

ORIGINAL

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M. LANE STEPHENS

December 10, 2001

Ms. Blanca Bayo, Director
Commission Clerk and Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

RECEIVED-FPSC
01 DEC 10 PM 4:29
COMMISSION
CLERK

011634-54

Re: Florida Water Services Corporation - Application for Transfer of Facilities of Tropical Isles Wastewater Plant and Attendant Assets and Application to Amend Certificate No. 482-S

Dear Ms. Bayo:

Enclosed for filing on behalf of Florida Water Services Corporation ("Florida Water") are an original and five copies of Florida Water's Application for Transfer of Facilities of Tropical Isles Wastewater Plant and Attendant Assets and Application to Amend Certificate No. 482-S. Please note that Florida Water intends to timely file Exhibits J, K and L as late-filed exhibits to the Transfer Application. A check in the amount of \$750.00 representing the required filing fee is also enclosed.

Florida Water closed on the sale of the Tropical Isles facilities on July 16, 2001. Consistent with Section 367.071(1), Florida Statutes, this sale is contingent on the Commission's approval.

Also enclosed is Florida Water's original water and wastewater certificate no. 482-S to forward to the Division of Water and Wastewater.

Check received with filing and forwarded to Fiscal for deposit. Fiscal to forward a copy of check to RAR with proof of deposit.
[Signature]
Name of person who forwarded check.

RECEIVED & FILED
[Signature]
FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE


15405 DEC 10 01

FPSC-COMMISSION CLERK

Page 2
December 10, 2001

Please acknowledge receipt of these documents by date-stamping the enclosed copy of this letter and returning it to the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "Martin P. McDonnell". The signature is written in a cursive style with a large, stylized "M" and "D".

Martin P. McDonnell

MPM/rl
Enclosures
cc: Ms. Brenda Mazurak

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of Florida Water)
Services Corporation for transfer of all)
wastewater facilities of Tropical Isles)
in St. Lucie County to the)
Tropical Isles Utilities Corporation, and)
Amendment to Certificate No. 482-S)
_____)

Docket No. 011634-SU
Filed: December 10, 2001

**FLORIDA WATER SERVICES CORPORATION'S
APPLICATION FOR TRANSFER OF FACILITIES OF
TROPICAL ISLES WASTEWATER PLANT AND ATTENDANT ASSETS,
AND APPLICATION TO AMEND CERTIFICATE NO. 482-S**

Applicant, Florida Water Services Corporation ("Florida Water"), by and through its undersigned counsel and pursuant to 367.071, Florida Statutes, and Rule 25-30.037, Florida Administrative Code, hereby applies to the Florida Public Service Commission ("Commission") for approval of the transfer of the Tropical Isles wastewater plant and attendant assets ("Tropical Isles") to the Tropical Isles Utilities Corporation ("TIUC"), a Florida not-for-profit corporation, and the Tropical Isles Mobile Home Park ("TIMHP"), pursuant to the Agreement for Purchase and Sale and amendments thereto. Florida Water further requests that the Commission amend Certificate No. 482-S to exclude the Tropical Isles wastewater service territory in St. Lucie County. In support hereof, Florida Water submits the following information:

1. The full name and address of the Applicant is as follows:

Florida Water Services Corporation
1000 Color Place
Apopka, Florida 32703

DOCUMENT NUMBER-DATE

15405 DEC 10 01

FPSC-COMMISSION CLERK

The names, addresses and telephone numbers of the Applicant's attorneys are as follows:

On behalf of Florida Water Services Corporation

Kenneth A. Hoffman, Esq.
Martin P. McDonnell, Esq.
Rutledge, Ecenia, Purnell & Hoffman, P.A.
P. O. Box 551
Tallahassee, Florida 32302
(850) 681-6788 (Telephone)
(850) 681-6515 (Telecopier)

Bobbie Reyes, Esq.
Florida Water Services Corporation
P. O. Box 609520
Orlando, Florida 32860-9520
(407) 598-4100 (Telephone)

2. Applicant hereby requests that the Commission approve the transfer of Tropical Isles to the Tropical Isles Utilities Corporation ("TIUC"), a Florida not-for-profit corporation, and the Tropical Isles Mobile Home Park ("TIMHP"), collectively referred to herein as the "Buyer." Florida Water's Application containing all the information required under Rule 25-30.037, Florida Administrative Code, with the exception of specifically identified late-filed exhibits, is attached hereto and incorporated herein as Attachment "1". Florida Water and the Buyer closed on the sale of the assets on July 16, 2001, however, pursuant to Section 367.071(1), Florida Statutes, the sale occurred contingent upon Commission approval. For the reasons set forth in Exhibit A of Attachment 1 (the Transfer Application), the transfer of Florida Water's utility assets to the Buyer is in the public interest.

3. Attached as "Attachment 1/Exhibit B-1" and incorporated by reference herein is the Agreement for Sale and Purchase of the Tropical Isles wastewater plant entered into by Florida Water and the Buyer on July 16, 2001. The Agreement constitutes the entire agreement for the purchase of the assets of the Tropical Isles wastewater plant by the Buyer. TIUC is an entity that is

exempt from Commission regulation pursuant to Section 367.022(7), Florida Statutes.

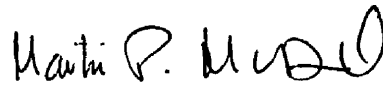
4. As described in the attached Agreement for Purchase and Sale, in 1989, the TIMHP transferred the Tropical Isles wastewater system to Florida Water for nominal consideration. As part of that transfer of the wastewater system, TIMHP conveyed a parcel of real property hereinafter referred to as the “1989 parcel” to Florida Water. An error in the deed for the 1989 parcel resulted in the legal description including real property that is not part of, and is in addition to the real property that constitutes the wastewater treatment plant site for the system, hereinafter referred to as the “Plant Site”. The attached Agreement for Purchase and Sale calls for Florida Water to sell, and TIUC to buy the system, exclusive of the 1989 parcel. Florida Water will convey the 1989 parcel to TIMHP and TIMHP will grant to TIUC an easement over the portion of the 1989 parcel that constitutes the Plant Site. The documents supporting the above transaction are included herewith as Documents 4 through 8 of Exhibit B-1 of Attachment 1.

5. The transfer of the Tropical Isles wastewater plant and attendant assets is in the public interest as the TIUC is a corporation organized under the laws of the State of Florida filed on July 3, 2000. TIUC, a Florida not-for-profit corporation pursuant to Section 617.0821 of the Florida Not-for-Profit Corporation Act has, by corporate resolution, authorized and delivered a promissory note, chattel mortgage financing statement and other related documents to evidence and secure a loan in the amount of \$65,000.00 for the purpose of purchasing the Tropical Isles wastewater plant and attendant assets. TIUC has also engaged the services of Hutchinson Utilities to fully operate the Tropical Isles wastewater service and ensure compliance with all state and federal laws and regulations. TIUC has the authority to do all acts and things required of them by the Agreement and the loan or desirable or consistent with the requirements of the Agreement and the loan, for the full, punctual and complete performance of the terms, covenants and agreements contained therein. The

above authority is granted by corporate resolution signed by the Directors of TIUC, which is attached herein as indexed documents 15(c) and 15(d) to Exhibit B-1 of Attachment 1.

WHEREFORE, for the foregoing reasons, Florida Water respectfully requests the Commission approve the transfer of the Tropical Isles wastewater facilities and attendant assets to the Buyer as specified herein and amend Certificate No. 482-S in St. Lucie County, and grant such other relief as the Commission deems appropriate.

Respectfully submitted,



KENNETH A. HOFFMAN, ESQ.
MARTIN P. MCDONNELL, ESQ.
Rutledge, Ecenia, Purnell & Hoffman, P.A.
P. O. Box 551
Tallahassee, Florida 32302
(850) 681-6788 (Telephone)
(850) 681-6515 (Telecopier)

and

BOBBIE REYES, ESQ.
Florida Water Services Corporation
P. O. Box 609520
Orlando, Florida 32860-9520
(407) 598-4100 (Telephone)

APPLICATION FOR SALE, ASSIGNMENT OR TRANSFER
OF CERTIFICATE OR FACILITIES

(Pursuant to Section 367.071, Florida Statutes)

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

The undersigned hereby makes application for the sale,
assignment or transfer of (all or part) of Water Certificate No.
N/A and/or Wastewater Certificate No. 482-S or facilities in
St. Lucie County, Florida, and submits
the following information:

PART I **APPLICANT INFORMATION**

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

Florida Water Services Corporation
Name of utility

(407) 598-4100 (407) 598-4241
Phone No. Fax No.

1000 Color Place
Office street address

Apopka Florida 32703
City State Zip Code

P. O. Box 609520 Orlando 32860-9520
Mailing address if different from street address

www.florida-water.com
Internet address if applicable

B) The name, address and telephone number of the person to contact concerning this application:

Bobbie L. Reyes, Esq. (407) 598-4234
Name Phone No.

1000 Color Place
Street address

Apopka Florida 32703
City State Zip Code

C) The full name (as it will appear on the certificate), address and telephone number of the buyer:

Tropical Isles Utilities Corporation
Name of utility

() ()
Phone No. Fax No.

251 Tropical Isles Circle
Office street address

Fort Pierce Florida 34982
City State Zip Code

Mailing address if different from street address

Internet address if applicable

D) Indicate the organizational character of the buyer: (circle one)

Corporation Partnership Sole Proprietorship

Other: Florida-not-for profit corporation
(specify)

E) The date and state of incorporation or organization of the buyer:

Incorporation date is July 3, 2000 in the state of Florida

- F) If the buyer is a corporation, list the names, titles, and addresses of corporate officers and directors. (Use additional sheet if necessary).

Roger Shacker, President and Director

Louis McGough, Vice President and Director

Donna Nickel, Secretary/Treasurer and Director

- G) If the buyer is not a corporation, list the names, titles, and addresses of all persons owning an interest in the organization. (Use additional sheet if necessary.)

N/A

PART II FINANCIAL AND TECHNICAL INFORMATION

- A) Exhibit A - A statement indicating how the transfer is in the public interest, including a summary of the buyer's experience in water and/or wastewater utility operations, a showing of the buyer's financial ability to provide service and a statement that the buyer will fulfill the commitments, obligations and representations of the seller with regard to utility matters.
- B) List the names and locations of other water and/or wastewater utilities owned by the buyer and PSC certificate numbers, if any.

Buyer is not a regulated utility

- C) Exhibit B - A copy of the contract for sale and all auxiliary or supplemental agreements, which shall include, if applicable:

(1) Purchase price and terms of payment.

- (2) A list of and the dollar amount of the assets purchased and liabilities assumed or not assumed, including those of nonregulated operations or entities.
- (3) A description of all consideration between the parties, for example, promised salaries, retainer fees, stock, stock options, assumption of obligations.

The contract for sale shall also provide for the disposition, where applicable, of the following:

- (a) Customer deposits and interest thereon;
- (b) Any guaranteed revenue contracts;
- (c) Developer agreements;
- (d) Customer advances;
- (e) Debt of the utility; and
- (f) Leases.

- D) Exhibit C - A statement regarding the disposition of any outstanding regulatory assessment fees, fines or refunds owed.
- E) Exhibit D - A statement describing the financing the purchase.
- F) Exhibit E - A list of all entities upon which the applicant is relying to provide funding to the buyer, and an explanation of the manner and amount of such funding, which shall include their financial statements and copies of 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.
- G) Exhibit F - The proposed net book value of the system as of the date of the proposed transfer. If rate base (or net book value) has been established previously by this Commission, state the Order No. and date issued. _____ Identify all adjustments made to update this rate base (or net book value) to the date of the proposed transfer.
- H) Exhibit N/A - A statement setting forth the reasons for the inclusion of an acquisition adjustment, if one is requested. (An acquisition adjustment results when the purchase price of the utility differs from the original cost calculation.)
- I) The full name, address and telephone number of the person

who has possession of the books and records of the seller:

Nancy Norris (407) 598-4427
Name Phone No.

1000 Color Place
Street address

Apopka Florida 32703
City State Zip Code

- J) Exhibit G - If the books and records of the seller are not available for inspection by the Commission or are not adequate for purposes of establishing the net book value of the system, a statement by the buyer that a good faith, extensive effort has been made to obtain such books and records for inspection by the Commission and detailing the steps taken to obtain the books and records.
- K) Exhibit H - A statement from the buyer that is has obtained or will obtain copies of all of the federal income tax returns of the seller from the date the utility was first established, or rate base was last established by the Commission or, if the tax returns have not been obtained, a statement from the buyer detailing the steps taken to obtain the returns.
- L) Exhibit I - A statement from the buyer that after reasonable investigation, the system being acquired appears to be in satisfactory condition and in compliance with all applicable standards set by the Department of Environmental Protection (DEP)

If the system is in need of repair or improvement, has any outstanding Notice of Violation of any standard set by the DEP or any outstanding consent orders with the DEP, the buyer shall provide a list of the improvements and repairs needed and the approximate cost to make them, a list of the action taken by the utility with regard to the violation, a copy of the Notice of Violation(s), a copy of the consent order and a list of the improvements and repairs consented to and the approximate cost to make them.

PART III NOTICE OF ACTUAL APPLICATION

- A) Exhibit J - 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 Records and Reporting;
- (7) the appropriate regional office of the Department of Environmental Protection; and
- (8) the appropriate water management district.

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

- B) Exhibit K - 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 being transferred. A copy of the Notice shall accompany the affidavit. THIS MAY BE A LATE-FILED EXHIBIT.
- C) Exhibit L - 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 IV FILING FEE

Indicate the filing fee enclosed with the application:

 N/A (for water) and \$750.00 (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 to be transferred has the capacity to serve up to 500 ERC's, the filing fee shall be **\$750.**
- (2) For applications in which the utility to be transferred 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 to be transferred 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 to be transferred has the capacity to serve more than 4,000 ERC's the filing fee shall be **\$3,000.**

PART V OTHER

- A) Exhibit M - Evidence that the utility owns the land where the utility treatment facilities are located. Or, where 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.
- B) Exhibit N - The original and two copies of sample tariff sheets reflecting the new name of the utility, the existing rates and charges and territorial description of the water and/or wastewater systems. N/A
- C) Exhibit O - The utility's current certificate(s) or, if not available, an explanation of the steps the applicant took to obtain the certificate(s).

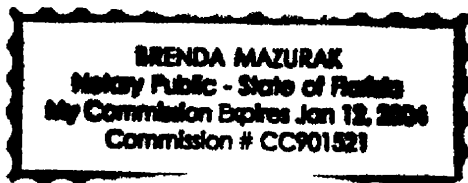
PART VI AFFIDAVIT

I Tony Isaacs (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: Tony Isaacs
Applicant's Signature
Tony Isaacs
Applicant's Name (Typed)
Vice President of Customer Services
Applicant's Title *

Subscribed and sworn to before me this 28th day in the month of November in the year of 2001 by Tony Isaacs who is personally known to me X ~~or produced identification~~

~~Type of Identification Produced~~



Brenda Mazurak
Notary Public's Signature
Brenda Mazurak
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.

Exhibit A

A statement indicating how the transfer is in the public interest, including a summary of the buyer's experience in water and/or wastewater utility operations, a showing of the buyer's financial ability to provide service and a statement that the buyer will fulfill the commitments, obligations and representations of the seller with regard to utility matters.

Tropical Isles Mobile Home Park ("TIMHP") is the owner and operator of the Tropical Isles Mobile Home Park. Tropical Isles Utility Corporation ("TIUC") was organized and created for the purpose of acquiring, maintaining and operating the wastewater collection, treatment and disposal system that provides wastewater service to the park and certain adjacent properties with members of TIUC being all persons and entities, including TIMHP who receive service from the system. TIUC has contracted with Hutchinson Utilities to conduct all operation of the system and to ensure compliance with all state and federal regulations. Hutchinson Utilities is an experienced utilities operator in the State of Florida.

TIUC is financially able to provide the wastewater services to TIMHP. TIMHP has assisted TIUC in obtaining all necessary financing to fulfill TIUC's obligations. TIMHP must be able to determine to its satisfaction that TIUC will continue to provide wastewater service without interruption, will operate and maintain the system in full compliance with all governing statutes, and will assume obligation under, and abide by prior service agreements.

Exhibit B

A copy of the contract for sale and all auxiliary or supplemental agreements, which shall include, if applicable:

- 1) Purchase price and terms of payment;**
- 2) A list of and the dollar amount of the assets purchased and liabilities assumed or not assumed, including those of nonregulated operations or entities.**
- 3) A description of all consideration between the parties, for example, promised salaries, retainer fees, stock, stock options, assumption of obligations.**

The contract for sale shall also provide for the disposition, where applicable, of the following:

- 1) Customer deposits and interest thereon;**
- 2) Any guaranteed revenue contracts;**
- 3) Developer agreements;**
- 4) Customer advances;**
- 5) Debt of the utility; and**
- 6) Leases.**

See Appendix B-1 (contract for sale)

Appendix B-1

Contract for Sale

Exhibit C

A statement regarding the disposition of any outstanding regulatory assessment fees, fines or refunds owed.

Pursuant to Section 367.071(2), Florida Statutes, Florida Water will remain liable for any outstanding fees, fines or refunds as of or arising prior to closing which are subject to Commission regulation.

Exhibit D

A statement describing the financing of the purchase.

Tropical Isles Mobile Home Park ("TIMHP") is the owner and operator of the Tropical Isles Mobile Home Park. Tropical Isles Utilities Corporation ("TIUC") was organized and created for the purpose of acquiring, maintaining and operating the wastewater collection, treatment and disposal system that provides wastewater service to the Park and certain adjacent properties with members of TIUC being all persons and entities, including TIMHP, who receive service from the system.

TIMHP has assisted TIUC in obtaining the financing that is necessary to fulfill TIUC's obligations under the 2001 Transactions, including but not limited to procuring guarantees that have enabled TIUC to secure such financing.

TIMHP must be able to determine to its satisfaction that TIUC (a) will continue to provide wastewater service for all users in the Park and in the Extended Service Area without interruption and in a nondiscriminatory manner, (b) will operate and maintain the System in full compliance with all governing statutes, laws, rules, and regulations, and (c) will assume obligation under, honor, and abide by the Prior Service Agreements.

TIMHP must also be able to determine that System ownership will not pass to a third party.

Exhibit E

A list of all entities upon which the applicant is relying to provide funding to the buyer.

The Tropical Isles Mobile Home Park ("TIMHP") has assisted TIUC in obtaining the financing that is necessary to fulfill TIUC's obligations under the 2001 Transactions, including but not limited to procuring guarantees that have enabled TIUC to secure such financing.

Exhibit F

The proposed net book value of the system as of the date of the proposed transfer. If rate base (or net book value) has been established previously by this Commission, state the Order No. and date issued. Identify all adjustments made to update this rate base (or net book value) to the date of the proposed transfer.

The rate base was last established by the Commission in Order No. PSC-96-1320-FOF-WS, issued October 30, 1996. See also Appendix F-1 attached.

Tropical Isles Utilities Corporation ("TIUC") is exempt from Commission regulation. Florida Water and TIUC request that the Commission not establish net book value in this docket. Since TIUC is exempt, a determination of net book value would serve no useful purpose. In similar circumstances, the Commission did not establish net book value. See Docket No. 941320-SU (North Key Largo Utility Corp.) and Docket No. 950687-WU (Florida Water's River Park facilities).

Appendix F-1

Net Book Value

TROPICAL ISLE (#2101)

Net Plant

Plant #2101

PLANT

Plant in Service (including Land)	\$508,724.46
Accumulated Depreciation	<u>(172,436.99)</u>
Net Plant in Service	336,287.47
CWIP	-
Acquisition Adjustment - Net	(249,090.59)
Less: CIAC - Net	<u>(62,918.43)</u>
Net Plant	<u>24,278.45</u>

Exhibit G

If the books and records of the seller are not available for inspection by the Commission or are not adequate for purposes of establishing the net book value of the system, a statement by the buyer that a good faith, extensive effort has been made to obtain such books and records for inspection by the Commission and detailing the steps taken to obtain the books and records.

Not applicable; books and records of the seller will be made available if requested.

Exhibit H

A statement from the buyer that it has obtained or will obtain copies of all of the federal income tax returns of the seller from the date the utility was first established, or rate base was last established by the Commission or, if the tax returns have not been obtained, a statement from the buyer detailing the steps taken to obtain the returns

Since Florida Water and Tropical Isles Utilities request that the Commission not establish net book value in this proceeding, Florida Water's tax returns have not been made available to Tropical Isles Utilities. However, Florida Water will make said returns available to Tropical Isles Utilities if deemed necessary by the Commission. The Commission has not found it necessary that tax returns be made available in like cases in the past.

Exhibit I

A statement from the buyer that after reasonable investigation, the system being acquired appears to be in satisfactory condition and in compliance with all applicable standards set by the Department of Environmental Protection (DEP) or, if the system is in need of repair or improvement, has any outstanding Notice of Violation of any standard set by the DEP or any outstanding consent orders with the DEP, the buyer shall provide a list of the improvements and repairs needed and the approximate cost to make them, a list of the action taken by the utility with regard to the violation, a copy of the Notice of Violation(s), a copy of the consent order and a list of the improvements and repairs consented to and the approximate cost to make them.

The Tropical Isles Utilities Corporation ("TIUC") has evaluated the condition of the wastewater facilities and finds said facilities to be in reasonable condition. TIUC understands that there are no outstanding notices of violation or consent orders pertaining to those facilities.

Exhibit J

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: the governing body of the municipality, county, or counties in which the system or the territory proposed to be served is located; 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, 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; the regional planning council; the Office of Public Counsel; the Public Service Commission's Director of Records and Reporting; the appropriate regional office of the Department of Environmental Protection; and the appropriate water management district. Copies of the Notice and a list of entities noticed shall accompany the affidavit.

Florida Water will file as a late-filed Exhibit.

Exhibit K

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 being transferred. A copy of the Notice shall accompany the affidavit.

Florida Water will file as a late-filed Exhibit.

Exhibit L

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.

Florida Water will file as a late-filed Exhibit.

Exhibit M

Evidence that the utility owns the land where the utility treatment facilities are located, or, where 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.

In this case, Florida Water Services Corporation ("FWS") will sell to the Tropical Isles Utilities Corporation ("TIUC"), a not for profit corporation, wastewater assets, facilities and properties used in the treatment and collection of domestic wastewater to customers in the Tropical Isles Mobile Home Park ("TIMHP"), and transfer the real property interests appurtenant to said facilities. TIMHP transferred the System to FWS in 1989. As part of the transfer, TIMHP conveyed a parcel of real property hereinafter referred to as the "1989 Parcel," to FWS. An error in the deed for the 1989 Parcel resulted in the legal description including real property that is not a part of, and is in addition, the real property that constitutes the wastewater treatment plant site for the System, hereinafter referred to as the "Plant Site". The parties have agreed that, under the terms and conditions hereinafter set forth, (a) FWS will sell, and TIUC will buy, the System, exclusive of the 1989 Parcel, (b) FWS will reconvey the 1989 Parcel to TIMHP, (c) TIMHP will grant to TIUC an easement over that portion of the 1989 Parcel that constitutes the Plant Site, and (d) TIMHP and TIUC will enter a Standby Operating Agreement. Accordingly, this requirement should be inapplicable.

A copy of the deed conveying the property from Florida Water to the buyers and the legal description of the property being conveyed is filed herein as Composite document 4 of Exhibit B-1.

Exhibit N

The original and two copies of sample tariff sheets reflecting the new name of the utility, the existing rates and charges and territorial description of the water and/or wastewater systems.

The purchasing utility is exempt pursuant to Section 367.022, Florida Statutes. For information regarding the rate impact, if any, on the customers of the utility, the purchasing utility address and telephone number are:

Tropical Isles Utilities Commission

ATTN: Mr. Maurice Shacket
251 Tropical Isles Circle
Fort Pierce, Florida 34982
(561) 468-4968

Exhibit O

The utility's current certificate(s) or, if not available, an explanation of the steps the applicant took to obtain the certificate(s).

Current certificate 482-S is attached.

FLORIDA PUBLIC SERVICE COMMISSION

Certificate Number
482 - S

Upon consideration of the record it is hereby ORDERED
that authority be and is hereby granted to:

FLORIDA WATER SERVICES CORPORATION

Whose principal address is:

1000 Color Place
Apopka, Florida 32703 (St. Lucie County)

to provide wastewater service in accordance with the
provision of Chapter 367, Florida Statutes, the Rules,
Regulations and Orders of this Commission in the
territory described by the Orders of this Commission.

This Certificate shall remain in force and effect until
suspended, cancelled or revoked by Orders of this
Commission.

ORDER	PSC-93-0621-FOF-SU	DOCKET	930075-SU
ORDER	PSC-97-0427-FOF-WS	DOCKET	970028-WS
ORDER		DOCKET	
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BY ORDER OF THE
FLORIDA PUBLIC SERVICE COMMISSION



Denise S. Bayo

Director
Division of Records and Reporting

SALE AND PURCHASE OF TROPICAL ISLES WASTEWATER PLANT

Transaction: Sale and Purchase among Florida Water Services Corporation, a Florida corporation ("FWS"), Tropical Isles Utilities Corporation, a Florida-not-for profit corporation ("TIUC"), and Maurice Shacket and Neil Spizizen, as tenants-in-common, doing business as Tropical Isles Mobile Home Park ("TIMHP"), of the wastewater plant and attendant assets and facilities ("System") that serve Tropical Isles Mobile Home Park ("Park")

Closing Date: July 16, 2001

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AGREEMENT FOR PURCHASE AND SALE

THIS AGREEMENT, dated this _____ day of June, 2001, by and among Tropical Isles Utilities Corporation, a Florida not for profit corporation, hereinafter referred to as "TIUC," Tropical Isles Mobile Home Park, a Florida general partnership, hereinafter referred to as "TIMHP," TIUC and TIMHP collectively referred to as "Buyer", and Florida Water Services Corporation, a Florida corporation, hereinafter referred to as "FWS" or "Seller."

WHEREAS, Seller owns assets, facilities, and properties used in the treatment and collection of domestic wastewater, which, for purposes of this agreement shall hereinafter be referred to as the "System," and said System is used in providing wastewater services to customers in that certain mobile home park known as Tropical Isles Mobile Home Park, hereinafter referred to as the "Park," as located in St. Lucie County, Florida; and

WHEREAS, TIMHP transferred the System to FWS in 1989 for nominal consideration;

WHEREAS, as a part of the transfer of the System, TIMHP conveyed a parcel of real property hereinafter referred to as the "1989 Parcel," to FWS;

WHEREAS, an error in the deed for the 1989 Parcel resulted in the legal description including real property that is not a part of, and is in addition, the real property that constitutes the wastewater treatment plant site for the System, hereinafter referred to as the "Plant Site;"

WHEREAS, the parties have agreed that, under the terms and conditions hereinafter set forth, (a) FWS will sell, and TIUC will buy, the System, exclusive of the 1989 Parcel, (b) FWS will reconvey the 1989 Parcel to TIMHP, (c) TIMHP will grant to TIUC an easement over that portion of the 1989 Parcel that constitutes the Plant Site, and (d) TIMHP and TIUC will enter a Standby Operating Agreement as provided herein.

NOW THEREFORE, in consideration of the recitals, covenants, and representations contained herein, Seller and FWS hereby agree as follows:

I. Purchased Assets. The term "Purchased Assets" means those properties, rights and interest of Seller which Buyer will purchase pursuant to this agreement. The "Purchased Assets" consist of the following:

A. All operating assets used by Seller in operating the System as listed on Exhibit I, attached hereto and by reference incorporated herein.

