Manager, Creative Environmental Solutions, Inc. (CES), Gainesville, Florida, 1994 to present.

Projects Include: Environmental, engineering, and geological projects throughout Florida, including contamination assessments, feasibility studies, rock and mineral prospecting, land development ventures, mining operations, and permitting (e.g., industrial waste, air, water use, dredge and fill, NPDES).

PREVIOUS EXPERIENCE

- Geologist/Senior Project Manager, Environmental Science & Engineering, Inc.,
 Gainesville, Florida, 1984 to 1994. Duties included the design and management of
 environmental and geological studies at hazardous and industrial waste sites across the
 US, the Caribbean, and Guam. Also responsible for developing formulations and
 procedures for solidifying and stabilizing hazardous wastes.
- <u>Geologist/Mineralogist</u>, Dr. James Eades (Consulting Mineralogist), University of Florida, Gainesville, Florida, 1984 to 1994 (part-time). Participated in a variety of technical endeavors including soil stabilization, industrial mineralogy, sedimentology, and clay mineralogy investigations. Investigative methods included x-ray diffraction (XRD) and XRF analysis and various materials properties testing.

- Geologist, Mid-Florida Mining Company, Ocala, Florida, 1982. Mapped commercial clay (Fuller's earth) deposit through extensive drilling program and XRD analysis of soil samples. Prepared detailed map of deposit and a mining plan to guide mining operations.
- Quality Control Supervisor/Field Technician, Florida Mining and Materials Corporation, Brooksville, Florida, 1983; 1979. Responsibilities included testing and quality control of Portland cement and cement raw materials using XRF and wet chemical methods and microscopic analysis of cement clinker. Occasional field efforts included drilling and coring operations.
- <u>Mudlogger/Geologist</u>, Analex, Inc., Aurora, Colorado, 1981. Responsible for collecting and logging drill cuttings and monitoring down-hole gases and drill rates in oil and gas exploration wells. Tested samples for hydrocarbon content. Reported findings daily to oil company clients.
- Graduate Teaching Assistant, University of Florida, Geology Department, Gainesville, Florida, 1982 to 1984. Responsible for conducting undergraduate and graduate laboratories for Engineering Geology, Clay Mineralogy, and XRD Analysis courses at the university. Duties included lecturing, demonstrating use of laboratory instruments, and student evaluation.

EDUCATION

- M.S. Geology, University of Florida, 1985
- B.A. Geology, University of South Florida, 1981

PUBLICATIONS AND PRESENTATIONS

- Pisigan, R. A., Jr. and G. K. Foster, November 1993, Leaching and Chemical Speciation f Lead at a Federal Facility, presented at the 14th Annual Conference of Society of Environmental Toxicology and Chemistry, Houston, Texas.
- Foster, G. K., C. G. Manos, and B. J. Denahan, January 1993, Occurrence of Chromium in a Marion County, Florida Soil, presented at the Southern Association of Agricultural Scientists Ninetieth Annual Meeting, Tulsa, Oklahoma.
- Foster, G. K., 1985, Concentrations of Selected Trace Elements in Portland Cement and Their Effects on Cement Compressive Strengths, Master's Thesis, University of Florida, Gainesville, Florida.

REGISTRATIONS AND AFFILIATIONS

- Phi Kappa Phi Honor Society
- Geological Society of America
- Florida Conservation Association
- Registered Professional Geologist, Florida, 1989
- Certification of Training for Hazardous Waste Site Investigations
- Certification of Supervisor's Training for Hazardous Waste Site Investigation

CARL L. SALAFRIO, M.S.

Creative Environmental Solutions, Inc.
Senior Vice President/ Senior Environmental Consultant

AREAS OF SPECIALIZATION

Environmental and Land Use Planning, Wetlands Assessment and Permitting, Wetland Mitigation Plans, Wetland Mitigation Banking, Surface Water Permitting (including NPDES storm water), Environmental Audits (including compliance and transactional), Watershed Planning, Water Quality Sampling, Project Management and Business Development.

EXPERIENCE

Mr. Salafrio has 21 years of professional experience managing environmental and planning projects. His early experience was acquired while working as an environmental planner at the East Central Florida Regional Planning Council, as an environmental specialist with the St. Johns River Water Management District and as a senior project manager with Environmental Science & Engineering, Inc. He currently serves as Senior Vice President of Creative Environmental Solutions, Inc.

CREATIVE ENVIRONMENTAL SOLUTIONS, INC.

Senior Vice President/Senior Environmental Consultant, Creative Environmental Solutions, Inc. (CES), Gainesville, Florida, February 1994 to present.

Projects include: Land Use Mapping Planning, Environmental Planning, Mapping, Due Diligence, Development and Feasibility Studies, Environmental Resource Permitting, Wetland Mitigation Bank Permitting, Wetland Assessment, Development of Wetland Mitigation Plans and Construction of Wetland Mitigation Areas, Threatened and Endangered Species Surveys, Storm Water Permitting and Sampling, Industrial Waste Permitting, Wetland Delineations, Wildlife Surveys, and Environmental Monitoring.

PREVIOUS EXPERIENCE

- Senior Project Manager/Surface Water Department Manager, Environmental Science & Engineering, Inc. (ESE), Geosciences Division, Environmental Science and Engineering, Inc. (ESE), Gainesville, Florida, 1989 to February 1994.
- Environmental Specialist, St. Johns River Water Management District, Palatka, Florida, September 1987 to May 1989.
- Environmental Planner, East Central Florida Regional Planning Council, Winter Park, Florida, June 1985 to June 1987.

EDUCATION

- M.S. Coastal Zone Management/Oceanography, Florida Institute of Technology, 1986
- B.S. Marine Science, Stockton State College, 1983

REGISTRATIONS AND AFFILIATIONS

- Alachua County Planning Commission-Commissioner
- American Planning Association-Member
- Florida Association of Environmental Professionals
- National Home Builders Association
- Builders Association of North Central Florida- Board of Directors

CERTIFICATIONS AND TRAINING

- 36 Hour USACOE Wetland Delineation Course- Institute for Wetland & Environmental Education & Research
- Florida Association of Environmental Soil Scientists- Hydric Soils Seminar
- International Institute for Civil Engineering, Colorado State University
- 40 Hour OSHA Hazardous Materials/Waste Site Operations
- US Army Environmental Center-32 Hour Workshop on Storm water Pollution Prevention Plans
- Florida Department of Community Affairs- Div. of Emergency Management-Exercise Design
- PADI SCUBA Diver

GERALD C. HARTMAN, P.E., DEE

EDUCATION

B.S., Duke University, 1975 M.S., Duke University, 1976

PROFESSIONAL REGISTRATION

JISTRATION
No. 19422
No. 28939
No. 31200
No. 27703
No. 17597
No. 062-053100
No. 10100292
No. 22463
No. 30816
No. 10395
No. 12410
No. 12717
No. 10820
No. 15990
No. 15264
No. 70152
No. 38216
No. 15389
No. 105550
No. 131184
No. 32971
No. 2048
No. 7542

PROFESSIONAL AFFILIATIONS

Diplomate – American Academy of
Environmental Engineers
American Society of Civil Engineers
National Society of Professional Engineers
Florida Engineering Society
American Water Works Association
Water and Environment Federation
American Water Resources Association
Florida Water & Pollution Control
Operators Association
Florida Water Works Association
Florida Water Works Association
American Concrete Institute
Water Management Institute
American Society of Appraisers

QUALIFICATIONS SUMMARY

Mr. Hartman is an experienced environmental engineer with special expertise in water, wastewater and stormwater utility/systems. Mr. Hartman is a qualified expert witness in the areas of water resources, water supply and treatment, wastewater treatment and effluent disposal, reclaimed water reuse, stormwater reuse, utility system valuation and financing, facility siting, certification/service area/franchises and formation/creation, management and acquisition projects.

EXPERIENCE

Financial Reports

Mr. Hartman has been involved in over 200 capital charge, impact fee and installation charge studies involving water, wastewater and fire service for various entities. He also has participated in over 150 user rate adjustment reports. Mr. Hartman assisted in the development of over 70 revenue bond issues, 20 short-term bank loan systems, 10 general obligation bonds, numerous grant/loan programs, numerous capacity sale programs, and 20 privatization programs. Mr. Hartman has been involved in over 200 utility acquisition projects totaling over \$2 billion in value. In addition, Mr. Hartman has been involved in over \$2 billion in utility bond and commercial loan financings for water and wastewater utility, and over \$4 billion in grants, matching funding, cost-sharing; SRF loans and Federal Loans (R.D., 319, WMD, FDEP, USEPA, CDBG, etc.), assessments and CLAC programs.

Expert Testimony

Mr. Hartman has served as a technical expert on stormwater treatment, surface water impacts, rerouting of stormwater flows and stormwater reuse systems.

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Mr. Hartman has been accepted in various Circuit Courts, Florida Division of Administrative Hearings, Florida Public Service Commission, arbitration, and quasi-judicial hearings conducted by cities and counties, as a technical expert witness in the areas of water supply, facility planning, water resources, water treatment, water quality engineering, water system design and construction, and utility systems valuation. Recently, Mr. Hartman has been an expert witness on utility condemnation, utility arbitration, water rates and use permitting DOAH case, utility rate setting DOAH case, service area and utility service civil case, City of Atlanta Water Treatment Plant Construction, City of Milwaukee Cryptosporidium, Jupiter vs. Tequesta Water Contract Services and several others.

- Numerous construction issues.
- Numerous utility acquisitions.
- Numerous permitting issues.
- Numerous bio-solids issues.
- Numerous treatment issues.
- Numerous effluent reuse issues.
- Numerous damages issues.
- Numerous financing issues.

A selection of wastewater construction projects involve the MCI/Hazen & Sawyer/City of Greensboro WWTP project; Norflor/Ortega/CDM/Orange County WWTP project; and Poole & Kent/CDM/Sunrise WWTP ATAD project.

Stormwater Design & Studies

- City of Orlando several projects
- City of Haines City several projects
- City of Orange City several projects
- City of Orlando Lake Enhancement Study
- Central Florida Drainage Well Study FDOT
- Alum Sludge & Sand Admixture for T.G. Lee project
- Stormwater retention and detention facilities
- Stormwater Utilities several
- Underdrain/Horizontal well designs several
- Stormwater Reuse Flagler County, UCF, Marion County, Winter Park, Miramar, Erroll Estates, others
- Golf Course reuse enhancement numerous
- Broward County DPEP Integrated Water Resource Plan (IWRP) utility wetlands enhancement, and stormwater reuse components
- Others

Facility Planning

Mr. Hartman has been involved in over 100 water, wastewater, stormwater and/or solid waste master plans, several interlocal negotiations and agreements, over 100 capital improvement programs, and numerous capital construction fund plans. He represented the American Society of Civil Engineers in the State Comprehensive Plan as a Policy Advisory Committee Member on the Utility Element, and participated in the preparation of Comprehensive Plans, Chapter 9J5, for more than 20 communities. Mr. Hartman was involved in the implementation of several stormwater utilities in Florida. He has been involved in major water resource plans in every water management district in Florida and in other states.

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Water Analyses

Mr. Hartman has participated in over 100 computer-assisted hydraulic analyses of water and wastewater transmission systems including extended period simulations as well as hydraulic transient analyses. He has been involved in numerous water treatment investigations, 2 sludge pilot testing programs, 14 pilot programs and investigations, several energy efficiency analyses, several odor control studies, and other process evaluations for operations. Mr. Hartman has participated in 6 value engineering investigations oriented toward obtaining the most cost-effective alternatives for regional and private programs. He has been involved in numerous water blending, trihalomethane, synthetic organic contaminant removal, secondary precipitation, corrosion control, and alum precipitation studies. Mr. Hartman has performed process evaluations for simple aeration facilities, surface water sedimentation facilities, water softening facilities, as well as reverse osmosis facilities. He has been involved in water conservation programs, as well as distribution system evaluation programs. He has also participated in numerous lime sludge thickening, management, and utilization/disposal investigations. Mr. Hartman has been involved in wellfield management studies, wellfield protection ordinances, wellfield siting, water resource evaluations, and water resource planning for several entities in sand aquifer, sand and gravel aquifer and limestone aquifer systems.

Wellfield Siting

Mr. Hartman has been involved in the siting of numerous regional wellfields, system wellfields, individual wells and expansions of existing systems. He has written papers on the interdisciplinary approach to regional water supply and wellfield siting criterion, and thoroughly understands the issues of raw water quality versus treatment, site location factors, CUP permitting factors, as well as source integrity aspects. Wellfields sited by Mr. Hartman include:

- Cross-Bar Ranch Wellfield (75 MGD), Pasco County, Florida, 1978.
- Brandon Wellfield (10 MGD), Hillsborough County, Florida, 1980.
- Northwest Wellfield (54 MGD), Lakeland, Florida, 1981.
- Northeast Wellfield (32 MGD), Lakeland, Florida 1989.
- Edgewater Wellfield (6 MGD), Edgewater, Florida, 1989.
- State Road 415 Wellfield (4 MGD), New Smyrna Beach, Florida, 1990.
- North Beach Water Company Wellfield (4 MGD), Wabasso, Florida, 1982.
- Venice Gardens Wellfield, (4 MGD), Venice, Florida, 1990.
- Deseret/Cocoa Wellfield (20 MGD Expansion), Orange County, Florida, 1992.
- SBWA Bull Creek Wellfield Litigation (20 MGD), 1994.
- Palm Bay Wellfield (11.5 MGD), 1995.
- Port St. Lucie Wellfields (13 MGD), 1996.
- Naples Wellfields (35 MGD), 1997.
- Town of Palm Beach (proposed 24 MGD), 1998.
- City of North Miami Beach (expansion 17 to 45 MGD), 2000.
- DeSoto County Wellfields, 2004.
- Flagler County Wellfields, 2005.

Design

Mr. Hartman has participated in the design of water and wastewater facilities totaling more than \$1 billion in value. He has been involved in the design of 3 elevated storage tanks, 18 ground storage reservoirs, 30 pumping stations, 20 major water treatment plants, numerous smaller water treatment plants, and pipeline systems varying in size from 6 to 84 inches in diameter. Some of the most notable projects include:

 City of Tampa - Electrification of the 100 MGD Hillsborough River water treatment plant, 226 MGD Pumping Station 1980-82.

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- City of St. Petersburg Chemical feed and gravity lime sludge thickener for 81 MGD Cosme-Odessa water treatment plant, 1990.
- City of Lakeland Preliminary design and subsequent expansion of 51 MGD T.B. Williams water treatment plant, 1981.
- City of Dunedin Decision documentation and project management for 10 MGD reverse osmosis/membrane softening plant, 1992.
- City of Atlanta Hemphill 100 MGD plant 84-, 96-, and 102-inch piping and valves and valve vaults.
- City of Edgewater Process and technical review of 5.0 MGD softening water treatment plant, 1990.
- City of Edgewater Design engineering for 2.4 MGD split treatment softening water treatment plant, 1986.
- Southern States Utilities Inc. Venice Gardens Utilities 3.35 MGD low-pressure reverse osmosis water treatment plant, 1990.
- North Beach Water Company 0.5 MGD low-pressure reverse osmosis water treatment plant, 1988.
- Southern States Utilities Inc. Burnt Store Utilities 0.49 MGD low-pressure reverse osmosis water treatment plant, 1991.
- City of Lakeland Upgrades and improvements to the 51 MGD T. B. Williams water treatment plant.
- Expansion of the Cypress Creek Pumping Station to 125 MGD with 84- and 72-inch transmission improvements.
- Expansion of the Lakeland HSPS to 81 MGD and 54-inch Transmission System.
- Lake Apopka drawdown project with twin 84-inch steel pipelines and 250 MGD Pump Station.
- Numerous fluoridation, defluoridation, iron removal, hydrogen sulfide removal, water stabilization and conventional chlorination/storage water treatment plants.

Surface Water Experience

- City of Tampa, Florida Hillsborough River Water Treatment Plant Energy Efficiency Study for the 100 MGD plant and pumping stations. Evaluation of energy uses throughout the entire facility and recommendations for higher efficiency concerning energy usage.
- City of Tampa, Florida Hillsborough River Water Treatment Plant 226 MGD high-service pumping station and 125 low-lift pumping station electrification program. Conversion from steam-driven to electric-driven pumping units and clearwell modifications at the 100 MGD water treatment plant.
- City of Tampa, Florida Hillsborough River Water Treatment Plant Process Study Chemical Efficiency Evaluation for liquid potable process as well as sludge processes in compliance with the Safe Drinking Water Act. Process evaluations for the use of chemicals at points of application, alternative chemicals and usage/dosage rate and method of application. Modifications to operations, modifications to chemical feed system, modifications and studies relative to sludge processing, evaluation of innovative sludge techniques, and review of alum recovery techniques.
- City of Atlanta, Georgia, Hemphill 200 MGD Surface Water Treatment Plant Expert testimony services concerning yard piping, valving, clear wells and high-service pumping suction. Design review, construction management review, construction review, evaluation of facilities and flow schemes, and development of corrective improvement program.
- City of Atlanta, Georgia, Hemphill 200 MGD Surface WTP Corrective improvement program
 design consultant. Design of valve vaults and replacement activities, design of storage/clear well
 facility improvements, and related activities.

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- City of Atlanta, Georgia, Chattahoochee 55 MGD Surface WTP solids management/sludge and washwater recovery improvements. Performed with Western Summit as a design/build activity. Involved in facility development and review for selective alternative.
- City of Milwaukee, Wisconsin Howard Avenue 100 MGD water treatment plant cryptosporidium expert analysis.
- Osceola County Evaluation of treatability of water resources of Lake Washington and Bull Creek.
 Study included capacity, process, and cost analysis. Blending and water stability issues were addressed.
- City of North Port Evaluation of the Peace River 12 MGD surface water treatment plant which
 covered process optimization and treatability. Evaluated the Peace River water quality and studied
 water blends between the Peace River and North Port Water Treatment Plant of 4.4 MGD capacity.
- Manatee County Lake Manatee 54 MGD Surface Water Treatment Plant Studies of maximum insolubility of alum, lime feed system modifications and improvements, filtration turbidity, operation review and process analysis.
- Louisville Water Company water treatment plant TTHM study review; TTHM control strategies, contact time study and cooperative research.
- ECFS/COPJCLDS Taylor Creek Reservoir Treatability Study. This source now augments the City
 of Cocoa's Cloud Dyal Water Treatment Plant. Color Filtration and water quality analyses.
- Marco Island Utilities Collier pits water quality review, color hardness, surface water/stormwater impacts. Modifications to Marco Island SWTP. Decommissioning filtration and lowering plant firm capacity from 8 MGD to 5 MGD.
- City of Melbourne, Florida Lake Washington Surface Water Treatment Plant evaluation, process review, and water blending analysis.
- City of Melbourne, Florida Lake Washington Surface WTP treatability and process study for 20 MGD WTP, detailed evaluation concerning the surface WTP and recommendations for capital improvement program. Treatability testing, sludge testing, process and potable water testing, raw water quality testing, and complete detailed alternative analysis at a planning level.
- City of Melbourne, Florida Lake Washington WTP Dorr-Oliver surface water treatment unit renovations; rehabilitation and replacement for continued operation.
- City of Melbourne, Florida Lake Washington WTP detailed filter analysis and investigations filter media, underdrains, and filtering mechanisms review and analysis; testing of filter units, turbidity effectiveness evaluation, etc.
- Okeechobee Utility Authority Lake Okeechobee Surface Water Treatment Plant chemical feed, sludge wasting and filtration review. Facility evaluation, valuation, CIP and financing.

Mr. Hartman has participated in the design of over 200 potable drinking water wells. These wells have been for brackish and fresh water; sand and gravel systems; sand lenses; and the Ocala, Avon Park, Hawthorne, and Lake City formations of the aquifer. He has been involved in the design of odor control systems for water plants, sludge dewatering facilities, and numerous water treatment plants.

Wellfield Design and Water Use Permitting (WUP)

A partial project listing of Mr. Hartman's wellfield design and WUP assignments include:

- City of Tampa 104 MGD surface water CUP at Hillsborough River water treatment plant and 30 MGD average/40 MGD maximum groundwater CUP for Morris Bridge water treatment plant, 1989.
- City of Lakeland 54 MGD northwest wellfield CUP, NW7, NWIO, NW13, and NW14 wells, 1986.
- City of Lakeland 16 MGD northeast wellfield wells NW1, NW2, NW3, NW4, and NW5 CUP, 1989.
- City of Daytona Beach Wellfield expansion, 1989.

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- Utilities Commission, City of New Smyrna Beach 9.3 MGD, numerous wells, and CUP.
- City of Edgewater 5.0 MGD wellfield expansion, 11 wells and CUP, 1989.
- City of Titusville Wellfield management program, restoration, and CUP, 1989/90.
- City of St. Petersburg Cosme-Odessa and South Pasco regional wellfields, 1986.
- General Development Utilities Inc. Port St. Lucie wellfield expansion to 5.0 MGD and CUP, 1987.
- North Beach Water Company Reverse osmosis wellfield, 1985.
- Southern States Utilities Inc. Venice Gardens reverse osmosis wellfield, 1989/90.
- City of St. Cloud Wellfield expansion and CUP, 1988.
- Poinciana Utilities Inc. Wellfield expansion and CUP, 1987.
- Southern States Utilities Inc. Sugarmill Woods CUP and wellfield expansion from 6.0 to 10.0 MGD, 10 wells, 1989.
- Southern States Utilities Inc. Sugarmill Woods CUP and 2 additional wells for 0.5 MGD, 1989.
- City of Palm Bay Port Malabar Utilities Inc., 3 wells CUP for 1.0 MGD, 1990.

Water Transmission & Distribution

Mr. Hartman has been involved in over 500 miles of water transmission and distribution systems designs from 2" to 108" in diameter consisting of PVC, AC, DIP, Steel, RFG and IC-CPP materials. Mr. Hartman has designed in-line booster stations, repump stations, storage and pumping stations, ground storage reservoirs, standpipes, elevated storage tanks and bladder water storage facilities. The above pumping systems were from 100 gpm to 280 MGD and storage reservoirs from 30,000 gallons to 10 MG in capacity.

Water Blending

A partial project listing of Mr. Hartman's water blending experience includes:

- Northwest Florida Water Management District Sand and gravel aquifer and surface water blending analyses, 1985.
- City of Tampa Groundwater and surface water blending analyses, 1983.
- City of St. Petersburg/Pinellas County Organic quality of blending surface water and groundwater, 1984
- City of Dunedin Blending and corrosivity of softened and membrane water in the transmission system, 1989.
- City of Edgewater Floridan aquifer and ultra-low pressure reverse osmosis water stability and Safe Drinking Water Act compliance, 1986.
- City of Lakeland Floridan aquifer softened water blending, 1985.
- General Development Utilities Inc. Split-treatment softening blending analyses, 1988.
- Florida Cities Water Company Floridan aquifer softened water shallow well water quality analysis, Waterway Estates, 1989.
- Southern States Utilities Inc. Venice Gardens low-pressure reverse osmosis and lime softened water blending program, 1989.
- Southern States Utilities Inc. Sugarmill Woods low-pressure reverse osmosis shallow well water quality blending expansion, 1985.
- As well as many other water chemistry/blending projects.

Reverse Osmosis

Mr. Hartman's reverse osmosis experience includes:

 Southern States Utilities Inc. - Venice Gardens water treatment plant (3.35 MGD) reverse osmosis water treatment plant, phases 2 and 3, 1988/89.

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- North Beach Water Company Reverse osmosis water treatment plant (1.0 MGD sized for 2.5 MGD) Phases 1, 2, and 3, 1982/84/85.
- City of Dunedin Ultra-low pressure reverse osmosis water treatment plant (10 MGD) 1989/90.
- Southern States Utilities Inc. Burnt Store Utilities reverse osmosis water treatment plant (0.48 MGD 0.24 MGD expansion) 1989/90.
- Florida Cities Water Company Waterway Estates water treatment plant (2.0 MGD) with reverse osmosis (1.0 MGD) and softened (1.0 MGD) 1989/90.
- Bay Tree reverse osmosis water treatment plant (0. 123 MGD) North Vero Beach, 1986.
- City of North Miami Beach 6 MGD RO, 8 MGD Nanofiltration Expandable by 16 MGD to equal 30 MGD, 2001-2004.
- City of Melbourne 5 MGD RO WTP analysis, 1998.
- City of Sunrise 9 MGD RO WTP analysis, 2001.

Safe Drinking Water Act

Mr. Hartman has participated in Safe Drinking Water Act compliance projects effecting over two million people within the State of Florida, serving the cities of Dunedin, Tampa, Lakeland, St. Petersburg, North Port, and Palm Bay; the counties of Martin and Clay; several of the Southern States Utilities Inc. systems, and many other communities.

WASTEWATER EXPERIENCE

<u>Design</u>

Mr. Hartman has participated in the design of wastewater facilities throughout Florida totaling more than \$500 million in value. He has been involved in the design of odor control systems for wastewater plants; sludge dewatering, PSRP and PFRP facilities; and numerous wastewater treatment plants varying from extended aeration through advanced biological nutrient removal pumping/lift stations for collection/transmission systems. He served as the engineer in charge of numerous wastewater reuse systems; more than 30 golf course reuse systems; numerous percolation pond system/rapid infiltration basin systems; spray irrigation systems; wetlands application systems; surface discharge systems; agricultural reuse systems; forest irrigation systems; as well as power plant reuse systems. A few projects include:

- Marion County Oak Run 1.6 MGD WWTP 2006
- Marion County Stonecrest 1.0 MGD WWTP 2006
- Flagler County Beverly Beach water and wastewater system including a 125,000 gpd/250,000 gpd AST/AWT Membrane Bio-reactor WWTP – 2005
- Fernandina Beach WWTP Upgrades Filters, etc. 2003
- AUS, Inc./Poinciana 0.5 to 1.0 WWTP expansion WWTP #2 2000
- Utilities Commission, New Smyrna Beach 6.0 MGD AWT WWTP and appurtenant consulting activities, 2000.
- Avatar/Poinciana 0.5 MGD WWTP and spray irrigation WWTP #2 1998
- City of Inverness WWTP sludge stabilization improvements 1997
- Flagler Beach 1.0 MGD WWTP irrigation system upgrades and design 1996
- Monroe County Stock Island 0.125 MGD AST WWTP corrections 1995
- ORCA/NKLUA Key Largo 0.5 MGD WWTP 1995
- City of Cape Canaveral 1.8 MGD upgrade to advanced wastewater treatment levels with effluent disposal to a manmade wetland system and subsequently to the Banana River, 1994
- Vestavia, Alabama Old Overton 0.5 MGD AST WWTP 1994

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- Town of Lexington, S.C. 1.5 MGD CMAS WWTP with discharge 14 mile creek 1994
- City of Palm Bay 0.5 MGD WWTP CMAS AST 1993
- City of Sanibel 1.6 MGD advanced wastewater treatment facility with effluent disposal to two non-restricted public access sites, 1993
- Southern States Utilities Inc. Venice Gardens Utility 2.5 MGD, Class I wastewater treatment facility
 with effluent disposal to non-restricted public access sites, rapid rate infiltration basins and sprayfield,
 1992
- Glenmuir Subdivision, Orange County 25,000 gpd wastewater treatment plant, 1992
- Hillsborough County Northwest regional sludge management facility (25 dry tons per day), consisting
 of sludge storage, thickening, dewatering, in-vessel composting, and odor control, 1990
- Southern States Utilities Inc. Marco Island Utility wastewater treatment plant expansion from 2.5 to 3.5 MGD, AST, 1990
- City of Edgewater 2.25 MGD advanced wastewater treatment facility with effluent disposal to a surface water and reclaimed water reuse system, 1989
- Deer Run Subdivision, Seminole County 250,000 gpd wastewater treatment plant, 1989
- Gulfstream Harbor Mobil Home Park, Orlando 90,000 gpd wastewater treatment plant expansion and expansion of effluent disposal system, 1988
- Orange County Easterly advanced wastewater treatment facility with effluent disposal, Phase 1 (2.5 MGD) AST and Phase 2 (6.0 MGD), with effluent disposal to the Orlando Utilities Corporation power plant, rapid rate infiltration basins, and manmade wetland system, 1983

He has been involved in service area delineations, major customer agreements, wholesale sewer agreements, regionalization projects and many privatization assignments.

Wastewater Analyses

Mr. Hartman has participated in over 50 computer-assisted hydraulic analyses of wastewater transmission systems. He was involved in 40 wastewater treatment investigations, 12 sludge pilot testing programs, 14 effluent disposal pilot programs and investigations, several energy efficiency analyses, several odor control studies, and other process evaluations for operations. Mr. Hartman participated in 6 value engineering investigations. Many regionalization projects and privatization procurement projects oriented toward obtaining the most cost-effective alternatives for regional and private programs. He participated in both sanitary sludge management and disposal studies and co-authored the book entitled "Sludge Management and Disposal for the Practicing Engineer." He also participated in numerous lime sludge thickening, management, and utilization/disposal investigations. He has been involved in biosolids management and effluent utilization projects. He has permitted regional sludge stabilization and land application projects. Mr. Hartman has served as an expert regarding several sludge systems including ATAD, Micronair and N-Viro as well as others.

PUBLICATIONS/PRESENTATIONS

Mr. Hartman has presented several training sessions and seminars for the American Water Works Association, the American Society of Civil Engineers, the Water Environment Federation, and the Water and Pollution Control Operators Association. He has presented and/or published numerous papers on water, wastewater and utility management topics. His two (2) books and papers written since 1994 are shown below.

BOOKS

Hartman, G.C., Utility Management and Finance, (presently under contractual preparation with Lewis Publishing Company/CRC Press).

GERALD C. HARTMAN, P.E., DEE

Vesilind, P.A., Hartman, G.C., Skene, E.T., Sludge Management and Disposal for the Practicing Engineer; Lewis Publishers, Inc.; Chelsea, Michigan; 1986, 1988, 1991.

PAPERS/PRESENTATIONS (Since 1994)

- Hartman, G.C. and R.J. Ori, "Water and Wastewater Utility Acquisition," AWWA National Management Specialty Conference, 1994.
- Hartman, G.C. and R.C. Copeland, "Utility Acquisitions Practices, Pitfalls and Management," AWWA Annual Conference, 1995.
- Hartman, G.C., "Safe Drinking Water Act," and "Stormwater Utilities," FLC Annual Meeting, 1995.
- Hartman, G.C., M.A. Rynning, and R.A. Terrero, "5-Year Reserve Capacity Can Customers Afford the Cost?" FSASCE Annual Meeting, 1996.
- Hartman, G.C., T.A. Cloud, and M.B. Alvarez, "Innovations in Water and Wastewater Technology," Florida Quality Cities, August 1996.
- Hartman, G.C., Seth Lehman, "Financing Utility Acquisitions," AWWA/WEF Joint Management Conference, February 1997.
- Hartman, G.C., B.V. Breedlove, "Water: Where It Comes From and Where It Goes," FRT & G/FDEP Conference, September 1997.
- Hartman, G.C., W.D. Wagner, T.A. Cloud, and R.C. Copeland, "Outsourcing Programs in Seminole County," AWWA/WEF/FPCOA Conference, November 1997.
- Hartman, G.C., M.B. Alvarez, J.R. Voorhees, and G.L. Basham, "Using Color as an Indicator to Comply with the Proposed D/DBP Rule," AWWA, Water Quality Technology Conference, November 1997.
- Hartman, G.C., "In-House, Outsourcing and the Not-for-Profit Utilities Option," Florida Government Finance Officers Association (FGFOA) Conference, March 27, 1998.
- Hartman, G.C. and D.P. Dufresne, "Understanding Groundwater Mounds A Key to Successful Design, Operation and Maintenance of Rapid Infiltration Basins," April 4-7, 1998, FWWA/WET/FPCOA Joint Meeting.
- Hartman, G.C. and Seth Lehman, "Financing Water Utilities Acquisition and Privatization Projects," AWWA Annual Conference, June 24, 1998.
- Hartman, G.C. contributing author, Chapter 14B, Nichols on Eminent Domain, RCNLD Valuation of Public Utilities, March 1999 Edition, Release No. 48.
- Hartman, G.C., M.A. Rynning, and V. Hargray, "Assessment of Commercial Customer Water Impacts," AWWA 2000.

GERALD C. HARTMAN, P.E., DEE

- Hartman, G.C., M. Sloan, N.J. Gassman, and D.M. Lee, "Developing a Framework to Balance Needs for Consumptive Use and Natural Systems with Water Resources Availability," WEF Watershed 2002 Specialty Conference, February 23-27, 2002.
- Hartman, G.C., "Utility Valuation," Wake Forest University Law School Seminar Series, February 7, 2003.
- Hartman, G.C., H.E. Schmidt, Jr. and M.S. Davis, "Biosolids Application in Rural DeSoto County, Florida," WEF/AWWA/CWEA Joint Residuals and Biosolids Management Conference, February 19-22, 2003.
- Hartman, G.C. and Dr. M. Wanielista, "Irrigation Quality Water Examples and Design Considerations," ASCE Conference, April 4, 2003.
- Hartman, G.C., M.A. Rynning and V. Hargray, "Assessing the Water Demands of Commercial Customer," WEF Volume 6, No. 4, July/August 2003 Utility Executive.
- Hartman, G.C., D. Cooper, N. Eckloff and R. Anderson, "Water," The Bond Buyer's Sixth Southeast Public Finance Conference, February 23, 2004.
- Wanielista, Marty and G.C. Hartman, "Regional Stormwater Facilities", Stormwater Management for Highways Transportation Research Board TRB AFB60, July 12, 2005.

TARA L. HOLLIS, C.P.A., M.B.A.

EDUCATION

M.B.A., University of Central Florida 1998 B.S.B.A., University of Central Florida 1996

PROFESSIONAL REGISTRATIONC.P.A., Florida No. AC-0031100

PROFESSIONAL AFFILIATIONS

American Institute of Certified Public Accountants Florida Institute of Certified Public Accountants Florida Government Finance Officers Association

QUALIFICATIONS SUMMARY

Ms. Hollis's experience includes the preparation of rate and cost of service studies, feasibility and financial reports, and debt structuring analysis for the issuance of utility indebtedness for major capital improvement programs. Ms. Hollis has an extensive range of experience in financial analysis including such areas as budget analyses, customer and usage analyses, development of revenue requirements, cost of service allocations, and

sensitivity analyses related to the implementation of conservation efforts. Included in these broad areas of financial analyses are detailed analyses pertaining to the sufficient recovery of revenue such as utility rates and rate design alternatives, the determination of specialized user fees and charges, service availability and impact fees, and various miscellaneous service charges. Ms. Hollis has been a principal investigator in electric system comparable sales. She was the CPA analyst serving the bondholders on the \$0.5 billion Okeelanta L.P. and Osceola L.P. damages case. In addition, Ms. Hollis has extensive experience related to reviewing and analyzing compliance with bond covenant requirements and contractual obligations. She has assisted in the development of numerous bond documents including engineering reports and official statements for the issuance of municipal debt instruments. Additionally, Ms. Hollis creates computerized dynamic spreadsheet models for use in valuing and analyzing future sales, profitability and financial performance ratios of utility systems and to determine fund needs for capital expansion programs.

EXPERIENCE

- Development of extensive and dynamic computer models for water, wastewater and reclaimed water rate studies, feasibility studies, forecasts, and valuations including the City of Lauderhill, the City of Sanibel, the City of Clermont, the City of Palm Bay, the City of Apopka, the City of Orlando, the City of Port St. Lucie, the Village of Bald Head Island, and Kings Point Utilities.
- Development of retail and bulk rates; impact fees; capital funding plans; and user rates and charges including the preparation of water, wastewater, reclaimed water, and stormwater user rate studies for public utilities. Recent clients include the City of Lauderhill, the City of Orange City, the City of Sanibel, the City of Apopka, the City of Fort Walton Beach, the City of North Lauderdale, the City of Port St. Lucie, the City of Orlando, the City of Palm Bay, the City of Naples, the City of Miami Springs, the City of Port Richey, and St. Johns County.
- Water conservation rate analysis, structuring and enactment. Clients have included the City of Lauderhill, the City of Apopka, the City of Orange City, the City of Fort Walton Beach, City of Fellsmere, City of North Bay Village, St. Johns County, and Water Management Services, Inc.
- Miscellaneous service charges for a variety of customer request services including customer deposits, water meter installation charges, water and wastewater taps, turn-on charges, and the initiation of service charges. Clients have included the City of Lauderhill, the City of Orange City, the City of North Bay Village, and the City of Fort Walton Beach.

TARA L. HOLLIS, C.P.A., M.B.A.

- Development of presentation workshops and accompanying briefing documents for utility rate study and
 cost of service clients to foster client and audience understanding of the analysis conducted. Recent
 clients include the Cities of Apopka, Fort Walton Beach, Orange City, Sanibel, and St. Johns County.
- Assistance and documentation for revenue and other special forms of tax-exempt bond financing including detailed projections and reports to support the issuance of long-term indebtedness. Clients include the City of Clermont (\$17,935,000), the City of Palm Bay (\$39,796,958), the City of Port St. Lucie (\$248,445,913), the City of Apopka (\$25,415,000), the City of North Miami Beach (\$66,385,000), the City of Fernandina Beach (\$32,985,000), St. Johns County (\$27,601,380), and Marion County (\$40,195,000).
- Preparation of Bond Resolutions, Official Statement, Certificates of Compliance, Additional Bonds Test
 certificates, and other related documents in support of long-term indebtedness. Recent clients include
 the City of Palm Bay, the City of Port St. Lucie, and the City of Apopka.
- Assistance with litigation, negotiations, and expert witness services including Kings Point Utilities,
 Okeelanta LP, Osceola LP, and the Cities of Casselberry and Winter Park.
- Conducting valuation studies using various techniques including the income approach and comparable sales approach for water, wastewater, and electric utility systems, and developing detailed financial forecasts and cash flow models to be used in damages calculations. Recent Clients include the City of Casselberry, the City of Winter Park, the City of Sunrise, the Village of Royal Palm Beach, Flagler County, Burkim Enterprises, Inc., Town & Country Utilities Company, Lake Wales Utility Company, and Water Management Services, Inc.
- Preparation of Utility Annual Reports and review of compliance issues as required by the Bonds Resolutions. Clients include the City of Cape Coral, the City of Tamarac, and Clay County Utility Authority.
- Preparation of initial operating budgets, rates and service area certification including testimony before the
 Florida Public Service Commission for investor-owned utilities including B&C Water Resources LLC,
 B & C II Water Resources, Farmton Water Resources LLC, St. Johns Service Company, Orangetree
 Utilities, Inc., Heron's Glen Utilities, and North Beach Utilities, Inc.
- Water and Sewer Utility Rate Escrow reconciliation for investor owned utilities including Ocean City Utilities.
- Preparation of detailed reports explaining water, wastewater, and reclaimed water systems and related terms and rates and charges, for clients including the City of North Miami Beach.
- Special assessment programs for water and wastewater improvement projects including the City of Palm Bay.
- Assistance in the preparation of governmental operating budgets.
- Audits and reviews of not-for-profit organizations and their compliance with federal and state funding requirements.
- Performance of detailed reviews of applications submitted to the State of Florida for reimbursement under the Petroleum Cleanup Program.
- Performance of tax planning and projections for various estates, trusts, and corporations.

HOLLAND & KNIGHT, LLP

Holland Knight

Water Law

Holland & Knight's Water Team covers a myriad of issues generally divided into three broad areas – regulatory matters, system operations/development, and litigation. Our staff is an experienced team of professionals, including former state legislators who dealt with water issues, as well as attorneys who have focused their practice in the area of water law.

Regulatory Matters

Water Use Planning and Development

Our lawyers have a wide range of experience in water use planning and development. This experience and our involvement has resulted in:

- the Tampa Bay Partnership
 Agreement which formed the
 basis for settlement of the long
 standing Tampa Bay Water Wars and
 consisted of a contractual agreement
 for the decrease in use of existing
 wellfields with environmental
 problems for funding to develop new
 water sources, including desalination,
 reservoirs, conservation and the like
- the first binding interlocal agreement among 15 governmental entities for a national estuary program
- the largest municipal reclaimed water system in the United States
- the second largest plumbing retrofit program in the U.S., and similar type projects

Legislation and Rulemaking

We represent private sector and local government clients in reviewing proposed water management rules, identifying issues and solutions, working with the proposing agency to improve the rule language, and otherwise assuring that the rule ultimately adopted is effective and workable.

Many of our lawyers devote their practice to legislative representation. With offices in capital cities and other major markets, our team provides legislative representation to water/wastewater clients before Congress and the state legislatures.

Certification and Permitting

Our team also has experience in advancing client projects through the utility certification and water and environment permitting processes, as well as in evaluating, modifying and (if necessary) challenging the permitting efforts of others. We assist our clients in obtaining permits from jurisdictional agencies and governmental entities on behalf of utilities, other government entities and the private sector, as well as in transferring existing permits from acquired entities.

Our involvement includes:

- representation of a developer in obtaining certificates of public convenience and necessity to operate a retail water utility within a franchise service area of more than 104,800 acres
- representation of a manufacturing client with existing water permit in evaluating long-range plans for operation, obtaining agency support for long-range approval, challenging proposed competing uses that presented a threat to the client (and reaching amicable resolution thereof), and defending the client in a challenge by a third party to the long-range permit

- representation of the environmental impact statement and subsequent permitting of more than 10,000 acres of wetlands by the Army Corps of Engineers
- representation of a municipal water provider with a pumping station on Lake Michigan in obtaining permits from the state of Illinois and the Army Corps of Engineers, including installation and operation of a chlorine line and diffuser system for zebra mussels protection

Stormwater Management

Our Water Team represents clients in obtaining federal appropriations for stormwater projects, including \$5.35 million to date for an innovative fourcounty Big Haynes Creek Stormwater Project that may serve as a national model. The federal appropriation permitted the four metro counties surrounding Atlanta, Georgia, to cooperate on a stormwater treatment facility that collects stormwater runoff for the entire Big Haynes Creek watershed in a large retention pond and treats the water to serve as a drinking water source for the four counties. We also assisted with related Federal Clean Water Act requirements (i.e., Total Maximum Daily Load), EPA requirements and other regulatory hurdles.

Compliance and Enforcement

Our Water Team has experience representing water/wastewater clients in enforcement actions brought by state and federal regulatory authorities as well as public interest groups who may oppose a permit application or an operational technique. Should litigation arise, our Water Team works

with you to develop litigation strategies and to evaluate potential settlement opportunities. We have successfully argued challenges to environmental permit denials and defended clients in enforcement actions taken by federal and state environmental regulatory agencies and the Department of Justice.

Water System Development and Operations

Water System Development and Operations

We are regularly involved in the dayto-day legal issues arising from the development and operation of water supply systems. Our involvement includes developing and modifying state legislation to help water agencies organize and successfully finance and construct water supply systems: obtaining water rights; drafting and assisting in the administration of construction contracts whereby water system facilities are constructed; and negotiating water purchase and sale agreements. Our lawyers continually work with water system clients as they face growth and change in their service areas.

We have considerable experience in acquiring necessary interests in land, permits and other approvals for the construction of water system infrastructure – from pumping stations to reservoirs and stand pipes to water mains, metering stations and pressure adjusting stations. This experience ranges from simple easement acquisitions, to multiple party real estate transactions to acquire appropriate sites, to obtaining consent to locate facilities in remote areas.

Relying on our extensive experience in public bidding and public works

construction law, we provide legal advice on every aspect of construction and expansion of water systems.

Our work includes development of model bidding and contract forms, resolution of bidding disputes, contract administration, and bond and insurance issues.

We draft and negotiate complex water purchase and sale agreements on behalf of both purchasers and sellers of bulk water supply for ultimate retail sale to customers. We also are involved in cutting edge issues for water suppliers, including negative impacts on water intakes in the Great Lakes region and the effects of chemical additives to water for water safety on water system infrastructure.

Examples of our experience include:

- representation of both the oldest and the largest intergovernmental water commissions in the state of Illinois, from initial formation, financing and construction through day-to-day operations
- representation of a planning consortium of public agencies and tribes in the state of Wisconsin relating to the creation of a formal agency to plan, finance, construct and operate a new Lake Michigan water system serving 11 communities, special districts and Indian tribes
- representation of a major city/county planning consortium in the state of Michigan relating to the creation of a formal agency to plan, finance, construct and operate a new Lake Huron water system
- acting as Special Assistant State's Attorney for all matters relating to an Illinois County's water (and sewer) system

 representation of many different Illinois municipalities in obtaining permission to use Lake Michigan water, in addressing agreements and issues involving the intergovernmental production, sale and purchase of water, and in a wide range of litigation relating to water (and sewer) systems, service and rates

Alternative Project Delivery Methods

Our team represents local governments and water/wastewater utilities in structuring and implementing water, sewer and residuals management projects through design/build and design/build/operate project delivery approaches. We provide legal assistance, as needed, to determine the legality of such approaches in the applicable jurisdiction as well as the preparation of the necessary procurement documents, such as requests for qualifications and requests for proposals. Through our experience in the water industry, we provide valued support during the proposal evaluation process, and draft the design/build and design/build/operate agreements, as well as the related transaction documents, to be negotiated with the successful proposer. The breadth of our firm's practice allows us to provide representation to our clients in all the areas of law which are necessary for these transactions to be successful. including contract, environmental, construction, real estate, labor, finance and tax.

Acquisitions and Contract Drafting/Negotiation

A significant part of the firm's water practice involves representation in connection with the sale of water and wastewater utility facilities. Our

Holland Knight

team has participated in the drafting of purchase and sale agreements, negotiation of environmental insurance policies, drafting of indemnification agreements, negotiation of consent decrees and orders, negotiation and interpretation of franchise agreements between water/wastewater utilities and local governments, drafting of service agreements and other contracts necessary for a successful water/wastewater utility operation, and other forms of transactional documentation.

Finance

Our team possesses substantial experience in all types of debt and equity transactions, including taxexempt bonds, sale-leasebacks, synthetic leases, like-kind exchanges, tax credits, tax-increment financing. general leases and participating mortgages. We work with lawyers from the firm's corporate and tax practice areas to ensure that the transaction structure that is ultimately utilized best meets our client's financial and operational goals. The Water Team has been involved in numerous financings of various water or wastewater facilities or their delivery systems, including representation of the largest intergovernmental water agency in the state of Illinois in financing its \$350 million water transmission and distribution system.

Privatization

Our team provides comprehensive services to governments, private sector investors, operators and intermediaries in privatization and restructuring of water assets operating in the United States and abroad. Among U.S.-based law firms, we have one of the largest

groups of partners and associates with linguistic and cultural capabilities in Latin America. In addition, our lawyers have a great depth of knowledge and experience with the political and legal systems in this region and have established close and effective relationships with major law firms throughout Latin America.

Our privatization experience includes:

- design and implementation of a regulatory and legislative framework; concessions and management contracts and of institutional arrangements: institutional settings, legislative initiatives, regulatory regimes (pre/post privatization, including tariff and competition issues)
- acting as sellers' counsel in all aspects of the process; from overall divestiture and privatization strategy design, transaction design and supervision, legal audits, contractual drafting, and negotiation and post privatization issues
- acting as investor counsel in the performance of legal audit exercises, support in proposal preparation, bid support and contractual negotiations
- project and asset-based financing
- corporate finance

Our experience includes:

- representation of the governments of Peru and Ecuador in a World Bank-financed project on the implementation of build, operate and transfer (BOT) structures for the construction and management of water and sewer systems as well as solid waste disposal systems
- acting on behalf of a multilateral financial institution in the design of the regulatory framework leading to

private sector participation in several South American countries

- development, in collaboration with the Ministry of Finance and national public works development bank, of U.S. Export-Import Bank model project and finance documentation to support design, construction and operation of municipal wastewater treatment plants
- negotiation of U.S. Export-Import Bank financing facilities in the aggregate of \$60 million for engineering and construction of regional and municipal aqueducts and potable water transportation infrastructure

Ratemaking

Our Water Team is trained in ratemaking and utility accounting principles. The firm has experience in rate cases before several regulatory commissions, including our recent representation of a water utility in obtaining a significant rate increase through proposed agency action procedures.

In addition to regulatory ratemaking, our lawyers have experience in rate disputes governed by common law ratemaking principles where the water provider is not subject to utility commission jurisdiction. For example, in Illinois, we represented a water retailer in an intricate ratemaking arbitration against the wholesale supplier, resulting in a long-term contract for water supply at one of the lowest rates in the Chicago metropolitan area.

Litigation

The Water Team has extensive experience in litigating claims arising

from water supply issues. The Team has been involved in many challenges by third parties to rules and permits desired by clients of the firm, as well as challenges initiated by clients. Members of our environmental litigation team also have substantial experience handling major toxic tort lawsuits arising from allegations of contamination in the groundwater migrating to the drinking water. The firm recently concluded, with great success, a case where clients opposed some 1,100 claims of alleged injury made against over 70 defendants,

brought by two well financed plaintiffs' law firms in 13 separately filed mass tort state cases.

Our team includes attorneys, both at the trial and appellate level, who have successfully litigated these massive cases, and have the experts, the skill and experience to do so. Our experience also encompasses claims of groundwater contamination as well as issues of water treatment, blending and storage, basin pumping rights and the best available technology for remediation issues. In such cases, we have worked with the U.S. EPA, state environmental agencies, state

utility commissions, local water and air agencies, and state health agencies.

While we are quite prepared to litigate vigorously, we are also open to consideration of alternative settlement procedures, such as mediation and/or arbitration in the appropriate case. We also offer to all clients preventative consultative strategies and approaches to avoid litigation of this nature.

HOWARD M. LANDERS CONSULTING, L.L.C.

Howard M. Landers Consulting, LLC

Howard M. Landers Consulting, LLC is a professional urban planning services firm of which Howard M. Landers is the sole employee.



Howard Landers has 40 years of professional urban planning experience. While the majority of his experience has been as a consultant, Mr. Landers has also worked for local governments and a non-profit corporation, as well as taught at the graduate level. He has maintained management and professional planning involvement in a wide variety of project types and services, including comprehensive community planning, land planning, urban redevelopment planning, urban design, transportation planning, and land use and environmental approvals.

EDUCATION:

Virginia Polytechnic Institute, Blacksburg, Virginia Bachelor of Architecture, with honors, June 1965.

Florida State University, Tallahassee, Florida Doctoral Studies in Planning, 1969 - 1971. Master of Science - Urban and Regional Planning, June 1966.

PROFESSIONAL EXPERIENCE:

Howard M. Landers Consulting, LLC

Charlotte, North Carolina

· Owner, March 2003 to Present

City of Charlotte, Department of Transportation, Planning and Design Division

Charlotte, North Carolina

Senior Transportation Planner, April 2004 to July 2005

HDR Engineering, Inc. of the Carolinas

Charlotte, North Carolina

- Senior Planning Consultant, June 2002 to March 2003
- Regional Planning Manager, May 2000 to June 2002

Landers-Atkins Planners, Inc.

Jacksonville, Florida

Founding Partner and President, September 1983 to May 2000.

Reynolds, Smith and Hills, Architects-Engineers-Planners

Jacksonville, Florida

- Vice President Planning Operations, 1978 to 1983.
- Associate Vice President Manager Planning Division, 1978.

- Head, Department of Community and Regional Planning, May 1977 to 1978.
- Project Manager, July 1973 to May 1977.

Jacksonville Department of Housing and Urban Development

Jacksonville, Florida

• Director, Community Renewal Program, June 1971 to July 1973.

Florida State University, Department of Urban and Regional Planning Tallahassee. Florida

• Research Associate (Teaching), September 1969 to June 1971.

PROJECT EXPERIENCE: The following is a summary of specific project experiences accumulated over a 40-year career presented by project or service type. More detailed information can be provided on specific projects as may be desired.

