

1 BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

2 DOCKET NO. 021215-WS

3 MAD HATTER UTILITY, INC.

4 APPLICATION FOR AMENDMENT OF CERTIFICATES

5 NOS. 340-W AND 297-S IN PASCO COUNTY

6 PREFILED DIRECT TESTIMONY OF LARRY G. DELUCENAY

7 Q Please state your name and address.

8 A My name is Larry G. DeLucenay, and my address is 1900
9 Land O'Lakes Boulevard, Suite 107, Lutz, Florida 33549.

10 Q By whom are you employed and in what capacity?

11 A I am employed by Mad Hatter Utility, Inc (MHU). I am the
12 company's president and have held that position since the
13 Utility's inception in early 1978.

14 Q What are your duties and responsibilities?

15 A I am responsible for all aspects of the day to day
16 operation of the Utility for its technical operation, to
17 management and handling regulatory matters before the
18 PSC, such as this certificate extension application in
19 coordination with our attorneys and consultants.

20 Q What is your experience in the water and wastewater
21 utility industry?

22 A I have extensive experience in this area and have
23 operated this Utility since its creation and consolida-
24 tion under its current name in 1978. I have attached
25 hereto, a resume of my background and experience, as

1 Exhibit LGD-1.

2 Q Was the application of MHU for amendment of water and
3 wastewater certificates prepared by you or under your
4 direct supervision and control?

5 A Yes, in association with our attorneys, I prepared the
6 application which is attached hereto as Exhibit LGD-3.
7 We will continue to provide any additional information as
8 and when requested by the Staff to the extent we are able
9 to do so.

10 Q Have you prepared a map showing the location of MHU's
11 existing service territory and the location of the
12 proposed service area?

13 A Yes. I have attached two maps as Exhibit LGD-2. The
14 first is the map from our application which shows the
15 location of the requested parcel in relation to the
16 existing service territory of MHU. The second is a map
17 showing the configuration of the parcels within the
18 proposed territory and the location of existing residen-
19 tial customers, the alleged PUD limits, and the main road
20 through this area known as Oak Grove Boulevard, and the
21 main facilities located in the proposed area.

22 Q Could you briefly explain what these two maps show?

23 A Yes. The first map is a map of the eastern portion of
24 MHU's service territory surrounding the parcel proposed
25 for addition. As you can see, on the east side of this

1 property is the Carpenter's Run subdivision currently
2 served by MHU.

3 On the west side is the Turtle Lakes subdivision cur-
4 rently served by MHU. On the south side is the great
5 majority of the Oak Grove subdivision, which is currently
6 served by MHU. The Oak Grove subdivision is the subdivi-
7 sion that the Federal Court required that the County turn
8 back over to MHU, along with all facilities installed
9 therein. I will discuss that issue later. In any case,
10 this map shows the location of the developments currently
11 within MHU's service territory in pink colored highlight,
12 and the area requested in this application which is
13 outside MHU's service territory in purple.

14 Q Please describe for us what is shown in the second map.

15 A The second map shows the location of some of the parcels
16 within the proposed additional service territory, the
17 roadways and some of the areas presently served by MHU.
18 As you can see on both the southeast and southwest
19 corners, there are existing residential lots and MHU is
20 currently providing service to all of the residential
21 lots on those streets. The one on the southeast corner
22 runs from the Oak Grove subdivision through the proposed
23 territory and back into Carpenter's Run subdivision and
24 has approximately 11 to 13 residential lots currently
25 serviced by MHU but outside our existing certificated

1 area. The area on the southwest corner has approximately
2 4 to 5 lots at the end of a cul-de-sac currently served
3 by MHU but outside our existing certificated area. The
4 southern 1/3 - 2/5 of this proposed area is planned for
5 residential development, but is currently mostly undevel-
6 oped except for the 20 or so lots outlined above. The
7 remainder (the northern 3/5 - 2/3 of this proposed
8 additional territory) is planned for commercial develop-
9 ment. As you can see, the property is basically split
10 into eastern and western halves by a road known as Oak
11 Grove Boulevard. This Boulevard is clearly within the
12 PUD for the Oak Grove development and as such, is part of
13 that area which the County was required to turn over to
14 MHU and allow MHU to serve. Water, wastewater, and
15 irrigation facilities existing within the right-of-way of
16 Oak Grove Boulevard and in the south 2/5 of the proposed
17 area are both clearly within the PUD and are now owned
18 and operated by MHU. These facilities were designed by
19 the developer under direction of the County to serve this
20 entire proposed area both residential and commercial and
21 are adequately sized and in position to do so. Those
22 facilities were designed and constructed to serve all of
23 the customers within the proposed area.

24 Q You are saying that the facilities are in place to
25 provide service to the entire area.

1 A Yes. This system was designed to gravity flow from north
2 to south all of the sewage in the development including
3 the residential and commercial properties in the proposed
4 area, to a master pump station next to the Denim Oak
5 School in the middle of the subdivision, but south of
6 this parcel. MHU currently owns and operates sewer mains
7 in the southeast corner and southwest corner of this
8 property that are 8" sewer mains stubbed north of the
9 residential lots, almost immediately adjacent to the
10 commercial property on the east side and where the
11 remaining residential property will be developed on the
12 west side of Oak Grove Boulevard. This property is
13 currently in for permitting.

14 Q Once the sewage flows into MHU's facilities, where is it
15 designed to flow?

16 A As I mentioned, there is a master lift station south of
17 the proposed territory at the northwest corner of what is
18 shown on the first map as the Denim Oak School parcel.
19 That carries all of the sewerage which flows by gravity
20 lines to that point from the entire development by force
21 main up to the second MHU force main along State Road 54.
22 This is the same method used at the adjacent Turtle
23 Lakes, Highland Oaks, Twin Lakes, and the Carpenter's Run
24 systems as well. Each collect gravity sewer from their
25 commercial areas along SR 54 and have their own master

1 pump stations and a single force main which carries all
2 residential and commercial sewer flows to the County
3 system connection. The force main which carries the
4 sewage from the master pump station at Denim Oaks School
5 up to the force main along State Road 54, is located
6 within Oak Grove Boulevard and is owned by MHU and runs
7 the entire length north to south of this major roadway.

8 Q Are there other existing utility facilities within this
9 roadway currently owned and operated by MHU?

10 A Yes. Located within this road right-of-way which runs
11 the entire length north to south of the proposed terri-
12 tory, are the sewer force mains to bring all of the
13 sewage from the Oak Grove development up to State Road
14 54, where the sewage is sent through MHU's force main
15 within that road to the east and interconnected to the
16 County's main pump station and force main and then sent
17 to the County facilities. However, in addition, there
18 are other utility facilities located within the Oak Grove
19 Boulevard right-of-way. MHU owns both a 10" potable
20 water line that runs the length of this Boulevard
21 throughout the proposed territory, and irrigation water
22 lines that run that length as well. In fact, as dis-
23 cussed later, the irrigation water lines are currently
24 providing service all along that main road and commercial
25 entrance way.

1 As you can also see, there are several separate commer-
2 cial parcels on the right (east) side of the Oak Grove
3 Boulevard. By far the simplest way to provide sewer
4 service to these parcels is by connection to the existing
5 gravity sewer mains just south of their boundaries.
6 Those existing gravity sewer mains are owned and operated
7 by MHU. We already have developer agreements with one of
8 these commercial parcels on the east side of Oak Grove
9 Boulevard. This was filed with the application as
10 Exhibit "A" and is therefore part of my Exhibit LGD-3.
11 This is the Eagle Creek commercial development.
12 I understand from review of some of the County drawings
13 that PUD which the County was ordered to cease serving,
14 and to turn all facilities within over to MHU for
15 service, runs to the bottom of these commercial parcels
16 on both sides of the road. To the south of that alleged
17 PUD boundary, is a little over 1/3 to 2/5 of the proposed
18 area. That part of the PUD is all planned for or
19 existing as residential development. All of the yet
20 undeveloped residential development is on the west side
21 of the Oak Grove Boulevard. MHU also has a developer
22 agreement with Freemarr Development for this residential
23 area on the southwest side of the Boulevard. That
24 agreement has been filed with the Public Service Commis-
25 sion. It is attached hereto as Exhibit LGD-4.

1 The northern 3/5 to 2/3 of the property on the west side
2 of the Boulevard is currently raw land planned for
3 commercial development. On this west side of Oak Grove
4 Boulevard there are basically two parcels. The northern
5 one is owned by one developer and planned for commercial
6 service and the southern (comprising approximately 1/3 to
7 2/5 of the property west of Oak Grove Boulevard) is with
8 Freemar Development and is planned for immediate residen-
9 tial service. Both of these parcels of property are
10 split approximately evenly between the western portion
11 already within the certificated service territory of MHU
12 and the eastern halves which are within the proposed
13 territory and not currently within MHU's approved service
14 territory. It is obvious from the maps that the entire
15 proposed territory is surrounded by service from MHU and
16 is best and most economically served from service through
17 the existing gravity sewer system south of those parcels
18 and the existing water lines within the right-of-way of
19 Oak Grove Boulevard.

20 Q Please elaborate on your plan for water service to the
21 proposed area and the existing MHU facilities there.

22 A Water service to all of the parcels within the proposed
23 area will be provided either through lines extending
24 north from the residential areas or through the existing
25 water mains owned by MHU within Oak Grove Boulevard.

1 This is especially true for water and irrigation ser-
2 vices. In fact, MHU is currently providing irrigation
3 service to almost all of the property throughout this
4 proposed territory. There are irrigation connections on
5 both the east and west corners of Oak Grove Boulevard and
6 State Road 54 on the north side, and at approximately the
7 northwest corner of the Freemar Development commercial
8 parcel and Oak Grove Boulevard, as well as connections on
9 either side of Oak Grove Boulevard at the northern
10 regions of the PUD, with irrigation service currently
11 being provided on both the east and the west side of the
12 Boulevard.

13 Therefore, MHU is currently providing one service or
14 another throughout the proposed territory at this time.
15 This is as a result of the Federal Court Order which
16 required the County to turn over all of the
17 infrastructure within Oak Grove to MHU a little over a
18 year ago. However, it should be noted that MHU did not
19 intentionally serve outside its service territory. The
20 Utility merely inherited a system already providing
21 service to citizens along Oak Grove Boulevard and on the
22 southeast and southwest corners of Oak Grove Boulevard
23 when the entire Oak Grove system was turned over to MHU
24 by the County pursuant to the requirements of the Federal
25 Court. We later realized that these were outside of the

1 existing certificated service area descriptions contained
2 in our tariff.

3 Any attempt by the County to provide service to any of
4 the areas within this proposed territory, would therefore
5 result in requiring split service between two different
6 utilities or, at the very least, construction of new and
7 redundant facilities by the County or by the developers,
8 at substantial additional cost to the customers and to
9 the County.

10 Q You talk about redundant facilities that would have to be
11 constructed for any of this property to receive service
12 from the County. On what do you base that contention?

13 A The Oak Grove Boulevard itself is within the PUD and the
14 facilities therein as such were totally conveyed over to
15 MHU under the Federal Court Order. The southern 1/3 to
16 2/5 of the proposed territory is also clearly within the
17 PUD. There appears to be some question about whether the
18 northern 3/5 to 2/3 is within the PUD. However, even
19 those parcels were clearly designed and approved by the
20 County to receive service directly through the existing
21 gravity sewer facilities located immediately south, now
22 owned and operated by MHU and stubbed out for that sole
23 purpose. For the County to provide service to the
24 commercial properties on the north side, or to the
25 residential properties on the south side of the proposed

1 area, would basically require the County to construct
2 pressurized force mains and pump stations from the
3 commercial properties and from the on-site gravity
4 systems constructed by the developers of these proper-
5 ties. There would have to be a minimum of two pressur-
6 ized systems with pump stations and force mains running
7 south to north from the collection points within these
8 developments. This is not only wholly unnecessary, but
9 very expensive for service to this small number of ERCs
10 and this small amount of flows. Based upon my review of
11 the plans and the existence of the road and recent
12 discussions with engineers, there would have to be two
13 separate pressurized pump stations and force mains on
14 either side of Oak Grove Boulevard, in order for the
15 County to provide service. Those force mains would then
16 run north to the County's force main along State Road 54.
17 Those facilities would result in those customers having
18 to expend over \$100,000 for these additional pump
19 stations and force mains, that would not otherwise be
20 necessary if service is provided through MHU's existing
21 system, which was designed for that purpose. Therefore,
22 it is clear that service through the County would not
23 only result in the construction of facilities that are
24 duplications of facilities already existing and owned by
25 MHU, but at substantial additional cost to all concerned.

1 Q You mentioned that you do not understand the County's
2 objection. Can you elaborate on that?

3 A Yes. We are not proposing to serve any new areas other
4 than those that are clearly surrounding by service
5 provided by MHU and in an area that is clearly part of
6 the overall system of Oak Grove, which has always been
7 designed for service by the entity providing service to
8 the remainder of Oak Grove. In fact, the sewer flows are
9 intended to flow from this northern portion of the Oak
10 Grove development down to the master pump station located
11 just southeast of this parcel. The master pump station
12 then pumps all of the sewage through the existing force
13 main running along Oak Grove Boulevard to the north, all
14 of the sewage up to MHU's sewer force main running along
15 State Road 54, which is then pumped to the County system
16 to the east. The County themselves, in association with
17 the Oak Grove developer, designed the system to work in
18 that manner. It is well designed for the purpose of
19 providing service to this proposed area, in addition to
20 the remainder of Oak Grove.