B. All real property and real property interests, including leasehold interest, reversions and remainders, held by Seller and used or retained in connection with or in any way related to the System, including all wastewater treatment and related assets, facilities, improvements,

structures, and fixtures located on said aforesaid real property. Exhibit 2, attached hereto and by reference incorporated herein, contains the legal description for all of Seller's fee simple and easement interests in real property upon which all utility plant and facilities are located.

C. All easements, rights-of-way, rights, and consents granted to Seller which are or may be necessary for the proper construction, operation, and maintenance of the system.

D. All Seller's right, title and interest in tangible and intangible personal property used or held for use by Seller in connection with the System, including, but not limited to, the following:

(1) All wastewater treatment, disposal and collection facilities of every kind and description whatsoever, including but not limited to, aerators, tanks, effluent disposal ponds, lift stations, force mains, gravity lines, generators, valves, flow meters, meter boxes, service connections, and all other physical facilities and property installations used or held for use in connection with the System;

(2) All certificates (including those of Florida Public Service Commission), permits, licenses, franchises, immunities, privileges, license rights, easements, consents, grants, rights-of-way, rights and interest of every character whatsoever granted by any governmental authorities in Seller's possession, along with Seller's interest in any amendments and modifications to and any pending requests concerning the aforementioned rights and properties;

(3) All Seller's rights, title and interest in agreements with customers or prospective customers of the System for the provision of wastewater service, if any; all right to tap-in fees, advances for construction, connection, plant or system capacity, main extension and service availability fees, guaranteed revenues, meter fees and charges and all other fees and charges associated with the System, if any;

(4) All customer deposits and all customer and other accounts receivable and notes receivable associated with the System;

(5) All inventories of chemicals, fuel, cleaning supplies, tools, spare parts, and any other stores and supplies used or held for use in operation of the System;

(6) A serviceable back-up generator to be acquired by Seller and inspected by Buyer prior to closing and meeting the specifications set forth in Exhibit 3, attached hereto and by reference incorporated herein, together with all appropriate electrical interconnections with the Plant.

II. Excluded Assets. The properties and assets of Seller related to the System which are not being acquired by Buyer (" Excluded Assets") are as follows: (a) nontransferable permits and agreements, if any, and (b) non-affixed and removable vehicles.

III. Purchase and Sale. Subject to the conditions and representation of this Agreement, Seller agrees to sell, convey, assign, transfer, and deliver to Buyer, and Buyer agrees to buy, take title to, and possession of the Purchased Assets for the total purchase price of \$43,000.00. Said total purchase price shall be paid as follows:

A. Deposit held in escrow by Gonano & Harrell, as counsel to TIMHP, in the amount of \$6,500.00.

B. The entire balance of \$36,500.00 shall be paid by wire transfer, cashier's check, or cash at the time of closing. The balance shall be subject to applicable credits, adjustments, and prorations as are expressly provided herein.

C. At the time of closing, in addition to the Purchase Price, Buyer shall also pay to Seller the amount of the then outstanding receivables due Seller in connection with its operation of the System. Immediately prior to closing, Seller shall provide to Buyer a detailed list of receivables on a per customer basis for Buyer's review and approval. In the event any payments are made to Seller for any receivables transferred and assigned to Buyer, then Seller shall promptly remit any such payments to Buyer.

IV. Encumbrances on Purchased Assets. Pursuant to the terms and conditions of this Agreement, Seller will transfer good and marketable title to all of the Purchased Assets to Buyer, with title to the 1989 Parcel, as described in Exhibit 2, being transferred to TIMHP, and title to all other Purchased Assets being transferred to TIUC. The Purchased Assets shall be transferred free and clear of all liabilities, obligations, liens, mortgages, option, charges and encumbrances of kind, character, or description.

V. Utility Obligations. TIUC agrees to assume, accept, and discharge all disclosed commitments of Seller to provide wastewater service within the service area(s) described in Seller's Certificate of Authorization issued by the Florida Public Service Commission ("FPSC") within the service areas actually served and within those area(s) Seller is committed to serve as such commitments and obligations have been lawfully imposed on Seller, to the extent permitted by and consistent with the exemption from FPSC regulation to be obtained by TIUC and all regulatory approvals of the FPSC and other governmental authorities to which this transaction is subject. TIUC's duties hereunder shall commence upon closing.

VI. Seller's Liabilities. Buyer assumes none of Seller's debt, liabilities, or other financial or service obligations except those as are expressly identified herein. Seller shall remain liable for and shall pay, perform or discharge all unissued liabilities and obligations and shall be liable for all

outstanding FPSC fees, fines or refunds as of the closing date; provided Seller is not hereby limited in its right to contest in good faith any such liabilities or obligations.

VII. Customer Deposits. Seller will transfer its customer deposits, if any, to TIUC.

VIII. Access to Premises and Records. Commencing on the date of this agreement, Seller shall give Buyer, its agents, and representatives access to all property, documents, materials, books and records related to the System which are either in Seller's possession or which Seller has access to. Any copies of documents, materials, books and records required by Buyer will be made at Buyer's expense. Buyer shall defend and indemnify FWS from and against any costs, damages, claims or liability resulting from Buyer's inspection of Seller's property to the extent such costs, damages, claims or liability are caused by or result from the willful or negligent acts, errors or omissions of Buyer or its employees, agents or contractors. Buyer agrees that any information it obtains from Seller pursuant to this Agreement which Seller wishes to be kept confidential, will be kept confidential upon written request of Seller. In the event the Agreement is terminated or the transaction reverted, such materials will be returned to the Seller or destroyed in accordance with Seller's written instructions, provided, however, that if the Agreement is terminated and any party alleged a breach thereof, all such materials may be retained until final determination of the dispute. By holding materials confidential, Buyer agrees not to provide said materials to any third party absent that party's authority to obtain said materials pursuant to law. When required by FWS, and Buyer agrees to seek such protection against further dissemination of such confidential information by the third party as may be allowed by law.

IX. Survey. Within twenty (20) days of this Agreement, Buyer may order a survey of that real property described in Exhibit 2. The survey, if required, will be performed by a registered, licensed Florida surveyor and will be certified to Buyer, FWS and the title insurer.

X. Title Insurance. Within twenty (20) days of execution of this Agreement, Buyer may order and pay for a title insurance commitment issued by a qualified title insurer. In the commitment, if any, the insurer will agree to issue to TIMHP, upon recording of the instrument of conveyance in favor of TIMHP, an Owner's Policy of Title Insurance insuring title to all real property interest acquired in such amount as reasonably determined by TIMHP, subject only to liens, encumbrances, exceptions or qualifications accepted by TIMHP. The title commitment will have attached copies of all pertinent documentation for items identified as exceptions or conditions.

XI. Seller's Disclosure Statement, Representations and Warranties. The Purchased Assets are sold "AS IS," with any and all faults and defects, and Seller makes no warranties, express or implied, as to the condition, quality, suitability or marketability of same, other than as to clear title as expressly stated in this Agreement. FWS makes no representation or warranty as to the adequacy of the conveyed real property interests for operating and maintaining the System. Nonetheless, Seller represents, warrants, and covenants as follows:

A. Seller is a corporation duly organized, validly existing and in good standing under the laws of the State of Florida and is duly authorized to engage in business in the State of Florida.

B. Seller has all right, power, and authority to enter into this Agreement and to consummate the transaction contemplated herein. The execution and delivery of the Agreement and the consummation thereof has been duly authorized by all necessary corporate action on the part of the Seller. Further, the persons signing this agreement on behalf of Seller warrant that they have the authority to execute and deliver this Agreement on behalf of Seller. Attached as Exhibit 4 hereto are all corporate authorizations necessary for FWS to execute and carry out the contemplated transaction.

C. The execution and delivery of this Agreement by Seller and consummation of the transactions therein contemplated do not and will not conflict with or result in any violation of or default under any agreement or other instrument, judgment, order, decree, statute, law, ordinance, rule, license, grant concession or regulation applicable to Seller.

D. No consent, approval, order, or authorization, or filing with any person or governmental authority is required to be made or received by Seller prior to the execution and delivery of this Agreement and consummation of the transactions therein contemplated other than the approval of FPSC.

E. Seller makes no warranty of any type, either express or implied, as to the physical condition of the Purchased Assets, including but not limited to the structural components and improvements on the 1989 Parcel, and items of personal property. Seller warrants that it has received no notice from any governmental agency as to a currently uncorrected building or safety code violation, or the presence of any contaminant or hazardous material in violation of any law, on the 1989 Parcel, and that it has no knowledge of any such violation, latent defect materially affecting the continued operating viability of the Purchased Assets for the foreseeable future, or presence of any contaminant or hazardous material on the 1989 Parcel except materials of such types and in such amounts as ordinarily found or used in the operation and maintenance of a wastewater treatment facility the use, treatment, storage, transportation, and disposal of which has been in compliance with applicable law.

XII. Representations and Warranties of Buyer. To induce Seller to enter into this Agreement, Buyer represents, warrants, and covenants as follows:

A. TIUC is a not for profit corporation, and TIMHP is a general partnership, both duly organized, validly existing and in good standing under the laws of the State of Florida.

B. TIUC and TIMHP have all right, power, and authority to enter into this Agreement and to consummate the transactions contemplated herein. The execution and delivery

of the Agreement and the consummation thereof has been duly authorized by all necessary corporate action on the part of TIUC. Further, the persons signing this agreement on behalf of TIUC and TIMHP warrant that they have the authority to execute and deliver this Agreement on behalf of TIUC and TIMHP, respectively. Attached as Exhibit 5 hereto are all corporate authorizations necessary for TIUC to execute and carry out the contemplated transaction.

C. The execution and delivery of this Agreement by Buyer and consummation of the transactions therein contemplated do not and will not conflict with or result in any violation of or default under any agreement or other instrument, judgment, order, decree, statute, law, ordinance, rule, license, grant concession or regulation applicable to Buyer or either of them.

D. No consent, approval, order, or authorization, or filing with any person or governmental authority is required to be made or received by Buyer or either of them prior to the execution and delivery of this Agreement and consummation of the transactions therein contemplated other than the approval of FPSC.

XIII. Conduct of Business Prior to Closing. From the date hereof until closing, Seller shall carry on its operation of the System in the ordinary course of business and in substantially the same manner as it has heretofore and shall use all reasonable efforts to preserve intact the present status of the System operations and the value of the Purchased Assets, keep in full force and effect adequate insurance covering damage or casualty to the tangible and real property to be sold, and discharge and perform all of its duties and obligations as required.

XIV. Regulatory Approvals. Buyer and FWS acknowledge that this transaction is subject to the approval of the FPSC and may be subject to and contingent upon the regulatory approval of other governmental authorities. TIUC and FWS agree to prepare and file jointly all necessary transfer applications for such regulatory approvals as are required in order to consummate this Agreement. TIUC and FWS will apply their respective best efforts to obtain all said approvals and will cooperate fully in pursuit thereof. In particular, TIUC and FWS agree to file a joint application for FPSC approval of the transfer (the "Application") within thirty (30) days after closing. TIMHP agrees to assist and cooperate in the preparation of such applications and to join such filings if and to the extent required to consummate this Agreement. In the event that a final nonappealable order by FPSC is not received within one hundred eighty (180) days from the date of this Agreement approving the transactions contemplated herein in full and the exemption from regulation by FPSC of TIUC pursuant to Section 367.022, Florida Statutes, and reasonable progress is not being made toward receipt of such approvals, then FWS shall thereafter reacquire the Purchased Assets for the purchase price. In the event of such reacquisition, the parties shall be responsible for their own attorneys' fees and all other transaction costs shall be divided equally between Seller and Buyer.

XV. Termination. Either party may terminate the Agreement if there has been a breach of any representation, warranty, covenant or agreement of the other as contained herein and such failure shall not have been either waived in writing or cured within thirty (30) days after notification.

Either party may terminate the Agreement for any failure of a condition precedent to closing. Either party may terminate the Agreement if a final judgment has been entered against either restraining, prohibiting or awarding substantial damages in connection with any material part of this transaction. A final judgment means one from which no appeal can be taken. Upon termination of this Agreement, any deposit made will be returned to Buyer, and this Agreement will be null and void, and no further liability will be imposed on the parties except in the event that termination resulted from a breach of a representation, warranty, covenant or agreement.

XVI. Conditions Precedent. The conditions set forth below must be met in order for closing to take place. In the event any one of the following conditions is not met, this Agreement may be terminated as set forth herein.

A. All of the Seller's and Buyer's representations and warranties have been and continue to be true and correct in every material respect to the date of closing.

B. All deliverables needed for closing have been prepared, reviewed, and approved by the parties prior to closing.

XVII. Closing. The closing of this transaction shall occur within thirty (30) days of execution of this Agreement on a date mutually agreed and once all conditions precedent are met, provided, however, that if such conditions are not met and this transaction closed within one hundred eighty (180) days of the date of this Agreement, either party may terminate this Agreement, any deposit made will be returned to Buyer, this Agreement will be null and void, and no further liability will be imposed on the parties.

A. At closing, Seller shall deliver to Buyer all documents necessary to transfer title of the Purchased Assets to Buyer as contemplated herein. Such documents shall include: a Warranty Deed conveying title to the real property; a Bill of Sale conveying title to all tangible and intangible personal property purchased; an instrument conveying all of the Seller's right, title, and interest to all easements, rights-of-way, rights, and consents Seller owns; satisfactory proof of the release of any encumbrances affecting the Purchased Assets; the title insurance policy; and any other documents deemed necessary by FWS to transfer the Purchased Assets as contemplated herein.

B. Also at closing:

(1) TIMHP shall deliver to TIUC an easement to the Plant Site in substantially the form set forth in Exhibit 6 attached hereto and by reference incorporated herein.

(2) TIMHP and TIUC will enter a Standby Operating Agreement in substantially the form set forth in Exhibit 7 attached hereto and by reference incorporated herein.

C. Each party shall bear its own attorney, engineering, and accounting fees related to this transaction. Each party represents and warrants to the other party that it has not engaged the services of a broker or agent for this transaction. Each party agrees to indemnify, defend, and hold harmless the other from any and all claims, obligations, debts, demands, or liabilities, including reasonable attorneys' fees and court costs, arising out of any claim for a commission or finder's fee in regard to this transaction by reason of a claimed relationship with the indemnifying party. Buyer shall be responsible for payment of the recording fees and documentary stamps on the Warranty Deed, and Seller will pay all documentary stamps on and recording costs for documents necessary to clear title and remove encumbrances. Buyer shall pay the title insurance premium and survey costs, if any.

D. If the Application for FPSC review of the transfer is not approved as filed in all material respects, without material changes or conditions, either party shall have the right to require a reversion of the transaction, subject to the other party's right to effect a reasonable cure for the matter not approved within thirty (30) days. If the transaction is reverted, the party seeking reversion, or the Buyer in the case of the FPSC's disapproval of the Application, shall bear the closing costs for the reversion. Under this section, FPSC action must be final and no longer subject to further proceeding or appeal.

XVIII. Proration of Taxes and Assessments. All ad valorem taxes and general assessments, applicable to the Purchased Assets will be prorated between Buyer and Seller as of the date of closing. Said prorations shall be made based on the current year's amounts. If closing occurs at a date when the current year's millage is not yet fixed and the current year's assessment is available, taxes will be prorated based upon such assessment and the prior year's millage. If the current year's assessment is not available, then taxes will be prorated on the prior year's tax. If there are completed improvements on the real property by January 1 of the year of closing which improvements were not in existence on January 1 of the prior year, then taxes shall be prorated based upon the prior year's millage and an equitable assessment agreed upon by the parties or, that failing, one informally given by the property appraiser. Upon request of a party, any proration based on an estimate shall be subsequently readjusted upon receipt of a bill, provided that such a request shall be noted in the closing statement. All special assessments which have been levied or certified before closing shall be paid by the Seller.

XIX. Risk of Loss. As agreed to hereinabove, Seller shall keep the System insured against damage until the date of closing. If all or any part of the System is damaged before closing and the cost of restoring the property does not exceed 5% of the purchase price, the cost of restoration shall be paid for by the Seller at or before closing. If restoration costs exceed 5% of the purchase price, Buyer has the option of either (1) acquiring the System as is, together with either the 5% or any insurance proceeds payable by virtue of such loss or damage, or (2) terminating this Agreement as set forth hereinabove.

XX. Rights and Duties of Escrow Agent. The Escrow Agent, if one is provided for or necessary, will not be entitled to compensation for its services. The Escrow Agent shall be liable only to hold any funds or documents and deliver same to the parties in accordance with the provisions of this Agreement. The Escrow Agent shall hold any funds received by it in an interest-bearing account. Buyer and Seller agree that the Escrow Agent shall not be liable for any action taken in good faith, but only for its gross or willful negligence. In the event of any controversy involving any escrowed funds or documents resulting in adverse claims being made upon same, Escrow Agent shall be entitled to place all or portions of such escrowed funds or documents in the registry of a court of competent jurisdiction, and upon delivery of such funds or documents into the registry, Escrow Agent shall be released from all further liability in connection with the funds or documents so delivered.

XXI. Costs and Fees for Enforcement. In the event that either party to this Agreement files suit to enforce this Agreement, the prevailing party shall be entitled to recover from the other party all the prevailing party's costs, including reasonable attorney's fees.

XXII. Remedies. If either Buyer or Seller breaches this Agreement, the non-breaching party may seek specific performance of the Agreement.

XXIII. Survival of Representations and Warranties. All representations, warranties, and agreements made by the parties in or pursuant to this Agreement, unless otherwise specifically provided herein, shall survive for a period of one (1) year following the closing of this Agreement.

XXIV. Indemnification. Each party agrees that for a period of one (1) year following the closing date, it will indemnify and save the other party harmless from and against any and all causes of action, assessments, deficiencies, costs, losses, damages, and other diminution of value, together with all reasonable attorney's fees and costs based upon, resulting from, arising out of or attributable to any default under or breach of any representation, warranty, covenant or obligation of the indemnifying party under this Agreement or any negligent act or omission of the indemnifying party.

XXV. Binding Effects and Assignment. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by the respective successors in interest and assigns of the parties. Either party shall have the right to assign this Agreement provided that any assignment of the Agreement made prior to the consummation of the transaction can only be effectuated if the assignor sends written notice to the other party of the assignment at least thirty days before the assignment becomes effective and the other party approves same. Approval shall not be unreasonably withheld.

XXVI. Notice. All notices, requests, demands, and other communications required or allowed hereunder shall be in writing and shall be deemed delivered when (1) hand delivered to or sent by facsimile transmission to the official designated below or (2) when mailed, postage prepaid, U.S. certified or registered mail, return receipt requested, addressed to the official designated below:

FOR TIUC:

Roger Shacket
251 Tropical Isles Circle
Fort Pierce, Fla. 34982

FOR TIMHP:

Roger Shacket
251 Tropical Isles Circle
Fort Pierce, FL 34982

with a copy to:

Daniel B. Harrell
Gonano & Harrell
1600 S. Federal Highway, Suite 200
Fort Pierce, FL 34950-5194

FOR SELLER:

John L. Tillman, Jr.
Senior Vice President
Florida Water Services Corporation
1000 Color Place
Apopka, FL 32703

with a copy to:

Fred Leonhardt, General Counsel
Florida Water Services Corporation
1000 Color Place
Apopka, FL 32703

XXVII. Severability. This Agreement is intended to be performed in accordance with the law. If any provision of this Agreement is deemed invalid or unenforceable by a court of competent jurisdiction or appropriate regulatory authority, the remainder of the Agreement shall be enforced to the greatest extent possible.

XXVII. Laws & Venue. This Agreement shall be governed by and interpreted consistently with the laws of the State of Florida. Venue for any action involving this Agreement shall be in St. Lucie County, Florida.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

Witnesses:

Name: [Signature]

Name: _____

TROPICAL ISLES UTILITIES CORPORATION, a Florida not for profit corporation

By: [Signature]

Name: Roger Shacket

Title: President

Witnesses:

Name: [Signature]

Name: _____

TROPICAL ISLES MOBILE HOME PARK, a Florida general partnership

By: [Signature]
Roger Shacket, General Partner-Manager

Witnesses:

Name: _____

Name: _____

FLORIDA WATER SERVICES CORPORATION, a Florida corporation

By: _____
John L. Tillman, Jr.
Senior Vice President

STATE OF FLORIDA)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of June, 2001, by John L. Tillman, as Senior Vice President for **Florida Water Services Corporation**.

Signature of Notary Public

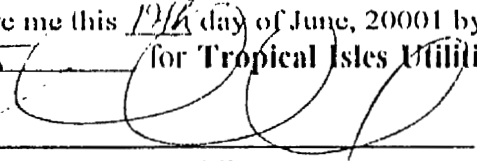
Print, Type or Stamp Commissioned Name of Notary Public

Personally known or produced identification ____

Type of Identification produced _____

STATE OF FLORIDA)
)
COUNTY OF ST. LUCIE)

The foregoing instrument was acknowledged before me this 17th day of June, 20001 by Digger Hackett, as President for **Tropical Isles Utilities Corporation**.



Signature of Notary Public



Daniel B. Harrell
MY COMMISSION # CC803087 EXPIRES
February 16, 2003
BONDED THRU FAIN INSURANCE, INC.

Print, Type or Stamp Commissioned Name of Notary Public

Personally known or produced identification ____

Type of Identification produced _____

STATE OF FLORIDA)
)
COUNTY OF ST. LUCIE)

The foregoing instrument was acknowledged before me this 19th day of June, 2001, by Roger Shacket, as General Partner of Tropical Isles Mobile Home Park.

Harrell

[Handwritten Signature]



Daniel B. Harrell
MY COMMISSION # CC803087 EXPIRES
February 16, 2003
BONDED THRU TROY FAIN INSURANCE, INC.

Signature of Notary Public

Print, Type or Stamp Commissioned Name of Notary Public

Personally known or produced identification _____

Type of Identification produced _____

Dec. 11 2000 12:32PM P17

**Tropical Isle Fixed Asset List
As of 9/2000**

EXHIBIT 1
PHONE NO. : 4075904219

FROM : MPURG>FWS

Naruc #	Naruc Description	Location	Cost	Svc Date	Asset Description
3521	Franchises	Intangible	466.20	12/31/1997	Record created by FWS to offset 12/97 GL balance
3521 Total			<u>466.20</u>		
3534	Land and Land Rights	Land	425.00	12/31/1997	Record created by FWS to offset 12/97 GL balance
3534 Total			<u>425.00</u>		
3544	Plumbing	General Facility Site	2,228.51	10/1/1994	Install potable water supply for plant use
3544	Electrical Facilities	Blower Building	750.00	1/1/1988	Electrical Facility; cost estimated
3544	Site Preparation	General Facility Site	1,839.08	4/12/1993	Chainlink Fence
3544	Structural Facilities: Wood Frame	Blower Building	1,109.22	10/1/1994	Wood structure (8'x8')
3544 Total			<u>5,926.81</u>		
3602	Other (Collection Sewers - Force)	Underground	127,920.00	12/31/1997	Record created to offset 3602 1997 GL balance; AMT CHANGED BY FWS
3602 Total			<u>127,920.00</u>		
3612	Other (Collection Sewers - Gravity)	Underground	39,100.00	12/31/1997	Record created to offset 3612 1997 GL balance; AMT CHANGED BY FWS
3612 Total			<u>39,100.00</u>		
3632	Other (Services)	Underground	18,950.00	12/31/1997	Record created to offset 3632 GL Balance; AMT CHANGED BY FWS
3632 Total			<u>18,950.00</u>		
3642	Effluent Measuring Devices	Filters	1,662.82	1/1/1997	Flow meter
3642 Total			<u>1,662.82</u>		
3703	Concrete	Lift Station	2,217.98	1/1/1988	Well; cost trended from similar assets using Marshall & Swift Index
3703 Total			<u>2,217.98</u>		

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Tropical Isle Fixed Asset List As of 9/2000

PHONE NO. : 4075984219

FROM : MPWRG\FWS

EXHIBIT 1

Naruc #	Naruc Description	Location	Cost	Svc Date	Asset Description
3713	Instrumentation & Controls	Lift Station	5,018.51	8/31/2000	instrumentation and Controls Instrumentation and Controls;cost trended from similar assets
3714	Instrumentation & Controls	Lift Station	1,368.79	1/2/1988	using Marshall & Swift Index
3713	Pumps & Motors	Lift Station	1,824.42	9/21/2000	Submersible pump & motor
3713	Pumps & Motors	Lift Station	2,530.17	9/21/2000	Submersible pump & motor
3713	Pumps & Motors	Lift Station	2,362.99	12/31/1995	Submersible pump & motor
3713 Total			<u>13,104.88</u>		
3804	Catwalks	Aeration Tank	17,191.85	1/1/1988	Catwalks;cost estimated & trended from similar assets using Marshall & Swift Index
3804	Catwalks	Aeration Tank	5,752.50	12/28/1995	Aluminum pipe rails and stairs: FWS ASSIGNMENT
3804	Concrete	Aeration Tank	11,000.00	1/1/1988	Concrete Aeration Tanks;cost trended from similar assets using Marshall & Swift Index
3804	Concrete	Aeration Tank	11,000.00	1/1/1988	Concrete Aeration Tanks;cost trended from similar assets using Marshall & Swift Index
3804	Concrete	Aeration Tank	11,000.00	1/1/1988	Concrete Aeration Tanks;cost trended from similar assets using Marshall & Swift Index
3804	Concrete	Aeration Tank	11,000.00	1/1/1988	Concrete Aeration Tanks;cost trended from similar assets using Marshall & Swift Index
3804	Concrete	Aeration Tank	11,000.00	1/1/1988	Concrete Aeration Tanks;cost trended from similar assets using Marshall & Swift Index
3804	Concrete	Aeration Tank	11,000.00	1/1/1988	Concrete Aeration Tanks;cost trended from similar assets using Marshall & Swift Index
3804	Diffusers	Aeration Tank	5,434.48	1/1/1988	Diffusers;cost trended from similar assets using Marshall & Swift Index
3804	Motors	Blower Building	1,051.50	12/31/1992	Motor
3804	Motors	Blower Building	1,408.86	10/10/1996	Motor
3804	Blowers	Blower Building	3,027.94	4/1/2000	Blower
3804	Blowers	Blower Building	2,113.29	10/10/1996	Blower
3804	Mechanical Bar Rack	Pre-Treatment	3,082.95	1/1/1988	Flow Splitter Box;cost trended from similar assets using Marshall & Swift Index
3804	Pumps	Pre-Treatment	567.83	7/30/1996	Surge Pump

Dec. 11 2000 12:33PM P19

**Tropical Isle Fixed Asset List
As of 9/2000**

PHONE NO. : 4075984219

EXHIBIT 1

FROM : MPURG\FWS

Naruc #	Naruc Description	Location	Cost	Svc Date	Asset Description
3804	Pumps	Pre-Treatment	542.39	1/1/1988	Surge Pump;cost trended from similar assets using Marshall & Swift Index
3804	Concrete	Pre-Treatment	11,000.00	1/1/1988	Concrete Surge Tank;cost Estimated & trended from similar assets using Marshall & Swift Index
3804	Concrete	Pre-Treatment	11,000.00	1/1/1988	Concrete Surge Tank;cost estimated & trended from similar assets using Marshall & Swift Index
3804	Concrete	Clarifier	11,000.00	1/1/1988	Clarifier Tank;cost estimated & trended from similar assets using Marshall & Swift Index
3804	Stilling Well	Clarifier	11,591.74	1/1/1988	Stilling Well;cost trended from similar assets using Marshall & Swift Index
3804	Effluent Weir	Clarifier	3,005.26	1/1/1988	Weir;cost trended from similar assets using Marshall & Swift Index
3804	Feeder Pumps	Blower Building	5,405.22	1/1/1988	Chlorine Pump;cost trended from similar assets using Marshall & Swift Index
3804	Scale	Blower Building	2,460.18	1/1/1988	Scale;cost trended from similar assets using Marshall & Swift Index
3804	Chlorinator	Blower Building	1,206.44	1/16/1989	Chlorinator
3804	Concrete	Filters	11,000.00	1/1/1988	Mudwell;cost trended from similar assets using Marshall & Swift Index
3804	Pumps & Motors	Filters	790.61	1/1/1988	Backwash Pump and Motor;cost trended from similar assets using Marshall & Swift Index
3804	Pumps & Motors	Filters	790.61	1/1/1988	Mudwell Submersible Pump and Motor; cost trended from similar assets using the Marshall and Swift index
3804	Concrete	Digester Tank	11,000.00	1/1/1988	Sludge holding tank; cost estimated & trended from similar assets using Marshall & Swift Index
3804	Blowers	Blower Building	5,101.06	11/23/1998	install silencer on blower #2
3804 Total			180,624.71		
3805	Filter Media	Filters	4,197.34	9/30/1995	Filter Media
3805	Filter Media	Filters	4,197.34	9/30/1995	Filter Media
3805	Concrete	Filters	7,616.98	6/20/1996	Repair Filter Structure

Dec. 11 2000 12:34PM P20

Tropical Isle Fixed Asset List As of 9/2000

Naruc #	Naruc Description	Location	Cost	Svc Date	Asset Description
3805	Concrete	Filters	11,000.00	11/30/1996	Combination structure of Filter and Chlorine Contact Chamber
3805	Drain Field - Below Ground	Ponds	75,000.00	6/20/1996	Effluent Drain Field; Cost Estimated
3805 Total			<u>102,011.66</u>		
3455	Emergency Pumping Equipment	General Facility Site	-	1/1/1988	Portable Pump and Motor: cost estimated
3455 Total			-		
Total Assets			<u><u>492,410.06</u></u>		

EXHIBIT 1

PHONE NO. : 4075984219

FROM : MPURG>FWS

EXHIBIT 2

Legal Description of Subject Property

A parcel of land in Section 10, Township 36 South, Range 40 East, St. Lucie County, Florida, also being a portion of Lot 238 of White City Subdivision, as recorded in Plat Book 1, at Page 23, of the Public Records of St. Lucie County, Florida, said parcel is described as follows:

COMMENCE at the Southeast corner of said Lot 238, said corner being on the East line of said Section 10; Thence run N89_52'53"W, along the South line of said Lot 238, a distance of 128.00 feet, to a line lying 25.00 feet West of, and parallel with, the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22, and the POINT OF BEGINNING;

Thence continue N89_52'53"W, along the South line of said Lot 238, a distance of 260.12 feet; Thence run N00_07'07"E, a distance of 100.00 feet; Thence run N89_52'53"W, a distance of 230.00 feet; Thence run N00_07'07"E, a distance 130.00 feet; Thence run S89_52'53"E, a distance of 312.00 feet; Thence run N86_38'01"E, a distance of 179.16 feet, to a line lying 25.00 feet West of and parallel with the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22; Thence run S00_16'47"W, along said parallel line, a distance of 241.31 feet, to the POINT OF BEGINNING.