Community Planning and Development

- Historic Springfield Overlay Zoning Study, Jacksonville, FL
- South Walton County Comprehensive Plan 2020, Southwood Properties
- Dolphin Point Condominium Compatibility and Consistency Analysis, Resorts Design, Fort Walton Beach, FL
- City of Panama City, Comprehensive Plan, 1974, Panama City, FL
- Skinner Properties, Two Amendments to Jacksonville Comprehensive Plan, A.C. Skinner Family, Jacksonville, FL
- Jacksonville Community Renewal Program, Executive Director, City of Jacksonville, FL,
 Department of Housing and Urban Development and Mayor's Office
- Mixed-Use Development Zoning Category, Nassau County Zoning Ordinance, Rayland Company, Nassau County, FL
- American Beach Historic Community Zoning Overlay District, American Beach Property Owners Association, Nassau County, FL
- Comprehensive Plan, City of Port St. Joe, FL, 1990
- Harbor Management Plan, City of Destin, FL, 1991
- Comprehensive Plan, City of Chattahoochee, FL, 1991
- City of Panama City, Comprehensive Plan Evaluation and Appraisal Report, 1985, Panama City, FL
- Housing Plan, Tallahassee/Leon County Planning Department Tallahassee, FL
- Comprehensive Plan, St. Simons Island and Sea Island, Brunswick-Glynn County Joint Planning Department, GA
- Establishment of the Planning Office and Staff for the City and Region of Tabuk, and Service as Senior Planning Expert, Kingdom of Saudi Arabia
- Northwest Florida Planning and Advisory Council: Management of a general service contract for technical assistance on all aspects of the Council's program and provision of technical assistance on planning activities. Management of specific planning projects. Intergovernmental grant assistance.
- · Housing Unit Allocation Model and Plan, Area Planning Board of Palm Beach County, FL

Land Development Planning and Regulatory Approvals

- City of Charlotte Participant in review of all zoning applications
- Summer Beach Golf and Beach Resort, Master Plan, Nassau County, FL, DRI/ADA approval and amendments, Rezoning approval and amendments, Site Development Planning, Nassau County Beach Access System Plan, Summer Beach, Ltd., continual service from 1984 to present.
- Alachua West, Master Plan, Comprehensive Plan Amendment, DRI and Zoning, WACO Properties, Inc., Alachua, FL

- County Administrative Complex Master Plan, Caldwell County, NC
- Dixie-Berryhill Vision Plan, Charlotte-Mecklenburg Planning Commission, Charlotte, NC
- Yulee Area Areawide DRI Planning Support Studies, Rayland Company, Nassau County, FL
- Hacienda Piniea, Preliminary Site Development Plans for Residential and Hotel Sites, Guanacaste, Costa Rica
- Calico Woods, Amendment to Nassau County, FL, Future Land Use Map, SEDA Construction Company, Jacksonville, FL
- Strategic Planning Program, West Florida Properties, St. Joe Company, 1,000,000 acres Jefferson through Walton Counties, FL
- Southwood Plantation, Master Plan and DRI, St. Joe Company, Tallahassee, FL
- Panama City Beach Town Center, St. Joe Company, Panama City, FL
- Tidewater Beach and Golf Resort, Master Plan and DRI, Okaloosa and Walton County, FL
- Villages at Maclay, Master Plan and DRI, Leon County, FL
- Westland Park, Master Plan and DRI, Jacksonville, FL
- Plantation Park, Master Plan and DRI, Nassau County, FL
- Assorted Development Related Research Assignments on Properties Throughout Florida, St. Joe Company, Jacksonville, FL
- Curitiba, Brazil: A Reader, Prepared for St. Joe Company
- Bank of America (NationsBank, Barnett Bank) Office Park, Continual project management service from 1991 to present involving amendments to DRI and PUD Zoning, and Annual Monitoring Reports, Jacksonville, FL
- Amelia National Golf Course Community, Master Plan and PUD Zoning, Summer Beach Development Group Limited, Nassau County, FL
- Flora Parke Residential Community, Master Plan and PUD Zoning, SEDA Development Company, Nassau County, FL
- Osprey Village Retirement Community, Master Plan and Rezoning, Aaron Enterprises, Amelia Island Plantation, FL
- Wildewood Downs Retirement Community, Master Plan and Rezoning, Aaron Enterprises, Columbia, SC
- Augusta Hills, Retirement Community, Master Plan and Rezoning, Aaron Enterprises, Augusta,
 GA
- Pointe West Lakes Retirement Community, Master Plan and Rezoning, Aaron Enterprises, Vero Beach, FL
- Myrtle Beach Lakes Retirement Community, Master Plan and Rezoning, Aaron Enterprises, Myrtle Beach, FL
- Morgan's Point (Naval Annex Bermuda) Redevelopment Plan, East-West Partners, Jacksonville, FL
- Roosevelt Annex Master Plan, Singh Development Company, Key West, FL
- Villages at Hawk's Cay Master Plan, Singh Development Company, Key West, FL
- Key West Golf Course Residential Development Rights Analysis, Singh Development Company, Key West, FL
- Amelia Island Plantation Expansion Development Plan and DRI/PUD Amendments, Amelia Island Company, Nassau County, FL
- Monarch Ranch Conceptual Development Plan, Monarch Trust, Sumter County, FL
- Nassau Outlet Center, Master Plan, PUD Zoning and Amendment to Nassau County Comprehensive Plan, Fisher Development Company, Nassau County, FL
- Plummer Creek, Master Plan, PUD Zoning, Development Agreement and Amendment to Nassau County Comprehensive Plan, Nassau Partners, Nassau County, FL
- Nassau Center Master Plan and Draft DRI/ADA, Rayland Company, Nassau County, FL
- Sunland Campus Master Plan and DRI, State of Florida DMS, Tallahassee, FL
- Johns Creek, Master Plan, Stokes-O'Steen Communities, St. Johns County, FL
- Westland Park, Master Plan and DRI, Regency Properties, Jacksonville, FL
- SWD Corporate Headquarters Site Selection Study, Jacksonville, Fl
- Koger Executive Office Center, Master Plan, Birmingham, AL
- Master Plan and Development Strategy, Marineland of FL

- North Broward Tract Master Plan, Development of Regional Impact Application and Annexation, Leadership Housing, Inc., Broward County, FL
- Crown Point Residential Development Master Plan, Security Management Company, Jacksonville, FL
- Hampton Residential Development Master Plan, Security Management Company, Hampton, GA

Transportation and Transit Based Planning

- Charlotte Center City Transportation Study, As consultant to and employee of City of Charlotte,
 Department of Transportation
- Southeast Corridor Major Investment Study, Land Use and Urban Design Analysis and Planning, Charlotte Area Transit System and Charlotte-Mecklenburg Planning Commission, City of Charlotte, NC
- West Corridor Major Investment Study, Land Use and Urban Design Analysis and Planning, Charlotte Area Transit System and Charlotte-Mecklenburg Planning Commission, City of Charlotte, NC
- Streetcar for Winston-Salem, Conceptual Planning Study for Streetcar System for Downtown and Adjacent Areas, City of Winston-Salem, NC
- Connectivity Studies for Four Developed City Neighborhoods, Department of Transportation, City of Charlotte, NC
- Enhancement Master Plan, Spartanburg Area Transportation Planning Agency, Spartanburg County, SC
- Transportation Enhancements Element, Community Economic Development Strategy for Gaston and Cleveland Counties, NC
- Vance Road Corridor Alignment Study, City of Huntersville, NC
- Beatties Ford Road Preservation Plan, City of Huntersville, NC
- Soutel Drive Corridor Land Use and Transportation Plan, Jacksonville Transportation Authority, Jacksonville, FL
- Arnelia Concours Boulevard Municipal Service Benefit Unit Concept Plan, Nassau County, FL
- Amelia Island Parkway Improvements Study, Summer Beach, Ltd., Amelia Island, FL
- Pinellas County Transportation Authority, Pinellas Parkway Location Study, computer-assisted process for locating a 30-mile urban expressway
- Fort Lauderdale/Hollywood International Airport, Environmental Impact Assessment Report (NEPA) and Development of Regional Impact Application (DRI/ADA), Broward County, FL

Urban Redevelopment Planning / Urban Design

- Downtown Master Plan and City-Wide Structure Plan, City of Florence, SC
- Cape Fear River Vision Plan, City of Fayetteville, NC
- Deep Creek Road Neighborhood Redevelopment Plan, City of Fayetteville, NC
- Bonnie Doone Neighborhood Redevelopment Plan, City of Favetteville, NC
- Inheritance Village at Wilkinson, Redevelopment of Queensgate Shopping Center, Neighboring Concepts, Inc., Charlotte, NC
- Truman Annex, Redevelopment Master Plan, Development of Regional Impact approval, rezoning, comprehensive plan amendment, community impact assessment, annexation, Truman Annex Company, Key West, FL Continuing service from 1987 through 2001 to original client and successor interests.
- Truman Annex Design Guidelines, Truman Annex Company, Key West, FL
- LaVilla / Brooklyn Redevelopment Master Plan; Design Guide; Property Acquisition, Demolition and Management; Infrastructure Design; Streetscape Design; and Developer Negotiations, City of Jacksonville, FL Five years of service as City's project manager for a team of planners, engineers, environmental scientists, real estate agents, appraisers, relocation specialists, and City staff.
- Mid-Town Jacksonville Redevelopment Strategy, Confidential Client, Jacksonville, FL
- Grand Oasis Recreational Vehicle Park Redevelopment Plan, Key Largo, FL

- Bahama Village Community Redevelopment Plan Update, Key West, FL
- Bayshore/Gateway Community Redevelopment Plan, Collier County, FL
- The Bayshore/Gateway Triangle Community Redevelopment Agency Plan, Collier County, FL
- Hemming Plaza Redevelopment Area Master Plan, Jacksonville, FL
- SWD Downtown Property Design Study, Jacksonville, FL
- Florida East Coast Railway Company Downtown Property Urban Design Study, Jacksonville, FL
- Soutel Drive Corridor Master Plan, Jacksonville Transportation Authority, Jacksonville, FL
- Nemours Foundation/Florida East Coast Railway Southbank Property Urban Design Study, Jacksonville, FL
- Hemming Plaza Redevelopment Area Master Plan, Jacksonville, FL
- Jacksonville Convention Center at Union Station Redevelopment Master Plan, Wilson Financial Group, Jacksonville, FL
- Florida East Coast Railway Company Downtown Design Study, Jacksonville, FL
- Phase I, Urban Development Program, Technical and Financial Feasibility Analysis. Projects in East Port-of-Spain, Trinidad, and Lower Scarborough, Tobago, Ministry of Finance (Planning and Development), Republic of Trinidad and Tobago
- Community Development Block Grant Program, City of Panama City, FL
- Tallahassee and Leon County Housing Study (LGCPA and CDBG)
- Ocala Housing Study (LGCPA and CDBG), City of Ocala, FL

Environmental Planning

- White Oak Plantation Limited Development Overlay Comprehensive Plan Policy Amendment, Howard Gilman Foundation, Nassau County, FL
- White Oak Plantation Resource Management Plan, Howard Gilman Foundation, Nassau County, FL
- White Oak Plantation Compost Facility Development Plan, Howard Gilman Foundation, Nassau County, FL
- North Key Largo Habitat Conservation Plan, Monroe County, Florida
- Destin Harbor Management Plan, Destin, FL
- Green Valley Mixed Use Development Plan, Wetlands Mitigation Bank and Greenway Trails System Plan, ScanAmerican Corporation, Polk County, FL

Recreational Facilities Planning

- Little Sugar Creek Greenway Master Plan, Mecklenburg County, NC
- Freedom Park Little Sugar Creek Greenway Trail Redevelopment, Mecklenburg County, NC
- Tar River Greenway Greene Street Bridge Relocation Plan, City of Greenville, NC
- Sea Base Master Plan, Boy Scouts of America, Summerland Key, FL
- Continuing Services Contract for Recreational Facilities Planning and Design City of Jacksonville, FL
 - o Ortega Stream Valley Park and Preserve Master Plan and Construction Documents
 - o Julington Creek Headwaters Park and Preserve Northern Component Master Plan
 - o Julington Creek Headwaters Park and Preserve Southern Component Master Plan
 - Hemming Plaza and Federal Building Plaza Improvement and Integration Conceptual Plans
 - o Prototype Regional Park Conceptual Plan
 - Prototype Community Park Conceptual Plan
 - o Prototype Elementary School and Park Joint Use Conceptual Plan
 - o Prototype Middle School and Park Joint Use Conceptual Plan
 - o Prototype High School and Regional Park Joint Use Conceptual Plan
 - Sisters Creek Marina Park and Jacksonville Kingfish Tournament Facility Master Plan and Construction Plans

- 103rd Street Go Kart Park Master Plan and Construction Plans
- o San Mateo Little League Park Master Plan
- o Mayport Community Recreational Facilities and Trails Master Plan
- o Little Jettys Park Master Plan
- o Ray Greene Park Master Plan Joint Planning with an Elementary School, a Middle School, and a Branch Library
- o Rondette Lake Park Master Plan
- o Recreational Facility Design Standards
- General Services Contract for Recreational Facilities Planning and Design City Of Tallahassee, FL
 - Southside Park Master Plan and Construction Plans
 - Messer Park Expansion Master Plan and Construction Plans
- General Services Contract for Planning Services City Of Panama City, FL
 - o Comprehensive Plan including Recreation and Open Space Element
 - o Urban Parks and Recreation Recovery Plan
 - o Moody Harris Park and Community Center Master Plan
- Amelia Island Beach Access Plan, Nassau County, FL
- Hampton Roads Area Navy Recreation Complex Study Update, U S Navy, Williamsburg, VA
- Gulf Islands National Seashore, Florida and Mississippi, U.S. National Park Service, Denver Service Center. Nine years of service as Project Manager and Principal Planner for services including preparation of an Interpretive Prospectus for the Seashore and services on five primary sites as follows:
 - o Santa Rosa Island, Master Plan and Environmental Assessment Report, and Comprehensive Development Plans, Construction Documents for East Day Use Area
 - Naval Live Oak Reservation, Master Plan and Environmental Assessment Report
 - o Fort Pickens, Master Plan and Environmental Assessment Report
 - o Davis Bayou, Master Plan, Environmental Assessment Report, Comprehensive Development Plans, Construction Documents
 - o Ship Island, Master Plan and Environmental Assessment Report
- · Tree Tops Park, Master Plan and Design Studies, Broward County, FL
- Red Reef Oceanfront Park, Master Plan and Design, Boca Raton, FL.
- Palm Beach County, South County Regional Park Master Plan, Palm Beach County, FL.
- · Al Swaidi Community Park, Riyadh, Saudi Arabia.
- Dahl Al Hamman Environmental Park, Doha, Qatar.
- Center for Spiritual Renewal, Program Development, Concept Plan and Feasibility Analysis,
 Florida Episcopal Diocese of Florida, Jacksonville, FL
- Feasibility Analysis of Converting Existing Visitor Center to Solar Energy for Heating and Cooling, Ocmulgee National Monument, Macon, GA, US National Park Service, Denver Service Center

Expert Witness

- Farmton Properties, Inc., Petition to Florida Public Service Commission for a Water Service Territory, Farmton Holdings, Brevard and Volusia Counties, FL
- East Central Florida Services, Inc., Petition to Florida Public Service Commission for a Water Service Territory, Desseret Ranch, Orange, Brevard and Seminole Counties, FL
- Price Tumer Associates vs Florida Department of Transportation
- Southside Estates Baptist church vs Florida Department of Transportation
- Lost Tree Village Corporation vs City of Vero Beach, Town of Indian River Shores and Florida Department of Community Affairs
- Guardian Lutheran Church vs Florida Department of Transportation
- Florida Department of Community Affairs vs Lee County
- Florida Department of Community Affairs vs St. Lucie County and Charboneau
- Save Crystal Beach vs City of Destin and Summerchase
- Florida Department of Transportation vs Kingswood
- Century Ambulance vs Florida Department of Transportation

- Peterson/Standard Concrete vs Florida Department of Transportation
- Florida Department of Transportation Expert Witness General Contract, Thomasville Road, Tallahassee, FL
- Florida Department of Transportation Expert Witness General Contract, Burgess Road, Pensacola, FL
- Florida Department of the Attorney General, Expert Witness General Contract Tallahassee DOT Projects

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Appendix VIII:

<u>Attachment to Exhibit L</u>

Cost Study and Rate Design

D & E WATER RESOURCES, L.L.C. COST OF SERVICE STUDY

GENERAL

The Utility's proposed service territory includes approximately 38,000 acres in Flagler and Volusia Counties, Florida. Currently, this land is owned by the Utility's affiliate, Plum Creek Timberlands LP and Plum Creek Investment Company (hereinafter Plum Creek). The Utility's affiliates are in the process of developing a single-family residential subdivision known as Heart Island Equestrian Estates (HIEE) Residential Planned Unit Development within the proposed service territory that will be comprised primarily of 2.5-acre and 5.0-acre lots. An estimated 313 of the 335 lots will require potable water service and 34 of the lots will require low pressure wastewater service. In the Flagler County portion of the proposed service territory, Plum Creek is in the initial planning stages for residential development within the County. It is anticipated that there will be approximately 350 residential water customers of which 299 will be provided wastewater service in this first phase of development within Flagler County ("Plum Creek Phase 1"). The remaining 51 water customers will have septic tanks.

It is anticipated that the future phases will be developed potentially in a clockwise fashion from HIEE and Plum Creek Phase 1. Development patterns are dependent upon numerous factors and are subject to change.

The total D & E Water Resources, L.L.C. area for certification includes 38,535 acres. The total development area is 15,143 acres. Of that amount approximately 7,080 acres are in Volusia County. In Volusia County, HIEE provides 335 units on 7,080 acres. In the City of Bunnell in Flagler County there are four (4) development areas. Area 1 is 1,471 acres, Area 2 is 546 acres, Area 3 is 936 acres, and Area 4 is 604 acres for a total of 3,557± acres of the 8,063 possible development acres. It is unknown the total number of units to be developed within Bunnell. Therefore, of the 38,535 acres 11,935 in Volusia County and 26,600 acres in the City of Bunnell, active development is envisioned on 5,316 acres (1,759 in Volusia County and 3,557 in City of Bunnell/Flagler County).

VIII-1

The Plum Creek Phase 1 project in the City of Bunnell involves approximately 400 acres for a planned 350 units within a larger land area. See Figures L-1, L-2, and L-3 for locations of the proposed water and wastewater facilities in both Volusia and Flagler Counties.

The Utility is proposing to service this development by constructing six (6) water treatment plants (WTP) within the service territory. In addition, there will be one (1) central wastewater treatment plant (WWTP), located in Flagler County, which will serve those sewer customers located in northern Volusia and southern Flagler Counties. The two (2) water treatment plants (WTP #5 and WTP #6) located in the Flagler County portion of the service area will be interconnected with WTP #1 in Volusia County along S.R. 11 by a 6.0" water main. In addition, the 34 low pressure sewer lots in HIEE will be interconnected with WWTP #1 along S.R. 11 from the south. The wastewater treatment plant will accommodate all of the anticipated 333 customers from HIEE and Plum Creek Phase 1 based on flows of 300 gallons per day per unit (customer) for a total of 99,000 gallons per day (gpd). Water treatment plants #5 and #6 will each serve approximately 175 units± at 61,250 gpd average annually daily flow (AADF) with appropriate peak hour and maximum day peaking factors.

One of the first steps after approval by the Florida Public Service Commission (FPSC) is to construct the utility water and wastewater treatment facilities and initialize the sale of retail service to these customers.

The proposed facilities will provide a location near the various phases of development to provide for water quality control, maintenance, and the treatment of potable water. A potable water supply facility will be designed to provide safe and reliable potable water service to the customers within the proposed service area. Raw water for each facility will be pumped through a 6-inch well. A bladder type hydro pneumatic tank will be utilized at each location along with chlorination for disinfection. These facilities should be sufficient to provide service for the projected planning period. As the need for additional capacity is realized, D & E Water Resources, L.L.C. will construct the necessary facilities to meet such demands. The 6.0" water main along S.R. 11 will also accommodate future fire protection facilities in accordance with City and County regulations. Initially, a 33,000 gpd of a 99,000 gpd WWTP will be constructed with groundwater recharge through rapid infiltration basins.

VIII-2

It is anticipated that each customer will be metered with a 5/8" X 3/4" meter. The wastewater bill will be based on the water meter reading. The Utility also wishes to reserve for future use an irrigation quality water tariff and service area for alternative water supply consistent with the St. Johns River Water Management District (SJRWMD) programs.

POTABLE WATER SERVICE

Estimated Capital Costs

It is estimated that the capital cost for the initial construction of the 6 water treatment facilities and associated equipment is \$1,849,670. Each potable water treatment plant will include the construction of a new well, a bladder type hydro pneumatic tank, chlorination, two mobile 40 kW generators for all 6 plants, fence, and pre-fabricated building. The land requirements for the six (6) water treatment plants and associated twelve (12) wells is six (6) acres.

In addition, the Utility is allocating approximately 25% of its organizational startup costs to the rate base for the current retail potable water customers. The Utility is projecting total organizational costs at \$300,000.

It is anticipated that each general service customer connecting to the Utility will pay a service availability charge per ERC prior to connection. This service availability charge is based on plant capacity, has been established to recover approximately 40% of the capital asset costs of the proposed facilities, and is set at \$803.24. In addition, a water meter will need to be installed at the customer's expense.

The initial capital costs associated with the new potable water treatment facilities are presented in **Schedule L-1** and the service availability charge calculations are presented on **Schedule L-3B**.

Estimated Operation and Maintenance Costs

The primary costs that are typically associated with the operation and maintenance (O&M) of a potable water treatment facility are:

- Labor
- Chemical
- Power
- Fuel
- Maintenance
- Contractual Services
- Administration
- Rents

Table 1 below details the O&M assumptions used for the Utility during the projection period of Year 2 through Year 6 (the "Test Year").

Table 1 O & M Assumptions Potable Water Supply

1.) Labor

1 person \$40,000 / yr. x 1.33 fringe benefits escalate @ 4% annually.

2.) Chemicals

Chlorine @ \$1 / Ib effective – Aqueous Polyphosphate @ \$6 / Ib added Sequestering @ \$11 / Ib added

Dose assumed -

- (a) cl₂ breakpoint 15 mg / l
- (b) cl₂ residential / biocidal 6 mg / I
- (c) Poly @ 4 mg / I
- (d) Seq @ 1 mg / I

21 mg/l \times 8.34 \times (58 units \times 350 \times 365 / 1,000,000) = 175.14 \times 7.41 MG / yr.

- (i) $cl_2 = 1,300 lbs x $1 = $1,300 / yr.$
- (ii) Poly = 247 lbs x 6 = \$1,480 / yr.
- (iii) Seq = $60 \times 11 = \frac{$660 / yr.}{$3,440}$

Assume occupancy factor of 0.8 = \$2,752 chem. \$2,752 / 58 = \$47.45 / unit

Chemical Costs @ midpoint analysis

Absorption Schedule

04 044 11 1 1' \
% (Well and septic)
6
6
8
2
6

Table 1 (cont.) O & M Assumptions Potable Water Supply

3.) Power

A.) Wells

Yr. 2 =
$$\frac{7 \times 200}{3960 \times .25}$$
 = 1.4 x 0.754 kW-hr/hp-hr x 1.33
Line loss factor = 1.4 kW-hr

$$1.4 \times 24 \times \$0.12 / \text{kW-hr} \times 365 = \$1,472 \times 2 = \$2,944$$

 $3 = 3.6 / 1.4 = 2.572 \times 1.04 \text{ (esc)} = \times 2.67$
 $\$3,930 \times 2 = \$7,860$
 $4 = 4.95 / 1.4 = 3.532 \times 1.08 \text{ (esc)} = \times 3.81$
 $\$5,608 \times 2 = \$11,216$
 $5 = 6.29 / 1.4 = 4.49 \times 1.125 \text{ (esc)} = \times 5.05$
 $\$7,435 \times 2 = \$14,870$
 $6 = 7.54 / 1.4 = 5.456 \times 1.17 \text{ (esc)} = 6.383$
 $\$9,39 \times 2 = \$18,790$

- 4.) **Fuel** assumes 330 gallons up 20% / yr. with gas escalators \$200/yr. start @ \$1,000.
- 5.) Administration See Schedule.

Table 1 (cont.) O & M Assumptions Potable Water Supply

- 6.) Contractual See Schedule.
- 7.) Rents based on lease agreements with Plum Creek Timberlands LP and Plum Creek Land Company set at \$100 per well site and \$0.10 per thousand gallons for flows over 4,000,000 annually.
- 8.) **Misc.** @ 1% of above ± at operator's discretion.

As shown in **Table 1**, a rental payment is included in the D & E Water Resources, L.L.C. O&M Costs. This payment is intended to compensate the landowners, Plum Creek Timberlands LP and Plum Creek Land Company, for the use of the land and the lost opportunity to the landowner as a result of D & E Water Resources, L.L.C. utilizing the property for utility purposes. The rental payment has been calculated in terms of both well location and demand. The payment has been set at \$100.00 per well site per year and includes up to 4,000,000 gallons of water withdrawals from the entire service area annually. If annual withdrawals exceed 4,000,000 gallons, an additional payment of \$0.10 per 1,000 gallons will be incurred. **Schedule L-2** presents the estimated O&M costs for the potable water treatment facilities for the projection period.

System Financial Requirements

The potable general service water rates discussed in this section were developed on a cost of service basis and in accordance with FPSC rules and Florida Statutes wherein associated costs are equitably recovered from each customer pursuant to the level of service enjoyed by that customer.

Financial Requirements

System financial requirements consist of capital, operating, maintenance, depreciation, and monetary needs necessary to provide, maintain, and continue quality services to meet the goals of the utility with regard to operations. Funding of capital requirements is generally provided from sources other than direct user rates and charges, such as impact fees, service availability charges, debt obligations, or contributions. However,

capital needs not funded from these sources can be recovered through user rates and charges.

Financial requirements can generally be separated into three primary categories: 1) Operating and Maintenance Expenses (O&M), 2) Depreciation and Amortization, and 3) Other Expenses. As previously mentioned, O&M expenses of this Utility will consist of purchased power, rents, contractual services for operating and maintaining the system, and other miscellaneous costs. Depreciation and amortization expenses will be based on the useful lives of the assets of a Class B Water Utility pursuant to Rule 25-30.115 of the Florida Administrative Code. Other expenses will include such items as regulatory assessment fees and return on investment. It should be noted that for purposes of these projections, since D & E Water Resources, L.L.C. was organized as a Limited Liability Corporation, it is a non-taxable entity. Therefore, no state or federal income tax expense has been included in these projections.

Schedules L-3A and L-3B presents a detailed calculation of the capital costs and related depreciation and amortization of Contributions-in-aid-of-Construction (CIAC). Schedule L-13 presents a check of the CIAC versus the Utility investment at the end of Phase 1 of the Utility Expansion project, which is assumed to be Year 7. Detailed estimates for the potable water system are presented on Schedule L-13A.

Return on Investment

In addition, since D & E Water Resources, L.L.C. is a private utility; it will be able to receive a rate of return based on its cost of equity and debt. With regard to the cost of equity capital, annually, the Florida Public Service Commission issues an order establishing the authorized range of return on common equity of water and wastewater utilities pursuant to Section 367.081(4)(f) of the Florida Statutes. The most recent order (PSC-06-0554-CO-WS), issued June 27, 2006, establishes the following leverage formula:

Return on Common Equity = 7.26% + 1.714/Equity Ratio

Based on this formula, the range of return on common equity goes from 8.97% at 100% equity to 11.54% at 40% equity.

If D & E Water Resources, L.L.C. has a need for debt financing, its affiliate Plum Creek Timber Company, Inc. has the resources necessary to loan funds to D & E Water Resources, L.L.C. It is anticipated that the terms of any loan will include repayment over a 30-year period. In determining the interest rate in this transaction, the ten-year average of prime of 6.80% was utilized.

The Utility is anticipating 40% equity contribution and the remaining 60% to be financed through debt.

Schedule L-4 presents the projected capital structure and rate of return for the Utility. **Schedule L-5** presents the projected financial requirements for the Utility for the Test Year (Year 6), including the Return on Investment amount calculated based on the Potable Water Rate Base shown on **Schedule L-5A**.

Rate Design

Cost of Service Allocations

Utility ratemaking cost of service method requires that there be a reasonable relationship between the costs of services and the benefits received by the customer. It is important to recognize that service/benefits are varied and to a large extent not always evident to the customers of the utility. Customers generally associate services/benefits with the metered usage of water; however, more importantly and costly are the underlying infrastructure capacity and readiness to serve. Most of these services/benefits have associated capital costs and fixed O&M expenses. Although some of the capital costs will be provided upon initial connection to the utility, others require funding through user rates and charges.

Once the net financial requirements were determined for the Utility, they were reallocated according to various cost of service principles in order to design the proposed monthly retail water rates. Specifically, the financial requirements were allocated to a base charge and a gallonage charge. In general, it can be construed that fixed costs such as meter reading, billing, customer service, and certain capital related costs and operating expenses should be recovered through a monthly base charge,

whereas certain other fixed and variable expenses and capital expenses are recovered through a gallonage charge. Summarized below in **Table 2** are the results of these allocations.

Table 2
Financial Requirements per Rate Element

Rate Component	Amount
Base Facility Charge	\$ 101,974
Gallonage Charge	 233,913
Total	\$ 335,887

Retail Water Rate Design

The financial requirements for retail water service were allocated to a base charge and gallonage charge as shown on **Table 2** and detailed on **Schedule L-6**. In order to develop the monthly base charge and gallonage charge for retail water service, the rate determinants need to be identified. The Utility is anticipating 559 average general service ERCs in the Test Year (Year 6). It is anticipated that these connections will use approximately 57,130 thousand gallons annually. To calculate the monthly base charge, the amount allocated to the charge was divided by the number of ERCs to arrive at the rate of \$15.21 per ERC per month as shown in **Schedule L-6**. To determine the gallonage charge per thousand gallons of usage, the same method was applied, taking the financial requirements allocated to the gallonage charge and dividing it by the gallonage determinant in thousands of gallons, resulting in a rate of \$4.09 per thousand gallons as shown on **Schedule L-6**. A revenue proof for the water rates developed in this Study is shown in **Table 3** below.

Table 3
Water Rate Revenue Proof

			Annuai
Rate Component	 Charge	Determinant	 Revenue
Base Facility Charge (Per ERC per month)	\$ 15.21	559	\$ 102,028.68
Gallonage Charge (Per 1,000 gallons)	\$ 4.09	57,130	 233,661.70
Total			\$ 335,690.38

Table 4 below summarizes the proposed monthly retail water rates.

Table 4
Proposed Monthly Retail Water Rates

Retail

Monthly Base Facility Charge per Meter Size	
5/8" X 3/4"	\$ 15.21
1.0"	\$ 38.03
1.5"	\$ 76.05
2.0"	\$ 121.68
Gallonage Charge (per thousand gallons)	\$ 4.09

Bulk Raw Water Rate

The Utility is also considering selling bulk raw water and is cooperating with the Flagler County Water Resources Planning Council and St. Johns County Water Management District. Any water that the Utility withdraws from wells located within Flagler County will be sold to other entities within the County. The raw water rate will be established on a case by case basis and will depend upon the capital asset configuration and contract with the County.

WASTEWATER SERVICE

Estimated Capital Costs

It is estimated that the capital cost for the initial construction of the 99,000 gallon per day (gpd) average annually daily flow (AADF) wastewater treatment plant (WWTP) is \$1,818,640. The WWTP will have a 60' kW mobile generator set. Three (3) 33,000 gpd AADF pre-engineered secondary (tube type) wastewater treatment plants will be phased in at the site. Initially, two (2) 1½ acre rapid infiltration basins will be built, thereafter; one (1) 2 acre rapid infiltration basin will be built with each subsequent 33,000 gpd AADF expansion. The raw sewage will be pumped to the WWTP via low pressure subdivision or booster pumping stations. The land required for the centralized

site will be approximately 40 acres, with an additional 0.15 acres required for the lift stations. This land is planned to be leased or rented from the Company.

In addition, the Utility is allocating approximately 25% of its organizational startup costs to the rate base for the current retail potable water customers. The Utility is projecting total organizational costs at \$300,000.

It is anticipated that each general service customer connecting to the Utility will pay a service availability charge per ERC prior to connection. This service availability charge is based on plant capacity, has been established to recover approximately 40% of the capital asset costs of the proposed facilities, and is set at \$2,094.46.

The initial capital costs associated with the new wastewater treatment facilities are presented in **Schedule L-7** and the service availability charge calculations are presented on **Schedule L-9B**.

Estimated Operation and Maintenance Costs

The primary costs that are typically associated with the operation and maintenance (O&M) of a potable water treatment facility are:

- Labor
- Chemical
- Power
- Fuel
- Maintenance
- Contractual Services
- Administration
- Rents

Table 5 below details the O&M assumptions used for the Utility during the projection period of Year 2 through Year 6 (the "Test Year").

Table 5 O & M Assumptions Wastewater

1.) Labor

1 person \$20,000 / yr. (P.T.) x 1.33 fringe benefits escalate @ 4% annually.

2. Chemicals

Chlorine = 42 lbs. / unit / yr. $(46 \text{ mg/l} \times 8.34 \times 300 \times 365/1,000,000)$ Polymer = 2.75 lbs. / unit / yr. $(3 \times 8.34 \times 300 \times 365/1,000,000)$

Odophos = 4.57 lbs. / unit / yr. $(5 \times 8.34 \times 300 \times 365/1,000,000)$

@ \$2 per effective lb.

Absorption Schedule

Year	Units	AAD Flow @ 300 gpd/unit
1	0	0
2	60	18,000
3	140	42,000
4	220	66,000
5	300	90,000
6	333	99,000

Assume occupancy @ 0.8

Chlorine = \$42.00 / unit / yr. 16.50 / unit / yr. Polymer 9.15 / unit / yr. Odophos = \$67.65 / unit / yr.

Year	Flow. Chem.	Site Chem. ⁽¹⁾	Laboratory Chem. ⁽²⁾	Total Chem.
2	2,030	1,000	1,000	\$ 4,030
3	6,765	1,050	1,050	8,865
4	12,177	1,100	1,100	14,377
5	17,589	1,150	1,150	19,889
6	21,445	1,200	1,200	23,845

⁽¹⁾ For maintenance of RIBs

⁽²⁾ For operational laboratory use.

Table 5 (cont.) O & M Assumptions Wastewater

3.) Power

Horsepower Use Schedule

Year	WWTP Blowers	Misc. WWTP	Pump Stations	Total
2	15	3	4	22
3	30	4	6	40
4	30	5	9	44
5	45	6	12	63
6	45	6	14	62

Midyear convention for cost

2 - 11 x 1.4 x 0.754 x 1.33 x 24 x 0.12 x 365

2 = \$16,234

 $3 - 31 \times 12,298.58 \times 0.13$

 $3 = $49,563 \times 1.15/1.33 = $42,844$

 $4 - 42 \times 12,298.58 \times 0.14$

 $4 = $72,316 \times 1.05/1.33 = $57,092$

5 - 53.5 X 12,298.58 X 0.15

 $5 = $98,691 \times 1.00/1.33 = $74,204$

6 - 64 X 12,298.58 X 0.16

 $6 = $125,937 \times 0.95/1.33^{(1)} = $89,955$

- 4.) Administration See schedule.
- 5.) Contractual See schedule.
- 6.) Rents are based on a lease agreement with Plum Creek Timberlands, LP set at \$200.00 per acre annually.
- 7.) Misc. @ 1% of above \pm at operator's discretion.

Schedule L-8 presents the estimated O&M costs for the wastewater treatment facilities for the projection period.

⁽¹⁾ Load factor correction.

System Financial Requirements

The wastewater rates discussed in this section were developed on a cost of service basis and in accordance with FPSC rules and Florida Statutes wherein associated costs are equitably recovered from each customer pursuant to the level of service enjoyed by that customer.

Financial Requirements

System financial requirements consist of capital, operating, maintenance, depreciation, and monetary needs necessary to provide, maintain, and continue quality services to meet the goals of the utility with regard to operations. Funding of capital requirements is generally provided from sources other than direct user rates and charges, such as impact fees, service availability charges, debt obligations, or contributions. However, capital needs not funded from these sources can be recovered through user rates and charges.

Financial requirements can generally be separated into three primary categories: 1) Operating and Maintenance Expenses (O&M), 2) Depreciation and Amortization, and 3) Other Expenses. As previously mentioned, O&M expenses of this Utility will consist of purchased power, rents, contractual services for operating and maintaining the system, and other miscellaneous costs. Depreciation and amortization expenses will be based on the useful lives of the assets of a Class B Wastewater Utility pursuant to Rule 25-30.115 of the Florida Administrative Code. Other expenses will include such items as regulatory assessment fees and return on investment. It should be noted that for purposes of these projections, since D & E Water Resources, L.L.C. was organized as a Limited Liability Corporation, it is a non-taxable entity. Therefore, no state or federal income tax expense has been included in these projections.

Schedules L-9A and **L-9B** presents a detailed calculation of the capital costs and related depreciation and amortization of Contributions-in-aid-of-Construction (CIAC). In addition, **Schedule L-13** presents a check of the CIAC versus the Utility investment at the end of Phase 1 of the Utility Expansion project, which is assumed to be Year 7. Detailed estimates for the wastewater system are presented on **Schedule L-13B**.

Return on Investment

In addition, since D & E Water Resources, L.L.C. is a private utility; it will be able to receive a rate of return based on its cost of equity and debt. With regard to the cost of equity capital, annually, the Florida Public Service Commission issues an order establishing the authorized range of return on common equity of water and wastewater utilities pursuant to Section 367.081(4)(f) of the Florida Statutes. The most recent order (PSC-06-0554-CO-WS), issued June 27, 2006, establishes the following leverage formula:

Return on Common Equity = 7.26% + 1.714/Equity Ratio

Based on this formula, the range of return on common equity goes from 8.97% at 100% equity to 11.54% at 40% equity.

If D & E Water Resources, L.L.C. has a need for debt financing, its affiliate Plum Creek Timber Company, Inc. has the resources necessary to loan funds to D & E Water Resources, L.L.C. It is anticipated that the terms of any loan will include repayment over a 30-year period. In determining the interest rate in this transaction, the ten-year average of prime of 6.80% was utilized.

The Utility is anticipating 40% equity contribution and the remaining 60% to be financed through debt.

Schedule L-10 presents the projected capital structure and rate of return for the Utility. Schedule L-11 presents the projected financial requirements for the Utility for the Test Year (Year 6), including the Return on Investment amount calculated based on the Wastewater Rate Base shown on Schedule L-11A.

Rate Design

Cost of Service Allocations

Utility ratemaking cost of service method requires that there be a reasonable relationship between the costs of services and the benefits received by the customer. It is important to recognize that service/benefits are varied and to a large extent not always evident to the customers of the utility. Customers generally associate services/benefits with the metered usage of water; however, more importantly and costly are the underlying infrastructure capacity and readiness to serve. Most of these services/benefits have associated capital costs and fixed O&M expenses. Although some of the capital costs will be provided upon initial connection to the utility, others require funding through user rates and charges.

Once the net financial requirements were determined for the Utility, they were reallocated according to various cost of service principles in order to design the proposed monthly wastewater rates. Specifically, the financial requirements were allocated to a base charge and a gallonage charge. In general, it can be construed that fixed costs such as meter reading, billing, customer service, and certain capital related costs and operating expenses should be recovered through a monthly base charge, whereas certain other fixed and variable expenses and capital expenses are recovered through a gallonage charge. Summarized below in **Table 6** are the results of these allocations.

Table 6
Financial Requirements per Rate Element

Rate Component	 Amount
Base Facility Charge	\$ 85,321
Gallonage Charge	 222,958
Total	\$ 308,279

Retail Wastewater Rate Design

The financial requirements for retail wastewater service were allocated to a base charge and gallonage charge as shown on **Table 6** and detailed on **Schedule L-12**. In order to develop the monthly base charge and gallonage charge for wastewater service, the rate determinants need to be identified. The Utility is anticipating 316.5 average general service ERCs in the Test Year (Year 6). Based on metered water flow, it is anticipated that these connections' billable wastewater flow will be approximately 32,346 thousand gallons annually (Note billable wastewater usage capped at 10,000 gallons per month per ERC). To calculate the monthly base charge, the amount allocated to the charge was divided by the number of ERCs to arrive at the rate of \$22.48 per ERC per month as shown in **Schedule L-12**. To determine the gallonage charge per thousand gallons of usage, the same method was applied, taking the financial requirements allocated to the gallonage charge and dividing it by the gallonage determinant in thousands of gallons, resulting in a rate of \$6.87 per thousand gallons as shown on **Schedule L-12**. A revenue proof for the wastewater rates developed in this Study is shown in **Table 7** below.

Table 7
Wastewater Rate Revenue Proof

			Annual
Rate Component	 Charge	Determinant	 Revenue
Base Facility Charge (Per ERC per month)	\$ 22.48	316.50	\$ 85,379.04
Gallonage Charge (Per 1,000 gallons)	\$ 6.87	32,346.00	 222,217.02
Total			\$ 307,596.06

Table 8 below summarizes the proposed monthly retail wastewater rates.

Table 8
Proposed Monthly Retail Wastewater Rates

Retail

Monthly Base Facility Charge per Meter Size

\$ 22.48
\$ 56.20
\$ 112.40
\$ 179.84
\$ 6.87
\$ \$ \$

Note: (1) Wastewater billable flow capped at 10,000 gallons per month per ERC.

CONCLUSIONS

The revenues, expenses, costs, and criteria associated with rate making are representative of averages, which were developed primarily from historic and projected data. In formulating the rates and expenses for D & E Water Resources, L.L.C., Hartman Consulting & Design utilized prior knowledge of startup utilities and their costs, together with the development of assumptions based on prudent engineering, financial, and ratemaking relationships in the development of the proposed rates herein. Some of the assumptions will inevitably change or not materialize and unanticipated events may occur which could significantly change the results shown herein. These factors include regulatory actions by the St. Johns River Water Management District.

	Account No. and Name	In Service Year	Pei	r Unit Cost	Bala	Account ance at end of Year 6
301	Organization					
-1	Organizational Costs	1	\$	75,000	\$	75,000
304	Structures and Improvements					
1	Site Work Development	1	\$	1,430	\$	1,430
2	Site Work Development	2	\$	1,490	\$	2,980
1	Site Work Development	3	\$	1,550	\$	1,550
2	Site Work Development	4	\$ \$	1,610	\$	3,220
1	4' Site Fencing With 2-12' Gates	1	\$	17,130	\$	17,130
2	4' Site Fencing With 2-12' Gates	2	\$	17,810	\$	35,620
1	4' Site Fencing With 2-12' Gates	3	\$	18,520	\$	18,520
2	4' Site Fencing With 2-12' Gates	4	\$	19,260	\$	38,520
1	4' Site Fencing With 4' Gate	1	\$	1,080	\$	1,080
2	4' Site Fencing With 4' Gate	2	\$	1,120	\$	2,240
1	4' Site Fencing With 4' Gate	3	\$	1,170	\$	1,170
2	4' Site Fencing With 4' Gate	4	\$	1,210	\$	2,420
1	13'- 4"x17'- 4" Cone Building (12 x 16 Interior) (231.01)	1	\$	6,440	\$	6,440
	SQ. FT. With 9' Interior Light					
2	13'- 4"x17'- 4" Cone Building (12 x 16 Interior) (231.01)	2	\$	6,690	\$	13,380
	SQ. FT. With 9' Interior Light					
1	13'- 4"x17'- 4" Cone Building (12 x 16 Interior) (231.01)	3	\$	6,960	\$	6,960
	SQ, FT, With 9' Interior Light					
2	13'- 4"x17'- 4" Cone Building (12 x 16 Interior) (231.01)	4	\$	7,240	\$	14,480
	SQ. FT. With 9' Interior Light					
307	Wells and Springs					
2	6" Wells – 300' Depth with 125' Casing & Pumping	1	\$	45,640	\$	91,280
	Equip.					
4	6" Wells – 300' Depth with 125' Casing & Pumping	2	\$	47,460	\$	189,840
	Equip.					
2	6" Wells - 300' Depth with 125' Casing & Pumping	3	\$	49,350	\$	98,700
	Equip.					
4	6" Wells - 300' Depth with 125' Casing & Pumping	4	\$	51,320	\$	205,280
	Equip.					
311	Pumping Equipment					
1	40 KW Mobile Generators (Trailer Mounted)	1	\$	27,160	\$	27,160
1	40 KW Mobile Generators (Trailer Mounted)	2	\$	28,240	\$	28,240
320	Water Treatment Equipment					
1	Chlorine Feed Pumps With Piping (0 – 0.5 GPM)	1	\$	3,580	\$	3,580
2	Chlorine Feed Pumps With Piping (0 – 2.0 GPM)	2	\$	4,680	\$	9,360
1	Chlorine Feed Pumps With Piping (0 – 0.5 GPM)	3	\$	3,870	\$	3,870
2	Chlorine Feed Pumps With Piping (0 – 2.0 GPM)	4	\$	5,060	\$	10,120

		In Service	vice		Account Balance at end		
	Account No. and Name	Year	Per	Unit Cost	0	f Year 6	
000	Distribution December and Otendrines						
330	Distribution Reservoirs and Standpipes	1	œ	25.050	æ	35,050	
1	15,000 Gallon Hydro pneumatic Tanks	1 2	\$ \$	35,050 36,450	\$	72,900	
2 1	15,000 Gallon Hydro pneumatic Tanks 15,000 Gallon Hydro pneumatic Tanks	3	\$ \$	30,430 37,900	\$ \$	37,900 37,900	
	· · · · · · · · · · · · · · · · · · ·	4	\$ \$	37,900 39,410		78,820	
2 1	15,000 Gallon Hydro pneumatic Tanks 50 Gallon Day Tanks	1	\$	360	\$ \$	360	
2	50 Gallon Day Tanks	2	\$	370	\$	740	
1	50 Gallon Day Tanks	3	\$	390	\$	390	
2	50 Gallon Day Tanks	4	\$	400	\$	800	
1	450 Holding Tanks	1	\$	740	\$	740	
2	450 Holding Tanks	2	\$	770	\$	1,540	
1	450 Holding Tanks	3	\$	800	\$	800	
2	450 Holding Tanks	4	\$	830	\$	1,660	
331	Transmission and Distribution Mains	٦.	Ψ	000	Ψ	1,000	
2	Air Release Valves 1" #101ST	1	\$	280	\$	560	
4	Air Release Valves 1" #101ST	2	\$	290	\$	1,160	
2	Air Release Valves 1" #101ST	3	\$	300	\$	600	
4	Air Release Valves 1" #101ST	4	\$	310	\$	1,240	
1	6" x 4" Reducer 45 LBS.	1	\$	190	\$	190	
2	6" x 4" Reducer 45 LBS.	2	\$	200	\$	400	
1	6" x 4" Reducer 45 LBS.	3	\$	210	\$	210	
2	6" x 4" Reducer 45 LBS.	4	\$	220	\$	440	
1	4" Check Valves LL&E - 048000	1	\$	680	\$	680	
2	4" Check Valves LL&E - 048000	2	\$	710	\$	1,420	
1	4" Check Valves LL&E - 048000	3	\$	730	\$	730	
2	4" Check Valves LL&E - 048000	4	\$	760	\$	1,520	
1	4" Gate Valves ARD - 04FLGD	1	\$	280	\$	280	
2	4" Gate Valves ARD - 04FLGD	2	\$	290	\$	580	
1	4" Gate Valves ARD - 04FLGD	3	\$	300	\$	300	
2	4" Gate Valves ARD - 04FLGD	4	\$	310	\$	620	
3	4" - 45 Degree Bends 35 LBS.	1	\$	150	\$	450	
6	4" – 45 Degree Bends 35 LBS.	2	\$	160	\$	960	
3	4" - 45 Degree Bends 35 LBS.	3	\$	160	\$	480	
6	4" - 45 Degree Bends 35 LBS.	4	\$	170	\$	1,020	
2	4" - 90 Degree Bends 40 LBS.	1	\$	170	\$	340	
4	4" - 90 Degree Bends 40 LBS.	2	\$	180	\$	720	
2	4" - 90 Degree Bends 40 LBS.	3	\$	190	\$	380	
4	4" - 90 Degree Bends 40 LBS.	4	\$	190	\$	760	
1	6" x 4" Wyes 115	1	\$	490	\$	490	
2	6" x 4" Wyes 115	2	\$	510	\$	1,020	
1	6" x 4" Wyes 115	3	\$	530	\$	530	
2	6" x 4" Wyes 115	4	\$	550	\$	1,100	

SCHEDULE L-1

	Account No. and Name	In Service Year	Per	Unit Cost	Bala	Account ance at end if Year 6
350'	4" PVC Pipe 350.4	1	\$	20	\$	7,000
700'	4" PVC Pipe 350.4	2	\$	20	\$	14,000
350'	4" PVC Pipe 350.4	3	\$	20	\$	7,000
700'	4" PVC Pipe 350.4	4	\$	20	\$	14,000
25'	6" PVC Pipe 10.50/LF. 100 (25'.4)	1	\$	30	\$	750
50'	6" PVC Pipe 10.50/LF. 100 (25'.4)	2	\$ \$	30	\$	1,500
25'	6" PVC Pipe 10.50/LF. 100 (25'.4)	3		30	\$	750
50'	6" PVC Pipe 10.50/LF. 100 (25'.4)	4	\$	30	\$	1,500
1	6" Check Valve LL&E - 068000	1	\$	930	\$	930
2	6" Check Valve LL&E - 068000	2	\$	970	\$	1,940
1	6" Check Valve LL&E - 068000	3	\$	1,010	\$	1,010
2	6" Check Valve LL&E - 068000	4	\$	1,050	\$	2,100
6,000'	6" Water Main x 6000 L.F. to distribution system split (4 Systems)	1	\$	20	\$	120,000
6,000'	6" Water Main x 6000 L.F. to distribution system split (4 Systems)	2	\$	20	\$	120,000
6,000'	6" Water Main x 6000 L.F. to distribution system split (4 Systems)	3	\$	30	\$	180,000
6,000'	6" Water Main x 6000 L.F. to distribution system split (4 Systems)	4	\$	30	\$	180,000
334	Meters and Meter Installation					
1	4" Water Meter – WTC – 101400	1	\$	1,520	\$	1,520
2	4" Water Meter - WTC - 101400	2	\$	1,590	\$	3,180
1	4" Water Meter – WTC – 101400	3	\$	1,650	\$	1,650
2 .	4" Water Meter – WTC – 101400	4	\$	1,710	\$	3,420
2	2" Water Meter – WTC – 101200	1	\$	200	\$	400
4	2" Water Meter – WTC – 101200	2	\$	210	\$	840
2	2" Water Meter – WTC – 101200	3	\$	220	\$	440
4	2" Water Meter – WTC – 101200	4	\$	220	\$	880
339	Other Plant and Miscellaneous Equipment					
1	Control Panels	1	\$	2,360	\$	2,360
2	Control Panels	2	\$	2,450	\$	4,900
1	Control Panels	3	\$	2,550	\$	2,550
2	Control Panels	4	\$	2,650	\$	5,300

SCHEDULE L-1

	Account No. and Name	In Service Year	Per	Unit Cost	 Account ance at end of Year 6
345	Power Operated Equipment				
1	Air Compressors	1	\$	1,450	\$ 1,450
2	Air Compressors	2	\$	1,510	\$ 3,020
1	Air Compressors	3	\$	1,570	\$ 1,570
2	Air Compressors	4	\$	1,630	\$ 3,260
	Total Potable Water Supply				\$ 1,849,670
CAPACI	TY:				
	Equivalent Residential Connections:	840			
	Average Daily Flow (thousand gallons):	294,000			

D & E WATER RESOURCES, L.L.C. OPERATION AND MAINTENANCE REQUIREMENTS POTABLE WATER SUPPLY

					Y	ear				
Account No.	Description	1 (1)		 2	 3		4	5	6 (2)	
Operation and	d Maintenance Expenses									
601	Salaries and Wages - Employees	\$	-	\$ 40,000	\$ 41,600	\$	43,264	\$ 44,995	\$	46,795
603	Salaries and Wages - Other		_	20,780	21,330		21,900	22,600		23,100
604	Employee Pension and Benefits		*	13,200	13,728		14,277	14,848		15,442
610	Purchased Water		-	-	· <u>-</u>		· <u>-</u>	· -		· <u>-</u>
615	Purchased Power		-	8,832	23,580		33,648	44,610		56,370
616	Fuel for Power Production		-	1,000	1,200		1,400	1,600		1,800
618	Chemicals		-	2,752	7,516		10,840	14,186		17,438
620	Materials and Supplies		-	2,000	2,000		2,000	2,000		2,000
630	Contractual Services		-	9,500	11,000		12,500	14,000		15,500
640	Rents		-	800	2,198		3,682	5,000		6,524
650	Transportation Expense			1,600	1,920		2,246	2,538		2,818
655	Insurance Expense			3,100	3,500		3,900	4,095		4,300
665	Regulatory Expense			-	-		_	-		-
670	Bad Debt Expense			1,000	1,000		1,000	1,000		1,000
675	Misc. Expense			1,046	 1,306		1,507	 1,715		1,931
Total Operati	on and Maintenance Expenses	\$	-	\$ 105,610	\$ 131,878	\$	152,164	\$ 173,187	\$	195,018

Note: (1) Initial Construction.

(2) Test Year.

D & E WATER RESOURCES, L.L.C.
PROJECTED CAPITAL AND ACCUMULATED DEPRECIATION AT END OF YEAR 6
POTABLE WATER SUPPLY

 	Account No. and Name	In Service Year	Per	Unit Cost	Bala	Account ince at end if Year 6	Depreciation Life	Age		Annual preciation	Dep	cumulated reciation at I of Year 6
301	Organization											
1	Organizational Costs	1	\$	75,000	\$	75,000	40	6	\$	1,875	\$	11,250
304	Structures and Improvements		Τ	. 0,000	Ψ.	,0,000	40	· ·	Ψ	1,075	Ψ	11,230
1	Site Work Development	1	\$	1,430	\$	1,430	32	6	\$	45	\$	270
2	Site Work Development	2	\$	1,490	\$	2,980	32	5	\$	93	\$	465
1	Site Work Development	3	\$	1,550	\$	1,550	32	4	\$	48	\$ \$	192
2	Site Work Development	4	\$	1,610	\$	3,220	32	3	Φ.	101	\$	303
1	4' Site Fencing With 2-12' Gates	1	\$	17,130	\$	17,130	32	6	\$	535	\$	3,210
2	4' Site Fencing With 2-12' Gates	2	\$	17,810	\$	35,620	32	5	\$	1,113	\$	5,565
1	4' Site Fencing With 2-12' Gates	3	\$	18,520	\$	18,520	32	4	\$	579	\$	2,316
2	4' Site Fencing With 2-12' Gates	4	\$	19,260	\$	38,520	32	3	\$	1,204	\$	3,612
1	4' Site Fencing With 4' Gate	1	\$	1,080	\$	1,080	32	6	\$	34	\$	204
2	4' Site Fencing With 4' Gate	2	\$	1,120	\$	2,240	32	5	\$	70	\$	350
1	4' Site Fencing With 4' Gate	3	\$	1,170	\$	1,170	32	4	\$	37	\$	148
2	4' Site Fencing With 4' Gate	4	\$	1,210	\$	2,420	32	3	\$	76	\$	228
1	13'- 4"x17'- 4" Cone Building (12 x 16 Interior)	1	\$	6,440	\$	6,440	32	6	\$	201	\$	1,206
	(231.01) SQ. FT. With 9' Interior Light	•	•	5,	*	0,		· ·	*	 0.	•	.,200
2	13'- 4"x17'- 4" Cone Building (12 x 16 Interior)	2	\$	6,690	\$	13,380	32	5	\$	418	\$	2,090
	(231.01) SQ. FT. With 9' Interior Light	_	•	-,	*	.0,000			•		•	_,,
1	13'- 4"x17'- 4" Cone Building (12 x 16 Interior)	3	\$	6,960	\$	6,960	32	4	\$	218	\$	872
	(231.01) SQ. FT. With 9' Interior Light		•	,	•	,			·			
2	13'- 4"x17'- 4" Cone Building (12 x 16 Interior)	4	\$	7,240	\$	14,480	32	3	\$	453	\$	1,359
	(231.01) SQ. FT. With 9' Interior Light			•	•							
307	Wells and Springs											
2	6" Wells - 300' Depth with 125' Casing & Pumping	1	\$	45,640	\$	91,280	32	6	\$	2,853	\$	17,118
	Equip.			•								
4	6" Wells - 300' Depth with 125' Casing & Pumping	2	\$	47,460	\$	189,840	32	5	\$	5,933	\$	29,665
	Equip.											
2	6" Wells - 300' Depth with 125' Casing & Pumping	3	\$	49,350	\$	98,700	32	4	\$	3,084	\$	12,336
	Equip.											
4	6" Wells - 300' Depth with 125' Casing & Pumping	4	\$	51,320	\$	205,280	32	3	\$	6,415	\$	19,245
	Equip.											
311	Pumping Equipment											
1	40 KW Mobile Generators (Trailer Mounted)	1	\$	27,160	\$	27,160	20	6	\$	1,358	\$	8,148
1	40 KW Mobile Generators (Trailer Mounted)	2	\$	28,240	\$	28,240	20	5	\$	1,412	\$	7,060

Page 1 of 4

SCHEDULE L-3A

D & E WATER RESOURCES, L.L.C. PROJECTED CAPITAL AND ACCUMULATED DEPRECIATION AT END OF YEAR 6 POTABLE WATER SUPPLY

	Account No. and Name	In Service Year	_ Pei	r Unit Cost	Bala	Account ance at end of Year 6	Depreciation Life	Age		Annual preciation	Dep	cumulated reciation at d of Year 6
320	Water Treatment Equipment											
1	Chlorine Feed Pumps With Piping (0 – 0.5 GPM)	1	\$	3,580	\$	3,580	10	6	\$	358	\$	2,148
2	Chlorine Feed Pumps With Piping (0 – 2.0 GPM)	2	\$	4,680	\$	9,360	10	5	\$	936	\$	4,680
1	Chlorine Feed Pumps With Piping (0 – 0.5 GPM)	3	\$	3,870	\$	3,870	10	4	\$	387	\$	1,548
2	Chlorine Feed Pumps With Piping (0 – 2.0 GPM)	4	\$	5,060	\$	10,120	10	. 3	\$	1,012	\$	3,036
330	Distribution Reservoirs and Standpipes			,	•	,.			•	.,	•	5,555
1	15,000 Gallon Hydro pneumatic Tanks	1	\$	35,050	\$	35,050	35	6	\$	1,001	\$	6,006
2	15,000 Gallon Hydro pneumatic Tanks	2	\$	36,450	\$	72,900	35	5	\$	2,083	\$	10,415
1	15,000 Gallon Hydro pneumatic Tanks	3	\$	37,900	\$	37,900	35	4	\$	1,083	\$	4,332
2	15,000 Gallon Hydro pneumatic Tanks	4	\$	39,410	\$	78,820	35	3	\$	2,252	\$	6,756
1	50 Gallon Day Tanks	1	\$	360	\$	360	37	6	\$	10	\$	60
2	50 Gallon Day Tanks	2	\$	370	\$	740	37	5	\$	20	\$	100
1	50 Gallon Day Tanks	3	\$	390	\$	390	37	4	\$	11	\$	44
2	50 Gallon Day Tanks	4	\$	400	\$	800	37	3	\$	22	\$	66
1	450 Holding Tanks	1	\$	740	\$	740	37	6	\$	20	\$	120
2	450 Holding Tanks	2	\$	770	\$	1,540	37	5	\$	42	\$	210
1	450 Holding Tanks	3	\$	800	\$	800	37	4	\$	22	\$	88
2	450 Holding Tanks	4	\$	830	\$	1,660	37	3	\$	45	\$	135
331	Transmission and Distribution Mains											
2	Air Release Valves 1" #101ST	1	\$	280	\$	560	25	6	\$	22	\$	132
4	Air Release Valves 1" #101ST	2	\$	290	\$	1,160	25	5	\$	46	\$	230
2	Air Release Valves 1" #101ST	3	\$	300	\$	600	25	4	\$	24	\$	96
4	Air Release Valves 1" #101ST	4	\$	310	\$	1,240	25	3	\$	50	\$	150
1	6" x 4" Reducer 45 LBS.	1	\$	190	\$	190	25	. 6	\$	8	\$	48
2	6" x 4" Reducer 45 LBS.	2	\$	200	\$	400	25	5	\$	16	\$	80
1	6" x 4" Reducer 45 LBS.	3	\$	210	\$	210	25	4	\$	8	\$	32
2	6" x 4" Reducer 45 LBS.	4	\$	220	\$	440	25	3	\$	18	\$	54
1	4" Check Valves LL&E - 048000	1	\$	680	\$	680	25	6	\$	27	\$	162
2	4" Check Valves LL&E - 048000	2	\$	710	\$	1,420	25	5	\$	57	\$	285
1	4" Check Valves LL&E - 048000	3	\$	730	\$	730	25	4	\$	29	\$	116
2	4" Check Valves LL&E - 048000	4	\$	760	\$	1,520	25	3	\$	61	\$	183
1	4" Gate Valves ARD – 04FLGD	1	\$	280	\$	280	25	6	\$	11	\$	66
2	4" Gate Valves ARD – 04FLGD	2	\$	290	\$	580	25	- 5	\$	23	\$	115
1	4" Gate Valves ARD - 04FLGD	3	\$	300	\$	300	25	4	\$	12	\$	48
2	4" Gate Valves ARD - 04FLGD	4	\$	310	\$	620	25	3	\$	25	\$	75