21 Q If the County had not invaded the territory of MHU and
22 illegally provided service to the Oak Grove development
23 as found by this Federal Court, would this case have come
24 about as it has?

25 A No. We would have required the developer to design the

1 system similar to that which the County and the developer
2 agreed upon, but we would have also (approximately 10
3 years ago) required the developer to pay for the cost of
4 extending our service territory to include this very
5 small portion of the total development which is outside
6 our service territory.

7 Q Does MHU have the technical ability to provide service to
8 the proposed territory?

9 A Yes. We have the facilities already in place, both sewer
10 stubbed out in the southeast and southwest corners and
11 the sewer force mains and water and irrigation water
12 mains running along the entire length of the Oak Grove
13 Boulevard were designed and constructed for the purpose
14 of providing service to this area. In addition, the
15 existing Turtle Lakes and Carpenter's Run subdivisions
16 are designed in a manner which will assist in provision
17 of looping the systems and therefore improving on the
18 service throughout this proposed area. We have been in
19 the water and sewer utility business for over 35 years.
20 Any attempt to provide water, irrigation, or sewer
21 utility service through some other service provider would
22 not only be wholly inefficient and redundant, but would
23 clearly violate the law in that it would be constructing
24 facilities where facilities already exist which were
25 designed to provide service to these areas. It would

1 also be extremely inefficient and a waste of taxpayer and
2 customer money.

3 Q What about water and sewer treatment capacity?

4 A As noted in our application, the addition of this
5 territory will only add approximately 87 ERCs to MHU's
6 existing service territory. Of those 87 ERCs, at least
7 25 to 30 of them were already within the PUD (assuming
8 the County's apparent allegation that the commercial is
9 outside the PUD is correct) and therefore, at most only
10 approximately 50 ERCs remain where the County could
11 conceivably serve without violating the Federal Court
12 Order. As such, the amount of additional water and
13 wastewater capacity necessary to serve this area is
14 minor. As with most developments, it will come along
15 slowly and will thus be wholly immaterial on a year to
16 year basis, as far as the needed additional capacity.
17 The Utility currently has in place water facilities in
18 the Oak Grove, Carpenter's Run and Turtle Lakes subdivi-
19 sions, which are adequate to provide the minor additional
20 potable and irrigation water needs of this area. As for
21 sewer, it is our belief that the Federal Court Order
22 required the County to provide the capacity to serve the
23 Oak Grove subdivision, and that includes those intended
24 to be provided service from the facilities and CIAC
25 located in Oak Grove Boulevard and elsewhere surrounding

1 this small parcel of additional territory. Even though
2 the County provides us with bulk wastewater treatment, I
3 believe it would be contrary to that Order to propose not
4 to provide MHU with the additional capacity to meet the
5 needs of the customers along Oak Grove Boulevard, which
6 constitutes all of current and proposed customers within
7 this proposed new service area.

8 In addition, we have a 1992 agreement with the County
9 which provides that the County will provide us additional
10 capacity as needed, if the County has additional capac-
11 ity. It is clear that the County has additional capacity
12 within its sewer system, and can provide us with this
13 minor amount with no real material affect on its overall
14 huge system.

15 We at MHU and our customers are citizens of Pasco County.
16 We believe we have the right to request utility service
17 from the County in the form of bulk wastewater service,
18 just as any other customer within the County can request
19 such service. Refusal by the County to provide that
20 service we believe clearly violates the law, treating us
21 differently than other customers. Therefore, we believe
22 it is clearly our right to receive the additional
23 wastewater capacity necessary to serve this area.

24 Finally, we believe under our existing agreements with
25 the County throughout our various territories, we already

1 have ample committed capacity from them to provide
2 service to this small number of additional ERCs.

3 Based upon all of these factors, we believe it is clear
4 that we have the capacity to serve water, wastewater, and
5 irrigation service to this additional area.

6 Q What about MHU's financial ability to provide service to
7 this area?

8 A MHU has been in this business for 25 years. We have
9 substantial capital, substantial rate base and are a
10 relatively healthy company financially. The addition of
11 this area will not cause MHU to have to make any signifi-
12 cant additional capital investments and therefore, it
13 will have no impact on the Utility or its rates, other
14 than possibly taking advantage of existing water capac-
15 ity, thereby making the company healthier. In any case,
16 the net effect on the Utility is very minor, given that
17 it only represents approximately 87 additional ERCs, a
18 significant portion of which are already being served at
19 this time.

20 Q What about the need for service in the proposed area? Is
21 there currently a need for service?

22 A Yes. We have developer agreements with people on both
23 sides of Oak Grove Boulevard within this area and in
24 addition as noted previously, both the southwest and
25 southeast corners of this property are already receiving

1 residential water and wastewater service. In addition,
2 as noted previously, there are currently irrigation water
3 customers from the north end to the south end of Oak
4 Grove Boulevard who are receiving such services from MHU.
5 We have filed developer agreements both with the applica-
6 tion and since the time of filing the application with
7 the PSC that relate to requests by developers for service
8 and agreement for service by MHU within this proposed
9 area.

10 Q Is it in the public interest for MHU to provide service
11 to these proposed areas?

12 A Yes, it is clearly in the public interest as MHU is
13 already providing utility services throughout this area.
14 We have developer agreements for significant remaining
15 portions of this proposed area and facilities are already
16 in place that are owned and operated by MHU to provide
17 the service throughout this small portion of the Oak
18 Grove development. Any attempt to provide service to the
19 area on the west side of Oak Grove Boulevard, represent-
20 ing over ½ of the total area requested herein, would
21 effectively require those landowners to split service
22 between two utility providers. This makes no sense,
23 especially given the fact that MHU owns existing water
24 and wastewater facilities capable of providing the
25 service, on all sides of this property. The same can

1 basically be said of the area on the east side of Oak
2 Grove Boulevard, except that there the need for service
3 is more immediate and the existing facilities are even in
4 closer proximity to the areas needing service.

5 Q Would service by the County to these areas constitute a
6 duplication of existing facilities?

7 A Absolutely. Not only would it constitute a duplication,
8 but it would also constitute a wholly inefficient
9 expenditure of money, given the fact that the system
10 already in place and operated by MHU was designed to
11 provide the most cost effective service throughout this
12 proposed area as permitted previously by the County. In
13 order to provide service through a separate County
14 system, not only would separate facilities have to be
15 constructed by the County, but they would have to be
16 constructed at substantial costs to the landowners, in
17 order to create redundant and unnecessary pump stations
18 and pressurized sewer facilities, as well as water
19 facilities.

20 Q Is the information contained with the application
21 prepared by you or under your direction and control?

22 A Yes. It was prepared in conjunction with our attorneys,
23 with the information coming directly from me.

24 Q Is that information true and correct?

25 A Yes, it is and I believe it complies with all of the

1 requirements of the Florida Public Service Commission
2 rules and regulations and substantially demonstrates the
3 appropriateness of extension of the service territory of
4 MHU to serve this small additional area within the Oak
5 Grove subdivision. Service to these commercial proper-
6 ties at the front of these developments is consistent
7 with what has been done previously with the Foxwood
8 subdivision, Village on the Pond, Cypress Cove subdivi-
9 sion, Highland Oaks, Turtle Lakes subdivision, Twin
10 Lakes, and Carpenter's Run subdivision where all of the
11 systems were designed and permitted for the commercial at
12 the front of the property to receive service from MHU.
13 They were all designed and permitted such that the
14 commercial properties sewage flowed through their onsite
15 gravity sewer systems. It then flows through the
16 residential development to the major pump station and
17 then all of the sewage from both commercial and residen-
18 tial developments is pumped to the County system through
19 a single force main. In addition, I believe that that
20 information in combination with the testimony I am giving
21 here, clearly demonstrates that it would be duplicative,
22 inefficient and wholly outside the public interest to
23 allow another service provider to provide service within
24 this area. Any attempts to do so by the County clearly
25 demonstrate a motive other than the efficient provision

1 of utility services to the citizens of Pasco County.

2 Q Do you have any further testimony to provide at this
3 time?

4 A No. I have simply tried to provide a brief outline of
5 the situation and purpose for filing this application in
6 direct testimony and to sponsor our original application
7 and the supplements thereto. Since the County has
8 protested our proposal for extension, I will respond in
9 my rebuttal testimony to the specific nature of those
10 protests and the reasons therefore after and to the
11 extent they are discussed in the County's direct testimo-
12 ny.

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RESUME
OF
LARRY G. DELUCENAY
PRESIDENT
MAD HATTER UTILITY, INC.

PROFESSIONAL BACKGROUND:

Mr. DeLucenay has an extensive background spanning over twenty-five years in the construction and management of water and wastewater treatment plants. He (along with his wife, Janice) is majority owner of Mad Hatter Utility, Inc., which he and Janice incorporated in March 1978. Larry's responsibilities include day-to-day management, trouble-shooting, design coordination, permitting, future planning, customer relations, development, and regulatory compliance.

EXPERIENCE:

1978 to Present:

Founder and President of Mad Hatter Utility, Inc. Responsible for start-up, operations and expansion of this private utility company.

Incorporated Scarecrow Utility, Inc. in 1982 for the purpose of providing utility systems in Hillsborough County. Scarecrow Utility now owns four of the fourteen existing private utility systems in Hillsborough County.

Incorporated DeLucenay Construction in 1983 for the purposes of completing site development work (installation of water and sewage mains, lift stations, etc.). Due to a decline in the construction industry, DeLucenay Construction ceased bidding work in October 1988.

1975 to 1982:

Purchased Water Management, Inc. in 1975 and operated it as a laboratory testing firm until it was sold in 1982. This laboratory testing firm held approximately 100 contracts for the operation and maintenance of water and wastewater treatment plants. The laboratory provided testing to outside laboratories, utilities, and

mobile home parks.

Incorporated Sunshine Utility Equipment, Inc., in 1973, which installed and removed over 420 package treatment plants throughout the State of Florida. It also operated, maintained and performed tests on approximately fifty water and wastewater treatment plants under contract on a monthly basis. Sunshine Utility was sold in January 1990.

1968 to 1973:

Employed as Production Coordinator and Quality Control manager of Defiance Company, one of the larger treatment plant manufacturers in the southeast and a division of Davis Industries, Thomasville, Georgia. Responsible for design coordination and manufacturer production of approximately 630 wastewater treatment plants in a six-state area. Also served as Construction Coordinator for new distributors in Texas and Louisiana.

LICENSES:

Class "A" wastewater plant license.

Class "C" water plant license.

Florida Real Estate License.

PROFESSIONAL ASSOCIATIONS:

American Water Works Association

Florida Pollution Control Association

MAD HATTER UTILITY, INC.
Larry DeLucenay Testimony

Maps

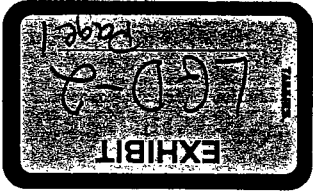
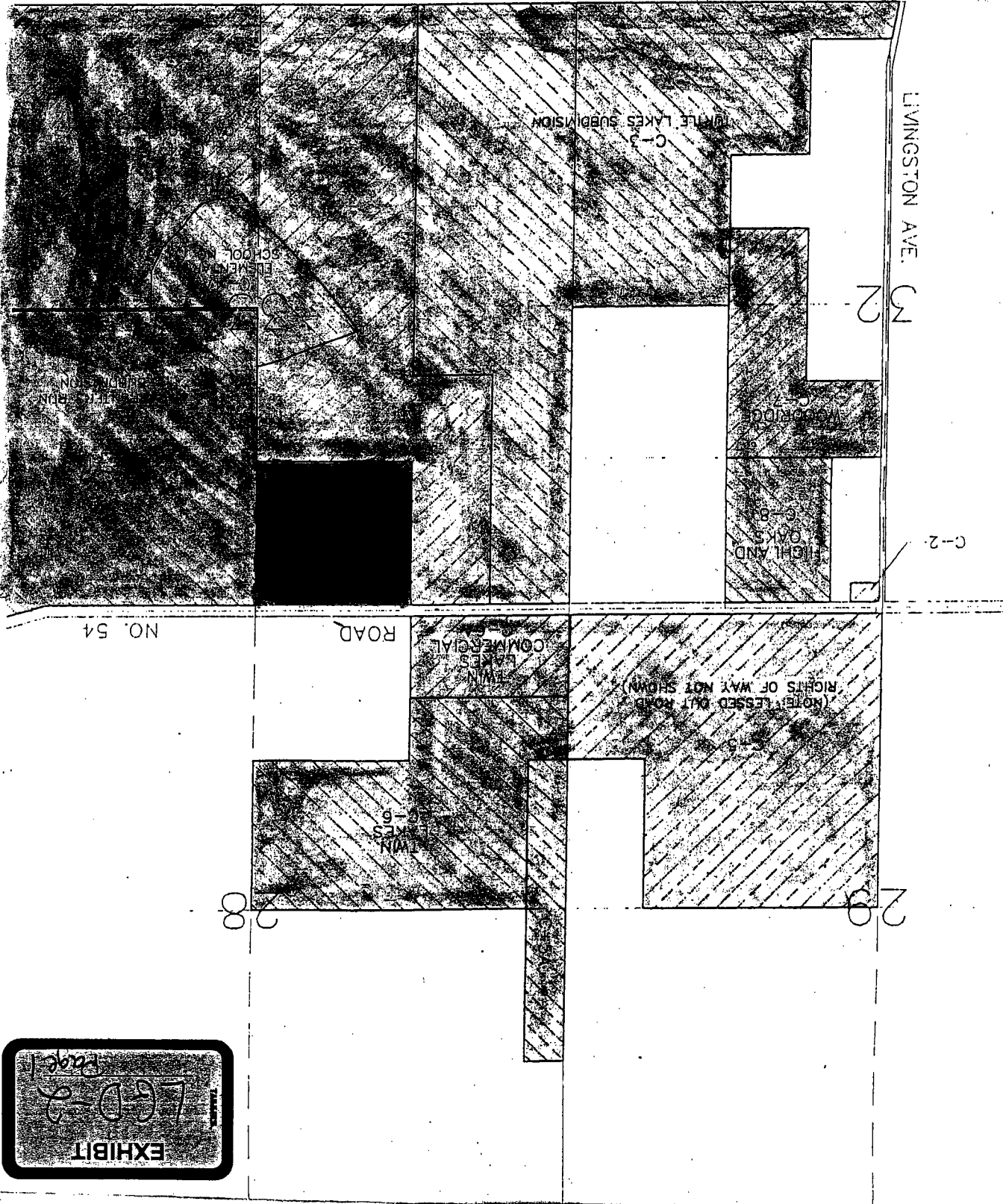
EXHIBIT LGD-2