TOGETHER WITH AN EASEMENT FOR INGRESS AND EGRESS OVER THE FOLLOWING DESCRIBED PARCEL:

A parcel of land in Section 10, Township 36 South, Range 40 East, St. Lucie County, Florida, also being a portion of Lot 238 of White City Subdivision, as recorded in Plat Book 1, at Page 23, of the Public Records of St. Lucie County, Florida, said parcel is described as follows:

COMMENCE at the Southeast corner of said Lot 238, said corner being on the East line of said Section 10; Thence run N89_52'53"W, along the South line of said Lot 238, a distance of 128.00 feet, to a line lying 25.00 feet West of, and parallel with, the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22; Thence run N89_52'53"W, along the South line of said Lot 238, a distance of 260.12 feet; Thence run N00_07'07"E, a distance of 100.00 feet; Thence run N89_52'53"W, a distance of 230.00 feet; Thence run N00_07'07"E, a distance of 130.00 feet; Thence run S89_52'53"E, a distance of 312.00 feet to the POINT OF BEGINNING;

Thence run N00_07'07"E, a distance of 119.34 feet, to a point on a curve concave to the Northwest, having a radius of 135.00 feet, from which a radial line bears N26_31'58"W; Thence Northeasterly, along the arc of said curve, subtending a central angle of 18_24'47", a distance of 43.38 feet; Thence S44_56'45"E, on a line radial to the last described curve, a distance of 41.08 feet; Thence S00_15'47"W, parallel with the aforesaid right-of-way line, a distance of 111.60 feet; thence run N86_36'01"W, a distance of 63.91 feet, to the POINT OF BEGINNING.

EXHIBIT 3

2/7/01

TO: Sue Henesy

FROM: Glenn Whitcomb

RE: Generator

The following is info you requested on Generator:

Whisperwatt - Model DCA - 60 SSI
Serial number - 3652734

AC Generator
Model - DB - 0661I
3 phase 60 HZ 60 KVA 35 KW
3 phase 240/480 1 phase 240/120

Rated current - 3 phase 144amp/ 72.2 amp
1 phase 144 amp

Power factor 0.8 @ 3 phase 1.0 @ 1 phase

Engine make Isuzu
Model - I Isuzu QD - 145 (6BDI)
Type 6 cly 4 cycle Diesel
Rated out put 78 hp @ 1800 RPM
Displacement - 5785 CC
Fuel capacity - 33 gallons

EXHIBIT 4

Corporate authorizations necessary for FWS to execute and
carry out transaction to be delivered at closing

EXHIBIT 5

Corporate authorizations necessary for TIUC
to execute and carry out transaction to be delivered at closing

EXHIBIT 6

Easement to Plant Site from TIMHP to TIUC
to be delivered at closing

EXHIBIT 7

Standby Operating Agreement between TIMHP to TIUC
to be delivered at closing

..... TRANSMISSION RESULT REPORT (JUN 21 '01 09:19AM).....

GONANO AND HARRELL 561 464 0292

..... (AUTO)

DATE	START TIME	REMOTE TERMINAL IDENTIFICATION	TIME	RE-SULTS	MODE	TOTAL PAGES	PERSONAL LABEL	FILE NO.
JUN 21	09:17AM	407244	5690 01'55"	OK	ES	06		015

Law Offices
of
GONANO & HARRELL
ATTORNEYS AND COUNSELORS AT LAW

DOUGLAS E. GONANO
Board Certified Real Estate Lawyer

RIVERSIDE NATIONAL BANK BUILDING
1600 South Federal Highway, Suite 200
Fort Pierce, Florida 34950-5194
Telephone (561) 464 - 1032
Facsimile (561) 464 - 0282

DANIEL B. HARRELL

Teletypewriter message consisting of 6 pages, including this cover page

To: W. TERRY COSTOLO ROGER SHACKET
Fax No.: 407-244-5690 468-~~4968-8998~~
From: DAN HARRELL 4968
Re: TROPICAL ISLES WASTEWATER PLANT
File No: 1070.002
Date: 6/21/01

From Fax No. (561) 464-0282. Any question or problem concerning this transmission, call (561) 464-1032.

CONFIDENTIALITY NOTE

THIS MESSAGE IS INTENDED ONLY FOR THE USE OF THE INDIVIDUAL OR ENTITY TO WHICH IT IS ADDRESSED AND MAY CONTAIN INFORMATION THAT IS PRIVILEGED, CONFIDENTIAL AND EXEMPT FROM DISCLOSURE UNDER APPLICABLE LAW. IF THE READER OF THIS MESSAGE IS NOT THE INTENDED RECIPIENT, YOU ARE HEREBY NOTIFIED THAT ANY DISSEMINATION, DISTRIBUTION, OR COPYING OF THIS TELECOPY IS STRICTLY PROHIBITED. IF YOU HAVE RECEIVED THIS TELECOPY IN ERROR, PLEASE IMMEDIATELY NOTIFY US BY TELEPHONE COLLECT AND RETURN THE ORIGINAL MESSAGE TO US AT THE ADDRESS LISTED ABOVE VIA U.S. MAIL.

MESSAGE

LAW OFFICES
OF
GONANO & HARRELL
ATTORNEYS AND COUNSELORS AT LAW

DOUGLAS E. GONANO
BOARD CERTIFIED REAL ESTATE LAWYER

RIVERSIDE NATIONAL BANK BUILDING
1600 SOUTH FEDERAL HIGHWAY, SUITE 200
FORT PIERCE, FLORIDA 34950-5194
TELEPHONE (561) 464 - 1032
FACSIMILE (561) 464 - 0282

DANIEL B. HARRELL

June 21, 2001

FACSIMILE TRANSMISSION/FEDERAL EXPRESS

W. Terry Costolo, Esquire
Gray, Harris & Robinson
Post Office Box 3068
Orlando, FL 32802-3068

Re: Wastewater plant at Tropical Isles Mobile Home Park, Fort Pierce, St. Lucie County, Florida

Our File No. 1070-002

Dear Terry:

This confirms that the purchaser has executed the Agreement for Purchase and Sale, as reflected on the enclosed signature pages. This also confirms that I have received on behalf of the purchaser a check in the sum of \$6,500.00, payable to my trust account, and representing the deposit under the agreement. Finally, this confirms my understanding that we will schedule closing to occur on or about the billing cutoff date that is closest to August 1, 2001.

Upon execution of the agreement on behalf of the seller, please provide confirmation in the manner described in your letter of June 18, 2001. Please also advise if my understanding on any matter is in any way incorrect.

Thank you for your cooperation.

Sincerely,


Daniel B. Harrell

DBH/v
Enclosure
cc: Mr. Roger Shacket

FOR TIUC:

Roger Shacket
251 Tropical Isles Circle
Fort Pierce, Fla. 34982

FOR TIMHP:

Roger Shacket
251 Tropical Isles Circle
Fort Pierce, FL 34982

with a copy to:

Daniel B. Harrell
Gonano & Harrell
1600 S. Federal Highway, Suite 200
Fort Pierce, FL 34950-5194

FOR SELLER:

John L. Tillman, Jr.
Senior Vice President
Florida Water Services Corporation
1000 Color Place
Apopka, FL 32703

with a copy to:

Fred Leonhardt, General Counsel
Florida Water Services Corporation
1000 Color Place
Apopka, FL 32703

XXVII. Severability. This Agreement is intended to be performed in accordance with the law. If any provision of this Agreement is deemed invalid or unenforceable by a court of competent jurisdiction or appropriate regulatory authority, the remainder of the Agreement shall be enforced to the greatest extent possible.

XXVII. Laws & Venue. This Agreement shall be governed by and interpreted consistently with the laws of the State of Florida. Venue for any action involving this Agreement shall be in St. Lucie County, Florida.

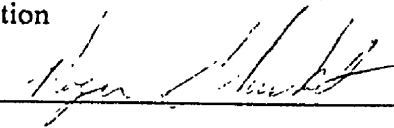
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

Witnesses:

Name: 

Name: _____


TROPICAL ISLES UTILITIES CORPORATION, a Florida not for profit corporation

By: 

Name: Roger Shackel

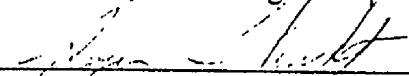
Title: President

Witnesses:

Name: 

Name: _____

TROPICAL ISLES MOBILE HOME PARK, a Florida general partnership

By: 

Roger Shackel, General Partner Manager

Witnesses:

Name: _____

Name: _____

FLORIDA WATER SERVICES CORPORATION, a Florida corporation

By: _____

John L. Tillman, Jr.
Senior Vice President

STATE OF FLORIDA)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this ____ day of June, 2001, by John L. Tillman, as Senior Vice President for Florida Water Services Corporation.

Signature of Notary Public

Print, Type or Stamp Commissioned Name of Notary Public

Personally known or produced identification ____

Type of Identification produced _____

STATE OF FLORIDA)
)
COUNTY OF ST. LUCIE)

The foregoing instrument was acknowledged before me this 17th day of June, 2001 by Froyer Shackel, as President for Tropical Isles Utilities Corporation.

[Signature]
Signature of Notary Public

Print, Type or Stamp Commissioned Name of Notary Public



Daniel B. Harrell
MY COMMISSION # CC803087 EXPIRES
February 16, 2003
BONDED THRU TROY FAIN INSURANCE, INC.

Personally known or produced identification ____

Type of Identification produced _____

STATE OF FLORIDA)
)
COUNTY OF ST. LUCIE)

The foregoing instrument was acknowledged before me this 19th day of June, 2001, by Roger Shacket, as General ~~Partner~~ **Manager** of **Tropical Isles Mobile Home Park.**



Daniel B. Harrell
MY COMMISSION # CC803087 EXPIRES
February 16, 2003
BONDED THRU TROY FAIN INSURANCE, INC

[Handwritten Signature]
Signature of Notary Public

Print, Type or Stamp Commissioned Name of Notary Public

Personally known or produced identification _____

Type of Identification produced _____



FACSIMILE TRANSMISSION

P. O BOX 609520 ORLANDO, FLORIDA 32860-9520

DATE: June 21, 2001

TO: Dan Harrell

FAX NUMBER: (561) 464-0282

FROM: Sue Finney
John Tillman's Office

TELEPHONE: (407) 598-4201
FAX NUMBER: (407) 598-4219

SUBJECT: Tropical Isles Agreement

PAGES INCLUDING COVER: 3

Attached are the executed signature and notary pages of the Agreement for Purchase and Sale.

Thank you.

Confidentiality Note

This message is intended only for the use of the individual or entity to which it is addressed and may contain information that is privileged, confidential and exempt from disclosure under applicable law. If the reader of this message is not the intended recipient, or the employee or agent responsible for delivery of the message to the intended recipient, you are hereby notified that any dissemination, distribution or copying of this communication is strictly prohibited. If you have received this communication in error, please notify us immediately by telephone at (407)598-4100, and return this original message to us at the address listed via the U.S. Postal Service.

Thank You.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed the day and year first above written.

Witnesses:

TROPICAL ISLES UTILITIES CORPORATION, a Florida not for profit corporation

Name: _____

By: _____

Name: _____

Name: _____

Title: _____

Witnesses:

TROPICAL ISLES MOBILE HOME PARK, a Florida general partnership

Name: _____

By: _____
Roger Shackel, General Partner

Name: _____

Witnesses:

FLORIDA WATER SERVICES CORPORATION, a Florida corporation

Name: Rachel L. Cowing
Rachel L. Cowing

By: [Signature]
John L. Tillman, Jr.
Senior Vice President

Name: Brenda Mazurak
Brenda Mazurak

STATE OF FLORIDA)
)
COUNTY OF ORANGE)

The foregoing instrument was acknowledged before me this 21st day of June, 2001, by John L. Tillman, as Senior Vice President for Florida Water Services Corporation.



Kirk D Martin
My Commission CC933185
Expires June 18, 2004

[Handwritten Signature]

Signature of Notary Public
KIRK D. MARTIN, NOTARY PUBLIC
STATE OF FLORIDA

Print, Type or Stamp Commissioned Name of Notary Public

Personally known or produced identification _____

Type of identification produced _____

STATE OF FLORIDA)
)
COUNTY OF _____)

The foregoing instrument was acknowledged before me this _____ day of June, 2001 by _____, as _____ for Tropical Isles Utilities Corporation.

Signature of Notary Public

Print, Type or Stamp Commissioned Name of Notary Public

Personally known or produced identification _____

Type of identification produced _____

ASSIGNMENT OF RIGHTS UNDER AGREEMENT FOR PURCHASE AND SALE

For and in consideration of the sum of \$10.00 and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Tropical Isles Mobile Home Park, a Florida general partnership ("Assignor"), hereby transfers and assigns to Maurice Shacket and Neil Spizizen, as tenants-in-common, their heirs, successors, and assigns, all right, title, and interest held by the Assignor under, in, and to that Agreement for Purchase and Sale by and among the Tropical Isles Utilities Corporation, a Florida not-for-profit corporation ("TIUC"), and the Assignor, as Buyer, and Florida Water Services Corporation, a Florida corporation, as Seller, executed on or about June 21, 2001, and providing for the purchase and sale of those certain assets, facilities, and properties used in the collection and treatment of domestic wastewater from the mobile home park located in St. Lucie County, Florida, and known as Tropical Isles Mobile Home Park. The right, title, and interest of TIUC as one of the buyers under said Agreement are unaffected by the within assignment.

The Assignor does authorize and empower the Assignee, on the performance by the Assignee of all covenants, agreements, restrictions, and conditions specified in said Agreement to be performed by the Assignor and upon compliance with all of the terms of said Agreement, to obtain all benefits due the Assignor under the rights hereby assigned in the same manner and with the same effect as if the Assignee had originally been designated as one of the buyers thereunder.

Dated this 16th day of July, 2001.

Assignor:

TROPICAL ISLES MOBILE HOME PARK

By: Roger Shacket
Roger Shacket, General Manager

ACCEPTANCE BY ASSIGNEE

Maurice Shacket and Neil Spizizen, as tenants-in-common, as Assignee, do hereby accept the foregoing Assignment of the above-described Agreement for Purchase and Sale executed on or about June 21, 2001. The Assignee does hereby agree to perform all covenants, agreements, restrictions, and conditions specified in said Agreement to be performed by the Assignor as one of the buyers thereunder, to abide by all of the terms of said Agreement, and to accept all benefits due the Assignor under the Agreement in the same manner and with the same effect as if the Assignee had originally been designated as one of the buyers thereunder.

Dated this 16 day of July, 2001.

Assignee:

Maurice Shacket
Maurice Shacket
Neil Spizizen
Neil Spizizen

TITLE SEARCH REPORT
Issued by
COMMONWEALTH LAND TITLE INSURANCE COMPANY

THE ATTACHED TITLE SEARCH REPORT/ABSTRACT IS ISSUED FOR THE USE OF AGENT LISTED BELOW, A POLICY ISSUING AGENT FOR COMMONWEALTH LAND TITLE INSURANCE COMPANY, HEREIN 'AGENT', AND IS TO BE USED ONLY FOR AGENT EXAMINATION AND DETERMINATION OF THE INSURABILITY OF TITLE TO THE PROPERTY DESCRIBED HEREIN IN CONJUNCTION WITH THE ISSUANCE OF COMMONWEALTH LAND TITLE INSURANCE COMPANY COMMITMENTS, POLICIES AND ENDORSEMENTS. USE OF THE ATTACHED TITLE SEARCH REPORT/ABSTRACT FOR ANY OTHER PURPOSE IS NOT AUTHORIZED. THE ATTACHED TITLE SEARCH REPORT/ABSTRACT MAY NOT BE RELIED UPON BY ANY OTHER PARTY NOR MAY IT BE RELIED UPON FOR ANY OTHER PURPOSE. NO LIABILITY IS ASSUMED BY COMMONWEALTH LAND TITLE INSURANCE COMPANY FOR ANY UNAUTHORIZED USE OR RELIANCE. ANY LIABILITY UNDER THE ATTACHED TITLE SEARCH REPORT/ABSTRACT IS LIMITED TO THE LIABILITY UNDER THE COMMONWEALTH LAND TITLE INSURANCE COMPANY POLICY OR POLICIES ISSUED PURSUANT TO THIS TITLE SEARCH REPORT/ABSTRACT.

The attached Title Search Report/Abstract prepared in accordance with Agent's instructions includes copies of all conveyances, leases, mortgages, liens, encumbrances, notices of lis pendens and all other instruments recorded in the appropriate record books of the County indicated in the attached Title Search Report/Abstract, State of Florida, sufficient for evaluating the insurability of title to the land described herein and which affect the title or any interest in the land described herein for the purpose of issuing a Commonwealth Land Title Insurance Company commitment, policy, endorsement.

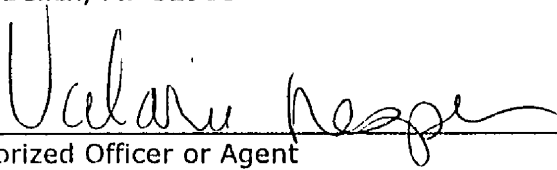
The attached Title Search Report/Abstract contains such of the following as ordered by Agent: (I) A 'Chain of Conveyances', (II) 'Unsatisfied Encumbrances', (III) 'Unsatisfied Judgment & Liens', (IV) 'Taxes and Assessments', (V) 'Miscellaneous Matters', and (VI) 'Easements, Restrictions and Other Matters Affecting Title Searched' each of which lists each appropriate document copied and provided to the Agent herewith. It is the responsibility of the Agent to verify receipt of each document listed. If a copy of any document listed is not received by the Agent, the office issuing this Title Search Report/Abstract must be contacted immediately. The issuance of any Commonwealth Land Title Insurance Company commitment, policy, or endorsement is prima facie evidence that all documents listed were received and examined by the Agent.

The Agent who examines this Title Search Report/Abstract must follow all underwriting guidelines set forth in the underwriting Manual and Bulletins issued by Commonwealth Land Title Insurance Company. The Agent is responsible for obtaining appropriate updates or continuations of this Title Search Report/Abstract prior to the issuance of any commitment and policy in accordance with Commonwealth Land Title Insurance Company guidelines and prudent underwriting practices. The Agent is responsible for any errors, omissions, defects, liens, encumbrances or adverse matters not shown by this Title Search Report/Abstract but known to or discovered by the Agent prior to the issuance of any Commonwealth Land Title Insurance Company commitment, policy or endorsement.

This Title Search Report/Abstract does not insure or guarantee the validity or sufficiency of any documents attached, nor is it to be considered a title insurance policy, an opinion of title, an ownership and encumbrance report, a guarantee of title or as any other form of guarantee or warranty of title. Any liability under this Title Search Report/Abstract shall cease and terminate six (6) months after the ending date set forth in the Period of the Search, unless extended in writing by Commonwealth Land Title Insurance Company.

Issued by:
LANDAMERICA SERVICE CENTER
2601 20th Street, Suite A
Vero Beach, FL 32960

Dated: MAY 23, 2001

By: 
Authorized Officer or Agent

Commonwealth Land Title Insurance Company

TITLE SEARCH REPORT/ABSTRACT

Schedule A

Title Search Report No.: 0101370

Agent File No.: 1070-002

AGENT:
GONONO & HARRELL
1600 S. FEDERAL HWY. #200
FT. PIERCE, FL 34950-1594

1. PERIOD SEARCHED:

The period covered in the search, including the period covered in the Base Title, if any, ends as of MAY 2, 2001 at 8:00 A.M. (referred to herein as "the Period Searched").

2. Policy or Policies to be issued:

Proposed Insured Loan:

Proposed Insured Owners:

Other Proposed Insured:

3. The estate or interest in the land described or referred to in this report is:

FEE SIMPLE

4. Last grantee of record for the period searched:

SOUTHERN STATES UTILITIES, INC.

5. The land is described as follows:

"SEE ATTACHED LEGAL DESCRIPTION"

A parcel of land in Section 10, Township 36 South, Range 40 East, St. Lucie County, Florida, also being a portion of Lot 238 of White City Subdivision, as recorded in Plat Book 1, at Page 23, of the Public Records of St. Lucie County, Florida, said parcel is described as follows:

COMMENCE at the Southeast corner of said Lot 238, said corner being on the East line of said Section 10; Thence run N89°52'53"W, along the South line of said Lot 238, a distance of 128.00 feet, to a line lying 25.00 feet West of, and parallel with, the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22, and the POINT OF BEGINNING;

Thence continue N89°52'53"W, along the South line of said Lot 238, a distance of 260.12 feet; Thence run N00°07'07"E, a distance of 100.00 feet; Thence run N89°52'53"W, a distance of 230.00 feet; Thence run N00°07'07"E, a distance of 130.00 feet; Thence run S89°52'53"E, a distance of 312.00 feet; Thence run N86°38'01"E, a distance of 179.16 feet, to a line lying 25.00 feet West of and parallel with the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22; Thence run S00°16'47"W, along said parallel line, a distance of 241.31 feet, to the POINT OF BEGINNING.

TOGETHER WITH AN EASEMENT FOR INGRESS AND EGRESS OVER THE FOLLOWING DESCRIBED PARCEL:

A parcel of land in Section 10, Township 36 South, Range 40 East, St. Lucie County, Florida, also being a portion of Lot 238 of White City Subdivision, as recorded in Plat Book 1, at Page 23, of the Public Records of St. Lucie County, Florida, said parcel is described as follows:

COMMENCE at the Southeast corner of said Lot 238, said corner being on the East line of said Section 10; Thence run N89°52'53"W, along the South line of said Lot 238, a distance of 128.00 feet, to a line lying 25.00 feet West of, and parallel with, the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22; Thence run N89°52'53"W, along the South line of said Lot 238, a distance of 260.12 feet; Thence run N00°07'07"E, a distance of 100.00 feet; Thence run N89°52'53"W, a distance of 230.00 feet; Thence run N00°07'07"E, a distance of 130.00 feet; Thence run S89°52'53"E, a distance of 312.00 feet to the POINT OF BEGINNING;

Thence run N00°07'07"E, a distance of 119.34 feet, to a point on a curve concave to the Northwest, having a radius of 135.00 feet, from which a radial line bears N26°31'58"W; Thence Northeasterly, along the arc of said curve, subtending a central angle of 18°24'47", a distance of 43.38 feet; Thence S44°56'45"E, on a line radial to the last described curve, a distance of 41.08 feet; Thence S00°16'47"W, parallel with the aforesaid right-of-way line, a distance of 111.60 feet; thence run N86°36'01"W, a distance of 63.91 feet, to the POINT OF BEGINNING.

File Number: 0101370

TITLE SEARCH REPORT/ABSTRACT

Schedule B - Section 1

I. Chain of Title and/or Conveyances:

- (A) Deed recorded In Deed Book 226, page 242.
- (B) Warranty Deed recorded in O.R. Book 188, page 1543.
- (C) Warranty Deed recorded in O.R. Book 194, page 749.
- (D) Warranty Deed recorded in O.R. Book 289, page 2579.
- (E) Warranty Deed recorded in O.R. Book 334, page 2598.
- (F) Quit Claim Deed recorded in O.R. Book 453, page 789.
- (G) Warranty Deed recorded in O.R. Book 452, page 1009.
- (H) Warranty Deed recorded in O.R. Book 520, page 2356.
- (I) Affidavit recorded in O.R. Book 602, page 1664.
- (J) Warranty Deed recorded in O.R. Book 602, page 1667.
- (K) Warranty Deed recorded in O.R. Book 628, page 1790.
- (L) Easement recorded in O.R. Book 628, page 1793.
- (M) Easement recorded in O.R. Book 628, page 1798.
- (N) Agreement recorded in O.R. Book 782, page 1263.
- (O) Quit Claim Deed recorded in O.R. Book 893, page 2157.
- (P) Incorporation recorded in O.R. Book 1056, page 2415.
- (Q) Affidavit recorded in O.R. Book 1064, page 2931.

II: Unsatisfied Encumbrances:

- (A) Indenture recorded in O.R. Book 831, page 2693.
- (B) UCC-1 recorded in O.R. Book 834, page 1052.
- (C) Supplemental Indenture recorded in O.R. Book 835, page 2713.
- (D) Supplemental Indenture recorded in O.R. Book 1069, page 1403.
- (E) Supplemental Indenture recorded in O.R. Book 1079, page 1194.
- (F) Partial Release recorded in O.R. Book 1114, page 1787.