SCHEDULE L-3A

D & E WATER RESOURCES, L.L.C. PROJECTED CAPITAL AND ACCUMULATED DEPRECIATION AT END OF YEAR 6 POTABLE WATER SUPPLY

Account No. and Name Year Per Unit Cost of Year 6 Life Age Deprecia 3 4" - 45 Degree Bends 35 LBS. 1 \$ 150 \$ 450 25 6 \$ 6 4" - 45 Degree Bends 35 LBS. 2 \$ 160 \$ 960 25 5 \$ 3 4" - 45 Degree Bends 35 LBS. 3 \$ 160 \$ 480 25 4 \$ 6 4" - 45 Degree Bends 35 LBS. 4 \$ 170 \$ 1,020 25 3 \$ 2 4" - 90 Degree Bends 40 LBS. 1 \$ 170 \$ 340 25 6 \$	tion end of Year 6 18 \$ 108 38 \$ 190 19 \$ 76 41 \$ 123 14 \$ 84 29 \$ 145 15 \$ 60 30 \$ 90 20 \$ 120 41 \$ 205 21 \$ 84
6 4" - 45 Degree Bends 35 LBS. 2 \$ 160 \$ 960 25 5 \$ 3 4" - 45 Degree Bends 35 LBS. 3 \$ 160 \$ 480 25 4 \$ 6 4" - 45 Degree Bends 35 LBS. 4 \$ 170 \$ 1,020 25 3 \$	38 \$ 190 19 \$ 76 41 \$ 123 14 \$ 84 29 \$ 145 15 \$ 60 30 \$ 90 20 \$ 120 41 \$ 205
6 4" - 45 Degree Bends 35 LBS. 2 \$ 160 \$ 960 25 5 \$ 3 4" - 45 Degree Bends 35 LBS. 3 \$ 160 \$ 480 25 4 \$ 6 4" - 45 Degree Bends 35 LBS. 4 \$ 170 \$ 1,020 25 3 \$	38 \$ 190 19 \$ 76 41 \$ 123 14 \$ 84 29 \$ 145 15 \$ 60 30 \$ 90 20 \$ 120 41 \$ 205
3 4" - 45 Degree Bends 35 LBS. 3 \$ 160 \$ 480 25 4 \$ 6 4" - 45 Degree Bends 35 LBS. 4 \$ 170 \$ 1,020 25 3 \$	19 \$ 76 41 \$ 123 14 \$ 84 29 \$ 145 15 \$ 60 30 \$ 90 20 \$ 120 41 \$ 205
6 4" – 45 Degree Bends 35 LBS. 4 \$ 170 \$ 1,020 25 3 \$	41 \$ 123 14 \$ 84 29 \$ 145 15 \$ 60 30 \$ 90 20 \$ 120 41 \$ 205
A M AA M A A M A A A A A A A A A A A A	14 \$ 84 29 \$ 145 15 \$ 60 30 \$ 90 20 \$ 120 41 \$ 205
	29 \$ 145 15 \$ 60 30 \$ 90 20 \$ 120 41 \$ 205
4 4" – 90 Degree Bends 40 LBS. 2 \$ 180 \$ 720 25 5 \$	15 \$ 60 30 \$ 90 20 \$ 120 41 \$ 205
2 4" - 90 Degree Bends 40 LBS. 3 \$ 190 \$ 380 25 4 \$	30 \$ 90 20 \$ 120 41 \$ 205
4 4" - 90 Degree Bends 40 LBS. 4 \$ 190 \$ 760 25 3 \$	41 \$ 205
1 6" x 4" Wyes 115 1 \$ 490 \$ 490 25 6 \$	
2 6" x 4" Wyes 115 2 \$ 510 \$ 1,020 25 5 \$	21 \$ 84
1 6" x 4" Wyes 115 3 \$ 530 \$ 530 25 4 \$	+
2 6" x 4" Wyes 115 4 \$ 550 \$ 1,100 25 3 \$	44 \$ 132
350 4" PVC Pipe 350.4 1 \$ 20 \$ 7,000 45 6 \$	156 \$ 936
700 4" PVC Pipe 350.4 2 \$ 20 \$ 14,000 45 5 \$	311 \$ 1,555
350 4" PVC Pipe 350.4 3 \$ 20 \$ 7,000 45 4 \$	156 \$ 624
700 4" PVC Pipe 350.4 4 \$ 20 \$ 14,000 45 3 \$	311 \$ 933
25 6" PVC Pipe 10.50/LF. 100 (25'.4) 1 \$ 30 \$ 750 45 6 \$	17 \$ 102
50 6" PVC Pipe 10.50/LF. 100 (25'.4) 2 \$ 30 \$ 1,500 45 5 \$	33 \$ 165
25 6" PVC Pipe 10.50/LF. 100 (25'.4) 3 \$ 30 \$ 750 45 4 \$	17 \$ 68
50 6" PVC Pipe 10.50/LF. 100 (25'.4) 4 \$ 30 \$ 1,500 45 3 \$	33 \$ 99
1 6" Check Valve LL&E - 068000 1 \$ 930 \$ 930 25 6 \$	37 \$ 222
2 6" Check Valve LL&E - 068000 2 \$ 970 \$ 1,940 25 5 \$	78 \$ 390
1 6" Check Valve LL&E - 068000 3 \$ 1,010 \$ 1,010 25 4 \$	40 \$ 160
2 6" Check Valve LL&E - 068000 4 \$ 1,050 \$ 2,100 25 3 \$	84 \$ 252
6000 6" Water Main x 6000 L.F. to distribution system 1 \$ 20 \$ 120,000 45 6 \$ 2	,667 \$ 16,002
split (4 Systems)	
6000 6" Water Main x 6000 L.F. to distribution system 2 \$ 20 \$ 120,000 45 5 \$	2,667 \$ 13,335
split (4 Systems)	
6000 6" Water Main x 6000 L.F. to distribution system 3 \$ 30 \$ 180,000 45 4 \$,000 \$ 16,000
split (4 Systems)	
6000 6" Water Main x 6000 L.F. to distribution system 4 \$ 30 \$ 180,000 45 3 \$,000 \$ 12,000
split (4 Systems)	

SCHEDULE L-3A

D & E WATER RESOURCES, L.L.C. PROJECTED CAPITAL AND ACCUMULATED DEPRECIATION AT END OF YEAR 6 POTABLE WATER SUPPLY

		In Service			Dal	Account	Danmaiation		A	ccumulated
	Account No. and Name	Year Year	Per	Unit Cost		ance at end of Year 6	Depreciation Life	Age	Annual preciation	oreciation at d of Year 6
334	Meters and Meter Installation									
1	4" Water Meter – WTC – 101400	1	\$	1,520	\$	1,520	20	6	\$ 76	\$ 456
2	4" Water Meter - WTC - 101400	2	\$	1,590	\$	3,180	20	5	\$ 159	\$ 795
1	4" Water Meter – WTC – 101400	3	\$	1,650	\$	1,650	20	4	\$ 83	\$ 332
2	4" Water Meter – WTC – 101400	4	\$	1,710	\$	3,420	20	. 3	\$ 171	\$ 513
2	2" Water Meter – WTC – 101200	1	\$	200	\$	400	20	6	\$ 20	\$ 120
4	2" Water Meter – WTC – 101200	2	\$	210	\$	840	20	5	\$ 42	\$ 210
2	2" Water Meter - WTC - 101200	3	\$	220	\$	440	20	4	\$ 22	\$ 88
4	2" Water Meter – WTC – 101200	4	\$	220	\$	880	20	3	\$ 44	\$ 132
339	Other Plant and Miscellaneous Equipment									
1	Control Panels	1	\$	2,360	\$	2,360	25	6	\$ 94	\$ 564
2	Control Panels	2	\$	2,450	\$	4,900	25	5	\$ 196	\$ 980
1	Control Panels	3	\$	2,550	\$	2,550	25	4	\$ 102	\$ 408
2	Control Panels	4	\$	2,650	\$	5,300	25	3	\$ 212	\$ 636
345	Power Operated Equipment									
1	Air Compressors	1	\$	1,450	\$	1,450	12	6	\$ 121	\$ 726
2	Air Compressors	2	\$	1,510	\$	3,020	12	5	\$ 252	\$ 1,260
1	Air Compressors	3	\$	1,570	\$	1,570	12	4	\$ 131	\$ 524
2	Air Compressors	4	\$	1,630	_\$_	3,260	12	3	\$ 272	\$ 816
	Total Potable Water				\$	1,849,670			\$ 54,830	\$ 241,648

D & E WATER RESOURCES, L.L.C.
CONTRIBUTIONS IN AID OF CONSTRUCTION AND AMORTIZATION
POTABLE WATER SUPPLY

	Account No. and Name	In Service Year	Pe	r Unit Cost	Bala	Account ance at end if Year 6	Amortization Life	Age		Annual nortization	Ame	cumulated ortization at d of Year 6
301	Organization											
1	Organizational Costs	1	\$	75,000	\$	_	40	6	\$	_	\$	_
304	Structures and Improvements		·	,	•			J			Ψ	
1	Site Work Development	1	\$	1,430	\$	572	32	6	\$	18	\$	108
2	Site Work Development	2	\$	1,490	\$	1,192	32	5	\$	37	\$	185
1	Site Work Development	3	\$	1,550	\$	620	32	4	\$	19	\$	76
2	Site Work Development	4	\$	1,610	\$	1,288	32	3	\$	40	\$	120
1	4' Site Fencing With 2-12' Gates	1	\$	17,130	\$	6,852	32	6	\$	214	\$	1,284
2	4' Site Fencing With 2-12' Gates	2	\$	17,810	\$	14,248	32	5	\$	445	\$	2,225
1	4' Site Fencing With 2-12' Gates	3	\$	18,520	\$	7,408	32	4	\$	232	\$	928
2	4' Site Fencing With 2-12' Gates	4	\$	19,260	\$	15,408	32	3	\$	482	\$	1,446
1	4' Site Fencing With 4' Gate	1	\$	1,080	\$	432	32	6	\$	14	\$	84
2	4' Site Fencing With 4' Gate	2	\$	1,120	\$	896	32	5	\$	28	\$	140
1	4' Site Fencing With 4' Gate	3	\$	1,170	\$	468	32	4	\$	15	\$	60
2	4' Site Fencing With 4' Gate	4	\$	1,210	\$	968	32	3	\$	30	\$	90
1	13'- 4"x17'- 4" Cone Building (12 x 16 Interior)	1	\$	6,440	\$	2,576	32	6	\$	81	\$	486
	(231.01) SQ. FT. With 9' Interior Light			-,	,	,		_	•		•	
2	13'- 4"x17'- 4" Cone Building (12 x 16 Interior)	2	\$	6,690	\$	5,352	32	5	\$	167	\$	835
	(231.01) SQ. FT. With 9' Interior Light		•	-,	,	-,			•		•	
1	13'- 4"x17'- 4" Cone Building (12 x 16 Interior)	3	\$	6,960	\$	2,784	32	4	\$	87	\$	348
	(231.01) SQ. FT. With 9' Interior Light			•	•	,			·			
2	13'- 4"x17'- 4" Cone Building (12 x 16 Interior)	4	\$	7,240	\$	5,792	32	3	\$	181	\$	543
	(231.01) SQ. FT. With 9' Interior Light		·	·		·			·			
307	Wells and Springs											
2	6" Wells – 300' Depth with 125' Casing & Pumping	1	\$	45,641	\$	36,513	32	6	\$	1,141	\$	6,846
	Equip.			,	·	,			•	•		
4	6" Wells – 300' Depth with 125' Casing & Pumping	2	\$	45,641	\$	73,026	32	5	\$	2,282	\$	11,410
	Equip.		•		'	,			•	•		
2	6" Wells – 300' Depth with 125' Casing & Pumping	3	\$	45,641	\$	36,513	32	4	\$	1,141	\$	4,564
	Equip.		•	,	•	•						
4	6" Wells – 300' Depth with 125' Casing & Pumping	4	\$	45,641	\$	73,026	32	3	\$	2,282	\$	6,846
	Equip.		•	•	,	•						
311	Pumping Equipment											
1	40 KW Mobile Generators (Trailer Mounted)	1	\$	27,160	\$	10,864	20	6	\$	543	\$	3,258
1	40 KW Mobile Generators (Trailer Mounted)	2	\$	27,160	\$	10,864	20	5	\$	543	\$	2,715
•		_	•	,	•	•						

Page 1 of 4

D & E WATER RESOURCES, L.L.C. CONTRIBUTIONS IN AID OF CONSTRUCTION AND AMORTIZATION POTABLE WATER SUPPLY

Account No. and Name		In Service Year	Per Unit Cost		Account Balance at end of Year 6		Amortization Life	Age	Annual Amortization		Accumulated Amortization at end of Year 6	
320	Water Treatment Equipment											
1	Chlorine Feed Pumps With Piping (0 – 0.5 GPM)	1	\$	3,580	\$	1,432	10	6	\$	143	\$	858
2	Chlorine Feed Pumps With Piping (0 – 2.0 GPM)	2	\$	4,500	\$	3,600	10	5	\$	360	\$	1,800
1	Chlorine Feed Pumps With Piping (0 – 0.5 GPM)	3	\$	3,870	\$	1,548	10	4	\$	155	\$	620
2	Chlorine Feed Pumps With Piping (0 – 2.0 GPM)	4	\$	4,500	\$	3,600	10	3	\$	360	\$	1,080
330	Distribution Reservoirs and Standpipes		•	.,	*	0,000		Ŭ	Ψ	000	Ψ	1,000
1	15,000 Gallon Hydro pneumatic Tanks	1	\$	35,050	\$	14,020	35	6	\$	401	\$	2,406
2	15,000 Gallon Hydro pneumatic Tanks	2	\$	35,050	\$	28,040	35	5	\$	801	\$	4,005
1	15,000 Gallon Hydro pneumatic Tanks	3	\$	35,050	\$	14,020	35	4	\$	401	\$	1,604
2	15,000 Gallon Hydro pneumatic Tanks	4	\$	35,050	\$	28,040	35	3	\$	801	\$	2,403
1	50 Gallon Day Tanks	1	\$	360	\$	144	37	6	\$	4	\$	24
2	50 Gallon Day Tanks	2	\$	370	\$	296	37	5	\$	8	\$	40
1	50 Gallon Day Tanks	3	\$	390	\$	156	37	4	\$	4	\$	16
2	50 Gallon Day Tanks	4	\$	400	\$	320	37	3	\$	9	\$	27
1	450 Holding Tanks	1	\$	740	\$	296	37	6	\$	8	\$	48
2	450 Holding Tanks	2	\$	770	\$	616	37	5	\$	17	\$	85
1	450 Holding Tanks	3	\$	800	\$	320	37	4	\$	9	\$	36
2	450 Holding Tanks	4	\$	830	\$	664	37	3	\$	18	\$	54
331	Transmission and Distribution Mains											
2	Air Release Valves 1" #101ST	1	\$	280	\$	224	25	6	\$	9	\$	54
4	Air Release Valves 1" #101ST	2	\$	290	\$	464	25	5	\$	19	\$	95
2	Air Release Valves 1" #101ST	3	\$	300	\$	240	25	4	\$	10	\$	40
4	Air Release Valves 1" #101ST	4	\$	310	\$	496	25	3	\$	20	\$	60
1	6" x 4" Reducer 45 LBS.	1	\$	190	\$	76	25	6	\$	3	\$	18
2	6" x 4" Reducer 45 LBS.	2	\$	200	\$	160	25	5	\$	6	\$	30
1	6" x 4" Reducer 45 LBS.	3	\$	210	\$	84	25	4	\$	3	\$	12
2	6" x 4" Reducer 45 LBS.	4	\$	220	\$	176	25	3	\$	7	\$	21
1	4" Check Valves LL&E - 048000	1	\$	680	\$	272	25	6	\$	11	\$	66
2	4" Check Valves LL&E - 048000	2	\$	710	\$	568	25	5	\$	23	\$	115
1	4" Check Valves LL&E - 048000	3	\$	730	\$	292	25	4	\$	12	\$	48
2	4" Check Valves LL&E - 048000	4	\$	760	\$	608	25	3	\$	24	\$	72
1	4" Gate Valves ARD - 04FLGD	1	\$	280	\$	112	25	6	\$	4	\$	24
2	4" Gate Valves ARD - 04FLGD	2	\$	290	\$	232	25	5	\$	9	\$	45
1	4" Gate Valves ARD - 04FLGD	3	\$	300	\$	120	25	4	\$	5	\$	20
2	4" Gate Valves ARD - 04FLGD	4	\$	310	\$	248	25	3	\$	10	\$	30

SCHEDULE L-3B

D & E WATER RESOURCES, L.L.C. CONTRIBUTIONS IN AID OF CONSTRUCTION AND AMORTIZATION POTABLE WATER SUPPLY

	Account No. and Name	In Service Year	Per	Unit Cost	Bala	Account nce at end f Year 6	Amortization Life	Age	Annual ortization	Amo	cumulated ertization at of Year 6
3	4" - 45 Degree Bends 35 LBS.	1	\$	150	\$	180	25	6	\$ 7	\$	42
6	4" – 45 Degree Bends 35 LBS.	2	\$	160	\$	384	25	5	\$ 15	\$	75
3	4" – 45 Degree Bends 35 LBS.	3	\$	160	\$	192	25	4	\$ 8	\$	32
6	4" – 45 Degree Bends 35 LBS.	4	\$	170	\$	408	25	3	\$ 16	\$	48
2	4" - 90 Degree Bends 40 LBS.	1	\$	170	\$	136	25	6	\$ 5	\$	30
4	4" - 90 Degree Bends 40 LBS.	2	\$	180	\$	288	25	5	\$ 12	\$	60
2	4" - 90 Degree Bends 40 LBS.	3	\$	190	\$	152	25	4	\$ 6	\$	24
4	4" - 90 Degree Bends 40 LBS.	4	\$	190	\$	304	25	3	\$ 12	\$	36
1	6" x 4" Wyes 115	1	\$	490	\$	196	25	6	\$ 8	\$	48
2	6" x 4" Wyes 115	2	\$	510	\$	408	25	5	\$ 16	\$	80
1	6" x 4" Wyes 115	3	\$	530	\$	212	25	4	\$ 8	\$	32
2	6" x 4" Wyes 115	4	\$	550	\$	440	25	3	\$ 18	\$	54
350	4" PVC Pipe 350.4	1	\$	16	\$	2,240	45	6	\$ 50	\$	300
700	4" PVC Pipe 350.4	2	\$	16	\$	4,480	45	5	\$ 100	\$	500
350	4" PVC Pipe 350.4	3	\$	16	\$	2,240	45	4	\$ 50	\$	200
700	4" PVC Pipe 350.4	4	\$	16	\$	4,480	45	3	\$ 100	\$	300
25	6" PVC Pipe 10.50/LF. 100 (25'.4)	1	\$	30	\$	300	45	6	\$ 7	\$	42
50	6" PVC Pipe 10.50/LF. 100 (25'.4)	2	\$	30	\$	600	45	5	\$ 13	\$	65
25	6" PVC Pipe 10.50/LF. 100 (25'.4)	3	\$	30	\$	300	45	4	\$ 7	\$	28
50	6" PVC Pipe 10.50/LF. 100 (25'.4)	4	\$	30	\$	600	45	3	\$ 13	\$	39
1	6" Check Valve LL&E - 068000	1	\$	930	\$	372	25	6	\$ 15	\$	90
2	6" Check Valve LL&E - 068000	2	\$	970	\$	776	25	5	\$ 31	\$	155
1	6" Check Valve LL&E - 068000	3	\$	1,010	\$	404	25	4	\$ 16	\$	64
2	6" Check Valve LL&E - 068000	4	\$	1,050	\$	840	25	3	\$ 34	\$	102
6000	6" Water Main x 6000 L.F. to distribution system	1	\$	24	\$	57,600	45	6	\$ 1,280	\$	7,680
	split (4 Systems)										
6000	6" Water Main x 6000 L.F. to distribution system split (4 Systems)	2	\$	24	\$	57,600	45	5	\$ 1,280	\$	6,400
6000	6" Water Main x 6000 L.F. to distribution system split (4 Systems)	3	\$	24	\$	57,600	45	4	\$ 1,280	\$	5,120
6000	6" Water Main x 6000 L.F. to distribution system split (4 Systems)	4	\$	24	\$	57,600	45	3	\$ 1,280	\$	3,840

SCHEDULE L-3B

D & E WATER RESOURCES, L.L.C. CONTRIBUTIONS IN AID OF CONSTRUCTION AND AMORTIZATION POTABLE WATER SUPPLY

	Account No. and Name	In Service Year	_Pe	r Unit Cost	Bala	Account ince at end f Year 6	Amortization Life	Age	Annual ortization	Amo	cumulated ortization at I of Year 6
334	Meters and Meter Installation										
1	4" Water Meter WTC 101400	1	\$	1,520	\$	608	20	6	\$ 30	\$	180
2	4" Water Meter – WTC – 101400	2	\$	1,590	\$	1,272	20	5	\$ 64	\$	320
1	4" Water Meter – WTC – 101400	3	\$	1,650	\$	660	20	4	\$ 33	\$	132
2	4" Water Meter – WTC – 101400	4	\$	1,710	\$	1,368	20	3	\$ 68	\$	204
2	2" Water Meter – WTC – 101200	. 1	\$	200	\$	160	20	6	\$ 8	\$	48
4	2" Water Meter – WTC – 101200	2	\$	200	\$	320	20	5	\$ 16	\$	80
2	2" Water Meter – WTC – 101200	3	\$	200	\$	160	20	4	\$ 8	\$	32
4	2" Water Meter – WTC – 101200	4	\$	200	\$	320	20	3	\$ 16	\$	48
339	Other Plant and Miscellaneous Equipment						•				
1	Control Panels	1	\$	2,358	\$	943	25	6	\$ 38	\$	228
2	Control Panels	2	\$	2,358	\$	1,886	25	5	\$ 75	\$	375
1	Control Panels	3	\$	2,358	\$	943	25	4	\$ 38	\$	152
2	Control Panels	4	\$	2,358	\$	1,886	25	3	\$ 75	\$	225
345	Power Operated Equipment										
1	Air Compressors	1	\$	1,450	\$	580	12	6	\$ 48	\$	288
2	Air Compressors	2	\$	1,510	\$	1,208	12	5	\$ 101	\$	505
1	Air Compressors	3	\$	1,570	\$	628	12	4	\$ 52	\$	208
2	Air Compressors	4	\$	1,630	\$	1,304	12	3	\$ 109	\$	327
	Total Potable Water				\$	674,724			\$ 20,162	\$	89,291
SERVIC	E AVAILABILITY CHARGE (Per ERC): Total Costs Capacity (ERCs) Service Availability Charge per ERC		\$ \$	674,724 840 803.24							

SCHEDULE L-4

D & E WATER RESOURCES, L.L.C. PROJECTED CAPITAL STRUCTURE AND RATE OF RETURN AT END OF YEAR 6 - POTABLE WATER SUPPLY

	Amount	of Capital	Weight	Cost Rate (1)(2)	Weighted Cost
Equity	\$	418,787	40.00%	11.54%	4.620%
Debt		628,180	60.00%	6.80%	4.080%
Total	\$ 1	,046,966	100.00%	•	8.700%

Note:

⁽¹⁾ FPSC Order # PSC-06-0554-CO-WS, issued June 27, 2006, establishes the following leverage formula for 2006: Return on Equity = 7.26% + 1.714/Equity Ratio, and the Allowable Range of Return = 8.97% @ 100% Equity to 11.54% @ 40% Equity.

⁽²⁾ For related party debt, cost is equal to the 5-year average of the prime rate.

D & E WATER RESOURCES, L.L.C. SCHEDULE L-5 SCHEDULE OF REVENUE REQUIREMENTS FOR THE TEST YEAR - YEAR 6 - POTABLE WATER SUPPLY

Description	Total	
Operation & Maintenance Expenses	\$	195,018
Depreciation Expenses		54,830
CIAC Amortization Adjustment		(20,162)
Regulatory Assessment Fees (4.5%)		15,115
State and Federal Income Tax		
TOTAL EXPENSES	\$	244,801
Return on Investment	\$	91,086
REVENUE REQUIREMENT	\$	335,887

D & E WATER RESOURCES, L.L.C. WATER RATE BASE AT END OF YEAR 6

SCHEDULE L-5A

Utility Plant In Service	\$ 1,849,670
Accumulated Depreciation	\$ (241,648)
Contributions in Aid of Construction	\$ (674,724)
Accumulated Amortization of CIAC	\$ 89,291
Less: Non Used & Useful Adjustment	\$ -
Working Capital Allowance	\$ 24,377
Total Rate Base	\$ 1,046,966

D & E WATER RESOURCES, L.L.C. RATE CALCULATION POTABLE WATER SUPPLY

SCHEDULE L-6

Account No.	Description	Vear 6 Fac		Base Facility Charge	Gallonage Charge	Base Facility Cost		Base Facility Charge		Gallonage Cost			lonage harge
Operation and	d Maintenance Expenses												
601	Salaries and Wages - Employees	\$	46,795	40%	60%	\$	18,718	\$	2.79	\$	28,077	\$	0.49
603	Salaries and Wages - Other		23,100	40%	60%		9,240		1.38	·	13,860	,	0.24
604	Employees Pensions and Benefits		15,442	40%	60%		6,177		0.92		9,265		0.16
610	Purchased Water		_	10%	90%		· <u>-</u>		_		, -		-
615	Purchased Power		56,370	20%	80%		11,274		1.68		45,096		0.79
616	Fuel for Power Production		1,800	10%	90%		180		0.03		1,620		0.03
618	Chemicals		17,438	20%	80%		3,488		0.52		13,950		0.24
620	Materials and Supplies		2,000	20%	80%		400		0.06		1,600		0.03
630	Contractual Services		15,500	20%	80%		3,100		0.46		12,400		0.22
640	Rents		6,524	50%	50%		3,262		0.49		3,262		0.06
650	Transportation Expense		2,818	30%	70%		845		0.13		1,973		0.03
655	Insurance Expense		4,300	50%	50%		2,150		0.32		2,150		0.04
665	Regulatory Expense		-	30%	70%		-		-		-		-
670	Bad Debt Expense		1,000	30%	70%		300		0.04		700		0.01
675	Miscellaneous Expense		1,931	30%	70%		579		0.09		1,352		0.02
Total Operation	on and Maintenance Expenses	\$	195,018			\$	59,713	\$	8.91	\$	135,305	\$	2.36
Depreciation	and Amortization												
403	Depreciation Expense	\$	54,830	30%	70%	\$	16,449	\$	2.45	\$	38,381	\$	0.67
407	Amortization Expense - CIAC		(20,162)	30%	70%		(6,049)		(0.90)		(14,113)		(0.25)
Total Depreci	ation and Amortization	\$	34,668			\$	10,400	\$	1.55	\$	24,268	\$	0.42

D & E WATER RESOURCES, L.L.C. RATE CALCULATION POTABLE WATER SUPPLY

Account No.	Description	•	est Year - Year 6	Base Facility Charge	Gallonage Charge	Ba	se Facility Cost	F	Base acility harge	G:	allonage Cost		lonage narge
Taxes Other	Than Income Taxes												
408.10	Utility Regulatory Assessment Fees	\$	15,115	30%	70%	\$	4,534	\$	0.68	\$	10,580	\$ ().1900
408.11	Property Taxes		-	30%	70%		-		-		-		-
408.12	Payroll Taxes		-	40%	60%		-		-		-		-
408.13	Other Taxes and Licenses		-	30%	70%		-		-		-		-
408.20	Other Income and Deductions			30%	70%								
Total Taxes (Other Than Income Taxes	\$	15,115			\$	4,534	\$	0.68	\$	10,580	\$	0.19
Income Taxe	s Federal, State, and Local Income Taxes	_\$_	<u>-</u>	30%	70%	_\$_		\$	<u> </u>	\$		\$	
Total Income	Taxes	\$	-			\$	-	\$	-	\$	-	\$	-
Return on Inv	vestment		91,086	30%	70%		27,326	_\$_	4.07		63,760	\$	1.12
Total Revenu	ue Requirement	\$	335,887			\$	101,974	\$	15.21	\$	233,913	\$	4.09
Less: Misce	llaneous Revenues			30%	70%	<u></u>							
Total Revenu	ues for Rate Setting	\$	335,887			\$	101,974	\$	15.21	\$	233,913	\$	4.09
Factored ERCs (Test Year Average) Factored Gallons (In Thousands) (Test Year Average)			6,708 57,130										

D & E WATER RESOURCES, L.L.C. CAPITAL COSTS WASTEWATER PLANT

	Account No. and Nome	In Service Year	Da	a limit Cook		Account ance at end
	Account No. and Name	Year		r Unit Cost	-	of Year 6
054	Ourse in all an					
351	Organization	4	•	75.000	•	75.000
1	Organizational Costs	1	\$	75,000	\$	75,000
354	Structures and Improvements	4	•	00.000	•	00.000
1	Site Work (40 acres)	1	\$	80,000	\$	80,000
1	Site Security/Fencing	1	\$	35,000	\$	35,000
1	Building/Shed	1	\$	12,000	\$	12,000
1	Wastewater Treatment Plant (33,000 gallons per day)	1	\$ \$	150,000	\$	150,000
1	Wastewater Treatment Plant (33,000 gallons per day)	2		155,980	\$	155,980
1	Wastewater Treatment Plant (33,000 gallons per day)	4	\$	168,670	\$	168,670
1	Percolation Ponds	1	\$	45,000	\$	45,000
1	Percolation Ponds	2	\$	46,790	\$	46,790
1	Percolation Ponds	4	\$	50,600	\$	50,600
360	Collection Sewers - Force		_		_	700.000
38,000'	4" PVC Forcemain	1	\$	20	\$	760,000
364	Flow Measuring Devices		_		_	
1	4" Mag. Meter	1	\$	8,260	\$	8,260
371	Pumping Equipment	_				
1	In-line Grinder Station	3	\$	51,360	\$	51,360
1	60 KW Mobile Generator	1	\$	38,000	\$	38,000
389	Other Plant and Miscellaneous Equipment					
1	MCC - Control System	1	\$	52,100	\$	52,100
1	Additions	2	\$	11,020	\$	11,020
1	Additions	4	\$	11,920	\$	11,920
394	Laboratory					
1	Operational Lab Kit - Water and Wastewater)	2	\$	8,540	\$ -	8,540
395	Power Operated Equipment					
2	Air Compressors	1	\$	3,000	\$	6,000
1	Site Vehicle	2	\$	4,780	\$	4,780
1	Hedge Hog/Attachments	2	\$	3,330	\$	3,330
1	Mower	2 2	\$	3,950	\$	3,950
1	Lump Sum Site Equipment	2	\$	6,340	\$	6,340
397	Miscellaneous					
1	FPL Transmission & Feed	. 1	\$	34,000	\$	34,000
	Total Wastewater Plant				\$	1,818,640

CAPACITY:

Equivalent Residential Connections: 333 Average Annual Daily Flow (thousand gallons): 99,000

D & E WATER RESOURCES, L.L.C. OPERATION AND MAINTENANCE REQUIREMENTS WASTEWATER PLANT

				Υ	ear			
Account No.	Description	 1 (1)	 2	 3		4	 5	 6 ⁽²⁾
Operation and	d Maintenance Expenses							
701	Salaries and Wages - Employees	\$ -	\$ 20,000	\$ 20,800	\$	21,632	\$ 22,497	\$ 23,397
703	Salaries and Wages - Other	-	-	-		•	-	
704	Employee Pension and Benefits		6,600	6,864		7,139	7,424	7,721
710	Purchased Wastewater	-	-	-		-	-	-
715	Purchased Power	-	16,234	42,844		57,092	74,204	89,955
716	Fuel for Power Production	~	-	-			-	-
718	Chemicals	-	4,030	8,865		14,377	19,899	23,845
720	Materials and Supplies	-	3,400	3,700		4,000	4,300	4,600
730	Contractual Services	-	5,000	6,000		7,000	8,000	9,000
740	Rents	-	8,030	8,030		8,030	8,030	8,030
750	Transportation Expense	-	1,600	1,920		2,246	2,538	2,818
755	Insurance Expense	-	3,100	3,500		3,900	4,095	4,300
765	Regulatory Expense	-	~	-		-	-	-
770	Bad Debt Expense	-	1,000	1,000		1,000	1,000	1,000
775	Misc. Expense	 -	 690	 1,035		1,264	 1,520	 1,747
Total Operati	on and Maintenance Expenses	\$ -	\$ 69,684	\$ 104,558	\$	127,680	\$ 153,507	\$ 176,413

Note: (1) Initial Construction.

(2) Test Year.

D & E WATER RESOURCES, L.L.C. PROJECTED CAPITAL AND ACCUMULATED DEPRECIATION AT END OF YEAR 6 WASTEWATER PLANT

	Account No. and Name	In Service Year	Per Unit Cost	Bala	Account ance at end of Year 6	Depreciation Life	Age		Annual preciation	Dep	cumulated reciation at d of Year 6
351	Organization										
1	Organizational Costs	1	75,000	\$	75,000	40	6	\$	1,875	\$	11,250
354	Structures and Improvements		, 5,555	•	. 0,000	.0	Ŭ	Ψ	1,070	Ψ	11,200
1	Site Work (40 acres)	1	80,000	\$	80,000	32	6	\$	2,500	\$	15,000
1	Site Security/Fencing	1	35,000	\$	35,000	32	6	\$	1,094	\$	6,564
1	Building/Shed	1	12,000	\$	12,000	32	6	\$	375	\$	2,250
1	Wastewater Treatment Plant (33,000 gallons per	1	150,000	\$	150,000	32	6	\$	4,688	\$	28,128
	day)		•	•	,			•	,,	•	,
1	Wastewater Treatment Plant (33,000 gallons per	2	155,980	\$	155,980	32	5	\$	4,874	\$	24,370
	day)										
1	Wastewater Treatment Plant (33,000 gallons per	4	168,670	\$	168,670	32	3	\$	5,271	\$	15,813
4	day) Percolation Ponds	4	45.000	•	45.000		•	•	4 400	•	0.400
 		1	45,000	\$	45,000	32	6	\$	1,406	\$	8,436
1	Percolation Ponds	2	46,790	\$	46,790	32	5	\$	1,462	\$	7,310
1	Percolation Ponds	4	50,600	\$	50,600	32	3	\$	1,581	\$	4,743
360	Collection Sewers - Force				700 000	45	•	•	10.000	•	404.004
38,000'	4" PVC Forcemain	1	20	\$	760,000	45	6	\$	16,889	\$	101,334
364	Flow Measuring Devices	4	0.000	•	0.000	-		•		•	
1	4" Mag. Meter	1	8,260	\$	8,260	5	6	\$	-	\$	-
371	Pumping Equipment		F4 000	•	T4 000	4.5		Φ.	0.050	•	11,412
1	In-line Grinder Station	3	51,360	\$	51,360	18	4 6	\$	2,853	\$	•
1	60 KW Mobile Generator	1	38,000	\$	38,000	18	6	\$	2,111	\$	12,666
389	Other Plant and Miscellaneous Equipment		50 400	•	50.400	40	0	•	2.004	æ	17.264
1	MCC - Control System	1	52,100	\$	52,100	18	6	\$	2,894	\$	17,36 4 3,060
1	Additions	2	11,020	\$	11,020	18	5	\$	612	\$	
1	Additions	4	11,920	\$	11,920	18	3	\$	662	\$	1,986
394	Laboratory	_		_		,	,-		500	•	2.045
1	Operational Lab Kit - Water and Wastewater)	2	8,540	\$	8,540	15	5	\$	569	\$	2,845
395	Power Operated Equipment			_		40		•	500	•	2.000
2	Air Compressors	1	3,000	\$	6,000	12	6	\$	500	\$	3,000
1	Site Vehicle	2	4,780	\$	4,780	12	5	\$	398	\$	1,990
1	Hedge Hog/Attachments	2	3,330	\$	3,330	12	5	\$	278	\$	1,390 1,6 4 5
1	Mower	2	3,950	\$	3,950	12	5	\$	329	\$	2,640
1	Lump Sum Site Equipment	2	6,340	\$	6,340	12	5	\$	528	\$	2,040

D & E WATER RESOURCES, L.L.C. PROJECTED CAPITAL AND ACCUMULATED DEPRECIATION AT END OF YEAR 6 WASTEWATER PLANT

SCHEDULE L-9A

	Account No. and Name	In Service Year	Per Unit Cost	Account Balance at end of Year 6	Depreciation Life	Age		Annual preciation	Dep	cumulated preciation at d of Year 6
397 1	Miscellaneous FPL Transmission & Feed Total Wastewater Plant	1	34,000	\$ 34,000 \$ 1,818,640	12	6	\$ \$	2,833 56,582	<u>\$</u>	16,998 302 194

D & E WATER RESOURCES, L.L.C.
CONTRIBUTIONS IN AID OF CONSTRUCTION AND AMORTIZATION
WASTEWATER PLANT

	Account No. and Name	In Service Year	Pe	r Unit Cost	Bala	Account ance at end of Year 6	Amortization Life	Age		Annual ortization	Amo	cumulated ortization at d of Year 6
351	Organization											
1	Organizational Costs	1	\$	75,000	\$	_	40	6	\$	_	\$	-
354	Structures and Improvements			,	•			_	*		Ψ	
1	Site Work (40 acres)	1	\$	80,000	\$	32,000	32	6	\$	1,000	\$	6,000
1	Site Security/Fencing	1	\$	35,000	\$	14,000	32	6	\$	438	\$	2,628
1	Building/Shed	1	\$	12,000	\$	4,800	32	6	\$	150	\$	900
1	Wastewater Treatment Plant (33,000 gallons per day)	1	\$	150,000	\$	60,000	32	6	\$	1,875	\$	11,250
1	Wastewater Treatment Plant (33,000 gallons per day)	2	\$	155,980	\$	62,392	32	5	\$	1,950	\$	9,750
1	Wastewater Treatment Plant (33,000 gallons per day)	4	\$	168,670	\$	67,468	32	3	\$	2,108	\$	6,324
1	Percolation Ponds	1	\$	45,000	\$	18,000	32	6	\$	563	\$	3,378
1	Percolation Ponds	2	\$	46,790	\$	18,716	32	5	\$	585	\$	2,925
1	Percolation Ponds	4	\$	50,600	\$	20,240	32	3	\$	633	\$	1,899
360	Collection Sewers - Force											
38,000'	4" PVC Forcemain	1	\$	20	\$	304,000	45	6	\$	6,756	\$	40,536
364	Flow Measuring Devices											
1	4" Mag. Meter	1	\$	8,260	\$	3,304	5	6	\$	-	\$	-
371	Pumping Equipment											
1	In-line Grinder Station	3	\$	51,360	\$	20,544	18	4	\$	1,141	\$	4,564
1	60 KW Mobile Generator	1	\$	38,000	\$	15,200	18	6	\$	844	\$	5,064
389	Other Plant and Miscellaneous Equipment											
1	MCC - Control System	1	\$	52,100	\$	20,840	18	6	\$	1,158	\$	6,948
1	Additions	2	\$	11,020	\$	4,408	18	5	\$	245	\$	1,225
1	Additions	4	\$	11,920	\$	4,768	18	3	\$	265	\$	795
394	Laboratory										_	
1	Operational Lab Kit - Water and Wastewater)	2	\$	8,540	\$	3,416	15	5	\$	228	\$	1,140
395	Power Operated Equipment										_	
2	Air Compressors	1	\$	3,000	\$	2,400	12	6	\$	200	\$	1,200
1	Site Vehicle	2	\$	4,780	\$	1,912	12	5	\$	159	\$	795
1	Hedge Hog/Attachments	2	\$	3,330	\$	1,332	12	5	\$	111	\$	555
1	Mower	2	\$	3,950	\$	1,580	12	5	\$	132	\$	660
1	Lump Sum Site Equipment	2	\$	6,340	\$	2,536	12	5	\$	211	\$	1,055

D & E WATER RESOURCES, L.L.C. CONTRIBUTIONS IN AID OF CONSTRUCTION AND AMORTIZATION WASTEWATER PLANT

	Account No. and Name	In Service Year	Pe	r Unit Cost	Bala	Account ance at end of Year 6	Amortization Life	Age	Annual ortization	Am	ccumulated ortization at d of Year 6
397 1	Miscellaneous FPL Transmission & Feed Total Wastewater Plant	1	\$	34,000	<u>\$</u>	13,600 697,456	12	6	\$ 1,133 21,885	<u>\$</u> \$	6,798 116,389
SERVIC	E AVAILABILITY CHARGE (Per ERC): Total Costs Capacity (ERCs) Service Availability Charge per ERC		\$ \$	697,456 333 2,094.46							

D & E WATER RESOURCES, L.L.C. PROJECTED CAPITAL STRUCTURE AND RATE OF RETURN AT END OF YEAR 6 - WASTEWATER PLANT

	Amou	nt of Capital	Cost Rate (1)(2)	Weighted Cost	
Equity	\$	382,972	40.00%	11.54%	4.620%
Debt		574,458	60.00%	6.80%	4.080%
Total	\$	957,431	100.00%	,	8.700%

Note:

- (1) FPSC Order # PSC-06-0554-CO-WS, issued June 27, 2006, establishes the following leverage formula for 2006: Return on Equity = 7.26% + 1.714/Equity Ratio, and the Allowable Range of Return = 8.97% @ 100% Equity to 11.54% @ 40% Equity.
- (2) For related party debt, cost is equal to the 5-year average of the prime rate.

D & E WATER RESOURCES, L.L.C. SCHEDULE L-11 SCHEDULE OF REVENUE REQUIREMENTS FOR THE TEST YEAR - YEAR 6 - WASTEWATER PLANT

Description	Total				
Operation & Maintenance Expenses	\$	176,413			
Depreciation Expenses		56,582			
CIAC Amortization Adjustment		(21,885)			
Regulatory Assessment Fees (4.5%)		13,873			
State and Federal Income Tax					
TOTAL EXPENSES	\$	224,983			
Return on Investment	\$	83,296			
REVENUE REQUIREMENT	\$	308,279			

SCHEDULE L-11A

D & E WATER RESOURCES, L.L.C. WASTEWATER RATE BASE AT END OF YEAR 6

Utility Plant In Service	\$ 1,818,640
Accumulated Depreciation	\$ (302,194)
Contributions in Aid of Construction	\$ (697,456)
Accumulated Amortization of CIAC	\$ 116,389
Less: Non Used & Useful Adjustment	\$ -
Working Capital Allowance	\$ 22,052
Total Rate Base	\$ 957,431

D & E WATER RESOURCES, L.L.C. RATE CALCULATION WASTEWATER

Account No.	Description	Test Year - Year 6		Base Facility Charge	Gallonage Charge	Base Facility Cost		Base Facility Charge		Gallonage Cost		Gallonage Charge	
Operation and Maintenance Expenses													
701	Salaries and Wages - Employees	\$	23,397	40%	60%	\$	9,359	\$	2.47	\$	14,038	\$	0.43
703	Salaries and Wages - Other		-	40%	60%		-		_		-		_
704	Employees Pensions and Benefits 7,721		40%	60%		3,088 0.81			4,633			0.14	
710	Purchased Water		-	10%	90%		-	_		. .			_
715	Purchased Power		89,955	20%	80%		17,991		4.74		71,964		2.22
716	Fuel for Power Production		-	10%	90%		-		-		-		-
718	Chemicals 2		23,845	20%	80%		4,769 1.26		1.26	19,076			0.59
720	Materials and Supplies 4,60		4,600	20%	80%		920	0.24		3,680			0.11
730	Contractual Services	9,000		20%	80%		1,800		0.47		7,200		0.22
740	Rents		8,030	50%	50%		4,015		1.06		4,015		0.12
750	Transportation Expense		2,818	30%	70%		845		0.22		1,973		0.06
755	Insurance Expense		4,300	50%	50%	2,150		0.57			2,150		0.07
765	Regulatory Expense		-	30%	70%		-		-		_		-
770	Bad Debt Expense		1,000	30%	70%		300		0.08		700		0.02
775	Miscellaneous Expense		1,747	30%	70%		524		0.14		1,223		0.04
Total Operation and Maintenance Expenses		\$	176,413			\$	45,761	\$	12.06	\$	130,651	\$	4.02
Depreciation	and Amortization												
403	Depreciation Expense	\$	56,582	30%	70%	\$	16,975	\$	4.47	\$	39,607	\$	1.22
407	Amortization Expense - CIAC		(21,885)	30%	70%		(6,566)		(1.73)		(15,320)		(0.47)
Total Depreciation and Amortization		\$	34,697			\$	10,409	\$	2.74	\$	24,288	\$	0.75

D & E WATER RESOURCES, L.L.C. RATE CALCULATION WASTEWATER

Account No.	Description	Test Year - Year 6		Base Facility Charge	Gallonage Charge	Ba	Base Facility Cost		Base Facility Charge		Gallonage Cost		Gallonage Charge	
Taxes Other Than Income Taxes														
408.10	Utility Regulatory Assessment Fees		13,873	30%	70%	\$	4,162	\$	1.10	\$	9,711	\$	0.30	
408.11	Property Taxes		-	30%	70%	-	-	•	_		· <u>-</u>	•	-	
408.12	Payroll Taxes		-	40%	60%		-	_		-			_	
408.13	Other Taxes and Licenses		-	30%	70%		•		•		-		-	
408.20	Other Income and Deductions		-	30%	70%		_		-				-	
Total Taxes Other Than Income Taxes		\$	13,873			\$	4,162	\$	1.10	\$	9,711	\$	0.30	
Income Taxes														
409	Federal, State, and Local Income Taxes		<u>-</u>	30%	70%	_\$	-	_\$_		\$		_\$_		
Total Income Taxes		\$	-			\$	-	\$	-	\$	-	\$	-	
Return on Investment			83,296	30%	70%		24,989		6.58		58,308		1.80	
Total Revenue Requirement		\$	308,279			\$	85,321	\$	22.48	\$	222,958	\$	6.87	
Less: Miscellaneous Revenues			-	30%	70%		_					<u></u>		
Total Revenues for Rate Setting		\$	308,279			\$	85,321	\$	22.48	\$	222,958	\$	6.87	
Factored ERCs (Test Year Average) Factored Gallons (In Thousands) (Test Year Average)			3,798 32,346											

D & E WATER RESOURCES, L.L.C. CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC) CHECK PRELIMINARY ESTIMATE COMBINED WATER AND WASTEWATER SYSTEMS

CATEGORY		AMOUNT	PERCENT			
Utility Investment	\$	3,051,307	41%			
Contributions-in-aid-of-Construction		4,355,503	59%			
Total	\$	7,406,810	100%			

SCHEDULE L-13A

D & E WATER RESOURCES, L.L.C. CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC) CHECK PRELIMINARY ESTIMATE POTABLE WATER SUPPLY

	D 8	& E UTILITY			CIAC			
CATEGORY	INVESTMENT		DEVELOPER	CL	JSTOMER	TOTAL		
Cash	\$	150,000 ⁽¹⁾ (532,548) ⁽²⁾	N/A	\$	532,548 ⁽²) \$	532,548	
Assets		1,849,670	2,248,300 N/A		N/A		2,248,300	
Services		225,000	N/A		N/A		N/A	
Total	\$	1,692,122				\$	2,780,848	
Percentage		38%					62%	

Notes: (1) Estimate.

⁽²⁾ Based on proposed Service Availability Charge of \$803.24 times the number of 663 ERCs anticipated at completion of Phase 1 of the Utility Expansion Project (Year 7). The total connected ERCs in the Test Year (Year 6) are estimated to be 626. This collected amount is shown as an offset to the total Utility investment.

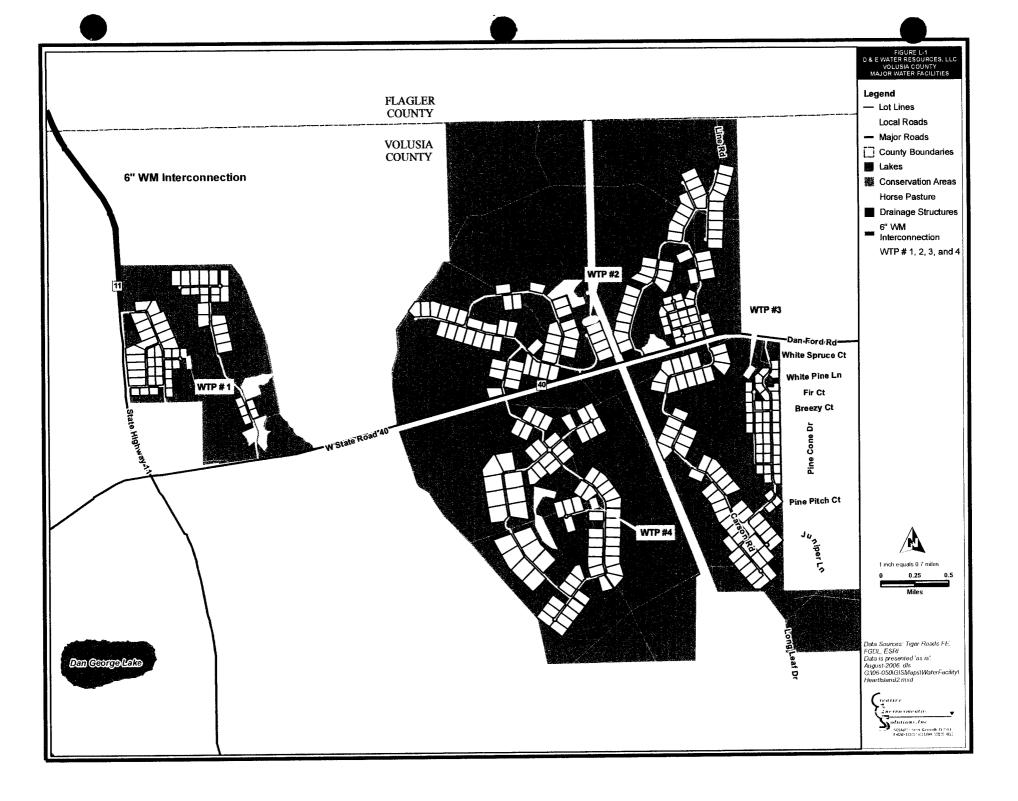
SCHEDULE L-13B

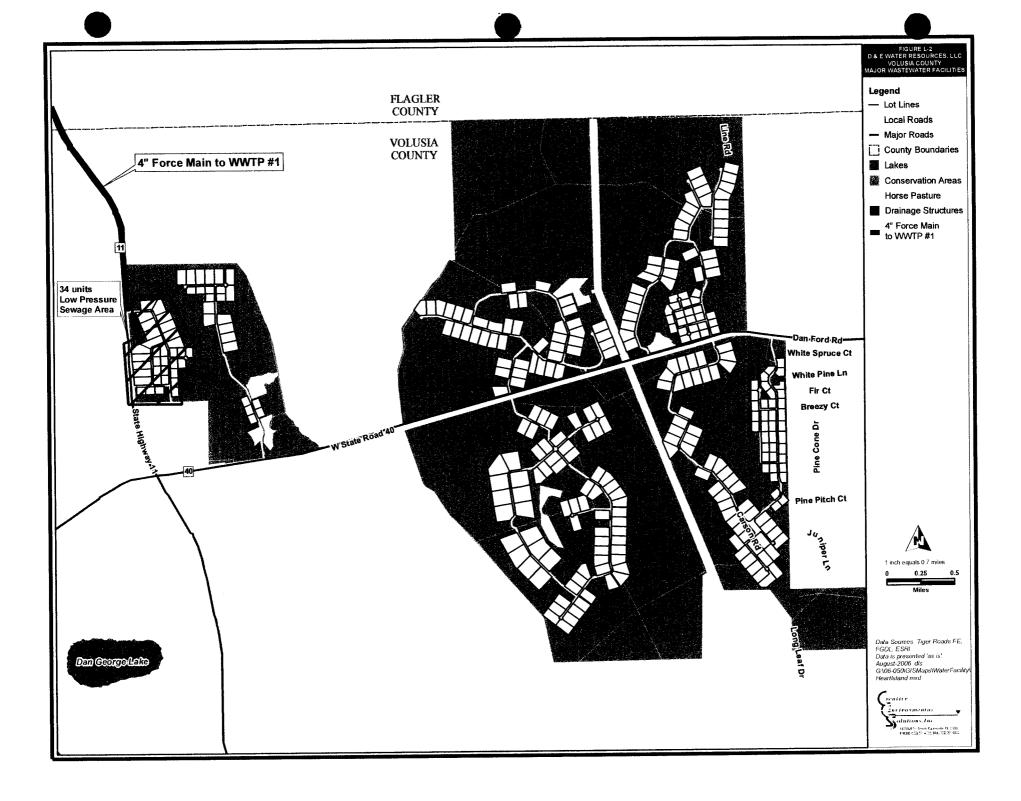
D & E WATER RESOURCES, L.L.C. CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION (CIAC) CHECK PRELIMINARY ESTIMATE WASTEWATER

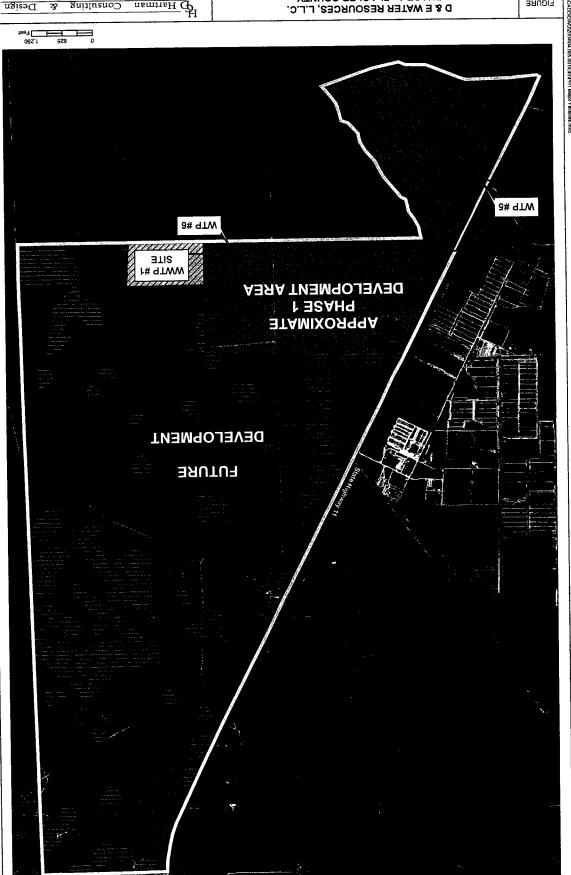
CATEGORY	& E UTILITY VESTMENT	CIAC DEVELOPER CUSTOMER TOTAL							
Cash	\$ 150,000 ⁽¹⁾ (697,455) ⁽²⁾	N/A	\$	697,455 ⁽²	\$	697,455			
Assets	1,818,640	877,200		N/A		877,200			
Services	 88,000	N/A		N/A		N/A			
Total	\$ 1,359,185				\$	1,574,655			
Percentage	46%					54%			

Notes: (1) Estimate.

⁽²⁾ Based on proposed Service Availability Charge of \$2,094.46 times the number of 333 ERCs anticipated at completion of Phase 1 of the Utility Expansion Project (Year 7). This collected amount is shown as an offset to the total Utility investment.







H Hartman Consulting & Design 300 Heartman Confide Phartman Phone 32801 Phone Street - Suite 1020 - Orlando, Florida 32801 Phone 407-447-9095 - Fax 407-447-9406

Appendix IX:

Attachments to Exhibit N

Proposed Service Territory: Legal Description and Map

DESCRIPTION: PARCEL 1

A parcel of land lying in Sections 10 and 15, Township 13 South, Range 30 East, Flagler County, Florida, and more particularly described as follows:

From a Point of Reference being the Southwest corner of said Section 10, bear S86°53'34"E along the South line of said Section 10 a distance of 249.50 feet to the Southerly right-of-way of County Road 304; thence N41°37'15"E along the said Southerly right-of-way line of County Road 304 a distance of 1385.48 feet to an intersection with the Easterly right-of-way line of the Florida Power & Light right-of-way (300' R/W) being the Point of Beginning of this description; thence continue N41°37'15"E 2818.53 feet; thence N41°27'55"E 1173.68 feet to a point along said Southerly right-of-way line of County Road 304, said point being the Southwest corner of Official Records Book 360, Pages 74 thru 76 as recorded in the records of Flagler County, Florida; thence leaving said Southerly right-of-way line of County Road 304 along the Southerly line of said Official Records Book 360, Pages 74 thru 76 S86°54'03"E 1371.88 feet; thence S01°25'22"E 359.06 feet; thence S41°27'55"W 1763.90 feet; thence S 41°37'15"W 3630.65 feet to a point on the Easterly right-of-way line of the Florida Power & Light right-of-way (300' R/W); thence along said Easterly right-of-way line N16°50'03"W 1548.88 feet to the Southerly line of County Road 304 and the Point of Beginning of this description.

LESS & EXCEPT THE FOLLOWING DESCRIPTION:

A 10.00 acre parcel of land lying in Section 10, Township 13 South, Range 30 East, Flagler County, Florida and more particularly described as Follows:

From a Point of Reference being the Southwest corner of Section 10, bear S86°53'34"E along the South line of said Section 10 a distance of 249.50 feet to the Southerly right-of-way of County Road 304; thence N41°37'15"E along the said Southerly right-of-way of County Road 304 a distance of 1385.48 feet to an intersection with the Easterly right-of-way line of the Florida Power & Light right-of-way (300' R/W); thence continue N41°37'15"E along the Southerly line of County Road 304 a distance of 330.00 feet to the Point of Beginning of this description; thence continue N41°37'15"E along said right-of-way line a distance of 330.00 feet; thence S48°22'45"E a distance of 1320.00 feet; thence S41°37'15"W a distance of 330.00 feet; thence N48°22'45"W a distance of 1320.00 feet to the Southerly line of County Road 304 and the Point of Beginning.