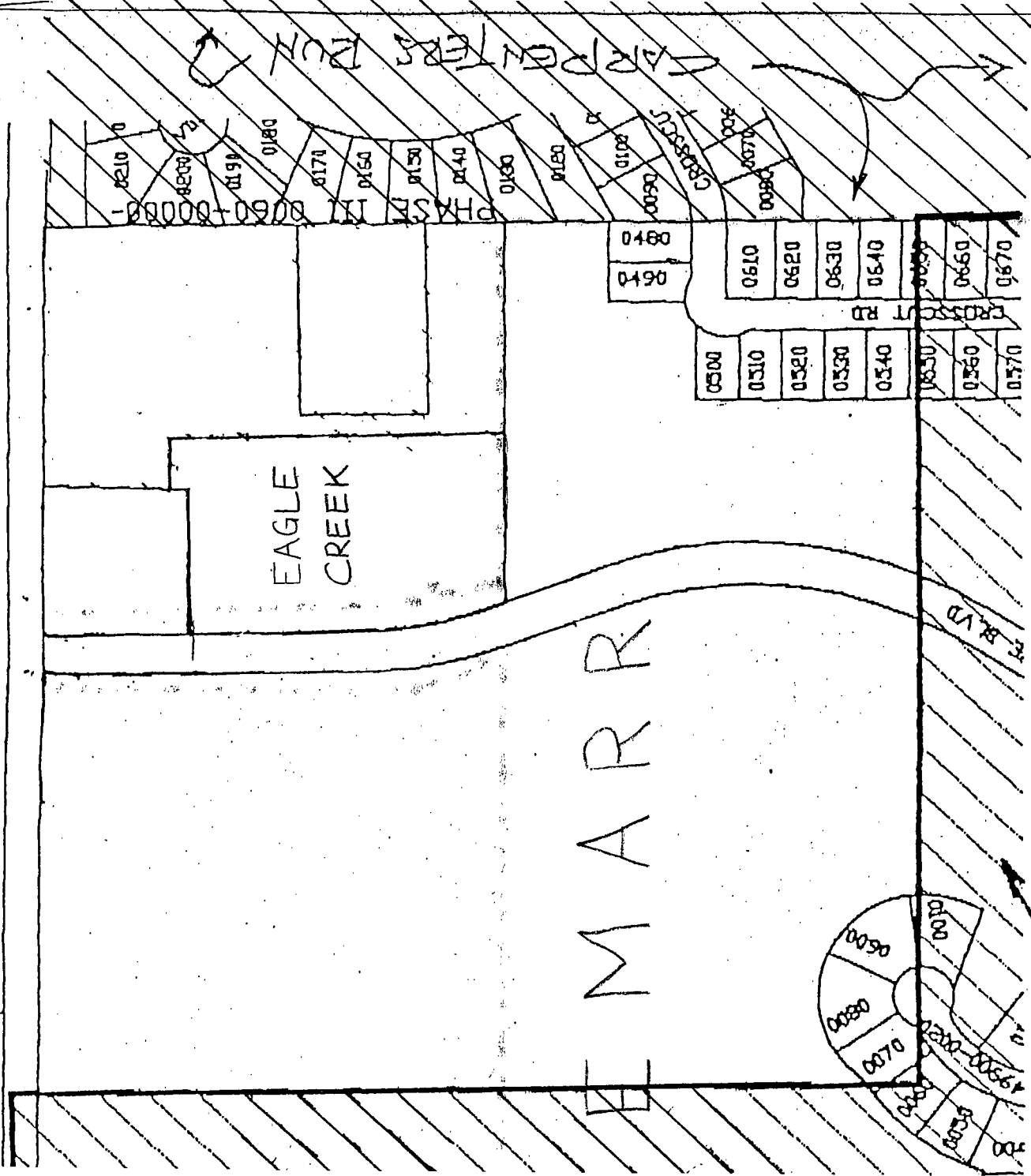
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 SCALE 1" = 800'
 (813) 849-2167
 (813) 848-5877
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 MAD HATTER
 1900 LAND O
 SUITE
 LUTZ, FLO)

REVISION

TOWNSHIP 26 SOUTH - RANGE 19 EAST



SR 54



SECTION 33 LEGAL

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application of Mad Hatter)
Utility, Inc. for amendment of water) Docket No.
and wastewater certificates in Pasco)
County, Florida.)
_____)

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COMMISSION
CLERK

APPLICATION FOR AMENDMENT OF CERTIFICATE
FOR AN EXTENSION OF TERRITORY

Applicant, MAD HATTER UTILITY, INC., ("MHU" or "Utility") by and through its undersigned attorneys, and pursuant to Section 367.045, Florida Statutes, applies to the Florida Public Service Commission for amendment of its water and wastewater certificates to add territory in Pasco County, Florida, and in support thereof states:

I.

APPLICANT INFORMATION

The full name and address of the Applicant is:

MAD HATTER UTILITY, INC.
1900 Land O'Lakes Boulevard
Suite 113
Lutz, FL 33549

The full name and address of the Applicant's attorney, to whom all Orders, notices, directives, correspondence and other communications shall be directed is:

ROSE, SUNDSTROM & BENTLEY
2548 Blairstone Pines Drive
Tallahassee, Florida 32301
Attn: F. Marshall Deterding

II.

NEED FOR SERVICE

MHU is a Class "B" water and wastewater utility located in Pasco County. Approximately 1/4 of the Utility's currently certificated

RECEIVED & FILED

RZM

FPSC-BUREAU OF RECORDS

LGD-3

territories surround State Road 54 in Sections 28, 29, 32, and 33 of Township 26 South, Range 19 East in Southern Pasco County. One portion of that existing territory is the Oak Grove subdivision which is the newest of three subdivisions in Sections 32 and 33. It is surrounded by the other two. Pasco County invaded the territory of MHU in order to attempt to serve the Oak Grove subdivision beginning approximately in 1993. The Utility brought suit in Federal Court, claiming that the County had invaded its certificated service territory and taken its property and illegally attempting to serve the Oak Grove subdivision. Meanwhile, Pasco County entered into an agreement with the developer of Oak Grove for service; agreed on specifications for construction of water and wastewater systems for such service; and ultimately began providing such service to that development. The Federal Court ultimately ruled that the Oak Grove subdivision was appropriately served by MHU and the County was required to and has, in recent months, cut lines which connect the County system to that area and has turned the internal water and wastewater systems within all of the Oak Grove subdivision over to MHU.

It has come to the attention of MHU that a small portion of the Oak Grove subdivision, which the Federal Court ruled is appropriately served by MHU, transverses a small portion of Section 33, which is not currently within the certificated service territory of MHU as described in its tariffs and Commission Orders. This is

approximately 1/16th of Section 33 and is the only portion of the Oak Grove development not currently within the certificated service territory of MHU.

The configuration of the facilities constructed by the developer of the Oak Grove subdivision, based on designs approved by Pasco County, require that the entire development be served by one central water and wastewater service provider. Now that gravity wastewater and water systems are in place to serve the entire development, any attempt to segregate the small area (less than 100 ERCs) from the remainder of the development, for service by a separate provider would be not only inefficient and contrary to the Federal Court Order, but would require the construction on redundant lines and lift stations at a cost of at least several hundred thousand dollars.

The purpose of this Application is to add the small section of Section 33 to the territory of MHU so that the entire Oak Grove development can be efficiently served through MHU without complete reconfiguration of the water and wastewater systems installed by the developer at the County's direction. This extension of territory will also allow MHU to serve the territory that the Federal Court deemed it appropriate for MHU to serve. MHU is in the best position to provide this service because of its right to serve throughout the Oak Grove subdivision, and because of the existence of service from MHU and all areas surrounding this small parcel of land.

The Utility has already entered into a developer agreement with the owner of a large commercial property in the northeast corner of this proposed territory who is in immediate need of service. Attached hereto as Exhibit "A" is a copy of the Developer Agreement between Eagle Creek Properties Management, Inc. and Mad Hatter Utility, Inc. Several of the single family homes included within the territory are already receiving water and wastewater utility service from MHU. This resulted from the fact that the facilities were configured by County service, such that they were inextricably connected to the facilities within MHU's existing territory and several were already receiving service when the system was turned over to MHU after the Federal Court action.

Based upon the Federal Court Order, the efficient provision of Utility services within the Oak Grove subdivision, and the current demand for service therein, MHU is seeking an amendment to its territory to include the entire Oak Grove subdivision within its certificated wastewater service. Such extension of territory is therefore in the public interest.

III. COMPREHENSIVE PLAN

Based upon a review of the water and wastewater sections of the Pasco County Comprehensive Plan, MHU believes that the provision of service to the proposed area is consistent with those water and wastewater sections of the Comprehensive Plan. The extension of

service to these areas contiguous to MHU's territory will allow for the most efficient provision of such service. Those areas are immediately contiguous on all sides to service and certificated areas currently provided water and wastewater service by MHU, and the systems lend themselves to one, and not more than one, service provider as installed by the developer at the behest of the County. The extension of water and wastewater service by MHU to the customers of these areas benefit the local community due to the proximity of the adjacent water and wastewater lines, and those already turned over to MHU by the County for service to these areas.

IV. SYSTEM INFORMATION

The water and sewer service territory amendment being proposed by the extension will service a combination of housing consisting of single family homes, multi-family homes and commercial properties.

MHU is not currently proposing any expansion of its water facilities. MHU has in place sufficient water facilities to provide service to all anticipated needs for such service within the current and proposed territories

MHC receives wastewater capacity to service the new area by bulk purchase from Pasco County. Provision for the needed bulk capacity already exists for all of the Oak Grove subdivision, pursuant to the Federal Court Order.

All water distribution and sewage collection mains are in place to service the existing and proposed territory. Those facilities are adequately sized and located to serve all of the needs within the area. The certificate amendment involves only a small area which will not significantly impact the Utility's plans for serving its service territory. The territory proposed for extension to MHU's certificated service area is currently being developed. The estimated number of potential water and wastewater ERCs is approximately 87, based upon current development approvals. No service changes will be revised by Commission approval of this Application and the changes in capacity to provide water and wastewater service to these additional territories will be minor.

MHU currently has facilities either in easements or in rights-of-way in the proposed territory, to facilitate water and wastewater service. Copies of MHU's well-site deeds are attached hereto as Exhibit "B".

V.
FINANCIAL AND TECHNICAL INFORMATION

MHU has the requisite technical and financial ability to render service to the proposed amended territory. MHU facilities are in compliance with all applicable environmental regulations. At year-end 2001, MHU's capital structure consisted of more than \$5.5 million in total capital.

The proposed extension of service will have no impact on MHU's capital structure as the Utility was already planning to serve the subdivisions in which the lots affected by this amendment are located. In addition, the extension will not result in any significant net increase or decrease in customers to MHU's utility system.

The number of the most recent Commission Order establishing or amending MHU's rates and charges is Order No. PSC-93-0295-FOF-WS issued in February of 1993. The rates established in that general rate proceeding were amended based upon effects of index and pass-through notices filed since that time and the effect of the settlement agreement approved for Docket 961471-WS by Order No. PSC-97-1233-AS-WS.

The proposed extension of service will have no impact on MHU's monthly rates and availability charges.

VI.
TERRITORY DESCRIPTION

An accurate description of the territory proposed to be added and that for the territory proposed to be deleted, using township, range and section references is attached as Exhibit "C".

VII.
TERRITORY MAPS

Attached as Exhibit "D" is a copy of a map showing the proposed areas to be added. Since there are facilities constructed and in use within portions of the extension area. Two copies of as-built system maps for those areas are attached as part of Exhibit "D".

VIII.
NOTICE OF ACTUAL APPLICATION

Attached as Exhibit "E" is 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. A copy of the actual Notice and a list of entities noticed is attached as a part of Exhibit E.

Exhibit "F", which will be late-filed is 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 affected by this Amendment.

Exhibit "G", which will be late-filed, is 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 will accompany the affidavit. This affidavit will be filed no later than ten days after the filing of the application.

IX.
FILING FEE

The capacity of the proposed extension will be 87 additional water and wastewater ERCs. The filing fee enclosed with the application is \$200, \$100 for water and \$100 for wastewater, based on the areas to be extended having the proposed capacity to serve less than 100 additional ERCs.

X.
TARIFF AND ANNUAL REPORTS

Attached as Exhibit "H" is an affidavit that the Utility has tariffs and annual reports on file with the Commission.

Attached as Exhibit "I" are the original and two copies of proposed revisions to MHU's tariff to incorporate the proposed change to the certificated territory.