III: Unsatisfied Judgments/Liens:

NONE

IV: Taxes and Assessments:

2000 Taxes are PAID in the gross amount of \$361.58
under Tax Folio No. 3403-502-0301-000/7.

Require Proof of payment of all pending or certified charges or special assessments
by the appropriate authority, including but not limited to Sanitation, Utility, Road,
Paving and Wastewater Assessments.

V: Miscellaneous Matters:

- (A) Resolution No. 87-97 recorded in O.R. Book 548, page 1818.
- (B) Resolution No. 86-30 recorded in O.R. Book 492, page 2508.

File Number: 0101370

TITLE SEARCH REPORT/ABSTRACT

Schedule B – Section 2

VI: Easements, Restrictions and Other Matters Affecting Title Searched:

- 1-5 The items set forth in 1-5 of the Standard exceptions of the ALTA Commitment 1966 affect the title searched.
6. This policy does not insure against county and/or municipal improvement liens which are not recorded in the Official Records of St. Lucie County, Florida.
7. Any Lien provided by chapter 159, Florida Statutes, in favor of any city, town, village or port authority for unpaid service charges for service by any water, sewer or gas system supplying the insured land.
8. Easement to the Fort Pierce Utilities Authority as recorded in O.R. Book 635, page 102 and in O.R. Book 501, page 1313.
9. Easement to Florida Power & Light Company as recorded in O.R. Book 556, page 1479.
10. Notwithstanding the insuring provisions, this policy does not insure any right of access to and from the land.

NOTE: All recording references herein shall refer to the Public Records of St. Lucie County, Florida, unless otherwise noted.

WARRANTY DEED

THIS INDENTURE, is made and entered into this 13th day of July, 2001, by and between **FLORIDA WATER SERVICES CORPORATION**, a Florida corporation, formerly known as Southern States Utilities, Inc. (the "Grantor"), whose mailing address is 1000 Color Place, Apopka, Florida 32703, and **MAURICE SHACKET** and **NEIL SPIZIZEN**, as tenants-in-common, (the "Grantee"), whose mailing address is 281 Tropical Isles Circle, Fort Pierce, Florida 34982.

WITNESSETH:

THAT for and in consideration of Ten and No/100 Dollars (\$10.00), cash in hand paid, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Grantor has bargained and sold and does hereby grant, bargain, sell, convey and confirm unto the Grantee the following described real property, situated and being in the County of St. Lucie, State of Florida, to wit:

See Exhibit "A" attached hereto and by this reference made a part hereof.

TO HAVE AND TO HOLD the aforesaid real property, together with all the appurtenances and hereditaments thereunto belonging or in any wise appertaining unto the Grantee, its heirs, successors and assigns in fee simple forever.

And the Grantor does hereby covenant with the Grantee that he is lawfully seized in fee of the aforescribed real property; that he has a good right to sell and convey the same; that the same is unencumbered except for easements, restrictions, and reservations of record, and ad valorem real property taxes and assessments for the year 2001 and subsequent years, and that the title and quiet possession thereto he will warrant and forever defend against the lawful claims of all persons claiming by and through the Grantor. The reference to easements, restrictions, and reservations of record shall not operate to reimpose the same.

WITNESS the signature of the Grantor the day and year first above written.

WITNESSES:

Rachel L. Cowing
Name: Rachel L. Cowing

Bly J. McWay
Name: Bly J. McWay

GRANTOR:

FLORIDA WATER SERVICES CORPORATION, a Florida corporation

By: [Signature]
John L. Tillman, Jr., Senior Vice President

0.00
301.00
0.00

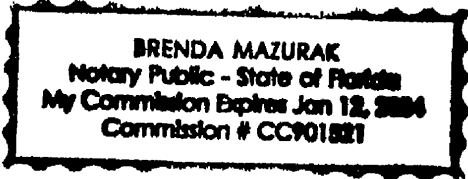
* DOC Assump: \$
* DOC Tax : \$
* Int Tax : \$

JOANNE HOLMAN, CLERK OF THE CIRCUIT COURT - SAINT LUCIE COUNTY
File Number: 1935798 OR BOOK 1415 PAGE 592
Recorded: 07/18/01 14:22

STATE OF FLORIDA)
) .ss
COUNTY OF ORANGE)

BEFORE ME, a Notary Public and of the State and County aforesaid, personally appeared JOHN L. TILLMAN, JR., Senior Vice President, and on behalf of FLORIDA WATER SERVICES CORPORATION, a Florida corporation, who is personally known to me or who produced as identification and who executed the foregoing instrument and acknowledged that he executed the same for the purpose therein contained.

WITNESS my hand and Notarial Seal at office this 13th day of July, 2001.



Brenda Mazurak
Notary Public, State of Florida
Printed name: Brenda Mazurak
My commission expires: 1-12-04

CR BOOK 1415 PAGE 593

EXHIBIT A

Legal Description of Subject Property

A parcel of land in Section 10, Township 36 South, Range 40 East, St. Lucie County, Florida, also being a portion of Lot 238 of White City Subdivision, as recorded in Plat Book 1, at Page 23, of the Public Records of St. Lucie County, Florida, said parcel is described as follows:

COMMENCE at the Southeast corner of said Lot 238, said corner being on the East line of said Section 10; Thence run N89°52'53"W, along the South line of said Lot 238, a distance of 128.00 feet, to a line lying 25.00 feet West of, and parallel with, the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22, and the POINT OF BEGINNING;

Thence continue N89°52'53"W, along the South line of said Lot 238, a distance of 260.12 feet; Thence run N00°07'07"E, a distance of 100.00 feet; Thence run N89°52'53"W, a distance of 230.00 feet; Thence run N00°07'07"E, a distance 130.00 feet; Thence run S89°52'53"E, a distance of 312.00 feet; Thence run N86°38'01"E, a distance of 179.16 feet, to a line lying 25.00 feet West of and parallel with the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22; Thence run S00°16'47"W, along said parallel line, a distance of 241.31 feet, to the POINT OF BEGINNING.

TOGETHER WITH AN EASEMENT FOR INGRESS AND EGRESS OVER THE FOLLOWING DESCRIBED PARCEL:

A parcel of land in Section 10, Township 36 South, Range 40 East, St. Lucie County, Florida, also being a portion of Lot 238 of White City Subdivision, as recorded in Plat Book 1, at Page 23, of the Public Records of St. Lucie County, Florida, said parcel is described as follows:

COMMENCE at the Southeast corner of said Lot 238, said corner being on the East line of said Section 10; Thence run N89°52'53"W, along the South line of said Lot 238, a distance of 128.00 feet, to a line lying 25.00 feet West of, and parallel with, the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22; Thence run N89°52'53"W, along the South line of said Lot 238, a distance of 260.12 feet; Thence run N00°07'07"E, a distance of 100.00 feet; Thence run N89°52'53"W, a distance of 230.00 feet; Thence run N00°07'07"E, a distance of 130.00 feet; Thence run S89°52'53"E, a distance of 312.00 feet to the POINT OF BEGINNING;

Thence run N00°07'07"E, a distance of 119.34 feet, to a point on a curve concave to the Northwest, having a radius of 135.00 feet, from which a radial line bears N26°31'58"W; Thence Northeasterly, along the arc of said curve, subtending a central angle of 18°24'47", a distance of 43.38 feet; Thence S44°56'45"E, on a line radial to the last described curve, a distance of 41.08 feet; Thence S00°16'47"W, parallel with the aforesaid right-of-way line, a distance of 111.60 feet; thence run N86°36'01"W, a distance of 63.91 feet, to the POINT OF BEGINNING.

DR BOOK 1415 PAGE 594

15

Prepared by (and return to)

Daniel B. Harrell
Gonano & Harrell
(Courthouse Box #34)
1600 S. Federal Highway, Suite 200
Fort Pierce, FL 34950-5194
(561) 464-1032

ASSIGNMENT OF EASEMENTS AND AGREEMENTS

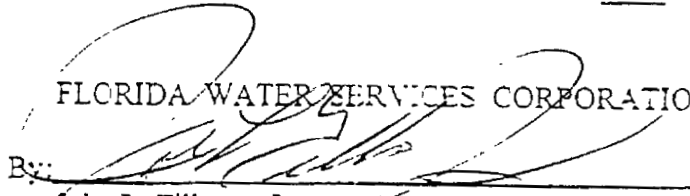
KNOW ALL MEN BY THESE PRESENTS that Florida Water Services Corporation, a Florida corporation, formerly known as Southern States Utilities, Inc., whose mailing address is 1000 Color Place, Apopka, Florida 32703 ("Assignor"), for and in consideration of the sum of Ten Dollars (\$10.00) and other good and valuable consideration paid by Tropical Isles Utilities Corporation, a Florida not-for-profit corporation, whose mailing address is 281 Tropical Isles Circle, Fort Pierce, Florida 349982 ("Assignee"), has granted, bargained, sold, transferred, assigned, and delivered, and by these presents does grant, bargain, sell, transfer, assign, and deliver unto the Assignee, its successors and assigns, all of the Assignor's right, title, and interest in and to all easements, recorded and unrecorded, rights of access, ingress, and egress, permits, licenses, and rights-of-way owned or used by the Assignor in the operation of the wastewater utility system serving Tropical Isles Mobile Home Park in Fort Pierce, St. Lucie County, Florida, whether in public or private property, including but not limited to those rights and interests more particularly described in that certain Easement and Agreement dated February 1, 1989, from Maurice Shackel and Neil Spizizen, as tenants-in-common, to Southern States Utilities, Inc., recorded in Official Records Book 628, Pages 1798 through 1804, of the Public Records of St. Lucie County, Florida ("Easement and Agreement").

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

ASSIGNOR covenants that it is the lawful owner of the easements; that the easements are free and clear from all encumbrances; that it has good right to assign the easements; and that it will warrant and defend the assignment of the easements against the lawful claims and demands of all persons whomsoever.

IN WITNESS WHEREOF, the Assignor has caused its name to be subscribed this 13th day of July, 2001.

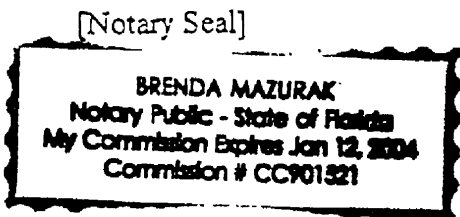
[Corporate Seal]

FLORIDA WATER SERVICES CORPORATION
By: 
John L. Tillman, Jr.
Senior Vice President

JOANNE HOLMAN, CLERK OF THE CIRCUIT COURT - SAINT LUCIE COUNTY
File Number: 1935799 OR BOOK 1415 PAGE 595
Recorded: 07/18/01 14:22

STATE OF FLORIDA
COUNTY OF Florida

The foregoing instrument was acknowledged before me this 13th day of July, 2001, by John L. Tillman, Jr., as Senior Vice President of Florida Water Services Corporation, on behalf of the corporation. He is personally known to me, or has produced _____ as identification and did did not take an oath.



Brenda Mazurak
Notary Public - State of Florida
Print Name Brenda Mazurak
My commission expires 1-12-04

* * *

ACCEPTANCE BY ASSIGNEE

Tropical Isles Utilities Corporation, a Florida not-for-profit corporation, as Assignee, does hereby accept the foregoing Assignment of Easements and Agreement. The Assignee does hereby agree to perform all obligations required of the Assignor under the easements, rights of access, permits, licenses, and rights-of-way so assigned, including but not limited to all obligations under the Easement and Agreement, and otherwise to act in accordance with the terms and conditions stated therein.

DATED this _____ day of _____, 2001

TROPICAL ISLES UTILITIES CORPORATION

[Corporate Seal]

By: _____
Roger Shackel, President

STATE OF FLORIDA
COUNTY OF ST. LUCIE

The foregoing instrument was acknowledged before me this _____ day of _____, 2001, by Roger Shackel, as President of Tropical Isles Utilities Corporation. He is personally known to me, or has produced _____ as identification and did did not take an oath.

[Notary Seal]

Notary Public - State of _____
Print Name _____
My commission expires _____

This instrument prepared by (and return to)

Daniel B. Harrell
Gonano & Harrell
(Courthouse Box #34)
1600 S. Federal Highway, Suite 200
Fort Pierce, FL 34950-5194
(561) 464-1032

EASEMENT FOR WASTEWATER TREATMENT PLANT

THIS EASEMENT is granted this 16th day of July, 2001, from Maurice Shacket and Neil Spizizen, as tenants-in-common ("Grantor"), to Tropical Isles Utilities Corporation, a Florida not-for-profit Corporation ("Grantee").

WITNESSETH

The Grantor, for and in consideration of the sum of \$10.00 in hand and other good and valuable consideration paid by on or behalf of the Grantee, the receipt and sufficiency of which are hereby acknowledged, does hereby grant to the Grantee, its successors and assigns, a perpetual easement which shall permit the Grantee to enter upon the property herein described at any time to construct, reconstruct, install, operate, maintain, repair, replace, renew, and service a wastewater treatment plant and appurtenant facilities in, on, over, under, and across the easement premises lying, situate, and being in St. Lucie County, Florida, and being more particularly described in the attached Exhibit A.

The Grantor hereby grants to the Grantee a license to enter onto the property of the Grantor adjoining the easement premises for access to the easement premises. Any damage to the improvements of the Grantor on the property of the Grantor adjoining the easement premises done by the Grantee in the construction, reconstruction, installation, operation, maintenance, repair, replacement, renewal, or service of the wastewater treatment plant and appurtenant facilities within the easement premises shall be promptly paid for by the Grantee. The Grantee shall and will indemnify and save the Grantor harmless from and against any and all damage, injuries, losses, claims, demands, or costs proximately caused by the fault, culpability, or negligence of the Grantee in the construction, reconstruction, installation, operation, maintenance, repair, replacement, renewal, or service of the wastewater treatment plant and appurtenant facilities in, on, over, under, and across the easement premises.

The Grantor reserves the use of the easement premises not inconsistent with this easement, but no building or structure shall be erected or placed on the easement premises by the Grantor.

The Grantor hereby covenants with the Grantee that they are lawfully seized and in possession of the real property herein described and that they have good and lawful right to grant the aforesaid easement free and clear of mortgages and other encumbrances.

0.00
0.70
0.00
* DOC Assump: \$
* DOC Tax : \$
* Int Tax : \$

JOANNE HOLMAN, CLERK OF THE CIRCUIT COURT - SAINT LUCIE COUNTY
FILE Number: 1935800 OR BOOK 1415 PAGE 597
Recorded: 07/18/01 14:22

* * *

IN WITNESS WHEREOF, the Grantor have hereunto set their hands and seals as of the date first above-written.

Signed, sealed and delivered in our presence:

GRANTOR:

Patricia Nelson
Print Name: Patricia Nelson

Maurice Shacket
Maurice Shacket

Melinda S Nelson
Print Name: Melinda S Nelson

Patricia Nelson
Print Name: Patricia Nelson

Neil Spizizen
Neil Spizizen

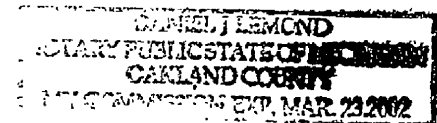
Melinda Nelson
Print Name: Melinda S. Nelson

STATE OF Michigan
COUNTY OF OAKLAND

The foregoing instrument was acknowledged before me this 16 day of July, 2001, by Maurice Shacket. He is personally known to me, or has produced _____ as identification and did did not take an oath.

[Notary Seal]

Daniel J Lemond
Notary Public-State of Michigan
Print Name Daniel J Lemond
My commission expires: 3-23-02



STATE OF Michigan
COUNTY OF OAKLAND

The foregoing instrument was acknowledged before me this 16 day of July, 2001, by Neil Spizizen. He is personally known to me, or has produced _____ as identification and did did not take an oath.

[Notary Seal]

Daniel J Lemond
Notary Public-State of Michigan
Print Name Daniel J Lemond
My commission expires: 3-23-02

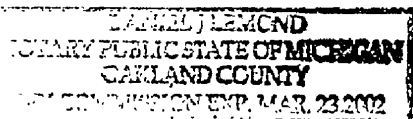


EXHIBIT A

LEGAL DESCRIPTION-WASTEWATER TREATMENT PLANT SITE

A parcel of land in Section 10, Township 36 South, Range 40 East, St. Lucie County, Florida, also being a portion of Lot 238 of White City Subdivision, as recorded in Plat Book 1, at Page 23, of the Public Records of St. Lucie County, Florida, said parcel is more particularly described as follows:

Commence at the Southeast corner of said Lot 238, said corner being on the East line of said Section 10; thence run North 89°52'53" West along the South line of said Lot 238 a distance of 388.12 feet; thence run North 00°07'07" East, a distance of 45.00 feet to the POINT OF BEGINNING; thence continue North 00°07'07" East, a distance of 55.00 feet; thence run North 89°52'53" West, a distance of 230.00 feet; thence run North 00°07'07" East, a distance of 130.00 feet; thence run South 89°52'53" East, a distance of 312.00 feet; thence run North 86°38'01" East, a distance of 31.96 feet; thence run South 00°07'07" West, a distance of 57.11 feet; thence North 86°38'01" East, a distance of 45.84 feet; thence South 00°16'47" West, a distance of 94.62 feet; thence North 89°52'53" West, a distance of 72.11 feet; thence South 00°07'07" West, a distance of 38.00 feet; thence North 89°52'53" West, a distance of 87.28 feet to the POINT OF BEGINNING.

The above-described parcel contains 1.25 acres, more or less.

OR BOOK 1415 PAGE 599

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, that **FLORIDA WATER SERVICES CORPORATION**, a Florida corporation, formerly known as Southern States Utilities, Inc., whose mailing address 1000 Color Place, Apopka, Florida 32703 (hereinafter referred to as "Seller"), for and in consideration of the sum of Ten and No/100 Dollars (\$10.00), and other good and valuable considerations to it paid and **TROPICAL ISLES UTILITIES CORPORATION**, a Florida non-profit corporation, whose mailing address is 281 Tropical Isles Circle, Fort Pierce, Florida 34982 (hereinafter referred to as "Buyer"), the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold, transferred and delivered and by these presents does grant, bargain, sell, transfer and deliver unto Buyer, its successors and assigns:

A. The items of personal property described more fully in the attached Exhibit "A" (the "Property"); and

B. All Seller's right, title and interest in tangible and intangible personal property used or held for use by Seller in connection with the assets, facilities, and properties used in the collection and treatment of domestic wastewater from that certain mobile home park in St. Lucie County, Florida, known as Tropical Isles Mobile Home Park (such assets, facilities, and properties hereafter referred to as the "System"), including, but not limited to, the following:

(1) All wastewater treatment, disposal and collection facilities of every kind and description whatsoever, including but not limited to, aerators, tanks, effluent disposal ponds, lift stations, force mains, gravity lines, generators, valves, flow meters, meter boxes, service connections, and all other physical facilities and property installations used or held for use in connection with the System;

(2) All certificates (including those of Florida Public Service Commission), permits, licenses, franchises, immunities, privileges, license rights, easements, consents, grants, rights-of-way, rights and interest of every character whatsoever granted by any governmental authorities in Seller's possession, along with Seller's interest in any amendments and modifications to and any pending requests concerning the aforementioned rights and properties;

(3) All Seller's rights, title and interest in agreements with customers or prospective customers of the System for the provision of wastewater service, if any; all right to tap-in fees, advances for construction, connection, plant or system capacity, main extension and service availability fees, guaranteed revenues, meter fees and charges and all other fees and charges associated with the System, if any;

(4) All customer deposits and all customer and other accounts receivable and notes receivable associated with the System; and

(5) All inventories of chemicals, fuel, cleaning supplies, tools, spare parts, and any other stores and supplies used or held for use in operation of the System.

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

And the Seller does, for itself, its successors and assigns, covenant to and with the Buyer, its successors and assigns, that it is the lawful owner of the Property; that it has good right to sell the same; and that it will warrant and defend the sale of the Property hereby made against the lawful claims and demands of all persons claiming by, through or under Seller.

IN WITNESS WHEREOF, Seller has caused this instrument to be executed this 13th day of July, 2001.

WITNESSES:

Rachel L. Cowing

Rachel L. Cowing
Printed name

[Signature]

Blu J May
Printed name

SELLER:

FLORIDA WATER SERVICES CORPORATION, a Florida corporation

By: [Signature]
John L. Tillman, Jr., Senior Vice President

EXHIBIT A

Legal Description of Subject Property

A parcel of land in Section 10, Township 36 South, Range 40 East, St. Lucie County, Florida, also being a portion of Lot 238 of White City Subdivision, as recorded in Plat Book 1, at Page 23, of the Public Records of St. Lucie County, Florida, said parcel is described as follows:

COMMENCE at the Southeast corner of said Lot 238, said corner being on the East line of said Section 10; Thence run N89°52'53"W, along the South line of said Lot 238, a distance of 128.00 feet, to a line lying 25.00 feet West of, and parallel with, the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22, and the POINT OF BEGINNING;

Thence continue N89°52'53"W, along the South line of said Lot 238, a distance of 260.12 feet; Thence run N00°07'07"E, a distance of 100.00 feet; Thence run N89°52'53"W, a distance of 230.00 feet; Thence run N00°07'07"E, a distance 130.00 feet; Thence run S89°52'53"E, a distance of 312.00 feet; Thence run N86°38'01"E, a distance of 179.16 feet, to a line lying 25.00 feet West of and parallel with the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22; Thence run S00°16'47"W, along said parallel line, a distance of 241.31 feet, to the POINT OF BEGINNING.

TOGETHER WITH AN EASEMENT FOR INGRESS AND EGRESS OVER THE FOLLOWING DESCRIBED PARCEL:

A parcel of land in Section 10, Township 36 South, Range 40 East, St. Lucie County, Florida, also being a portion of Lot 238 of White City Subdivision, as recorded in Plat Book 1, at Page 23, of the Public Records of St. Lucie County, Florida, said parcel is described as follows:

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Thence run N00°07'07"E, a distance of 119.34 feet, to a point on a curve concave to the Northwest, having a radius of 135.00 feet, from which a radial line bears N26°31'58"W; Thence Northeasterly, along the arc of said curve, subtending a central angle of 18°24'47", a distance of 43.38 feet; Thence S44°56'45"E, on a line radial to the last described curve, a distance of 41.08 feet; Thence S00°16'47"W, parallel with the aforesaid right-of-way line, a distance of 111.60 feet; thence run N86°36'01"W, a distance of 63.91 feet, to the POINT OF BEGINNING.

Dec. 11 2000 12:32PM P17

**Tropical Isle Fixed Asset List
As of 9/2000**

PHONE NO. : 4075994219

FROM : MPURG>FWS

Naruc #	Naruc Description	Location	Cost	Svc Date	Asset Description
3521	Franchises	Intangible	466.20	12/31/1997	Record created by FWS to offset 12/97 GL balance
3521 Total			<u>466.20</u>		
3534	Land and Land Rights	Land	425.00	12/31/1997	Record created by FWS to offset 12/97 GL balance
3534 Total			<u>425.00</u>		
3544	Plumbing	General Facility Site	2,228.51	10/1/1994	Install potable water supply for plant use
3544	Electrical Facilities	Blower Building	750.00	1/1/1988	Electrical Facility; cost estimated
3544	Site Preparation	General Facility Site	1,839.08	4/12/1993	Chainlink Fence
3544	Structural Facilities: Wood Frame	Blower Building	1,109.22	10/1/1994	Wood structure (8'x8')
3544 Total			<u>5,926.81</u>		
3602	Other (Collection Sewers - Force)	Underground	127,920.00	12/31/1997	Record created to offset 3602 1997 GL balance; AMT CHANGED BY FWS
3602 Total			<u>127,920.00</u>		
3612	Other (Collection Sewers - Gravity)	Underground	39,100.00	12/31/1997	Record created to offset 3612 1997 GL balance, AMT CHANGED BY FWS
3612 Total			<u>39,100.00</u>		
3632	Other (Services)	Underground	18,950.00	12/31/1997	Record created to offset 3632 GL Balance; AMT CHANGED BY FWS
3632 Total			<u>18,950.00</u>		
3642	Effluent Measuring Devices	Filters	1,662.82	1/1/1997	Flow meter
3642 Total			<u>1,662.82</u>		
3703	Concrete	Lift Station	2,217.98	1/1/1988	Wet Well;cost trended from similar assets using Marshall & Swift Index
3703 Total			<u>2,217.98</u>		

Dec. 11 2000 12:33PM P18

Tropical Isle Fixed Asset List As of 9/2000

Naruc #	Naruc Description	Location	Cost	Svc Date	Asset Description
3713	Instrumentation & Controls	Lift Station	5,018.51	8/31/2000	Instrumentation and Controls Instrumentation and Controls;cost trended from similar assets
3714	Instrumentation & Controls	Lift Station	1,368.79	1/2/1988	using Marshall & Swift Index
3713	Pumps & Motors	Lift Station	1,824.42	9/21/2000	Submersible pump & motor
3713	Pumps & Motors	Lift Station	2,530.17	9/21/2000	Submersible pump & motor
3713	Pumps & Motors	Lift Station	2,362.99	12/31/1995	Submersible pump & motor
3713 Total			<u>13,104.88</u>		
3804	Catwalks	Aeration Tank	17,191.85	1/1/1988	Catwalks;cost estimated & trended from similar assets using Marshall & Swift Index
3804	Catwalks	Aeration Tank	5,752.50	12/20/1995	Aluminum pipe rails and stairs; FWS ASSIGNMENT Concrete Aeration Tanks;cost trended from similar assets using
3804	Concrete	Aeration Tank	11,000.00	1/1/1988	Marshall & Swift Index Concrete Aeration Tanks;cost trended from similar assets using
3804	Concrete	Aeration Tank	11,000.00	1/1/1988	Marshall & Swift Index Concrete Aeration Tanks;cost trended from similar assets using
3804	Concrete	Aeration Tank	11,000.00	1/1/1988	Marshall & Swift Index Concrete Aeration Tanks;cost trended from similar assets using
3804	Concrete	Aeration Tank	11,000.00	1/1/1988	Marshall & Swift Index Concrete Aeration Tanks;cost trended from similar assets using
3804	Concrete	Aeration Tank	11,000.00	1/1/1988	Marshall & Swift Index Concrete Aeration Tanks;cost trended from similar assets using
3804	Diffusers	Aeration Tank	5,434.48	1/1/1988	Swift Index Diffusers;cost trended from similar assets using Marshall &
3804	Motors	Blower Building	1,051.50	12/31/1992	Motor
3804	Motors	Blower Building	1,408.86	10/10/1996	Motor
3804	Blowers	Blower Building	3,027.94	4/1/2000	Blower
3804	Blowers	Blower Building	2,113.29	10/10/1996	Blower Flow Splitter Box;cost trended from similar assets using
3804	Mechanical Bar Rack	Pre-Treatment	3,082.95	1/1/1988	Marshall & Swift Index
3804	Pumps	Pre-Treatment	667.83	7/30/1996	Surge Pump

PHONE NO. : 4875984219

FROM : MPWRG\FWS

Dec. 11 2000 12:33PM P19

PHONE NO. : 4075984219

FROM : MPWRG\FWS

**Tropical Isle Fixed Asset List
As of 9/2000**

Naruc #	Naruc Description	Location	Cost	Svc Date	Asset Description
3804	Pumps	Pre-Treatment	542.39	1/1/1988	Surge Pump;cost trended from similar assets using Marshall & Swift Index
3804	Concrete	Pre-Treatment	11,000.00	1/1/1988	Concrete Surge Tank;cost Estimated & trended from similar assets using Marshall & Swift Index
3804	Concrete	Pre-Treatment	11,000.00	1/1/1988	Concrete Surge Tank;cost estimated & trended from similar assets using Marshall & Swift Index
3804	Concrete	Clarifier	11,000.00	1/1/1988	Clarifier Tank;cost estimated & trended from similar assets using Marshall & Swift Index
3804	Stilling Well	Clarifier	11,591.74	1/1/1988	Stilling Well;cost trended from similar assets using Marshall & Swift Index
3804	Effluent Weir	Clarifier	3,005.26	1/1/1988	Weir;cost trended from similar assets using Marshall & Swift Index
3804	Feeder Pumps	Blower Building	5,405.22	1/1/1988	Chlorine Pump;cost trended from similar assets using Marshall & Swift Index
3804	Scale	Blower Building	2,460.18	1/1/1988	Scale;cost trended from similar assets using Marshall & Swift Index
3804	Chlorinator	Blower Building	1,206.44	1/16/1989	Chlorinator
3804	Concrete	Filters	11,000.00	1/1/1988	Mudwell;cost trended from similar assets using Marshall & Swift Index
3804	Pumps & Motors	Filters	790.61	1/1/1988	Backwash Pump and Motor;cost trended from similar assets using Marshall & Swift Index
3804	Pumps & Motors	Filters	790.61	1/1/1988	Mudwell Submersible Pump and Motor; cost trended from similar assets using the Marshall and Swift index
3804	Concrete	Digester Tank	11,000.00	1/1/1988	Sludge holding tank; cost estimated & trended from similar assets using Marshall & Swift Index
3804	Blowers	Blower Building	5,101.06	11/23/1990	Install silencer on blower #2
3804 Total			180,624.71		
3805	Filter Media	Filters	4,197.34	9/30/1995	Filter Media
3805	Filter Media	Filters	4,197.34	9/30/1995	Filter Media
3805	Concrete	Filters	7,616.98	6/20/1996	Repair Filter Structure

Dec. 11 2000 12:34PM P20

Tropical Isle Fixed Asset List As of 9/2000

PHONE NO. : 4075984219

FROM : MPJRG>FWS

Naruc #	Naruc Description	Location	Cost	Svc Date	Asset Description
3805	Concrete	Filters	11,000.00	11/30/1996	Combination structure of Filter and Chlorine Contact Chamber
3805	Drain Field - Below Ground	Ponds	75,000.00	6/20/1996	Effluent Drain Field; Cost Estimated
3805 Total			<u>102,011.00</u>		
3455	Emergency Pumping Equipment	General Facility Site	-	1/1/1988	Portable Pump and Motor: cost estimated
3455 Total			-		
	Total Assets		<u><u>492,410.06</u></u>		

2/7/01

TO: Sue Henesy

FROM: Glenn Whitcomb

RE: Generator

The following is info you requested on Generator:

Whisperwatt - Model DCA - 60 SSI
Serial number - 3652734

AC Generator
Model - DB - 0661I
3 phase 60 HZ 60 KVA 35 KW
3 phase 240/480 1 phase 240/120

Rated current - 3 phase 144amp/ 72.2 amp
1 phase 144 amp

Power factor 0.8 @ 3 phase 1.0 @ 1 phase

Engine make Isuzu
Model - I Isuzu QD - 145 (6BDI)
Type 6 cly 4 cycle Diesel
Rated out put 78 hp @ 1800 RPM
Displacement - 5785 CC
Fuel capacity - 33 gallons

8

STANDBY OPERATING AGREEMENT

THIS AGREEMENT is made this 6th day of July, 2000, by and between MAURICE SHACKET and NEIL SPIZIZEN, as tenants-in-common, doing business as Tropical Isles Mobile Home Park ("TIMHP"), and TROPICAL ISLES UTILITIES CORPORATION, a Florida not for profit corporation ("TIUC").