DESCRIPTION: PARCEL 2

PARCEL 2 – TRACT "A"

A parcel of land lying in Sections 10, 11, 12, 13, 14 and 15, Township 13 South, Range 30 East, Flagler County, Florida and being a portion of the subdivision of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida and being more particularly described as follows:

BEGIN at the Southeast corner of Section 12, Township 13 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 12, N 01°53'47" W, a distance of 5329.76 feet to the Northeast corner of said Section 12; thence departing said East line and on the North line of said Section 12, S 89°22'13" W, a distance of 5046.45 feet to the Northwest corner of said Section 12, the same being the Northeast corner of aforesaid Section 11, Township 13 South, Range 30 East, Flagler County, Florida; thence on the North line of said Section 11, S 89°35'41" W, a

distance of 5413.22 feet to the Northwest corner of said Section 11; thence departing said North line and on the West line of said Section 11, S 1°14'45" E, a distance of 669.38 feet to the Northwest corner of Tract 6, Block B of Section 11, Township 13 South, Range 30 East of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida; thence departing said West line and on the North line of said Tract 6, Block B, of Section 11, N 89°33'02" E, a distance of 676.64 feet to the Northeast corner of said Tract 6, Block B, of Section 11; thence departing said North line and on the East line of Tract 6, Block B and the East line of Tract 7, Block B all in Section 11, Township 13 South, Range 30 of said BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida, S 01°14'43" E, a distance of 1337.72 feet to the Southeast corner of said Tract 7, Block B, of Section 11; thence departing said East lines and on the South line of said Tract 7, Block B, of Section 11, S 89°27'44" W, a distance of 676.61 feet to the Southwest corner of said Tract 7, Block B, of Section 11; thence departing the South line of said Tract 7, Block B, of Section 11 and on the West line of said Tract 7. Block B, of Section 11, the same being the East line of Section 10, Township 13 South, Range 30 East, Flagler County, Florida, N 01°14'45" W, a distance of 530.41 feet to the Southeast corner of a parcel of land as described in Official Records Book 700, Page 124 of the Public Records of Flagler County, Florida; thence departing said East and West lines and on the Southeasterly line of said parcel of land as described in Official Records Book 700, Page 124 of the Public Records of Flagler County, Florida, S 41°36'27" W, a distance of 1766.36 feet; thence continue on said Southeasterly line, S 41°45'47" W, a distance of 3627.29 feet to the Southwesterly corner of said parcel of land as described in Official Records Book 700, Page 124 of the Public Records of Flagler County, Florida, said corner being on the East line of a Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said Southeast line and on the East line of said Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida, S 16°41'34" E, a distance of 1738.79 feet to a point on the North line of Tract 11, Block B of Section 15, Township 13 South, Range 30 East of aforesaid BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1. Page 1, of the Public Records of Flagler County, Florida; thence departing said East line and on the North line of said Tract 11, Block B, of Section 15, S 86°41'51" E, a distance of 594.56 feet to the Northeast corner of said Tract 11, Block B, of Section 15; thence departing said North line and on the East line of said Tract 11, Block B, of Section 15, S 01°51'03" E. a distance of 669.29 feet to the Southeast corner of said Tract 11, Block B, of Section 15; thence departing said East line and on the South line of said Tract 11, Block B, of Section 15, N 86°43'47" W, a distance of 412.04 feet to a point on the East line of aforesaid Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said South line and on the East line of said Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida through the following courses: S 16°41'34" E. a distance of 1659.46 feet; thence N 73°18'26" E, a distance of 50.00 feet; thence S 16°41'34" E, a distance of 119.71 feet; thence S 26°20'10" W, a distance of 119.71 feet; thence N 63°39'50" W, a distance of 50.00 feet; thence S 26°20'10" W, a distance of 1002.58 feet to a point on the South line of Section 15. Township 13 South, Range 30 East, Flagler County, Florida, thence on said South line of said Section 15, S 86°52'11" E, a distance of 3150.33 feet to the Southeast corner of said Section 15; thence departing said South line, S 29°34'48" W, a distance of 71.00 feet to a point on the South Maintained Right of Way line of "Relay Road 9" (a Private Road); thence on the South Maintained Right of Way line of said "Relay Road 9", through the following courses: N 89°20'27" E, a distance of 2753.49 feet; thence N 89°58'57" E, a distance of 542.17 feet; thence N 88°58'33" E, a distance of 2108.33 feet to a point on the East Maintained Right of Way line of

"Relay Road 12" (a Private Road); thence departing said South Maintained Right of Way line of "Relay Road 9" on the East Maintained Right of Way line of said "Relay Road 12", N 0°28'30" W, a distance of 3482.39 feet to a point on the South Maintained Right of Way line of "Relay Road 10" (a Private Road) and the beginning of a curve concave Southeasterly having a radius of 125.00 feet and a central angle of 43°32'07"; thence departing the East Maintained Right of Way line of said "Relay Road 12" and on the South Maintained Right of Way line of said "Relay Road 10" and on the arc of said curve a distance of 94.98 feet said arc being subtended by a chord which bears N 21°17'33" E, a distance of 92.71 feet to the curves end; thence continue on the South Maintained Right of Way line of said "Relay Road 10" through the following courses: N 43°03'37" E. a distance of 72.28 feet; thence N 50°30'25" E. a distance of 122.34 feet; thence N 69°30'14" E, a distance of 120.05 feet; thence N 71°53'35" E, a distance of 136.22 feet; thence N 65°23'52" E, a distance of 107.59 feet; thence N 57°13'53" E, a distance of 117.33 feet; thence N 50°33'04" E, a distance of 536.84 feet; thence N 40°48'31" E, a distance of 180.65 feet; thence N 43°22'12" E, a distance of 60.92 feet; thence N 49°37'12" E, a distance of 97.92 feet; thence N 56°23'41" E, a distance of 1669.02 feet; thence N 58°51'52" E, a distance of 92.42 feet; thence N 64°08'46" E, a distance of 91.58 feet; thence N 72°44'28" E, a distance of 368.38 feet; thence N 79°56'35" E, a distance of 101.54 feet; thence S 80°49'49" E, a distance of 71.54 feet; thence S 66°51'48" E, a distance of 176.65 feet; thence S 68°39'11" E, a distance of 110.07 feet; thence S 78°54'10" E, a distance of 142.60 feet; thence S 85°45'53" E, a distance of 1250.31 feet to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT "B"

A parcel of land lying in Sections 12, 13, 22, 23, 24, 25, 26, 27, 34 and 35, Township 13 South, Range 30 East, Flagler County, Florida and lying in Sections 2, 3, 10, 11, 14 and 15, Township 14 South, Range 30 East, Flagler County, Florida and being a portion of the subdivision of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida and being more particularly described as follows:

COMMENCE at the Northeast corner of Section 13, Township 13 South, Range 30 East, Flagler County, Florida: thence on the East line of said Section 13, S 2°12'01" E, a distance of 78.26 feet to the POINT OF BEGINNING; thence continue along the East line of said Section 13, S 2°12'01" E. a distance of 5224.92 feet to the Northeast corner of Section 24, Township 13 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 24, S 1°39'56" E, a distance of 5330.16 feet to the Northeast corner of Section 25, Township 13 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 25, S 1°55'02" E, a distance of 2672.59 feet to the East Quarter corner of said Section 25: thence continue on said East line S 2°00'45" E. a distance of 2694.96 feet to the Southeast corner of said Section 25; thence departing the East line of said Section 25, S 89°06'20" W, a distance of 5358.28 feet to a point on the Westerly Maintained Right of Way line of "Relay Road 12" (a Private Road); thence on the Westerly Maintained Right of Way line of said "Relay Road 12", through the following courses: S 1°37'59" E, a distance of 4479.07 feet; thence S 3°49'05" E, a distance of 587.46 feet; thence S 1°26'24" E, a distance of 5497.16 feet; thence S 1°13'51" W, a distance of 858.47 feet; thence departing said Westerly Maintained Right of Way line of "Relay Road 12", and on the Westerly line of the Halifax Basin, through the following courses: S 2°06'48" E, a distance of 1987.94 feet; thence S 86°19'18" W, a distance of 1062.98 feet; thence S 89°49'00" W, a distance of 1750.63 feet; thence S 88°10'03" W. a distance of 1114,30 feet; thence S 0°50'04" E. a distance of 4253.61 feet; thence departing said Westerly line of the Halifax Basin, S 89°21'12" W, a distance of 1585.74 feet to a

point on the Centerline of the Maintained Right of Way of "Relay Road 5" (a Private Road); thence on the Centerline of the Maintained Right of Way of said "Relay Road 5", through the following courses: N 45°09'48" W, a distance of 504.10 feet; thence N 29°46'37" W, a distance of 1621.36 feet; thence N 34°58'17" W, a distance of 196.85 feet; thence N 25°49'43" W, a distance of 172.43 feet; thence N 2°36'37" W, a distance of 134.60 feet; thence N 15°20'26" E, a distance of 159.07 feet; thence N 49°10'50" E, a distance of 162.05 feet; thence N 57°33'48" E, a distance of 1491.56 feet; thence N 40°48'02" E, a distance of 154.68 feet; thence N 8°48'44" E, a distance of 157.25 feet; thence N 0°22'30" W, a distance of 1045.82 feet; thence N 5°38'10" W, a distance of 897.04 feet; thence N 7°58'50" W, a distance of 811.14 feet; thence N 2°34'49" W, a distance of 645.45 feet; thence N 6°39'36" E, a distance of 550.91 feet; thence N 19°14'57" E, a distance of 230.24 feet; thence N 48°26'49" E, a distance of 247.18 feet; thence N 36°28'10" E, a distance of 243.07; thence N 10°45'32" E, a distance of 233.99 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 4" (a Private Road); thence departing the Centerline of the Maintained Right of Way of "Relay Road 5" and on the Centerline of the Maintained Right of Way of said "Relay Road 4" through the following courses: N 89°00'18" W, a distance of 599.18 feet; thence S 87°04'43" W, a distance of 1051.01 feet; thence S 80°05'16" W, a distance of 1282.86 feet; thence S 76°39'33" W, a distance of 800.98 feet; thence S 81°15'55" W, a distance of 285.07 feet; thence S 76°58'32" W, a distance of 512.51 feet to a point on the Easterly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing the Centerline of the Maintained Right of Way of said "Relay Road 4" and on the Easterly Right of Way line of said Florida Power and Light Company Right of Way through the following courses: N 22°02'08" W, a distance of 3116.10 feet; thence N 0°26'57" W, a distance of 6500.00 feet; thence N 1°04'34" W, a distance of 5200.00 feet; thence N 1°46'19" W, a distance of 2600.57 feet; thence N 26°20'10" E, a distance of 4134.17 feet to the North line of Section 22, Township 13 South, Range 30 East, Flagler County, Florida; thence departing the Easterly Right of Way line of said Florida Power and Light Company Right of Way and on the North line of said Section 22, S 86°52'11" E, a distance of 3150.33 feet to the Northeast corner of said Section 22; thence departing said North line, S 29°34'48" W, a distance of 71.00 feet to a point on the South Maintained Right of Way line of "Relay Road 9" (a Private Road); thence on the South Maintained Right of Way line of said "Relay Road 9", through the following courses: N 89°20'27" E, a distance of 2753.49 feet; thence N 89°58'57" E, a distance of 542.17 feet; thence N 88°58'33" E, a distance of 2108.33 feet to a point on the East Maintained Right of Way line of "Relay Road 12" (a Private Road); thence departing said South Maintained Right of Way line of "Relay Road 9" on the East Maintained Right of Way line of said "Relay Road 12", N 0°28'30" W, a distance of 3482.39 feet to a point on the South Maintained Right of Way line of "Relay Road 10" (a Private Road) and the beginning of a curve concave Southeasterly having a radius of 125.00 feet and a central angle of 43°32'07"; thence departing the East Maintained Right of Way line of said "Relay Road 12" and on the South Maintained Right of Way line of said "Relay Road 10" and on the arc of said curve a distance of 94.98 feet said arc being subtended by a chord which bears N 21°17'33" E, a distance of 92.71 feet to the curves end; thence continue on the South Maintained Right of Way line of said "Relay Road 10" through the following courses: N 43°03'37" E, a distance of 72.28 feet; thence N 50°30'25" E, a distance of 122.34 feet; thence N 69°30'14" E, a distance of 120.05 feet; thence N 71°53'35" E, a distance of 136.22 feet; thence N 65°23'52" E, a distance of 107.59 feet; thence N 57°13'53" E, a distance of 117.33 feet; thence N 50°33'04" E, a distance of 536.84 feet; thence N 40°48'31" E, a distance of 180.65 feet; thence N 43°22'12" E, a distance of 60.92 feet; thence N 49°37'12" E. a distance of 97,92 feet; thence N 56°23'41" E. a distance of 1669.02 feet; thence N 58°51'52" E, a distance of 92.42 feet; thence N 64°08'46" E, a distance of 91.58 feet; thence N 72°44'28" E, a distance of 368.38 feet; thence N 79°56'35" E, a distance of 101.54 feet; thence S 80°49'49" E, a distance of 71.54 feet; thence S 66°51'48" E, a distance of 176.65 feet; thence S

68°39'11" E, a distance of 110.07 feet; thence S 78°54'10" E, a distance of 142.60 feet; thence S 85°45'53" E, a distance of 1250.31 feet to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT "C"

A parcel of land lying in Sections 35 and 36, Township 13 South, Range 30 East, Flagler County, Florida and lying in Sections 1, 2, 11, 12 and 14, Township 14 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

BEGIN at the Northeast corner of Section 36, Township 13 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 36, S 01°52'15" E, a distance of 5249.16 feet to the Southeast corner of said Section 36, the same being the Northeast corner of Section 1, Township 14 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 1, S 00°14′28" E, a distance of 5296.99 feet; to the Southeast corner of said Section 1, the same being the Northeast corner of Section 12, Township 14 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 12, S 01°56'03" E, a distance of 5259.13 feet to the Southeast corner of said Section 12; thence departing said East line and on the South line of said Section 12, S 87°56'12" W, a distance of 5264,99 feet to the Southwest corner of said Section 12 the same being the Northeast corner of Section 14, Township 14 South, Range 30 East, Flagler County, Florida; thence departing said South line and on the East line of said Section 14, S 00°33'38" E, a distance of 5294.00 feet to the Southeast corner of said Section 14; thence departing said East line and on the South line of said Section 14, S 88°56'35" W, a distance of 795.54 feet; thence departing said South line N 0°43'27" W, a distance of 3483.72; thence S 89°21'12" W. a distance of 3183.19 feet; thence N 0°50'04" W, a distance of 4253.61 feet; thence N 88°10'03" E, a distance of 1114.30 feet; thence N 89°49'00" E, a distance of 1750.63 feet; thence N 86°19'18" E, a distance of 1062.98 feet; thence N 02°06'48" W, a distance of 1987.94 feet to a point on the Westerly Maintained Right of Way line of said "Relay Road 12" (a Private Road); thence on the Westerly Maintained Right of Way line of said "Relay Road 12", through the following courses: N 01°13'51" E, a distance of 858.47 feet; thence N 01°26'24" W, a distance of 5497.16 feet; thence N 03°49'05" W, a distance of 587.46 feet; thence N 01°37'59" W, a distance of 4479.07 feet; thence departing said Westerly Maintained Right of Way line of said "Relay Road 12", N 89°06'20" E, a distance of 5358.28 to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT "D"

A parcel of land lying in Sections 2, 3, 9, 10, 11, 14, 15, 16, 21, 22 and 23, Township 14 South, Range 30 East, Flagler County, Florida, and being more particularly described as follows:

BEGIN at the Southeast corner of Section 21, Township 14 South, Range 30 East, Flagler County, Florida; thence on the South line of said Section 21, S 89°49'43" W, a distance of 347.16 feet to a point on the Easterly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said South line and on the Easterly Right of Way line of said Florida Power and Light Company Right of Way through the following courses: N 1°00'03" W, a distance of 785.64 feet; thence N 0°50'45" W, a distance of 11098.95 feet; thence N 42°58'43" E, a distance of 3248.83 feet; thence S 47°01'17" E, a distance of 50.00 feet; thence N 42°58'43" E, a distance of

131.86 feet; thence N 22°02'08" W, a distance of 131.86 feet; thence S 67°57'52" W, a distance of 50.00 feet; thence N 22°02'08" W, a distance of 2248.01 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 4" (a Private Road); thence departing the Easterly Right of Way line of said Florida Power and Light Company Right of Way and on the Centerline of the Maintained Right of Way of said "Relay Road 4" through the following courses: thence N 76°58'32" E, a distance of 512.51 feet; thence N 81°15'55" E, a distance of 285.07 feet; thence N 76°39'33" E, a distance of 800.98 feet; thence N 80°05'16" E, a distance of 1282.86 feet; thence N 87°04'43" E, a distance of 1051.01 feet; thence S 89°00'18" E, a distance of 599.18 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 5" (a Private Road); thence departing the Centerline of the Maintained Right of Way of "Relay Road 4" and on the Centerline of the Maintained Right of Way of said "Relay Road 5", through the following courses: \$ 10°45'32" W. a distance of 233.99 feet; thence S 36°28'10" W, a distance of 243.07 feet; thence S 48°26'49" W, a distance of 247.18 feet; thence S 19°14'57" W, a distance of 230.24 feet; thence S 6°39'36" W, a distance of 550.91 feet; thence S 2°34'49" E, a distance of 645.45 feet; thence S 7°58'50" E, a distance of 811.14 feet; thence S 5°38'10" E, a distance of 897.04 feet; thence S 0°22'30" E, a distance of 1045.82 feet: thence S 8°48'44" W. a distance of 157.25 feet: thence S 40°48'02" W. a distance of 154.68 feet; thence S 57°33'48" W, a distance of 1491.56 feet; thence S 49°10'50" W, a distance of 162.05 feet; thence S 15°20'26" W, a distance of 159.07 feet; thence S 2°36'37" E, a distance of 134.60 feet; thence S 25°49'43" E, a distance of 172.43 feet; thence S 34°58'17" E, a distance of 196.85 feet; thence S 29°46'37" E, a distance of 1621.36 feet; thence S 45°09'48" E, a distance of 504.10 feet; thence departing the Centerline of the Maintained Right of Way of said "Relay Road 5", N 89°21'12" E, a distance of 4768.94 feet; thence S 0°43'27" E, a distance of 3483.72 feet to a point on the North line of Section 23, Township 14 South, Range 30 East, Flagler County, Florida; thence on said North line, S 88°56'35" W, a distance of 870.72 feet to the Northeast corner of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 23: thence departing said North line and on the East line of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 23, S 1°10'11" E, a distance of 1318.43 feet to the Southeast corner of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 23; thence departing said East line and on the South line of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 23, S 89°11'22" W, a distance of 1002.43 feet to the Southwest corner of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 23; thence departing said South line and on the East line of the Northwest 1/4 of said Section 23, S 0°59'18" E, a distance of 1313.31 feet to the Southeast corner of the Northwest 1/4 of said Section 23; thence departing said East line and on the South line of the Northwest 1/4 of said Section 23, S 89°30'49" W, a distance of 2670.27 feet to the Southwest corner of the Northwest 1/4 of said Section 23: thence departing said South line and on the West line of said Section 23, S 1°57'19" E, a distance of 2685.77 feet to the Southwest corner of said Section 23, the same being the Southeast corner of Section 22, Township 14 South, Range 30 East, Flagler County, Florida; thence departing said West line and on the South line of said Section 22, S 89°38'58" W, a distance of 5292.80 feet to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT "E"

A parcel of land lying in Sections 13, 23 and 24, Township 14 South, Range 29 East, Flagler County, Florida, and lying in Sections 32 and 33, Township 13 South, Range 30 East, Flagler County, Florida and lying in Sections 3, 4, 5, 8, 9, 10, 16, 17, 18, 19, 20 and 21, Township 14 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

COMMENCE at the Southeast corner of Section 21, Township 14 South, Range 30 East, Flagler County, Florida; thence on the South line of said Section 21, S 89°49'43" W, a distance of 647.19 feet to a point on the Westerly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida for the POINT OF BEGINNING; thence continue on the South line of said Section 21, S 89°49'43" W, a distance of 4718.82 feet to the Southeast corner of Section 20, Township 14 South, Range 30 East, Flagler County, Florida; thence on the South line of said Section 20, S 88°47'01" W. a distance of 5298.64 feet to the Southeast corner of Section 19, Township 14 South, Range 30 East, Flagler County, Florida; thence on the South line of said Section 19, S 89°19'45" W, a distance of 5297.80 feet to the Southeast corner of Section 24, Township 14 South, Range 29 East, Flagler County, Florida; thence on the South line of said Section 24, S 89°23'20" W, a distance of 5207.14 feet to a point on the Easterly Right of Way line of State Road 11 (a variable width Right of Way per Florida Department of Transportation Right of Way Maps Section 7305-1237); thence departing said South line and on the Easterly Right of Way line of said State Road 11 through the following courses: N 20°24'51" W, a distance of 2930.37 feet to the beginning of a curve concave Easterly having a radius of 1309.89 feet and a central angle of 46°49'53"; thence on the arc of said curve a distance of 1070.65 feet said arc being subtended by a chord which bears N 03°00'06" E, a distance of 1041.10 feet to the curves end; thence N 26°25'02" E, a distance of 943.90 feet to a point on the Southerly Maintained Right of Way line of an Un-Named Forest Management Road (a Private Road): thence departing said Easterly Right of Way line of said State Road 11 and on the Southerly and Easterly Maintained Right of Way line of said Un-Named Forest Management Road through the following courses: N 85°32'18" E, a distance of 478.40 feet; thence N 82°31'02" E, a distance of 145.70 feet; thence N 88°08'58" E, a distance of 914.53 feet; thence S 67°41'49" E a distance of, 483.36 feet; thence S 68°05'09" E, a distance of 382.72 feet; thence N 89°06'42" E, a distance of 421.46 feet; thence S 71°40'23" E, a distance of 183.41 feet; thence N 75°42'29" E, a distance of 479.29 feet; thence N 70°18'39" E, a distance of 1173.27 feet; thence N 1°19'52" W. a distance of 84.93 feet; thence N 29°56'34" W. a distance of 72.33 feet; thence N 60°26'33" W, a distance of 182.44 feet; thence N 28°46'19" W, a distance of 279.51 feet; thence N 7°10'19" W, a distance of 208.33 feet; thence N 54°45'50" W, a distance of 165.66 feet; thence N 59°13'06" W, a distance of 130.55 feet; thence N 40°38'00" W, a distance of 201.78 feet; thence N 7°14'45" W, a distance of 142.69 feet; thence N 30°27'17" W, a distance of 348.70 feet; thence N 41°04'25" W, a distance of 63.36 feet; thence N 61°19'01" W, a distance of 77.91 feet; thence N 19°47'15" W. a distance of 98.52 feet; thence N 28°13'06" W, a distance of 50.52 feet; thence N 47°22'23" W, a distance of 68.18 feet; thence N 9°23'57" W, a distance of 105.09 feet; thence N 33°52'10" W. a distance of 274.06 feet; thence N 52°54'53" W, a distance of 189.54 feet; thence N 29°25'35" W, a distance of 212.63 feet; thence N 40°17'46" W, a distance of 50.15 feet; thence N 72°29'31" W, a distance of 93.59 feet; thence N 24°05'07" W, a distance of 62.87 feet; thence N 10°24'23" W. a distance of 111.71 feet; thence N 15°15'51" W, a distance of 127.93 feet; thence N 28°38'04" W. a distance of 514.83 feet; thence departing said Southerly and Easterly Maintained Right of Way line of said Un-Named Forest Management Road, N 89°50'18" E, a distance of 3111.09 feet to a point on the Southerly Maintained Right of Way line of "Relay Road 41" (a Private Road); thence on the Southerly Maintained Right of Way line said "Relay Road 41" and its Easterly projection, through the following courses: N 84°05'49" E, a distance of 640.34 feet; thence N 87°04'31" E, a distance of 1376.85 feet; thence N 85°37'18" E, a distance of 3308.37 feet to a point on the Easterly Maintained Right of Way line of "Relay Road 14" (a Private Road); thence on the Easterly Maintained Right of Way line of said "Relay Road 14", through the following courses: N 1°38'24" W, a distance of 2408.29 feet; thence N 1°36'22" W, a distance of 2795.88 feet; thence N 1°30'45" W, a distance of 2591.53 feet; thence N 1°35'50" W, a distance of 3207.05 feet; thence N 2°03'07" W, a distance of 2009.45 feet to the Southwest corner of Section 32, Township 13 South, Range 30 East, Flagler County, Florida; thence departing the Easterly Maintained Right of

Way line of said "Relay Road 14", N 88°46'57" E, a distance of 687.93 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 21" (a Private Road); thence on the Centerline of the Maintained Right of Way of said "Relay Road 21" through the following courses: N 0°25'59" E, a distance of 150.18 feet; thence N 6°37'03" W, a distance of 536.01 feet; thence N 11°16'14" W, a distance of 606.06 feet to the beginning of a curve concave Southeasterly having a radius of 335.85 feet and a central angle of 71°05'56"; thence on the arc of said curve a distance of 416.76 feet said arc being subtended by a chord which bears N 24°16'44" E, a distance of 390.53 feet to the curves end; thence N 59°49'42" E, a distance of 438.34 feet to the beginning of a curve concave Northwesterly having a radius of 267.00 feet and a central angle of 71°26'49"; thence on the arc of said curve a distance of 332.94 feet said arc being subtended by a chord which bears N 24°06'18" E, a distance of 311.79 feet to the curves end; thence N 11°37'07" W, a distance of 1223.86 feet to the beginning of a curve concave Southeasterly having a radius of 233.00 feet and a central angle of 116°23'25"; thence on the arc of said curve a distance of 473.31 feet said arc being subtended by a chord which bears N 46°34'36" E, a distance of 396.03 feet to the curves end; thence S 75°13'42" E, a distance of 1327.37 feet; thence S 78°01'36" E, a distance of 518.35 feet; thence S 63°38'56" E, a distance of 2303.63 feet; thence S 72°22'36" E, a distance of 146.11 feet to the beginning of a curve concave Southwesterly having a radius of 85.00 feet and a central angle of 69°39'15; thence on the arc of said curve a distance of 103.33 feet said arc being subtended by a chord which bears S 37°32'58" E, a distance of 97.09 feet to the curves end; thence S 2°43'21" E, a distance of 1294.37 feet; thence S 19°28'38" E, a distance of 248.00 feet; thence S 2°20'20" E, a distance of 463.96 feet; thence departing the Centerline of the Maintained Right of Way of "Relay Road 21", S 88°49'10" E, a distance of 1177.70 feet; thence N 46°39'50" E, a distance of 221.07 feet; thence N 14°37'45" E, a distance of 307.75 feet; thence N 63°32'28" E, a distance of 422.87 feet; thence S 85°26'12" E, a distance of 400.06 feet; thence S 75°16'42" E, a distance of 235.73 feet; thence S 47°50'56" E, a distance of 357.80 feet; thence S 27°30'57" E, a distance of 347.29 feet; thence S 71°45'23" E, a distance of 188.69 feet; thence S 40°04'33" E, a distance of 712.94 feet; thence S 27°24'47" E, a distance of 424.67 feet; thence S 5°17'48" E, a distance of 526.22 feet; thence S 61°46'39" E, a distance of 265.05 feet; thence N 16°56'59" E, a distance of 208.92 feet; thence N 12°16'37" E, a distance of 321.13 feet; thence N 20°34'25" E, a distance of 394.57 feet; thence N 63°59'11" E, a distance of 237.48 feet; thence N 40°36'39" E, a distance of 302.36 feet; thence N 71°39'06" E, a distance of 147.23 feet; thence S 68°11'27" E, a distance of 403.35 feet to a point on the Westerly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence on the Westerly Right of Way line of said Florida Power and Light Company Right of Way through the following courses: S 0°26'57" E, a distance of 1278.44 feet; thence S 89°33'03" W, a distance of 100.00 feet; thence S 0°26'57" E, a distance of 69.06 feet; thence S 22°02'08" E, a distance of 69.06 feet; thence N 67°57'52" E, a distance of 100.00 feet; thence S 22°02'08" E, a distance of 5280.14 feet; thence S 42°58'43" W, a distance of 3178.33 feet; thence N 47°01'17" W, a distance of 50.00 feet; thence S 42°58'43" W, a distance of 120.11 feet; thence S 0°50'45" E, a distance of 120.11 feet; thence N 89°09'15" E, a distance of 50.00 feet; thence S 0°50'45" E, a distance of 11120.02 feet; thence S 1°00'03" E, a distance of 781.70 feet to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT "F"

A parcel of land lying in Sections 12, 13 and 24, Township 14 South, Range 29 East, Flagler County, Florida, and lying in Sections 5, 6, 7, 8, 17 and 18, Township 14 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

COMMENCE at the Northeast Corner of Section 6, Township 14 South, Range 29 East, Flagler County, Florida for the POINT OF BEGINNING; thence on the North line of said Section 6, S 89°45'33" W, a distance of 2593.13 feet to a point on the Easterly Right of Way line of State Road 11 (a variable width Right of Way per Florida Department of Transportation Right of Way Maps Section 7305-1237) said point being on a curve concave Southeasterly having a radius of 2939.79 feet and a central angle of 26°32'24"; thence departing said North line and on the Easterly Right of Way line of said State Road 11 and on the arc of said curve a distance of 1361.74 feet said arc being subtended by a chord which bears S 13°08'50" W, a distance of 1349.60 feet to the curves end; thence continue on said Easterly Right of Way line through the following courses: S 26°25'02" W, a distance of 2034.28 feet; thence S 63°34'58" E, a distance of 47.50 feet; thence S 26°25'02" W, a distance of 15200.38 feet to a point on the Southerly Maintained Right of Way line of an Un-Named Forest Management Road (a Private Road): thence departing the Easterly Right of Way line of said State Road 11 and on the Southerly and Easterly Maintained Right of Way line of said Un-Named Forest Management Road through the following courses: N 85°32'18" E, a distance of 478.40 feet; thence N 82°31'02" E, a distance of 145.70 feet; thence N 88°08'58" E, a distance of 914.53 feet; thence S 67°41'49" E a distance of, 483.36 feet; thence S 68°05'09" E, a distance of 382.72 feet; thence N 89°06'42" E, a distance of 421.46 feet; thence S 71°40'23" E, a distance of 183.41 feet; thence N 75°42'29" E, a distance of 479.29 feet; thence N 70°18'39" E, a distance of 1173.27 feet; thence N 1°19'52" W, a distance of 84.93 feet; thence N 29°56'34" W, a distance of 72.33 feet; thence N 60°26'33" W, a distance of 182.44 feet; thence N 28°46'19" W, a distance of 279.51 feet; thence N 7°10'19" W, a distance of 208.33 feet; thence N 54°45'50" W, a distance of 165.66 feet; thence N 59°13'06" W, a distance of 130.55 feet; thence N 40°38'00" W, a distance of 201.78 feet; thence N 7°14'45" W, a distance of 142.69 feet; thence N 30°27'17" W, a distance of 348.70 feet; thence N 41°04'25" W, a distance of 63.36 feet; thence N 61°19'01" W, a distance of 77.91 feet; thence N 19°47'15" W, a distance of 98.52 feet; thence N 28°13'06" W, a distance of 50.52 feet; thence N 47°22'23" W, a distance of 68.18 feet; thence N 9°23'57" W, a distance of 105.09 feet; thence N 33°52'10" W, a distance of 274.06 feet; thence N 52°54'53" W, a distance of 189.54 feet; thence N 29°25'35" W, a distance of 212.63 feet; thence N 40°17'46" W, a distance of 50.15 feet; thence N 72°29'31" W, a distance of 93.59 feet; thence N 24°05'07" W, a distance of 62.87 feet; thence N 10°24'23" W, a distance of 111.71 feet; thence N 15°15'51" W, a distance of 127.93 feet; thence N 28°38'04" W, a distance of 514.83 feet; thence departing said Southerly and Easterly Maintained Right of Way line of said Un-Named Forest Management Road, N 89°50'18" E, a distance of 3111.09 feet to a point on the Southerly Maintained Right of Way line of "Relay Road 41" (a Private Road); thence on the Southerly Maintained Right of Way line said "Relay Road 41" and its Easterly projection, through the following courses: N 84°05'49" E, a distance of 640.34 feet; thence N 87°04'31" E, a distance of 1376.85 feet; thence N 85°37'18" E, a distance of 3308.37 feet to a point on the Easterly Maintained Right of Way line of "Relay Road 14" (a Private Road); thence on the Easterly Maintained Right of Way line of said "Relay Road 14", through the following courses: N 1°38'24" W, a distance of 2408.29 feet; thence N 1°36'22" W, a distance of 2795.88 feet; thence N 1°30'45" W, a distance of 2591.53 feet; thence N 1°35'50" W, a distance of 3207.05 feet; thence N 2°03'07" W, a distance of 2009.45 feet to the POINT OF BEGINNING.

Together With:

PARCEL 2 - TRACT "G"

A parcel of land lying in Sections 32 and 33, Township 13 South, Range 30 East, Flagler County, Florida and lying in Section 4, Township 14 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

BEGIN at the Northwest corner of Section 32. Township 13 South, Range 30 East, Flagler County. Florida: thence on the North line of said Section 32. N 88°43'17" E, a distance of 5344.33 feet to the Northwest corner of Section 33, Township 13 South, Range 30 East, Flagler County, Florida; thence departing the North line of said Section 32 and on the North line of said Section 33, N 89°02'16" E, a distance of 5327.65 feet to a point on the Westerly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said North line and on the Westerly Right of Way line of said Florida Power and Light Company Right of Way through the following courses; S 1°04'34" E, a distance of 1032.17 feet; thence S 0°26'57" E, a distance of 5227.11 feet; thence departing said Westerly Right of Way line, N 68°11'27" W, a distance of 403.35 feet; thence S 71°39'06" W, a distance of 147.23 feet; thence S 40°36'39" W, a distance of 302.36 feet; thence S 63°59'11" W. a distance of 237.48 feet; thence S 20°34'25" W. a distance of 394.57 feet; thence S 12°16'37" W, a distance of 321.13 feet; thence S 16°56'59" W, a distance of 208.92 feet; thence N 61°46'39" W, a distance of 265.05 feet; thence N 5°17'48" W, a distance of 526.22 feet; thence N 27°24'47" W, a distance of 424.67 feet; thence N 40°04'33" W, a distance of 712.94 feet; thence N 71°45'23" W, a distance of 188.69 feet; thence N 27°30'57" W, a distance of 347.29 feet; thence N 47°50'56" W, a distance of 357.80 feet; thence N 75°16'42" W, a distance of 235.73 feet; thence N 85°26'12" W, a distance of 400.06 feet; thence S 63°32'28" W, a distance of 422.87 feet; thence S 14°37'45" W, a distance of 307.75 feet; thence S 46°39'50" W, a distance of 221.07 feet; thence N 88°49'10" W, a distance of 1177.70 feet; thence N 2°20'20" W, a distance of 463.96 feet; thence N 19°28'38" W, a distance of 248.00 feet; thence N 2°43'21" W, a distance of 1294.37 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 21" (a Private Road) said point being on a curve concave Southwesterly having a radius of 85.00 feet and a central angle of 69°39'15"; thence on the Centerline of the Maintained Right of Way of said "Relay Road 21" and the arc of said curve, a distance of 103.33 feet said arc being subtended by a chord which bears N 37°32'58" W, a distance of 97.09 feet to the curves end; thence continue on the Centerline of the Maintained Right of Way of said "Relay Road 21" through the following courses: N 72°22'36" W, a distance of 146.11 feet; thence N 63°38'56" W, a distance of 2303.63 feet; thence N 78°01'36" W, a distance of 518.35 feet; thence N 75°13'42" W, a distance of 1327.37 feet to the beginning of a curve concave Southeasterly, having a radius of 233.00 feet and a central angle of 116°23'25"; thence on the arc of said curve a distance of 473.31 feet said arc being subtended by a chord which bears S 46°34'36" W, a distance of 396.03 feet to the curves end; thence S 11°37'07" E, a distance of 1223.86 feet to the beginning of a curve concave Northwesterly, having a radius of 267.00 feet and a central angle of 71°26'49"; thence on the arc of said curve a distance of 332.94 feet said arc being subtended by a chord which bears S 24°06'18" W, a distance of 311.79 feet to the curves end; thence S 59°49'42" W, a distance of 438.34 feet to the beginning of a curve concave Southeasterly, having a radius of 335.85 feet and a central angle of 71°05'56"; thence on the arc of said curve a distance of 416.76 feet said arc being subtended by a chord which bears S 24°16'44" W, a distance of 390.53 feet to the curves end; thence S 11°16'14" E, a distance of 606.06 feet; thence S 6°37'03" E, a distance of 536.01 feet; thence S 0°25'59" W, a distance of 150.18 feet; thence departing the Centerline of the Maintained Right of Way of said "Relay Road 21", S 88°46'57" W, a distance of 687.93 feet to the Southwest corner of aforesaid Section 32, Township 13 South, Range 30 East, Flagler County, Florida; thence on the West line of said Section 32, N 1°27'57" W, a distance of 5551.65 feet to the POINT OF BEGINNING.

Together With:

PARCEL 2 - TRACT "H"

A parcel of land lying in Sections 21 and 28, Township 13 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

Commence at the Northeast corner of Section 21, Township 13 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 21, S 01°38'28" E. a distance of 2912.85 feet the POINT OF BEGINNING; thence continue on said East line, S 01°38'28" E. a distance of 730.84 feet to a point on the Westerly line of a Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said East line and on the Westerly Right of Way line of said Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida through the following courses: S 26°20'10" W, 81.11 feet; thence N 63°39'50" W, a distance of 100.00 feet; thence S 26°20'10" W, a distance of 75.03 feet; thence S 01°46'19" E, 75.03 feet; thence N 88°13'41" E, a distance of 100.00 feet; thence S 01°46'19" E, a distance of 2623.85 feet; thence S 01°04'34" E, a distance of 4164.37 feet to a point on the South line of Section 28, Township 13 South, Range 30 East, Flagler County, Florida; thence departing said Westerly Right of Way line and on the South line of said Section 28, S 89°02'16" W, a distance of 5327.65 feet to the Southwest corner of said Section 28; thence departing said South line and on the West line of said Section 28, N 01°44'05" W, a distance of 5336.53 feet to the Northwest corner of said Section 28, the same being the Southwest corner of aforesaid Section 21; thence on the West line of said Section 21, N 00°36'48" W, a distance of 2959.76 feet to a point on the South line of a parcel of land as described in Official Records Book 1325, Page 871 of the Public Records of Flagler County, Florida; thence on said South line through the following courses: N 89°23'12" E, a distance of 2873.95 feet; thence S 43°02'23" E, a distance of 383.63 feet to the beginning of a curve concave Southwesterly having a radius of 25.00 feet and a central angle of 66°53'45"; thence on the arc of said curve a distance of 29.19 feet said arc being subtended by a chord which bears S 09°35'31" E, a distance of 27.56 feet to the curves end and a point of reverse curvature a curve concave Northeasterly having a radius of 54.00 feet and a central angle of 156°53'45"; thence on the arc of said curve a distance of 147.87 feet said arc being subtended by a chord which bears S 54°35'31" E, a distance of 105.81 feet to the curves end; thence N 46°57'37" E, a distance of 54.00 feet; thence S 43°02'23" E, a distance of 325.77 feet; thence N 89°25'06" E. a distance of 1908.32 to the POINT OF BEGINNING.

Together With:

PARCEL 2 - TRACT "I"

A parcel of land lying in Sections 10, 15, 16 and 22, Township 13 South, Range 30 East, Flagler County, Florida and being a portion of the subdivision of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida and being more particularly described as follows:

BEGIN at the Southeast corner of Section 16, Township 13 South, Range 30 East, Flagler County, Florida; thence on the South line of said Section 16, N 89°36'11" W, a distance of 2671.24 feet to the Southwest corner of the Southeast 1/4 of said Section 16; Thence departing said South line and on the West line of the Southeast 1/4 of said Section 16, N 1°32'31" W, a distance of 1328.92 feet to the Northeast corner of the South 1/2 of the Southwest 1/4 of said Section 16; thence

departing said West line and on the North line of the South 1/2 of the Southwest 1/4 of said Section 16, N 89°55'51" W, a distance of 805.85 feet to the Southeasterly Right of Way line of State Road 304 (a variable width Right of Way per Florida Department of Transportation Right of Way Maps Section 73510-2601); thence departing said North line and on the Southeasterly Right of Way line of said State Road 304 through the following courses: N 41°47'02" E, a distance of 828.22 feet; thence S 48°12'58" E, a distance of 25.00 feet; thence N 41°47'02" E, a distance of 2771.95 feet to a point on the North line of the Southeast 1/4 of the Northeast 1/4 of aforesaid Section 16; thence departing said Southeasterly Right of Way line and on the North line of the Southeast 1/4 of the Northeast 1/4 of said Section 16, N 89°38'48" E, a distance of 979.85 feet to the Southwest corner of the Northwest 1/4 of the Northwest 1/4 of Section 15, Township 13 South, Range 30 East, Flagler County, Florida; thence departing said North line and on the West line of the Northwest 1/4 of the Northwest 1/4 of said Section 15, N 1°38'39" W, a distance of 1057.12 feet to the Southeasterly Right of Way line of State Road 304 (a variable width Right of Way per Florida Department of Transportation Right of Way Maps Section 73510-2601): thence departing said West line and on the Southeasterly Right of Way line of said State Road 304, N 41°45'47" E. a distance of 1395.30 feet to a point on the Westerly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida: thence departing the Southeasterly Right of Way line of said State Road 304 and on the Westerly Right of Way line of said Florida Power and Light Company Right of Way, S 16°41'34" E, a distance of 2994.33 feet to a point on the North line of the South 1/2 of Track 10, Block B of the subdivision of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida; thence departing said Westerly Right of Way line and on the North line of the South 1/2 of said Track 10, Block B. N 86°41'51" W, a distance of 414.48 feet to the Northwest corner of the of the South 1/2 of said Track 10, Block B; thence departing said North line and on the West line of the South 1/2 of said Track 10, Block B, S 1°44'51" E, a distance of 669.93 feet to the Southwest corner of said Track 10, Block B; thence departing said West line and on the South line of said Track 10, Block B, S 86°43'47" E, a distance of 598.21 feet to a point on the Westerly Right of Way line of aforesaid Florida Power and Light Company Right of Way as recorded in, Official Records Book 215. Page 141 of the Public Records of Flagler County, Florida; thence departing said South line and on the Westerly Right of Way line of said Florida Power and Light Company Right of Way through the following courses: S 16°41'34" E, a distance of 1750.17 feet; thence S 26°20'10" W, a distance of 5062.48 feet to a point on the West line of Section 22, Township 13 South, Range 30 East, Flagler County, Florida; thence departing said Westerly Right of Way line and on the West line of said Section 22, N 1°38'28" W, a distance of 3643.68 feet to the Point of Beginning.

Together With:

PARCEL 2 - TRACT "J"

A parcel of land lying in Sections 31 and 32, Township 14 South, Range 30 East, Sections 3,4,9,10,11,13,14 and 15, Township 15 South, Range 30 East and in Sections 17 and 18, Township 15 South, Range 31 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

Commence at the Northeast corner of Section 32, Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 32, S 89° 26' 37" W, a distance of 929.66 feet to a point 20 feet West of the centerline of a Forest Management Road locally known as Forest Management Road "B", said point being the POINT OF BEGINNING; thence departing said North line and on a line 20 feet West of the centerline of aforesaid Forest Management Road "B"

through the following courses, S 29° 00' 58" W, a distance of 710.66 feet; thence S 44° 52' 43" W, a distance of 438.82 feet; thence S 35° 05' 04" W, a distance of 724.86 feet; thence S 35° 16' 31" W, a distance of 697.29 feet; thence S 34° 25' 28" W, a distance of 638.85 feet; thence S 05° 09' 02" E, a distance of 654.24 feet; thence S 00° 07' 38" W, a distance of 157.15 feet; thence S 13° 13' 29" W, a distance of 121.87 feet; thence S 16° 22' 41" W, a distance of 711.44 feet; thence S 02° 05' 12" W, a distance of 406.43 feet; thence S 06° 45' 50" E, a distance of 912.39 feet; thence S 06° 53' 15" E, a distance of 852.23 feet to the Northerly Right of Way line of State Road 40, a 200 feet wide Right of Way per Florida Department of Transportation Right of Way Map, Section 79100-2503; thence on said Northerly Right of Way line of State Road 40 through the following courses, S 74° 23' W, a distance of 3070.73 feet to the beginning of a curve concave to the North having a radius of 5661.65 feet and a central angle of 07° 46' 30"; thence on the arc of said curve a distance of 768.28 feet, said arc being subtended by a chord which bears S 78° 16' 38" W, a distance of 767.69 feet to the curves end; thence S 82° 09' 53" W, a distance of 1700.46 feet to a point 20 feet East of the centerline of a Forest Management Road locally known as Forest Management Road "A"; thence departing the Northerly Right of Way line of aforesaid State Road 40 and on a line 20 feet East of the centerline of aforesaid Forest Management Road "A" through the following courses, N 12° 44' 55" E, a distance of 1347.80 feet; thence N 23° 08' 22" E, a distance of 182.04 feet; thence N 42° 32' 13" E, a distance of 183.72 feet; thence N 60° 00' 18" E, a distance of 103.80 feet; thence N 77° 48' 25" E, a distance of 126.84 feet; thence S 88° 11' 11" E, a distance of 79.27 feet; thence N 68° 20' 24" E, a distance of 57.73 feet; thence N 16° 44' 18" E. a distance of 71.03 feet; thence N 10° 38' 13" W, a distance of 1352.46 feet; thence N 10° 40' 05" W, a distance of 1291.34 feet; thence N 13° 34' 29" W, a distance of 344.53 feet; thence N 21° 33' 25" W, a distance of 1169.70 feet; thence N 21° 56' 54" W, a distance of 653.58 feet; thence N 21° 36' 29" W, a distance of 769.11 feet; thence N 40° 46' 37" W, a distance of 527.19 feet to a point on the North line of Section 31, Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 31, N 89° 26' 37" E, a distance of 3865.19 feet to the Northeast corner of said Section 31, the same being the Northwest corner of aforesaid Section 32. Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 32, N 89° 26' 37" E, a distance of 4349.80 feet to the POINT OF BEGINNING.

Together With:

PARCEL 2 – TRACT "K"

Commence at the Southeast corner of Section 17, Township 15 South, Range 31 East, Volusia County, Florida; thence on the South line of said Section 17, S 88° 39' 52" W, a distance of 5311.55 feet to the Southwest corner of said Section 17, the same being the Southeast corner of Section 18, Township 15 South, Range 31 East, Volusia County, Florida; thence on the South line of said Section 18, S 88° 39' 52" W, a distance of 5316.86 feet to the Southwest corner of said Section 18, the same being the Southeast corner of Section 13, Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of said Section 13, S 88° 59' 03" W, a distance of 828.38 feet to a point on the Westerly line of a Florida Power and Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida, said point being the POINT OF BEGINNING; thence continue on the South line of said Section 13, S 88° 59' 03" W, a distance of 4483.97 feet to the Southwest corner of said Section 13, the same being the Southeast corner of Section 14, Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of said Section 14, S 88° 42' 00" W, a distance of 2638.88 feet to the Southeast corner of the Southwest 1/4 of said Section 14; thence continue on the South line of said Section 14, S 88° 44' 35" W, a distance of 2633.47 feet to the Southwest corner of said Section 14, the same being the Southeast corner of Section 15,

Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of the East 1/2 of said Section 15, S 89° 24' 13" W, a distance of 2668.10 feet to the Southwest corner of the East 1/2 of said Section 15; thence departing said South line and on the West line of the East 1/2 of said Section 15, N 00° 27' 35" W, a distance of 1339.92 feet to the Southeast corner of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15; thence departing said West line and on the South line of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15, S 89° 21' 21" W, a distance of 667.60 feet to the Southwest corner of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15; thence departing said South line and on the West line of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15, N 00° 29' 03" W, a distance of 1339.36 feet to the Northwest corner of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15; thence departing said West line and on the South line of the Northwest 1/4 of said Section 15, S 89° 18' 30" W, a distance of 2004.51 feet to the Southwest corner of the Northwest 1/4 of said Section 15; thence departing said South line and on the West line of the Northwest 1/4 of said Section 15, N 00° 33' 27" W, a distance of 2681.18 feet to the Northwest corner of said Section 15, the same being the Southeast corner of Section 9, Township 15 South, Range 30 East, Volusia County, Florida; thence departing said West line and on the South line of the East 1/2 of said Section 9, S 88° 52' 36" W, a distance of 2610.14 feet to the Southwest corner of the East 1/2 of said Section 9; thence departing said South line and on the West line of the East 1/2 of said Section 9, N 01° 34' 25" W, a distance of 5270.67 feet to the Northwest corner of the East 1/2 of said Section 9, the same being the Southwest corner of the East 1/2 of Section 4, Township 15 South, Range 30 East, Volusia County, Florida; thence on the West line of the East 1/2 of said Section 4, N 00° 16' 16" W, a distance of 2972.04 feet to a point on the Southerly Right of Way line of State Road 40, a 200 feet wide Right of Way per Florida Department of Transportation Right of Way Map, Section 79100-2503, said point being on a curve concave to the North having a radius of 5861.65 feet and a central angle of 06° 51' 35"; thence departing said West line and on said Southerly Right of Way line of State Road 40 and on the arc of said curve a distance of 701.78 feet, said arc being subtended by a chord which bears N 77° 49' 10" E, a distance of 701,36 feet to the curves end; thence continue on said Southerly Right of Way line of State Road 40, N 74° 23' 23" E, a distance of 3071.83 feet to a point 20 feet West of the centerline of a Forest Road locally known as Forest Management Road "B"; thence departing the Southerly Right of Way line of State Road 40 and on a line 20 feet West of the centerline of aforesaid Forest Management Road "B" through the following courses, S 18° 33' 39" E, a distance of 937.03 feet; thence S 18° 45' 34" E, a distance of 709.38 feet; thence S 18° 32' 13" E, a distance of 496.41 feet; thence S 26° 53' 00" E, a distance of 89.78 feet; thence S 49° 23' 17" E, a distance of 103.20 feet; thence S 59° 04' 17" E, a distance of 279.13 feet; thence S 52° 23' 12" E, a distance of 124.74 feet; thence S 32° 27' 25" E, a distance of 231.99 feet; thence S 32° 03' 38" E, a distance of 241.75 feet; thence S 34° 35' 32" E, a distance of 598.98 feet; thence S 39° 26' 42" E, a distance of 171.82 feet; thence S 44° 13' 57" E, a distance of 1374.87 feet; thence S 40° 58' 25" E, a distance of 1023.75 feet; thence S 40° 57' 20" E, a distance of 1522.12 feet; thence S 41° 52' 28" E, a distance of 1301.42 feet; thence S 22° 14' 32" E, a distance of 113.06 feet; thence S 12° 01' 10" E, a distance of 1003.87 feet; thence S 11° 38' 03" E, a distance of 700.17 feet to a point on the North line of Section 14, Township 15 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 14, N 88° 55' 30" E, a distance of 3990.49 feet to Northeast corner of said Section 14, the same being the Northwest corner of Section 13, Township 15 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 13, N 89° 22' 49" E. a distance of 3305.64 feet to a point on the Westerly line of the aforesaid Florida Power and Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing said North line and on the Westerly line of said Florida Power and Light Company Right of Way, S 21° 25' 08" E, a distance

of 1264.30 feet; thence continue on the Westerly line of said Florida Power and Light Company Right of Way, S 10° 39' 05" E, a distance of 4200.89 feet to the POINT OF BEGINNING.

Together With:

PARCEL 2 - TRACT "L"

Commence at the Southeast corner of Section 17, Township 15 South, Range 31 East, Volusia County, Florida; thence on the South line of said Section 17, S 88° 39' 52" W, a distance of 1327.89 feet to the Southeast corner of the Southwest 1/4 of the Southeast 1/4 of said Section 17 and the POINT OF BEGINNING; thence continue on the South line of said Section 17, S 88° 39' 52" W, a distance of 3983.66 feet to Southwest corner of said Section 17, the same being the Southeast corner of Section 18, Township 15 South, Range 31 East, Volusia County, Florida; thence on the South line of said Section 18, S 88° 39' 52" W, a distance of 5316.86 feet to the Southwest corner of said Section 18, the same being the Southeast corner of Section 13, Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of said Section 13, S 88° 59' 03" W, a distance of 524.08 feet to a point on the Easterly line of a Florida Power and Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing said South line and on the Easterly line of said Florida Power and Light Company Right of Way, N 10° 39' 05" W, a distance of 351.79 feet; thence continue on the Easterly line of said Florida Power and Light Company Right of Way, N 10° 13' 38" W, a distance of 4090.33 feet; thence continue on the Easterly line of said Florida Power and Light Company Right of Way, N 21° 25' 07" W, a distance of 1002.42 feet to the North line of aforesaid Section 13, Township 15 South, Range 30 East, Volusia County, Florida; thence departing said Easterly line of said Florida Power and Light Company Right of Way and on the North line of said Section 13, N 89° 22' 49" E, a distance of 1593.79 feet to the Northeast corner of said Section 13, the same being the Northwest corner of aforesaid Section 18, Township 15 South, Range 31 East, Volusia County, Florida; thence on the North line of said Section 18, N 89° 07' 44" E, a distance of 5266.05 feet to the Northeast corner of said Section 18, the same being the Northwest corner of aforesaid Section 17, Township 15 South, Range 31 East, Volusia County, Florida; thence on the North line said Section 17, N 88° 46' 28" E, a distance of 1334.66 feet to the Northeast corner of the West 1/2 of the Northwest 1/4 of said Section 17; thence departing said North line and on the East line of the West 1/2 of the Northwest 1/4 of said Section 17. S 01° 25' 22" E, a distance of 2633.79 feet to the Southeast corner of the West 1/2 of the Northwest 1/4 of said Section 17; thence departing said East line and on the South line of the West 1/2 of the Northwest 1/4 of said Section 17, S 88° 43' 11" W, a distance of 1331.27 feet to the Southwest corner of the West 1/2 of the Northwest 1/4 of said Section 17; thence departing said South line and on the West line of said Section 17, S 01° 29' 47" E, a distance of 1317.54 feet to the Northwest corner of the South 1/2 of the Southwest 1/4 of said Section 17; thence departing said West line and on the North line of the South 1/2 of the Southwest 1/4 of said Section 17 and on the North line of the Southwest 1/4 of the Southeast 1/4 of said Section 17, N 88° 41' 31" E, a distance of 3988.73 feet to the Northeast corner of the Southwest 1/4 of the Southeast 1/4 of said Section 17; thence departing said North lines and on the East line of the Southwest 1/4 of the Southeast 1/4 of said Section 17, S 01° 16' 32" E, a distance of 1315.61 feet to the POINT OF BEGINNING.

DESCRIPTION: PARCEL 3

PARCEL 3 - TRACT "A"

A parcel of land lying in Section 36, Township 14 South, Range 29 East, Section 31, Township 14 South, Range 30 East and in Sections 4 and 5, Township 15 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

BEGIN at the Northwest corner of Section 31, Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 31, N 89° 26' 37" E, a distance of 1414.27 feet to a point 20 feet East of the centerline of a Forest Management Road locally known as Forest Management Road "A"; thence departing the North line of said Section 31 and on a line 20 feet East of the centerline of aforesaid Forest Management Road "A" through the following courses: S 40°46'37" E, a distance of 527.19 feet; thence S 21°36'29" E, a distance of 769.11 feet; thence S 21°56'54" E, a distance of 653.58 feet; thence S 21°33'25" E, a distance of 1169.70 feet; thence S 13°34'29" E, a distance of 344.53 feet; thence S 10°40'05" E, a distance of 1291.34 feet; thence S 10°38'13" E, a distance of 1352.46 feet; thence S 16°44'18" W, a distance of 71.03 feet to a point hereafter referred to as "POINT A"; thence returning to the POINT OF BEGINNING proceed on the North line of Section 36, Township 14 South, Range 29 East, Volusia County, Florida, S 89°38'06" W, a distance of 2993.67 feet; to a point on the Easterly Right of Way Line of State Road 11 (a 200 foot right of way, per Florida Department of Transportation Right of Way Maps Sections 7909-104 & 79100-2901); thence departing said North line and on said Easterly Right of Way Line, S 4°38'21" E, a distance of 5362.16 feet to a point on the South line of aforesaid Section 36, Township 14 South, Range 29 East, Volusia County, Florida; thence departing said Easterly Right of Way Line and on the South line of said Section 36 the same being the North Line of the Northwest 1/4 of Section 5, Township 15 South, Range 30 East, Volusia County, Florida, N 88°46'28" E, a distance of 1497.46 feet to the Northwest corner of the Northeast 1/4 of Section 5, Township 15 South, Range 30 East, Volusia County, Florida; thence continue on the South Line of aforesaid Section 36 the same being the North Line of the Northeast 1/4 of Section 5, Township 15 South, Range 30 East, Volusia County, Florida, N 89°06'19" E, a distance of 1320.86 feet; thence departing said North and South lines, S 0°02'24" E, a distance of 2447.12 feet to a point on the Northerly Limited Access Right of Way Line of State Road 40 (per Florida Department of Transportation Right of Way Maps Sections 79100-2503); thence on said Northerly Limited Access Right of Way Line and Northerly Right of Way Line of State Road 40 through the following courses: N 82°09'53" E, a distance of 633.43 feet; thence S 7°50'07" E, 50.00 feet a point on the Northerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Maps Sections 79100-2503); thence continue on said Northerly Right of Way Line of State Road 40 through the following courses: N 82°09'53" E, a distance of 3245.96 feet to the beginning of a curve concave Northwesterly having a radius of 5661.65 feet and a central angle of 7°46'30"; thence on the arc of said curve a distance of 768.28 feet said arc being subtended by a chord that bears N 78°16'38" E, a distance of 767.69 feet to the curves end and a point on a meandering line between an existing pine plantation and wetland said point bearing S 50°15'49" E, a distance of 2075.89 feet from aforesaid "POINT A"; thence departing the Northerly Right of Way Line of State Road 40 and on said meander line between an existing pine plantation and wetland, Northwesterly, a distance of 2272 feet, more or less to aforesaid "POINT A" to close.

LESS Maintained Right of Way for Clifton Cemetery Road, a County Maintained Right of Way.

TOGETHER WITH:

PARCEL 3 - TRACT "B"

A parcel of land lying in Sections 28, 29, 32 and 33, Township 14 South, Range 30 East, and in Sections 2 and 3, Township 15 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

Begin at the Northwest corner of Section 28, Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 28, N 89°49'43" E, a distance of 4718.82 feet to a point on the Westerly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida: thence departing the North line of said Section 28 and on the Westerly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses: S 1°00'03" E, a distance of 6622.81 feet; thence S 88°59'57" W, a distance of 100.00 feet; thence S 1°00'03" E, a distance of 68.01 feet; thence S 21°24'53" E, a distance of 68.01 feet; thence N 68°35'07" E, a distance of 100.00 feet; thence S 21°24'53" E, a distance of 2921.78 feet to a point on the Northerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence departing said Westerly Right of Way Line and on the Northerly Right of Way Line of said State Road 40, S 74°23'23" W, a distance of 8883.67 feet to a point 20 feet West of the centerline of a Forest Management Road locally known as Forest Management Road "B"; thence departing the Northerly Right of Way Line of said State Road 40 on a line 20 feet West of the centerline of aforesaid Forest Management Road "B" through the following courses: N 6°53'15" W, a distance of 852.23 feet; thence N 6°45'50" W, a distance of 912.39 feet; thence N 2°05'12" E, a distance of 406.43 feet; thence N 16°22'41" E, a distance of 711.44 feet; thence N 13°13'29" E, a distance of 121.87 feet; thence N 0°07'38" E, a distance of 157.15 feet; thence N 5°09'02" W, a distance of 654.24 feet; thence N 34°25'28" E, a distance of 638.85 feet; thence N 35°16'31" E, a distance of 697.29 feet; thence N 35°05'04" E, a distance of 724.86 feet; thence N 44°52'43" E, a distance of 438.82 feet; thence N 29°00'58" E, a distance of 710.66 feet to a point on the South Line of Section 29, Township 14 South, Range 30 East, Volusia County, Florida; thence on the South Line of said Section 29, N 89°26'37" E, a distance of 269.52 feet to the Southwest corner of the East 1/2 of the East 1/4 of said Section 29; thence departing the South line of said Section 29 and on the West Line of the East 1/2 of the East 1/4 of said Section 29, N 1°07'29" W, a distance of 5409.16 feet to the Northwest corner of the East 1/2 of the East 1/4 of said Section 29; thence departing said West Line and on the North line of the East 1/2 of the East 1/4 of said Section 29, N 88°47'01" E, a distance of 662.33 feet to the POINT OF BEGINNING.