XI.
CERTIFICATES

MHU's original Certificates were provided to the Commission as part of the filing for extension of service territory filed under Docket No. 020982-WS and are within the possession of the Commission at this time. Those should be retained by the Commission for modification within this docket as well.

WHEREFORE, the Applicant, Mad Hatter Utilities, Inc., requests that this Commission issue its Order amending the water and wastewater certificates of the applicant to include the additional territory applied for and required to be served by MHU under the Federal Court Order and the efficient use of Utility facilities.

Respectfully submitted this
6th day of December, 2002, by:

ROSE, SUNDSTROM & BENTLEY, LLP
2548 Blairstone Pines Drive
Tallahassee, Florida 32301
(850) 877-6555


F. MARSHALL DETERDING

DEVELOPER AGREEMENT
BETWEEN
EAGLE CREEK PROPERTY MANAGEMENT, INC., LLC
AND
MAD HATTER UTILITY, INC.



[Handwritten initials and signature]

DEVELOPER'S AGREEMENT

THIS AGREEMENT is made and entered into this 28 day of October, 2002 by and between, EAGLE CREEK PROPERTY MANAGEMENT, INC., LLC, of 22823 Sonoma Lane, Lutz, FL 33549, and its successors and assigns, (hereinafter referred to as "DEVELOPER"), and MAD HATTER UTILITY, INC., whose business address is 1900 Land O' Lakes Blvd, Suite 107, Lutz, FL 33549, and its successors and assigns, (hereinafter referred to as "SERVICE COMPANY").

WITNESSETH

WHEREAS, DEVELOPER owns or controls land located in Pasco County, in the State of Florida, which property is more particularly described in Exhibit "A", attached hereto and made a part hereof (the Property"), and intends to develop the Property by erecting residential or commercial improvements, or one of any combination of these thereon, as provided in the Development Plan attached hereto; and

WHEREAS, DEVELOPER is desirous of having available to the Property SERVICE COMPANY'S central water, wastewater and irrigation water systems so that there may be provided to the Property and the improvements to be constructed thereon from time to time and to the occupants thereof adequate water, wastewater and irrigation water service from the central utility systems of the SERVICE COMPANY; and;

WHEREAS, the SERVICE COMPANY is willing to provide, in accordance with the provisions of this Agreement and subject to approval of the Florida Public Service Commission ("PSC"), central water, wastewater and irrigation water service, and to allow extension of its facilities to the Property and thereafter operate such facilities so that the occupants of the improvements on the Property will receive an adequate potable and irrigation water supply and wastewater collection services from SERVICE COMPANY; and,

WHEREAS, the DEVELOPER acknowledges and agrees that wastewater treatment and disposal services are presently provided by Pasco County pursuant to its ordinances, rules, regulations and the Bulk Wastewater Service Agreement existing between Pasco County and SERVICE COMPANY, but treatment locations are subject to change at the discretion of the SERVICE COMPANY; and,

WHEREAS, the DEVELOPER acknowledges and agrees that reclaimed water services may be provided by SERVICE COMPANY for irrigation water services in the future pursuant to appropriate SERVICE COMPANY rules and regulations or a future Bulk Reclaimed Water Service Agreement between Pasco County and SERVICE COMPANY, but that initial irrigation water shall be potable water; and,

WHEREAS, DEVELOPER acknowledges and agrees to comply with the bulk service



agreement for wastewater treatment services between Pasco County and SERVICE COMPANY, and DEVELOPER'S obligation thereunder to arrange for payment of all wastewater capacity fees for the Property through Pasco County prior to receiving service under this Agreement.

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

SECTION 1. DEFINITIONS

The following definitions and references are given for the purpose of interpreting the terms as used in this Agreement and shall apply unless the context indicates a different meaning:

1.01 "Property" - all the lands legally described in Exhibit "A", and represented by DEVELOPER to be accurate and complete;

1.02 "Development Plan" - the proposed improvements to be constructed on the Property and the anticipated time for the construction thereof as set forth in Exhibit "B" attached hereto and made a part hereof;

1.03 "Phase" - refers to a part of the Property which is being or is to be developed as a unit;

1.04 "Lot or Tract" - each separate subdivided building site as platted of record or as shown on the development plan attached as part of Exhibit "B" and made a part hereof;

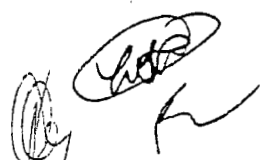
1.05 "Service" - the readiness and ability on the part of SERVICE COMPANY to furnish potable and irrigation water service, and wastewater service to each lot;

1.06 "Point of Delivery" - the point where the pipes or meters of SERVICE COMPANY are connected with the pipes of the consumer. Unless otherwise indicated, point of delivery shall be at a point on the consumer's lot line;

1.07 "Consumer Installation" - all facilities on the consumer's side of the point of delivery;

1.08 "Interested Parties" - the parties executing Exhibit "C" attached hereto and made a part hereof for the purpose of subordinating their interests in the Property to this Agreement. DEVELOPER warrants that the persons executing said Exhibit "C" are all persons having an interest in the Property, other than the DEVELOPER, whether as a mortgagee, secured lien holder, tenant or otherwise.

1.09 "Contribution-in-aid-of-Construction" or "CIAC" - the sums of money designated as such and property represented by the value of any potable and irrigation water distribution, or sewage collection system constructed by DEVELOPER, which DEVELOPER agrees to contribute to



SERVICE COMPANY as a contribution-in-aid-of-construction to induce SERVICE COMPANY to provide potable and irrigation water service, and wastewater collection services to the Property.

1.10 "Master Plan" - Master Plan for SERVICE COMPANY'S potable and irrigation water, and wastewater systems prepared by SERVICE COMPANY or SERVICE COMPANY'S Engineers, as amended, or conceptual as may be modified from time to time.

1.11 "Equivalent Residential Connection" or "ERC" - the estimated average daily flow for a single-family residential unit which for all purposes of this Agreement shall be computed at three hundred fifty (350) gallons per day (gpd) for water service and two hundred eighty (280) gallons per day (gpd) for wastewater service.

1.12 "Utility Facilities" - unless otherwise described herein, shall mean the potable water distribution mains, hydrants, services, meters, and related appurtenances and equipment; wastewater collection mains, laterals, services, pumping stations, and related and appurtenances and equipment; and irrigation water mains, services, meters, and related appurtenances and equipment.

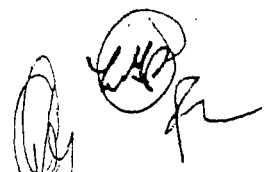
1.13 "Connection Point" - means that point in SERVICE COMPANY'S existing utility system determined by SERVICE COMPANY, where the DEVELOPER will be allowed to connect its on-site or off-site facilities.

1.14 "Reclaimed Water" - water produced by the proper treatment of wastewater effluent such that it may be used for consumer irrigation and other specified non-potable uses.

1.15 "Irrigation Water" - water provided through Utility Facilities separate and apart from the potable water and wastewater Utility Facilities, to be used for consumer irrigation of lawns, shrubs, and other vegetation. The irrigation water will be potable water, except where, as provided by this Agreement, reclaimed water is used.

SECTION 2. EASEMENTS

2.01 Grant of Easements. DEVELOPER hereby grants and gives to SERVICE COMPANY, its successors and assigns, subject to the terms of this Agreement, the exclusive right or privilege to construct, install, own, maintain, expand and operate the Utility Facilities in, under, upon, over and across the Property to serve the Property; and to provide service to the property of others in accordance with the Master Plan of SERVICE COMPANY; an exclusive right or privilege to construct, install, own, maintain, repair and operate said Utility Facilities in, under, upon, over and across the present and future streets, roads, terraces, alleys, easements, reserved utility strips and utility sites, and any public place or common area as provided for, dedicated to, or otherwise available for public use, whether or not provided for in any plats, agreements, dedication or grants of record. Nothing contained herein shall be construed as granting an interest in any publicly owned property by DEVELOPER nor shall this grant in any manner be deemed as diminishing or restricting SERVICE COMPANY'S right to the use of any such publicly owned property. SERVICE



COMPANY may demand that the DEVELOPER grant or obtain easements for installation of the Utility Facilities even when parallel public rights of way exist.

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

2.03 Private Property Installations. In the event Utility Facilities are to be installed in lands within or without the Property, in areas outside of streets and public ways, then DEVELOPER or the owner shall grant to SERVICE COMPANY, without cost to SERVICE COMPANY, the necessary easement or easements for such Utility Facility installation by express grant.

2.04 Errors in Line Locations. SERVICE COMPANY and DEVELOPER will use due diligence in ascertaining all easement locations; however, should SERVICE COMPANY or DEVELOPER install any of the Utility Facilities outside a dedicated easement area, SERVICE COMPANY will not be required to move or relocate any Utility Facilities lying outside a dedicated easement area, or private easement area conveyed by express grant, so long as the Utility Facilities do not interfere with the then or proposed use of the area in which the Utility Facilities have been installed, and so long as SERVICE COMPANY obtains a private easement for such line location, which DEVELOPER will grant without cost to SERVICE COMPANY if it is within its DEVELOPER'S reasonable power to make such grant. Should SERVICE COMPANY be obligated to relocate any such facility installed by DEVELOPER, then DEVELOPER shall reimburse to SERVICE COMPANY, SERVICE COMPANY'S costs reasonably incurred in connection with such relocation.

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

SECTION 3. AGREEMENT TO SERVE

Upon the completion of construction of the Utility Facilities by DEVELOPER, and its inspection and acceptance by SERVICE COMPANY, and subject to the other terms of this Agreement, SERVICE COMPANY covenants and agrees that it will authorize DEVELOPER to connect the Utility Facilities installed by DEVELOPER to the central facilities of SERVICE COMPANY in

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accordance with the terms and intent of this Agreement at Connection Points approved by Service Company. Such connection shall at all times be at the expense of the DEVELOPER and in accordance with rules, regulations and orders of the SERVICE COMPANY and all applicable governmental authorities. SERVICE COMPANY agrees that once DEVELOPER has conveyed to SERVICE COMPANY all Utility Facilities constructed by DEVELOPER in accordance with this Agreement and once it provides permanent utility service to the Property and DEVELOPER or others have connected consumer installations to its system, that thereafter SERVICE COMPANY will continuously provide, at its cost and expense, but in accordance with the other provisions of this Agreement, including all applicable rules and regulations and rate schedules, water and wastewater service to the Property in a manner to reasonably conform with all requirements of the applicable governmental authority having jurisdiction over the operations of SERVICE COMPANY.

SECTION 4. ON-SITE INSTALLATIONS

4.01 Obligation to Construct. To induce SERVICE COMPANY to continuously provide consumers located on the Property with potable and irrigation water, and wastewater services, DEVELOPER agrees to construct and to transfer ownership and control to SERVICE COMPANY as a Contribution-in-aid-of-Construction, the on-site Utility Facilities necessary to provide service to each unit within the DEVELOPER'S Property, as referred to in this Agreement. The term "on-site Utility Facilities" means and includes all Utility Facilities constructed within the boundaries of DEVELOPER'S Property, providing a network of Utility Facilities to serve each such lot or unit in the project.

4.02 Engineering Design Plans. DEVELOPER shall cause to be prepared engineering plans prepared and sealed by a professional engineer registered in the State of Florida, showing the construction plans for Utility Facilities acceptable to SERVICE COMPANY, and otherwise in accordance with the SERVICE COMPANY'S written specifications. Such detailed plans may be for the initial phase only, and subsequent phases may be furnished from time to time. However, each such phase shall conform to the Development Plan for the Property attached hereto or if not so attached such Development Plan shall be submitted to SERVICE COMPANY concurrent with or prior to submission of engineering plans for the first phase. DEVELOPER may modify its Development Plan at any time with the consent of SERVICE COMPANY, which consent shall not be unreasonably withheld provided such modification does not unduly interfere with SERVICE COMPANY'S existing facilities or commitments or increase the water or sewage capacity required by the Property. DEVELOPER shall submit a copy of the modified plan to SERVICE COMPANY. DEVELOPER shall cause its engineer to submit to SERVICE COMPANY plans and specifications governing the materials to be used by DEVELOPER and the method and manner of installation. All such plans and specifications submitted to SERVICE COMPANY'S engineer shall be subject to the approval of SERVICE COMPANY, which approval shall not be unreasonably withheld, and no construction shall commence until SERVICE COMPANY has approved such plans and specifications in writing. Prior to drafting the plans, the engineer shall contact the SERVICE COMPANY to ascertain the appropriate Connection Points for the project. DEVELOPER shall pay SERVICE COMPANY'S costs and expenses in reviewing all such plans and specifications submitted by



DEVELOPER, which charges shall be uniform and consistent with such charges made by SERVICE COMPANY to other DEVELOPERS. At the time of submitting the plans and specifications for review, DEVELOPER shall pay a deposit for the review costs incurred by SERVICE COMPANY.

After the approval of plans and specifications, DEVELOPER shall cause to be constructed, at DEVELOPER'S own cost and expense, the Utility Facilities as shown on the plans and specifications. DEVELOPER further represents and warrants that said Utility Facilities furnished by it shall be constructed and installed in a manner satisfactory to and meeting the approval of all applicable public, governmental or other agencies having supervision, regulation, direction and control of design and construction of such Utility Facilities and services rendered in connection therewith. All construction of Utility Facilities to be constructed or installed by DEVELOPER hereunder shall be done by contractors approved in advance by SERVICE COMPANY as competent to perform such work.