WHEREAS, TIMHP is the owner and operator of that certain mobile home park in Fort Pierce, St. Lucie County, Florida, known as Tropical Isles Mobile Home Park ("Park").

WHEREAS, TIUC was organized and created for the purpose of acquiring, maintaining, and operating the wastewater collection, treatment, and disposal system ("System") that provides wastewater service to the Park and certain adjacent properties ("Extended Service Area"), with members of TIUC being all persons and entities, including TIMHP, who receive service from the System.

WHEREAS, TIMHP transferred the System to Southern States Utilities, Inc., now known as Florida Water Services Corporation ("FWS"), in 1989 for nominal consideration ("1989 Transfer").

WHEREAS, in connection with the 1989 Transfer of the System:

(a) TIMHP conveyed a parcel of real property ("1989 Parcel") to FWS, and FWS granted back to TIMHP an easement over the 1989 parcel, including that portion of such parcel that constitutes the wastewater treatment plant site for the System ("Plant Site"); and

(b) FWS expressly agreed to provide wastewater service for six(6) mobile home units within the Park without charge to the residents of such units until such residents relocated, and subsequent to closing such transaction has provided wastewater service to the clubhouse building in the Park without charge to TIMHP (collectively, the "Prior Service Agreements").

WHEREAS, by Agreement for Purchase and Sale dated on or about June 21, 2001, among Florida Water Services Corporation, a Florida corporation ("FWS"), TIMHP, and TIUC, (a) FWS agreed to sell, and TIUC agreed to buy, the System, exclusive of the 1989 Parcel (b) FWS agreed to reconvey the 1989 Parcel to TIMHP, (c) TIMHP agreed to grant to TIUC an easement over that portion of the 1989 Parcel that constitutes the Plant Site, and (d) TIMHP and TIUC agreed to enter this Standby Operating Agreement (collectively, the "2001 Transactions").

WHEREAS, TIMHP has assisted TIUC in obtaining the financing that is necessary to fulfill TIUC's obligations under the 2001 Transactions, including but not limited to procuring guarantees that have enabled TIUC to secure such financing.

WHEREAS, TIMHP must be able to determine to its satisfaction that TIUC (a) will continue to provide wastewater service for all users in the Park and in the Extended Service Area without interruption and in a nondiscriminatory manner, (b) will operate and maintain the System in full compliance with all governing statutes, laws, rules, and regulations, and (c) will assume obligation under, honor, and abide by the Prior Service Agreements.

WHEREAS, TIMHP must also be able to determine that System ownership will not pass to a third party.

NOW, THEREFORE, in consideration of the premises and the covenants and agreements contained herein, the receipt and sufficiency of which are hereby acknowledged, TIMHP and TIUC agree as follows:

1. System Operations. TIUC reaffirms its obligation to furnish wastewater services to all members, including the owners and occupants of both the Park the Extended Service Area, consistent with prudent business practices, industry standards applicable to the operation of wastewater systems, the requirements of all governmental agencies exercising jurisdiction over the System (collectively, the "System Requirements"), and the requirements imposed by any lender holding a security interest in the System or the revenues of the System. The System Requirements shall include, but are not limited to:

(a) Providing wastewater services to all properties, improvements, and occupants within the Park and the Extended Service Area after connection has been made in a nondiscriminatory manner, including but not limited to maintaining practices, rules, regulations, and rates that at all times are identical for the same classification of service;

(b) Operating and maintaining the System continuously, properly, and in an efficient condition, including preventing abnormal or excessive infiltration into the wastewater collection system;

(c) Maintaining all necessary plant capacities of the System at all times as may be necessary to serve the present and future connections;

(d) Maintaining at all times a service contract or other binding arrangement for the continuous and uninterrupted services of an individual or firm duly licensed to operate the System;

(e) Maintaining at all times financial reserves adequate to fund fully the repair and replacement of depreciating assets in accordance with prudent business practices and industry standards applicable to the operation of wastewater systems: the parties agree that, as of the date of this Agreement, adequate reserves for such purposes are estimated to be \$60,000.00;

(f) Maintaining at all times full and adequate insurance coverage for the assets and operations of the System, including fire and extended coverage for all System properties, bodily injury and property damage liability insurance for System operations, and errors and omissions insurance for all officers and directors of the Utility; and

(g) Maintaining at all times rates and charges at such levels as necessary to generate System revenues that are adequate to pay all operating and nonoperating expenses, to fund adequate financial revenues, and to pay all debt service.

2. System Management. TIUC agrees that as long as this Agreement remains in effect (a) the bylaws of TIUC shall provide that one member of the Board of Directors shall be a representative of and appointed by TIMHP, and (b) all accounts maintained by TIUC shall require the signatures of two individuals to endorse any item or authorize any withdrawal, and one of such individuals shall be a representative of TIMHP.

3. Prior Service Agreements. TIUC agrees to continue providing wastewater service, without charge:

(a) To the mobile home units located at the following addresses, but only so long as the indicated individuals remain in residence in such units:

504 Hemingway Terrace	Ollie Hodge
5581 Hemingway Court	Barbara Kennedy
493 Hemingway Terrace	Harold Sellards
5561 Hemingway Court	Anna Steeves

(b) To the clubhouse building in the Park, without limitation in time.

The obligations of TIUC under this Section 4 are conditioned upon the residents and users at such service locations abiding by all nonpayment policies and procedures duly adopted by TIUC and of general application to use of System facilities.

4. TIMHP Right to Assume Operating Control. In the event of a financial or other emergency or a default by TIUC that causes TIUC to fail to meet or maintain the System Requirements, and such failure continues for a period of thirty (30) days after written notice given to TIUC by TIMHP, TIMHP, its successors and assigns, may exercise the following rights, but shall not be required or obligated to take any action whatsoever:

(a) To assume operating control of the System in the name of TIUC and for the benefit of TIMHP and other members of TIUC until TIMHP determines, in its sole and absolute discretion, that the failure to meet or maintain the System Requirements has been remedied, and

(b) If TIMHP assumes operating responsibility of the System in accordance with subsection (a) above for a period in excess of ninety (90) days, to exercise the option to purchase set forth in Section 5 of this Agreement.

TIUC agrees that if any failure to meet or maintain the System Requirements of which it is notified by the TIMHP cannot be cured within such thirty (30) day period, it shall peaceably surrender control of the System to TIMHP as agent for TIUC until either (i) the failure has been remedied and operating control restored to TIUC, or (ii) the System has been sold as provided in Section 4. The rights of TIMHP under this section shall be optional and not mandatory, and TIUC shall have no right to require TIMHP to exercise any right or option described in this section.

5. Option to Purchase. In the event that either TIUC receives a bona fide offer to purchase the System, or the circumstances described in Section 4(b) of this Agreement have occurred, then TIMHP shall have the option to purchase the System.

(a) If the option to purchase is invoked by TIUC receiving a bona fide offer to purchase the System, then TIMHP shall have a period of thirty (30) days from receiving written notice of such offer in which to agree to purchase the System on the same terms.

(b) If the option to purchase is invoked by occurrence of the circumstances described in Section 4(b) of this Agreement, then the following provisions shall apply:

(1) The option shall be exercisable by TIMHP giving written notice to TIUC of its election to purchase the System, which notice shall be in the form of an agreement for purchase and sale executed on behalf of TIMHP, setting forth all terms and conditions of such purchase and establishing a closing date for such transaction not later than one hundred twenty (120) days from the date of such notice.

(2) The purchase price of the System shall be a sum not exceeding (i) \$43,000 (the amount paid by TIUC in the 2001 Transactions) plus (ii) the depreciated value of any subsequent capital improvement or addition to the System, as determined either by agreement of the parties or by a "valid appraisal" of such improvement or addition within the meaning of that term as used in Section 74.031, Florida Statutes.

(3) The agreement for purchase and sale described in Section 4(b)(1) above shall contain only such terms and conditions as customarily used in similar transactions in St. Lucie County, including the terms and conditions found in the 2001 Transactions.

6. Abandonment of System. In the event that TIUC abandons the System in conjunction with connection of the Park and the Extended Service Area with a centralized wastewater treatment system operated by a regional utility authority or other governmental agency, TIUC may undertake

an orderly liquidation of System assets for the benefit of creditors and members. In the event of any other abandonment, System ownership shall transfer and revert to TIMPH, and TIUC shall cause its directors, officers, and agents to execute and deliver any and all papers and instruments and to cause to be done any and all acts and things necessary or proper for carrying out such transfer and reversion of all system assets to TIMPH.

7. Miscellaneous Provisions.

(a) Binding Effect. This Agreement shall be binding upon, inure to the benefit of, and be enforceable by the respective heirs, successors in interest, and assigns of the parties.

(b) Notices. All notices, requests, demands, and other communications required or allowed under this Agreement shall be in writing and shall be deemed delivered when (i) hand delivered or sent by facsimile transmission to the official designated below, or (ii) mailed, postage prepaid, United States certified or registered mail, return receipt requested, addressed to the official designated below:

For TIMHP:

Mr. Roger Shacket
281 Tropical Isles Circle
Fort Pierce, Florida 34982

For TIUC:

ROGER SHACKET
281 Tropical Isles Circle
Fort Pierce, Florida 34982

(c) Severability. If any provision of this Agreement is deemed invalid or unenforceable by a court of competent jurisdiction or appropriate regulatory authority, the remainder of the Agreement shall be enforced to the greatest extent possible.

(d) Indulgence not Waiver. The indulgence of either party with regard to any breach or failure to perform any provision of this Agreement shall not be deemed to constitute a waiver of the provision or any portion of this Agreement, either at the time the breach or failure occurs, or at any time throughout the term of this Agreement.

(e) Entire Agreement: Amendment. This Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior oral or written agreements between the parties. This Agreement may

only be amended by written document, properly authorized, executed, and delivered by both parties.

(f) Interpretation: Venue. This Agreement shall be interpreted as a whole unit, and section headings are for convenience only. All interpretations shall be governed by the laws of the State of Florida. In the event it is necessary for either party to initiate legal action regarding this Agreement, venue shall be in the Nineteenth Judicial Circuit, in and for St. Lucie County, Florida, for claims under state law, and in the Southern District of Florida for claims justiciable in federal court.

(g) Effective Date: Term. This Agreement shall become effective on the date of execution and shall remain in effect until terminated by written document properly authorized, executed, and delivered by both parties.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed the day and year set forth above.

Signed, sealed, and delivered in the presence of:

Patricia Nelson
Print Name Patricia Nelson

Mauriee Shacket
Mauriee Shacket

Melinda S. Nelson
Print Name Melinda S. Nelson

Patricia Nelson
Print Name Patricia Nelson

Neil Spizzen
Neil Spizzen

Melinda S. Nelson
Print Name Melinda S. Nelson

ATTEST:

TROPICAL ISLES UTILITIES CORPORATION, a Florida-not-for-profit corporation

Print Name _____
Title _____

By: Roger Shacket
Print Name ROGER SHACKET
Title PRESIDENT

This Financing Statement is presented to a filing officer pursuant to the Uniform Commercial Code:

1. Debtor (Last Name First if an Individual) FLORIDA WATER SERVICES CORPORATION		1a. Date of Birth or FEI # 59-0948672
1b. Mailing Address 1000 Color Place	1c. City, State Apopka, Florida	1d. Zip Code 32703
2. Additional Debtor or Trade Name (Last Name First if an Individual)		2a. Date of Birth or FEI #
2b. Mailing Address	2c. City, State	2d. Zip Code
3. Secured Party (Last Name First if an Individual) SUNTRUST BANK, A GEORGIA BANKING CORPORATION, F/K/A SUNTRUST BANK, CENTRAL FLORIDA, NATIONAL ASSOCIATION, AS TRUSTEE		
3a. Mailing Address 225 East Robinson Street, Suite 250	3b. City, State Orlando, Florida	3c. Zip Code 32801
4. Additional Secured Party (Last Name First if an Individual)		
4a. Mailing Address	4b. City, State	4c. Zip Code

5. This Statement refers to the original Financing Statement bearing file number: 930000068058, filed on March 31, 1993.

- 6. A. Continuation - The original Financing Statement between the Debtor and Secured Party bearing the file number shown above is continued.
- B. Release - The Secured Party releases the collateral described in Block 7 below from the Financing Statement bearing the file number shown above. **RELEASE DOES NOT TERMINATE LIEN AGAINST DEBTOR.**
- C. Full Assignment - All of the Secured Party's rights under the Financing Statement have been assigned to the assignee whose name and address is shown in Block 7 below.
- D. Partial Assignment - Some of Secured Party's rights under the Financing Statement have been assigned to the assignee whose name and address is shown in Block 7. A description of the collateral subject to the assignment is also shown in Block 7.
- E. Amendment - The Financing Statement bearing the file number shown above is amended as set forth in Block 7. (See instructions for signature requirements.)
- F. Termination - The Secured Party no longer claims an interest under the Financing Statement bearing the file number shown above.
- G. Other -

7. Description of collateral released or assigned, Assignee name and address, or amendment. Use additional sheet(s) if necessary.

See Exhibit "A" attached hereto and made a part hereof.

8. Signature(s) of Debtor(s): (only if amendment - see instructions)	This space for use of Filing Officer
9. Signature(s) of Secured part(jes): SUNTRUST BANK, A GEORGIA BANKING CORPORATION, F/K/A SUNTRUST BANK, CENTRAL FLORIDA, NATIONAL ASSOCIATION, AS TRUSTEE By: _____ Name: M. Bruce Daiger Title: Vice President	
10. Number of Additional Sheets Presented: _____	
11. Return Copy to: Name: Barry J. Sobering, Attorney For Debtor Address: Sobering, White & Luczak, P.A. 201 S. Orange Avenue, Suite 1000 City, State, Zip: Orlando, FL 32801	

EXHIBIT "A"**Legal Description of Subject Property**

A parcel of land in Section 10, Township 36 South, Range 40 East, St. Lucie County, Florida, also being a portion of Lot 238 of White City Subdivision, as recorded in Plat Book 1, at Page 23, of the Public Records of St. Lucie County, Florida, said parcel is described as follows:

COMMENCE at the Southeast corner of said Lot 238, said corner being on the East line of said Section 10; Thence run N89°52'53"W, along the South line of said Lot 238, a distance of 128.00 feet, to a line lying 25.00 feet West of, and parallel with, the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22, and the POINT OF BEGINNING;

Thence continue N89°52'53"W, along the South line of said Lot 238, a distance of 260.12 feet; Thence run N00°07'07"E, a distance of 100.00 feet; Thence run N89°52'53"W, a distance of 230.00 feet; Thence run N00°07'07"E, a distance 130.00 feet; Thence run S89°52'53"E, a distance of 312.00 feet; Thence run N86°38'01"E, a distance of 179.16 feet, to a line lying 25.00 feet West of and parallel with the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22; Thence run S00°16'47"W, along said parallel line, a distance of 241.31 feet, to the POINT OF BEGINNING.

TOGETHER WITH AN EASEMENT FOR INGRESS AND EGRESS OVER THE FOLLOWING DESCRIBED PARCEL:

A parcel of land in Section 10, Township 36 South, Range 40 East, St. Lucie County, Florida, also being a portion of Lot 238 of White City Subdivision, as recorded in Plat Book 1, at Page 23, of the Public Records of St. Lucie County, Florida, said parcel is described as follows:

COMMENCE at the Southeast corner of said Lot 238, said corner being on the East line of said Section 10; Thence run N89°52'53"W, along the South line of said Lot 238, a distance of 128.00 feet, to a line lying 25.00 feet West of, and parallel with, the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22; Thence run N89°52'53"W, along the South line of said Lot 238, a distance of 260.12 feet; Thence run N00°07'07"E, a distance of 100.00 feet; Thence run N89°52'53"W, a distance of 230.00 feet; Thence run N00°07'07"E, a distance of 130.00 feet; Thence run S89°52'53"E, a distance of 312.00 feet to the POINT OF BEGINNING;

Thence run N00°07'07"E, a distance of 119.34 feet, to a point on a curve concave to the Northwest, having a radius of 135.00 feet, from which a radial line bears N26°31'58"W; Thence Northeasterly, along the arc of said curve, subtending a central angle of 18°24'47", a distance of 43.38 feet; Thence S44°56'45"E, on a line radial to the last described curve, a distance of 41.08 feet; Thence S00°15'47"W, parallel with the aforesaid right-of-way line, a distance of 111.60 feet; thence run N86°36'01"W, a distance of 63.91 feet, to the POINT OF BEGINNING.

This Financing Statement is presented to a filing officer pursuant to the Uniform Commercial Code: **9b**

1. Debtor (Last Name First if an Individual) FLORIDA WATER SERVICES CORPORATION		1a. Date of Birth or FEI # 59-0948672
1b. Mailing Address 1000 Color Place	1c. City, State Apopka, Florida	1d. Zip Code 32703
2. Additional Debtor or Trade Name (Last Name First if an Individual)		2a. Date of Birth or FEI #
2b. Mailing Address	2c. City, State	2d. Zip Code
3. Secured Party (Last Name First if an Individual) SUNTRUST BANK, A GEORGIA BANKING CORPORATION, F/K/A SUNTRUST BANK, CENTRAL FLORIDA, NATIONAL ASSOCIATION, AS TRUSTEE		
3a. Mailing Address 225 East Robinson Street, Suite 250	3b. City, State Orlando, Florida	3c. Zip Code 32801
4. Additional Secured Party (Last Name First if an Individual)		
4a. Mailing Address	4b. City, State	4c. Zip Code

5. This Statement refers to the original Financing Statement bearing file number: 970000074639-2, filed April 9, 1997.

6. A. Continuation - The original Financing Statement between the Debtor and Secured Party bearing the file number shown above is continued.
- B. Release - The Secured Party releases the collateral described in Block 7 below from the Financing Statement bearing the file number shown above. **RELEASE DOES NOT TERMINATE LIEN AGAINST DEBTOR.**
- C. Full Assignment - All of the Secured Party's rights under the Financing Statement have been assigned to the assignee whose name and address is shown in Block 7 below.
- D. Partial Assignment - Some of Secured Party's rights under the Financing Statement have been assigned to the assignee whose name and address is shown in Block 7. A description of the collateral subject to the assignment is also shown in Block 7.
- E. Amendment - The Financing Statement bearing the file number shown above is amended as set forth in Block 7. (See instructions for signature requirements.)
- F. Termination - The Secured Party no longer claims an interest under the Financing Statement bearing the file number shown above.
- G. Other -

7. Description of collateral released or assigned, Assignee name and address, or amendment. Use additional sheet(s) if necessary.

See Exhibit "A" attached hereto and made a part hereof.

8. Signature(s) of Debtor(s): (only if amendment - see instructions)	This space for use of Filing Officer
9. Signature(s) of Secured party(ies): SUNTRUST BANK, A GEORGIA BANKING CORPORATION, F/K/A SUN TRUST BANK, CENTRAL FLORIDA, NATIONAL ASSOCIATION, AS TRUSTEE By: _____ Name: M. Bruce Daiger Title: Vice President	
10. Number of Additional Sheets Presented: _____	
11. Return Copy to: Name: Barry J. Sobering, Attorney For Debtor Address: Sobering, White & Luczak, P.A. 201 S. Orange Avenue, Suite 1000 City, State, Zip: Orlando, FL 32801	

EXHIBIT "A"

Legal Description of Subject Property

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COMMENCE at the Southeast corner of said Lot 238, said corner being on the East line of said Section 10; Thence run $N89^{\circ}52'53''W$, along the South line of said Lot 238, a distance of 128.00 feet, to a line lying 25.00 feet West of, and parallel with, the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22, and the POINT OF BEGINNING;

Thence continue $N89^{\circ}52'53''W$, along the South line of said Lot 238, a distance of 260.12 feet; Thence run $N00^{\circ}07'07''E$, a distance of 100.00 feet; Thence run $N89^{\circ}52'53''W$, a distance of 230.00 feet; Thence run $N00^{\circ}07'07''E$, a distance 130.00 feet; Thence run $S89^{\circ}52'53''E$, a distance of 312.00 feet; Thence run $N86^{\circ}38'01''E$, a distance of 179.16 feet, to a line lying 25.00 feet West of and parallel with the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22; Thence run $S00^{\circ}16'47''W$, along said parallel line, a distance of 241.31 feet, to the POINT OF BEGINNING.

TOGETHER WITH AN EASEMENT FOR INGRESS AND EGRESS OVER THE FOLLOWING DESCRIBED PARCEL:

A parcel of land in Section 10, Township 36 South, Range 40 East, St. Lucie County, Florida, also being a portion of Lot 238 of White City Subdivision, as recorded in Plat Book 1, at Page 23, of the Public Records of St. Lucie County, Florida, said parcel is described as follows:

COMMENCE at the Southeast corner of said Lot 238, said corner being on the East line of said Section 10; Thence run $N89^{\circ}52'53''W$, along the South line of said Lot 238, a distance of 128.00 feet, to a line lying 25.00 feet West of, and parallel with, the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22; Thence run $N89^{\circ}52'53''W$, along the South line of said Lot 238, a distance of 260.12 feet; Thence run $N00^{\circ}07'07''E$, a distance of 100.00 feet; Thence run $N89^{\circ}52'53''W$, a distance of 230.00 feet; Thence run $N00^{\circ}07'07''E$, a distance of 130.00 feet; Thence run $S89^{\circ}52'53''E$, a distance of 312.00 feet to the POINT OF BEGINNING;

Thence run $N00^{\circ}07'07''E$, a distance of 119.34 feet, to a point on a curve concave to the Northwest, having a radius of 135.00 feet, from which a radial line bears $N26^{\circ}31'58''W$; Thence Northeasterly, along the arc of said curve, subtending a central angle of $18^{\circ}24'47''$, a distance of 43.38 feet; Thence $S44^{\circ}56'45''E$, on a line radial to the last described curve, a distance of 41.08 feet; Thence $S00^{\circ}15'47''W$, parallel with the aforesaid right-of-way line, a distance of 111.60 feet; thence run $N86^{\circ}36'01''W$, a distance of 63.91 feet, to the POINT OF BEGINNING.

Prepared by and Return to:
 BARRY J. SOBERING, ESQ.
 SOBERING, WHITE & LUCZAK, P.A.
 Attorneys for Florida Water
 201 S. Orange Avenue
 Suite 1000
 Orlando, FL 32801
 (407) 425-4305

PARTIAL RELEASE OF INDENTURE
(Company Order 38)

FOR GOOD AND VALUABLE CONSIDERATION, the receipt and sufficiency of which is hereby acknowledged, the undersigned, SUNTRUST BANK, A GEORGIA BANKING CORPORATION, f/k/a SUNTRUST BANK, CENTRAL FLORIDA, NATIONAL ASSOCIATION, as Trustee (the "Trustee"), as holder of that certain Indenture dated March 1, 1993, made by Southern States Utilities, Inc. n/k/a Florida Water Services Corporation ("Florida Water") and recorded as follows in the Official Records Books of a number of Florida counties, including the following:

	<u>O.R. Book</u>	<u>Page</u>
(1) St. Lucie County:	831	2693

as modified by:

(i) that certain First Supplemental Indenture dated as of March 1, 1993, and recorded in the Official Records Books of the following Florida county:

	<u>O.R. Book</u>	<u>Page</u>
(1) St. Lucie County:	835	2713

(ii) that certain Second Supplemental Indenture dated as of March 31, 1997, and recorded in the Official Records Books of the following Florida county:

	<u>O.R. Book</u>	<u>Page</u>
(1) St. Lucie County:	1069	1403

and (iii) that certain Third Supplemental Indenture dated as of May 28, 1997, and recorded in the Official Records Books of the following Florida county:

	<u>O.R. Book</u>	<u>Page</u>
(1) St. Lucie County:	1079	1194

(the Indenture described above, as modified, is referred to herein as the "Indenture"), hereby releases the following described real and personal property (the "Property") from the lien and encumbrance of said Indenture:

*Returned to: Box 34
 Grano + Halli*

JOANNE HOLMAN, CLERK OF THE CIRCUIT COURT - SAINT LUCIE COUNTY
 File Number: 1935797 OR BOOK 1415 PAGE 588
 Recorded: 07/18/01 14:22

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

This Partial Release of Indenture also releases Property from that certain UCC-1 Financing Statement recorded in Official Records Book 834, Page 1052, of the Public Records of St. Lucie County, Florida.