TOGETHER WITH:

PARCEL 3 - TRACT "C"

A parcel of land lying in Sections 27, 28, 33 and 34, Township 14 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

Begin at the Northeast corner of Section 27, Township 14 South, Range 30 East, Volusia County, Florida; thence on the East Line of said Section 27, S 0°43'05" E, a distance of 5281.63 feet to the Southeast corner of said Section 27, the same being the Northeast corner of Section 34, Township 14 South, Range 30 East, Volusia County, Florida; thence departing the East Line of said Section 27 and on the East Line of said Section 34, S 0°50'04" E, a distance of 2995.90 feet to a point on

the Northerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence departing said East Line and on the Northerly Right of Way Line of said State Road 40 the same being on a curve concave Southerly having a radius of 2925.76 feet and a central angle of 18°35'49"; thence on the arc of said curve a distance of 949.64 feet, said arc being subtended by a chord that bears S 83°41'17" W, a distance of 945.48 feet to the curves end; thence continue on the Northerly Right of Way Line of said State Road 40, S 74°23'23" W, a distance of 3756.48 feet to a point on the Easterly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing the Northerly Right of Way Line of State Road 40 and on the Easterly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses: N 21°24'53" W, a distance of 2948.26 feet; thence N 1°00'03" W, a distance of 6614.46 feet to a point on the North Line of Section 28, Township 14 South, Range 30 East, Volusia County, Florida; thence departing said Easterly Line and on the North Line of said Section 28, N 89°49'43" E, a distance of 347.16 feet to the Northeast corner of said Section 28, the same being the Northwest corner of aforesaid Section 27, Township 14 South, Range 30 East, Volusia County, Florida; thence departing the North Line of aforesaid Section 28 and on the North line of said Section 27, N 89°38'58" E, 5292.80 feet to the POINT OF BEGINNING.

TOGETHER WITH:

PARCEL 3 - TRACT "D"

A parcel of land lying in Sections 33 and 34, Township 14 South, Range 30 East, and in Sections 1,2,3,10,11 and 12, Township 15 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

BEGIN at the Southeast corner of Section 11, Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of said Section 11, S 88°55'30" W, a distance of 3990.49 feet to a point 20 feet West of the centerline of a Forest Management Road locally known as Forest Management Road "B"; thence departing the South line of said Section 11 and on a line 20 feet West of the centerline of aforesaid Forest Management Road "B" through the following courses: N 11°38'03" W, a distance of 700.17 feet; thence N 12°01'10" W, a distance of 1003.87 feet; thence N 22°14'32" W, a distance of 113.06 feet; thence N 41°52'28" W, a distance of 1301.42 feet; thence N 40°57'20" W, a distance of 1522.12 feet; thence N 40°58'25" W, a distance of 1023.75 feet; thence N 44°13'57" W, a distance of 1374.87 feet; thence N 39°26'42" W, a distance of 171.82 feet; thence N 34°35'32" W, a distance of 598.98 feet; thence N 32°03'38" W, a distance of 241.75 feet; thence N 32°27'25" W, a distance of 231.99 feet; thence N 52°23'12" W, a distance of 124.74 feet; thence N 59°04'17" W, a distance of 279.13 feet; thence N 49°23'17" W, a distance of 103.20 feet; thence N 26°53'00" W, a distance of 89.78 feet; thence N 18°32'13" W, a distance of 496.41 feet; thence N 18°45'34" W, a distance of 709.38 feet; thence N 18°33'39" W, a distance of 937.03 feet to a point on the Southerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence on said Southerly Right of Way Line of State Road 40, N 74°23'23" E, a distance of 8902.90 feet to a point on the Westerly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing the Southerly Right of Way Line of said State Road 40 and on the Westerly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses, S 21°24'53" E, a distance of 8620.26 feet; thence S 60°43'11" W, a distance of 197.04 feet; thence S 00°54'18" W, a distance of 3253.41 feet to a point on the South line of Section 12, Township 15

South, Range 30 East, Volusia County, Florida; thence departing the Westerly Right of Way line of said Power & Light Company Right of Way and on the South line of said Section 12, S 89°22'49" W, a distance of 1775.66 to the POINT OF BEGINNING.

TOGETHER WITH:

PARCEL 3 - TRACT "E"

A parcel of land lying in Sections 34 and 35, Township 14 South, Range 30 East, Sections 1, 2, and 12, Township 15 South, Range 30 East and in Section 7, Township 15 South, Range 31 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

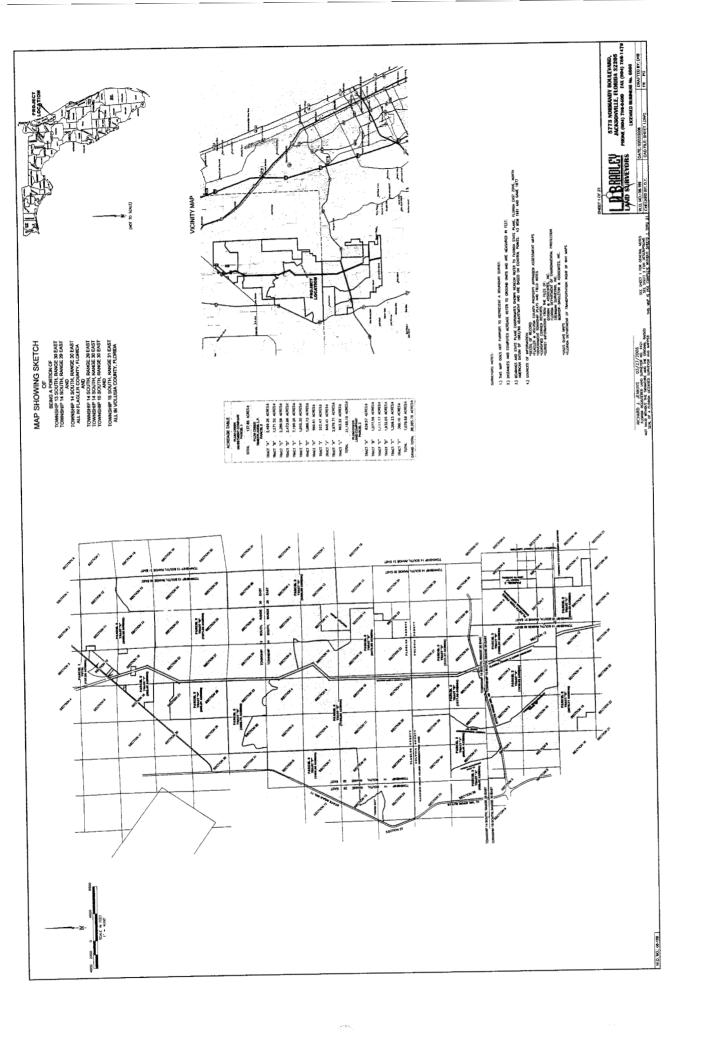
BEGIN at the Northeast corner of Section 12, Township 15 South, Range 30 East, Volusia County, Florida; thence on the East line of said Section 12, S 00°40'00" E, a distance of 2650.44 feet to the Northwest Corner of the South 1/2 of Section 7, Township 15 South, Range 31 East, Volusia County, Florida: thence departing said East line and on the North line of the South 1/2 of said Section 7, N 89°19'09" E, a distance of 5278.30 feet to the Northeast corner of the South 1/2 of said Section 7; thence departing said North line and on the East line of the South 1/2 of said Section 7, S 00°41'03" E, a distance of 2409.52 feet; to the Northeast comer of the South 230 feet of said Section 7 as recorded in Official Records Book 2622. Page 1169 of the Public Records of Volusia County, Florida; thence departing said East line and on the North line of the South 230 feet of said Section 7, S 89°07'44" W, a distance of 5267.09 feet to the Northwest corner of the South 230 feet of said Section 7; thence departing said North line and on the West line of the South 1/2 of said Section 7. N 00°56'56" W. a distance of 1275.69 feet to a point on the Easterly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing said West line and on said Easterly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses: N 35°48'21" W, a distance of 1384.61 feet; thence S 90°00'00" W, a distance of 1795.79 feet; thence N 21°24'53" W. a distance of 1273.78 feet; thence N 22°17'46" W. a distance of 3904.12 feet; thence N 21°24'53" W, a distance of 4287.20 feet to a point on the Southerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence departing the Easterly Right of Way Line of said Florida Power & Light Company Right of Way and on the Southerly Right of Way Line of said State Road 40 through the following courses: N 74°23'23" E, a distance of 3736.15 feet to the beginning of a curve concave Southerly having a radius of 2725.76 feet and a central angle of 23°10'10"; thence on the arc of said curve a distance of 1102.25 feet said arc being subtended by a chord that bears N 85°58'28" E, a distance of 1094.76 feet to the curves end; thence S 82°26'27" E, a distance of 1305.72 feet to a point on the West line of PLANTATION PINES (an unrecorded subdivision); thence departing said Southerly Right of Way line and on the West line of said PLANTATION PINES (an unrecorded subdivision) S 00°40'09" E, a distance of 1721.08 feet to the Northeast corner of Section 1, Township 15 South, Range 30 East, Volusia County, Florida; thence on the East line of said Section 1, the same being the West line of aforesaid PLANTATION PINES (an unrecorded subdivision), S 00°40'38" E, a distance of 5300.64 feet to the POINT OF BEGINNING.

TOGETHER WITH:

PARCEL 3 - TRACT "F"

A parcel of land lying in Sections 5 and 8, Township 15 South, Range 31 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

Begin at the Northwest corner of Section 5, Township 15 South, Range 31 East, Volusia County. Florida, thence on the North Line of said Section 5, N 89°36'29" E, a distance of 1319.85 feet to the Northeast corner of the West 1/2 of the Northwest 1/4 of said Section 5; thence departing said North Line and on the East Line of the West 1/2 of the Northwest 1/4 of said Section 5, S 0°43'40" E. a distance of 2635.16 feet to the Southeast corner of the West 1/2 of the Northwest 1/4 of said Section 5, said corner being on the North Line of the Southwest 1/4 of said Section 5; thence departing said East Line and on the North Line of the Southwest 1/4 of said Section 5, N 89°26'21" E, a distance of 1321.45 feet to the Northeast corner of the Southwest 1/4 of said Section 5; thence departing said North Line and on the East line of the Southwest 1/4 of said Section 5, S 0°45'47" E, a distance of 2631.54 feet to the Southeast corner of the Southwest 1/4 of said Section 5, the same being the Northeast corner of the Northeast 1/4 of the Northwest 1/4 of Section 8. Township 15 South, Range 31 East, Volusia County, Florida; thence on the East Line of the Northeast 1/4 of the Northwest 1/4 of said Section 8, S 0°56'00" E, a distance of 1310.73 feet to the Southeast corner of the Northeast 1/4 of the Northwest 1/4 of said Section 8; thence departing said East Line and on the South Line of the Northeast 1/4 of the Northwest 1/4 of said Section 8, S 89°04'11" W, a distance of 1326.03 feet to the Southwest corner of the Northeast 1/4 of the Northwest 1/4 of said Section 8 the same being the Northeast corner of the Southwest 1/4 of the Northwest 1/4 of said Section 8; thence departing said South Line and on the East Line of the Southwest 1/4 of the Northwest 1/4 of said Section 8, S 0°48'30" E, a distance of 1315.24 feet to the Southeast corner of the Southwest 1/4 of the Northwest 1/4 of said Section 8; thence departing said East Line and on the South Line of the Southwest 1/4 of the Northwest 1/4 of said Section 8, S 88°52'31" W, a distance of 1328.91 feet to the Southwest corner of the Northwest 1/4 of said Section 8; thence departing said South Line and on the West Line of the Northwest 1/4 of said Section 8 the same being on the East Line of PLANTATION PINES (an unrecorded subdivision), N 0°41'03" W, a distance of 2639.52 feet to the Northwest Corner of said Section 8, the same being the Southwest corner of the Southwest 1/4 of aforesaid Section 5: thence on the West line of the Southwest 1/4 said Section 5, the same being on the East Line of aforesaid PLANTATION PINES (an unrecorded subdivision), N 0°41'17" W, a distance of 2639.58 feet to the Southwest corner of the West 1/2 of the Northwest 1/4 of said Section 5; thence on the West Line of the West 1/2 of the Northwest 1/4 of said Section 5, the same being on the East Line of aforesaid PLANTATION PINES (an unrecorded subdivision), N 0°41'34" W, a distance of 2639.04 feet to the POINT OF BEGINNING.



Appendix X:

Attachment to Exhibit O

Affidavits, Notice, and FPSC Listing of Entities to be Notified

AFFIDAVITS

AFFIDAVIT

l,	, do solemnly	swear	or affirm	that a	сору	of the
attached Notice of	Actual Application was sent b	oy regula	ar mail on		,	2005,
to each of the go	overnmental bodies, agencies	, utilities	s, councils	s, munic	ipalities	s, and
other entities appe	earing on the list provided by	the Flor	ida Public	Service	Comm	nission
which is also attac	hed hereto.					
BY:						
	(Applicant's Signature)					
	(Applicant's Name)					
	(Applicant's Title)					
Subscribed and sw	orn before me this day o)f		, 200	5.	
	NOTABYON					
	NOTARY PUR	1 1(:				

AFFIDAVIT

l,	do solemnly swear or af	firm that the No	otice of Actual Application	'n
was provided in a	accordance with Rule 25-3	30.030, Florida	Administrative Code, b	у
regular mail or pers	sonal delivery to each prosp	ective customer	of the system.	
BY:				
,	(Applicant's Signature)	_		
	(Applicant's Name)	_		
		_	•	
	(Applicant's Title)			
Subscribed and sw	orn before me this day	<i>r</i> of	, 2005.	
			_	
	NOTARY PU	BLIC		

NOTICE

NOTICE OF APPLICATION FOR INITIAL CERTIFICATES OF AUTHORIZATION FOR WATER AND WASTEWATER FOR D & E WATER RESOURCES, L.L.C.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

(Section 367.045, Florida Statutes)

LEGAL NOTICE

Notice is herby given on October 20, 2006, pursuant to Section 367.045, Florida Statutes, of the application of D & E Water Resources, L.L.C. to operate a water and wastewater utility to provide service to the following described territory in Flagler and Volusia Counties, Florida. Please see attached legal description.

Any objection to the said application must be made in writing <u>and filed</u> with the Director, Division of the Commission Clerk and Administrative Services, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within thirty (30) days from the date of this notice. At the same time, a copy of said objection should be mailed to the applicant whose address is set forth below. The objection must state the grounds for the objection with particularity.

D & E Water Resources, L.L.C. One Concourse Parkway Suite 755 Atlanta, Georgia 30328

D & E WATER RESOURCES, L.L.C. DESCRIPTION OF TERRITORY

SERVING ONLY FLAGLER COUNTY, FLORIDA

TOWNSHIP 13 SOUTH, RANGE 30 EAST: The Southeast corner of Section 10 lying East of SR 304; Section 11, less a portion of Northwest corner; All of Section 12; All of Section 13; All of Section 14; All of Section 15, less the Northeast corner; All of Section 16 lying Southeast of SR 304; The South ½ of Section 21; All of Section 22; All of Section 23, All of Section 24; All of Section 25; All of Section 26; All of Section 36.

TOWNSHIP 14 SOUTH, RANGE 29 EAST: All of Section 12 lying East of SR 11; All of Section 13 lying East of SR 11; All of Section 23 lying East of SR 11; All of Section 24 lying East of SR 11.

TOWNSHIP 14 SOUTH, RANGE 30 EAST: All of Section 1; All of Section 2; All of Section 3; All of Section 4; All of Section 5; All of Section 6 lying East of SR 11; All of Section 7 lying East of SR 11; All of Section 8; All of Section 9; All of Section 10; All of Section 11; All of Section 12; All of Section 14; All of Section 15; All of Section 16; All of Section 17; All of Section 18; All of Section 19; All of Section 20; All of Section 21; All of Section 22; The Northwest 1/4 and the Northwest 1/4 of the Northwest 1/4 of Section 23.

SERVING ONLY VOLUSIA COUNTY, FLORIDA

TOWNSHIP 14 SOUTH, RANGE 29 EAST: All of Section 36 lying East of SR 11.

TOWNSHIP 14 SOUTH, RANGE 30 EAST: All of Section 27; All of Section 28; The East 1/8 of Section 29; All of Section 31; All of Section 32; All of Section 33; All of Section 34; Section 35: the West ½ of the Southwest ¼ lying South of SR 40;

TOWNSHIP 15 SOUTH, RANGE 30 EAST: All of Section 1; All of Section 2; All of Section 3; All of Section 4 less the Southwest ¼ lying South of SR 40; Section 5: The Northeast ¼ lying North of SR 40; The East ½ of Section 9; All of Section 10; All of Section 11; All of Section 12, less the Southeast ¼; All of Section 13; All of Section 14; All of Section 15, less a portion of the Southwest ¼.

TOWNSHIP 15 SOUTH, RANGE 31 EAST: Section 5: West ½ of the Northwest ¼ and the Southwest ¼; The South ½ of Section 7; The North ½ of Northwest ¼ and Southwest ¼ of Northwest ¼ of Section 8; Section 17: The West ½ of Northwest ¼, the South ½ of Southwest ¼, and Southwest ¼ of the Southeast ¼; All of Section 18.

FPSC LISTING OF ENTITIES TO BE NOTIFIED

COMMISSIONERS:
LISA POLAK EDGAR, CHAIRMAN
J. TERRY DEASON
ISILIO ARRIAGA
MATTHEW M. CARTER II
KATRINA J. TEW





TIMOTHY DEVLIN, DIRECTOR DIVISION OF ECONOMIC REGULATION (850) 413-6900

Public Service Commizzion

October 18, 2006

Mr. D. Bruce May, Jr. Holland & Knight LLP 315 South Calhoun Street Tallahassee, Florida 32301

Re: Noticing List for Volusia and Flagler Counties for the Application of D&E Water Resources, L.L.C. for Original Certificate in Volusia and Flagler Counties, Florida.

Dear Mr. May:

Enclosed is the list of water and wastewater utilities and governmental/regulatory agencies in the above mentioned counties. Please refer to Commission Rule 25-30.030, Florida Administrative Code, for the noticing requirements. Noticing must be done in the proper format, consistent with the rule. If your notice is not in the proper format, you will be required to renotice and your application will be delayed. Instructions for preparation of a territory description are available upon request.

Please note that if your county list includes two Department of Environmental Regulation offices or two Water Management District offices, you must identify which is the proper district office for your notice.

You will note that the county list is dated and is valid for sixty days from that date. If you have not performed the noticing by this date, you must request an updated list.

If you have any questions, please contact the undersigned at (850) 413-6900.

Sincerely

Richard Redemann, P.E.

RR:kb Enclosures 2

C:\MsWord/County List 24 D&E.doc

LIST OF WATER AND WASTEWATER UTILITIES IN FLAGLER COUNTY (VALID FOR 60 DAYS) 10/18/2006 - 12/16/2006

UTILITY NAME

MANAGER

FLAGLER COUNTY

PLANTATION BAY UTILITY CO. (WS479) 2379 BEVILLE ROAD DAYTONA BEACH, FL 32119-8720

DOUG ROSS (386) 437-9185

LIST OF WATER AND WASTEWATER UTILITIES IN FLAGLER COUNTY (VALID FOR 60 DAYS) 10/18/2006 - 12/16/2006

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

CITY CLERK, CITY OF PALM COAST 2 COMMERCE BLVD.
PALM COAST, FL 32164-3126

CLERK, BOARD OF COUNTY COMMISSIONERS, FLAGLER COUNTY P. O. DRAWER 787
BUNNELL, FL 32110-0787

DEP NORTHEAST DISTRICT 7825 BAYMEADOWS WAY,SUITE 300B JACKSONVILLE, FL 32256-7577

MAYOR, CITY OF BUNNELL P. O. BOX 756 BUNNELL, FL 32110-0756

YOR, CITY OF FLAGLER BEACH BOX 70 HAGLER BEACH, FL 32136-0070

MAYOR, TOWN OF BEVERLY BEACH 2770 OCEANSHORE BLVD. BEVERLY BEACH, FL 32136-2746

MAYOR, TOWN OF MARINELAND 9507 OCEAN SHORE BLVD. MARINELAND, FL 32086-9602

N.E. FLORIDA REGIONAL PLANNING COUNCIL 6850 BELFORT OAKS PLACE JACKSONVILLE, FL 32216

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

LIST OF WATER AND WASTEWATER UTILITIES IN FLAGLER COUNTY (VALID FOR 60 DAYS) 10/18/2006 - 12/16/2006

UTILITY NAME

MANAGER

STATE OFFICIALS

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

DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES FLORIDA PUBLIC SERVICE COMMISSION 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FL 32399-0850

LIST OF WATER AND WASTEWATER UTILITIES IN VOLUSIA COUNTY (VALID FOR 60 DAYS) 10/18/2006 - 12/16/2006

UTILITY NAME

MANAGER

YOLUSIA COUNTY

AQUA UTILITIES FLORIDA, INC. (WS887) 762 WEST LANCASTER AVENUE BRYN MAWR, PA 19010-3402 KATHY L. PAPE (610) 645-1142

FARMTON WATER RESOURCES LLC (WU859) 1625 OSTEEN MAYTOWN ROAD OSTEEN, FL 32764-9632 F. MARSHALL DETERDING (850) 877-6555

NORTH PENINSULA UTILITIES CORPORATION (SU615) P. O. BOX 2803 ORMOND BEACH, FL 32175-2803 ROBERT HILLMAN (386) 677-6127

PLANTATION BAY UTILITY CO. (WS479) 2379 BEVILLE ROAD DAYTONA BEACH, FL 32119-8720 DOUG ROSS (386) 437-9185

TYMBER CREEK UTILITIES, INCORPORATED (WS246) WEST GRANADA BLVD. IOND BEACH, FL 32174-6740 STEVE P. SHIRAH (386) 677-5702

LIST OF WATER AND WASTEWATER UTILITIES IN VOLUSIA COUNTY (VALID FOR 60 DAYS) 10/18/2006 - 12/16/2006

UTILITY NAME

MANAGER.

GOVERNMENTAL AGENCIES

COUNTY MANAGER/CLERK, VOLUSIA COUNTY 123 WEST INDIANA AVENUE DELAND, FL 32720-4612

DEP CENTRAL DISTRICT 3319 MAGUIRE BLVD., SUITE 232 ORLANDO, FL 32803-3767

EAST CENTRAL FLORIDA PLANNING COUNCIL 631 NORTH WYMORE ROAD, SUITE 100 MAITLAND, FL 32751

MAYOR, CITY OF DAYTONA BEACH P. O. BOX 2451 DAYTONA BEACH, FL 32115-2451

MAYOR, CITY OF DAYTONA BEACH SHORES SOUTH ATLANTIC AVENUE YTONA BEACH SHORES, FL 32118-6159

MAYOR, CITY OF DELAND % CITY HALL 120 SOUTH FLORIDA AVENUE DELAND, FL 32720-5422

MAYOR, CITY OF DELTONA DELTONA MUNICIPAL COMPLEX 2345 PROVIDENCE BLVD. DELTONA, FL 32725-1806

MAYOR, CITY OF EDGEWATER P. O. BOX 100 EDGEWATER, FL 32132-0100

MAYOR, CITY OF HOLLY HILL 1065 RIDGEWOOD AVENUE HOLLY HILL, FL 32117-2898

MAYOR, CITY OF LAKE HELEN P. O. BOX 39 I.AKE HELEN, FL 32744-0039

MAYOR, CITY OF NEW SMYRNA BEACH EAMS AVENUE W SMYRNA BEACH, FL 32168-7040

LIST OF WATER AND WASTEWATER UTILITIES IN VOLUSIA COUNTY (VALID FOR 60 DAYS) 10/18/2006 - 12/16/2006

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

MAYOR, CITY OF OAK HILL 234 SOUTH U.S. HIGHWAY 1 OAK HILL, FL 32759-9647

MAYOR, CITY OF ORMOND BEACH P. O. BOX 277 ORMOND BEACH, FL 32175-0277

MAYOR, CITY OF PORT ORANGE 1000 CITY CENTER CIRCLE PORT ORANGE, FL 32119-9619

MAYOR, CITY OF SOUTH DAYTONA P. O. BOX 214960 SOUTH DAYTONA, FL 32121

MAYOR, TOWN OF ORANGE CITY BAST GRAVES AVENUE SANGE CITY, FL 32763-5213

MAYOR, TOWN OF PIERSON 106 NORTH CENTER STREET PIERSON, FL 32180-2219

MAYOR, TOWN OF PONCE INLET 4680 SOUTH PENINSULA DRIVE PONCE INLET, FL 32019

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

P:9/9

LIST OF WATER AND WASTEWATER UTILITIES IN VOLUSIA COUNTY (VALID FOR 60 DAYS) 10/18/2006 - 12/16/2006

UTILITY NAME

MANAGER

STATE OFFICIALS

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

DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES FLORIDA PUBLIC SERVICE COMMISSION 2540 SHUMARD OAK BOULEVARD TALLAHASSEE, FL 32399-0850

Appendix XI:

Attachment to Exhibit Q

Original Water Tariff

Original Wastewater Tariff

WATER TARIFF

WATER TARIFF

D & E WATER RESOURCES, L.L.C.

FILED WITH
FLORIDA PUBLIC SERVICE COMMISSION

WATER TARIFF

D & E WATER RESOURCES, L.L.C.

One Concourse Parkway, Suite 755 Atlanta, GA 30328 (770) 829-6316

FLORIDA PUBLIC SERVICE COMMISSION

THOMAS LINDQUIST ISSUING OFFICER EXECUTIVE V.P.

TITLE

WATER TARIFF

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Rules and Regulations	6.0
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Territory Authority	3.0

WATER TARIFF

TERRITORY AUTHORITY

CERTIFICATE NUMBER -

COUNTY -

COMMISSION ORDER(s) APPROVING TERRITORY SERVED -

Order Number

Date Issued

Docket Number

Filing Type

ORIGINAL CERTIFICATE

(Continued to Sheet No. 3.1)

WATER TARIFF

(Continued from Sheet No. 3.0)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 1

A parcel of land lying in Sections 10 and 15, Township 13 South, Range 30 East, Flagler County, Florida, and more particularly described as follows:

From a Point of Reference being the Southwest corner of said Section 10, bear S86°53'34"E along the South line of said Section 10 a distance of 249.50 feet to the Southerly right-of-way of County Road 304; thence N41°37'15"E along the said Southerly right-of-way line of County Road 304 a distance of 1385.48 feet to an intersection with the Easterly right-of-way line of the Florida Power & Light right-of-way (300' R/W) being the Point of Beginning of this description; thence continue N41°37'15"E 2818.53 feet; thence N41°27'55"E 1173.68 feet to a point along said Southerly right-of-way line of County Road 304, said point being the Southwest corner of Official Records Book 360, Pages 74 thru 76 as recorded in the records of Flagler County, Florida; thence leaving said Southerly right-of-way line of County Road 304 along the Southerly line of said Official Records Book 360, Pages 74 thru 76 S86°54'03"E 1371.88 feet; thence S01°25'22"E 359.06 feet; thence S41°27'55"W 1763.90 feet; thence S 41°37'15"W 3630.65 feet to a point on the Easterly right-of-way line of the Florida Power & Light right-of-way (300' R/W); thence along said Easterly right-of-way line N16°50'03"W 1548.88 feet to the Southerly line of County Road 304 and the Point of Beginning of this description.

LESS & EXCEPT THE FOLLOWING DESCRIPTION:

A 10.00 acre parcel of land lying in Section 10, Township 13 South, Range 30 East, Flagler County, Florida and more particularly described as Follows:

From a Point of Reference being the Southwest corner of Section 10, bear S86°53'34"E along the South line of said Section 10 a distance of 249.50 feet to the Southerly right-of-way of County Road 304; thence N41°37'15"E along the said Southerly right-of-way of County Road 304 a distance of 1385.48 feet to an intersection with the Easterly right-of-way line of the Florida Power & Light right-of-way (300' R/W); thence continue N41°37'15"E along the Southerly line of County Road 304 a distance of 330.00 feet to the Point of Beginning of this description; thence continue N41°37'15"E along said right-of-way line a distance of 330.00 feet; thence S48°22'45"E a distance of 1320.00 feet; thence S41°37'15"W a distance of 330.00 feet; thence N48°22'45"W a distance of 1320.00 feet to the Southerly line of County Road 304 and the Point of Beginning.

(Continued to Sheet No. 3.2)

WATER TARIFF

(Continued from Sheet No. 3.1)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2

PARCEL 2 - TRACT "A"

A parcel of land lying in Sections 10, 11, 12, 13, 14 and 15, Township 13 South, Range 30 East, Flagler County, Florida and being a portion of the subdivision of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida and being more particularly described as follows:

BEGIN at the Southeast corner of Section 12, Township 13 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 12, N 01°53'47" W, a distance of 5329.76 feet to the Northeast corner of said Section 12; thence departing said East line and on the North line of said Section 12, S 89°22'13" W, a distance of 5046.45 feet to the Northwest corner of said Section 12, the same being the Northeast corner of aforesaid Section 11, Township 13 South, Range 30 East, Flagler County, Florida; thence on the North line of said Section 11, S 89°35'41" W, a distance of 5413.22 feet to the Northwest corner of said Section 11; thence departing said North line and on the West line of said Section 11, S 1°14'45" E, a distance of 669.38 feet to the Northwest corner of Tract 6, Block B of Section 11, Township 13 South, Range 30 East of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida; thence departing said West line and on the North line of said Tract 6, Block B, of Section 11, N 89°33'02" E, a distance of 676.64 feet to the Northeast corner of said Tract 6, Block B, of Section 11; thence departing said North line and on the East line of Tract 6, Block B and the East line of Tract 7, Block B all in Section 11, Township 13 South, Range 30 of said BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida, S 01°14'43" E, a distance of 1337.72 feet to the Southeast corner of said Tract 7, Block B, of Section 11; thence departing said East lines and on the South line of said Tract 7, Block B, of Section 11, S 89°27'44" W, a distance of 676.61 feet to the Southwest corner of said Tract 7. Block B. of Section 11: thence departing the South line of said Tract 7. Block B. of Section 11 and on the West line of said Tract 7, Block B, of Section 11, the same being the East line of Section 10, Township 13 South, Range 30 East, Flagler County, Florida, N 01°14'45" W, a distance of 530.41 feet to the Southeast corner of a parcel of land as described in Official Records Book 700, Page 124 of the Public Records of Flagler County, Florida; thence departing said East and West lines and on the Southeasterly line of said parcel of land as described in Official Records Book 700. Page 124 of the Public Records of Flagler County, Florida, S 41°36'27" W, a distance of 1766.36 feet; thence continue on said Southeasterly line, S 41°45'47" W, a distance of 3627.29 feet to the Southwesterly corner of

(Continued to Sheet No. 3.3)

WATER TARIFF

(Continued from Sheet No. 3.2)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

said parcel of land as described in Official Records Book 700, Page 124 of the Public Records of Flagler County, Florida, said corner being on the East line of a Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said Southeast line and on the East line of said Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida, S 16°41'34" E, a distance of 1738.79 feet to a point on the North line of Tract 11, Block B of Section 15, Township 13 South, Range 30 East of aforesaid BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida, thence departing said East line and on the North line of said Tract 11, Block B, of Section 15, S 86°41'51" E, a distance of 594.56 feet to the Northeast corner of said Tract 11, Block B, of Section 15; thence departing said North line and on the East line of said Tract 11, Block B, of Section 15, S 01°51'03" E, a distance of 669.29 feet to the Southeast corner of said Tract 11, Block B, of Section 15; thence departing said East line and on the South line of said Tract 11, Block B, of Section 15, N 86°43'47" W, a distance of 412.04 feet to a point on the East line of aforesaid Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said South line and on the East line of said Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida through the following courses: S 16°41'34" E, a distance of 1659.46 feet; thence N 73°18'26" E, a distance of 50.00 feet; thence S 16°41'34" E, a distance of 119.71 feet; thence S 26°20'10" W, a distance of 119.71 feet; thence N 63°39'50" W, a distance of 50.00 feet; thence S 26°20'10" W, a distance of 1002.58 feet to a point on the South line of Section 15, Township 13 South, Range 30 East, Flagler County, Florida, thence on said South line of said Section 15, S 86°52'11" E, a distance of 3150.33 feet to the Southeast corner of said Section 15; thence departing said South line, S 29°34'48" W, a distance of 71.00 feet to a point on the South Maintained Right of Way line of "Relay Road 9" (a Private Road); thence on the South Maintained Right of Way line of said "Relay Road 9", through the following courses: N 89°20'27" E, a distance of 2753.49 feet; thence N 89°58'57" E, a distance of 542.17 feet; thence N 88°58'33" E, a distance of 2108.33 feet to a point on the East Maintained Right of Way line of "Relay Road 12" (a Private Road); thence departing said South Maintained Right of Way line of "Relay Road 9" on the East Maintained Right of Way line of said "Relay Road 12", N 0°28'30" W, a distance of 3482.39 feet to a point on the South Maintained Right of Way line of "Relay Road 10" (a Private Road) and the beginning of a curve concave Southeasterly having a radius of 125.00 feet and a central angle of 43°32'07"; thence departing the East Maintained Right of Way line of said "Relay Road 12" and on the South

(Continued to Sheet No. 3.4)

WATER TARIFF

(Continued from Sheet No. 3.3)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

Maintained Right of Way line of said "Relay Road 10" and on the arc of said curve a distance of 94.98 feet said arc being subtended by a chord which bears N 21°17'33" E, a distance of 92.71 feet to the curves end; thence continue on the South Maintained Right of Way line of said "Relay Road 10" through the following courses: N 43°03'37" E, a distance of 72.28 feet; thence N 50°30'25" E, a distance of 122.34 feet; thence N 69°30'14" E, a distance of 120.05 feet; thence N 71°53'35" E, a distance of 136.22 feet; thence N 65°23'52" E, a distance of 107.59 feet; thence N 57°13'53" E, a distance of 117.33 feet; thence N 50°33'04" E, a distance of 536.84 feet; thence N 40°48'31" E, a distance of 180.65 feet; thence N 43°22'12" E, a distance of 60.92 feet; thence N 49°37'12" E, a distance of 97.92 feet; thence N 56°23'41" E, a distance of 1669.02 feet; thence N 58°51'52" E, a distance of 92.42 feet; thence N 64°08'46" E, a distance of 91.58 feet; thence N 72°44'28" E, a distance of 368.38 feet; thence N 79°56'35" E, a distance of 101.54 feet; thence S 80°49'49" E, a distance of 71.54 feet; thence S 66°51'48" E, a distance of 176.65 feet; thence S 68°39'11" E, a distance of 110.07 feet; thence S 78°54'10" E, a distance of 142.60 feet; thence S 85°45'53" E, a distance of 1250.31 feet to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT "B"

A parcel of land lying in Sections 12, 13, 22, 23, 24, 25, 26, 27, 34 and 35, Township 13 South, Range 30 East, Flagler County, Florida and lying in Sections 2, 3, 10, 11, 14 and 15, Township 14 South, Range 30 East, Flagler County, Florida and being a portion of the subdivision of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida and being more particularly described as follows:

COMMENCE at the Northeast corner of Section 13, Township 13 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 13, S 2°12'01" E, a distance of 78.26 feet to the POINT OF BEGINNING; thence continue along the East line of said Section 13, S 2°12'01" E, a distance of 5224.92 feet to the Northeast corner of Section 24, Township 13 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 24, S 1°39'56" E, a distance of 5330.16 feet to the Northeast corner of Section 25, Township 13 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 25, S 1°55'02" E, a distance of 2672.59 feet to the East Quarter corner of said Section 25; thence continue on said East line S 2°00'45" E, a distance of 2694.96 feet to the Southeast corner of said Section 25; thence departing the East line of said Section 25, S 89°06'20"

(Continued to Sheet No. 3.5)

THOMAS LINDQUIST ISSUING OFFICER

EXECUTIVE V.P.
TITLE

WATER TARIFF

(Continued from Sheet No. 3.4)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

W, a distance of 5358.28 feet to a point on the Westerly Maintained Right of Way line of "Relay Road 12" (a Private Road); thence on the Westerly Maintained Right of Way line of said "Relay Road 12", through the following courses: S 1°37'59" E, a distance of 4479.07 feet; thence S 3°49'05" E, a distance of 587.46 feet; thence S 1°26'24" E, a distance of 5497.16 feet; thence S 1°13'51" W, a distance of 858.47 feet; thence departing said Westerly Maintained Right of Way line of "Relay Road 12", and on the Westerly line of the Halifax Basin, through the following courses: S 2°06'48" E, a distance of 1987.94 feet; thence S 86°19'18" W, a distance of 1062.98 feet; thence S 89°49'00" W, a distance of 1750.63 feet; thence S 88°10'03" W, a distance of 1114.30 feet; thence S 0°50'04" E, a distance of 4253.61 feet; thence departing said Westerly line of the Halifax Basin, S 89°21'12" W, a distance of 1585.74 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 5" (a Private Road); thence on the Centerline of the Maintained Right of Way of said "Relay Road 5", through the following courses: N 45°09'48" W, a distance of 504.10 feet; thence N 29°46'37" W, a distance of 1621.36 feet; thence N 34°58'17" W, a distance of 196.85 feet; thence N 25°49'43" W, a distance of 172.43 feet; thence N 2°36'37" W, a distance of 134.60 feet; thence N 15°20'26" E, a distance of 159.07 feet; thence N 49°10'50" E, a distance of 162.05 feet; thence N 57°33'48" E, a distance of 1491.56 feet; thence N 40°48'02" E, a distance of 154.68 feet; thence N 8°48'44" E, a distance of 157.25 feet; thence N 0°22'30" W, a distance of 1045.82 feet; thence N 5°38'10" W, a distance of 897.04 feet; thence N 7°58'50" W, a distance of 811.14 feet; thence N 2°34'49" W, a distance of 645.45 feet; thence N 6°39'36" E, a distance of 550.91 feet; thence N 19°14'57" E, a distance of 230.24 feet; thence N 48°26'49" E, a distance of 247.18 feet; thence N 36°28'10" E, a distance of 243.07; thence N 10°45'32" E, a distance of 233.99 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 4" (a Private Road); thence departing the Centerline of the Maintained Right of Way of "Relay Road 5" and on the Centerline of the Maintained Right of Way of said "Relay Road 4" through the following courses: N 89°00'18" W, a distance of 599.18 feet; thence S 87°04'43" W, a distance of 1051.01 feet; thence S 80°05'16" W, a distance of 1282.86 feet; thence S 76°39'33" W, a distance of 800.98 feet; thence S 81°15'55" W, a distance of 285.07 feet; thence S 76°58'32" W, a distance of 512.51 feet to a point on the Easterly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing the Centerline of the Maintained Right of Way of said "Relay Road 4" and on the Easterly Right of Way line of said Florida Power and Light Company Right of Way through the following courses: N 22°02'08" W, a distance of 3116.10 feet; thence N 0°26'57" W, a distance of 6500.00 feet; thence N 1°04'34" W, a distance of 5200.00 feet; thence N 1°46'19" W, a distance of 2600.57 feet; thence N 26°20'10" E, a distance of 4134.17 feet to the North line of Section 22, Township 13 South, Range 30 East, Flagler County, Florida; thence departing the

(Continued to Sheet No. 3.6)

WATER TARIFF

(Continued from Sheet No. 3.5)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

Easterly Right of Way line of said Florida Power and Light Company Right of Way and on the North line of said Section 22, S 86°52'11" E, a distance of 3150.33 feet to the Northeast corner of said Section 22; thence departing said North line, S 29°34'48" W, a distance of 71.00 feet to a point on the South Maintained Right of Way line of "Relay Road 9" (a Private Road); thence on the South Maintained Right of Way line of said "Relay Road 9", through the following courses: N 89°20'27" E, a distance of 2753.49 feet; thence N 89°58'57" E, a distance of 542.17 feet; thence N 88°58'33" E, a distance of 2108.33 feet to a point on the East Maintained Right of Way line of "Relay Road 12" (a Private Road); thence departing said South Maintained Right of Way line of "Relay Road 9" on the East Maintained Right of Way line of said "Relay Road 12", N 0°28'30" W, a distance of 3482.39 feet to a point on the South Maintained Right of Way line of "Relay Road 10" (a Private Road) and the beginning of a curve concave Southeasterly having a radius of 125.00 feet and a central angle of 43°32'07"; thence departing the East Maintained Right of Way line of said "Relay Road 12" and on the South Maintained Right of Way line of said "Relay Road 10" and on the arc of said curve a distance of 94.98 feet said arc being subtended by a chord which bears N 21°17'33" E, a distance of 92.71 feet to the curves end; thence continue on the South Maintained Right of Way line of said "Relay Road 10" through the following courses: N 43°03'37" E, a distance of 72.28 feet; thence N 50°30'25" E, a distance of 122.34 feet; thence N 69°30'14" E, a distance of 120.05 feet; thence N 71°53'35" E, a distance of 136.22 feet; thence N 65°23'52" E, a distance of 107.59 feet; thence N 57°13'53" E, a distance of 117.33 feet; thence N 50°33'04" E, a distance of 536.84 feet; thence N 40°48'31" E, a distance of 180.65 feet; thence N 43°22'12" E, a distance of 60.92 feet; thence N 49°37'12" E, a distance of 97.92 feet; thence N 56°23'41" E, a distance of 1669.02 feet; thence N 58°51'52" E, a distance of 92.42 feet; thence N 64°08'46" E, a distance of 91.58 feet; thence N 72°44'28" E, a distance of 368.38 feet; thence N 79°56'35" E, a distance of 101.54 feet; thence S 80°49'49" E, a distance of 71.54 feet; thence S 66°51'48" E, a distance of 176.65 feet; thence S 68°39'11" E, a distance of 110.07 feet; thence S 78°54'10" E, a distance of 142.60 feet; thence S 85°45'53" E, a distance of 1250.31 feet to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT "C"

A parcel of land lying in Sections 35 and 36, Township 13 South, Range 30 East, Flagler County, Florida and lying in Sections 1, 2, 11, 12 and 14, Township 14 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

(Continued to Sheet No. 3.7)

THOMAS LINDQUIST ISSUING OFFICER

EXECUTIVE V.P.

WATER TARIFF

(Continued from Sheet No. 3.6)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

BEGIN at the Northeast corner of Section 36, Township 13 South, Range 30 East, Flagler County, Florida: thence on the East line of said Section 36, S 01°52'15" E, a distance of 5249.16 feet to the Southeast corner of said Section 36, the same being the Northeast corner of Section 1, Township 14 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 1, S 00°14'28" E, a distance of 5296.99 feet; to the Southeast corner of said Section 1, the same being the Northeast corner of Section 12, Township 14 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 12, S 01°56'03" E, a distance of 5259.13 feet to the Southeast corner of said Section 12; thence departing said East line and on the South line of said Section 12, S 87°56'12" W, a distance of 5264.99 feet to the Southwest corner of said Section 12 the same being the Northeast corner of Section 14, Township 14 South, Range 30 East, Flagler County, Florida; thence departing said South line and on the East line of said Section 14, S 00°33'38" E, a distance of 5294.00 feet to the Southeast corner of said Section 14; thence departing said East line and on the South line of said Section 14, S 88°56'35" W, a distance of 795.54 feet; thence departing said South line N 0°43'27" W, a distance of 3483.72; thence S 89°21'12" W, a distance of 3183.19 feet; thence N 0°50'04" W, a distance of 4253.61 feet; thence N 88°10'03" E, a distance of 1114.30 feet; thence N 89°49'00" E, a distance of 1750.63 feet; thence N 86°19'18" E, a distance of 1062.98 feet; thence N 02°06'48" W, a distance of 1987.94 feet to a point on the Westerly Maintained Right of Way line of said "Relay Road" 12" (a Private Road): thence on the Westerly Maintained Right of Way line of said "Relay Road 12", through the following courses: N 01°13'51" E, a distance of 858.47 feet; thence N 01°26'24" W, a distance of 5497.16 feet; thence N 03°49'05" W, a distance of 587.46 feet; thence N 01°37'59" W, a distance of 4479.07 feet; thence departing said Westerly Maintained Right of Way line of said "Relay Road 12", N 89°06'20" E, a distance of 5358.28 to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT "D"

A parcel of land lying in Sections 2, 3, 9, 10, 11, 14, 15, 16, 21, 22 and 23, Township 14 South, Range 30 East, Flagler County, Florida, and being more particularly described as follows:

BEGIN at the Southeast corner of Section 21, Township 14 South, Range 30 East, Flagler County, Florida; thence on the South line of said Section 21, S 89°49'43" W, a distance of 347.16 feet to a point on the Easterly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence

(Continued to Sheet No. 3.8)

WATER TARIFF

(Continued from Sheet No. 3.7)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

departing said South line and on the Easterly Right of Way line of said Florida Power and Light Company Right of Way through the following courses: N 1°00'03" W, a distance of 785.64 feet; thence N 0°50'45" W, a distance of 11098.95 feet; thence N 42°58'43" E, a distance of 3248.83 feet; thence S 47°01'17" E, a distance of 50.00 feet; thence N 42°58'43" E, a distance of 131.86 feet; thence N 22°02'08" W, a distance of 131.86 feet; thence S 67°57'52" W, a distance of 50.00 feet; thence N 22°02'08" W, a distance of 2248.01 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 4" (a Private Road); thence departing the Easterly Right of Way line of said Florida Power and Light Company Right of Way and on the Centerline of the Maintained Right of Way of said "Relay Road 4" through the following courses: thence N 76°58'32" E, a distance of 512.51 feet; thence N 81°15'55" E, a distance of 285.07 feet; thence N 76°39'33" E, a distance of 800.98 feet; thence N 80°05'16" E, a distance of 1282.86 feet; thence N 87°04'43" E, a distance of 1051.01 feet; thence S 89°00'18" E, a distance of 599.18 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 5" (a Private Road); thence departing the Centerline of the Maintained Right of Way of "Relay Road 4" and on the Centerline of the Maintained Right of Way of said "Relay Road 5", through the following courses: S 10°45'32" W, a distance of 233.99 feet; thence S 36°28'10" W, a distance of 243.07 feet; thence S 48°26'49" W, a distance of 247.18 feet; thence S 19°14'57" W, a distance of 230.24 feet; thence S 6°39'36" W, a distance of 550.91 feet; thence S 2°34'49" E, a distance of 645.45 feet: thence S 7°58'50" E, a distance of 811.14 feet; thence S 5°38'10" E, a distance of 897.04 feet; thence S 0°22'30" E, a distance of 1045.82 feet; thence S 8°48'44" W, a distance of 157.25 feet; thence S 40°48'02" W, a distance of 154.68 feet; thence S 57°33'48" W, a distance of 1491.56 feet; thence S 49°10'50" W, a distance of 162.05 feet; thence S 15°20'26" W, a distance of 159.07 feet; thence S 2°36'37" E, a distance of 134.60 feet; thence S 25°49'43" E, a distance of 172.43 feet; thence S 34°58'17" E, a distance of 196.85 feet; thence S 29°46'37" E, a distance of 1621.36 feet; thence S 45°09'48" E. a distance of 504.10 feet; thence departing the Centerline of the Maintained Right of Way of said "Relay Road 5", N 89°21'12" E, a distance of 4768.94 feet; thence S 0°43'27" E, a distance of 3483.72 feet to a point on the North line of Section 23, Township 14 South, Range 30 East, Flagler County, Florida; thence on said North line, S 88°56'35" W, a distance of 870.72 feet to the Northeast corner of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 23; thence departing said North line and on the East line of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 23, S 1°10'11" E, a distance of 1318.43 feet to the Southeast corner of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 23; thence departing said East line and on the South line of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 23, S 89°11'22" W, a distance of 1002.43 feet to the Southwest corner of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 23; thence departing said South line and on the East line of the

(Continued to Sheet No. 3.9)

WATER TARIFF

(Continued from Sheet No. 3.8)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

Northwest 1/4 of said Section 23, S 0°59'18" E, a distance of 1313.31 feet to the Southeast corner of the Northwest 1/4 of said Section 23; thence departing said East line and on the South line of the Northwest 1/4 of said Section 23, S 89°30'49" W, a distance of 2670.27 feet to the Southwest corner of the Northwest 1/4 of said Section 23; thence departing said South line and on the West line of said Section 23, S 1°57'19" E, a distance of 2685.77 feet to the Southwest corner of said Section 23, the same being the Southeast corner of Section 22, Township 14 South, Range 30 East, Flagler County, Florida; thence departing said West line and on the South line of said Section 22, S 89°38'58" W, a distance of 5292.80 feet to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT "E"

A parcel of land lying in Sections 13, 23 and 24, Township 14 South, Range 29 East, Flagler County, Florida, and lying in Sections 32 and 33, Township 13 South, Range 30 East, Flagler County, Florida and lying in Sections 3, 4, 5, 8, 9, 10, 16, 17, 18, 19, 20 and 21, Township 14 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

COMMENCE at the Southeast corner of Section 21, Township 14 South, Range 30 East, Flagler County, Florida; thence on the South line of said Section 21, S 89°49'43" W, a distance of 647.19 feet to a point on the Westerly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida for the POINT OF BEGINNING; thence continue on the South line of said Section 21, S 89°49'43" W, a distance of 4718.82 feet to the Southeast corner of Section 20, Township 14 South, Range 30 East, Flagler County, Florida; thence on the South line of said Section 20, S 88°47'01" W, a distance of 5298.64 feet to the Southeast corner of Section 19, Township 14 South, Range 30 East, Flagler County, Florida; thence on the South line of said Section 19, S 89°19'45" W, a distance of 5297.80 feet to the Southeast corner of Section 24, Township 14 South, Range 29 East, Flagler County, Florida; thence on the South line of said Section 24, S 89°23'20" W, a distance of 5207.14 feet to a point on the Easterly Right of Way line of State Road 11 (a variable width Right of Way per Florida Department of Transportation Right of Way Maps Section 7305-1237); thence departing said South line and on the Easterly Right of Way line of said State Road 11 through the following courses: N 20°24'51" W, a distance of 2930.37 feet to the beginning of a curve concave Easterly having a radius of 1309.89 feet and a central angle of 46°49'53"; thence on the arc of said curve a distance of 1070.65 feet said arc

(Continued to Sheet No. 3.10)

WATER TARIFF

(Continued from Sheet No. 3.9)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

being subtended by a chord which bears N 03°00'06" E, a distance of 1041.10 feet to the curves end; thence N 26°25'02" E, a distance of 943.90 feet to a point on the Southerly Maintained Right of Way line of an Un-Named Forest Management Road (a Private Road); thence departing said Easterly Right of Way line of said State Road 11 and on the Southerly and Easterly Maintained Right of Way line of said Un-Named Forest Management Road through the following courses: N 85°32'18" E, a distance of 478.40 feet; thence N 82°31'02" E, a distance of 145.70 feet; thence N 88°08'58" E, a distance of 914.53 feet; thence S 67°41'49" E a distance of, 483.36 feet; thence S 68°05'09" E, a distance of 382.72 feet; thence N 89°06'42" E, a distance of 421.46 feet; thence S 71°40'23" E, a distance of 183.41 feet; thence N 75°42'29" E, a distance of 479.29 feet; thence N 70°18'39" E, a distance of 1173.27 feet; thence N 1°19'52" W, a distance of 84.93 feet; thence N 29°56'34" W, a distance of 72.33 feet; thence N 60°26'33" W, a distance of 182.44 feet; thence N 28°46'19" W, a distance of 279.51 feet; thence N 7°10'19" W, a distance of 208.33 feet; thence N 54°45'50" W, a distance of 165.66 feet; thence N 59°13'06" W, a distance of 130.55 feet; thence N 40°38'00" W, a distance of 201.78 feet; thence N 7°14'45" W, a distance of 142.69 feet; thence N 30°27'17" W, a distance of 348.70 feet; thence N 41°04'25" W, a distance of 63.36 feet; thence N 61°19'01" W, a distance of 77.91 feet; thence N 19°47'15" W, a distance of 98.52 feet; thence N 28°13'06" W, a distance of 50.52 feet; thence N 47°22'23" W, a distance of 68.18 feet; thence N 9°23'57" W, a distance of 105.09 feet; thence N 33°52'10" W, a distance of 274.06 feet; thence N 52°54'53" W, a distance of 189.54 feet; thence N 29°25'35" W, a distance of 212.63 feet; thence N 40°17'46" W, a distance of 50.15 feet; thence N 72°29'31" W, a distance of 93.59 feet; thence N 24°05'07" W, a distance of 62.87 feet; thence N 10°24'23" W, a distance of 111.71 feet; thence N 15°15'51" W, a distance of 127.93 feet; thence N 28°38'04" W, a distance of 514.83 feet; thence departing said Southerly and Easterly Maintained Right of Way line of said Un-Named Forest Management Road, N 89°50'18" E, a distance of 3111.09 feet to a point on the Southerly Maintained Right of Way line of "Relay Road 41" (a Private Road); thence on the Southerly Maintained Right of Way line said "Relay Road 41" and its Easterly projection, through the following courses: N 84°05'49" E, a distance of 640.34 feet; thence N 87°04'31" E. a distance of 1376.85 feet; thence N 85°37'18" E, a distance of 3308.37 feet to a point on the Easterly Maintained Right of Way line of "Relay Road 14" (a Private Road); thence on the Easterly Maintained Right of Way line of said "Relay Road 14", through the following courses: N 1°38'24" W, a distance of 2408.29 feet; thence N 1°36'22" W, a distance of 2795.88 feet; thence N 1°30'45" W, a distance of 2591.53 feet; thence N 1°35'50" W, a distance of 3207.05 feet; thence N 2°03'07" W, a distance of 2009.45 feet to the Southwest corner of Section 32, Township 13 South, Range 30 East, Flagler County, Florida; thence departing the Easterly Maintained Right of Way line of said "Relay Road 14", N 88°46'57" E, a distance of 687.93 feet to a point on the Centerline of the Maintained Right of

(Continued to Sheet No. 3.11)

WATER TARIFF

(Continued from Sheet No. 3.10)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

Way of "Relay Road 21" (a Private Road); thence on the Centerline of the Maintained Right of Way of said "Relay Road 21" through the following courses: N 0°25'59" E, a distance of 150.18 feet; thence N 6°37'03" W, a distance of 536.01 feet; thence N 11°16'14" W, a distance of 606.06 feet to the beginning of a curve concave Southeasterly having a radius of 335.85 feet and a central angle of 71°05'56"; thence on the arc of said curve a distance of 416.76 feet said arc being subtended by a chord which bears N 24°16'44" E, a distance of 390.53 feet to the curves end; thence N 59°49'42" E, a distance of 438.34 feet to the beginning of a curve concave Northwesterly having a radius of 267.00 feet and a central angle of 71°26'49"; thence on the arc of said curve a distance of 332.94 feet said arc being subtended by a chord which bears N 24°06'18" E, a distance of 311.79 feet to the curves end; thence N 11°37'07" W, a distance of 1223.86 feet to the beginning of a curve concave Southeasterly having a radius of 233.00 feet and a central angle of 116°23'25"; thence on the arc of said curve a distance of 473.31 feet said arc being subtended by a chord which bears N 46°34'36" E, a distance of 396.03 feet to the curves end; thence S 75°13'42" E, a distance of 1327.37 feet; thence S 78°01'36" E, a distance of 518.35 feet; thence S 63°38'56" E, a distance of 2303.63 feet; thence S 72°22'36" E, a distance of 146.11 feet to the beginning of a curve concave Southwesterly having a radius of 85.00 feet and a central angle of 69°39'15; thence on the arc of said curve a distance of 103.33 feet said arc being subtended by a chord which bears S 37°32'58" E, a distance of 97.09 feet to the curves end; thence S 2°43'21" E, a distance of 1294.37 feet; thence S 19°28'38" E, a distance of 248.00 feet; thence S 2°20'20" E, a distance of 463.96 feet; thence departing the Centerline of the Maintained Right of Way of "Relay Road 21", S 88°49'10" E, a distance of 1177.70 feet; thence N 46°39'50" E, a distance of 221.07 feet; thence N 14°37'45" E, a distance of 307.75 feet; thence N 63°32'28" E, a distance of 422.87 feet; thence S 85°26'12" E, a distance of 400.06 feet; thence S 75°16'42" E, a distance of 235.73 feet; thence S 47°50'56" E, a distance of 357.80 feet; thence S 27°30'57" E, a distance of 347.29 feet; thence S 71°45'23" E, a distance of 188.69 feet; thence S 40°04'33" E, a distance of 712.94 feet; thence S 27°24'47" E, a distance of 424.67 feet; thence S 5°17'48" E, a distance of 526.22 feet; thence S 61°46'39" E, a distance of 265.05 feet; thence N 16°56'59" E, a distance of 208.92 feet; thence N 12°16'37" E, a distance of 321.13 feet; thence N 20°34'25" E, a distance of 394.57 feet; thence N 63°59'11" E, a distance of 237.48 feet; thence N 40°36'39" E, a distance of 302.36 feet; thence N 71°39'06" E, a distance of 147.23 feet; thence S 68°11'27" E, a distance of 403.35 feet to a point on the Westerly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence on the Westerly Right of Way line of said Florida Power and Light Company Right of Way through the following courses: S 0°26'57" E, a distance of 1278.44 feet; thence S 89°33'03" W, a distance of 100.00 feet; thence S 0°26'57" E, a distance of 69.06 feet; thence S

(Continued to Sheet No. 3.12)

WATER TARIFF

(Continued from Sheet No. 3.11)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

22°02'08" E, a distance of 69.06 feet; thence N 67°57'52" E, a distance of 100.00 feet; thence S 22°02'08" E, a distance of 5280.14 feet; thence S 42°58'43" W, a distance of 3178.33 feet; thence N 47°01'17" W, a distance of 50.00 feet; thence S 42°58'43" W, a distance of 120.11 feet; thence S 0°50'45" E, a distance of 120.11 feet; thence N 89°09'15" E, a distance of 50.00 feet; thence S 0°50'45" E, a distance of 11120.02 feet; thence S 1°00'03" E, a distance of 781.70 feet to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT "F"

A parcel of land lying in Sections 12, 13 and 24, Township 14 South, Range 29 East, Flagler County, Florida, and lying in Sections 5, 6, 7, 8, 17 and 18, Township 14 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

COMMENCE at the Northeast Corner of Section 6, Township 14 South, Range 29 East, Flagler County, Florida for the POINT OF BEGINNING; thence on the North line of said Section 6, S 89°45'33" W, a distance of 2593.13 feet to a point on the Easterly Right of Way line of State Road 11 (a variable width Right of Way per Florida Department of Transportation Right of Way Maps Section 7305-1237) said point being on a curve concave Southeasterly having a radius of 2939.79 feet and a central angle of 26°32'24"; thence departing said North line and on the Easterly Right of Way line of said State Road 11 and on the arc of said curve a distance of 1361.74 feet said arc being subtended by a chord which bears S 13°08'50" W, a distance of 1349.60 feet to the curves end; thence continue on said Easterly Right of Wav line through the following courses: S 26°25'02" W, a distance of 2034.28 feet, thence S 63°34'58" E, a distance of 47.50 feet; thence S 26°25'02" W, a distance of 15200.38 feet to a point on the Southerly Maintained Right of Way line of an Un-Named Forest Management Road (a Private Road); thence departing the Easterly Right of Way line of said State Road 11 and on the Southerly and Easterly Maintained Right of Way line of said Un-Named Forest Management Road through the following courses: N 85°32'18" E, a distance of 478.40 feet; thence N 82°31'02" E, a distance of 145.70 feet; thence N 88°08'58" E, a distance of 914.53 feet; thence S 67°41'49" E a distance of, 483.36 feet; thence S 68°05'09" E, a distance of 382.72 feet; thence N 89°06'42" E, a distance of 421.46 feet; thence S 71°40'23" E, a distance of 183.41 feet; thence N 75°42'29" E, a distance of 479.29 feet; thence N 70°18'39" E, a distance of 1173.27 feet; thence N 1°19'52" W, a distance of 84.93 feet; thence N 29°56'34" W, a distance of 72.33 feet; thence N 60°26'33" W, a distance of 182.44 feet;

(Continued to Sheet No. 3.13)

WATER TARIFF

(Continued from Sheet No. 3.12)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

thence N 28°46'19" W, a distance of 279.51 feet; thence N 7°10'19" W, a distance of 208.33 feet; thence N 54°45'50" W, a distance of 165.66 feet; thence N 59°13'06" W, a distance of 130.55 feet; thence N 40°38'00" W, a distance of 201.78 feet; thence N 7°14'45" W, a distance of 142.69 feet; thence N 30°27'17" W, a distance of 348.70 feet; thence N 41°04'25" W, a distance of 63.36 feet; thence N 61°19'01" W, a distance of 77.91 feet; thence N 19°47'15" W, a distance of 98.52 feet; thence N 28°13'06" W, a distance of 50.52 feet; thence N 47°22'23" W, a distance of 68.18 feet; thence N 9°23'57" W, a distance of 105.09 feet; thence N 33°52'10" W, a distance of 274.06 feet; thence N 52°54'53" W, a distance of 189.54 feet; thence N 29°25'35" W, a distance of 212.63 feet; thence N 40°17'46" W, a distance of 50.15 feet; thence N 72°29'31" W, a distance of 93.59 feet; thence N 24°05'07" W, a distance of 62.87 feet; thence N 10°24'23" W, a distance of 111.71 feet; thence N 15°15'51" W, a distance of 127.93 feet; thence N 28°38'04" W, a distance of 514.83 feet; thence departing said Southerly and Easterly Maintained Right of Way line of said Un-Named Forest Management Road, N 89°50'18" E, a distance of 3111.09 feet to a point on the Southerly Maintained Right of Way line of "Relay Road 41" (a Private Road); thence on the Southerly Maintained Right of Way line said "Relay Road 41" and its Easterly projection, through the following courses: N 84°05'49" E. a distance of 640.34 feet; thence N 87°04'31" E, a distance of 1376.85 feet; thence N 85°37'18" E, a distance of 3308.37 feet to a point on the Easterly Maintained Right of Way line of "Relay Road 14" (a Private Road); thence on the Easterly Maintained Right of Way line of said "Relay Road 14", through the following courses: N 1°38'24" W, a distance of 2408.29 feet; thence N 1°36'22" W, a distance of 2795.88 feet; thence N 1°30'45" W, a distance of 2591.53 feet; thence N 1°35'50" W, a distance of 3207.05 feet; thence N 2°03'07" W, a distance of 2009.45 feet to the POINT OF BEGINNING.