After completion of construction and prior to acceptance of such improvements by SERVICE COMPANY, DEVELOPER agrees to furnish to SERVICE COMPANY: a) one (1) set of Mylar "as built" drawings showing specification locations, depth, and other appropriate details of all Utility Facilities as located by a licensed surveyor along with five (5) sets of prints of the "as built" drawings which have been sealed by the surveyor and certified by the engineer of record; b) an overlay Mylar showing actual easements granted by Developer to ensure that as-built lines were constructed within easements; c) as-builts (with easements) on "Auto-CAD" disk, layered per utility specifications; d) three (3) sets of all appropriate manuals for operation of any pumping stations and other mechanical and electrical equipment installed by DEVELOPER, as applicable; e) the results of bacteriological tests of the installed potable water lines approved by the appropriate regulatory agency; and, f) the written results of pressure tests of all mains, services and laterals to be pressurized when in service, and a VHS format tape showing wastewater main TV inspections. After inspection and acceptance, SERVICE COMPANY agrees to accept and maintain each phase of on-site construction as it is completed by DEVELOPER, except for consumer installations which are not the responsibility of SERVICE COMPANY, as hereinafter provided. DEVELOPER shall indemnify and hold SERVICE COMPANY harmless from and in respect of any repairs or replacements required to be made to said Utility Facilities conveyed by DEVELOPER to SERVICE COMPANY which occur within one (1) year from the date of the conveyance of such Utility Facilities from DEVELOPER to SERVICE COMPANY.

Simultaneously, with the conveyance of the Utility Facilities described above from DEVELOPER to SERVICE COMPANY, the DEVELOPER shall deliver to SERVICE COMPANY an executed Contract Bond in the total amount of the actual cost of construction of said Utility Facilities. The Contract Bond shall have as the surety thereon, such surety company as is authorized to write bonds of such character and amount in accordance with the laws of the State of Florida. The attorney-in-fact, or other officer who signs such Contract Bond for a surety company shall file with such Bond a certified copy of his Power of Attorney authorizing him to do so. The Contract Bond may be written either with the DEVELOPER'S Contractor as "principal" and the DEVELOPER and SERVICE COMPANY as "co-obligees" or, in the alternative, with the DEVELOPER as "principal" and the SERVICE COMPANY as "co-obligee". The Contract Bond shall remain in force for two

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(2) years following the date of final acceptance by SERVICE COMPANY of the work done pursuant to this Agreement to protect the SERVICE COMPANY against losses resulting from any and all defects in materials or improper performance of that work and with regard to the DEVELOPER'S indemnity of SERVICE COMPANY as provided above during that two (2) year period. Upon demand by the SERVICE COMPANY, the DEVELOPER shall correct or cause to be corrected all such defects which are discovered including all retesting within said warranty period or periods as set forth above, failing which SERVICE COMPANY shall make such repairs and/or replacements of defective work and/or materials and the DEVELOPER and/or its surety shall be liable to SERVICE COMPANY for all of its costs arising therefrom.

4.03 Meter Installations. DEVELOPER shall be required to pay the applicable charge (as set by SERVICE COMPANY from time to time) for meters and meter installations of sufficient capacity for all single-family, residential, multi-family, mobile home, commercial installation or any other connection requiring a measuring device.

4.04 Inspection of Work. During the construction of the water distribution and sewage collection systems by DEVELOPER, DEVELOPER'S engineer shall inspect the proper installation of Utility Facilities by the contractor, and when construction is completed, shall supervise the standard tests for pressure, exfiltration, line and grade, and all other normal engineering tests to determine that the system has been installed in accordance with the plans and specifications, good engineering practices and SERVICE COMPANY'S written requirements for said testing. SERVICE COMPANY shall have the right, but is not obligated to review and observe such installations and testing to determine compliance with the plans and specifications. SERVICE COMPANY shall not supervise the construction or control the quality of the installation, and shall not be deemed to have done so by its conduct of observing and reviewing the installation and testing.. DEVELOPER'S engineer shall coordinate at least one (1) preconstruction meeting with SERVICE COMPANY, and shall coordinate all testing dates with SERVICE COMPANY. DEVELOPER agrees to pay to SERVICE COMPANY, or SERVICE COMPANY'S authorized agent, a reasonable sum to cover the cost of inspection of installations made by DEVELOPER or DEVELOPER'S contractor, which charge shall be uniform and consistent with such charges made by SERVICE COMPANY to others. DEVELOPER shall place a deposit for said work by SERVICE COMPANY at the time the construction plans are submitted for review by SERVICE COMPANY.

4.05 Transfer of Title. Prior to the rendering of service by SERVICE COMPANY, DEVELOPER shall convey to SERVICE COMPANY, by itemized bill of sale, in form satisfactory to SERVICE COMPANY'S counsel, the Utility Facilities as constructed by DEVELOPER and approved by SERVICE COMPANY, free and clear of all liens or encumbrances of any form. DEVELOPER shall execute any and all documents necessary to ensure that the Utility Facilities are free and clear of all said liens or encumbrances to the satisfaction of SERVICE COMPANY'S legal counsel. DEVELOPER shall further cause to be conveyed to SERVICE COMPANY all easements and/or rights-of-way covering areas in which water and wastewater lines are installed, by recordable document in form satisfactory to SERVICE COMPANY'S counsel. DEVELOPER agrees to grant all real property utilized for wastewater pumping stations by warranty deed in a form acceptable to



SERVICE COMPANY. Proof of title may be required or obtained by SERVICE COMPANY at DEVELOPER'S expense. The use of easements granted by DEVELOPER shall not preclude the use by other utilities of these easements, such as for cable television, telephone or gas utilities. SERVICE COMPANY agrees that the acceptance of the Utility Facilities installed by DEVELOPER shall constitute the assumption or responsibility by SERVICE COMPANY for the continuous operation and maintenance of such systems from that date forward, subject, however, to the two (2) year indemnity of DEVELOPER and the surety provided for above.

Mortgagees, if any, having prior liens on such property, or other interested parties, as applicable, shall be required to release such liens, subordinate their position or join in the grant or dedication of the easements or rights-of-way, or give to SERVICE COMPANY assurance by way of a "non-cut-off agreement", that in the event of a foreclosure, mortgagee would continue to recognize the easement rights of SERVICE COMPANY and the other rights of SERVICE COMPANY under this Agreement, as long as SERVICE COMPANY substantially complies with the terms of this Agreement. All Utility Facilities, except consumer installations, shall be covered by easements or rights-of-way if not located within platted or dedicated roads or rights-of-way with SERVICE COMPANY'S express approval..

The Contributor's construction cost records shall be in sufficient detail so that the Service Company can determine the description of each item being contributed, together with the cost related thereto paid for by the Contributor. Said cost shall include, but not be limited to, fees for permits and costs incurred in connection with inspection, installation, analysis, testing, insurance, legal work or engineering.

SECTION 5. OFF-SITE INSTALLATIONS

Where applicable, and as required by the approved engineering plans and specifications, DEVELOPER shall construct and install any Utility Facilities required to extend SERVICE COMPANY'S existing facilities from the Connection Point(s) to the Property. The construction of all such off-site installations and the conveyance of same to SERVICE COMPANY, shall be governed by all the terms and provisions of Section 4 above as applicable thereto. SERVICE COMPANY may, if provided in Exhibit "D" attached hereto and made a part hereof, elect to construct certain of such off-site Utility Facilities through its own selected engineering contractor, and in such event DEVELOPER shall be responsible for payment of the actual and direct costs of such off-site Utility Facilities as provided in Exhibit "D" attached hereto and made a part hereof and the cost of their installation, which payment shall be a condition precedent to the initial rendering of service. The construction and transfer of the Utility Facilities including, without limitation, engineering, easements, construction, testing, inspections, warranties, indemnification and hold harmless, bond, transfer documentation, shall be performed as required for on-site Utility Facilities above.

SECTION 7. WATER AND WASTEWATER CAPACITY CHARGES AND OTHER CHARGES

In addition to the contribution of the on-site and off-site water distribution and sewage



collection systems as provided above, and further to induce SERVICE COMPANY to provide water and sewage treatment plant and effluent disposal capacities, DEVELOPER hereby agrees to pay to SERVICE COMPANY, as a further contribution-in-aid-of-construction, the water capacity charges set forth on Exhibit "D", attached hereto and made a part hereof and in addition thereto such other charges as are set forth on said Exhibit "D". The payment by DEVELOPER of all sums set forth in Exhibit "D", in accordance with the terms and the manner set forth therein, shall be considered essential to the continued performance by SERVICE COMPANY of the terms and conditions of this Agreement. In the event that the DEVELOPER'S project is developed in phases, capacity may, at the option of SERVICE COMPANY, be planned for or reserved for those phases for which a capacity charge has actually been paid, regardless of the payment timing provided in Exhibit "D". In addition to the fees mentioned in Exhibit "D", the DEVELOPER agrees to pay all Pasco County's fees for wastewater treatment plant capacity as required by the Bulk Service Agreement between SERVICE COMPANY and Pasco County.

Upon execution of this Agreement and payment of all fees as provided herein, SERVICE COMPANY shall make reasonable efforts in the planning, permitting and construction of the new water treatment plant capacity necessary to provide service to DEVELOPER within a reasonable time. It is mutually agreed, however, that the aforesaid reservation of treatment plant capacity by SERVICE COMPANY does not guarantee initiation of service to the DEVELOPER on any date certain in the event that SERVICE COMPANY is prohibited, limited or restricted from making such connections or from providing potable water to, or from receiving and disposing of wastewater flow from the DEVELOPER'S Property, by any local, State or Federal governmental agencies having jurisdiction over such matters, until such time as said prohibition, limitation or restriction is removed or amended to SERVICE COMPANY'S reasonable satisfaction. This limitation on commencement of service specifically includes any litigation or administrative hearing processes delaying issuance of any permits required to serve the project, whether that litigation is initiated by third parties, or by the SERVICE COMPANY if SERVICE COMPANY deems such litigation or administrative hearings are reasonably necessary. In any such event, DEVELOPER agrees that SERVICE COMPANY shall not be liable or in any way responsible for any costs or losses incurred by DEVELOPER including, without limitation, the costs or losses incurred as a result of delays in providing service because of such local, State or Federal governmental regulation, intervention or control, or litigation over permit issuance.

Exhibit "D" is provided for informational purposes only. Payment of the sums set forth in Exhibit "D" does not and will not result in SERVICE COMPANY waiving any of its rates, rate schedules or rules and regulations, and their enforcement shall not be affected in any manner whatsoever by DEVELOPER making the contribution. SERVICE COMPANY shall not be obligated to refund to DEVELOPER any portion of such sums for any reason whatsoever, nor shall SERVICE COMPANY pay any interest or rate of interest upon such sums. If in the sole opinion of SERVICE COMPANY, all reasonable legal and administrative actions for the necessary approvals to provide service to DEVELOPER have been exhausted, and SERVICE COMPANY remains unable to provide service to DEVELOPER, SERVICE COMPANY shall refund the Capacity Fees paid under Exhibit "D", if applicable.



Neither DEVELOPER nor any person or entity holding any of the Property by, through or under DEVELOPER, or otherwise, shall have any present or future right, title, claim, lien or interest in and to the contributions or to any of the Utility Facilities and properties of SERVICE COMPANY, and all prohibitions applicable to DEVELOPER with respect to no refund of any such charges or contributions, no interest payment on said charges or contributions and otherwise, are applicable to all persons or entities, except for that which may be provided in Exhibit "D".

Any user or consumer of potable or irrigation water service or wastewater service shall not be entitled to offset any bill or bills rendered by SERVICE COMPANY for such service or services against the contributions or charges. DEVELOPER shall not be entitled to offset the contributions or charges against any claims or claims of SERVICE COMPANY.

SECTION 8. DISPOSITION OF CAPACITY

The water and wastewater system capacity allotment assigned to DEVELOPER herein cannot, and shall not, be assigned, transferred, leased, encumbered or disposed of in any manner by DEVELOPER, unless:

(a) DEVELOPER has obtained the prior written consent of SERVICE COMPANY (and as to wastewater system, Pasco County) to such an assignment, sale or disposition, or

(b) The assignment is in direct connection with a bona fide sale of the Property to which the system capacity reserve relates, and SERVICE COMPANY is notified in writing of such assignment and has consented to same. SERVICE COMPANY will not unreasonably withhold its consent to an assignment made in direct connection with a bona fide sale of the Property nor any other assignment made within six (6) years of the date of this Agreement, provided the Assignee shall:

(i) If SERVICE COMPANY shall so require, enter into a new Developer Agreement with SERVICE COMPANY whereby SERVICE COMPANY shall reserve for such Assignee the unused capacity reserved for the Assignor hereunder in accordance with the terms and conditions of SERVICE COMPANY'S Service Availability Policy and tariffs then in effect; or

(ii) If a new Developer Agreement is not entered into between such Assignee and SERVICE COMPANY, assume all of the duties and obligations of the Assignor under this Agreement; and

(iii) Pay all of SERVICE COMPANY'S legal and administrative costs incurred in connection with such new Developer Agreement or Assignment, as applicable.

In no instance shall any sale or assignment of system capacity reserved be made by DEVELOPER for a consideration which is more than that amount actually paid by DEVELOPER

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to reserve the capacity. In all instances the DEVELOPER and any Assignee shall provide to SERVICE COMPANY, at SERVICE COMPANY'S request, copies of all documents and such other information pertaining to or affecting such transfer as SERVICE COMPANY shall reasonably request.