To have and to hold the same with the appurtenances unto Florida Water and Florida Water's heirs, successors and assigns, forever freed, exonerated and discharged of and from the lien of the Indenture.

Provided, however, that nothing contained herein shall (i) operate to impair, alter or diminish the effect, lien or encumbrance of the Indenture on the remaining property which is subject thereto and not expressly released hereby or (ii) impair, alter or diminish the rights and remedies of the Trustee under said Indenture.

IN WITNESS WHEREOF, the undersigned has executed this Partial Release of Indenture as of the 12 day of ~~June~~, 2001.
July

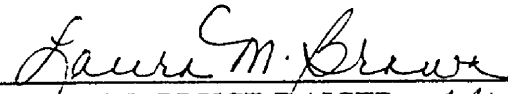
Attest:

SUNTRUST BANK, A GEORGIA
BANKING CORPORATION, f/k/a
SUNTRUST BANK, CENTRAL FLORIDA,
NATIONAL ASSOCIATION, as Trustee



Susan D. Tinsley

(Print Name)


By: 
Name: ~~M. BRUCE DAIGER~~ *LAURA M. BREWER*
Title: ~~Vice President~~ *CORPORATE TRUST OFFICER*
Address: 225 E. Robinson Street
Suite 250
Orlando, FL 32801

In the presence of:

Deanna Dawkins

(Witness)
DEANNA DAWKINS

(Print Name)



(Witness)
GLORIA REPP

(Print Name)

OR BOOK 1415 PAGE 589

STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing instrument was acknowledged before me, an officer duly authorized in the State and County aforesaid to administer oaths and to take acknowledgments, this 12th day of June, 2001, by ~~M. Bruce Daiger~~ ^{Laura Bean} as ~~Vice President~~ ^{ETB} of SUNTRUST BANK, A GEORGIA BANKING CORPORATION, f/k/a SUNTRUST BANK, CENTRAL FLORIDA, NATIONAL ASSOCIATION, as Trustee, on behalf of said bank, who is personally known to me or who has produced _____ as identification.

Andrea L. Lathrop
NOTARY PUBLIC

rel.38



Andrea L. Lathrop
MY COMMISSION # CC831145 EXPIRES
Apr. 28, 2003
BONDED THROUGH FAIN INSURANCE, INC

OR BOOK 1415 PAGE 590

EXHIBIT "A"

Legal Description of Subject Property

A parcel of land in Section 10, Township 36 South, Range 40 East, St. Lucie County, Florida, also being a portion of Lot 238 of White City Subdivision, as recorded in Plat Book 1, at Page 23, of the Public Records of St. Lucie County, Florida, said parcel is described as follows:

COMMENCE at the Southeast corner of said Lot 238, said corner being on the East line of said Section 10; Thence run N89°52'53"W, along the South line of said Lot 238, a distance of 128.00 feet, to a line lying 25.00 feet West of, and parallel with, the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22, and the POINT OF BEGINNING;

Thence continue N89°52'53"W, along the South line of said Lot 238, a distance of 260.12 feet; Thence run N00°07'07"E, a distance of 100.00 feet; Thence run N89°52'53"W, a distance of 230.00 feet; Thence run N00°07'07"E, a distance 130.00 feet; Thence run S89°52'53"E, a distance of 312.00 feet; Thence run N86°38'01"E, a distance of 179.16 feet, to a line lying 25.00 feet West of and parallel with the West right-of-way line of the North St. Lucie River Water Control District Canal No. 22; Thence run S00°16'47"W, along said parallel line, a distance of 241.31 feet, to the POINT OF BEGINNING.

TOGETHER WITH AN EASEMENT FOR INGRESS AND EGRESS OVER THE FOLLOWING DESCRIBED PARCEL:

A parcel of land in Section 10, Township 36 South, Range 40 East, St. Lucie County, Florida, also being a portion of Lot 238 of White City Subdivision, as recorded in Plat Book 1, at Page 23, of the Public Records of St. Lucie County, Florida, said parcel is described as follows:

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Thence run N00°07'07"E, a distance of 119.34 feet, to a point on a curve concave to the Northwest, having a radius of 135.00 feet, from which a radial line bears N26°31'58"W; Thence Northeasterly, along the arc of said curve, subtending a central angle of 18°24'47", a distance of 43.38 feet; Thence S44°56'45"E, on a line radial to the last described curve, a distance of 41.08 feet; Thence S00°15'47"W, parallel with the aforesaid right-of-way line, a distance of 111.60 feet; thence run N86°36'01"W, a distance of 63.91 feet, to the POINT OF BEGINNING.

DR BOOK 1415 PAGE 591

OWNER'S AFFIDAVIT

STATE OF FLORIDA)
).ss
COUNTY OF ORANGE)

THE UNDERSIGNED, JOHN L. TILLMAN, JR., as Senior Vice President, and on behalf of FLORIDA WATER SERVICES CORPORATION, a Florida corporation, hereinafter called Affiant, being duly sworn, says that:

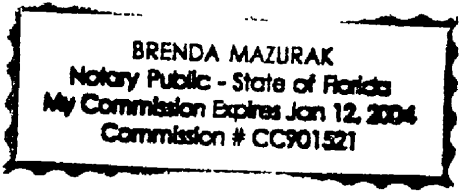
1. Affiant is the owner in fee simple lessee possessing a leasehold estate (circle one) on the following premises:
(See attached Exhibit A)
2. Affiant has present possession of all the premises subject to lessees or tenants in possession.
3. Affiant states further, that no work has been done or materials furnished to said premises, or any part thereof, or demolition of existing improvements conducted thereon, for the past six (6) months and that there are no outstanding claims for the furnishings of material or labor for the erection, construction, alteration or demolition of any building on the premises whereby the same are now or might become subject to mechanic's or other liens.
4. Affiant further represents that there are no public improvements affecting the property prior to the date of closing that would give rise to a special property tax assessment against the property after the date of closing.
5. Affiant is not currently in bankruptcy and has no intention of filing bankruptcy under the U.S. Code, and further represents to its knowledge that there are no pending proceedings or unsatisfied judgements of record, nor any tax liens filed against the Affiant. That if there are any judgments, bankruptcies, probate proceedings, state or federal tax liens of record against parties with same or similar names, they are not against Affiant.
6. Affiant agrees not to place of record any lien or encumbrance upon the above-mentioned property from the date hereof to the date of recordation of documents executed and delivered in connection with the above commitment.
7. Affiant is not a nonresident alien individual, foreign corporation, foreign partnership, foreign trust or foreign estate for purposes of United States federal income taxation.

SELLER:

FLORIDA WATER SERVICES CORPORATION, a Florida corporation

By: [Signature]
John L. Tillman, Jr., Senior Vice President

Subscribed and sworn to before me this 13th day of July, 2001.



Brenda Mazurak
Notary Public, State of Florida
Printed name: Brenda Mazurak
My commission expires: 1-12-04

EXHIBIT A

Legal Description of Subject Property

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SALE OF U.S. REAL PROPERTY BY FOREIGNERS
(ENTITY TRANSFEROR)

Section 1445 of the Internal Revenue Code provides that a transferee of a U. S. real property interest must withhold tax if the transferor is a foreign person. To inform the transferee that withholding of tax is not required upon the disposition of a U. S. real property interest by **FLORIDA WATER SERVICES CORPORATION**, a Florida corporation ("Seller"), the undersigned hereby certifies the following on behalf of Seller:

1. Seller is not a foreign corporation, foreign partnership, foreign trust, or foreign estate (as those terms are defined in the Internal Revenue Code and Income Tax Regulations);
2. Seller's U. S. employer identification number is 59-0948672; and
3. Seller's office address is address 1000 Color Place, Apopka, Florida 32703.

Seller understands that this certification may be disclosed to the Internal Revenue Service by the transferee and that any false statement contained herein could be punished by fine, imprisonment, or both.

Under penalties of perjury, I declare that I have examined this certification and to the best of my knowledge and belief, it is true, correct and complete, and I further declare that I have authority to sign this document on behalf of Seller.

Dated this 13th day of July, 2001.

Signed and delivered in the presence of:

WITNESSES:

SELLER:

Rachel L. Cowing

Rachel L. Cowing
Printed name

[Signature]

Bly J. McInerney
Printed name

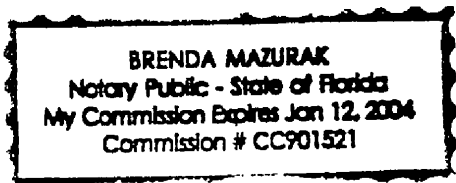
FLORIDA WATER SERVICES CORPORATION, a Florida corporation

By: [Signature]
John L. Tillman, Jr., Senior Vice President

STATE OF FLORIDA
COUNTY OF ORANGE

THE FOREGOING INSTRUMENT was acknowledged before me this 13th day of July, 2001, by JOHN L. TILLMAN, JR., as Senior Vice President, and on behalf of **FLORIDA WATER SERVICES CORPORATION**, a Florida corporation. He is personally known to me ~~or has~~ produced as identification.

WITNESS my hand and Notarial Seal at office this 13th day of July, 2001.



Brenda Mazurak
Notary Public, State of Florida
Printed name: Brenda Mazurak
My commission expires: 1-12-04

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FLORIDA DEPARTMENT OF REVENUE
RETURN FOR TRANSFERS OF INTEREST IN REAL PROPERTY
(PLEASE READ INSTRUCTIONS BEFORE COMPLETING)



Enter numbers as shown below.

If typing, enter numbers as shown below.

1. Parcel Identification Number
(If Parcel ID not available
please call County Property
Appraiser's Office) →

0 1 2 3 4 5 6 7 8 9

0123456789

340350203010007

2. Mark (x) all
that apply Multi-parcel
transaction? →

Transaction is a split
or cutout from
another parcel? →

Property was improved
with building(s) at time
of sale/transfer? X

3. Grantor (Seller):

Last First MI
1000 Color Place

Apopka FL

Corporate Name (if applicable)
32703 (407) 5984100

Mailing Address
Shacket

City
Maurice

State

Zip Code

Phone No.

4. Grantee (Buyer):

Last First MI
281 Tropical Isles Circle

Fort Pierce FL

Corporate Name (if applicable)
34982 (561) 4684968

Mailing Address

City

State

Zip Code

Phone No.

5. Date of Sale/Transfer

7 16 2001 \$
Month Day Year

Sale/Transfer Price

43000

. 00

Property Located In

66

County Code

(Round to the nearest dollar.)

6. Type of Document

Warranty Deed

Contract/Agreement
for Deed
Quit Claim
Deed

Other

(Round to the nearest dollar.)

7. Are any mortgages on the property? If "Yes",
outstanding mortgage balance:

\$

YES

NO

. 00

8. To the best of your knowledge, were there unusual circumstances or conditions to the sale/transfer
such as: Forced sale by court order? Foreclosure pending? Distress Sale? Title defects? Corrective Deed? Mineral rights?
Sale of a partial or undivided interest? Related to seller by blood or marriage.

YES X

NO

9. Was the sale/transfer financed? YES X NO

If "Yes", please indicate type or types of financing:

Conventional

Seller Provided

Agreement or
Contract for Deed

Other

10. Property Type:
Mark (x) all
that apply

Residential

Commercial

Industrial

Agricultural

Institutional/
Miscellaneous X

Government

Vacant

Acreage

Timeshare

11. To the best of your knowledge, was personal property
included in the sale/transfer? If "Yes", please state the
amount attributable to the personal property. (Round to the nearest dollar.)

YES

NO

\$

Cents

. 00

12. Amount of Documentary Stamp Tax →

\$

301.00

13. If no tax is due in number 12, is deed exempt from Documentary Stamp Tax under s. 201.02(6), Florida Statutes?

YES

NO

Under penalties of perjury, I declare that I have read the foregoing return and that the facts stated in it are true. If prepared by someone other than the taxpayer, his/her declaration is based on all information of which he/her has any knowledge.

Signature of Grantor or Grantee or Agent

Date

WARNING: FAILURE TO FILE THIS RETURN OR ALTERNATIVE FORM APPROVED BY THE DEPARTMENT OF REVENUE SHALL RESULT IN A PENALTY OF \$25.00 IN ADDITION TO ANY OTHER PENALTY IMPOSED BY THE REVENUE LAW OF FLORIDA.

To be completed by the Clerk of the Circuit Court's Office	Clerks Date Stamp
This copy to Department of Revenue	
O. R. Book	
and	
Page Number	
and	
File Number	
Date Recorded	
Month	Day
Year	

This copy to Department of Revenue

(13)



FLORIDA DEPARTMENT OF REVENUE
RETURN FOR TRANSFERS OF INTEREST IN REAL PROPERTY
(PLEASE READ INSTRUCTIONS BEFORE COMPLETING)



FDOR10210300
DR-219
R. 07/98

Enter numbers as shown below.

If typing, enter numbers as shown below.

1. Parcel Identification Number
(If Parcel ID not available
please call County Property
Appraiser's Office) →

0 1 2 3 4 5 6 7 8 9

0123456789

340350203010007

2. Mark (x) all
that apply Multi-parcel
transaction? →

Transaction is a split
or cutout from
another parcel? →

Property was improved
with building(s) at time
of sale/transfer? → X

3. Grantor (Seller):

Shacket

Maurice

Last First MI Corporate Name (if applicable)
281 Tropical Isles Circle Fort Pierce FL 34982 (561) 4634968
Mailing Address City State Zip Code Phone No
Tropical Isles Utilities Corporati

4. Grantee (Buyer):

Shacket

Maurice

Last First MI Corporate Name (if applicable)
281 Tropical Isles Circle Fort Pierce FL 34982 (561) 4634968
Mailing Address City State Zip Code Phone No

5. Date of Sale/Transfer

7 16 2001
Month Day Year

\$ 0
Year (Round to the nearest dollar.)

Sale/Transfer Price

0

. 00

Property Located In 66 County Code

6. Type of Document

Contract/Agreement for Deed X Other
Quit Claim Deed

7. Are any mortgages on the property? If "Yes",
outstanding mortgage balance:
(Round to the nearest dollar.) \$

YES X NO
. 00

8. To the best of your knowledge, were there unusual circumstances or conditions to the sale/transfer
such as: Forced sale by court order? Foreclosure pending? Distress Sale? Title defects? Corrective Deed? Mineral rights?
Sale of a partial or undivided interest? Related to seller by blood or marriage.

YES X NO

9. Was the sale/transfer financed? YES X NO

If "Yes", please indicate type or types of financing:

Conventional Seller Provided Agreement or Contract for Deed Other

10. Property Type:
Mark (x) all
that apply

Residential Commercial Industrial Agricultural Institutional/Miscellaneous Government Vacant Acreage Timeshare
X

11. To the best of your knowledge, was personal property
included in the sale/transfer? If "Yes", please state the
amount attributable to the personal property. (Round to the nearest dollar.)

YES X NO

\$ \$

0.70

Cents
. 00

12. Amount of Documentary Stamp Tax

13. If no tax is due in number 12, is deed exempt from Documentary Stamp Tax under s. 201.02(6), Florida Statutes?

YES X NO

Under penalties of perjury, I declare that I have read the foregoing return and that the facts stated in it are true. If prepared by someone other than the taxpayer, his/her declaration is based on all information of which he/her has any knowledge.

Signature of Grantor or Grantee or Agent _____ Date _____

WARNING: FAILURE TO FILE THIS RETURN OR ALTERNATIVE FORM APPROVED BY THE DEPARTMENT OF REVENUE SHALL RESULT IN A PENALTY OF \$25 PER DAY IN ADDITION TO ANY OTHER PENALTY IMPOSED BY THE REVENUE LAW OF FLORIDA.

To be completed by the Clerk of the Circuit Court's Office

Clerks Date Stamp

This copy to Department of Revenue

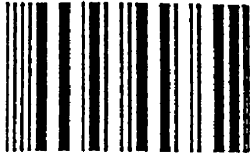
C. R. Book
and
Page Number
and
File Number

Grid for recording information: C. R. Book, Page Number, File Number, Date Recorded

Date Recorded

Month Day Year

This copy to Department of Revenue



FLORIDA DEPARTMENT OF REVENUE
RETURN FOR TRANSFERS OF INTEREST IN REAL PROPERTY
 (PLEASE READ INSTRUCTIONS BEFORE COMPLETING)



FDOR 10240000
 DR-219
 R. 07/98

Use black ink. Enter numbers as shown below. If typing, enter numbers as shown below.

0 1 2 3 4 5 6 7 8 9 0 1 2 3 4 5 6 7 8 9

1. Parcel Identification Number
 (If Parcel ID not available
 please call County Property
 Appraiser's Office) →

340350203010007

2. Mark (x) all that apply

Multi-parcel transaction?

Transaction is a split or cutout from another parcel?

Property was improved with building(s) at time of sale/transfer?

3. Grantor (Seller):

Shacket Maurice

Last First MI Corporate Name (if applicable)

281 Tropical Isles Circle Fort Pierce FL 34982 5614684968

Mailing Address City State Zip Code Phone No.

4. Grantee (Buyer):

Last First MI Corporate Name (if applicable)

281 Tropical Isles Circle Fort Pierce FL 34982 5614684968

Mailing Address City State Zip Code Phone No.

5. Date of Sale/Transfer

7 / 16 / 2001
 Month Day Year

Sale/Transfer Price

\$ 0000000000 . 00
 (Round to the nearest dollar.)

Property Located in St. Lucie

6. Type of Document

Contract/Agreement for Deed
 Other
 Warranty Deed
 Quit Claim Deed

7. Are any mortgages on the property? If "Yes", outstanding mortgage balance:

YES / NO

(Round to the nearest dollar.) \$ 0000000000 . 00

8. To the best of your knowledge, were there unusual circumstances or conditions to the sale/transfer

such as: Forced sale by court order? Foreclosure pending? Distress Sale? Title defects? Corrective Deed? Mineral rights? Sale of a partial or undivided interest? Related to seller by blood or marriage.

YES / NO

9. Was the sale/transfer financed? YES / NO If "Yes", please indicate type or types of financing:

Conventional Seller Provided Agreement or Contract for Deed Other

10. Property Type:

Residential Commercial Industrial Agricultural Institutional/Miscellaneous Government Vacant Acreage Timeshare

Mark (x) all that apply

11. To the best of your knowledge, was personal property included in the sale/transfer? If "Yes", please state the amount attributable to the personal property. (Round to the nearest dollar.)

YES / NO

\$ 0000000000 . 00 Cents

12. Amount of Documentary Stamp Tax →

\$ 0000000000 . 70

13. If no tax is due in number 12, is deed exempt from Documentary Stamp Tax under s. 201.02(6), Florida Statutes?

YES / NO

Under penalties of perjury, I declare that I have read the foregoing return and that the facts stated in it are true. If prepared by someone other than the taxpayer, his/her declaration is based on all information of which he/her has any knowledge.

Signature of Grantor or Grantee or Agent _____ Date _____

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To be completed by the Clerk of the Circuit Court's Office	Clerks Date Stamp
This copy to Property Appraiser	
O. R. Book and Page Number and File Number	
Date Received	

This copy to Property Appraiser

(140)

State of Florida



Department of State

I certify from the records of this office that FLORIDA WATER SERVICES CORPORATION, is a corporation organized under the laws of the State of Florida, filed on November 22, 1961.

The document number of this corporation is 253383.

I further certify that said corporation has paid all fees due this office through December 31, 2001, that its most recent annual report/uniform business report was filed on May 1, 2001, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

JOANNE HOLMAN, CLERK OF THE CIRCUIT COURT - SAINT LUCIE COUNTY
File Number: 1935794 OR BOOK 1415 PAGE 581
Recorded: 07/18/01 14:22

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Eleventh day of July, 2001



CR2EO22 (1-99)

Katherine Harris

Katherine Harris
Secretary of State

*Return to Box 34
Gonard + Harris*

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Amendment, filed on December 24, 1996, for SOUTHERN STATES UTILITIES, INC. changing its name to FLORIDA WATER RESOURCES CORPORATION, a corporation organized under the laws of the State of Florida, as shown by the records of this office.

The document number of this corporation is 253383.

JOANNE HOLMAN, CLERK OF THE CIRCUIT COURT - SAINT LUCIE COUNTY
File Number: 1935795 OR BOOK 1415 PAGE 582
Recorded:07/18/01 14:22

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Sixteenth day of July, 2001



CR2EO22 (1-99)

*Revised - book 1415
Genane + Holly*

Katherine Harris

Katherine Harris
Secretary of State

ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
SOUTHERN STATES UTILITIES, INC.

TALLAHASSEE, FLORIDA

96 FEB 21, PM 12: 39

FILED

The Undersigned, John Cirello, President and Brian P. Armstrong, Secretary of Southern States Utilities, Inc., a Florida Corporation (the "Corporation"), for and on behalf of the Corporation, hereby execute these Articles of Amendment to the Articles of Incorporation of the Corporation:

Article I: The name of the Corporation is Southern States Utilities, Inc.

Article II: Article I of the Articles of Incorporation of the Corporation is amended and restated as follows:

Article I.


The name of this Corporation shall be:
"Florida Water Resources Corporation".

Article III: The Amendment to the Articles of Incorporation of the Corporation reflected in Article II hereof was duly adopted by the sole shareholder of the Corporation by written consent, executed on February 1, 1996, in accordance with Section 607.0704 of the Florida General Corporation Act, such written consent being sufficient for approval.


Article IV: These Articles of Amendment shall be effective upon filing with the Florida Department of State.

DR BOOK 1415 PAGE 583

IN WITNESS WHEREOF, the undersigned, John Cirello, President, and Brian P. Armstrong, Secretary of the Corporation, have hereunto set their hands this 19th day of December, 1996.



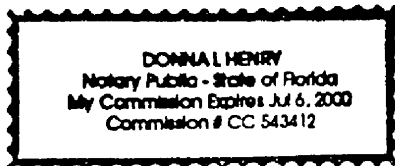
John Cirello, President

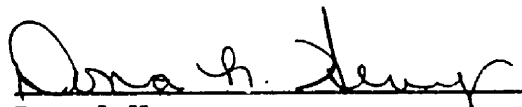


Brian P. Armstrong, Secretary

State of Florida)
County of Orange)

The foregoing instrument was acknowledged before me this 19th day of December, 1996, by John Cirello, President, and Brian P. Armstrong, Secretary, of Southern States Utilities, Inc., a Florida corporation, on behalf of the corporation. They are personally known to me and did take an oath.





Donna L. Henry
Notary Public, State of Florida at Large
Commission Number CC543412
My Commission Expires 7/6/00

DR BOOK 1415 PAGE 584

14c

State of Florida



Department of State

I certify the attached is a true and correct copy of the Articles of Amendment, filed on January 2, 1997, for FLORIDA WATER RESOURCES CORPORATION changing its name to FLORIDA WATER SERVICES CORPORATION, a corporation organized under the laws of the State of Florida, as shown by the records of this office.

The document number of this corporation is 253383.

JOANNE HOLMAN, CLERK OF THE CIRCUIT COURT - SAINT LUCIE COUNTY
File Number: 1935796 OR BOOK 1415 PAGE 585
Recorded: 07/18/01 14:22

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Sixteenth day of July, 2001



CR2EO22 (1-99)

Katherine Harris

Katherine Harris
Secretary of State

*Return to 100-234
Cecilia Harris*

ARTICLES OF AMENDMENT
TO
ARTICLES OF INCORPORATION
OF
FLORIDA WATER RESOURCES CORPORATION

FILED
97 JAN -2 PM 3:24
SECRETARY OF STATE
TALLAHASSEE, FLORIDA

The Undersigned, Brian P. Armstrong, Secretary of Florida Water Resources Corporation., a Florida Corporation (the "Corporation"), for and on behalf of the Corporation, hereby execute these Articles of Amendment to the Articles of Incorporation of the Corporation:

Article I: The name of the Corporation is Florida Water Resources Corporation.

Article II: Article I of the Articles of Incorporation of the Corporation is amended and restated as follows:

Article I.

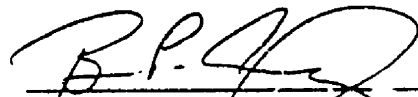
The name of this Corporation shall be:
"Florida Water Services Corporation".

Article III: The Amendment to the Articles of Incorporation of the Corporation reflected in Article II hereof was duly adopted by the sole shareholder of the Corporation by written consent, executed on December 19, 1996, in accordance with Section 607.0704 of the Florida General Corporation Act, such written consent being sufficient for approval.

Article IV: These Articles of Amendment shall be effective upon filing with the Florida Department of State.

OR BOOK 1415 PAGE 586

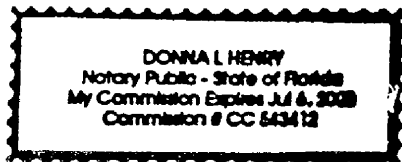
IN WITNESS WHEREOF, the undersigned, Brian P. Armstrong, Secretary of the Corporation, have hereunto set their hands this 31st day of December, 1996.

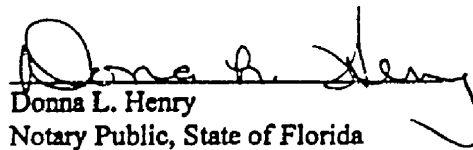


Brian P. Armstrong, Secretary

State of Florida
County of Orange

The foregoing instrument was acknowledged before me this 31st day of December, 1996, Brian P. Armstrong, Secretary, of Florida Water Resources Corporation, a Florida corporation, on behalf of the corporation. He is personally known to me and did take an oath.





Donna L. Henry
Notary Public, State of Florida
Commission No. CC543412
My Commission Expires: 7-6-00

OR BOOK 1415 PAGE 587

122

CERTIFICATE OF INCUMBENCY

I, Kirk D. Martin, hereby certify that I am the Assistant Secretary of FLORIDA WATER SERVICES CORPORATION, a Florida corporation, and as such, that the following individuals have been duly appointed or elected to the offices of Florida Water Services Corporation which are set forth opposite their names and that they hold these offices as of the date of this certificate:

<u>NAME</u>	<u>OFFICE</u>
John Cirello	Chairman, President, Chief Executive Officer
Eric Teittinen	Sr. Vice President-Operations, Maintenance and Engineering
John L. Tillman, Jr.	Sr. Vice President-Business Development and Customer Relations
Lester Abberger	Sr. Vice President-Public and Corporate Affairs
James A. Perry	Sr. Vice President-Finance and Administration, Chief Financial Officer, Registered Agent
Frederick W. Leonhardt	Sr. Vice President-Legal, Secretary, General Counsel
Forrest L. Ludsen	Sr. Vice President-Rates and Regulatory Affairs
Tracy L. Smith	Vice President-Public Affairs
Jose N. Albors	Vice President-Health and Safety
Mercedes I. Guzman	Vice President-Human Resources
Ida Roberts	Vice President-Communications
Ying C. Lee	Vice President-Engineering

Stephen D. Jensen

Treasurer

Brian S. Bilinski

Controller

Nancy E. Norris

Assistant Controller

Kirk D. Martin

Assistant Secretary

I hereby further certify that the directors of Florida Water Services Corporation, as of the date of this certificate, are:

John Cirello

John L. Tillman, Jr.

James A. Perry

David Gartzke

WITNESS my hand and seal of Florida Water Services Corporation on this the 27th day of JUNE, 2001.