Together With:

PARCEL 2 - TRACT "G"

A parcel of land lying in Sections 32 and 33, Township 13 South, Range 30 East, Flagler County, Florida and lying in Section 4, Township 14 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

BEGIN at the Northwest corner of Section 32, Township 13 South, Range 30 East, Flagler County, Florida; thence on the North line of said Section 32, N 88°43'17" E, a distance of 5344.33 feet to the Northwest corner of Section 33, Township 13 South, Range 30 East, Flagler County, Florida; thence departing the North line of said Section 32 and on the North line of said Section 33, N 89°02'16" E, a

(Continued to Sheet No. 3.14)

WATER TARIFF

(Continued from Sheet No. 3.13)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

distance of 5327.65 feet to a point on the Westerly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said North line and on the Westerly Right of Way line of said Florida Power and Light Company Right of Way through the following courses; S 1°04'34" E, a distance of 1032.17 feet; thence S 0°26'57" E, a distance of 5227.11 feet; thence departing said Westerly Right of Way line, N 68°11'27" W, a distance of 403.35 feet; thence S 71°39'06" W, a distance of 147.23 feet; thence S 40°36'39" W, a distance of 302.36 feet; thence S 63°59'11" W, a distance of 237.48 feet; thence S 20°34'25" W, a distance of 394.57 feet; thence S 12°16'37" W, a distance of 321.13 feet; thence S 16°56'59" W, a distance of 208.92 feet; thence N 61°46'39" W, a distance of 265.05 feet; thence N 5°17'48" W, a distance of 526.22 feet; thence N 27°24'47" W, a distance of 424.67 feet; thence N 40°04'33" W, a distance of 712.94 feet; thence N 71°45'23" W, a distance of 188.69 feet; thence N 27°30'57" W, a distance of 347.29 feet; thence N 47°50'56" W, a distance of 357.80 feet; thence N 75°16'42" W, a distance of 235.73 feet; thence N 85°26'12" W, a distance of 400.06 feet; thence S 63°32'28" W, a distance of 422.87 feet; thence S 14°37'45" W, a distance of 307.75 feet; thence S 46°39'50" W, a distance of 221.07 feet; thence N 88°49'10" W, a distance of 1177.70 feet; thence N 2°20'20" W, a distance of 463.96 feet; thence N 19°28'38" W, a distance of 248.00 feet; thence N 2°43'21" W, a distance of 1294.37 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 21" (a Private Road) said point being on a curve concave Southwesterly having a radius of 85.00 feet and a central angle of 69°39'15"; thence on the Centerline of the Maintained Right of Way of said "Relay Road 21" and the arc of said curve, a distance of 103.33 feet said arc being subtended by a chord which bears N 37°32'58" W, a distance of 97.09 feet to the curves end; thence continue on the Centerline of the Maintained Right of Way of said "Relay Road 21" through the following courses: N 72°22'36" W, a distance of 146.11 feet; thence N 63°38'56" W, a distance of 2303.63 feet; thence N 78°01'36" W, a distance of 518.35 feet; thence N 75°13'42" W, a distance of 1327.37 feet to the beginning of a curve concave Southeasterly, having a radius of 233.00 feet and a central angle of 116°23'25"; thence on the arc of said curve a distance of 473.31 feet said arc being subtended by a chord which bears S 46°34'36" W, a distance of 396.03 feet to the curves end; thence S 11°37'07" E, a distance of 1223.86 feet to the beginning of a curve concave Northwesterly, having a radius of 267.00 feet and a central angle of 71°26'49"; thence on the arc of said curve a distance of 332.94 feet said arc being subtended by a chord which bears S 24°06'18" W, a distance of 311.79 feet to the curves end; thence S 59°49'42" W, a distance of 438.34 feet to the beginning of a curve concave Southeasterly, having a radius of 335.85 feet and a central angle of 71°05'56"; thence on the arc of said curve a distance of 416.76 feet said arc being subtended by a chord which bears S 24°16'44" W, a distance of 390.53 feet to the curves end; thence S 11°16'14" E, a distance of 606.06 feet; thence S

(Continued to Sheet No. 3.15)

WATER TARIFF

(Continued from Sheet No. 3.14)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

6°37'03" E, a distance of 536.01 feet; thence S 0°25'59" W, a distance of 150.18 feet; thence departing the Centerline of the Maintained Right of Way of said "Relay Road 21", S 88°46'57" W, a distance of 687.93 feet to the Southwest corner of aforesaid Section 32, Township 13 South, Range 30 East, Flagler County, Florida; thence on the West line of said Section 32, N 1°27'57" W, a distance of 5551.65 feet to the POINT OF BEGINNING.

Together With:

PARCEL 2 - TRACT "H"

A parcel of land lying in Sections 21 and 28, Township 13 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

Commence at the Northeast corner of Section 21, Township 13 South, Range 30 East, Flagler County, Florida: thence on the East line of said Section 21, S 01°38'28" E, a distance of 2912.85 feet the POINT OF BEGINNING; thence continue on said East line, S 01°38'28" E, a distance of 730.84 feet to a point on the Westerly line of a Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said East line and on the Westerly Right of Way line of said Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida through the following courses: S 26°20'10" W, 81.11 feet; thence N 63°39'50" W, a distance of 100.00 feet; thence S 26°20'10" W, a distance of 75.03 feet; thence S 01°46'19" E, 75.03 feet; thence N 88°13'41" E, a distance of 100.00 feet; thence S 01°46'19" E, a distance of 2623.85 feet; thence S 01°04'34" E, a distance of 4164.37 feet to a point on the South line of Section 28, Township 13 South, Range 30 East, Flagler County, Florida; thence departing said Westerly Right of Way line and on the South line of said Section 28, S 89°02'16" W, a distance of 5327.65 feet to the Southwest corner of said Section 28; thence departing said South line and on the West line of said Section 28, N 01°44'05" W, a distance of 5336.53 feet to the Northwest corner of said Section 28, the same being the Southwest corner of aforesaid Section 21; thence on the West line of said Section 21, N 00°36'48" W, a distance of 2959.76 feet to a point on the South line of a parcel of land as described in Official Records Book 1325, Page 871 of the Public Records of Flagler County, Florida; thence on said South line through the following courses: N 89°23'12" E, a distance of 2873.95 feet; thence S 43°02'23" E, a distance of 383.63 feet to the beginning of a curve concave Southwesterly having a radius of 25.00 feet and a central angle of 66°53'45"; thence on the arc of said curve a distance of 29.19 feet said arc being

(Continued to Sheet No. 3.16)

WATER TARIFF

(Continued from Sheet No. 3.15)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

subtended by a chord which bears S 09°35'31" E, a distance of 27.56 feet to the curves end and a point of reverse curvature a curve concave Northeasterly having a radius of 54.00 feet and a central angle of 156°53'45"; thence on the arc of said curve a distance of 147.87 feet said arc being subtended by a chord which bears S 54°35'31" E, a distance of 105.81 feet to the curves end; thence N 46°57'37" E, a distance of 54.00 feet; thence S 43°02'23" E, a distance of 325.77 feet; thence N 89°25'06" E, a distance of 1908.32 to the POINT OF BEGINNING.

Together With:

PARCEL 2 - TRACT "I"

A parcel of land lying in Sections 10, 15, 16 and 22, Township 13 South, Range 30 East, Flagler County, Florida and being a portion of the subdivision of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida and being more particularly described as follows:

BEGIN at the Southeast corner of Section 16, Township 13 South, Range 30 East, Flagler County, Florida: thence on the South line of said Section 16, N 89°36'11" W, a distance of 2671.24 feet to the Southwest corner of the Southeast 1/4 of said Section 16; Thence departing said South line and on the West line of the Southeast 1/4 of said Section 16, N 1°32'31" W, a distance of 1328.92 feet to the Northeast corner of the South 1/2 of the Southwest 1/4 of said Section 16; thence departing said West line and on the North line of the South 1/2 of the Southwest 1/4 of said Section 16, N 89°55'51" W, a distance of 805.85 feet to the Southeasterly Right of Way line of State Road 304 (a variable width Right of Way per Florida Department of Transportation Right of Way Maps Section 73510-2601); thence departing said North line and on the Southeasterly Right of Way line of said State Road 304 through the following courses: N 41°47'02" E, a distance of 828.22 feet; thence S 48°12'58" E, a distance of 25.00 feet; thence N 41°47'02" E, a distance of 2771.95 feet to a point on the North line of the Southeast 1/4 of the Northeast 1/4 of aforesaid Section 16; thence departing said Southeasterly Right of Way line and on the North line of the Southeast 1/4 of the Northeast 1/4 of said Section 16, N 89°38'48" E, a distance of 979.85 feet to the Southwest corner of the Northwest 1/4 of the Northwest 1/4 of Section 15, Township 13 South, Range 30 East, Flagler County, Florida; thence departing said North line and on the West line of the Northwest 1/4 of the Northwest 1/4 of said Section 15, N 1°38'39" W. a distance of 1057.12 feet to the Southeasterly Right of Way line of State Road 304 (a variable width Right of Way per Florida Department of Transportation Right of Way Maps Section 73510-2601);

(Continued to Sheet No. 3.17)

WATER TARIFF

(Continued from Sheet No. 3.16)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

thence departing said West line and on the Southeasterly Right of Way line of said State Road 304, N 41°45'47" E, a distance of 1395.30 feet to a point on the Westerly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing the Southeasterly Right of Way line of said State Road 304 and on the Westerly Right of Way line of said Florida Power and Light Company Right of Way, S 16°41'34" E, a distance of 2994.33 feet to a point on the North line of the South 1/2 of Track 10. Block B of the subdivision of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida; thence departing said Westerly Right of Way line and on the North line of the South 1/2 of said Track 10. Block B. N 86°41'51" W, a distance of 414.48 feet to the Northwest corner of the of the South 1/2 of said Track 10, Block B: thence departing said North line and on the West line of the South 1/2 of said Track 10, Block B, S 1°44'51" E, a distance of 669.93 feet to the Southwest corner of said Track 10, Block B; thence departing said West line and on the South line of said Track 10, Block B, S 86°43'47" E, a distance of 598.21 feet to a point on the Westerly Right of Way line of aforesaid Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said South line and on the Westerly Right of Way line of said Florida Power and Light Company Right of Way through the following courses: S 16°41'34" E, a distance of 1750.17 feet; thence S 26°20'10" W, a distance of 5062.48 feet to a point on the West line of Section 22, Township 13 South, Range 30 East, Flagler County, Florida; thence departing said Westerly Right of Way line and on the West line of said Section 22. N 1°38'28" W, a distance of 3643.68 feet to the Point of Beginning.

Together With:

PARCEL 2 - TRACT "J"

A parcel of land lying in Sections 31 and 32, Township 14 South, Range 30 East, Sections 3,4,9,10,11,13,14 and 15, Township 15 South, Range 30 East and in Sections 17 and 18, Township 15 South, Range 31 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

Commence at the Northeast corner of Section 32, Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 32, S 89° 26' 37" W, a distance of 929.66 feet to a point 20 feet West of the centerline of a Forest Management Road locally known as Forest

(Continued to Sheet No. 3.18)

WATER TARIFF

(Continued from Sheet No. 3.17)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

Management Road "B", said point being the POINT OF BEGINNING; thence departing said North line and on a line 20 feet West of the centerline of aforesaid Forest Management Road "B" through the following courses, S 29° 00' 58" W, a distance of 710.66 feet; thence S 44° 52' 43" W, a distance of 438.82 feet; thence S 35° 05' 04" W, a distance of 724.86 feet; thence S 35° 16' 31" W, a distance of 697.29 feet; thence S 34° 25' 28" W, a distance of 638.85 feet; thence S 05° 09' 02" E, a distance of 654.24 feet; thence S 00° 07' 38" W, a distance of 157.15 feet; thence S 13° 13' 29" W, a distance of 121.87 feet; thence S 16° 22' 41" W, a distance of 711.44 feet; thence S 02° 05' 12" W, a distance of 406.43 feet; thence S 06° 45' 50" E, a distance of 912.39 feet; thence S 06° 53' 15" E, a distance of 852.23 feet to the Northerly Right of Way line of State Road 40, a 200 feet wide Right of Way per Florida Department of Transportation Right of Way Map, Section 79100-2503; thence on said Northerly Right of Way line of State Road 40 through the following courses, S 74° 23' 23" W, a distance of 3070.73 feet to the beginning of a curve concave to the North having a radius of 5661.65 feet and a central angle of 07° 46' 30"; thence on the arc of said curve a distance of 768.28 feet, said arc being subtended by a chord which bears \$ 78° 16' 38" W, a distance of 767.69 feet to the curves end; thence S 82° 09' 53" W, a distance of 1700.46 feet to a point 20 feet East of the centerline of a Forest Management Road locally known as Forest Management Road "A"; thence departing the Northerly Right of Way line of aforesaid State Road 40 and on a line 20 feet East of the centerline of aforesaid Forest Management Road "A" through the following courses, N 12° 44' 55" E, a distance of 1347.80 feet; thence N 23° 08' 22" E, a distance of 182.04 feet; thence N 42° 32' 13" E, a distance of 183.72 feet; thence N 60° 00' 18" E, a distance of 103.80 feet; thence N 77° 48' 25" E, a distance of 126.84 feet; thence S 88° 11' 11" E, a distance of 79.27 feet; thence N 68° 20' 24" E, a distance of 57.73 feet; thence N 16° 44' 18" E, a distance of 71.03 feet; thence N 10° 38' 13" W, a distance of 1352.46 feet; thence N 10° 40' 05" W, a distance of 1291.34 feet; thence N 13° 34' 29" W, a distance of 344.53 feet; thence N 21° 33' 25" W, a distance of 1169.70 feet; thence N 21° 56' 54" W, a distance of 653.58 feet; thence N 21° 36' 29" W, a distance of 769.11 feet; thence N 40° 46' 37" W, a distance of 527.19 feet to a point on the North line of Section 31, Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 31, N 89° 26' 37" E, a distance of 3865.19 feet to the Northeast corner of said Section 31, the same being the Northwest corner of aforesaid Section 32, Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 32, N 89° 26' 37" E, a distance of 4349.80 feet to the POINT OF BEGINNING.

(Continued to Sheet No. 3.19)

WATER TARIFF

(Continued from Sheet No. 3.18)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

Together With:

PARCEL 2 - TRACT "K"

Commence at the Southeast corner of Section 17, Township 15 South, Range 31 East, Volusia County, Florida; thence on the South line of said Section 17, S 88° 39' 52" W, a distance of 5311.55 feet to the Southwest corner of said Section 17, the same being the Southeast corner of Section 18, Township 15 South, Range 31 East, Volusia County, Florida; thence on the South line of said Section 18, S 88° 39' 52" W, a distance of 5316.86 feet to the Southwest corner of said Section 18, the same being the Southeast corner of Section 13, Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of said Section 13, S 88° 59' 03" W, a distance of 828.38 feet to a point on the Westerly line of a Florida Power and Light Company Right of Way as recorded in Official Records Book 2452. Page 540 of the Public Records of Volusia County, Florida, said point being the POINT OF BEGINNING: thence continue on the South line of said Section 13, S 88° 59' 03" W, a distance of 4483.97 feet to the Southwest corner of said Section 13, the same being the Southeast corner of Section 14, Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of said Section 14, S 88° 42' 00" W, a distance of 2638.88 feet to the Southeast corner of the Southwest 1/4 of said Section 14; thence continue on the South line of said Section 14, S 88° 44' 35" W, a distance of 2633.47 feet to the Southwest corner of said Section 14, the same being the Southeast corner of Section 15, Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of the East 1/2 of said Section 15, S 89° 24' 13" W, a distance of 2668.10 feet to the Southwest corner of the East 1/2 of said Section 15; thence departing said South line and on the West line of the East 1/2 of said Section 15, N 00° 27' 35" W, a distance of 1339.92 feet to the Southeast corner of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15; thence departing said West line and on the South line of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15, S 89° 21' 21" W, a distance of 667.60 feet to the Southwest corner of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15; thence departing said South line and on the West line of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15, N 00° 29' 03" W, a distance of 1339.36 feet to the Northwest corner of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15; thence departing said West line and on the South line of the Northwest 1/4 of said Section 15, S 89° 18' 30" W, a distance of 2004.51 feet to the Southwest corner of the Northwest 1/4 of said Section 15, thence departing said South line and on the West line of the Northwest 1/4 of said Section 15. N 00° 33' 27" W, a distance of 2681.18 feet to the Northwest corner of said Section 15, the same being the Southeast corner of Section 9, Township 15 South, Range 30 East, Volusia County, Florida;

(Continued to Sheet No. 3.20)

WATER TARIFF

(Continued from Sheet No. 3.19)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

thence departing said West line and on the South line of the East 1/2 of said Section 9, S 88° 52' 36" W, a distance of 2610.14 feet to the Southwest corner of the East 1/2 of said Section 9; thence departing said South line and on the West line of the East 1/2 of said Section 9, N 01° 34' 25" W, a distance of 5270.67 feet to the Northwest corner of the East 1/2 of said Section 9, the same being the Southwest corner of the East 1/2 of Section 4, Township 15 South, Range 30 East, Volusia County, Florida: thence on the West line of the East 1/2 of said Section 4, N 00° 16' 16" W, a distance of 2972.04 feet to a point on the Southerly Right of Way line of State Road 40, a 200 feet wide Right of Way per Florida Department of Transportation Right of Way Map, Section 79100-2503, said point being on a curve concave to the North having a radius of 5861.65 feet and a central angle of 06° 51' 35": thence departing said West line and on said Southerly Right of Way line of State Road 40 and on the arc of said curve a distance of 701.78 feet, said arc being subtended by a chord which bears N 77° 49' 10" E, a distance of 701,36 feet to the curves end; thence continue on said Southerly Right of Way line of State Road 40, N 74° 23' 23" E, a distance of 3071.83 feet to a point 20 feet West of the centerline of a Forest Road locally known as Forest Management Road "B"; thence departing the Southerly Right of Way line of State Road 40 and on a line 20 feet West of the centerline of aforesaid Forest Management Road "B" through the following courses, S 18° 33' 39" E, a distance of 937.03 feet; thence S 18° 45' 34" E, a distance of 709.38 feet; thence S 18° 32' 13" E, a distance of 496.41 feet; thence S 26° 53' 00" E, a distance of 89.78 feet; thence S 49° 23' 17" E, a distance of 103.20 feet; thence S 59° 04' 17" E, a distance of 279.13 feet; thence S 52° 23' 12" E, a distance of 124.74 feet; thence S 32° 27' 25" E, a distance of 231.99 feet; thence S 32° 03' 38" E, a distance of 241.75 feet; thence S 34° 35' 32" E, a distance of 598.98 feet; thence S 39° 26' 42" E, a distance of 171.82 feet; thence S 44° 13' 57" E, a distance of 1374.87 feet; thence S 40° 58' 25" E, a distance of 1023.75 feet; thence S 40° 57' 20" E, a distance of 1522.12 feet; thence S 41° 52' 28" E, a distance of 1301.42 feet; thence S 22° 14' 32" E, a distance of 113.06 feet; thence S 12° 01' 10" E, a distance of 1003.87 feet; thence S 11° 38' 03" E, a distance of 700.17 feet to a point on the North line of Section 14, Township 15 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 14, N 88° 55' 30" E, a distance of 3990.49 feet to Northeast corner of said Section 14, the same being the Northwest corner of Section 13, Township 15 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 13, N 89° 22' 49" E, a distance of 3305.64 feet to a point on the Westerly line of the aforesaid Florida Power and Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing said North line and on the Westerly line of said Florida Power and Light Company Right of Way, S 21° 25' 08" E, a distance of 1264.30 feet; thence continue on the Westerly line of said Florida Power and Light Company Right of Way, S 10° 39' 05" E, a distance of 4200.89 feet to the POINT OF BEGINNING.

(Continued to Sheet No. 3.21)

WATER TARIFF

(Continued from Sheet No. 3.20)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

Together With:

PARCEL 2 - TRACT "L"

Commence at the Southeast corner of Section 17, Township 15 South, Range 31 East, Volusia County, Florida; thence on the South line of said Section 17, S 88° 39' 52" W, a distance of 1327.89 feet to the Southeast corner of the Southwest 1/4 of the Southeast 1/4 of said Section 17 and the POINT OF BEGINNING: thence continue on the South line of said Section 17. S 88° 39' 52" W. a distance of 3983.66 feet to Southwest corner of said Section 17, the same being the Southeast corner of Section 18, Township 15 South, Range 31 East, Volusia County, Florida; thence on the South line of said Section 18, S 88° 39' 52" W. a distance of 5316.86 feet to the Southwest corner of said Section 18, the same being the Southeast corner of Section 13, Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of said Section 13, S 88° 59' 03" W, a distance of 524.08 feet to a point on the Easterly line of a Florida Power and Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida: thence departing said South line and on the Easterly line of said Florida Power and Light Company Right of Way, N 10° 39' 05" W, a distance of 351.79 feet; thence continue on the Easterly line of said Florida Power and Light Company Right of Way, N 10° 13' 38" W, a distance of 4090.33 feet; thence continue on the Easterly line of said Florida Power and Light Company Right of Way, N 21° 25' 07" W, a distance of 1002.42 feet to the North line of aforesaid Section 13, Township 15 South, Range 30 East, Volusia County, Florida; thence departing said Easterly line of said Florida Power and Light Company Right of Way and on the North line of said Section 13, N 89° 22' 49" E, a distance of 1593.79 feet to the Northeast corner of said Section 13, the same being the Northwest corner of aforesaid Section 18. Township 15 South, Range 31 East, Volusia County, Florida; thence on the North line of said Section 18, N 89° 07' 44" E, a distance of 5266.05 feet to the Northeast corner of said Section 18, the same being the Northwest corner of aforesaid Section 17, Township 15 South, Range 31 East, Volusia County, Florida; thence on the North line said Section 17, N 88° 46' 28" E, a distance of 1334.66 feet to the Northeast corner of the West 1/2 of the Northwest 1/4 of said Section 17; thence departing said North line and on the East line of the West 1/2 of the Northwest 1/4 of said Section 17, S 01° 25' 22" E, a distance of 2633.79 feet to the Southeast corner of the West 1/2 of the Northwest 1/4 of said Section 17; thence departing said East line and on the South line of the West 1/2 of the Northwest 1/4 of said Section 17, S 88° 43' 11" W, a distance of 1331.27 feet to the Southwest corner of the West 1/2 of the Northwest 1/4 of said Section 17; thence departing said South line and on the West line of said Section 17, S 01° 29' 47" E, a distance of 1317.54 feet to the Northwest corner of the South 1/2 of the

(Continued to Sheet No. 3.22)

WATER TARIFF

(Continued from Sheet No. 3.21)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

Southwest 1/4 of said Section 17; thence departing said West line and on the North line of the South 1/2 of the Southwest 1/4 of said Section 17 and on the North line of the Southwest 1/4 of the Southeast 1/4 of said Section 17, N 88° 41' 31" E, a distance of 3988.73 feet to the Northeast corner of the Southwest 1/4 of the Southeast 1/4 of said Section 17; thence departing said North lines and on the East line of the Southwest 1/4 of the Southeast 1/4 of said Section 17, S 01° 16' 32" E, a distance of 1315.61 feet to the POINT OF BEGINNING.

DESCRIPTION: PARCEL 3

PARCEL 3 - TRACT "A"

A parcel of land lying in Section 36, Township 14 South, Range 29 East, Section 31, Township 14 South, Range 30 East and in Sections 4 and 5, Township 15 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

BEGIN at the Northwest corner of Section 31, Township 14 South, Range 30 East, Volusia County. Florida: thence on the North line of said Section 31. N 89° 26' 37" E. a distance of 1414.27 feet to a point 20 feet East of the centerline of a Forest Management Road locally known as Forest Management Road "A"; thence departing the North line of said Section 31 and on a line 20 feet East of the centerline of aforesaid Forest Management Road "A" through the following courses: S 40°46'37" E, a distance of 527.19 feet; thence S 21°36'29" E, a distance of 769.11 feet; thence S 21°56'54" E, a distance of 653.58 feet; thence S 21°33'25" E, a distance of 1169.70 feet; thence S 13°34'29" E, a distance of 344.53 feet; thence S 10°40'05" E, a distance of 1291.34 feet; thence S 10°38'13" E, a distance of 1352.46 feet; thence S 16°44'18" W, a distance of 71.03 feet to a point hereafter referred to as "POINT A"; thence returning to the POINT OF BEGINNING proceed on the North line of Section 36, Township 14 South, Range 29 East, Volusia County, Florida, S 89°38'06" W, a distance of 2993.67 feet; to a point on the Easterly Right of Way Line of State Road 11 (a 200 foot right of way, per Florida Department of Transportation Right of Way Maps Sections 7909-104 & 79100-2901); thence departing said North line and on said Easterly Right of Way Line, S 4°38'21" E, a distance of 5362.16 feet to a point on the South line of aforesaid Section 36, Township 14 South, Range 29 East, Volusia County, Florida: thence departing said Easterly Right of Way Line and on the South line of said Section 36 the same being the North Line of the Northwest 1/4 of Section 5. Township 15 South, Range 30 East. Volusia County, Florida, N 88°46'28" E, a distance of 1497.46 feet to the Northwest corner of the Northeast 1/4 of Section 5, Township 15 South, Range 30 East, Volusia County, Florida; thence continue on the South Line of aforesaid Section 36 the same being the North Line of the Northeast 1/4

(Continued to Sheet No. 3.23)

WATER TARIFF

(Continued from Sheet No. 3.22)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 3 (continued)

of Section 5. Township 15 South, Range 30 East, Volusia County, Florida, N 89°06'19" E, a distance of 1320.86 feet; thence departing said North and South lines, S 0°02'24" E, a distance of 2447.12 feet to a point on the Northerly Limited Access Right of Way Line of State Road 40 (per Florida Department of Transportation Right of Way Maps Sections 79100-2503); thence on said Northerly Limited Access Right of Way Line and Northerly Right of Way Line of State Road 40 through the following courses: N 82°09'53" E, a distance of 633.43 feet; thence S 7°50'07" E, 50.00 feet a point on the Northerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Maps Sections 79100-2503); thence continue on said Northerly Right of Way Line of State Road 40 through the following courses: N 82°09'53" E, a distance of 3245.96 feet to the beginning of a curve concave Northwesterly having a radius of 5661.65 feet and a central angle of 7°46'30"; thence on the arc of said curve a distance of 768.28 feet said arc being subtended by a chord that bears N 78°16'38" E. a distance of 767.69 feet to the curves end and a point on a meandering line between an existing pine plantation and wetland said point bearing S 50°15'49" E, a distance of 2075.89 feet from aforesaid "POINT A": thence departing the Northerly Right of Way Line of State Road 40 and on said meander line between an existing pine plantation and wetland, Northwesterly, a distance of 2272 feet, more or less to aforesaid "POINT A" to close.

LESS Maintained Right of Way for Clifton Cemetery Road, a County Maintained Right of Way.

TOGETHER WITH:

PARCEL 3 - TRACT "B"

A parcel of land lying in Sections 28, 29, 32 and 33, Township 14 South, Range 30 East, and in Sections 2 and 3, Township 15 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

Begin at the Northwest corner of Section 28, Township 14 South, Range 30 East, Volusia County, Florida: thence on the North line of said Section 28, N 89°49'43" E, a distance of 4718.82 feet to a point on the Westerly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing the North line of said Section 28 and on the Westerly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses: S 1°00'03" E, a distance of 6622.81 feet; thence S 88°59'57" W, a distance of 100.00 feet; thence S 1°00'03" E, a distance of 68.01 feet; thence

(Continued to Sheet No. 3.24)

WATER TARIFF

(Continued from Sheet No. 3.23)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 3 (continued)

S 21°24'53" E. a distance of 68.01 feet; thence N 68°35'07" E. a distance of 100.00 feet; thence S 21°24'53" E, a distance of 2921.78 feet to a point on the Northerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence departing said Westerly Right of Way Line and on the Northerly Right of Way Line of said State Road 40, S 74°23'23" W, a distance of 8883.67 feet to a point 20 feet West of the centerline of a Forest Management Road locally known as Forest Management Road "B"; thence departing the Northerly Right of Way Line of said State Road 40 on a line 20 feet West of the centerline of aforesaid Forest Management Road "B" through the following courses: N 6°53'15" W, a distance of 852.23 feet; thence N 6°45'50" W, a distance of 912.39 feet; thence N 2°05'12" E, a distance of 406.43 feet; thence N 16°22'41" E, a distance of 711.44 feet; thence N 13°13'29" E, a distance of 121.87 feet; thence N 0°07'38" E, a distance of 157.15 feet; thence N 5°09'02" W, a distance of 654.24 feet; thence N 34°25'28" E, a distance of 638.85 feet; thence N 35°16'31" E, a distance of 697.29 feet; thence N 35°05'04" E, a distance of 724.86 feet; thence N 44°52'43" E, a distance of 438.82 feet; thence N 29°00'58" E. a distance of 710.66 feet to a point on the South Line of Section 29, Township 14 South, Range 30 East. Volusia County, Florida: thence on the South Line of said Section 29, N 89°26'37" E, a distance of 269.52 feet to the Southwest corner of the East 1/2 of the East 1/4 of said Section 29: thence departing the South line of said Section 29 and on the West Line of the East 1/2 of the East 1/4 of said Section 29, N 1°07'29" W, a distance of 5409.16 feet to the Northwest corner of the East 1/2 of the East 1/4 of said Section 29: thence departing said West Line and on the North line of the East 1/2 of the East 1/4 of said Section 29, N 88°47'01" E, a distance of 662.33 feet to the POINT OF BEGINNING.

TOGETHER WITH:

PARCEL 3 - TRACT "C"

A parcel of land lying in Sections 27, 28, 33 and 34, Township 14 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

Begin at the Northeast corner of Section 27, Township 14 South, Range 30 East, Volusia County, Florida; thence on the East Line of said Section 27, S 0°43'05" E, a distance of 5281.63 feet to the Southeast corner of said Section 27, the same being the Northeast corner of Section 34, Township 14 South, Range 30 East, Volusia County, Florida; thence departing the East Line of said Section 27 and on the East Line of said Section 34, S 0°50'04" E, a distance of 2995.90 feet to a point on the Northerly

(Continued to Sheet No. 3.25)

WATER TARIFF

(Continued from Sheet No. 3.24)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 3 (continued)

Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence departing said East Line and on the Northerly Right of Way Line of said State Road 40 the same being on a curve concave Southerly having a radius of 2925.76 feet and a central angle of 18°35'49"; thence on the arc of said curve a distance of 949.64 feet, said arc being subtended by a chord that bears S 83°41'17" W, a distance of 945.48 feet to the curves end; thence continue on the Northerly Right of Way Line of said State Road 40, S 74°23'23" W, a distance of 3756.48 feet to a point on the Easterly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing the Northerly Right of Way Line of State Road 40 and on the Easterly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses; N 21°24'53" W. a distance of 2948.26 feet; thence N 1°00'03" W. a distance of 6614.46 feet to a point on the North Line of Section 28, Township 14 South, Range 30 East, Volusia County, Florida; thence departing said Easterly Line and on the North Line of said Section 28, N 89°49'43" E, a distance of 347.16 feet to the Northeast corner of said Section 28, the same being the Northwest corner of aforesaid Section 27, Township 14 South, Range 30 East, Volusia County, Florida; thence departing the North Line of aforesaid Section 28 and on the North line of said Section 27, N 89°38'58" E, 5292.80 feet to the POINT OF BEGINNING.

TOGETHER WITH:

PARCEL 3 - TRACT "D"

A parcel of land lying in Sections 33 and 34, Township 14 South, Range 30 East, and in Sections 1,2,3,10,11 and 12, Township 15 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

BEGIN at the Southeast corner of Section 11, Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of said Section 11, S 88°55'30" W, a distance of 3990.49 feet to a point 20 feet West of the centerline of a Forest Management Road locally known as Forest Management Road "B"; thence departing the South line of said Section 11 and on a line 20 feet West of the centerline of aforesaid Forest Management Road "B" through the following courses: N 11°38'03" W, a distance of 700.17 feet; thence N 12°01'10" W, a distance of 1003.87 feet; thence N 22°14'32" W, a distance of 113.06 feet; thence N 41°52'28" W, a distance of 1301.42 feet; thence N 40°57'20" W, a distance of 1522.12 feet; thence N 40°58'25" W, a distance of 1023.75 feet; thence N 44°13'57" W, a

(Continued to Sheet No. 3.26)

WATER TARIFF

(Continued from Sheet No. 3.25)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 3 (continued)

distance of 1374.87 feet; thence N 39°26'42" W, a distance of 171.82 feet; thence N 34°35'32" W, a distance of 598.98 feet; thence N 32°03'38" W, a distance of 241.75 feet; thence N 32°27'25" W, a distance of 231.99 feet; thence N 52°23'12" W, a distance of 124.74 feet; thence N 59°04'17" W, a distance of 279.13 feet; thence N 49°23'17" W, a distance of 103.20 feet; thence N 26°53'00" W, a distance of 89.78 feet; thence N 18°32'13" W, a distance of 496.41 feet; thence N 18°45'34" W, a distance of 709.38 feet; thence N 18°33'39" W, a distance of 937.03 feet to a point on the Southerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence on said Southerly Right of Way Line of State Road 40, N 74°23'23" E, a distance of 8902.90 feet to a point on the Westerly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing the Southerly Right of Way Line of said State Road 40 and on the Westerly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses, S 21°24'53" E, a distance of 8620.26 feet; thence S 60°43'11" W, a distance of 197.04 feet; thence S 00°54'18" W, a distance of 3253.41 feet to a point on the South line of Section 12, Township 15 South, Range 30 East, Volusia County, Florida; thence departing the Westerly Right of Way line of said Power & Light Company Right of Way and on the South line of said Section 12, S 89°22'49" W, a distance of 1775.66 to the POINT OF BEGINNING.

TOGETHER WITH:

PARCEL 3 – TRACT "E"

A parcel of land lying in Sections 34 and 35, Township 14 South, Range 30 East, Sections 1, 2, and 12, Township 15 South, Range 30 East and in Section 7, Township 15 South, Range 31 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

BEGIN at the Northeast corner of Section 12, Township 15 South, Range 30 East, Volusia County, Florida; thence on the East line of said Section 12, S 00°40'00" E, a distance of 2650.44 feet to the Northwest Corner of the South 1/2 of Section 7, Township 15 South, Range 31 East, Volusia County, Florida; thence departing said East line and on the North line of the South 1/2 of said Section 7, N 89°19'09" E, a distance of 5278.30 feet to the Northeast corner of the South 1/2 of said Section 7; thence departing said North line and on the East line of the South 1/2 of said Section 7, S 00°41'03" E, a distance of 2409.52 feet; to the Northeast corner of the South 230 feet of said Section 7 as recorded in Official Records Book 2622, Page 1169 of the Public Records of Volusia County, Florida; thence

(Continued to Sheet No. 3.27)

WATER TARIFF

(Continued from Sheet No. 3.26)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 3 (continued)

departing said East line and on the North line of the South 230 feet of said Section 7, S 89°07'44" W, a distance of 5267.09 feet to the Northwest corner of the South 230 feet of said Section 7; thence departing said North line and on the West line of the South 1/2 of said Section 7, N 00°56'56" W, a distance of 1275.69 feet to a point on the Easterly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida: thence departing said West line and on said Easterly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses; N 35°48'21" W, a distance of 1384.61 feet; thence S 90°00'00" W, a distance of 1795.79 feet; thence N 21°24'53" W, a distance of 1273.78 feet; thence N 22°17'46" W, a distance of 3904.12 feet; thence N 21°24'53" W, a distance of 4287.20 feet to a point on the Southerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence departing the Easterly Right of Way Line of said Florida Power & Light Company Right of Way and on the Southerly Right of Way Line of said State Road 40 through the following courses: N 74°23'23" E, a distance of 3736.15 feet to the beginning of a curve concave Southerly having a radius of 2725.76 feet and a central angle of 23°10'10"; thence on the arc of said curve a distance of 1102.25 feet said arc being subtended by a chord that bears N 85°58'28" E, a distance of 1094.76 feet to the curves end; thence S 82°26'27" E, a distance of 1305.72 feet to a point on the West line of PLANTATION PINES (an unrecorded subdivision): thence departing said Southerly Right of Way line and on the West line of said PLANTATION PINES (an unrecorded subdivision) S 00°40'09" E, a distance of 1721.08 feet to the Northeast corner of Section 1, Township 15 South, Range 30 East, Volusia County, Florida; thence on the East line of said Section 1, the same being the West line of aforesaid PLANTATION PINES (an unrecorded subdivision), S 00°40'38" E, a distance of 5300.64 feet to the POINT OF BEGINNING.

TOGETHER WITH:

PARCEL 3 - TRACT "F"

A parcel of land lying in Sections 5 and 8, Township 15 South, Range 31 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

Begin at the Northwest corner of Section 5, Township 15 South, Range 31 East, Volusia County, Florida, thence on the North Line of said Section 5, N 89°36'29" E, a distance of 1319.85 feet to the Northeast corner of the West 1/2 of the Northwest 1/4 of said Section 5; thence departing said North Line and on the East Line of the West 1/2 of the Northwest 1/4 of said Section 5, S 0°43'40" E, a

(Continued to Sheet No. 3.28)

THOMAS LINDQUIST ISSUING OFFICER

EXECUTIVE V.P.

WATER TARIFF

(Continued from Sheet No. 3.27)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 3 (continued)

distance of 2635.16 feet to the Southeast corner of the West 1/2 of the Northwest 1/4 of said Section 5, said corner being on the North Line of the Southwest 1/4 of said Section 5; thence departing said East Line and on the North Line of the Southwest 1/4 of said Section 5, N 89°26'21" E, a distance of 1321.45 feet to the Northeast corner of the Southwest 1/4 of said Section 5; thence departing said North Line and on the East line of the Southwest 1/4 of said Section 5, S 0°45'47" E, a distance of 2631.54 feet to the Southeast corner of the Southwest 1/4 of said Section 5, the same being the Northeast corner of the Northeast 1/4 of the Northwest 1/4 of Section 8, Township 15 South, Range 31 East, Volusia County, Florida; thence on the East Line of the Northeast 1/4 of the Northwest 1/4 of said Section 8, S 0°56'00" E, a distance of 1310.73 feet to the Southeast corner of the Northeast 1/4 of the Northwest 1/4 of said Section 8; thence departing said East Line and on the South Line of the Northeast 1/4 of the Northwest 1/4 of said Section 8, S 89°04'11" W, a distance of 1326.03 feet to the Southwest corner of the Northeast 1/4 of the Northwest 1/4 of said Section 8 the same being the Northeast corner of the Southwest 1/4 of the Northwest 1/4 of said Section 8; thence departing said South Line and on the East Line of the Southwest 1/4 of the Northwest 1/4 of said Section 8, S 0°48'30" E, a distance of 1315.24 feet to the Southeast corner of the Southwest 1/4 of the Northwest 1/4 of said Section 8; thence departing said East Line and on the South Line of the Southwest 1/4 of the Northwest 1/4 of said Section 8, S 88°52'31" W, a distance of 1328.91 feet to the Southwest corner of the Northwest 1/4 of said Section 8; thence departing said South Line and on the West Line of the Northwest 1/4 of said Section 8 the same being on the East Line of PLANTATION PINES (an unrecorded subdivision), N 0°41'03" W, a distance of 2639.52 feet to the Northwest Corner of said Section 8, the same being the Southwest corner of the Southwest 1/4 of aforesaid Section 5; thence on the West line of the Southwest 1/4 said Section 5, the same being on the East Line of aforesaid PLANTATION PINES (an unrecorded subdivision), N 0°41'17" W, a distance of 2639.58 feet to the Southwest corner of the West 1/2 of the Northwest 1/4 of said Section 5; thence on the West Line of the West 1/2 of the Northwest 1/4 of said Section 5, the same being on the East Line of aforesaid PLANTATION PINES (an unrecorded subdivision), N 0°41'34" W, a distance of 2639.04 feet to the POINT OF BEGINNING.

ORIGINAL SHEET NO. 4.0

D & E WATER RESOURCES, L.L.C. WATER TARIFF

COMMUNITIES SERVED LISTING

County Name	Development Name	Rate Schedule(s) Available	Sheet No.
Flagler Volusia		All All	

WATER TARIFF

TECHNICAL TERMS AND ABBREVIATIONS

- 1.0 "BFC" The abbreviation for "Base Facility Charge" which is the minimum amount the Company may charge its Customers and is separate from the amount the Company bills its Customers for water consumption.
- 2.0 "CERTIFICATE" A document issued by the Commission authorizing the Company to provide water service in a specific territory.
- 3.0 "COMMISSION" The shortened name for the Florida Public Service Commission.
- 4.0 "COMMUNITIES SERVED" The group of Customers who receive water service from the Company and whose service location is within a specific area or locality that is uniquely separate from another.
- 5.0 "COMPANY" The shortened name for the full name of the utility which is D & E WATER RESOURCES, L.L.C.
- 6.0 "CUSTOMER" Any person, firm or corporation who has entered into an agreement to receive water service from the Company and who is liable for the payment of that water service.
- 7.0 "CUSTOMER'S INSTALLATION" All pipes, shut-offs, valves, fixtures and appliances or apparatus of every kind and nature used in connection with or forming a part of the installation for rendering water service to the Customer's side of the Service Connection whether such installation is owned by the Customer or used by the Customer under lease or other agreement.
- 8.0 "MAIN" A pipe, conduit, or other facility used to convey water service to individual service lines or through other mains.
- 9.0 <u>"RATE"</u> Amount which the Company may charge for water service which is applied to the Customer's actual consumption.
- 10.0 "RATE SCHEDULE" The rate(s) or charge(s) for a particular classification of service plus the several provisions necessary for billing, including all special terms and conditions under which service shall be furnished at such rate or charge.
- 11.0 <u>"SERVICE"</u> As mentioned in this tariff and in agreement with Customers, "Service" shall be construed to include, in addition to all water service required by the Customer, the readiness and ability on the part of the Company to furnish water service to the Customer. Service shall conform to the standards set forth in Section 367.111 of the Florida Statutes.

(Continued to Sheet No. 5.1)

WATER TARIFF

(Continued from Sheet No. 5.0)

- 12.0 <u>"SERVICE CONNECTION"</u> The point where the Company's pipes or meters are connected with the pipes of the Customer.
- 13.0 <u>"SERVICE LINES"</u> The pipes between the Company's Mains and the Service Connection and which includes all of the pipes, fittings and valves necessary to make the connection to the Customer's premises, excluding the meter.
- 14.0 <u>"TERRITORY"</u> The geographical area described, if necessary, by metes and bounds but, in all cases, with township, range and section in a Certificate, which may be within or without the boundaries of an incorporated municipality and may include areas in more than one county.

WATER TARIFF

INDEX OF RULES AND REGULATIONS

	Sheet <u>Number</u> :	Rule <u>Number</u> :
Access to Premises	9.0	14.0
Adjustment of Bills	10.0	22.0
Adjustment of Bills for Meter Error	10.0	23.0
All Water Through Meter	10.0	21.0
Application	7.0	3.0
Applications by Agents	7.0	4.0
Change of Customer's Installation	8.0	11.0
Continuity of Service	8.0	9.0
Customer Billing.	9.0	16.0
Delinquent Bills	7.0	8.0
Extensions	7.0	6.0
Filing of Contracts	10.0	25.0
General Information	7.0	1.0
Inspection of Customer's Installation	9.0	13.0
Limitation of Use	8.0	10.0
Meter Accuracy Requirements	10.0	24.0
Meters	10.0	20.0
Payment of Water and Wastewater Service Bills Concurrently	10.0	18.0

(Continued to Sheet No. 6.1)

THOMAS LINDQUIST
ISSUING OFFICER
EXECUTIVE V.P.
TITLE

WATER TARIFF

(Continued from Sheet No. 6.0)

	Sheet <u>Number</u> :	Rule <u>Number</u> :
Policy Dispute	7.0	2.0
Protection of Company's Property	8.0	12.0
Refusal or Discontinuance of Service	7.0	5.0
Right-of-way or Easements	9.0	15.0
Termination of Service	9.0	17.0
Type and Maintenance	7.0	7.0
Unauthorized Connections - Water	10.0	19.0

THOMAS LINDQUIST
ISSUING OFFICER
EXECUTIVE V.P.
TITLE

WATER TARIFF

RULES AND REGULATIONS

- 1.0 <u>GENERAL INFORMATION</u> These Rules and Regulations are a part of the rate schedules and applications and contracts of the Company and, in the absence of specific written agreement to the contrary, apply without modifications or change to each and every Customer to whom the Company renders water service.
 - The Company shall provide water service to all Customers requiring such service within its Certificated territory pursuant to Chapter 25-30, Florida Administrative Code and Chapter 367, Florida Statutes.
- 2.0 <u>POLICY DISPUTE</u> Any dispute between the Company and the Customer or prospective Customer regarding the meaning or application of any provision of this tariff shall upon written request by either party be resolved by the Florida Public Service Commission.
- 3.0 <u>APPLICATION</u> In accordance with Rule 25-30.310, Florida Administrative Code, a signed application is required prior to the initiation of service. The Company shall provide each Applicant with a copy of the brochure entitled "Your Water and Wastewater Service," prepared by the Florida Public Service Commission.
- 4.0 <u>APPLICATIONS BY AGENTS</u> Applications for water service requested by firms, partnerships, associations, corporations, and others shall be rendered only by duly authorized parties or agents.
- 5.0 <u>REFUSAL OR DISCONTINUANCE OF SERVICE</u> The Company may refuse or discontinue water service rendered under application made by any member or agent of a household, organization, or business in accordance with Rule 25-30.320, Florida Administrative Code.
- 6.0 <u>EXTENSIONS</u> Extensions will be made to the Company's facilities in compliance with Commission Rules and Orders and the Company's tariff.
- TYPE AND MAINTENANCE In accordance with Rule 25-30.545, Florida Administrative Code, the Customer's pipes, apparatus and equipment shall be selected, installed, used and maintained in accordance with standard practice and shall conform with the Rules and Regulations of the Company and shall comply with all laws and governmental regulations applicable to same. The Company shall not be responsible for the maintenance and operation of the Customer's pipes and facilities. The Customer expressly agrees not to utilize any appliance or device which is not properly constructed, controlled, and protected or which may adversely affect the water service. The Company reserves the right to discontinue or withhold water service to such apparatus or device.
- 8.0 <u>DELINQUENT BILLS</u> When it has been determined that a Customer is delinquent in paying any bill, water service may be discontinued after the Company has mailed or presented a written notice to the Customer in accordance with Rule 25-30.320, Florida Administrative Code.

(Continued to Sheet No. 8.0)

WATER TARIFF

(Continued from Sheet No. 7.0)

9.0 <u>CONTINUITY OF SERVICE</u> - In accordance with Rule 25-30.250, Florida Administrative Code, the Company will at all times use reasonable diligence to provide continuous water service and, having used reasonable diligence, shall not be liable to the Customer for failure or interruption of continuous water service.

If at any time the Company shall interrupt or discontinue its service, all Customers affected by said interruption or discontinuance shall be given not less than 24 hours written notice.

10.0 <u>LIMITATION OF USE</u> - Water service purchased from the Company shall be used by the Customer only for the purposes specified in the application for water service. Water service shall be rendered to the Customer for the Customer's own use and the Customer shall not sell or otherwise dispose of such water service supplied by the Company.

In no case shall a Customer, except with the written consent of the Company, extend his lines across a street, alley, lane, court, property line, avenue, or other way in order to furnish water service to the adjacent property through one meter even though such adjacent property may be owned by him. In case of such unauthorized extension, sale, or disposition of service, the Customer's water service will be subject to discontinuance until such unauthorized extension, remetering, sale or disposition of service is discontinued and full payment is made to the Company for water service rendered by the Company (calculated on proper classification and rate schedules) and until reimbursement is made in full to the Company for all extra expenses incurred for clerical work, testing, and inspections. (This shall not be construed as prohibiting a Customer from remetering.)

- 11.0 CHANGE OF CUSTOMER'S INSTALLATION No changes or increases in the Customer's installation, which will materially affect the proper operation of the pipes, mains, or stations of the Company, shall be made without written consent of the Company. The Customer shall be liable for any charge resulting from a violation of this Rule.
- 12.0 <u>PROTECTION OF COMPANY'S PROPERTY</u> The Customer shall exercise reasonable diligence to protect the Company's property. If the Customer is found to have tampered with any Company property or refuses to correct any problems reported by the Company, service may be discontinued in accordance with Rule 25-30.320, Florida Administrative Code.

In the event of any loss or damage to property of the Company caused by or arising out of carelessness, neglect, or misuse by the Customer, the cost of making good such loss or repairing such damage shall be paid by the Customer.

(Continued to Sheet No. 9.0)

WATER TARIFF

(Continued from Sheet No. 8.0)

13.0 <u>INSPECTION OF CUSTOMER'S INSTALLATION</u> - All Customer's water service installations or changes shall be inspected upon completion by a competent authority to ensure that the Customer's piping, equipment, and devices have been installed in accordance with accepted standard practice and local laws and governmental regulations. Where municipal or other governmental inspection is required by local rules and ordinances, the Company cannot render water service until such inspection has been made and a formal notice of approval from the inspecting authority has been received by the Company.

Not withstanding the above, the Company reserves the right to inspect the Customer's installation prior to rendering water service, and from time to time thereafter, but assumes no responsibility whatsoever for any portion thereof.

- 14.0 <u>ACCESS TO PREMISES</u> In accordance with Rule 25-30.320(2)(f), Florida Administrative Code, the Customer shall provide the duly authorized agents of the Company access at all reasonable hours to its property. If reasonable access is not provided, service may be discontinued pursuant to the above rule.
- 15.0 <u>RIGHT-OF-WAY OR EASEMENTS</u> The Customer shall grant or cause to be granted to the Company, and without cost to the Company, all rights, easements, permits, and privileges which are necessary for the rendering of water service.
- 16.0 <u>CUSTOMER BILLING</u> Bills for water service will be rendered Monthly, Bimonthly, or Quarterly as stated in the rate schedule.

In accordance with Rule 25-30.335, Florida Administrative Code, the Company may not consider a Customer delinquent in paying his or her bill until the twenty-first day after the Company has mailed or presented the bill for payment.

A municipal or county franchise tax levied upon a water or wastewater public Company shall not be incorporated into the rate for water or wastewater service but shall be shown as a separate item on the Company's bills to its Customers in such municipality or county.

- If a Company utilizes the base facility and usage charge rate structure and does not have a Commission authorized vacation rate, the Company shall bill the Customer the base facility charge regardless of whether there is any usage.
- 17.0 <u>TERMINATION OF SERVICE</u> When a Customer wishes to terminate service on any premises where water service is supplied by the Company, the Company may require reasonable notice to the Company in accordance with Rule 25-30.325, Florida Administrative Code.