In the event that SERVICE COMPANY has existing capacity at its treatment plants to provide service to all persons including DEVELOPER who have contracted and paid for same, in the order of their developer agreement date of execution. In such event, SERVICE COMPANY shall not diminish or utilize the water capacity allotment assigned to DEVELOPER hereunder by providing water capacity to other developers or customers, without the prior written consent of the DEVELOPER unless such other developers or customers provide to SERVICE COMPANY or there is otherwise available to SERVICE COMPANY sufficient funds to pay the costs to SERVICE COMPANY of providing water treatment facilities to replace the water treatment facilities so utilized by such other developers or customers and SERVICE COMPANY has received preliminary approval by all governmental agencies having jurisdiction over such facilities to the construction of such facilities and the anticipated completion date for the construction of such facilities shall be adequate to meet the DEVELOPER'S requirements for water services as provided for in its Development Plan attached hereto.

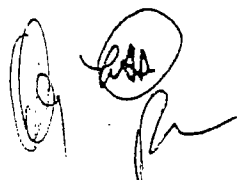
Except as hereinafter extended by SERVICE COMPANY in writing, failure of DEVELOPER, or its permitted assigns as provided above, to fully utilize the water treatment capacity reserved by SERVICE COMPANY hereunder for DEVELOPER on or before the expiration of ten (10) years from the date of this Agreement shall result in the release by DEVELOPER of such water treatment capacity and all obligations of SERVICE COMPANY to DEVELOPER in respect thereof shall be thereby null and void and of no further force or effect. SERVICE COMPANY shall be under no obligation whatsoever to refund to DEVELOPER any portion of the water capacity charges or other charges paid by DEVELOPER to SERVICE COMPANY under this Agreement.

SECTION 9. ASSURANCE OF TITLE TO PROPERTY

Simultaneously with the execution of this contract, at the expense of DEVELOPER, DEVELOPER shall deliver to SERVICE COMPANY an opinion of title from a qualified attorney-at-law, with respect to the Property, which opinion shall include a current report on the status of the title, setting out the name of the legal title holders, the outstanding mortgages, taxes, liens, tenancies or parties in possession and other covenants affecting the subject Property. The provisions of this paragraph are for the purpose of evidencing DEVELOPER'S legal right to grant the exclusive rights of service, easements, warranty deeds for pumping station property and lien rights contained in this Agreement.

SECTION 10. PRIOR APPROVALS

The parties recognize that SERVICE COMPANY may be required to obtain approval from

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various state and local governmental authorities having jurisdiction and regulatory power over the construction, maintenance and operation of treatment capacity and Utility Facilities before it can render service to the Property. SERVICE COMPANY will, at its expense, make the necessary and proper applications to all governmental authorities, and will use reasonable efforts to obtain such approvals. DEVELOPER shall reimburse SERVICE COMPANY for SERVICE COMPANY'S costs and expenses incurred in pursuing such governmental approvals. Applications for the approval of plans for on-site and off-site Utility Facilities to be constructed by DEVELOPER shall be forwarded by SERVICE COMPANY to the applicable governmental agency subsequent to SERVICE COMPANY'S receipt of such plans from DEVELOPER'S engineer. If required, this Agreement shall be filed for record with the applicable governmental agency. It is further understood and agreed that this Agreement shall be null and void and of no further force and effect if any such requisite approval cannot be obtained within a reasonable period of time and through the application of reasonable efforts to obtain same. If DEVELOPER is not the legal title holder (OWNER) then such OWNER shall join in this agreement and be bound by all the terms and conditions whether binding upon the DEVELOPER or the record title holder.

SECTION 11. OWNERSHIP OF FACILITIES

All Utility Facilities used, useful or held for use in connection with providing potable and irrigation water service and wastewater service to the Property, shall at all times remain in the sole, complete and exclusive ownership of SERVICE COMPANY, its successors and assigns; any person or entity owning any part of the Property or any residence, building, or unit constructed or located thereon, shall not have any right, title, claim or interest in and to such facilities or any part of them, for any purpose, including the furnishing of water or wastewater services to other persons or entities located within or beyond the limits of the Property.

SECTION 12. COVENANT NOT TO ENGAGE IN UTILITY BUSINESS

DEVELOPER, as a further consideration to this Agreement, agrees that it shall not (the words "shall not" being used in a mandatory definition) engage in the business of providing potable water, irrigation water, wastewater or reclaimed water services to the Property during the period of time SERVICE COMPANY, its successors and assigns, provide such services to the Property, it being the intention of the parties hereto that the foregoing provision shall be a covenant running with the land and under said provision and also under other provisions of this Agreement, SERVICE COMPANY shall have the sole and exclusive right and privilege to provide potable water, irrigation water, wastewater and reclaimed water services to the Property and to the occupants of each and every residence, building or unit constructed thereon.

SECTION 13. RATES AND CHARGES

Rates and other charges to DEVELOPER and/or individual consumers of service shall be those set forth in the Tariffs or Service Availability Policy of SERVICE COMPANY approved by



the applicable governmental agency, if applicable. However, notwithstanding any provision in this Agreement, SERVICE COMPANY, its successors or assigns, may establish, amend, revise and enforce, from time to time in the future, its tariff, extension policy, rates or rate schedules, fees and charges (including capacity or connection charges) provided that such rates and charges are uniformly applied to customers in the service area and are non-discriminatory as applied to the same classification of service throughout the service area of SERVICE COMPANY.

SERVICE COMPANY may establish, amend or revise, from time to time in the future, and enforce rules and regulations covering water and wastewater service to the Property. Such rules and regulations so established by SERVICE COMPANY shall at all times be reasonable and subject to such regulation as may be applicable.

Any initial or future lower or increased rates, rate schedules, capacity charges or other fees and charges, and rules and regulations established, amended or revised and enforced by SERVICE COMPANY from time to time in the future, shall be binding upon DEVELOPER, upon any person or other entity holding by, through or under DEVELOPER, and upon any user or consumer of the service provided to the Property.

SECTION 14. CONSUMER INSTALLATIONS

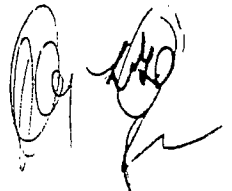
14.01 Application for Service. DEVELOPER, or any owner of any parcel of the Property, or any occupant of any residence, building or unit located thereon, shall not have the right to and shall not connect, any consumer installation to the facilities of SERVICE COMPANY until formal written application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

14.02 Procedure for Connecting Consumer Installations. Although the responsibility for connecting the consumer installation to the lines of SERVICE COMPANY at the point of delivery is that of the DEVELOPER or entity other than SERVICE COMPANY, with reference to such connections, the parties agree as follows:

(a) only Utility Facilities and consumer installation service lines receiving SERVICE COMPANY'S prior approval shall be used;

(b) except as otherwise provided in subparagraph (d) below all consumer installation service lines must be inspected by SERVICE COMPANY before backfilling and covering of any pipes;

(c) notice to SERVICE COMPANY requesting an inspection of a consumer installation service line may be given by the plumber or DEVELOPER, and SERVICE COMPANY will make a good effort to inspect said consumer installation service line within twenty-four (24) hours of receiving a proper request, including lot number, phase, street and address;



(d) if SERVICE COMPANY fails to inspect the consumer installation service line within forty-eight (48) hours after such formal inspection is properly requested by the DEVELOPER or the owner of any parcel, DEVELOPER, owner or agent may backfill or cover the pipes without SERVICE COMPANY'S approval and SERVICE COMPANY must accept the connection as to any matter which could have been discovered by such inspection;

(e) if the DEVELOPER does not comply with the foregoing inspection provisions, SERVICE COMPANY may refuse service to any connection or phase that has not been inspected by SERVICE COMPANY until DEVELOPER complies with these provisions;

(f) the cost of constructing, testing, operating, repairing or maintaining consumer installations shall be that of DEVELOPER.

SECTION 15. RECLAIMED WATER SERVICE

SERVICE COMPANY may, now or in the future, in its sole discretion determine whether to accept reclaimed water supplied by Pasco County's utility system or others. In the event that SERVICE COMPANY determines that such service is to be initiated, and subject to any regulation of the PSC, SERVICE COMPANY shall establish reasonable terms for providing that service at that time. However, SERVICE COMPANY has no obligation under this Agreement to provide such service.

SECTION 16. BINDING AGREEMENT ON SUCCESSORS AND ASSIGNS; NO THIRD PARTY BENEFICIARIES; CONSUMERS NOT SUCCESSORS OR ASSIGNS

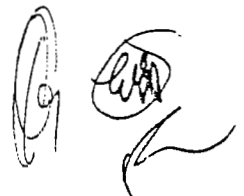
This Agreement shall be binding upon and shall inure to the benefit of DEVELOPER, SERVICE COMPANY and their respective successors and assigns. This Agreement is not intended to the benefit of, or provide any contractual rights to, any third party. Consumers purchasing lots or units within the Property are not successors or assigns to this Agreement, and must apply for the appropriate service agreement with SERVICE COMPANY. DEVELOPER agrees to specifically notify consumers seeking to initiate service of DEVELOPER'S property of their obligation to apply to SERVICE COMPANY for such service.

SECTION 17. NOTICE

Until further written notice by either party to the other, all notices provided for herein shall be in writing and transmitted by hand delivery by messenger service, by certified mail, return receipt requested, or by telegram, to address stated above.

SECTION 18. MATERIAL CHANGE

Should the Property either:

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(a) be subject to a change of zoning; or

(b) be sold to a new developer; or

(c) be subjected to such other change or design which would authorize or require greater potable or irrigation water treatment capacity, or wastewater treatment capacity, greater demand for reclaimed water (if applicable), greater effluent disposal, greater fire flows, or additional Utility Facilities, or increased usage of the Utility Facilities as designed and approved pursuant to the engineering plans and specifications which are the subject of this Agreement, then DEVELOPER shall request a new Agreement with SERVICE COMPANY. Such new agreement shall only be made if, in the sole discretion of SERVICE COMPANY, service is available.

SECTION 19. FORCE MAJEURE

SERVICE COMPANY shall not be liable or responsible to DEVELOPER by reason of the failure or inability of SERVICE COMPANY to take any action it is required to take or to comply with the requirements imposed hereby or for any injury to DEVELOPER or by those claiming by or through DEVELOPER, which failure, inability or injury is caused directly or indirectly by force majeure as hereinafter set forth. The term "force majeure" as employed herein shall mean acts of god, strikes, lock-outs or other industrial disturbance; acts of public enemies, war, blockades, riots, acts of armed forces, militia, or public authority, epidemics; breakdown of or damage to machinery, pumps or pipe lines, landslides, earthquakes, droughts, fires, storms, floods, or washouts; arrests, title disputes, or other litigation; governmental restraints of any nature whether federal, state, county, municipal or otherwise, civil or military; civil disturbances; explosions, failure or inability to obtain necessary materials, supplies, labor or permits or governmental approvals whether resulting from or pursuant to existing or future rules, regulations, orders, laws or proclamations whether federal, state, county, municipal or otherwise, civil or military; or by any other causes, whether or not of the same kind as numerated herein, not within the sole control of SERVICE COMPANY and which by exercise of due diligence SERVICE COMPANY is unable to overcome.

SECTION 20. RIGHT OF REFUSAL

SERVICE COMPANY shall have the right to refuse to provide service and the right to terminate service to any lot, building or other improvement within DEVELOPER'S Property, or in lieu thereof, SERVICE COMPANY may delay the provision of any such service to any lot, building or other improvement upon the Property if DEVELOPER fails to fully comply (substantial compliance is specifically rejected) with its obligations as provided for in this Agreement, and SERVICE COMPANY reserves the right to terminate this Agreement in the event DEVELOPER fails to comply with any of the terms and conditions of this Agreement in a timely manner. The exercise of the rights of SERVICE COMPANY as provided in this paragraph shall be subject however to the rules and regulations of SERVICE COMPANY and the PSC.



B

SECTION 21. NOTICE OF TRANSFER

DEVELOPER agrees to provide proper written notice to SERVICE COMPANY of the actual date of the legal transfer of the Property or any portion thereof involving or otherwise affecting the provision of water or wastewater services from DEVELOPER to any lawful successor or assign. DEVELOPER shall remain responsible for all costs and expenses, including utility bills, which arise as a result of DEVELOPER'S failure to so notify SERVICE COMPANY or any improper notification to SERVICE COMPANY in connection therewith.

SECTION 22. SURVIVAL OF COVENANTS

The rights, privileges, obligations and covenants of DEVELOPER and SERVICE COMPANY shall survive the completion of the work of DEVELOPER with respect to any phase and to the Property as a whole.

SECTION 23
EFFECT OF THIS AGREEMENT ON PRIOR AGREEMENTS AND METHOD OF
AMENDMENT

This Agreement supersedes all previous agreements or representations, either verbal or written, heretofore in effect between DEVELOPER and SERVICE COMPANY, made with respect to the matters herein contained, and when duly executed constitutes the entire Agreement between DEVELOPER and SERVICE COMPANY.

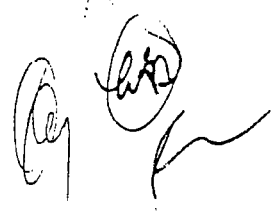
No additions, alterations or variations of the terms of this Agreement shall be valid nor provisions of this Agreement be waived by either party, unless such additions, alterations, variations or waivers are expressed in writing and duly signed by both Parties.

SECTION 24. LAWS OF FLORIDA TO GOVERN

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

SECTION 25. TABLE OF CONTENTS AND SECTION
HEADINGS FOR CONVENIENCE ONLY

The Table of Contents and section headings used in this agreement are for convenience only and have no significance in the interpretation of the body of this Agreement, and the parties hereto agree that they shall be disregarded in construing the provisions of this Agreement.