FLORIDA WATER SERVICES
CORPORATION, a Florida corporation

By: 

Name: Kirk D. Martin

Title: Assistant Secretary

[SEAL]

Florida Water Services Corporation
Consent Action of the Board of Directors
Taken as of June 21, 2001


The undersigned, constituting all of the members of the Board of Directors of Florida Water Services Corporation, a Florida corporation (the "Company"); acting pursuant to Section 607.0821, Florida Statutes, and other applicable statutes, do hereby adopt the resolutions hereinafter set forth in the same force and effect as if said resolutions were duly adopted at a meeting of the Board of Directors duly called and held for that purpose, to wit:

RESOLVED, that the Company is hereby authorized (1) to enter into that certain "Agreement for Purchase and Sale" by and among Florida Water Services Corporation (the "Seller") and Tropical Isles Utilities Corporation and Tropical Isles Mobile Home Park (collectively the "Buyer") dated by the Seller as of June 21, 2001, (the "Purchase Agreement") and (2) sell to Buyer the assets comprising the "Purchased Assets" (as defined in such Purchase Agreement);

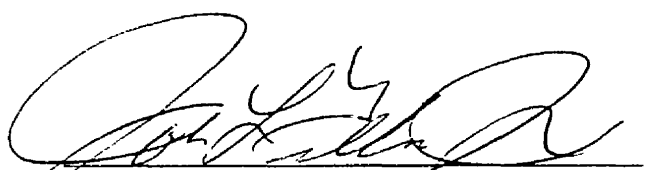
FURTHER RESOLVED, that any officer of the Company is hereby authorized and directed to execute and deliver the Purchase Agreement, warranty deed, bill of sale, closing statement, title and owner's affidavits, escrow agreements, and such other documents, agreements, affidavits and certificates as may be contemplated by or required under the Purchase Agreement and to take such other further action and to do and perform all such acts and things as may be necessary or appropriate in his or her judgement in order to consummate and give effect to the transactions authorized pursuant to the Purchase Agreement and foregoing resolutions.

FURTHER RESOLVED, that facsimile signatures be sufficient evidence of the due execution and consent hereto and that this instrument may be executed in counterparts, which taken together, shall be deemed to be one and the same instrument.

IN WITNESS WHEREOF, the undersigned, approve and adopt the foregoing action this 21st day of June, 2001.



John Cirello



John L. Tillman, Jr.



James A. Perry

David Gartzke

Constituting all of the members of the Board of Directors of
Florida Water Services Corporation.

**Florida Water Services Corporation
Consent Action of the Board of Directors
Taken as of June 21, 2001**

The undersigned, constituting all of the members of the Board of Directors of Florida Water Services Corporation, a Florida corporation (the "Company"), acting pursuant to Section 607.0821, Florida Statutes, and other applicable statutes, do hereby adopt the resolutions hereinafter set forth in the same force and effect as if said resolutions were duly adopted at a meeting of the Board of Directors duly called and held for that purpose, to wit:

RESOLVED, that the Company is hereby authorized (1) to enter into that certain "Agreement for Purchase and Sale" by and among Florida Water Services Corporation (the "Seller") and Tropical Isles Utilities Corporation and Tropical Isles Mobile Home Park (collectively the "Buyer") dated by the Seller as of June 21, 2001, (the "Purchase Agreement") and (2) sell to Buyer the assets comprising the "Purchased Assets" (as defined in such Purchase Agreement);

FURTHER RESOLVED, that any officer of the Company is hereby authorized and directed to execute and deliver the Purchase Agreement, warranty deed, bill of sale, closing statement, title and owner's affidavits, escrow agreements, and such other documents, agreements, affidavits and certificates as may be contemplated by or required under the Purchase Agreement and to take such other further action and to do and perform all such acts and things as may be necessary or appropriate in his or her judgement in order to consummate and give effect to the transactions authorized pursuant to the Purchase Agreement and foregoing resolutions.

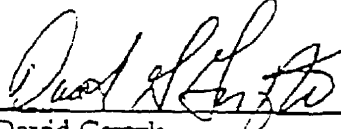
FURTHER RESOLVED, that facsimile signatures be sufficient evidence of the due execution and consent hereto and that this instrument may be executed in counterparts, which taken together, shall be deemed to be one and the same instrument.

IN WITNESS WHEREOF, the undersigned, approve and adopt the foregoing action this 21st day of June, 2001.

John Cirello

John L. Tillman, Jr.

James A. Perry



David Gartzke

Constituting all of the members of the Board of Directors of
Florida Water Services Corporation.



FLORIDA DEPARTMENT OF STATE
Katherine Harris
Secretary of State

July 16, 2001

GONANO & HARRELL
ATTN: VALERIE M. CANANT
1600 S. FEDERAL HIGHWAY, STE 200
FORT PIERCE, FL 34950-5194

Pursuant to your recent inquiry, we are enclosing the certification you requested.

Should you have any questions regarding this matter you may contact our office at (850) 245-6053.

Gary Blankenbaker
Certification Section

Letter No. 501A00041593

04/13/01

CORPORATE DETAIL RECORD SCREEN

4:28 PM

NUM: N00000004497 ST:FL ACTIVE/FL NON-PROF FLD: 07/13/2000

LI#: NOT APPLICABLE

NAME : TROPICAL ISLES UTILITIES CORPORATION

PRINCIPAL: 281 TROPICAL ISLES CIRCLE

ADDRESS FT PIERCE, FL 34982

NAME : BRACKET, ROGER

ADDR : 281 TROPICAL ISLES CIRCLE

FT PIERCE, FL 34982

NUM REF :

2001) A 04/12/01

MENU, 3. OFFICERS, 7. LIST, 8. NEXT, 9. PREV

ENTER SELECTION AND CR:

State of Florida



Department of State

I certify from the records of this office that TROPICAL ISLES UTILITIES CORPORATION, is a corporation organized under the laws of the State of Florida, filed on July 3, 2000.

The document number of this corporation is N00000004497.

I further certify that said corporation has paid all fees due this office through December 31, 2001, that its most recent annual report/uniform business report was filed on April 12, 2001, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Sixteenth day of July, 2001



CP2E032 1-99

Katherine Harris

Katherine Harris
Secretary of State

7/13/01 CORPORATE DETAIL RECORD SCREEN 4:19 PM
 CM: 253383 ST:FL ACTIVE/FL PROFIT FLD: 11/22/1961
 AST: NAME CHANGE AMENDMENT FLD: 01/02/1997
 EI#: 59-0948672
 NAME : FLORIDA WATER SERVICES CORPORATION
 I: 2
 PRINCIPAL: 1000 COLOR PLACE CHANGED: 03/16/97
 ADDRESS APOPKA, FL 32703
 MAILING : P.O. BOX 609520 CHANGED: 05/05/97
 ADDRESS ORLANDO, FL 32860-9520 US
 NAME : PERRY, JAMES A NAME CHG: 04/28/00
 ADDR : 1000 COLOR PLACE ADDR CHG: 04/28/00
 APOPKA, FL 32703 US
 IN REP : (1999) AN 06/08/99 (2000) I 04/28/00 (2001) A 05/01/01

7/13/01 EVENT DETAIL SCREEN 4:29 PM
 DRP NUMBER: 253383 CORP STATUS: ACTIVE
 FILED DATE : 11/22/1961
 DRP NAME : FLORIDA WATER SERVICES CORPORATION

EVENT TYPE	FILED DATE	EFFECTIVE DATE	DESCRIPTION
NAME CHANGE AMENDMENT	01/02/1997		OLD NAME WAS : FLORIDA WATER RESOURCES CORPORATION
NAME CHANGE AMENDMENT	12/24/1996		OLD NAME WAS : SOUTHERN STATES UTILITIES, INC.
CORPORATE MERGER	04/01/1993		MERGING : 280186 MERGED INTO : 253383

< MORE EVENTS >

7/13/01 EVENT DETAIL SCREEN 4:29 PM
 DRP NUMBER: 253383 CORP STATUS: ACTIVE
 FILED DATE : 11/22/1961
 DRP NAME : FLORIDA WATER SERVICES CORPORATION

EVENT TYPE	FILED DATE	EFFECTIVE DATE	DESCRIPTION

NEXT, 1. MENU, 2. FILING, 3. OFFICERS, 4. TOP, 5. NOTFS, 6. NAMES
LIST, 8. NEXT BY LIST, 9. PREV BY LIST

ENTER SELECTION AND CR:

7/13/01 EVENT DETAIL SCREEN 4:28 PM
CORP NUMBER: 253383 CORP STATUS: ACTIVE
FILED DATE : 11/22/1961
CORP NAME : FLORIDA WATER SERVICES CORPORATION

EVENT TYPE	FILED DATE	EFFECTIVE DATE	DESCRIPTION
AMENDMENT	10/19/1988		
AMENDMENT	10/19/1988		
AMENDMENT	10/19/1988		
AMENDMENT	10/17/1988		
AMENDMENT	12/21/1987		

7/13/01 NOTES DETAIL SCREEN 4:29 PM
CORP NUMBER: 253383 CORP NAME: FLORIDA WATER SERVICES CORPORATION

FILED: 04/01/1992
ARTICLES OF MERGER FILED MERGING VENICE GARDENS
UTILITY CORPORATION (227092) INTO THE ABOVE CORP
ORPORATION.

FILED: 04/01/1992
ARTICLES OF MERGER FILED MERGING UNITED FLORIDA
UTILITIES CORPORATION (663662) AND SOUTHERN STAT
UTILITY SERVICES, INC. (F65219) INTO THE ABOVE
CORPORATION.

FILED: 07/15/1992
ARTICLES OF MERGER FILED MERGING DELTONA UTILITI
, INC. A FLA CORP. (584258) INTO THE ABOVE
REGISTERED AGENT IS TOM C. KRAVITZ

REGISTERED OFFICE IS 10921 E. BROADVIEW DR., MIAMI
EACH, FL

NEXT, - PREV, 1. MENU, 2. FILING, 3. OFFICERS, 4. EVENTS, 5. TOP, 6. NAMES
LIST, 8. NEXT BY LIST, 9. PREV BY LIST

ENTER SELECTION AND CR:

State of Florida



Department of State

I certify from the records of this office that FLORIDA WATER SERVICES CORPORATION, is a corporation organized under the laws of the State of Florida, filed on November 22, 1961.

The document number of this corporation is 253383.

I further certify that said corporation has paid all fees due this office through December 31, 2001, that its most recent annual report/uniform business report was filed on May 1, 2001, and its status is active.

I further certify that said corporation has not filed Articles of Dissolution.

Given under my hand and the
Great Seal of the State of Florida
at Tallahassee, the Capitol, this the
Sixteenth day of July, 2001



DR2ED22 (1-99)

Katherine Harris

Katherine Harris
Secretary of State

CERTIFICATE OF CORPORATE OFFICER

The undersigned, being the President of Tropical Isles Utilities Corporation, a Florida not-for-profit corporation ("Corporation"), hereby certifies as follows:

- 1. I am the duly elected President of the Corporation. and in such capacity I am duly authorized to execute and deliver this Certificate on behalf of the Corporation.
2. I am familiar with the books and records of the Corporation, and in particular with the records of meetings of members and meetings of the Board of Directors.
3. As of the date of this Certificate, the Corporation is in good standing within the State of Florida.
4. As of the date of this Certificate, the following individuals are the incumbent officers and directors of the Corporation, authorized to execute documents by and on behalf of the corporation to effectuate transactions duly authorized by the Board of Directors:

Table with 2 columns: Office, Name. Rows include President and Director (Roger Shacket), Vice President and Director (Louis G. McGough), and Secretary/Treasurer and Director (Donna M. Nickel).

IN WITNESS WHEREOF, I have set my hand and the seal of the Corporation this 13th day of July, 2001.

Handwritten signature of Roger Shacket, President of Tropical Isles Utilities Corporation.

STATE OF FLORIDA
COUNTY OF ST. LUCIE

The foregoing instrument was acknowledged before me this 13th day of July, 2001, by Roger Shacket, as President of Tropical Isles Utilities Corporation, on behalf of the corporation. She is [X] personally known to me, or [] has produced [] as identification and [] did [] did not take an oath.

[Notary Seal] Valerie M. Canant
MY COMMISSION # CC803088 EXPIRES April 4, 2003
BONDED TO RUTROY FAIN INSURANCE INC

Handwritten signature of Valerie M. Canant, Notary Public-State of Florida. Print Name: VALERIE M CANANT. My commission expires

**CORPORATE RESOLUTION BY CONSENT
(RATIFYING AGREEMENT FOR PURCHASE AND SALE
AND AUTHORIZING CORPORATE BORROWING)**

The undersigned, being the Directors of Tropical Isles Utilities Corporation, a Florida not-for-profit corporation, pursuant to Section 617.0821 of the Florida Not For Profit Corporation Act, hereby consent to and ratify the following resolution:

RESOLVED, that it is in the best interest of the Corporation to accept, ratify, and authorize, and the Corporation does hereby accept, ratify, and authorize, that Agreement for Purchase and Sale by and among the Corporation and Tropical Isles Mobile Home Park, a Florida general partnership, as Buyer, and Florida Water Services Corporation, a Florida corporation, as Seller, executed on or about June 21, 2001 ("Agreement"), and providing for the purchase and sale of those certain assets, facilities, and properties used in the collection and treatment of domestic wastewater from the mobile home park located in St. Lucie County, Florida, and known as Tropical Isles Mobile Park (such assets, facilities, and properties hereinafter referred to as the "System").

FURTHER RESOLVED, that it is in the best interest of the Corporation to execute and deliver, and the Corporation does hereby authorize execution and delivery of, a promissory note, chattel mortgage, financing statement, and other related documents to evidence and secure a loan in the amount of \$65,000.00 from such lender or lenders, and upon such terms and conditions, as the Board of Directors shall deem appropriate ("Loan"), for the purpose of (a) purchasing the System as provided in the Agreement and (b) commencing operations of the System for the benefit of the Members of the Corporation.

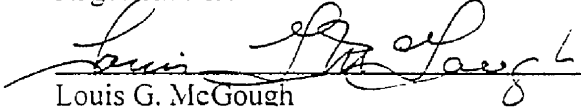
FURTHER RESOLVED, that the Directors, Officers, attorneys, and other agents of the Corporation are hereby authorized to do all acts and things required of them by the Agreement, the Loan, and this Resolution or desirable or consistent with the requirements of the Agreement, the Loan, and this Resolution, for the full, punctual, and complete performance of the terms, covenants, and agreements contained therein and herein, and each Director, Officer, attorney, and agent of the Corporation is hereby authorized and directed to execute and deliver any and all papers and instruments and to be and caused to be done any and all acts and things necessary or proper for carrying out the transactions contemplated under the Agreement, the Loan, and this Resolution.

FURTHER RESOLVED, that facsimile signatures shall be sufficient evidence of the due execution of and consent to this Resolution, which may be executed in counterparts that, when taken together, shall each constitute an original.

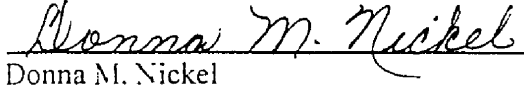
DATED this 17th day of July, 2001.



Roger Shackel



Louis G. McGough



Donna M. Nickel

**CORPORATE RESOLUTION BY CONSENT
(ADOPTING OPERATING POLICIES AND PROCEDURES
AND FORM OF WASTEWATER SERVICE AGREEMENT)**


The undersigned, being the Directors of Tropical Isles Utilities Corporation, a Florida not-for-profit corporation, pursuant to Section 617.0821 of the Florida Not For Profit Corporation Act, hereby consent to and ratify the following resolution:

RESOLVED, that it is in the best interest of the Corporation to adopt and authorize, and the Corporation does hereby adopt and authorize, Operating Policies and Procedures for the Corporation's operation of the assets, facilities, and properties used in the collection and treatment of domestic wastewater from that certain mobile home park located in St. Lucie County, Florida, and known as Tropical Isles Mobile Home Park (such assets, facilities, and properties hereinafter referred to as the "System").


FURTHER RESOLVED, that it is in the best interest of the Corporation to adopt and authorize, and the Corporation does hereby adopt and authorize, a form of Wastewater Service Agreement to be executed between the Corporation and each Member as a user of the System.

FURTHER RESOLVED, that facsimile signatures shall be sufficient evidence of the due execution of and consent to this Resolution, which may be executed in counterparts that, when taken together, shall each constitute an original.

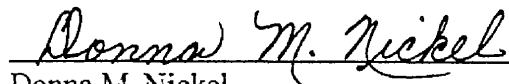
DATED this 13th day of July, 2001.



Roger Shacket



Louis G. McGough



Donna M. Nickel

A true copy of each of the following documents referred to in the foregoing Resolution by Consent is appended hereto:

- Operating Policies and Procedures of the System
- Form of Wastewater Service Agreement

OPERATING POLICIES AND PROCEDURES
OF TROPICAL ISLES UTILITIES CORPORATION
WASTEWATER UTILITY SYSTEM

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SECTION 4	SCHEDULE OF RATES, FEES, AND CHARGES
SECTION 5	GENERAL
SECTION 6	APPLICATION FOR SERVICE-WASTEWATER SERVICE AGREEMENT
SECTION 7	WITHHOLDING SERVICE
SECTION 8	LIMITATIONS OF USE
SECTION 9	UNAUTHORIZED CONNECTION OR USE
SECTION 10	MEMBER DEPOSITS
SECTION 11	MONTHLY CHARGES
SECTION 12	DELINQUENT CHARGES; PROCEDURES FOR CONTESTING CHARGES
SECTION 13	ADJUSTMENT OF CHARGES
SECTION 14	ACCESS TO PREMISES
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SECTION 18	RESUMPTION OF SERVICE
SECTION 19	CONTINUITY OF SERVICE
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SECTION 21	DAMAGING, TAMPERING WITH, OR ALTERING UTILITY FACILITIES
SECTION 22	TERMINATION OF SERVICE
SECTION 23	AMENDMENTS TO RATE SCHEDULES

SECTION 1. DEFINITIONS: Each of the following terms and phrases, when used in these policies, shall have the meaning ascribed to it in this section, except where the context clearly indicates a different meaning. Words used in the present tense shall include the future, and the singular number includes the plural, and the plural the singular.

A. AFPI (Allowance for Funds Prudently Invested): The charge representing the carrying costs associated with the excess capacity of the Utility System that will not be used until future customers connect for service. The AFPI charge is a one-time charge based on the number of ERC's of demand. It is applicable to all future Members prior to connection to the Utility System.

B. COMMERCIAL: Any type of structure that is primarily constructed for business use as differentiated from residential use, including hotels and motels used by customers on a transient basis.

C. CONNECTION CHARGES: Those charges of the Utility required to be paid by a Member as a condition precedent to the interconnection of the Utility System with a Member's property.

D. MEMBER: Any person, firm, association, corporation, governmental agency, or similar organization supplied with the availability of wastewater service by the Utility.

E. MEMBER INSTALLATION: All pipes, fixtures, and appurtenances of any kind and nature used in connection with or forming a part of an installation for using wastewater services for any purpose and located on the Member's side of the "point of delivery," whether such installation is owned outright by a Member or by contract, lease, or otherwise.

F. EASEMENTS: Rights of ingress and egress, dedications, rights of way, conveyances, and other property interests necessary or incidental to the installation, extension, repair, maintenance, construction, or reconstruction of the Utility System or any component of the Utility System, over or upon a Member's property.

G. ERC (Equivalent Residential Connection): Two Hundred Eighty (280) gallons per day of wastewater, calculated based on average daily consumption over a thirty (30) day period.

H. MAIN: Any pipe, conduit, or other facility installed to convey wastewater service from individual laterals or to other mains.

I. "MAY" AND "SHALL": As used in these policies, the word "may" is permissive, and the word "shall" is mandatory.

J. OFF-SITE FACILITIES: Those components of wastewater collection facilities located outside a Member's property and connected with facilities of the Utility.

K. ON SITE FACILITIES: Those components of the wastewater collection facilities located upon a Member's property.

L. PENALTY DATE: The date, approximately twenty (20) days after the due date, at which time a penalty charge is levied for late payment of wastewater service charges.

M. POINT OF DELIVERY: The point where the Utility's pipes are connected with the pipes of the Member. Unless otherwise indicated, the point of delivery for wastewater service shall be at the upstream connection of the clean-out that is placed at or about a public right-of-way or

utility easement. In the absence of a clean-out, the point of delivery is at the wastewater lateral connection to the wastewater main of the Utility.

N. PROPERTY: The land or improvements upon land of which the Member is owner or over which the Member has control either by contract or possessory interest sufficient to authorize the Member to make application for service, or adjacent right-of-way that services the land or site being developed. The Utility may require proof of such interest prior to the furnishing of service by requiring that a copy of the applicable instrument of conveyance, warranty deed, or contract, or an appropriate verified statement, be provided with the application for service.

O. RATE SCHEDULE: The schedule or schedules of rates or charges for the particular classification of service.

P. RESIDENTIAL: Type of structure, including a mobile or manufactured home, single family home, or other unit, that is primarily constructed for use by an individual or family as a residence.

Q. SERVICE: All wastewater utilities required by the Member and the readiness and ability on the part of the Utility to furnish wastewater services to the Member.

R. SERVICE OR LATERAL LINES: Those pipes of the Utility that connect to the Member's lines.

S. UTILITY: The Tropical Isles Utilities Corporation, a Florida not for profit corporation organized and existing under the Florida Not for Profit Corporation Act, Chapter 617, Florida Statutes, for the purpose of acquiring, maintaining, and operating the Utility System.

T. UTILITY SYSTEM: The Utility's wastewater collection, treatment, and disposal system that provides wastewater service to Tropical Isles Mobile Home Park and certain adjacent properties, and any and all component parts of that system.

SECTION 2. PURPOSE: The purpose of these Policies is to establish uniform, nondiscriminatory, and comprehensive rates, fees, charges, and operating policies for the Utility to provide wastewater service to the Members and to generate sufficient revenue from those Members benefitting from receiving wastewater service to pay operating expenses and debt service requirements of the Utility System.

SECTION 3. TIME OF PAYMENT; DELINQUENCY. The wastewater user fees are due and payable monthly in accordance with the payment procedures of the Utility.

A. Except as provided in paragraph B of this Section 3, no bill shall be rendered for wastewater service. A base wastewater service charge accrues each monthly period, which period begins on the sixteenth (16th) day of the calendar month and ends on the fifteenth (15th) day of the

following month. Each Member shall be responsible for ascertaining the amount due and paying all monthly base charges on or before the first day of the next monthly period, as directed by the Utility. The payment schedule for monthly base charges for wastewater service is set forth below.

B. In addition to the monthly base wastewater charge, any Member whose wastewater flow exceeds one ERC (8,400 gallons per month, as measured by inflow of potable water to the Member's property) shall be subject to a wastewater commodity charge for each 1,000 gallons of flow in excess of one ERC. The Utility shall render a bill for any such commodity charges, which bill shall be due and payable within twenty (20) days of the due date shown thereon. All such bills are considered past due and delinquent after twenty (20) days, and are then subject to penalty and interest charges.

C. Monthly base charges not paid by the fifth (5th) day of the calendar month following the monthly period for which service has been rendered ("penalty date") become delinquent. The penalty date for each monthly service period is noted in the payment schedule set forth below. Nonpayment prior to the penalty date will result in penalty and interest charges being levied.

D. If charges become delinquent, wastewater service may then, after five (5) days' written notice to the Member, be discontinued in the manner provided in Section 22. Service will be resumed only upon payment of all past due bills, penalties, and interest, together with a reconnection charge.

E. There shall be no liability of any kind against the Utility by reason of discontinuance of wastewater service to the Member for failure of the Member to pay service charges on time. No partial payment of service charges will be accepted by the Utility except by prior agreement with the Utility.

PAYMENT SCHEDULE FOR MONTHLY BASE CHARGES		
Service Period	Due Date	Penalty Date
January 16 - February 15	February 16	March 5
February 16 - March 15	March 16	April 5
March 16 - April 15	April 16	May 5
April 16 - May 15	May 16	June 5
May 16 - June 15	June 16	July 5
June 16 - July 15	July 16	August 5
July 16 - August 15	August 16	September 5
August 16 - September 15	September 16	October 5
September 16 - October 15	October 16	November 5
October 16 - November 15	November 16	December 5
November 16 - December 15	December 16	January 5
December 16 - January 15	January 16	February 5

SECTION 4. SCHEDULE OF RATES, FEES, AND CHARGES. The rates, fees, and charges to be paid for the wastewater service shall be as follows:

- A. Wastewater Fees (Residential and Commercial)
 - 1. Monthly Base Charge for Wastewater per ERC \$ 34.00
 - 2. Wastewater commodity charge per 1,000 gallons in excess of 8,400 gallons per month \$ 3.00
- B. Wastewater AFPI (Allowance for Funds Prudently Invested) fees per ERC \$ -0-
- C. Deposit for Wastewater Service per ERC \$ -0-
- D. Initial Connection Fee per ERC \$ -0-
- E. Miscellaneous Service Charges
 - 1. Normal Reconnection \$ -0-

2.	Violation Reconnection (during business hours)	\$ <u>25.00</u>
3.	Violation Reconnection (after hours)	\$ <u>50.00</u>
4.	Penalty Late Charge	10% of out- s t a n d i n g balance due after penalty date
5.	Interest on Delinquent/Past Due Charges	5% per month on outstanding balance due after penalty date

SECTION 5. NONDISCRIMINATION: These policies apply without modification or change to each and every Member to whom the Utility renders service.

SECTION 6. APPLICATION FOR SERVICE - WASTEWATER SERVICE AGREEMENT: Service shall be furnished only an applicant presenting a signed wastewater service agreement accepted by the Utility and the conditions of such agreement shall be binding upon the Member as well as upon the Utility. To obtain service, application shall be made to the Utility in the place or places designated. Applications shall be accepted by the Utility with the understanding that there is no obligation on the part of the Utility to render service other than that which is then available from its existing wastewater collection, transmission, and treatment facilities. The applicant shall furnish to the Utility at the time of making application the name of the applicant, the ownership or other interest in or to the property or location, and the legal description or street address at which service is to be rendered. Application for service required by firms, partnerships, associations, corporations, and others shall be tendered only by duly authorized parties. When service is rendered under agreement or agreements entered into between the Utility and an agent of the principal, the use of such service by the principal shall constitute full and complete ratification by the principal of the agreement or agreements entered into between the Utility and an agent of the principal under which such service is rendered.

SECTION 7. WITHHOLDING SERVICE: The Utility may withhold service to a Member who makes application for service at or upon a location for which prior service has not been paid in full to the date of such application. It shall be the responsibility of the applicant to make inquiry as to the delinquent status of the account and to bring the account current as a condition precedent to continuation of service. The Utility shall maintain current records of outstanding accounts and shall make such information available to the public at its offices during normal business hours. Service may also be withheld for service installations that are not complete or are not in compliance with requirements of the Utility.

SECTION 8. LIMITATIONS OF USE: Utility service purchased from the Utility shall be used by the Member only for the purpose specified in the wastewater service agreement. The Member shall not sell or otherwise dispose of such utility service supplied by the Utility without authorization from the Utility to do so. In no case shall a Member, except with the written consent of the Utility, extend wastewater lines across a street, alley, lane, court, property line, avenue, or other public thoroughfare or right of way in order to furnish utility service for adjacent property even though such adjacent property is owned or controlled by such Member.

SECTION 9. UNAUTHORIZED CONNECTION OR USE: No person, without written consent of the Utility, shall tap any pipe or main that is a part of the Utility System for the purpose of connecting to the Utility System, or for any other purpose. Connections to the Utility System for any purpose whatsoever are to be made only as authorized by the Utility. In case of any unauthorized interconnection, extension, sale, or disposition of utility service, the Member's utility service shall be subject to discontinuance until such unauthorized use or disposition is discontinued and full payment is made for such device, calculated on proper classification and rate schedules plus penalties and reimbursement in full made to the Utility for any extra expenses incurred by the Utility as the result of such unauthorized use, including administrative costs, testing, inspections, and court costs. In addition, unauthorized use may result in appropriate criminal prosecution by the Utility.