(Continued to Sheet No. 10.0)

WATER TARIFF

(Continued from Sheet No. 9.0)

- 18.0 PAYMENT OF WATER AND WASTEWATER SERVICE BILLS CONCURRENTLY In accordance with Rule 25-30.320(2)(g), Florida Administrative Code, when both water and wastewater service are provided by the Company, payment of any water service bill rendered by the Company to a Customer shall not be accepted by the Company without the simultaneous or concurrent payment of any wastewater service bill rendered by the Company.
- 19.0 <u>UNAUTHORIZED CONNECTIONS WATER -</u> Any unauthorized connections to the Customer's water service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
- 20.0 <u>METERS</u> All water meters shall be furnished by and remain the property of the Company and shall be accessible and subject to its control, in accordance with Rule 25-30.230, Florida Administrative Code.
- 21.0 <u>ALL WATER THROUGH METER</u> That portion of the Customer's installation for water service shall be so arranged to ensure that all water service shall pass through the meter. No temporary pipes, nipples, or spaces are permitted and under no circumstances are connections allowed which may permit water to by-pass the meter or metering equipment.
- 22.0 <u>ADJUSTMENT OF BILLS</u> When a Customer has been undercharged as a result of incorrect application of the rate schedule, incorrect reading of the meter, incorrect connection of the meter, or other similar reasons, the amount may be refunded or billed to the Customer as the case may be pursuant to Rules 25-30.340 and 25-30.350, Florida Administrative Code.
- 23.0 <u>ADJUSTMENT OF BILLS FOR METER ERROR</u> When meter tests are made by the Commission or by the Company, the accuracy of registration of the meter and its performance shall conform with Rule 25-30.262, Florida Administrative Code and any adjustment of a bill due to a meter found to be in error as a result of any meter test performed whether for unauthorized use or for a meter found to be fast, slow, non-registering, or partially registering, shall conform with Rule 25-30.340, Florida Administrative Code.
- 24.0 <u>METER ACCURACY REQUIREMENTS</u> All meters used by the Company should conform to the provisions of Rule 25-30.262, Florida Administrative Code.
- 25.0 <u>FILING OF CONTRACTS</u> Whenever a Developer Agreement or Contract, Guaranteed Revenue Contract, or Special Contract or Agreement is entered into by the Company for the sale of its product or services in a manner not specifically covered by its Rules and Regulations or approved Rate Schedules, a copy of such contracts or agreements shall be filed with the Commission prior to its execution in accordance with Rule 25-9.034 and Rule 25-30.550, Florida Administrative Code. If such contracts or agreements are approved by the Commission, a conformed copy shall be placed on file with the Commission within 30 days of execution.

WATER TARIFF

INDEX OF RATES AND CHARGES SCHEDULES

	Sheet Number
Bulk Raw Water, BRWS	. 14.0
Customer Deposits	. 15.0
General Service, GS	. 12.0
Meter Test Deposit	. 16.0
Miscellaneous Service Charges	. 17.0
Residential, RS	. 13.0
Service Availability Fees and Charges	. 18.0

WATER TARIFF

GENERAL SERVICE

RATE SCHEDULE GS

AVAILABILITY -

Available throughout the area served by the Company.

APPLICABILITY -

For water service to all Customers for which no other schedule applies.

LIMITATIONS -

Subject to all of the Rules and Regulations of this tariff and General Rules and

Regulations of the Commission.

BILLING PERIOD -

Monthly

RATE -

Meter Size	Base Facility Charge
5/8"	\$ 15.21
3/4"	15.21
1.0"	38.03
1.5"	76.05
2.0"	121.68

Gallonage Charge per 1,000 gallons:

4.09

TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING -

Original Certificate

THOMAS LINDQUIST ISSUING OFFICER

EXECUTIVE V.P.

TITLE

WATER TARIFF

RESIDENTIAL SERVICE

RATE SCHEDULE RS

AVAILABILITY -

Available throughout the area served by the company.

APPLICABILITY -

For water service for all purposes in private residences.

LIMITATIONS -

Subject to all of the Rules and Regulations of this tariff and General Rules and

Regulations of the Commission.

BILLING PERIOD -

Monthly

RATE -

Meter Size	Base Facility Charge
5/8"	\$ 15.21
3/4"	15.21
1.0"	38.03
1.5"	76.05
2 0"	121.68

Gallonage Charge per 1,000 gallons:

\$ 4.09

TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING -

Original Certificate

THOMAS LINDQUIST ISSUING OFFICER EXECUTIVE V.P.

TITLE

WATER TARIFF

BULK RAW WATER SERVICE

RATE SCHEDULE BRWS

AVAILABILITY -

Available for all requests for bulk raw water purchased for treatment and resale.

APPLICABILITY -

Available for all requests for bulk raw water purchased for treatment and resale.

LIMITATIONS -

Subject to all of the Rules and Regulations of this Tariff and General Rules and

Regulations of the Commission.

BILLING PERIOD -

N/A

RATE -

N/A

<u>TERMS OF PAYMENT</u> - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service,

service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING -

Original Certificate

THOMAS LINDQUIST ISSUING OFFICER

EXECUTIVE V.P.

WATER TARIFF

CUSTOMER DEPOSITS

<u>ESTABLISHMENT OF CREDIT</u> - Before rendering water service, the Company may require an Applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the Customer from complying with the Company's rules for prompt payment. Credit will be deemed so established if the Customer complies with the requirements of Rule 25-30.311, Florida Administrative Code.

AMOUNT OF DEPOSIT - The amount of initial deposit shall be the following according to meter size:

General Service

5/8" x 3/4"	N/A
1"	N/A
1 1/2"	N/A
Over 2"	N/A

<u>ADDITIONAL DEPOSIT</u> - Under Rule 25-30.311(7), Florida Administrative Code, the Company may require a new deposit, where previously waived or returned, or an additional deposit in order to secure payment of current bills provided.

<u>INTEREST ON DEPOSIT</u> - The Company shall pay interest on Customer deposits pursuant to Rules 25-30.311(4) and (4a). The Company will pay or credit accrued interest to the Customer's account during the month of ______ N/A _____ each year.

<u>REFUND OF DEPOSIT</u> - After a residential Customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the Company shall refund the Customer's deposit provided the Customer has met the requirements of Rule 25-30.311(5), Florida Administrative Code. The Company may hold the deposit of a non-residential Customer after a continuous service period of 23 months and shall pay interest on the non-residential Customer's deposit pursuant to Rules 25-30.311(4) and (5), Florida Administrative Code.

Nothing in this rule shall prohibit the Company from refunding a Customer's deposit in less than 23 months.

EFFECTIVE DATE -

TYPE OF FILING - Original Certificate

THOMAS LINDQUIST ISSUING OFFICER

EXECUTIVE V.P.

TITLE

WATER TARIFF

METER TEST DEPOSIT

METER BENCH TEST REQUEST - If any Customer requests a bench test of his or her water meter, in accordance with Rule 25-30.266, Florida Administrative Code, the Company may require a deposit to defray the cost of testing; such deposit shall not exceed the schedule of fees found in Rule 25-30.266, Florida Administrative Code.

METER SIZE	<u>FEE</u>
5/8" x 3/4" 1" and 1 1/2"	\$20.00 \$25.00
2" and over	Actual Cost

<u>REFUND OF METER BENCH TEST DEPOSIT</u> - The Company may refund the meter bench test deposit in accordance with Rule 25-30.266, Florida Administrative Code.

METER FIELD TEST REQUEST - A Customer may request a no-charge field test of the accuracy of a meter in accordance with Rule 25-30.266, Florida Administrative Code.

EFFECTIVE DATE -

TYPE OF FILING - Original Certificate

THOMAS LINDQUIST ISSUING OFFICER

EXECUTIVE V.P.

TITLE

WATER TARIFF

MISCELLANEOUS SERVICE CHARGES

The Company may charge the following miscellaneous service charges in accordance with the terms stated herein. If both water and wastewater services are provided, only a single charge is appropriate unless circumstances beyond the control of the Company require multiple actions.

<u>INITIAL CONNECTION</u> - This charge may be levied for service initiation at a location where service did not exist previously.

<u>NORMAL RECONNECTION</u> - This charge may be levied for transfer of service to a new Customer account at a previously served location or reconnection of service subsequent to a Customer requested disconnection.

<u>VIOLATION RECONNECTION</u> - This charge may be levied prior to reconnection of an existing Customer after disconnection of service for cause according to Rule 25-30.320(2), Florida Administrative Code, including a delinquency in bill payment.

<u>PREMISES VISIT CHARGE (IN LIEU OF DISCONNECTION)</u> - This charge may be levied when a service representative visits a premises for the purpose of discontinuing service for nonpayment of a due and collectible bill and does not discontinue service because the Customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

Schedule of Miscellaneous Service Charges

Initial Connection Fee	\$15.00
Normal Reconnection Fee	\$ 15.00
Violation Reconnection Fee	\$ Actual Cost (1)
Premises Visit Fee (in lieu of disconnection)	\$ _ 10.00

EFFECTIVE DATE -

TYPE OF FILING - Original Certificate

THOMAS LINDQUIST
ISSUING OFFICER
EXECUTIVE V.P.
TITLE

D & E WATER RESOURCES, L.L.C. WATER TARIFF

SERVICE AVAILABILITY FEES AND CHARGES

	Refer	r to Service Availability Policy
Description	<u>Amour</u>	t Sheet No./Rule No.
Back-Flow Preventor Installation Fee		
5/8" × 3/4"	\$	
1"	\$	
1 1/2"	\$ \$	
2"	\$	
Over 2"	\$ ¹	
Customer Connection (Tap-in) Charge	•	
5/8" metered service	\$	
1" metered service		
1 1/2" metered service	\$ \$	
2" metered service	\$	
	\$ ¹	
	Ф	
Guaranteed Revenue Charge		
With Prepayment of Service Availability Charges:	•	
Residential-per ERC/month (GPD)	\$	
All others-per gallon/month	\$	
Without Prepayment of Service Availability Charges:		
Residential-per ERC/month (GPD)	\$	
All others-per gallon/month	\$_	
Inspection Fee	\$ 1	
Main Extension Charge		
Residential-per ERC (GPD)	\$	
All others-per gallon	\$	
or		
Residential-per lot (foot frontage)	\$	
All others-per front foot	\$	
Meter Installation Fee		
5/8"	\$	
3/4"	\$	
1"	\$	
1 1/2"	\$ \$ \$ \$ \$ \$ \$ \$	
2"	\$	
Over 2"	\$ 1	
Plan Review Charge	\$ 1	
Plant Capacity Charge	Ψ	
Residential-per ERC (350 GPD)	\$	803.24
General Service per ERC (350 GPD)	\$ \$	803.24
All others per gallen	φ \$	2.30
All others-per gallon	φ	2.30
System Capacity Charge	œ.	
Residential-per ERC (GPD)	\$ \$	
All others-per gallon	Ф	
¹ Actual Cost is equal to the total cost incurred for services rendered.		

¹Actual Cost is equal to the total cost incurred for services rendered.

EFFECTIVE DATE -

TYPE OF FILING - Original Application

THOMAS LINDQUIST ISSUING OFFICER

EXECUTIVE V.P.
TITLE

WATER TARIFF

INDEX OF STANDARD FORMS

Description	Sheet No
APPLICATION FOR METER INSTALLATION	22.0
APPLICATION FOR WATER SERVICE	21.0
COPY OF CUSTOMER'S BILL	23.0
CUSTOMER'S GUARANTEE DEPOSIT RECEIPT	20.0

THOMAS LINDQUIST ISSUING OFFICER

EXECUTIVE V.P.

TITLE

WATER TARIFF

CUSTOMER'S GUARANTEE DEPOSIT RECEIPT

THOMAS LINDQUIST ISSUING OFFICER

EXECUTIVE V.P.

TITLE

WATER TARIFF

Application for Water Service

Name	Telephone Number		
Billing Address			
City	State	Zip	
Service Address			
City	State	Zip	
Date service should begin			

By signing this agreement, the Customer agrees to the following:

- 1. The Company shall not be responsible for the maintenance and operation of the Customer's pipes and facilities. The Customer agrees not to utilize any appliance or device which is not properly constructed, controlled, and protected or which may adversely affect the water service; the Company reserves the right to discontinue or withhold water service to such apparatus or device.
- 2. The Company may refuse or discontinue water service rendered under application made by any member or agent of a household, organization, or business for any of the reasons contained in Rule 25-30.320, Florida Administrative Code. Any unauthorized connections to the Customer's water service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
- 3. The Customer agrees to abide by all existing Company Rules and Regulations as contained in the tariff. In addition, the Customer has received from the Company a copy of the brochure "Your Water and Wastewater Service" produced by the Florida Public Service Commission.
- 4. Bills for water service will be rendered Monthly, Bimonthly, or Quarterly as stated in the rate schedule. Bills must be paid within 20 days of mailing bills. If payment is not made after five working days written notice, service may be discontinued.
- 5. When a Customer wishes to terminate service on any premises where water and/or wastewater service is supplied by the Company, the Company may require (oral, written) notice within ____ days prior to the date the Customer desires to terminate service.

THOMAS LINDQUIST ISSUING OFFICER EXECUTIVE V.P. TITLE D & E WATER RESOURCES, L.L.C. WATER TARIFF

APPLICATION FOR METER INSTALLATION

THOMAS LINDQUIST ISSUING OFFICER

EXECUTIVE V.P.
TITLE

WATER TARIFF

COPY OF CUSTOMER'S BILL

D & E WATER RESOURCES, L.L.C. ONE CONCOURSE PARKWAY, SUITE 755 ATLANTA, GA 30328 (770) 829-6316

Account Number:	111-222	Service Pe	riod:		1/1/06	- 1/31/06
Service Address:	123 Main Street					
WATER SERVICE	Previous	Present			СН	ARGES
	Read	Read	Co	nsumption		
Consumption	100	105		5		
Base Facility Charge					\$	15.21
Gallonage Charge	5	@	\$	4.09	\$	20.45
Water Meter Size:	5/8 Inch	Previous Unpaid Balance:		\$	-	
Water Usage Billed this Period	5 .	Total Current Charges:		\$	35.66	
Compared to Same Last Year	6	Total Now Due:		\$	35.66	
Our in Address	Account	Data Dillad		Data Data		
Service Address 123 Main Street	Number 111-222	2/7/2006		Date Due 3/4/2006		
Customer Name and Address		Previou	s Unpa	id Balance:	\$	_
		Total Current Charges:		\$	35.66	
		Total Now Due:			\$	35.66
		Amount Paid:				

THOMAS LINDQUIST
ISSUING OFFICER
EXECUTIVE V.P.
TITLE

WATER TARIFF

INDEX OF SERVICE AVAILABILITY

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WATER TARIFF

SERVICE AVAILABILITY POLICY

The Company will provide service to any customer within its certificated territory requesting service upon application and payment of the required plant capacity charges as shown on Tariff Sheet No. 18. Service provided will be in compliance with such requirements as may be appropriate under the provisions of the Company's tariff and the rules and statutes of the Florida Public Service Commission and State of Florida.

Wastewater Tariff

WASTEWATER TARIFF

D & E WATER RESOURCES, L.L.C.

FILED WITH
FLORIDA PUBLIC SERVICE COMMISSION

WASTEWATER TARIFF

D & E WATER RESOURCES, L.L.C.

One Concourse Parkway, Suite 755 Atlanta, GA 30328 (770) 829-6316

FILED WITH
FLORIDA PUBLIC SERVICE COMMISSION

THOMAS LINDQUIST
ISSUING OFFICER
EXECUTIVE V.P.
TITLE

WASTEWATER TARIFF

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D & E WATER RESOURCES, L.L.C. WASTEWATER TARIFF

TERRITORY AUTHORITY

CERTIFICATE NUMBER -

COUNTY -

COMMISSION ORDER(s) APPROVING TERRITORY SERVED -

Order Number

Date Issued

Docket Number

Filing Type

ORIGINAL CERTIFICATE

(Continued to Sheet No. 3.1)

THOMAS LINDQUIST
ISSUING OFFICER
EXECUTIVE V.P.
TITLE

WASTEWATER TARIFF

(Continued from Sheet No. 3.0)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 1

A parcel of land lying in Sections 10 and 15, Township 13 South, Range 30 East, Flagler County, Florida, and more particularly described as follows:

From a Point of Reference being the Southwest corner of said Section 10, bear S86°53'34"E along the South line of said Section 10 a distance of 249.50 feet to the Southerly right-of-way of County Road 304; thence N41°37'15"E along the said Southerly right-of-way line of County Road 304 a distance of 1385.48 feet to an intersection with the Easterly right-of-way line of the Florida Power & Light right-of-way (300' R/W) being the Point of Beginning of this description; thence continue N41°37'15"E 2818.53 feet; thence N41°27'55"E 1173.68 feet to a point along said Southerly right-of-way line of County Road 304, said point being the Southwest corner of Official Records Book 360, Pages 74 thru 76 as recorded in the records of Flagler County, Florida; thence leaving said Southerly right-of-way line of County Road 304 along the Southerly line of said Official Records Book 360, Pages 74 thru 76 S86°54'03"E 1371.88 feet; thence S01°25'22"E 359.06 feet; thence S41°27'55"W 1763.90 feet; thence S 41°37'15"W 3630.65 feet to a point on the Easterly right-of-way line of the Florida Power & Light right-of-way (300' R/W); thence along said Easterly right-of-way line N16°50'03"W 1548.88 feet to the Southerly line of County Road 304 and the Point of Beginning of this description.

LESS & EXCEPT THE FOLLOWING DESCRIPTION:

A 10.00 acre parcel of land lying in Section 10, Township 13 South, Range 30 East, Flagler County, Florida and more particularly described as Follows:

From a Point of Reference being the Southwest corner of Section 10, bear S86°53'34"E along the South line of said Section 10 a distance of 249.50 feet to the Southerly right-of-way of County Road 304; thence N41°37'15"E along the said Southerly right-of-way of County Road 304 a distance of 1385.48 feet to an intersection with the Easterly right-of-way line of the Florida Power & Light right-of-way (300' R/W); thence continue N41°37'15"E along the Southerly line of County Road 304 a distance of 330.00 feet to the Point of Beginning of this description; thence continue N41°37'15"E along said right-of-way line a distance of 330.00 feet; thence S48°22'45"E a distance of 1320.00 feet; thence S41°37'15"W a distance of 330.00 feet; thence N48°22'45"W a distance of 1320.00 feet to the Southerly line of County Road 304 and the Point of Beginning.

(Continued to Sheet No. 3.2)

WASTEWATER TARIFF

(Continued from Sheet No. 3.1)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2

PARCEL 2 - TRACT "A"

A parcel of land lying in Sections 10, 11, 12, 13, 14 and 15, Township 13 South, Range 30 East, Flagler County, Florida and being a portion of the subdivision of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida and being more particularly described as follows:

BEGIN at the Southeast corner of Section 12, Township 13 South, Range 30 East, Flagler County, Florida: thence on the East line of said Section 12, N 01°53'47" W, a distance of 5329,76 feet to the Northeast corner of said Section 12; thence departing said East line and on the North line of said Section 12, S 89°22'13" W, a distance of 5046.45 feet to the Northwest corner of said Section 12, the same being the Northeast corner of aforesaid Section 11, Township 13 South, Range 30 East, Flagler County, Florida; thence on the North line of said Section 11, S 89°35'41" W, a distance of 5413.22 feet to the Northwest corner of said Section 11; thence departing said North line and on the West line of said Section 11, S 1°14'45" E, a distance of 669.38 feet to the Northwest corner of Tract 6, Block B of Section 11, Township 13 South, Range 30 East of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida; thence departing said West line and on the North line of said Tract 6, Block B, of Section 11, N 89°33'02" E. a distance of 676.64 feet to the Northeast corner of said Tract 6. Block B. of Section 11: thence departing said North line and on the East line of Tract 6, Block B and the East line of Tract 7, Block B all in Section 11, Township 13 South, Range 30 of said BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida, S 01°14'43" E. a distance of 1337.72 feet to the Southeast corner of said Tract 7, Block B, of Section 11; thence departing said East lines and on the South line of said Tract 7, Block B, of Section 11, S 89°27'44" W, a distance of 676.61 feet to the Southwest corner of said Tract 7. Block B. of Section 11; thence departing the South line of said Tract 7, Block B, of Section 11 and on the West line of said Tract 7, Block B, of Section 11, the same being the East line of Section 10, Township 13 South, Range 30 East, Flagler County, Florida, N 01°14'45" W, a distance of 530.41 feet to the Southeast corner of a parcel of land as described in Official Records Book 700, Page 124 of the Public Records of Flagler County, Florida; thence departing said East and West lines and on the Southeasterly line of said parcel of land as described in Official Records Book 700. Page 124 of the Public Records of Flagler County, Florida, S 41°36'27" W, a distance of 1766.36 feet; thence continue on said Southeasterly line, S 41°45'47" W, a distance of 3627.29 feet to the Southwesterly corner of

(Continued to Sheet No. 3.3)

WASTEWATER TARIFF

(Continued from Sheet No. 3.2)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

said parcel of land as described in Official Records Book 700, Page 124 of the Public Records of Flagler County, Florida, said corner being on the East line of a Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said Southeast line and on the East line of said Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida, S 16°41'34" E, a distance of 1738.79 feet to a point on the North line of Tract 11, Block B of Section 15, Township 13 South, Range 30 East of aforesaid BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida; thence departing said East line and on the North line of said Tract 11, Block B, of Section 15, S 86°41'51" E, a distance of 594.56 feet to the Northeast corner of said Tract 11. Block B, of Section 15; thence departing said North line and on the East line of said Tract 11, Block B, of Section 15, S 01°51'03" E, a distance of 669.29 feet to the Southeast corner of said Tract 11, Block B, of Section 15; thence departing said East line and on the South line of said Tract 11, Block B, of Section 15, N 86°43'47" W, a distance of 412.04 feet to a point on the East line of aforesaid Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said South line and on the East line of said Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida through the following courses: S 16°41'34" E, a distance of 1659.46 feet; thence N 73°18'26" E, a distance of 50.00 feet; thence S 16°41'34" E, a distance of 119.71 feet; thence S 26°20'10" W, a distance of 119.71 feet; thence N 63°39'50" W, a distance of 50.00 feet; thence S 26°20'10" W, a distance of 1002.58 feet to a point on the South line of Section 15, Township 13 South, Range 30 East, Flagler County, Florida, thence on said South line of said Section 15, S 86°52'11" E, a distance of 3150.33 feet to the Southeast corner of said Section 15; thence departing said South line, S 29°34'48" W, a distance of 71.00 feet to a point on the South Maintained Right of Way line of "Relay Road 9" (a Private Road); thence on the South Maintained Right of Way line of said "Relay Road 9", through the following courses: N 89°20'27" E, a distance of 2753.49 feet; thence N 89°58'57" E, a distance of 542.17 feet; thence N 88°58'33" E, a distance of 2108.33 feet to a point on the East Maintained Right of Way line of "Relay Road 12" (a Private Road); thence departing said South Maintained Right of Way line of "Relay Road 9" on the East Maintained Right of Way line of said "Relay Road 12", N 0°28'30" W, a distance of 3482.39 feet to a point on the South Maintained Right of Way line of "Relay Road 10" (a Private Road) and the beginning of a curve concave Southeasterly having a radius of 125.00 feet and a central angle of 43°32'07"; thence departing the East Maintained Right of Way line of said "Relay Road 12" and on the South

(Continued to Sheet No. 3.4)

WASTEWATER TARIFF

(Continued from Sheet No. 3.3)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

Maintained Right of Way line of said "Relay Road 10" and on the arc of said curve a distance of 94.98 feet said arc being subtended by a chord which bears N 21°17'33" E, a distance of 92.71 feet to the curves end; thence continue on the South Maintained Right of Way line of said "Relay Road 10" through the following courses: N 43°03'37" E, a distance of 72.28 feet; thence N 50°30'25" E, a distance of 122.34 feet; thence N 69°30'14" E, a distance of 120.05 feet; thence N 71°53'35" E, a distance of 136.22 feet; thence N 65°23'52" E, a distance of 107.59 feet; thence N 57°13'53" E, a distance of 117.33 feet; thence N 50°33'04" E, a distance of 536.84 feet; thence N 40°48'31" E, a distance of 180.65 feet; thence N 43°22'12" E, a distance of 60.92 feet; thence N 49°37'12" E, a distance of 97.92 feet; thence N 56°23'41" E, a distance of 1669.02 feet; thence N 58°51'52" E, a distance of 92.42 feet; thence N 64°08'46" E, a distance of 91.58 feet; thence N 72°44'28" E, a distance of 368.38 feet; thence N 79°56'35" E, a distance of 101.54 feet; thence S 80°49'49" E, a distance of 71.54 feet; thence S 66°51'48" E, a distance of 176.65 feet; thence S 68°39'11" E, a distance of 110.07 feet; thence S 78°54'10" E, a distance of 142.60 feet; thence S 85°45'53" E, a distance of 1250.31 feet to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT "B"

A parcel of land lying in Sections 12, 13, 22, 23, 24, 25, 26, 27, 34 and 35, Township 13 South, Range 30 East, Flagler County, Florida and lying in Sections 2, 3, 10, 11, 14 and 15, Township 14 South, Range 30 East, Flagler County, Florida and being a portion of the subdivision of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida and being more particularly described as follows:

COMMENCE at the Northeast corner of Section 13, Township 13 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 13, S 2°12'01" E, a distance of 78.26 feet to the POINT OF BEGINNING; thence continue along the East line of said Section 13, S 2°12'01" E, a distance of 5224.92 feet to the Northeast corner of Section 24, Township 13 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 24, S 1°39'56" E, a distance of 5330.16 feet to the Northeast corner of Section 25, Township 13 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 25, S 1°55'02" E, a distance of 2672.59 feet to the East Quarter corner of said Section 25; thence continue on said East line S 2°00'45" E, a distance of 2694.96 feet to the Southeast corner of said Section 25; thence departing the East line of said Section 25, S 89°06'20"

(Continued to Sheet No. 3.5)

WASTEWATER TARIFF

(Continued from Sheet No. 3.4)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

W, a distance of 5358.28 feet to a point on the Westerly Maintained Right of Way line of "Relay Road" 12" (a Private Road); thence on the Westerly Maintained Right of Way line of said "Relay Road 12", through the following courses: S 1°37'59" E, a distance of 4479.07 feet; thence S 3°49'05" E, a distance of 587.46 feet; thence S 1°26'24" E, a distance of 5497.16 feet; thence S 1°13'51" W, a distance of 858.47 feet; thence departing said Westerly Maintained Right of Way line of "Relay Road 12", and on the Westerly line of the Halifax Basin, through the following courses: S 2°06'48" E, a distance of 1987.94 feet; thence S 86°19'18" W, a distance of 1062.98 feet; thence S 89°49'00" W, a distance of 1750.63 feet; thence S 88°10'03" W, a distance of 1114.30 feet; thence S 0°50'04" E, a distance of 4253.61 feet; thence departing said Westerly line of the Halifax Basin, S 89°21'12" W, a distance of 1585.74 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 5" (a Private Road); thence on the Centerline of the Maintained Right of Way of said "Relay Road 5", through the following courses: N 45°09'48" W, a distance of 504.10 feet; thence N 29°46'37" W, a distance of 1621.36 feet; thence N 34°58'17" W, a distance of 196.85 feet; thence N 25°49'43" W, a distance of 172.43 feet; thence N 2°36'37" W, a distance of 134.60 feet; thence N 15°20'26" E, a distance of 159.07 feet; thence N 49°10'50" E, a distance of 162.05 feet; thence N 57°33'48" E, a distance of 1491.56 feet; thence N 40°48'02" E, a distance of 154.68 feet; thence N 8°48'44" E, a distance of 157.25 feet; thence N 0°22'30" W, a distance of 1045.82 feet; thence N 5°38'10" W, a distance of 897.04 feet; thence N 7°58'50" W, a distance of 811.14 feet; thence N 2°34'49" W, a distance of 645.45 feet; thence N 6°39'36" E, a distance of 550.91 feet; thence N 19°14'57" E, a distance of 230.24 feet; thence N 48°26'49" E, a distance of 247.18 feet; thence N 36°28'10" E, a distance of 243.07; thence N 10°45'32" E, a distance of 233.99 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 4" (a Private Road); thence departing the Centerline of the Maintained Right of Way of "Relay Road 5" and on the Centerline of the Maintained Right of Way of said "Relay Road 4" through the following courses: N 89°00'18" W, a distance of 599.18 feet; thence S 87°04'43" W, a distance of 1051.01 feet; thence S 80°05'16" W, a distance of 1282.86 feet; thence S 76°39'33" W, a distance of 800.98 feet; thence S 81°15'55" W, a distance of 285.07 feet; thence S 76°58'32" W, a distance of 512.51 feet to a point on the Easterly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing the Centerline of the Maintained Right of Way of said "Relay Road 4" and on the Easterly Right of Way line of said Florida Power and Light Company Right of Way through the following courses: N 22°02'08" W, a distance of 3116.10 feet; thence N 0°26'57" W, a distance of 6500.00 feet; thence N 1°04'34" W, a distance of 5200.00 feet; thence N 1°46'19" W, a distance of 2600.57 feet; thence N 26°20'10" E, a distance of 4134.17 feet to the North line of Section 22, Township 13 South, Range 30 East, Flagler County, Florida, thence departing the

(Continued to Sheet No. 3.6)

WASTEWATER TARIFF

(Continued from Sheet No. 3.5)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

Easterly Right of Way line of said Florida Power and Light Company Right of Way and on the North line of said Section 22. S 86°52'11" E. a distance of 3150.33 feet to the Northeast corner of said Section 22; thence departing said North line, S 29°34'48" W, a distance of 71.00 feet to a point on the South Maintained Right of Way line of "Relay Road 9" (a Private Road); thence on the South Maintained Right of Way line of said "Relay Road 9", through the following courses: N 89°20'27" E, a distance of 2753.49 feet: thence N 89°58'57" E, a distance of 542.17 feet; thence N 88°58'33" E, a distance of 2108,33 feet to a point on the East Maintained Right of Way line of "Relay Road 12" (a Private Road); thence departing said South Maintained Right of Way line of "Relay Road 9" on the East Maintained Right of Way line of said "Relay Road 12", N 0°28'30" W, a distance of 3482.39 feet to a point on the South Maintained Right of Way line of "Relay Road 10" (a Private Road) and the beginning of a curve concave Southeasterly having a radius of 125.00 feet and a central angle of 43°32'07"; thence departing the East Maintained Right of Way line of said "Relay Road 12" and on the South Maintained Right of Way line of said "Relay Road 10" and on the arc of said curve a distance of 94.98 feet said arc being subtended by a chord which bears N 21°17'33" E, a distance of 92.71 feet to the curves end; thence continue on the South Maintained Right of Way line of said "Relay Road 10" through the following courses: N 43°03'37" E, a distance of 72.28 feet; thence N 50°30'25" E, a distance of 122.34 feet; thence N 69°30'14" E, a distance of 120.05 feet; thence N 71°53'35" E, a distance of 136.22 feet; thence N 65°23'52" E, a distance of 107.59 feet; thence N 57°13'53" E, a distance of 117.33 feet; thence N 50°33'04" E, a distance of 536.84 feet; thence N 40°48'31" E, a distance of 180.65 feet; thence N 43°22'12" E, a distance of 60.92 feet; thence N 49°37'12" E, a distance of 97.92 feet; thence N 56°23'41" E, a distance of 1669.02 feet; thence N 58°51'52" E, a distance of 92.42 feet; thence N 64°08'46" E, a distance of 91.58 feet; thence N 72°44'28" E, a distance of 368.38 feet; thence N 79°56'35" E, a distance of 101.54 feet; thence S 80°49'49" E, a distance of 71.54 feet; thence S 66°51'48" E, a distance of 176.65 feet; thence S 68°39'11" E, a distance of 110.07 feet; thence S 78°54'10" E, a distance of 142.60 feet; thence S 85°45'53" E, a distance of 1250.31 feet to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT <u>"C"</u>

A parcel of land lying in Sections 35 and 36, Township 13 South, Range 30 East, Flagler County, Florida and lying in Sections 1, 2, 11, 12 and 14, Township 14 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

(Continued to Sheet No. 3.7)

WASTEWATER TARIFF

(Continued from Sheet No. 3.6)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

BEGIN at the Northeast corner of Section 36, Township 13 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 36, S 01°52'15" E, a distance of 5249.16 feet to the Southeast corner of said Section 36, the same being the Northeast corner of Section 1, Township 14 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 1, S 00°14'28" E. a distance of 5296.99 feet; to the Southeast corner of said Section 1, the same being the Northeast corner of Section 12, Township 14 South, Range 30 East, Flagler County, Florida; thence on the East line of said Section 12, S 01°56'03" E, a distance of 5259.13 feet to the Southeast corner of said Section 12: thence departing said East line and on the South line of said Section 12. S 87°56'12" W, a distance of 5264.99 feet to the Southwest corner of said Section 12 the same being the Northeast corner of Section 14, Township 14 South, Range 30 East, Flagler County, Florida; thence departing said South line and on the East line of said Section 14, S 00°33'38" E, a distance of 5294.00 feet to the Southeast corner of said Section 14; thence departing said East line and on the South line of said Section 14, S 88°56'35" W, a distance of 795.54 feet; thence departing said South line N 0°43'27" W, a distance of 3483.72; thence S 89°21'12" W, a distance of 3183.19 feet; thence N 0°50'04" W, a distance of 4253.61 feet; thence N 88°10'03" E, a distance of 1114.30 feet; thence N 89°49'00" E, a distance of 1750.63 feet; thence N 86°19'18" E, a distance of 1062.98 feet; thence N 02°06'48" W, a distance of 1987.94 feet to a point on the Westerly Maintained Right of Way line of said "Relay Road 12" (a Private Road); thence on the Westerly Maintained Right of Way line of said "Relay Road 12", through the following courses: N 01°13'51" E, a distance of 858.47 feet; thence N 01°26'24" W, a distance of 5497.16 feet; thence N 03°49'05" W, a distance of 587.46 feet; thence N 01°37'59" W, a distance of 4479.07 feet; thence departing said Westerly Maintained Right of Way line of said "Relay Road 12", N 89°06'20" E, a distance of 5358.28 to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT "D"

A parcel of land lying in Sections 2, 3, 9, 10, 11, 14, 15, 16, 21, 22 and 23, Township 14 South, Range 30 East, Flagler County, Florida, and being more particularly described as follows:

BEGIN at the Southeast corner of Section 21, Township 14 South, Range 30 East, Flagler County, Florida; thence on the South line of said Section 21, S 89°49'43" W, a distance of 347.16 feet to a point on the Easterly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence

(Continued to Sheet No. 3.8)

ISSUING OFFICER
EXECUTIVE V.P.

WASTEWATER TARIFF

(Continued from Sheet No. 3.7)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

departing said South line and on the Easterly Right of Way line of said Florida Power and Light Company Right of Way through the following courses: N 1°00'03" W, a distance of 785.64 feet; thence N 0°50'45" W, a distance of 11098.95 feet; thence N 42°58'43" E, a distance of 3248.83 feet; thence S 47°01'17" E, a distance of 50.00 feet; thence N 42°58'43" E, a distance of 131.86 feet; thence N 22°02'08" W, a distance of 131.86 feet; thence S 67°57'52" W, a distance of 50.00 feet; thence N 22°02'08" W. a distance of 2248.01 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 4" (a Private Road); thence departing the Easterly Right of Way line of said Florida Power and Light Company Right of Way and on the Centerline of the Maintained Right of Way of said "Relay Road 4" through the following courses: thence N 76°58'32" E, a distance of 512.51 feet; thence N 81°15'55" E, a distance of 285.07 feet; thence N 76°39'33" E, a distance of 800.98 feet; thence N 80°05'16" E. a distance of 1282.86 feet; thence N 87°04'43" E. a distance of 1051.01 feet; thence S 89°00'18" E, a distance of 599.18 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 5" (a Private Road); thence departing the Centerline of the Maintained Right of Way of "Relay Road 4" and on the Centerline of the Maintained Right of Way of said "Relay Road 5", through the following courses: S 10°45'32" W, a distance of 233.99 feet; thence S 36°28'10" W, a distance of 243.07 feet; thence S 48°26'49" W, a distance of 247.18 feet; thence S 19°14'57" W, a distance of 230.24 feet; thence S 6°39'36" W, a distance of 550.91 feet; thence S 2°34'49" E, a distance of 645.45 feet; thence S 7°58'50" E, a distance of 811.14 feet; thence S 5°38'10" E, a distance of 897.04 feet; thence S 0°22'30" E, a distance of 1045.82 feet; thence S 8°48'44" W, a distance of 157.25 feet; thence S 40°48'02" W, a distance of 154.68 feet; thence S 57°33'48" W, a distance of 1491.56 feet; thence S 49°10'50" W, a distance of 162.05 feet; thence S 15°20'26" W, a distance of 159.07 feet; thence S 2°36'37" E, a distance of 134.60 feet; thence S 25°49'43" E, a distance of 172.43 feet; thence S 34°58'17" E, a distance of 196.85 feet; thence S 29°46'37" E, a distance of 1621.36 feet; thence S 45°09'48" E, a distance of 504.10 feet; thence departing the Centerline of the Maintained Right of Way of said "Relay Road 5", N 89°21'12" E, a distance of 4768.94 feet; thence S 0°43'27" E, a distance of 3483,72 feet to a point on the North line of Section 23, Township 14 South, Range 30 East, Flagler County, Florida; thence on said North line, S 88°56'35" W, a distance of 870.72 feet to the Northeast corner of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 23; thence departing said North line and on the East line of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 23. S 1°10'11" E, a distance of 1318.43 feet to the Southeast corner of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 23; thence departing said East line and on the South line of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 23, S 89°11'22" W, a distance of 1002.43 feet to the Southwest corner of the West 3/4 of the Northwest 1/4 of the Northeast 1/4 of said Section 23; thence departing said South line and on the East line of the

(Continued to Sheet No. 3.9)

WASTEWATER TARIFF

(Continued from Sheet No. 3.8)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

Northwest 1/4 of said Section 23, S 0°59'18" E, a distance of 1313.31 feet to the Southeast corner of the Northwest 1/4 of said Section 23; thence departing said East line and on the South line of the Northwest 1/4 of said Section 23, S 89°30'49" W, a distance of 2670.27 feet to the Southwest corner of the Northwest 1/4 of said Section 23; thence departing said South line and on the West line of said Section 23, S 1°57'19" E, a distance of 2685.77 feet to the Southwest corner of said Section 23, the same being the Southeast corner of Section 22, Township 14 South, Range 30 East, Flagler County, Florida; thence departing said West line and on the South line of said Section 22, S 89°38'58" W, a distance of 5292.80 feet to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT "E"

A parcel of land lying in Sections 13, 23 and 24, Township 14 South, Range 29 East, Flagler County, Florida, and lying in Sections 32 and 33, Township 13 South, Range 30 East, Flagler County, Florida and lying in Sections 3, 4, 5, 8, 9, 10, 16, 17, 18, 19, 20 and 21, Township 14 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

COMMENCE at the Southeast corner of Section 21, Township 14 South, Range 30 East, Flagler County, Florida; thence on the South line of said Section 21, S 89°49'43" W, a distance of 647.19 feet to a point on the Westerly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida for the POINT OF BEGINNING; thence continue on the South line of said Section 21, S 89°49'43" W, a distance of 4718.82 feet to the Southeast corner of Section 20, Township 14 South, Range 30 East, Flagler County, Florida; thence on the South line of said Section 20, S 88°47'01" W, a distance of 5298.64 feet to the Southeast corner of Section 19, Township 14 South, Range 30 East, Flagler County, Florida; thence on the South line of said Section 19, S 89°19'45" W, a distance of 5297.80 feet to the Southeast corner of Section 24, Township 14 South, Range 29 East, Flagler County, Florida; thence on the South line of said Section 24, S 89°23'20" W, a distance of 5207.14 feet to a point on the Easterly Right of Way line of State Road 11 (a variable width Right of Way per Florida Department of Transportation Right of Way Maps Section 7305-1237); thence departing said South line and on the Easterly Right of Way line of said State Road 11 through the following courses: N 20°24'51" W, a distance of 2930.37 feet to the beginning of a curve concave Easterly having a radius of 1309.89 feet and a central angle of 46°49'53"; thence on the arc of said curve a distance of 1070.65 feet said arc

(Continued to Sheet No. 3.10)

WASTEWATER TARIFF

(Continued from Sheet No. 3.9)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

being subtended by a chord which bears N 03°00'06" E, a distance of 1041.10 feet to the curves end; thence N 26°25'02" E, a distance of 943.90 feet to a point on the Southerly Maintained Right of Way line of an Un-Named Forest Management Road (a Private Road); thence departing said Easterly Right of Way line of said State Road 11 and on the Southerly and Easterly Maintained Right of Way line of said Un-Named Forest Management Road through the following courses: N 85°32'18" E, a distance of 478.40 feet: thence N 82°31'02" E, a distance of 145.70 feet; thence N 88°08'58" E, a distance of 914.53 feet; thence S 67°41'49" E a distance of, 483.36 feet; thence S 68°05'09" E, a distance of 382.72 feet; thence N 89°06'42" E, a distance of 421.46 feet; thence S 71°40'23" E, a distance of 183.41 feet; thence N 75°42'29" E, a distance of 479.29 feet; thence N 70°18'39" E, a distance of 1173.27 feet; thence N 1°19'52" W, a distance of 84.93 feet; thence N 29°56'34" W, a distance of 72.33 feet; thence N 60°26'33" W, a distance of 182.44 feet; thence N 28°46'19" W, a distance of 279.51 feet; thence N 7°10'19" W, a distance of 208.33 feet; thence N 54°45'50" W, a distance of 165.66 feet; thence N 59°13'06" W, a distance of 130.55 feet; thence N 40°38'00" W, a distance of 201.78 feet; thence N 7°14'45" W, a distance of 142.69 feet; thence N 30°27'17" W, a distance of 348.70 feet; thence N 41°04'25" W, a distance of 63.36 feet; thence N 61°19'01" W, a distance of 77.91 feet; thence N 19°47'15" W, a distance of 98.52 feet; thence N 28°13'06" W, a distance of 50.52 feet: thence N 47°22'23" W, a distance of 68.18 feet; thence N 9°23'57" W, a distance of 105.09 feet; thence N 33°52'10" W, a distance of 274.06 feet; thence N 52°54'53" W, a distance of 189.54 feet; thence N 29°25'35" W, a distance of 212.63 feet; thence N 40°17'46" W, a distance of 50.15 feet; thence N 72°29'31" W, a distance of 93.59 feet; thence N 24°05'07" W, a distance of 62.87 feet; thence N 10°24'23" W, a distance of 111.71 feet; thence N 15°15'51" W, a distance of 127.93 feet; thence N 28°38'04" W, a distance of 514.83 feet; thence departing said Southerly and Easterly Maintained Right of Way line of said Un-Named Forest Management Road, N 89°50'18" E, a distance of 3111.09 feet to a point on the Southerly Maintained Right of Way line of "Relay Road 41" (a Private Road); thence on the Southerly Maintained Right of Way line said "Relay Road 41" and its Easterly projection, through the following courses: N 84°05'49" E, a distance of 640.34 feet; thence N 87°04'31" E, a distance of 1376.85 feet; thence N 85°37'18" E, a distance of 3308.37 feet to a point on the Easterly Maintained Right of Way line of "Relay Road 14" (a Private Road); thence on the Easterly Maintained Right of Way line of said "Relay Road 14", through the following courses: N 1°38'24" W, a distance of 2408.29 feet; thence N 1°36'22" W, a distance of 2795.88 feet; thence N 1°30'45" W, a distance of 2591.53 feet; thence N 1°35'50" W, a distance of 3207.05 feet; thence N 2°03'07" W, a distance of 2009.45 feet to the Southwest corner of Section 32, Township 13 South, Range 30 East, Flagler County, Florida; thence departing the Easterly Maintained Right of Way line of said "Relay Road 14", N 88°46'57" E, a distance of 687.93 feet to a point on the Centerline of the Maintained Right of

(Continued to Sheet No. 3.11)

THOMAS LINDQUIST ISSUING OFFICER EXECUTIVE V.P.

WASTEWATER TARIFF

(Continued from Sheet No. 3.10)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

Way of "Relay Road 21" (a Private Road); thence on the Centerline of the Maintained Right of Way of said "Relay Road 21" through the following courses: N 0°25'59" E, a distance of 150.18 feet; thence N 6°37'03" W, a distance of 536.01 feet; thence N 11°16'14" W, a distance of 606.06 feet to the beginning of a curve concave Southeasterly having a radius of 335.85 feet and a central angle of 71°05'56"; thence on the arc of said curve a distance of 416.76 feet said arc being subtended by a chord which bears N 24°16'44" E, a distance of 390.53 feet to the curves end; thence N 59°49'42" E, a distance of 438.34 feet to the beginning of a curve concave Northwesterly having a radius of 267.00 feet and a central angle of 71°26'49"; thence on the arc of said curve a distance of 332.94 feet said arc being subtended by a chord which bears N 24°06'18" E, a distance of 311.79 feet to the curves end; thence N 11°37'07" W, a distance of 1223.86 feet to the beginning of a curve concave Southeasterly having a radius of 233.00 feet and a central angle of 116°23'25"; thence on the arc of said curve a distance of 473.31 feet said arc being subtended by a chord which bears N 46°34'36" E, a distance of 396.03 feet to the curves end; thence S 75°13'42" E, a distance of 1327.37 feet; thence S 78°01'36" E, a distance of 518.35 feet; thence S 63°38'56" E, a distance of 2303.63 feet; thence S 72°22'36" E, a distance of 146.11 feet to the beginning of a curve concave Southwesterly having a radius of 85.00 feet and a central angle of 69°39'15; thence on the arc of said curve a distance of 103.33 feet said arc being subtended by a chord which bears S 37°32'58" E, a distance of 97.09 feet to the curves end; thence S 2°43'21" E, a distance of 1294.37 feet; thence S 19°28'38" E, a distance of 248.00 feet; thence S 2°20'20" E. a distance of 463.96 feet; thence departing the Centerline of the Maintained Right of Way of "Relay Road 21", S 88°49'10" E, a distance of 1177.70 feet; thence N 46°39'50" E, a distance of 221.07 feet; thence N 14°37'45" E, a distance of 307.75 feet; thence N 63°32'28" E, a distance of 422.87 feet; thence S 85°26'12" E, a distance of 400.06 feet; thence S 75°16'42" E, a distance of 235.73 feet; thence S 47°50'56" E, a distance of 357.80 feet; thence S 27°30'57" E, a distance of 347.29 feet; thence S 71°45'23" E, a distance of 188.69 feet; thence S 40°04'33" E, a distance of 712.94 feet; thence S 27°24'47" E, a distance of 424.67 feet; thence S 5°17'48" E, a distance of 526.22 feet; thence S 61°46'39" E, a distance of 265.05 feet; thence N 16°56'59" E, a distance of 208.92 feet; thence N 12°16'37" E, a distance of 321.13 feet; thence N 20°34'25" E, a distance of 394.57 feet; thence N 63°59'11" E, a distance of 237.48 feet; thence N 40°36'39" E, a distance of 302.36 feet; thence N 71°39'06" E, a distance of 147.23 feet; thence S 68°11'27" E, a distance of 403.35 feet to a point on the Westerly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence on the Westerly Right of Way line of said Florida Power and Light Company Right of Way through the following courses: S 0°26'57" E, a distance of 1278.44 feet; thence S 89°33'03" W, a distance of 100.00 feet; thence S 0°26'57" E, a distance of 69.06 feet; thence S

(Continued to Sheet No. 3.12)

WASTEWATER TARIFF

(Continued from Sheet No. 3.11)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

22°02'08" E, a distance of 69.06 feet; thence N 67°57'52" E, a distance of 100.00 feet; thence S 22°02'08" E, a distance of 5280.14 feet; thence S 42°58'43" W, a distance of 3178.33 feet; thence N 47°01'17" W, a distance of 50.00 feet; thence S 42°58'43" W, a distance of 120.11 feet; thence S 0°50'45" E, a distance of 120.11 feet; thence N 89°09'15" E, a distance of 50.00 feet; thence S 0°50'45" E, a distance of 11120.02 feet; thence S 1°00'03" E, a distance of 781.70 feet to the POINT OF BEGINNING.

Together with:

PARCEL 2 - TRACT "F"

A parcel of land lying in Sections 12, 13 and 24, Township 14 South, Range 29 East, Flagler County, Florida, and lying in Sections 5, 6, 7, 8, 17 and 18, Township 14 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

COMMENCE at the Northeast Corner of Section 6, Township 14 South, Range 29 East, Flagler County, Florida for the POINT OF BEGINNING; thence on the North line of said Section 6, S 89°45'33" W, a distance of 2593.13 feet to a point on the Easterly Right of Way line of State Road 11 (a variable width Right of Way per Florida Department of Transportation Right of Way Maps Section 7305-1237) said point being on a curve concave Southeasterly having a radius of 2939.79 feet and a central angle of 26°32'24"; thence departing said North line and on the Easterly Right of Way line of said State Road 11 and on the arc of said curve a distance of 1361.74 feet said arc being subtended by a chord which bears S 13°08'50" W, a distance of 1349.60 feet to the curves end; thence continue on said Easterly Right of Way line through the following courses: S 26°25'02" W, a distance of 2034.28 feet; thence S 63°34'58" E, a distance of 47.50 feet; thence S 26°25'02" W, a distance of 15200.38 feet to a point on the Southerly Maintained Right of Way line of an Un-Named Forest Management Road (a Private Road): thence departing the Easterly Right of Way line of said State Road 11 and on the Southerly and Easterly Maintained Right of Way line of said Un-Named Forest Management Road through the following courses: N 85°32'18" E, a distance of 478.40 feet; thence N 82°31'02" E, a distance of 145.70 feet; thence N 88°08'58" E, a distance of 914.53 feet; thence S 67°41'49" E a distance of, 483.36 feet; thence S 68°05'09" E, a distance of 382.72 feet; thence N 89°06'42" E, a distance of 421.46 feet; thence S 71°40'23" E, a distance of 183.41 feet; thence N 75°42'29" E, a distance of 479.29 feet; thence N 70°18'39" E, a distance of 1173.27 feet; thence N 1°19'52" W, a distance of 84.93 feet; thence N 29°56'34" W, a distance of 72.33 feet; thence N 60°26'33" W, a distance of 182.44 feet;

(Continued to Sheet No. 3.13)

WASTEWATER TARIFF

(Continued from Sheet No. 3.12)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

thence N 28°46'19" W, a distance of 279.51 feet; thence N 7°10'19" W, a distance of 208.33 feet; thence N 54°45'50" W, a distance of 165.66 feet; thence N 59°13'06" W, a distance of 130.55 feet; thence N 40°38'00" W, a distance of 201.78 feet; thence N 7°14'45" W, a distance of 142.69 feet; thence N 30°27'17" W, a distance of 348.70 feet; thence N 41°04'25" W, a distance of 63.36 feet; thence N 61°19'01" W, a distance of 77.91 feet; thence N 19°47'15" W, a distance of 98.52 feet; thence N 28°13'06" W, a distance of 50.52 feet; thence N 47°22'23" W, a distance of 68.18 feet; thence N 9°23'57" W, a distance of 105.09 feet; thence N 33°52'10" W, a distance of 274.06 feet; thence N 52°54'53" W, a distance of 189.54 feet; thence N 29°25'35" W, a distance of 212.63 feet; thence N 40°17'46" W, a distance of 50.15 feet; thence N 72°29'31" W, a distance of 93.59 feet; thence N 24°05'07" W, a distance of 62.87 feet; thence N 10°24'23" W, a distance of 111.71 feet; thence N 15°15'51" W, a distance of 127.93 feet; thence N 28°38'04" W, a distance of 514.83 feet; thence departing said Southerly and Easterly Maintained Right of Way line of said Un-Named Forest Management Road, N 89°50'18" E, a distance of 3111.09 feet to a point on the Southerly Maintained Right of Way line of "Relay Road 41" (a Private Road); thence on the Southerly Maintained Right of Way line said "Relay Road 41" and its Easterly projection, through the following courses: N 84°05'49" E, a distance of 640.34 feet; thence N 87°04'31" E, a distance of 1376.85 feet; thence N 85°37'18" E, a distance of 3308.37 feet to a point on the Easterly Maintained Right of Way line of "Relay Road 14" (a Private Road); thence on the Easterly Maintained Right of Way line of said "Relay Road 14", through the following courses: N 1°38'24" W, a distance of 2408.29 feet; thence N 1°36'22" W, a distance of 2795.88 feet; thence N 1°30'45" W, a distance of 2591.53 feet; thence N 1°35'50" W, a distance of 3207.05 feet; thence N 2°03'07" W, a distance of 2009.45 feet to the POINT OF BEGINNING.

Together With:

PARCEL 2 - TRACT "G"

A parcel of land lying in Sections 32 and 33, Township 13 South, Range 30 East, Flagler County, Florida and lying in Section 4, Township 14 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

BEGIN at the Northwest corner of Section 32, Township 13 South, Range 30 East, Flagler County, Florida; thence on the North line of said Section 32, N 88°43'17" E, a distance of 5344.33 feet to the Northwest corner of Section 33, Township 13 South, Range 30 East, Flagler County, Florida; thence departing the North line of said Section 32 and on the North line of said Section 33, N 89°02'16" E, a

(Continued to Sheet No. 3.14)

WASTEWATER TARIFF

(Continued from Sheet No. 3.13)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

distance of 5327.65 feet to a point on the Westerly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said North line and on the Westerly Right of Way line of said Florida Power and Light Company Right of Way through the following courses; S 1°04'34" E, a distance of 1032.17 feet; thence S 0°26'57" E, a distance of 5227.11 feet; thence departing said Westerly Right of Way line, N 68°11'27" W, a distance of 403.35 feet; thence S 71°39'06" W, a distance of 147.23 feet; thence S 40°36'39" W, a distance of 302.36 feet; thence S 63°59'11" W, a distance of 237.48 feet; thence S 20°34'25" W, a distance of 394.57 feet; thence S 12°16'37" W, a distance of 321.13 feet; thence S 16°56'59" W, a distance of 208.92 feet; thence N 61°46'39" W, a distance of 265.05 feet; thence N 5°17'48" W, a distance of 526.22 feet; thence N 27°24'47" W, a distance of 424.67 feet; thence N 40°04'33" W, a distance of 712.94 feet; thence N 71°45'23" W, a distance of 188.69 feet; thence N 27°30'57" W, a distance of 347.29 feet; thence N 47°50'56" W, a distance of 357.80 feet; thence N 75°16'42" W, a distance of 235.73 feet; thence N 85°26'12" W, a distance of 400.06 feet; thence S 63°32'28" W, a distance of 422.87 feet; thence S 14°37'45" W, a distance of 307.75 feet; thence S 46°39'50" W, a distance of 221.07 feet; thence N 88°49'10" W, a distance of 1177.70 feet; thence N 2°20'20" W, a distance of 463.96 feet; thence N 19°28'38" W, a distance of 248.00 feet; thence N 2°43'21" W, a distance of 1294.37 feet to a point on the Centerline of the Maintained Right of Way of "Relay Road 21" (a Private Road) said point being on a curve concave Southwesterly having a radius of 85.00 feet and a central angle of 69°39'15"; thence on the Centerline of the Maintained Right of Way of said "Relay Road 21" and the arc of said curve, a distance of 103.33 feet said arc being subtended by a chord which bears N 37°32'58" W, a distance of 97.09 feet to the curves end; thence continue on the Centerline of the Maintained Right of Way of said "Relay Road 21" through the following courses: N 72°22'36" W, a distance of 146.11 feet; thence N 63°38'56" W, a distance of 2303.63 feet; thence N 78°01'36" W, a distance of 518.35 feet; thence N 75°13'42" W, a distance of 1327.37 feet to the beginning of a curve concave Southeasterly, having a radius of 233.00 feet and a central angle of 116°23'25"; thence on the arc of said curve a distance of 473.31 feet said arc being subtended by a chord which bears S 46°34'36" W, a distance of 396.03 feet to the curves end; thence S 11°37'07" E, a distance of 1223.86 feet to the beginning of a curve concave Northwesterly, having a radius of 267.00 feet and a central angle of 71°26'49"; thence on the arc of said curve a distance of 332.94 feet said arc being subtended by a chord which bears S 24°06'18" W, a distance of 311.79 feet to the curves end; thence S 59°49'42" W, a distance of 438.34 feet to the beginning of a curve concave Southeasterly, having a radius of 335.85 feet and a central angle of 71°05'56"; thence on the arc of said curve a distance of 416.76 feet said arc being subtended by a chord which bears S 24°16'44" W, a distance of 390.53 feet to the curves end; thence S 11°16'14" E, a distance of 606.06 feet; thence S

(Continued to Sheet No. 3.15)

WASTEWATER TARIFF

(Continued from Sheet No. 3.14)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

6°37'03" E, a distance of 536.01 feet; thence S 0°25'59" W, a distance of 150.18 feet; thence departing the Centerline of the Maintained Right of Way of said "Relay Road 21", S 88°46'57" W, a distance of 687.93 feet to the Southwest corner of aforesaid Section 32, Township 13 South, Range 30 East, Flagler County, Florida; thence on the West line of said Section 32, N 1°27'57" W, a distance of 5551.65 feet to the POINT OF BEGINNING.

Together With:

PARCEL 2 - TRACT "H"

A parcel of land lying in Sections 21 and 28, Township 13 South, Range 30 East, Flagler County, Florida and being more particularly described as follows:

Commence at the Northeast corner of Section 21, Township 13 South, Range 30 East, Flagler County, Florida: thence on the East line of said Section 21, S 01°38'28" E, a distance of 2912.85 feet the POINT OF BEGINNING; thence continue on said East line, S 01°38'28" E, a distance of 730.84 feet to a point on the Westerly line of a Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said East line and on the Westerly Right of Way line of said Florida Power & Light Company Right of Way as described in Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida through the following courses: S 26°20'10" W, 81.11 feet; thence N 63°39'50" W, a distance of 100.00 feet; thence S 26°20'10" W, a distance of 75.03 feet; thence S 01°46'19" E, 75.03 feet; thence N 88°13'41" E. a distance of 100.00 feet; thence S 01°46'19" E, a distance of 2623.85 feet; thence S 01°04'34" E. a distance of 4164.37 feet to a point on the South line of Section 28, Township 13 South, Range 30 East, Flagler County, Florida; thence departing said Westerly Right of Way line and on the South line of said Section 28, S 89°02'16" W, a distance of 5327.65 feet to the Southwest corner of said Section 28; thence departing said South line and on the West line of said Section 28, N 01°44'05" W, a distance of 5336.53 feet to the Northwest corner of said Section 28, the same being the Southwest corner of aforesaid Section 21; thence on the West line of said Section 21, N 00°36'48" W, a distance of 2959.76 feet to a point on the South line of a parcel of land as described in Official Records Book 1325, Page 871 of the Public Records of Flagler County, Florida; thence on said South line through the following courses: N 89°23'12" E, a distance of 2873.95 feet; thence S 43°02'23" E, a distance of 383.63 feet to the beginning of a curve concave Southwesterly having a radius of 25.00 feet and a central angle of 66°53'45"; thence on the arc of said curve a distance of 29.19 feet said arc being

(Continued to Sheet No. 3.16)

WASTEWATER TARIFF

(Continued from Sheet No. 3.15)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

subtended by a chord which bears S 09°35'31" E, a distance of 27.56 feet to the curves end and a point of reverse curvature a curve concave Northeasterly having a radius of 54.00 feet and a central angle of 156°53'45"; thence on the arc of said curve a distance of 147.87 feet said arc being subtended by a chord which bears S 54°35'31" E, a distance of 105.81 feet to the curves end; thence N 46°57'37" E, a distance of 54.00 feet; thence S 43°02'23" E, a distance of 325.77 feet; thence N 89°25'06" E, a distance of 1908.32 to the POINT OF BEGINNING.