2

SECTION 26. RECOVERY OF COSTS AND FEES

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

SECTION 27. WARRANTY OF AUTHORITY TO EXECUTE AGREEMENT

The signature of any person to this Agreement shall be deemed representation a personal warranty by that person that he/she has the power and authority to bind any corporation or partnership or any other business entity for which he purports to act.

SECTION 28. DOCUMENT IS THE RESULT OF MUTUAL DRAFTSMANSHIP

The terms, conditions and contents in this Agreement are the shared product of mutual draftsmanship by both parties, each being represented by counsel, and any ambiguities in this Agreement or any documentation prepared pursuant to it shall not be construed against any of the parties because of authorship. The parties acknowledge that all the terms of this Agreement were negotiated at arms's length, and that each party, being represented by counsel, is acting to protect its, his, her, or their own interest.

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

Handwritten signatures and initials in the bottom right corner of the page. There are two distinct signatures, one appearing to be a stylized 'A' and another more complex signature.

DEVELOPER

WITNESSES:

[Signature]
Sign Name
IVAN TORO SLAY
Type or Print Name

EAGLE Creek Homes, INC.
By: [Signature]
As: PRESIDENT
Type or Print Title

Sign Name

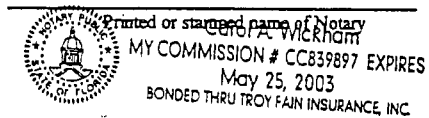
Type or Print Name

STATE OF FLORIDA)
COUNTY OF)

The foregoing instrument was acknowledged before me this 28th day of Oct., 2002, by FRANK MARINELLI OWNER of EAGLE CREEK PROP. MGMT a Florida corporation, on behalf of the corporation. He/she is personally known OR Produced Identification ✓. Type of Identification Produced: _____

Signature of Notary: [Signature]

My Commission Expires:



SERVICE COMPANY

WITNESSES:

Karen Tanner
Sign Name
Karen Tanner
Type or Print Name
[Signature]
Sign Name

MAD HATTER UTILITY, INC.
By: [Signature]
Larry DeLucenay, President

[Handwritten initials]

Tonya Phillips
Type or Print Name

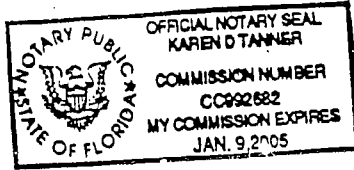
STATE OF FLORIDA)
COUNTY OF Polk)

The foregoing instrument was acknowledged before me this 19th day of November, 2002, by Larry DeLucenay as President of Mad Hatter Utility, Inc., a Florida corporation, on behalf of the corporation. He/she is personally known OR Produced Identification _____. Type of Identification Produced: _____.

Signature of Notary: Karen D Tanner

My Commission Expires:

Printed or stamped name of Notary



[Handwritten initials]

EXHIBIT "A"

Legal Description

TO BE FURNISHED BY DEVELOPER
AND REPRESENTED TO BE ACCURATE AND COMPLETE

PARCEL A

COMMENCE AT A POINT OF INTERSECTION OF THE WEST BOUNDARY OF CARPENTER'S RUN PHASE III, AS RECORDED IN PLAT BOOK 27, PAGES 116 THROUGH 118, OF THE PUBLIC RECORDS OF PASCO COUNTY, FLORIDA AND THE NORTH BOUNDARY OF OAK GROVE PHASE 1B, AS RECORDED IN PLAT BOOK 35, ON PAGES 18 THROUGH 26 OF THE PUBLIC RECORDS OF PASCO COUNTY, FLORIDA; THENCE ALONG THE NORTH BOUNDARY OF SAID OAK GROVE PHASE 1B, N 89°59'49"W, A DISTANCE OF 330.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUE N 89°59'49"W, 250.19 FEET TO A POINT OF INTERSECTION WITH THE EASTERLY RIGHT OF WAY LINE OF OAK GROVE BOULEVARD; THENCE ALONG SAID RIGHT OF WAY N 20°18'07"W, 10.54 FEET TO A POINT OF CURVE; THENCE 212.63 FEET ALONG THE ARC OF A CURVE TO THE RIGHT, SAID CURVE HAVING A RADIUS OF 600.00 FEET, SUBTENDED BY A CHORD OF 211.52 FEET, BEARING N 10°08'58"W; THENCE N 00°00'11"E, 235.91 FEET; THENCE DEPARTING SAID RIGHT OF WAY LINE S 89°59'49"E, 211.73 FEET; THENCE N 00°04'43"E, 26.0 FEET; THENCE S 89°59'49"E, 80.00 FEET; THENCE S 00°04'43"W, 480.0 FEET TO THE POINT OF BEGINNING.

Initials of both parties:

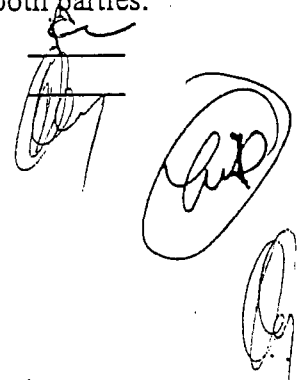
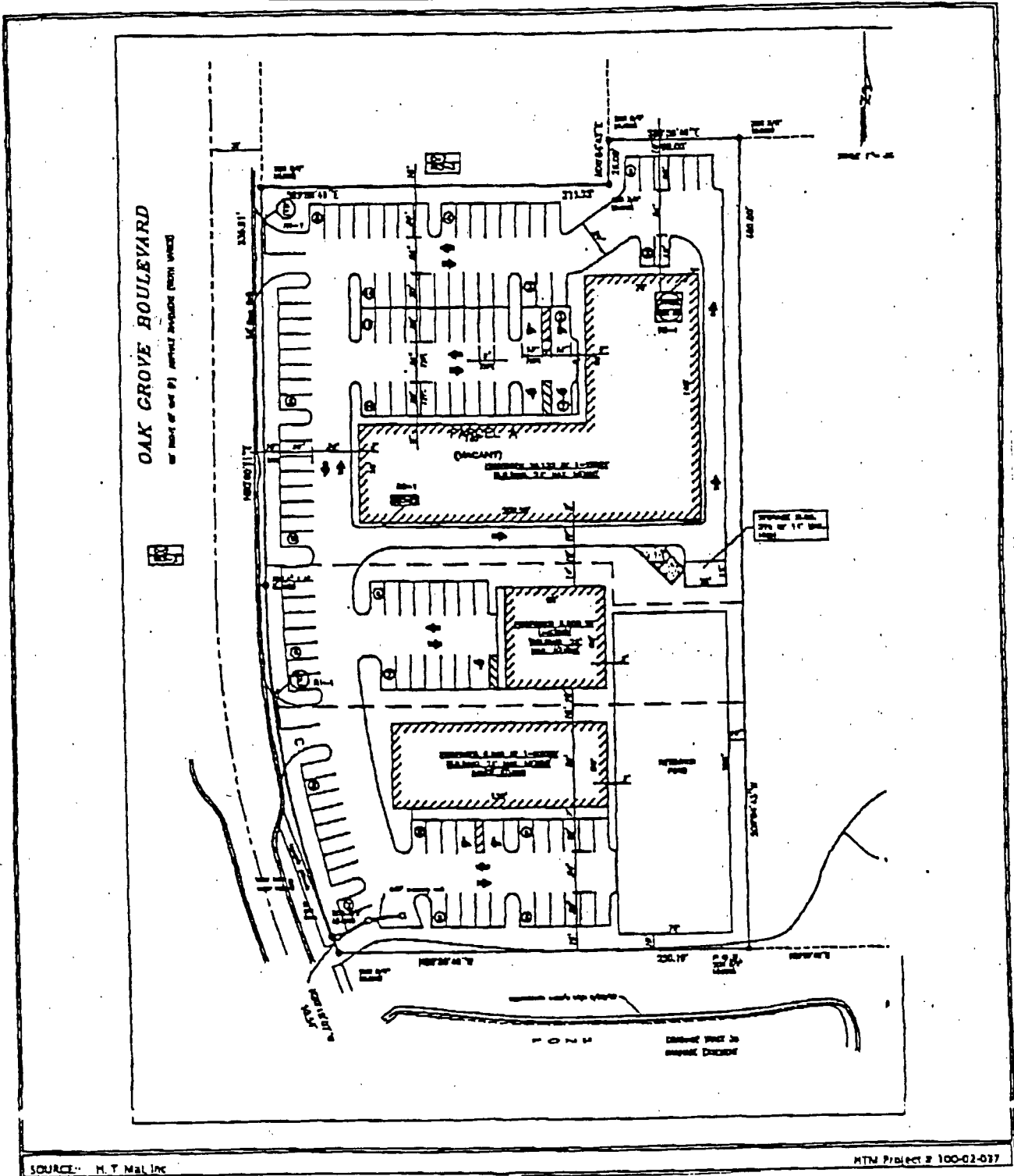


EXHIBIT "B"
DEVELOPMENT PLAN FOR PROPERTY



SOURCE: H. T. Mat, Inc.

MTM Project # 100-02-037

Initials of both parties:

[Handwritten initials and signatures]

[Handwritten mark]

EXHIBIT "C-1"

SUBORDINATION OF INTEREST IN PROPERTY BY
INTERESTED PARTIES ONE FOR EACH SUCH PARTY

The undersigned as an inducement to SERVICE COMPANY to enter into this Developer Agreement with DEVELOPER, EAGLE CREEK HOMES does hereby join in the execution of this Developer Agreement for the purpose of subordinating each and every interest of the undersigned here in and to that real property more particularly described in Exhibit "A" attached hereto and made a part hereof to the rights of SERVICE COMPANY as provided for herein.

WITNESSES:

EAGLE CREEK PROPERTY
MANAGEMENT, INC. LLC

[Signature]

Sign Name

IVAN POTROSLA

Type or Print Name

Sign Name

Type or Print Name

By: [Signature]

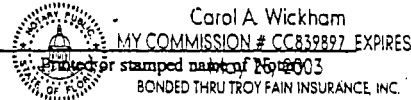
As: FRANK MARINE

Type or print title
Partner

STATE OF FLORIDA)
COUNTY OF)

The foregoing instrument was acknowledged before me this 28th day of Oct., 2002, by FRANK MARINE owner of EAGLE CREEK PROP. MGMT. a Florida limited partnership, on behalf of the partnership. He/she is personally known OR Produced Identification /. Type of Identification Produced: _____

Signature of Notary: [Signature]



My Commission Expires:

Initials of both parties:
[Initials]

EXHIBIT "C-2"

SUBORDINATION OF INTEREST IN PROPERTY BY
INTERESTED PARTIES ONE FOR EACH SUCH PARTY

The undersigned as an inducement to SERVICE COMPANY to enter into this Developer Agreement with DEVELOPER, Eagle Creek Property Mgmt LLC does hereby join in the execution of this Developer Agreement for the purpose of subordinating each and every interest of the undersigned here in and to that real property more particularly described in Exhibit "A" attached hereto and made a part hereof to the rights of SERVICE COMPANY as provided for herein.

WITNESSES:

[Signature]

Sign Name

IVAN BROSLAY

Type or Print Name

Sign Name

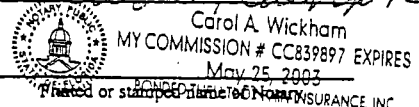
Type or Print Name

STATE OF FLORIDA)
COUNTY OF)

The foregoing instrument was acknowledged before me this 28th day of Oct, 2002, by Adam Broslaw ^{Frank Marinelli} as PARTNERS/OWNERS of EAGLE CREEK PROPERTY MGMT. a Florida limited partnership, on behalf of the partnership. He/she is personally known,
OR Produced Identification N/A. Type of Identification Produced:

N/A

Signature of Notary Carol A. Wickham



My Commission Expires:

Initials of both parties:
[Initials] [Initials]

EXHIBIT "D"

CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION ("CIAC"), AND OTHER CHANGES

In order to further induce the SERVICE COMPANY to provide and maintain adequate and sufficient central water and wastewater facilities, DEVELOPER hereby agrees to abide by the provisions of this Exhibit "D" and to pay to the SERVICE COMPANY, in accordance with the terms and conditions set forth below, the sums of money set forth herein as Contributions-in-Aid-of-Construction ("CIAC"), together with such other charges as are hereafter provided for.

1. Meters fees - DEVELOPER requests the following meters:

???	potable water meters\$
???	irrigation water meters\$

2. Water treatment plant capacity reserved (gpd)

3 Compliance with SERVICE COMPANY'S Service Availability Policy and Tariff:

DEVELOPER recognizes and agrees to abide by all of the provisions of SERVICE COMPANY'S Service Availability Policy and/or Tariffs as filed with and/or approved by the Florida Public Service Commission and other applicable governmental authorities having jurisdiction thereof.

4 Reimbursement of Costs

Upon the execution of this Agreement, DEVELOPER shall pay to SERVICE COMPANY a deposit in the amount of \$,000.00 to defray SERVICE COMPANY'S legal and administrative costs in negotiating, preparing and executing this DEVELOPER AGREEMENT.