SECTION 10. MEMBER DEPOSITS: Before rendering service, a deposit to secure the payment of bills and any expenses incurred by the Utility may be required and, upon payment, the Utility shall give the Member a non-negotiable and non-transferable deposit receipt. Any such deposit, if required, shall bear no interest and shall remain with the Utility until termination of service. Deposits shall be made in accordance with the rate schedules of the Utility in effect at the time of payment. The Utility may require a deposit from the owner or person otherwise in possession and control of the property to be serviced. Upon final settlement of a Member's account, any deposit shall be applied by the Utility to any account balance due and any remaining balance of the deposit will be refunded upon surrender to the Utility of the applicable deposit receipt or when the receipt cannot be produced, upon adequate identification. The Utility may require additional deposits for Members whose services have been previously disconnected due to nonpayment as a condition to continued service.

SECTION 11. MONTHLY CHARGES: No bill shall be rendered for wastewater service except at the direction of the Board of Directors. All monthly charges are considered past due if not received by the 20th day of the following month and are then subject to penalty and interest charges. No partial payment of monthly charges will be accepted by the Utility unless authorized in writing indicating the reason, such as a contested charge or hardship.

SECTION 12. DELINQUENT CHARGES: PROCEDURES FOR CONTESTING CHARGES: All charges for utility services shall be deemed delinquent if not paid by the penalty date. Any Member contesting any charge shall first present the matter to the Utility with a statement of explanation or contest in writing prior to the charge becoming delinquent. If the matter is not then resolved, the Utility shall, within seven (7) days, forward the disputed charge and written statement

to the Board of Directors or to a committee established by the Board to hear such matters. Notice shall be given to the aggrieved Member at least seven (7) days prior to the scheduled hearing by mailing written notice to the address that appears on the Member's wastewater service agreement, or by personal service by leaving a copy of the notice at such address either by delivery to any person upon the premises, by posting in a conspicuous place on or about the main entrance, or by placing the notice in any receptacle used on the premises for the deposit of mail. Refusal by any Member to accept service of notice of the hearing shall be noted upon the notice when returned, and shall be deemed a waiver by the Member of the opportunity for the hearing provided in this section, in which case the Utility's determination shall be final. The hearing shall be conducted during normal business hours, or the panel and the aggrieved Member may agree to a time that is mutually convenient to all. All utility charges shall be paid on or before the due date to avoid discontinuance of service. If during the hearing process an adjustment to the charges is made, a refund to the Member shall be rendered either by check or as a credit to the Member's active account within seven (7) days as determined by the Utility.

SECTION 13. ADJUSTMENT OF CHARGES: When a Member is determined by the Utility to have been overcharged or undercharged as a result of incorrect application of rate schedule fees and charges, the amount so determined may be credited or billed to the Member, as the case may be. The adjustment shall be accomplished over a period not to exceed ninety (90) days, unless otherwise directed by the Utility and so noted on the account.

SECTION 14. ACCESS TO PREMISES: As a condition to providing service, the Member shall grant to the Utility or its authorized agents or employees access to the Member's property during all reasonable hours and, in the event of an emergency, at any time, for the purposes of maintaining, inspecting, repairing, installing, or removing the Utility's property, and for any other purpose incident to performance under or termination of any agreement with a Member or such Member's predecessor in interest or use of the facilities or services made accessible to the Utility by the Member or to be relocated by the Utility.

SECTION 15. INSPECTIONS OF MEMBER'S INSTALLATION: The Utility reserves the right to inspect and approve any Member installation prior to providing service and from time to time thereafter to ensure compliance with applicable laws, rules of the Utility, and rules and regulations affecting such installation. No change or increase in any Member installation that will materially affect proper operation of the Utility System shall be made by a Member without the express written consent of the Utility. The Member shall be responsible for the cost of making changes or repairs resulting from any unauthorized alteration, and the Utility may require payment or reimbursement of such costs as a condition to continued service.

SECTION 16. PROTECTION OF UTILITY PROPERTY: In the event of any damage to Utility property located upon the Member's property that arises out of any act of the Member or the Member's agents, employees, or independent contractors upon the premises, the cost of repairs or replacement shall be the responsibility of the Member, and full payment or reimbursement to the Utility of such costs may be a condition imposed by the Utility for the continuation of service.

SECTION 17. CHANGE OF OCCUPANCY; TERMINATION OR TRANSFER OF SERVICE: It shall be the obligation of the Member to notify the Utility of any change of occupancy, or other circumstance for which termination or transfer of service is requested, and the Member shall be responsible for all service charges incurred to the date upon which written or personal notification is received by the Utility, after which the Utility shall have a reasonable time not to exceed seventy-two (72) hours in which to discontinue service. Member deposits shall be applied to balances due as provided in these policies. Insufficiency of deposits to cover delinquencies or final charges upon termination of service at any location shall, as to any applicant for service at such location, be governed by Section 7 (Withholding Service) above. As a convenience to Members, the Utility will accept telephone notice to discontinue or transfer service, provided written confirmation is given to the Utility within seventy-two (72) hours after telephone notice.

SECTION 18. RESUMPTION OF SERVICE: After termination or discontinuance of service as provided in these policies, the Utility may require as a condition precedent to service resumption payment in full and/or adequate security in the form of additional deposits to cover all costs reasonably incurred by the Utility as the result of such termination or discontinuance, including any reconnection fees, inspection costs, or other costs incident to reconnection in accordance with the Utility's schedule of fees and costs for such services then in effect.

SECTION 19. CONTINUITY OF SERVICE: The Utility will at all times use reasonable diligence to provide continuous service and, having used reasonable diligence, shall not be liable to the Member for failure or interruption of continuous service. The Utility shall not be liable for any act or omission caused directly or indirectly by strikes, labor troubles, accident, litigations, breakdowns, shutdowns for repairs or adjustments, acts of sabotage, enemies of the United States, wars, governmental interference, acts of God or other causes beyond its control.

SECTION 20. MAINTENANCE AND STANDARDS: All pipes, conduits, or other component parts of service installed in or upon the premises of a Member shall conform to the Utility's standards of type, quality, quantity, and regulations regarding installation. The Member shall be responsible for maintaining all on-site facilities in proper repair, and shall not alter or modify any interconnection of service without first notifying the Utility and securing approval in writing or by permission from an authorized representative of the Utility. Unauthorized alteration or modification of any on-site utility service interconnection may result in immediate termination of the affected service and repair or restoration by the Utility or at its direction at the Member's cost.

SECTION 21. DAMAGING, TAMPERING WITH, OR ALTERING UTILITY FACILITIES: No person shall damage or knowingly cause to be damaged any pipe or fitting connected with or belonging to the Utility, or tamper or meddle with any appliance or any part of the Utility System in such a manner as to cause loss or damage to the Utility.

SECTION 22. TERMINATION OF SERVICE: All utility service shall be pursuant to proper permit or application, which procedure accords the Utility the opportunity to provide for orderly operation of facilities in a manner calculated to ensure continuous service to all Members. Inherent

in this obligation is the prerogative of necessity to terminate use that is adverse to the continuous, orderly, and uninterrupted operation and maintenance of the Utility System. Accordingly, the Utility reserves the right by unilateral act in its sole discretion to refuse service, or to terminate service temporarily, or to discontinue service in all instances when conditions exist that would constitute an emergency of public concern, or when the providing of any service would constitute a threat to the safety, health, or welfare of Members generally or a significant portion of the Member population.

A. When discontinuance or termination of service can be remedied by an act of the Member, the Utility shall provide notice of remedial action to the Member in order that service may be continued without interruption. Prior to any termination of service as provided in this subsection A, the Utility shall provide written notice to the Member at least five (5) days in advance of the proposed termination and disconnection. Acts considered to be remedial by the Member, and for which service may be temporarily terminated, discontinued, or interrupted, are the following:

- (1) Failure to pay required deposits for service.
- (2) Failure of the Member to meet provisions of agreements with the Utility.
- (3) Failure to correct deficiencies in piping or other components upon the Member's property after reasonable notice of such deficiencies.
- (4) Use of service for any other property or purpose than described in the wastewater service agreement.
- (5) When requested by a Member, in which case resumption of service shall be accomplished in accordance with Utility policy as herein provided.

B. The Utility reserves the right by unilateral act in its sole discretion to refuse service, terminate service temporarily, or to discontinue service without notice under the following circumstances:

- (1) Causing, or allowing to exist, a hazardous condition with respect to the location, use of, or access to any utility service or component.
- (2) Alteration or modification of any component or device used in providing any utility service to the Member. Any such unauthorized use, if fraudulent, may result in criminal prosecution, and may result in restitution of revenue lost to the Utility as a condition to restoration of service, including costs of repair or restoration of any component to normal service condition, as shall be determined by the Utility.
- (3) Total or partial destruction of, or abandonment of, any structure, including any vacancy for a duration that, in the Utility's opinion, may create a hazardous or unsafe condition or constitute a nuisance.

SECTION 23: AMENDMENTS TO RATE SCHEDULE: The rate schedules and charges of the Utility may be amended from time to time by rule of the Board of Directors upon notice to the Members.

Name(s): _____

Address: _____

Phone: (____) _____

Account No.: _____

WASTEWATER SERVICE AGREEMENT

This agreement is entered by and between Tropical Isles Utilities Corporation, a nonprofit corporation organized and existing under and by virtue of the laws of the State of Florida, hereinafter called the Utility, and _____ a member of the Utility, hereinafter called the Member.

Whereas, the Member desires to purchase wastewater service for his or her own use from the Utility, and to enter into a Wastewater Service Agreement as required by the Bylaws of the Utility.

Now, therefore, in consideration of the mutual covenants, promises, and agreements herein contained, it is hereby understood and agreed:

1. The Utility shall furnish, subject to the limitations hereinafter provided for, such quantity of wastewater service as the Member may desire in connection with his or her occupancy of the property listed herein.

2. The Member shall maintain at his or her own expense, a wastewater transmission line that shall begin at the Member's side of the Utility's collection system and extend to the dwelling and other portion of the Member's premises.

3. The Member's wastewater transmission line shall connect with the collection system of the Utility at the nearest place of desired use by the Member, provided the Utility has determined in advance that it is appropriate to connect at that location and the Utility is of sufficient capacity to permit collection of wastewater at that point.

4. The Member shall pay for such wastewater service at such rates, time, and place as shall be determined by the Utility, and shall at all times abide by the operating policies and procedures adopted by the Utility, as amended from time to time.

5. The Member, upon paying the connection fees and deposits to the Utility for wastewater service, will be obligated to pay a minimum monthly charge, also referred to as a base facility charge, from the date of this Agreement, together (when applicable) with a commodity charge at rates per gallon of wastewater or other appropriate basis as established by the Utility. Any member who fails to comply with the service and payment obligations shall be deemed in default of this Agreement.

6. The Utility shall have final jurisdiction in any question of location of any service line connection to its wastewater system and shall determine the allocation of wastewater service for the Members.

7. Except as provided in Paragraph 8 below, no bill shall be rendered for wastewater service. A base wastewater service charge accrues each monthly period, which period begins on the sixteenth (16th) day of the calendar month and ends on the fifteenth (15th) day of the following month. Each Member shall be responsible for ascertaining the amount due and paying all monthly base charges on or before the first day of the next monthly period, as directed by the Utility. (For example, charges due for the period January 16 through February 15 are due on February 16; see the payment schedule set forth below.)

8. In addition to the monthly base wastewater charge, any Member whose wastewater flow exceeds one ERC (8,400 gallons per month, as measured by inflow of potable water to the Member's property) shall be subject to a wastewater commodity charge for each 1,000 gallons of flow in excess of one ERC. The Utility shall render a bill for any such commodity charges, which bill shall be due and payable within twenty (20) days of the due date shown thereon. All such bills are considered past due and delinquent after twenty (20) days, and are then subject to penalty and interest charges.

9. The failure of a Member to pay wastewater charges duly imposed shall result in the automatic imposition of the following penalties:

A. Nonpayment prior to the fifth (5th) day of the calendar month following the monthly period for which service has been rendered ("penalty date") will result in penalty and interest charges being levied (see the payment schedule set forth below).

B. Nonpayment of delinquent or past due charges within five (5) days of written notice of intention to terminate for nonpayment will result in termination of wastewater service and disconnection from the wastewater system.

C. If terminated for nonpayment, service will be resumed only upon payment of all past due charges, penalties, and interest, together with a violation reconnection charge.

PAYMENT SCHEDULE FOR MONTHLY BASE CHARGES		
Service Period	Due Date	Penalty Date
January 16 - February 15	February 16	March 5
February 16 - March 15	March 16	April 5
March 16 - April 15	April 16	May 5
April 16 - May 15	May 16	June 5
May 16 - June 15	June 16	July 5
June 16 - July 15	July 16	August 5
July 16 - August 15	August 16	September 5
August 16 - September 15	September 16	October 5
September 16 - October 15	October 16	November 5
October 16 - November 15	November 16	December 5
November 16 - December 15	December 16	January 5
December 16 - January 15	January 16	February 5

Account No.: _____

Member Name(s): _____

Mailing Address: _____

Phone No: (____) _____

Contact Person: _____ Phone No: (____) _____
(if different than above)

Service Address: _____

I hereby acknowledge the above information to be correct.

Member Signature(s): _____

Date: _____

For office use only

Transmission line installation (check one):

Preinstalled - no charge

Installation charge

\$ -0-

Connection Fees:

\$ -0-

Deposits:

\$ -0-

CLOSING STATEMENT

SELLER: Florida Water Services Corporation
BUYERS: Tropical Isles Utilities Corporation
 Maurice Shacket and Neil Spizizen (land only)
DATE: July 16, 2001
PROPERTY: Tropical Isles Mobile Home Park Sewer System
CLOSING AGENT: Gonano & Harrell

	<u>Charge</u>	<u>Credit</u>
Purchase Price	\$43,000.00	
Deposit (held by Gonano & Harrell)		\$ 6,500.00
Accounts Receivable	\$ 9,383.53	
2001 Real Estate Taxes (\$361.58 x 197/365)	_____	\$ <u>195.25</u>
Subtotal	\$52,383.53	\$ 6,695.25
Amount due Seller at Closing	_____	<u>\$45,688.28</u>
TOTAL	<u>\$52,383.53</u>	<u>\$52,383.53</u>

SELLER'S CHARGES

Clerk of Circuit Court of St. Lucie County
for Recording:

- | | | |
|----|-------------------------------|---------|
| a. | Certificate of Status (1 p.) | \$ 6.00 |
| b. | Articles of Amendment (3 pp.) | 15.00 |
| c. | Articles of Amendment (3 pp.) | 15.00 |
| d. | Release of Indenture (4 pp.) | 19.50 |

Secretary of State for filing

- | | | |
|----|---------------------------------|----------|
| a. | UCC-3 as to 1993 filing (2 pp.) | \$ 28.00 |
| b. | UCC-3 as to 1997 filing (2 pp.) | 28.00 |

Escrow of receivables held by Gonano & Harrell* \$ 9,383.53

Escrow for generator interphase at Plant held
by Gonano & Harrell** \$ 1,000.00

TOTAL

\$10,495.03

BUYER'S CHARGES

Clerk of Circuit Court of St. Lucie County for

a.	Documentary Stamps on Deed	\$ 301.00
b.	Documentary Stamps on Easement	\$ 0.70
c.	Recording Deed (3 pp.)	\$ 15.00
d.	Recording Easement (3 pp.)	\$ 15.00
e.	Recording Assmt. of Easmts. (2 pp.)	\$ 10.50

TOTAL

\$ 342.20

RECONCILIATION

	<u>SELLER</u>		<u>BUYERS</u>
Amount due Seller	\$45,688.28	Amount due from Buyers	\$45,688.28
Plus: Deposit	\$ 6,500.00	Plus: Buyer's Charges	\$ 342.20
Less: Seller's Charges	<u>(\$10,495.03)</u>		<u> </u>
Amount Paid Seller	<u>\$41,693.25</u>	Amount Due from Buyer	<u>\$46,030.48</u>

*Amount held in escrow shall be disbursed to Seller by escrow agent upon receipt of summaries from Buyer at 30 and 60 days after closing, respectively, evidencing amount of paid receivables. Any amount remaining in escrow 60 days after closing because the corresponding receivable remains unpaid shall be disbursed to Buyer.

**Amount held in escrow shall be disbursed to pay invoices from qualified electrical contractors for installation of generator interphase ("plug up") for plant blowers, on instructions signed by Seller and Buyer in form attached. Any amount not disbursed 60 days after closing shall be disbursed to Seller.

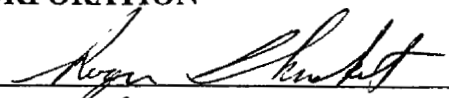
SELLER

BUYERS

FLORIDA WATER SERVICES CORPORATION

TROPICAL ISLES UTILITIES CORPORATION

By: _____
John L. Tillman, Jr.
Senior Vice President

By:  _____
Name: ROGER SHACKETT
Title: PRESIDENT

MAURICE SHACKETT

NEIL SPIZIZEN

ESCROW DISBURSEMENT INSTRUCTIONS

To: Gonano & Harrell, Escrow Agent under that certain Escrow established at Closing on July 16, 2001, of Purchase and Sale of Tropical Isles Mobile Home Park Sewer System

Re: Installation of Generator Interphase for Plant Blowers

You are instructed to disburse the funds held in accordance with the above Escrow as follows:

Electrical Contractor: _____	\$ _____
Florida Water Services Corporation	\$ _____
Total Disbursements	\$ 1,000.00
Escrowed Funds	\$ <u>1,000.00</u>
Balance Remaining	-0-

FLORIDA WATER SERVICES CORPORATION

TROPICAL ISLES UTILITIES CORPORATION

By: _____
John L. Tillman, Jr.
Senior Vice President

By: _____
Name: _____
Title: _____

BUYER'S CHARGES

Clerk of Circuit Court of St. Lucie County for		
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d.	Recording Easement (3 pp.)	\$ 15.00
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TOTAL

\$ 342.20

RECONCILIATION

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Plus: Deposit	\$ 6,500.00	Plus: Buyer's Charges	\$ 342.20
Less: Seller's Charges	<u>(\$10,495.03)</u>		<hr/>
Amount Paid Seller	<u>\$41,593.25</u>	Amount Due from Buyer	<u>\$46,030.48</u>

*Amount held in escrow shall be disbursed to Seller by escrow agent upon receipt of summaries from Buyer at 30 and 60 days after closing, respectively, evidencing amount of paid receivables. Any amount remaining in escrow 60 days after closing because the corresponding receivable remains unpaid shall be disbursed to Buyer.

**Amount held in escrow shall be disbursed to pay invoices from qualified electrical contractors for installation of generator interphase ("plug up") for plant blowers, on instructions signed by Seller and Buyer in form attached. Any amount not disbursed 60 days after closing shall be disbursed to Seller.

SELLER

BUYERS

FLORIDA WATER SERVICES CORPORATION

TROPICAL ISLES UTILITIES CORPORATION

By: *Frederick W. Leonhardt*
 Frederick W. Leonhardt
 Sr. Vice President and
General Counsel

By: _____
 Name: _____
 Title: _____

MAURICE SHACKET

NEIL SPIZIZEN

16-3

#16
(counterpart 3)

BUYER'S CHARGES

Clerk of Circuit Court of St. Lucie County for

- a. Documentary Stamps on Deed \$ 301.00
- b. Documentary Stamps on Easement \$ 0.70
- c. Recording Deed (3 pp.) \$ 15.00
- d. Recording Easement (3 pp.) \$ 15.00
- e. Recording Assmt. of Easmts. (2 pp.) \$ 10.50

TOTAL **\$ 342.20**

RECONCILIATION

	<u>SELLER</u>		<u>BUYERS</u>
Amount due Seller	\$45,688.28	Amount due from Buyers	\$45,688.28
Plus: Deposit	\$ 6,500.00	Plus: Buyer's Charges	\$ 342.20
Less: Seller's Charges	<u>(\$10,495.03)</u>		<hr/>
Amount Paid Seller	<u>\$41,693.25</u>	Amount Due from Buyer	<u>\$46,030.48</u>

*Amount held in escrow shall be disbursed to Seller by escrow agent upon receipt of summaries from Buyer at 30 and 60 days after closing, respectively, evidencing amount of paid receivables. Any amount remaining in escrow 60 days after closing because the corresponding receivable remains unpaid shall be disbursed to Buyer.

**Amount held in escrow shall be disbursed to pay invoices from qualified electrical contractors for installation of generator interphase ("plug up") for plant blowers, on instructions signed by Seller and Buyer in form attached. Any amount not disbursed 60 days after closing shall be disbursed to Seller.

SELLER

BUYERS

FLORIDA WATER SERVICES CORPORATION

TROPICAL ISLES UTILITIES CORPORATION

By: _____
John L. Tillman, Jr.
Senior Vice President

By: _____
Name: _____
Title: _____

MAURICE SHACKEL

NEIL SPIZIZEN

BUYER'S CHARGES

Clerk of Circuit Court of St. Lucie County for		
a.	Documentary Stamps on Deed	\$ 301.00
b.	Documentary Stamps on Easement	\$ 0.70
c.	Recording Deed (3 pp.)	\$ 15.00
d.	Recording Easement (3 pp.)	\$ 15.00
e.	Recording Assmt. of Easmts. (2 pp.)	\$ 10.50

TOTAL \$ 342.20

RECONCILIATION

<u>SELLER</u>		<u>BUYERS</u>	
Amount due Seller	\$45,688.28	Amount due from Buyers	\$45,688.28
Plus: Deposit	\$ 6,500.00	Plus: Buyer's Charges	\$ 342.20
Less: Seller's Charges	(<u>\$10,495.03</u>)		<hr/>
Amount Paid Seller	<u>\$41,693.25</u>	Amount Due from Buyer	<u>\$46,030.48</u>

*Amount held in escrow shall be disbursed to Seller by escrow agent upon receipt of summaries from Buyer at 30 and 60 days after closing, respectively, evidencing amount of paid receivables. Any amount remaining in escrow 60 days after closing because the corresponding receivable remains unpaid shall be disbursed to Buyer.

**Amount held in escrow shall be disbursed to pay invoices from qualified electrical contractors for installation of generator interphase ("plug up") for plant blowers, on instructions signed by Seller and Buyer in form attached. Any amount not disbursed 60 days after closing shall be disbursed to Seller.

SELLER

BUYERS

FLORIDA WATER SERVICES CORPORATION

TROPICAL ISLES UTILITIES CORPORATION

By: _____
John L. Tillman, Jr.
Senior Vice President

By: _____
Name: _____
Title: _____

MAURICE SHACKET

NEIL SPETZERN

SALE AND PURCHASE OF TROPICAL ISLES WASTEWATER PLANT

Transaction: Sale and Purchase among Florida Water Services Corporation, a Florida corporation ("FWS"), Tropical Isles Utilities Corporation, a Florida-not-for profit corporation ("TIUC"), and Maurice Shacket and Neil Spizizen, as tenants-in-common, doing business as Tropical Isles Mobile Home Park ("TIMHP"), of the wastewater plant and attendant assets and facilities ("System") that serve Tropical Isles Mobile Home Park ("Park")

Closing Date: July 16, 2001

RECEIPTS AND DISBURSEMENTS

Receipts:

Deposit (Daniel B. Harrell, P.A., Trust Account)	\$ 6,500.00
Due from Buyer	<u>\$46,030.48</u>
Total Receipts	<u>\$52,530.48</u>

Disbursements:

Clerk of Circuit Court		
a.	Recording Certificate of Status	\$ 6.00
b.	Recording Articles of Amendment	15.00
c.	Recording Articles of Amendment	15.00
d.	Recording Release of Indenture	19.50
e.	Documentary Stamp Tax on Deed	301.00
f.	Documentary Stamps on Easement	0.70
g.	Recording Deed	15.00
h.	Recording Easement	15.00
i.	Recording Assmt. of Easmts.	10.50
	Total	\$ 397.70

Secretary of State		
a.	UCC-3 filing 1993	\$ 28.00
b.	UCC-3 filing 1997	<u>28.00</u>
	Total	\$ 56.00

Escrows (Daniel B. Harrell, P.A., Trust Account)		
a.	Receivables	\$9,383.53
b.	Interphase	<u>1,000.00</u>
	Total	\$ 10,383.53

Paid to Seller	<u>\$41,693.25</u>
Total Disbursements	<u>\$52,530.48</u>

THE BACK OF THIS DOCUMENT HAS AN ARTIFICIAL WATERMARK PRINTED IN A SPECIAL WHITE INK.

OFFICIAL CHECK

HOLD THE DOCUMENT AT A SMALL ANGLE TO SEE THIS SECURITY FEATURE.

FT. PIERCE, WESTSIDE

201198465

Issued by **SB** BR# 00698

Purchase **TROPICAL ISLES UTILITIES CORP. ******

Date **JUL 16, 2001**

Pay to the order of **DANIEL B. HARRELL P.A. TRUST ACCT. ******* \$ *******46,030.48**

Forty six thousand thirty and 48/100***** Dollars



DRAWER: FIRST UNION NATIONAL BANK

William J. Morrison Jr.

Authorized Signature

Issued by Integrated Payment Systems Inc., Englewood, Colorado
KeyBank National Association, Denver, Colorado

10/0/002



201198465

THE VARIATION IN BACKGROUND AREA OF THIS DOCUMENT CHANGES COLOR GRADUALLY AND SMOOTHLY FROM DARKER TONES AT BOTH TOP AND BOTTOM TO THE LIGHTER TONE IN THE MIDDLE.

DANIEL B. HARRELL, P.A.
IOTA TRUST ACCOUNT
1600 S. FEDERAL HWY. STE 200
FT. PIERCE, FL 34950

5001

63-1114/670 006

July 18, 2001 DATE

PAY TO THE ORDER OF JoAnne Holman, Clerk

\$ 397.70

Three Hundred Ninety Seven and 70/100s

DOLLARS

RIVERSIDE
NATIONAL BANK
MEMBER FEDERAL RESERVE SYSTEM
1600 S. FEDERAL HWY. STE 200
FT. PIERCE, FL 34950
Shacket 1070-002

FOR

5001

© HARLAND

DANIEL B. HARRELL, P.A.
IOTA TRUST ACCOUNT
1600 S. FEDERAL HWY. STE 200
FT. PIERCE, FL 34950

5002

63-1114/670 006

July 18, 2001 DATE

PAY TO THE ORDER OF Florida Department of State

\$ 56.00

Fifty-Six and no/100s

DOLLARS

RIVERSIDE
NATIONAL BANK
MEMBER FEDERAL RESERVE SYSTEM
1600 S. FEDERAL HWY. STE 200
FT. PIERCE, FL 34950

FOR Shacket 1070-002 Record UCC-3s

5002

© HARLAND

DANIEL B. HARRELL, P.A.
IOTA TRUST ACCOUNT
1600 S. FEDERAL HWY. STE 200
FT. PIERCE, FL 34950

5003

63-1114/670 006

July 18, 2001 DATE

PAY TO THE ORDER OF Florida Water Services Corporation

\$ 41,693.25

Forty-One Thousand Six Hundred Ninety-Three and 25/100s

DOLLARS

RIVERSIDE
NATIONAL BANK
MEMBER FEDERAL RESERVE SYSTEM
1600 S. FEDERAL HWY. STE 200
FT. PIERCE, FL 34950
Shacket 1070-002

FOR Proceeds of Sale (Tropic: Isles Ut.)

5003

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