Together With:

PARCEL 2 - TRACT "I"

A parcel of land lying in Sections 10, 15, 16 and 22, Township 13 South, Range 30 East, Flagler County, Florida and being a portion of the subdivision of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida and being more particularly described as follows:

BEGIN at the Southeast corner of Section 16, Township 13 South, Range 30 East, Flagler County, Florida; thence on the South line of said Section 16, N 89°36'11" W, a distance of 2671.24 feet to the Southwest corner of the Southeast 1/4 of said Section 16; Thence departing said South line and on the West line of the Southeast 1/4 of said Section 16, N 1°32'31" W, a distance of 1328.92 feet to the Northeast corner of the South 1/2 of the Southwest 1/4 of said Section 16; thence departing said West line and on the North line of the South 1/2 of the Southwest 1/4 of said Section 16, N 89°55'51" W, a distance of 805.85 feet to the Southeasterly Right of Way line of State Road 304 (a variable width Right of Way per Florida Department of Transportation Right of Way Maps Section 73510-2601); thence departing said North line and on the Southeasterly Right of Way line of said State Road 304 through the following courses: N 41°47'02" E, a distance of 828.22 feet; thence S 48°12'58" E, a distance of 25.00 feet; thence N 41°47'02" E, a distance of 2771.95 feet to a point on the North line of the Southeast 1/4 of the Northeast 1/4 of aforesaid Section 16; thence departing said Southeasterly Right of Way line and on the North line of the Southeast 1/4 of the Northeast 1/4 of said Section 16, N 89°38'48" E, a distance of 979.85 feet to the Southwest corner of the Northwest 1/4 of the Northwest 1/4 of Section 15, Township 13 South, Range 30 East, Flagler County, Florida; thence departing said North line and on the West line of the Northwest 1/4 of the Northwest 1/4 of said Section 15, N 1°38'39" W, a distance of 1057.12 feet to the Southeasterly Right of Way line of State Road 304 (a variable width Right of Way per Florida Department of Transportation Right of Way Maps Section 73510-2601);

(Continued to Sheet No. 3.17)

WASTEWATER TARIFF

(Continued from Sheet No. 3.16)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

thence departing said West line and on the Southeasterly Right of Way line of said State Road 304, N 41°45'47" E, a distance of 1395.30 feet to a point on the Westerly Right of Way line of a Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing the Southeasterly Right of Way line of said State Road 304 and on the Westerly Right of Way line of said Florida Power and Light Company Right of Way, S 16°41'34" E, a distance of 2994.33 feet to a point on the North line of the South 1/2 of Track 10. Block B of the subdivision of BUNNELL DEVELOPMENT COMPANY'S LAND at BUNNELL FLORIDA as recorded in Plat Book 1, Page 1, of the Public Records of Flagler County, Florida; thence departing said Westerly Right of Way line and on the North line of the South 1/2 of said Track 10, Block B, N 86°41'51" W, a distance of 414.48 feet to the Northwest corner of the of the South 1/2 of said Track 10, Block B; thence departing said North line and on the West line of the South 1/2 of said Track 10, Block B, S 1°44'51" E, a distance of 669.93 feet to the Southwest corner of said Track 10, Block B; thence departing said West line and on the South line of said Track 10, Block B, S 86°43'47" E, a distance of 598.21 feet to a point on the Westerly Right of Way line of aforesaid Florida Power and Light Company Right of Way as recorded in, Official Records Book 215, Page 141 of the Public Records of Flagler County, Florida; thence departing said South line and on the Westerly Right of Way line of said Florida Power and Light Company Right of Way through the following courses: S 16°41'34" E, a distance of 1750.17 feet; thence S 26°20'10" W, a distance of 5062.48 feet to a point on the West line of Section 22, Township 13 South, Range 30 East, Flagler County, Florida; thence departing said Westerly Right of Way line and on the West line of said Section 22, N 1°38'28" W, a distance of 3643.68 feet to the Point of Beginning.

Together With:

PARCEL 2 - TRACT "J"

A parcel of land lying in Sections 31 and 32, Township 14 South, Range 30 East, Sections 3,4,9,10,11,13,14 and 15, Township 15 South, Range 30 East and in Sections 17 and 18, Township 15 South, Range 31 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

Commence at the Northeast corner of Section 32, Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 32, S 89° 26' 37" W, a distance of 929.66 feet to a point 20 feet West of the centerline of a Forest Management Road locally known as Forest

(Continued to Sheet No. 3.18)

WASTEWATER TARIFF

(Continued from Sheet No. 3.17)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

Management Road "B", said point being the POINT OF BEGINNING; thence departing said North line and on a line 20 feet West of the centerline of aforesaid Forest Management Road "B" through the following courses, S 29° 00' 58" W, a distance of 710.66 feet; thence S 44° 52' 43" W, a distance of 438.82 feet; thence S 35° 05' 04" W, a distance of 724.86 feet; thence S 35° 16' 31" W, a distance of 697.29 feet; thence S 34° 25' 28" W, a distance of 638.85 feet; thence S 05° 09' 02" E, a distance of 654.24 feet; thence S 00° 07' 38" W, a distance of 157.15 feet; thence S 13° 13' 29" W, a distance of 121.87 feet; thence S 16° 22' 41" W, a distance of 711.44 feet; thence S 02° 05' 12" W, a distance of 406.43 feet: thence S 06° 45' 50" E, a distance of 912.39 feet; thence S 06° 53' 15" E, a distance of 852.23 feet to the Northerly Right of Way line of State Road 40, a 200 feet wide Right of Way per Florida Department of Transportation Right of Way Map. Section 79100-2503; thence on said Northerly Right of Way line of State Road 40 through the following courses. S 74° 23' 23" W, a distance of 3070.73 feet to the beginning of a curve concave to the North having a radius of 5661.65 feet and a central angle of 07° 46' 30"; thence on the arc of said curve a distance of 768.28 feet, said arc being subtended by a chord which bears \$ 78° 16' 38" W, a distance of 767.69 feet to the curves end: thence S 82° 09' 53" W, a distance of 1700.46 feet to a point 20 feet East of the centerline of a Forest Management Road locally known as Forest Management Road "A"; thence departing the Northerly Right of Way line of aforesaid State Road 40 and on a line 20 feet East of the centerline of aforesaid Forest Management Road "A" through the following courses, N 12° 44' 55" E, a distance of 1347.80 feet; thence N 23° 08' 22" E, a distance of 182.04 feet; thence N 42° 32' 13" E, a distance of 183.72 feet; thence N 60° 00' 18" E, a distance of 103.80 feet; thence N 77° 48' 25" E, a distance of 126.84 feet: thence S 88° 11' 11" E, a distance of 79.27 feet; thence N 68° 20' 24" E, a distance of 57.73 feet; thence N 16° 44' 18" E, a distance of 71.03 feet; thence N 10° 38' 13" W, a distance of 1352.46 feet; thence N 10° 40' 05" W, a distance of 1291.34 feet; thence N 13° 34' 29" W, a distance of 344.53 feet; thence N 21° 33' 25" W, a distance of 1169.70 feet; thence N 21° 56' 54" W, a distance of 653.58 feet; thence N 21° 36' 29" W, a distance of 769.11 feet; thence N 40° 46' 37" W, a distance of 527.19 feet to a point on the North line of Section 31, Township 14 South, Range 30 East, Volusia County, Florida: thence on the North line of said Section 31, N 89° 26' 37" E, a distance of 3865.19 feet to the Northeast corner of said Section 31, the same being the Northwest corner of aforesaid Section 32, Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 32, N 89° 26' 37" E, a distance of 4349.80 feet to the POINT OF BEGINNING.

(Continued to Sheet No. 3.19)

WASTEWATER TARIFF

(Continued from Sheet No. 3.18)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

Together With:

PARCEL 2 - TRACT "K"

Commence at the Southeast corner of Section 17, Township 15 South, Range 31 East, Volusia County, Florida; thence on the South line of said Section 17, S 88° 39' 52" W, a distance of 5311.55 feet to the Southwest corner of said Section 17, the same being the Southeast corner of Section 18, Township 15 South, Range 31 East, Volusia County, Florida; thence on the South line of said Section 18, S 88° 39' 52" W, a distance of 5316.86 feet to the Southwest corner of said Section 18, the same being the Southeast corner of Section 13, Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of said Section 13, S 88° 59' 03" W, a distance of 828.38 feet to a point on the Westerly line of a Florida Power and Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida, said point being the POINT OF BEGINNING; thence continue on the South line of said Section 13, S 88° 59' 03" W, a distance of 4483.97 feet to the Southwest corner of said Section 13, the same being the Southeast corner of Section 14, Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of said Section 14, S 88° 42' 00" W, a distance of 2638.88 feet to the Southeast corner of the Southwest 1/4 of said Section 14; thence continue on the South line of said Section 14, S 88° 44' 35" W, a distance of 2633.47 feet to the Southwest corner of said Section 14, the same being the Southeast corner of Section 15, Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of the East 1/2 of said Section 15, S 89° 24' 13" W, a distance of 2668.10 feet to the Southwest corner of the East 1/2 of said Section 15; thence departing said South line and on the West line of the East 1/2 of said Section 15, N 00° 27' 35" W, a distance of 1339.92 feet to the Southeast corner of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15; thence departing said West line and on the South line of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15. S 89° 21' 21" W, a distance of 667.60 feet to the Southwest corner of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15; thence departing said South line and on the West line of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15, N 00° 29' 03" W, a distance of 1339.36 feet to the Northwest corner of the East 1/2 of the Northeast 1/4 of the Southwest 1/4 of said Section 15; thence departing said West line and on the South line of the Northwest 1/4 of said Section 15, S 89° 18' 30" W, a distance of 2004.51 feet to the Southwest corner of the Northwest 1/4 of said Section 15; thence departing said South line and on the West line of the Northwest 1/4 of said Section 15, N 00° 33' 27" W, a distance of 2681.18 feet to the Northwest corner of said Section 15, the same being the Southeast corner of Section 9, Township 15 South, Range 30 East, Volusia County, Florida;

(Continued to Sheet No. 3.20)

WASTEWATER TARIFF

(Continued from Sheet No. 3.19)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

thence departing said West line and on the South line of the East 1/2 of said Section 9, S 88° 52' 36" W, a distance of 2610.14 feet to the Southwest corner of the East 1/2 of said Section 9; thence departing said South line and on the West line of the East 1/2 of said Section 9, N 01° 34' 25" W, a distance of 5270.67 feet to the Northwest corner of the East 1/2 of said Section 9, the same being the Southwest corner of the East 1/2 of Section 4, Township 15 South, Range 30 East, Volusia County, Florida; thence on the West line of the East 1/2 of said Section 4, N 00° 16' 16" W, a distance of 2972.04 feet to a point on the Southerly Right of Way line of State Road 40, a 200 feet wide Right of Way per Florida Department of Transportation Right of Way Map, Section 79100-2503, said point being on a curve concave to the North having a radius of 5861.65 feet and a central angle of 06° 51' 35"; thence departing said West line and on said Southerly Right of Way line of State Road 40 and on the arc of said curve a distance of 701.78 feet, said arc being subtended by a chord which bears N 77° 49' 10" E, a distance of 701.36 feet to the curves end; thence continue on said Southerly Right of Way line of State Road 40, N 74° 23' 23" E, a distance of 3071.83 feet to a point 20 feet West of the centerline of a Forest Road locally known as Forest Management Road "B"; thence departing the Southerly Right of Way line of State Road 40 and on a line 20 feet West of the centerline of aforesaid Forest Management Road "B" through the following courses, S 18° 33' 39" E, a distance of 937.03 feet; thence S 18° 45' 34" E, a distance of 709.38 feet; thence S 18° 32' 13" E, a distance of 496.41 feet; thence S 26° 53' 00" E, a distance of 89.78 feet; thence S 49° 23' 17" E, a distance of 103.20 feet; thence S 59° 04' 17" E, a distance of 279.13 feet; thence S 52° 23' 12" E, a distance of 124.74 feet; thence S 32° 27' 25" E, a distance of 231.99 feet; thence S 32° 03' 38" E, a distance of 241.75 feet; thence S 34° 35' 32" E, a distance of 598.98 feet; thence S 39° 26' 42" E, a distance of 171.82 feet; thence S 44° 13' 57" E, a distance of 1374.87 feet; thence S 40° 58' 25" E, a distance of 1023.75 feet; thence S 40° 57' 20" E, a distance of 1522.12 feet; thence S 41° 52' 28" E, a distance of 1301.42 feet; thence S 22° 14' 32" E, a distance of 113.06 feet; thence S 12° 01' 10" E, a distance of 1003.87 feet; thence S 11° 38' 03" E, a distance of 700.17 feet to a point on the North line of Section 14. Township 15 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 14, N 88° 55' 30" E, a distance of 3990.49 feet to Northeast corner of said Section 14, the same being the Northwest corner of Section 13, Township 15 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 13, N 89° 22' 49" E, a distance of 3305,64 feet to a point on the Westerly line of the aforesaid Florida Power and Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing said North line and on the Westerly line of said Florida Power and Light Company Right of Way, S 21° 25' 08" E, a distance of 1264.30 feet; thence continue on the Westerly line of said Florida Power and Light Company Right of Way, S 10° 39' 05" E, a distance of 4200.89 feet to the POINT OF BEGINNING.

(Continued to Sheet No. 3.21)

WASTEWATER TARIFF

(Continued from Sheet No. 3.20)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

Together With:

PARCEL 2 - TRACT "L"

Commence at the Southeast corner of Section 17, Township 15 South, Range 31 East, Volusia County, Florida; thence on the South line of said Section 17, S 88° 39' 52" W, a distance of 1327.89 feet to the Southeast corner of the Southwest 1/4 of the Southeast 1/4 of said Section 17 and the POINT OF BEGINNING; thence continue on the South line of said Section 17, S 88° 39' 52" W, a distance of 3983.66 feet to Southwest corner of said Section 17, the same being the Southeast corner of Section 18, Township 15 South, Range 31 East, Volusia County, Florida; thence on the South line of said Section 18, S 88° 39' 52" W, a distance of 5316.86 feet to the Southwest corner of said Section 18, the same being the Southeast corner of Section 13, Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of said Section 13, S 88° 59' 03" W, a distance of 524.08 feet to a point on the Easterly line of a Florida Power and Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing said South line and on the Easterly line of said Florida Power and Light Company Right of Way, N 10° 39' 05" W, a distance of 351.79 feet; thence continue on the Easterly line of said Florida Power and Light Company Right of Way, N 10° 13' 38" W, a distance of 4090.33 feet; thence continue on the Easterly line of said Florida Power and Light Company Right of Way, N 21° 25' 07" W, a distance of 1002.42 feet to the North line of aforesaid Section 13, Township 15 South, Range 30 East, Volusia County, Florida; thence departing said Easterly line of said Florida Power and Light Company Right of Way and on the North line of said Section 13, N 89° 22' 49" E, a distance of 1593.79 feet to the Northeast corner of said Section 13, the same being the Northwest corner of aforesaid Section 18, Township 15 South, Range 31 East, Volusia County, Florida; thence on the North line of said Section 18, N 89° 07' 44" E, a distance of 5266.05 feet to the Northeast corner of said Section 18, the same being the Northwest corner of aforesaid Section 17, Township 15 South, Range 31 East, Volusia County, Florida; thence on the North line said Section 17, N 88° 46' 28" E, a distance of 1334.66 feet to the Northeast corner of the West 1/2 of the Northwest 1/4 of said Section 17; thence departing said North line and on the East line of the West 1/2 of the Northwest 1/4 of said Section 17, S 01° 25' 22" E. a distance of 2633.79 feet to the Southeast corner of the West 1/2 of the Northwest 1/4 of said Section 17; thence departing said East line and on the South line of the West 1/2 of the Northwest 1/4 of said Section 17, S 88° 43' 11" W, a distance of 1331.27 feet to the Southwest corner of the West 1/2 of the Northwest 1/4 of said Section 17; thence departing said South line and on the West line of said Section 17. S 01° 29' 47" E, a distance of 1317.54 feet to the Northwest corner of the South 1/2 of the

(Continued to Sheet No. 3.22)

WASTEWATER TARIFF

(Continued from Sheet No. 3.21)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 2 (continued)

Southwest 1/4 of said Section 17; thence departing said West line and on the North line of the South 1/2 of the Southwest 1/4 of said Section 17 and on the North line of the Southwest 1/4 of the Southeast 1/4 of said Section 17, N 88° 41' 31" E, a distance of 3988.73 feet to the Northeast corner of the Southwest 1/4 of the Southeast 1/4 of said Section 17; thence departing said North lines and on the East line of the Southwest 1/4 of the Southeast 1/4 of said Section 17, S 01° 16' 32" E, a distance of 1315.61 feet to the POINT OF BEGINNING.

DESCRIPTION: PARCEL 3

PARCEL 3 - TRACT "A"

A parcel of land lying in Section 36, Township 14 South, Range 29 East, Section 31, Township 14 South, Range 30 East and in Sections 4 and 5, Township 15 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

BEGIN at the Northwest corner of Section 31, Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 31, N 89° 26' 37" E, a distance of 1414.27 feet to a point 20 feet East of the centerline of a Forest Management Road locally known as Forest Management Road "A": thence departing the North line of said Section 31 and on a line 20 feet East of the centerline of aforesaid Forest Management Road "A" through the following courses: S 40°46'37" E, a distance of 527.19 feet; thence S 21°36'29" E, a distance of 769.11 feet; thence S 21°56'54" E, a distance of 653.58 feet; thence S 21°33'25" E, a distance of 1169.70 feet; thence S 13°34'29" E, a distance of 344.53 feet; thence S 10°40'05" E, a distance of 1291.34 feet; thence S 10°38'13" E, a distance of 1352.46 feet; thence S 16°44'18" W, a distance of 71.03 feet to a point hereafter referred to as "POINT A"; thence returning to the POINT OF BEGINNING proceed on the North line of Section 36, Township 14 South, Range 29 East, Volusia County, Florida, S 89°38'06" W, a distance of 2993.67 feet; to a point on the Easterly Right of Way Line of State Road 11 (a 200 foot right of way, per Florida Department of Transportation Right of Way Maps Sections 7909-104 & 79100-2901); thence departing said North line and on said Easterly Right of Way Line, S 4°38'21" E, a distance of 5362.16 feet to a point on the South line of aforesaid Section 36, Township 14 South, Range 29 East, Volusia County, Florida; thence departing said Easterly Right of Way Line and on the South line of said Section 36 the same being the North Line of the Northwest 1/4 of Section 5, Township 15 South, Range 30 East, Volusia County, Florida, N 88°46'28" E, a distance of 1497.46 feet to the Northwest corner of the Northeast 1/4 of Section 5, Township 15 South, Range 30 East, Volusia County, Florida; thence continue on the South Line of aforesaid Section 36 the same being the North Line of the Northeast 1/4

(Continued to Sheet No. 3.23)

WASTEWATER TARIFF

(Continued from Sheet No. 3.22)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 3 (continued)

of Section 5, Township 15 South, Range 30 East, Volusia County, Florida, N 89°06'19" E, a distance of 1320.86 feet; thence departing said North and South lines, S 0°02'24" E, a distance of 2447.12 feet to a point on the Northerly Limited Access Right of Way Line of State Road 40 (per Florida Department of Transportation Right of Way Maps Sections 79100-2503); thence on said Northerly Limited Access Right of Way Line and Northerly Right of Way Line of State Road 40 through the following courses: N 82°09'53" E, a distance of 633.43 feet; thence S 7°50'07" E, 50.00 feet a point on the Northerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Maps Sections 79100-2503): thence continue on said Northerly Right of Way Line of State Road 40 through the following courses: N 82°09'53" E, a distance of 3245.96 feet to the beginning of a curve concave Northwesterly having a radius of 5661.65 feet and a central angle of 7°46'30"; thence on the arc of said curve a distance of 768.28 feet said arc being subtended by a chord that bears N 78°16'38" E. a distance of 767.69 feet to the curves end and a point on a meandering line between an existing pine plantation and wetland said point bearing S 50°15'49" E, a distance of 2075.89 feet from aforesaid POINT A": thence departing the Northerly Right of Way Line of State Road 40 and on said meander line between an existing pine plantation and wetland, Northwesterly, a distance of 2272 feet, more or less to aforesaid "POINT A" to close.

LESS Maintained Right of Way for Clifton Cemetery Road, a County Maintained Right of Way.

TOGETHER WITH:

PARCEL 3 - TRACT "B"

A parcel of land lying in Sections 28, 29, 32 and 33, Township 14 South, Range 30 East, and in Sections 2 and 3, Township 15 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

Begin at the Northwest corner of Section 28, Township 14 South, Range 30 East, Volusia County, Florida; thence on the North line of said Section 28, N 89°49'43" E, a distance of 4718.82 feet to a point on the Westerly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing the North line of said Section 28 and on the Westerly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses: S 1°00'03" E, a distance of 6622.81 feet; thence S 88°59'57" W, a distance of 100.00 feet; thence S 1°00'03" E, a distance of 68.01 feet; thence

(Continued to Sheet No. 3.24)

WASTEWATER TARIFF

(Continued from Sheet No. 3.23)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 3 (continued)

S 21°24'53" E, a distance of 68.01 feet; thence N 68°35'07" E, a distance of 100.00 feet; thence S 21°24'53" E, a distance of 2921.78 feet to a point on the Northerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence departing said Westerly Right of Way Line and on the Northerly Right of Way Line of said State Road 40, S 74°23'23" W, a distance of 8883.67 feet to a point 20 feet West of the centerline of a Forest Management Road locally known as Forest Management Road "B"; thence departing the Northerly Right of Way Line of said State Road 40 on a line 20 feet West of the centerline of aforesaid Forest Management Road "B" through the following courses: N 6°53'15" W, a distance of 852.23 feet; thence N 6°45'50" W, a distance of 912.39 feet; thence N 2°05'12" E, a distance of 406.43 feet; thence N 16°22'41" E, a distance of 711.44 feet; thence N 13°13'29" E, a distance of 121.87 feet; thence N 0°07'38" E, a distance of 157.15 feet; thence N 5°09'02" W, a distance of 654.24 feet; thence N 34°25'28" E, a distance of 638.85 feet; thence N 35°16'31" E, a distance of 697.29 feet; thence N 35°05'04" E, a distance of 724.86 feet; thence N 44°52'43" E, a distance of 438.82 feet; thence N 29°00'58" E, a distance of 710.66 feet to a point on the South Line of Section 29, Township 14 South, Range 30 East, Volusia County, Florida; thence on the South Line of said Section 29, N 89°26'37" E, a distance of 269.52 feet to the Southwest corner of the East 1/2 of the East 1/4 of said Section 29; thence departing the South line of said Section 29 and on the West Line of the East 1/2 of the East 1/4 of said Section 29, N 1°07'29" W, a distance of 5409.16 feet to the Northwest corner of the East 1/2 of the East 1/4 of said Section 29; thence departing said West Line and on the North line of the East 1/2 of the East 1/4 of said Section 29, N 88°47'01" E, a distance of 662.33 feet to the POINT OF BEGINNING.

TOGETHER WITH:

PARCEL 3 - TRACT "C"

A parcel of land lying in Sections 27, 28, 33 and 34, Township 14 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

Begin at the Northeast corner of Section 27, Township 14 South, Range 30 East, Volusia County, Florida; thence on the East Line of said Section 27, S 0°43'05" E, a distance of 5281.63 feet to the Southeast corner of said Section 27, the same being the Northeast corner of Section 34, Township 14 South, Range 30 East, Volusia County, Florida; thence departing the East Line of said Section 27 and on the East Line of said Section 34, S 0°50'04" E, a distance of 2995.90 feet to a point on the Northerly

(Continued to Sheet No. 3.25)

WASTEWATER TARIFF

(Continued from Sheet No. 3.24)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 3 (continued)

Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence departing said East Line and on the Northerly Right of Way Line of said State Road 40 the same being on a curve concave Southerly having a radius of 2925.76 feet and a central angle of 18°35'49"; thence on the arc of said curve a distance of 949.64 feet, said arc being subtended by a chord that bears S 83°41'17" W, a distance of 945.48 feet to the curves end; thence continue on the Northerly Right of Way Line of said State Road 40, S 74°23'23" W. a distance of 3756.48 feet to a point on the Easterly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing the Northerly Right of Way Line of State Road 40 and on the Easterly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses: N 21°24'53" W, a distance of 2948.26 feet; thence N 1°00'03" W, a distance of 6614.46 feet to a point on the North Line of Section 28, Township 14 South, Range 30 East, Volusia County, Florida; thence departing said Easterly Line and on the North Line of said Section 28, N 89°49'43" E, a distance of 347.16 feet to the Northeast corner of said Section 28, the same being the Northwest corner of aforesaid Section 27, Township 14 South, Range 30 East, Volusia County, Florida: thence departing the North Line of aforesaid Section 28 and on the North line of said Section 27, N 89°38'58" E, 5292.80 feet to the POINT OF BEGINNING.

TOGETHER WITH:

PARCEL 3 - TRACT "D"

A parcel of land lying in Sections 33 and 34, Township 14 South, Range 30 East, and in Sections 1,2,3,10,11 and 12, Township 15 South, Range 30 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

BEGIN at the Southeast corner of Section 11, Township 15 South, Range 30 East, Volusia County, Florida; thence on the South line of said Section 11, S 88°55'30" W, a distance of 3990.49 feet to a point 20 feet West of the centerline of a Forest Management Road locally known as Forest Management Road "B"; thence departing the South line of said Section 11 and on a line 20 feet West of the centerline of aforesaid Forest Management Road "B" through the following courses: N 11°38'03" W, a distance of 700.17 feet; thence N 12°01'10" W, a distance of 1003.87 feet; thence N 22°14'32" W, a distance of 113.06 feet; thence N 41°52'28" W, a distance of 1301.42 feet; thence N 40°57'20" W, a distance of 1522.12 feet; thence N 40°58'25" W, a distance of 1023.75 feet; thence N 44°13'57" W, a

(Continued to Sheet No. 3.26)

WASTEWATER TARIFF

(Continued from Sheet No. 3.25)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 3 (continued)

distance of 1374.87 feet; thence N 39°26'42" W, a distance of 171.82 feet; thence N 34°35'32" W, a distance of 598,98 feet; thence N 32°03'38" W, a distance of 241,75 feet; thence N 32°27'25" W, a distance of 231.99 feet; thence N 52°23'12" W, a distance of 124.74 feet; thence N 59°04'17" W, a distance of 279.13 feet; thence N 49°23'17" W, a distance of 103.20 feet; thence N 26°53'00" W, a distance of 89.78 feet; thence N 18°32'13" W, a distance of 496.41 feet; thence N 18°45'34" W, a distance of 709.38 feet; thence N 18°33'39" W, a distance of 937.03 feet to a point on the Southerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence on said Southerly Right of Way Line of State Road 40. N 74°23'23" E. a distance of 8902.90 feet to a point on the Westerly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452. Page 540 of the Public Records of Volusia County, Florida; thence departing the Southerly Right of Way Line of said State Road 40 and on the Westerly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses, S 21°24'53" E, a distance of 8620,26 feet; thence S 60°43'11" W, a distance of 197.04 feet; thence S 00°54'18" W, a distance of 3253.41 feet to a point on the South line of Section 12, Township 15 South, Range 30 East, Volusia County, Florida; thence departing the Westerly Right of Way line of said Power & Light Company Right of Way and on the South line of said Section 12. S 89°22'49" W. a distance of 1775.66 to the POINT OF BEGINNING.

TOGETHER WITH:

PARCEL 3 – TRACT "E"

A parcel of land lying in Sections 34 and 35, Township 14 South, Range 30 East, Sections 1, 2, and 12, Township 15 South, Range 30 East and in Section 7, Township 15 South, Range 31 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

BEGIN at the Northeast corner of Section 12, Township 15 South, Range 30 East, Volusia County, Florida; thence on the East line of said Section 12, S 00°40'00" E, a distance of 2650.44 feet to the Northwest Corner of the South 1/2 of Section 7, Township 15 South, Range 31 East, Volusia County, Florida; thence departing said East line and on the North line of the South 1/2 of said Section 7, N 89°19'09" E, a distance of 5278.30 feet to the Northeast corner of the South 1/2 of said Section 7; thence departing said North line and on the East line of the South 1/2 of said Section 7, S 00°41'03" E, a distance of 2409.52 feet; to the Northeast corner of the South 230 feet of said Section 7 as recorded in Official Records Book 2622, Page 1169 of the Public Records of Volusia County, Florida; thence

(Continued to Sheet No. 3.27)

WASTEWATER TARIFF

(Continued from Sheet No. 3.26)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 3 (continued)

departing said East line and on the North line of the South 230 feet of said Section 7, S 89°07'44" W, a distance of 5267.09 feet to the Northwest corner of the South 230 feet of said Section 7; thence departing said North line and on the West line of the South 1/2 of said Section 7, N 00°56'56" W, a distance of 1275.69 feet to a point on the Easterly Right of Way Line of a Florida Power & Light Company Right of Way as recorded in Official Records Book 2452, Page 540 of the Public Records of Volusia County, Florida; thence departing said West line and on said Easterly Right of Way Line of said Florida Power & Light Company Right of Way through the following courses: N 35°48'21" W, a distance of 1384.61 feet; thence S 90°00'00" W, a distance of 1795.79 feet; thence N 21°24'53" W, a distance of 1273.78 feet; thence N 22°17'46" W, a distance of 3904.12 feet; thence N 21°24'53" W, a distance of 4287.20 feet to a point on the Southerly Right of Way Line of State Road 40 (a 200 foot right of way, per Florida Department of Transportation Right of Way Map Sections 79100-2503); thence departing the Easterly Right of Way Line of said Florida Power & Light Company Right of Way and on the Southerly Right of Way Line of said State Road 40 through the following courses: N 74°23'23" E, a distance of 3736.15 feet to the beginning of a curve concave Southerly having a radius of 2725.76 feet and a central angle of 23°10'10"; thence on the arc of said curve a distance of 1102.25 feet said arc being subtended by a chord that bears N 85°58'28" E, a distance of 1094.76 feet to the curves end; thence S 82°26'27" E, a distance of 1305.72 feet to a point on the West line of PLANTATION PINES (an unrecorded subdivision); thence departing said Southerly Right of Way line and on the West line of said PLANTATION PINES (an unrecorded subdivision) S 00°40'09" E, a distance of 1721.08 feet to the Northeast corner of Section 1, Township 15 South, Range 30 East, Volusia County, Florida; thence on the East line of said Section 1, the same being the West line of aforesaid PLANTATION PINES (an unrecorded subdivision), S 00°40'38" E, a distance of 5300.64 feet to the POINT OF BEGINNING.

TOGETHER WITH:

PARCEL 3 - TRACT "F"

A parcel of land lying in Sections 5 and 8, Township 15 South, Range 31 East, all lying and being in Volusia County, Florida and being more particularly described as follows:

Begin at the Northwest corner of Section 5, Township 15 South, Range 31 East, Volusia County, Florida, thence on the North Line of said Section 5, N 89°36'29" E, a distance of 1319.85 feet to the Northeast corner of the West 1/2 of the Northwest 1/4 of said Section 5; thence departing said North Line and on the East Line of the West 1/2 of the Northwest 1/4 of said Section 5, S 0°43'40" E, a

(Continued to Sheet No. 3.28)

THOMAS LINDQUIST ISSUING OFFICER

EXECUTIVE V.P.

WASTEWATER TARIFF

(Continued from Sheet No. 3.27)

DESCRIPTION OF TERRITORY SERVED

DESCRIPTION: PARCEL 3 (continued)

distance of 2635.16 feet to the Southeast corner of the West 1/2 of the Northwest 1/4 of said Section 5, said corner being on the North Line of the Southwest 1/4 of said Section 5: thence departing said East Line and on the North Line of the Southwest 1/4 of said Section 5, N 89°26'21" E, a distance of 1321.45 feet to the Northeast corner of the Southwest 1/4 of said Section 5; thence departing said North Line and on the East line of the Southwest 1/4 of said Section 5, S 0°45'47" E, a distance of 2631.54 feet to the Southeast corner of the Southwest 1/4 of said Section 5, the same being the Northeast corner of the Northeast 1/4 of the Northwest 1/4 of Section 8, Township 15 South, Range 31 East, Volusia County, Florida; thence on the East Line of the Northeast 1/4 of the Northwest 1/4 of said Section 8, S 0°56'00" E, a distance of 1310.73 feet to the Southeast corner of the Northeast 1/4 of the Northwest 1/4 of said Section 8: thence departing said East Line and on the South Line of the Northeast 1/4 of the Northwest 1/4 of said Section 8, S 89°04'11" W, a distance of 1326.03 feet to the Southwest corner of the Northeast 1/4 of the Northwest 1/4 of said Section 8 the same being the Northeast corner of the Southwest 1/4 of the Northwest 1/4 of said Section 8; thence departing said South Line and on the East Line of the Southwest 1/4 of the Northwest 1/4 of said Section 8, S 0°48'30" E. a distance of 1315.24 feet to the Southeast corner of the Southwest 1/4 of the Northwest 1/4 of said Section 8; thence departing said East Line and on the South Line of the Southwest 1/4 of the Northwest 1/4 of said Section 8, S 88°52'31" W, a distance of 1328.91 feet to the Southwest corner of the Northwest 1/4 of said Section 8; thence departing said South Line and on the West Line of the Northwest 1/4 of said Section 8 the same being on the East Line of PLANTATION PINES (an unrecorded subdivision), N 0°41'03" W, a distance of 2639.52 feet to the Northwest Corner of said Section 8, the same being the Southwest corner of the Southwest 1/4 of aforesaid Section 5, thence on the West line of the Southwest 1/4 said Section 5, the same being on the East Line of aforesaid PLANTATION PINES (an unrecorded subdivision), N 0°41'17" W, a distance of 2639.58 feet to the Southwest corner of the West 1/2 of the Northwest 1/4 of said Section 5; thence on the West Line of the West 1/2 of the Northwest 1/4 of said Section 5, the same being on the East Line of aforesaid PLANTATION PINES (an unrecorded subdivision), N 0°41'34" W, a distance of 2639.04 feet to the POINT OF BEGINNING.

ORIGINAL SHEET NO. 4.0

D & E WATER RESOURCES, L.L.C. WASTEWATER TARIFF

COMMUNITIES SERVED LISTING

County <u>Name</u>	Development Name	Rate Schedule(s) <u>Available</u>	Sheet No.
Flagler Volusia		All All	

WASTEWATER TARIFF

TECHNICAL TERMS AND ABBREVIATIONS

- 1.0 "BFC" The abbreviation for "Base Facility Charge" which is the minimum amount the Company may charge its Customers and is separate from the amount the Company bills its Customers for water consumption.
- 2.0 <u>"CERTIFICATE"</u> A document issued by the Commission authorizing the Company to provide water service in a specific territory.
- 3.0 "COMMISSION" The shortened name for the Florida Public Service Commission.
- 4.0 <u>"COMMUNITIES SERVED"</u> The group of Customers who receive water service from the Company and whose service location is within a specific area or locality that is uniquely separate from another.
- 5.0 <u>"COMPANY"</u> The shortened name for the full name of the utility which is D & E WATER RESOURCES, L.L.C.
- 6.0 "CUSTOMER" Any person, firm or corporation who has entered into an agreement to receive water service from the Company and who is liable for the payment of that water service.
- 7.0 "CUSTOMER'S INSTALLATION" All pipes, shut-offs, valves, fixtures and appliances or apparatus of every kind and nature used in connection with or forming a part of the installation for rendering water service to the Customer's side of the Service Connection whether such installation is owned by the Customer or used by the Customer under lease or other agreement.
- 8.0 "MAIN" A pipe, conduit, or other facility used to convey water service to individual service lines or through other mains.
- 9.0 <u>"RATE"</u> Amount which the Company may charge for water service which is applied to the Customer's actual consumption.
- 10.0 "RATE SCHEDULE" The rate(s) or charge(s) for a particular classification of service plus the several provisions necessary for billing, including all special terms and conditions under which service shall be furnished at such rate or charge.
- 11.0 <u>"SERVICE"</u> As mentioned in this tariff and in agreement with Customers, "Service" shall be construed to include, in addition to all water service required by the Customer, the readiness and ability on the part of the Company to furnish water service to the Customer. Service shall conform to the standards set forth in Section 367.111 of the Florida Statutes.

(Continued to Sheet No. 5.1)

TITLE

WASTEWATER TARIFF

(Continued from Sheet No. 5.0)

- 12.0 <u>"SERVICE CONNECTION"</u> The point where the Company's pipes or meters are connected with the pipes of the Customer.
- 13.0 <u>"SERVICE LINES"</u> The pipes between the Company's Mains and the Service Connection and which includes all of the pipes, fittings and valves necessary to make the connection to the Customer's premises, excluding the meter.
- 14.0 <u>"TERRITORY"</u> The geographical area described, if necessary, by metes and bounds but, in all cases, with township, range and section in a Certificate, which may be within or without the boundaries of an incorporated municipality and may include areas in more than one county.

WASTEWATER TARIFF

INDEX OF RULES AND REGULATIONS

	Sheet <u>Number</u> :	Rule <u>Number</u> :
Access to Premises	9.0	12.0
Adjustment of Bills	10.0	20.0
Application	7.0	3.0
Applications by Agents	7.0	4.0
Change of Customer's Installation	8.0	10.0
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Extensions	7.0	6.0
Filing of Contracts	10.0	21.0
General Information	7.0	1.0
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Payment of Water and Wastewater Service Bills Concurrently	9.0	16.0

(Continued to Sheet No. 6.1)

THOMAS LINDQUIST
ISSUING OFFICER
EXECUTIVE V.P.
TITLE

WASTEWATER TARIFF

(Continued from Sheet No. 6.0)

	Sheet <u>Number</u> :	Rule <u>Number</u> :
Policy Dispute	7.0	2.0
Protection of Company's Property	9.0	13.0
Refusal or Discontinuance of Service	7.0	5.0
Right-of-way or Easements	9.0	14.0
Termination of Service	10.0	18.0
Type and Maintenance	7.0	7.0
Unauthorized Connections - Wastewater	10.0	19.0

WASTEWATER TARIFF

RULES AND REGULATIONS

1.0 GENERAL INFORMATION - These Rules and Regulations are a part of the rate schedules and applications and contracts of the Company and, in the absence of specific written agreement to the contrary, apply without modifications or change to each and every Customer to whom the Company renders wastewater service.

The Company shall provide wastewater service to all Customers requiring such service within its Certificated territory pursuant to Chapter 25-30, Florida Administrative Code and Chapter 367, Florida Statutes.

- 2.0 <u>POLICY DISPUTE</u> Any dispute between the Company and the Customer or prospective Customer regarding the meaning or application of any provision of this tariff shall upon written request by either party be resolved by the Florida Public Service Commission.
- 3.0 <u>APPLICATION</u> In accordance with Rule 25-30.310, Florida Administrative Code, a signed application is required prior to the initiation of service. The Company shall provide each Applicant with a copy of the brochure entitled "Your Water and Wastewater Service," prepared by the Florida Public Service Commission.
- 4.0 <u>APPLICATIONS BY AGENTS</u> Applications for wastewater service requested by firms, partnerships, associations, corporations, and others shall be rendered only by duly authorized parties or agents.
- 5.0 <u>REFUSAL OR DISCONTINUANCE OF SERVICE</u> The Company may refuse or discontinue wastewater service rendered under application made by any member or agent of a household, organization, or business in accordance with Rule 25-30.320, Florida Administrative Code.
- 6.0 <u>EXTENSIONS</u> Extensions will be made to the Company's facilities in compliance with Commission Rules and Orders and the Company's tariff.
- 7.0 TYPE AND MAINTENANCE In accordance with Rule 25-30.545, Florida Administrative Code, the Customer's pipes, apparatus and equipment shall be selected, installed, used and maintained in accordance with standard practice and shall conform with the Rules and Regulations of the Company and shall comply with all laws and governmental regulations applicable to same. The Company shall not be responsible for the maintenance and operation of the Customer's pipes and facilities. The Customer expressly agrees not to utilize any appliance or device which is not properly constructed, controlled and protected or which may adversely affect the wastewater service. The Company reserves the right to discontinue or withhold wastewater service to such apparatus or device.

(Continued to Sheet No. 8.0)

WASTEWATER TARIFF

(Continued from Sheet No. 7.0)

8.0 CONTINUITY OF SERVICE - In accordance with Rule 25-30.250, Florida Administrative Code, the Company will at all times use reasonable diligence to provide continuous wastewater service and, having used reasonable diligence, shall not be liable to the Customer for failure or interruption of continuous wastewater service.

If at any time the Company shall interrupt or discontinue its service, all Customers affected by said interruption or discontinuance shall be given not less than 24 hours written notice.

9.0 LIMITATION OF USE - Wastewater service purchased from the Company shall be used by the Customer only for the purposes specified in the application for wastewater service. Wastewater service shall be rendered to the Customer for the Customer's own use and shall be collected directly into the Company's main wastewater lines.

In no case shall a Customer, except with the written consent of the Company, extend his lines across a street, alley, lane, court, property line, avenue, or other way in order to furnish wastewater service to the adjacent property even though such adjacent property may be owned by him. In case of such unauthorized extension, sale, or disposition of service, the Customer's wastewater service will be subject to discontinuance until such unauthorized extension, remetering, sale or disposition of service is discontinued and full payment is made to the Company for wastewater service rendered by the Company (calculated on proper classification and rate schedules) and until reimbursement is made in full to the Company for all extra expenses incurred for clerical work, testing, and inspections. (This shall not be construed as prohibiting a Customer from remetering.)

- 10.0 CHANGE OF CUSTOMER'S INSTALLATION - No changes or increases in the Customer's installation, which will materially affect the proper operation of the pipes, mains, or stations of the Company, shall be made without written consent of the Company. The Customer shall be liable for any change resulting from a violation of this Rule.
- INSPECTION OF CUSTOMER'S INSTALLATION All Customer's wastewater service installations or 11.0 changes shall be inspected upon completion by a competent authority to ensure that the Customer's piping, equipment, and devices have been installed in accordance with accepted standard practice and local laws and governmental regulations. Where municipal or other governmental inspection is required by local rules and ordinances, the Company cannot render wastewater service until such inspection has been made and a formal notice of approval from the inspecting authority has been received by the Company.

Not withstanding the above, the Company reserves the right to inspect the Customer's installation prior to rendering wastewater service, and from time to time thereafter, but assumes no responsibility whatsoever for any portion thereof.

(Continued to Sheet No. 9.0)

WASTEWATER TARIFF

(Continued from Sheet No. 8.0)

- 12.0 <u>ACCESS TO PREMISES</u> In accordance with Rule 25-30.320(2)(f), Florida Administrative Code, the Customer shall provide the duly authorized agents of the Company access at all reasonable hours to its property. If reasonable access is not provided, service may be discontinued pursuant to the above rule.
- PROTECTION OF COMPANY'S PROPERTY The Customer shall exercise reasonable diligence to protect the Company's property. If the Customer is found to have tampered with any Company property or refuses to correct any problems reported by the Company, service may be discontinued in accordance with Rule 25-30.320, Florida Administrative Code. In the event of any loss or damage to property of the Company caused by or arising out of carelessness, neglect, or misuse by the Customer, the cost of making good such loss or repairing such damage shall be paid by the Customer.
- 14.0 <u>RIGHT-OF-WAY OR EASEMENTS</u> The Customer shall grant or cause to be granted to the Company, and without cost to the Company, all rights, easements, permits, and privileges which are necessary for the rendering of wastewater service.
- 15.0 <u>CUSTOMER BILLING</u> Bills for wastewater service will be rendered Monthly, Bimonthly, or Quarterly as stated in the rate schedule.

In accordance with Rule 25-30.335, Florida Administrative Code, the Company may not consider a Customer delinquent in paying his or her bill until the twenty-first day after the Company has mailed or presented the bill for payment.

A municipal or county franchise tax levied upon a water or wastewater public utility shall not be incorporated into the rate for water or wastewater service but shall be shown as a separate item on the Company's bills to its Customers in such municipality or county.

If a utility utilizes the base facility and usage charge rate structure and does not have a Commission authorized vacation rate, the Company shall bill the Customer the base facility charge regardless of whether there is any usage.

16.0 PAYMENT OF WATER AND WASTEWATER SERVICE BILLS CONCURRENTLY - In accordance with Rule 25-30.320(2)(g), Florida Administrative Code, when both water and wastewater service are provided by the Company, payment of any wastewater service bill rendered by the Company to a Customer shall not be accepted by the Company without the simultaneous or concurrent payment of any water service bill rendered by the Company.

(Continued to Sheet No. 10.0)

WASTEWATER TARIFF

(Continued from Sheet No. 9.0)

- 17.0 <u>DELINQUENT BILLS</u> When it has been determined that a Customer is delinquent in paying any bill, wastewater service may be discontinued after the Company has mailed or presented a written notice to the Customer in accordance with Rule 25-30.320, Florida Administrative Code.
- 18.0 <u>TERMINATION OF SERVICE</u> When a Customer wishes to terminate service on any premises where wastewater service is supplied by the Company, the Company may require reasonable notice to the Company in accordance with Rule 25-30.325, Florida Administrative Code.
- 19.0 <u>UNAUTHORIZED CONNECTIONS</u> <u>WASTEWATER</u> Any unauthorized connections to the Customer's wastewater service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
- 20.0 <u>ADJUSTMENT OF BILLS</u> When a Customer has been undercharged as a result of incorrect application of the rate schedule or, if wastewater service is measured by water consumption and a meter error is determined, the amount may be credited or billed to the Customer as the case may be, pursuant to Rules 25-30.340 and 25-30.350, Florida Administrative Code.
- 21.0 <u>FILING OF CONTRACTS</u> Whenever a Developer Agreement or Contract, Guaranteed Revenue Contract, or Special Contract or Agreement is entered into by the Company for the sale of its product or services in a manner not specifically covered by its Rules and Regulations or approved Rate Schedules, a copy of such contracts or agreements shall be filed with the Commission prior to its execution in accordance with Rule 25-9.034 and Rule 25-30.550, Florida Administrative Code. If such contracts or agreements are approved by the Commission, a conformed copy shall be placed on file with the Commission within 30 days of execution.
- 22.0 <u>EVIDENCE OF CONSUMPTION</u> The initiation or continuation or resumption of water service to the Customer's premises shall constitute the initiation or continuation or resumption of wastewater service to the Customer's premises regardless of occupancy.

D & E WATER RESOURCES, L.L.C. WASTEWATER TARIFF

INDEX OF RATES AND CHARGES SCHEDULES

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Residential, RS	. 13.0
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WASTEWATER TARIFF

GENERAL SERVICE

RATE SCHEDULE GS

AVAILABILITY -

Available throughout the area served by the Company.

APPLICABILITY -

For water service to all Customers for which no other schedule applies.

LIMITATIONS -

Subject to all of the Rules and Regulations of this tariff and General Rules and

Regulations of the Commission.

BILLING PERIOD -

Monthly

RATE -

Meter Size	Base Facility Charge
5/8"	\$ 22.48
3/4"	22.48
1.0"	56.20
1.5"	112.40
2.0"	179.84

Gallonage Charge per 1,000 gallons:

6.87

(Billed gallonage capped at 10,000 gallons per month per ERC.)

TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for wastewater

service, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING -

Original Certificate

THOMAS LINDQUIST ISSUING OFFICER EXECUTIVE V.P.

TITLE

WASTEWATER TARIFF

RESIDENTIAL SERVICE

RATE SCHEDULE RS

AVAILABILITY -

Available throughout the area served by the company.

APPLICABILITY -

For water service for all purposes in private residences.

LIMITATIONS -

Subject to all of the Rules and Regulations of this tariff and General Rules and

Regulations of the Commission.

BILLING PERIOD -

Monthly

RATE -

<u>Meter Size</u>	Base Facility Charge			
5/8"	\$ 22.48			
3/4"	22.48			
1.0"	56.20			
1.5"	112.40			
2.0"	179.84			

Gallonage Charge per 1,000 gallons:

6.87

(Billed gallonage capped at 10,000 gallons per month per ERC.)

TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida

Administrative Code, if a Customer is delinquent in paying the bill for wastewater service, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING -

Original Certificate

THOMAS LINDQUIST ISSUING OFFICER

EXECUTIVE V.P. TITLE

WASTEWATER TARIFF

CUSTOMER DEPOSITS

<u>ESTABLISHMENT OF CREDIT</u> - Before rendering water service, the Company may require an Applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the Customer from complying with the Company's rules for prompt payment. Credit will be deemed so established if the Customer complies with the requirements of Rule 25-30.311, Florida Administrative Code.

AMOUNT OF DEPOSIT - The amount of initial deposit shall be the following according to meter size:

General Service

5/8" x 3/4"	N/A
1"	N/A
1 1/2"	N/A
Over 2"	N/A

<u>ADDITIONAL DEPOSIT</u> - Under Rule 25-30.311(7), Florida Administrative Code, the Company may require a new deposit, where previously waived or returned, or an additional deposit in order to secure payment of current bills provided.

INTEREST ON DEPOSIT - The Company shall pay interest on Customer deposits pursuant to Rules 25-30.311(4) and (4a). The Company will pay or credit accrued interest to the Customer's account during the month of _____ N/A ____ each year.

<u>REFUND OF DEPOSIT</u> - After a residential Customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the Company shall refund the Customer's deposit provided the Customer has met the requirements of Rule 25-30.311(5), Florida Administrative Code. The Company may hold the deposit of a non-residential Customer after a continuous service period of 23 months and shall pay interest on the non-residential Customer's deposit pursuant to Rules 25-30.311(4) and (5), Florida Administrative Code.

Nothing in this rule shall prohibit the Company from refunding a Customer's deposit in less than 23 months.

EFFECTIVE DATE -

TYPE OF FILING - Original Certificate

THOMAS LINDQUIST
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EXECUTIVE V.P.
TITLE

WASTEWATER TARIFF

MISCELLANEOUS SERVICE CHARGES

The Company may charge the following miscellaneous service charges in accordance with the terms stated herein. If both water and wastewater services are provided, only a single charge is appropriate unless circumstances beyond the control of the Company require multiple actions.

<u>INITIAL CONNECTION</u> - This charge may be levied for service initiation at a location where service did not exist previously.

NORMAL RECONNECTION - This charge may be levied for transfer of service to a new Customer account at a previously served location or reconnection of service subsequent to a Customer requested disconnection.

<u>VIOLATION RECONNECTION</u> - This charge may be levied prior to reconnection of an existing Customer after disconnection of service for cause according to Rule 25-30.320(2), Florida Administrative Code, including a delinquency in bill payment.

<u>PREMISES VISIT CHARGE (IN LIEU OF DISCONNECTION)</u> - This charge may be levied when a service representative visits a premises for the purpose of discontinuing service for nonpayment of a due and collectible bill and does not discontinue service because the Customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

Schedule of Miscellaneous Service Charges

Initial Connection Fee	\$15.00
Normal Reconnection Fee	\$15.00
Violation Reconnection Fee	\$ <u>Actual Cost (1)</u>
Premises Visit Fee (in lieu of disconnection)	\$ 10.00

EFFECTIVE DATE -

TYPE OF FILING - Original Certificate

THOMAS LINDQUIST
ISSUING OFFICER
EXECUTIVE V.P.
TITLE

ORIGINAL SHEET NO. 16.0

D & E WATER RESOURCES, L.L.C. WASTEWATER TARIFF SERVICE AVAILABILITY FEES AND **CHARGES** REFER TO SERVICE AVAILABILITY POLICY SHEET NO./RULE NO. DESCRIPTION AMOUNT Customer Connection (Tap-in) Charge metered service 5/8" x 3/4" metered service 1 1/2" metered service metered service Over 2" metered service Guaranteed Revenue Charge With Prepayment of Service Availability Charges: Residential-per ERC/month (__)GPD All others-per gallon/month..... Without Prepayment of Service Availability Charges: Residential-per ERC/month (__)GPD All others-per gallon/month..... Inspection Fee Main Extension Charge Residential-per ERC (__GPD)..... All others-per gallon..... Residential-per lot (__foot frontage)..... All others-per front foot...... Plan Review Charge Plant Capacity Charge Residential-per ERC (300 GPD)..... 2.094.46 General Service per ERC (300 GPD) 2.094.46 All others-per gallon..... 6.98 System Capacity Charge Residential-per ERC (__GPD)..... All others-per gallon..... ¹Actual Cost is equal to the total cost incurred for services rendered. **EFFECTIVE DATE -**

TYPE OF FILING - Original Application

THOMAS LINDQUIST ISSUING OFFICER EXECUTIVE V.P.

TITLE

ORIGINAL SHEET NO. 17.0

D & E WATER RESOURCES, L.L.C. WASTEWATER TARIFF

INDEX OF STANDARD FORMS

Description	Sheet No.
APPLICATION FOR WASTEWATER SERVICE	19.0
COPY OF CUSTOMER'S BILL	20.0
CUSTOMER'S GUARANTEE DEPOSIT RECEIPT	18.0

D & E WATER RESOURCES, L.L.C. WASTEWATER TARIFF

CUSTOMER'S GUARANTEE DEPOSIT RECEIPT

THOMAS LINDQUIST ISSUING OFFICER

EXECUTIVE V.P.

TITLE

WASTEWATER TARIFF

Application for Service

Name	Telephone Number			
Billing Address				
City	State	Zip		
Service Address				
City	State	Zip		
Service Requested: Water _	Wastewater	_ Both		
Date service should begin				

By signing this agreement, the Customer agrees to the following:

- The Company shall not be responsible for the maintenance and operation of the Customer's pipes and facilities. The Customer agrees not to utilize any appliance or device which is not properly constructed, controlled and protected or which may adversely affect the water service; the Company reserves the right to discontinue or withhold water service to such apparatus or device.
- 2. The Company may refuse or discontinue water service rendered under application made by any member or agent of a household, organization, or business for any of the reasons contained in Rule 25-30.320, Florida Administrative Code. Any unauthorized connections to the Customer's water service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
- 3. The Customer agrees to abide by all existing Company Rules and Regulations as contained in the tariff. In addition, the Customer has received from the Company a copy of the brochure "Your Water and Wastewater Service" produced by the Florida Public Service Commission.
- 4. Bills for water service will be rendered Monthly, Bimonthly, or Quarterly as stated in the rate schedule. Bills must be paid within 20 days of mailing bills. If payment is not made after five working days written notice, service may be discontinued.
- 5. When a Customer wishes to terminate service on any premises where water and/or wastewater service is supplied by the Company, the Company may require (oral, written) notice within ____ days prior to the date the Customer desires to terminate service.

THOMAS LINDQUIST
ISSUING OFFICER
EXECUTIVE V.P.
TITLE

WASTEWATER TARIFF

COPY OF CUSTOMER'S BILL

D & E WATER RESOURCES, L.L.C. ONE CONCOURSE PARKWAY, SUITE 755 ATLANTA, GA 30328 (770) 829-6316

Account Number;	111-222	Service P	eriod:		1/1/06	5 - 1/31/06
Service Address:	123 Main Street					
WATER SERVICE	Previous Read	Present Read	Co	nsumption	СН	ARGES
Consumption	100	105		5		
Base Facility Charge					\$	15.21
Gallonage Charge	5	@	\$	4.09	\$	20.45
WASTEWATER SERVICE	·					
Base Facility Charge					\$	22.48
Gallonage Charge	5	@	\$	6.87	\$	34.35
Water Meter Size:	5/8 Inch	Previou	Previous Unpaid Balance:		\$	
Water Usage Billed this Period	5	Tota	al Curre	nt Charges:	\$	92.49
Compared to Same Last Year	6		Total Now Due:		\$	92.49
Service Address	Account Number	Date Billed		Date Due		
123 Main Street	111-222	2/7/2006		3/4/2006		
Customer Name and Address		Previou	ıs Unpa	id Balance:	\$	-
		Tota	Total Current Charges:		\$	92.49
			Total	Now Due:	\$	92.49
			Am	ount Paid:		

THOMAS LINDQUIST
ISSUING OFFICER
EXECUTIVE V.P.
TITLE

D & E WATER RESOURCES, L.L.C. WASTEWATER TARIFF

INDEX OF SERVICE AVAILABILITY

<u>Description</u>	Sheet Number
Schedule of Fees and Charges	Go to Sheet No. 16.0 22.0

D & E WATER RESOURCES, L.L.C.
WASTEWATER TARIFF

SERVICE AVAILABILITY POLICY

The Company will provide service to any customer within its certificated territory requesting service upon application and payment of the required plant capacity charges as shown on Tariff Sheet No. 16. Service provided will be in compliance with such requirements as may be appropriate under the provisions of the Company's tariff and the rules and statutes of the Florida Public Service Commission and State of Florida.