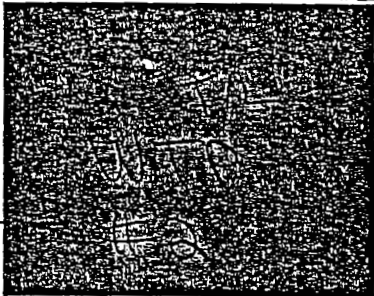
Initials of both parties:



This instrument prepared by,
or under the direction of,
McLach
Department of Transportation
11201 N. McKinley Drive
Tampa, Florida 33612-6456

Parcel No.: 136D and Easement
Item/Segment No.: 256343 1
Managing District: Seven

2000077312
Rcpt: 422197 Rec: 10.50
DS: 0.00 IT: 0.00
06/21/00 11:13am 1 of 2
JED PITTMAN, PASCO COUNTY CLERK
OR BK 4388 PG 1520



QUITCLAIM DEED AND GRANT OF EASEMENT

THIS INDENTURE, Made this 21st day of June, 2000,
by and between the STATE OF FLORIDA by and through the STATE OF
FLORIDA DEPARTMENT OF TRANSPORTATION, Party of the First
Part, whose address is 11201 N. McKinley Drive, Tampa, Florida 33612-
6456 to MAD HATTER UTILITY, INC., A FLORIDA corporation,
Party of the second part, whose address is 1900 Land O Lakes Blvd, Suite
113, Lutz, Florida 33549-2920.

WITNESSETH

WHEREAS, said land hereinafter described was purchased as replacement for property taken in Eminent Domain from
a utility company pursuant to Florida Statute 337.27 (1), and

WHEREAS, Mad Hatter Utility, Inc. (Party of the Second Part) is in need of said property for the construction and
utilization of the replacement of the well and treatment plant taken in Eminent Domain for the widening of State Road 54, the
State of Florida (Party of the First Part), by action of the District Secretary, District Seven, Florida Department of
Transportation hereinafter has agreed to quitclaim the land hereinafter described to the Party of the Second Part;

NOW THEREFORE, THIS INDENTURE WITNESSETH: That the Party of the First Part for and in consideration
of the sum of \$1.00 and other valuable considerations, receipt, and sufficiency being hereby acknowledged, does hereby remise,
release and quitclaim unto the Party of the Second Part, and assigns, forever, all the right, title, and interest in all that certain
land situated in PASCO County, Florida, viz:

That part of the Southeast 1/4 of Section 29, Township 26 South, Range 19 East, Pasco County, Florida, being described as
follows:

Commence at an iron pipe (16mm) marking the Northwest corner of the Southeast 1/4 of said Section 29; thence along the West
line of the Southeast 1/4 of said Section 29, S 0°35'25" W, 2,433.79 feet (741.82m); thence S 88°41'14" E, 310.00 feet
(94.49m); thence S 89°27'43" E, 113.33 feet (34.54m); thence N 0°32'17" E, 9.84 feet (3.00m); thence S 89°27'43" E, 164.04
feet (50.00m); thence S 0°32'17" W, 9.84 feet (3.00m); thence S 89°27'43" E, 1,114.98 feet (339.85m); thence N 0°32'17" E,
365.62 feet (111.44m); thence N 23°16'23" E, 201.20 feet (61.33m); thence N 18°33'48" W, 347.89 feet (106.04m) to the
POINT OF BEGINNING; thence N 42°02'24" W, 100.00 feet (30.48m); thence N 47°57'36" E, 160.00 feet (48.77m); thence
S 42°02'24" E, 100.00 feet (30.48m); thence S 47°57'36" W, 160.00 feet (48.77m) to the POINT OF BEGINNING.

Containing 16000 square feet (1486.45 square meters), 0.37 acres more or less.

TOGETHER WITH an easement for Ingress, Egress and Utilities over a portion of Parcel 136B, further described as: That part
of the Southeast 1/4 of Section 29, Township 26 South, Range 19 East, Pasco County, Florida, being described as follows:

Commence at an iron pipe (16mm) marking the Northwest corner of the Southeast 1/4 of said Section 29; thence

Parcel 136D & Easement



Marcia Cuesta Locke, Esquire
Chief Eminent Domain
Florida Dept. of Transportation
11201 N. McKinley Drive - M. S. 7-120
Tampa, FL 33612

Page 1 of 2



This instrument prepared by,
or under the direction of,
McDon
Department of Transportation

along the West line of the Southeast 1/4 of said Section 29, S 0°35'25" W, 2,433.79 feet (741.820m); thence S 88°41'14" E, 310.00 feet (94.488m); thence S 89°27'43" E, 113.33 feet (34.542m); thence N 0°32'17" E, 9.84 feet (3.00m); thence S 89°27'43" E, 164.04 feet (50.00m); thence S 0°32'17" W, 9.84 feet (3.00m); thence S 89°27'43" E, 1,114.98 feet (339.846m); thence N 0°32'17" E, 365.62 feet (111.44m); thence N 23°16'23" E, 201.20 feet (61.325m) to the POINT OF BEGINNING; thence N 18°33'48" W, 347.89 feet (106.038m); thence N 47°57'36" E, 160.00 feet (48.768m); thence S 42°02'24" E, 38.29 feet (11.67m); thence S 47°57'36" W, 103.05 feet (31.410m); to a point of curvature; thence 52.25 feet (15.925m) along the arc of a curve to the left, said curve having a radius of 45.00 feet (13.716m), a central angle of 66°31'24", and a chord of 49.36 feet (15.046m) which bears S 14°41'54" W; thence S 18°33'48" E, 337.23 feet (102.788m); thence N 61°45'11" W, 59.05 feet (17.998m) to the POINT OF BEGINNING.

Containing 20,194 square feet (1876 square meters), 0.46 acres more or less.

TO HAVE AND TO HOLD, the said premises and the appurtenances thereof unto the Party of the Second Part.

IN WITNESS WHEREOF, the State of Florida Department of Transportation has caused these presents to be signed in the name of the State of Florida Department of Transportation by its District Secretary, District Seven, and its seal to be hereunto affixed, attested by its Executive Secretary, on the date first above written.

ATTEST:

Donna McDonald

(type/print name)

DONNA McDONALD

Executive Secretary

STATE OF FLORIDA
DEPARTMENT OF TRANSPORTATION

By:

Kenneth A. Hartmann

Kenneth A. Hartmann, P.E.

District Seven Secretary

(Affix Department Seal)

STATE OF FLORIDA
COUNTY OF Hillsborough

The foregoing instrument was acknowledged before me this 20 day of June, 2000, by Kenneth A. Hartmann, P.E., District Secretary for District Seven, who is personally known to me.

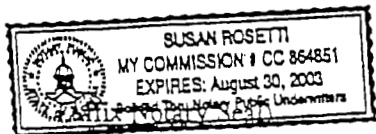
Susan Rosetti

(type/print name)

SUSAN ROSETTI

Notary Public in and for the County and State last aforesaid.

My Commission Expires: 8/30/2003



Parcel 136D & Easement

Marcia Cuesta Locke, Esquire
Chief Eminent Domain
Florida Dept. of Transportation
11201 N. McKinley Drive - M. S. 7-120
Tampa, FL 33612

9.00
1.50
2,090.00
2,100.50
380,000.00

CORPORATE
WARRANTY DEED

Processed by
ALL SERVICE TITLE COMPANY
1532 US Highway 41
Suite H
Lutz, FL 33549
A.D. 19 88 BETWEEN

THIS INDENTURE, Made this 11th day of February
GROVELAND DEVELOPMENTS, INC. AND VENTURA HOMES, INC.

a corporation organized and existing under the laws of the State of Florida
Grantor, and
MAD HATTER UTILITY, INC.

WHOSE ADDRESS IS: P.O. Drawer 1387, Lutz, Florida 33549

Grantee,
WITNESSETH: that the said Grantor, for and in consideration of the sum of ten and 00/100 Dollars and other
valuable consideration, in hand paid by the said Grantee, the receipt whereof is hereby acknowledged, has
granted, bargained and sold to the said Grantee, their heirs and assigns forever, the following described land,
situate, lying and being in the County of Pasco, State of Florida, to wit:

SEE ATTACHED EXHIBIT "A"

100002 10 2576 02-22-88 1004
14:15
RECORD/INDEX
01 00 40 1 9.00
REC MOD TR FUND
01 00 42 1 1.50
DOC STAMPS
01 00 41 1 2090.00
CASH TOTAL 1 2100.50

RETURN TO:
MAD HATTER UTILITY, INC.
P.O. Drawer 1387
Lutz, FL 33549

R

2,090.00
E. Lay

TOGETHER WITH ANY AND ALL INTERESTS OF THE GRANTORS HEREIN IN AND TO
THOSE CERTAIN SEWER AND WATER PLANTS LOCATED ON THE LANDS DESCRIBED
HEREIN.

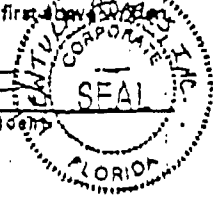
Subject to covenants, restrictions and easements of record. Subject also to taxes for 19 88 and subsequent
years.

And the said Grantor does hereby fully warrant the title to said land, and will defend the same against the
lawful claims of all persons whomsoever.

In Witness Whereof, the said Grantor has caused this instrument to be executed in its name by its duly
authorized officer and caused its corporate seal to be hereto affixed the day and year first above written.
GROVELAND DEVELOPMENTS, INC. VENTURA HOMES, INC.

By: Loren E. Worley
Signed and Sealed in Our Presence

by: Neal Van Dorsten
Neal Van Dorsten, President



Karen A. Arsenault
Bruce B. Covert

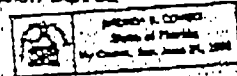
Its
(Corporate Seal)

State of Florida
County of Pasco

The foregoing instrument was acknowledged before me this 11th day of February
19 88, by Loren E. Worley, President of Groveland Developments, Inc. and
Neal Van Dorsten, President of Ventura Homes, Inc.

Florida corporations on behalf of the corporations.

Bruce B. Covert
Notary Public
My commission expires



DEULTA
WATER TREATMENT PLANT SITES

Lot 5, Block 14, TURTLE LAKES, Unit Four, according to the map or plat thereof recorded in Plat Book 20, Pages 83-85, inclusive, of the Public Records of Pasco County, Florida, AND

For a point of reference commence at the Southeast corner of the Southeast 1/4 of Section 29, Township 26 South, Range 19 East, Pasco County, Florida, and run thence N 89 degrees 24' 06" W., along the South boundary of the said Southeast 1/4 of Section 29, a distance of 1248.29 feet; thence N 00 degrees 35' 54" E.; a distance of 48.27 feet to the point of beginning of the tract herein described; thence N 89 degrees 28' 52" W.; a distance of 77.90 feet; thence N 00 degrees 31' 08" E., a distance of 91.63 feet; thence N 63 degrees 43' 22" E., a distance of 113.44 feet; thence S 09 degrees 48' 37" W., a distance of 144.67 feet to the point of beginning; AND

SEWAGE TREATMENT PLANT SITES

Part of the Northwest 1/4 of Section 33, Township 26 South, Range 19 East, Pasco County, Florida, and being more particularly described as follows:

For a point of reference commence at the Northwest corner of the said Section 33, and run thence S 00 degrees 08' 39" W., along the West boundary thereof, a distance of 51.62 feet to a point on the South right-of-way line of State Road No. 54, thence S 89 degrees 59' 20" E., along the said South right-of-way line a distance of 186.98 feet; thence S 00 degrees 07' 58" W., along a line 72.00 feet West of and parallel with the East boundary of the Northwest 1/4 of the Northwest 1/4 of the Northwest 1/4 of said Section 33, a distance of 287.56 feet to a point of curvature; thence Southwesterly, 12.45 feet along the arc of a curve to the right, having a radius of 230.00 feet and a chord bearing and distance of S 01 degrees 40' 59" W., 12.45 feet to the Point of Beginning of the tract herein described; thence Southwesterly 176.07 feet along the arc of a curve to the right having a radius of 230.00 feet and a chord bearing and distance of S 25 degrees 09' 47" W., 171.80 feet to a point of reverse curvature; thence Southwesterly 228.22 feet along the arc of a curve to the left, having a radius of 300.00 feet and a chord bearing and distance of S 25 degrees 17' 58" W., 222.76 feet to a point of tangency; thence S 03 degrees 30' 22" W., a distance of 217.49 feet; thence N 89 degrees 52' 02" W., a distance of 406.60 feet to a point on the aforementioned West boundary of the Northwest 1/4 of Section 33; thence N 00 degrees 08' 39" E., along said West boundary, a distance of 573.15 feet; thence S 89 degrees 59' 20" E., a distance of 585.70 feet to the Point of Beginning.

Containing 6.15 acres, more or less: AND

A parcel of land lying in the East 1/2 of the Northeast 1/4 of Section 29, Township 26 South, Range 19 East, Pasco County, Florida, said parcel being more particularly described as follows:

Beginning at the Northeast corner of said Section 29, run thence S 00 degrees 29' 53" W., 989.22 feet along the East boundary of the Northeast 1/4 of said Section 29; thence N 89 degrees 23' 20" W., 1321.44 feet along a line parallel with the North boundary of the East 1/2 of the Northeast 1/4 of said Section 29 to a point on the West boundary of the East 1/2 of the Northeast 1/4 of said Section 29; thence N 30 degrees 32' 37" E., 989.22 feet along said West boundary to a point on the aforesaid North boundary of the East 1/2 of the Northeast 1/4 of said Section 29; thence S 67 degrees 23' 20" E., 1320.65 feet along said North boundary to the Point of Beginning.

Twin Palms Loop - WTP

High 54 - WTP

RECORD VERIFIED

ED HILLMAN
Dea. Land Court, Pasco County

O.R. 1682 PB 0509

FILED FOR RECORD
FEB 22 2 18 PM '80
Pasco County, Florida

429604

State of Florida
County of Hillsborough

I HEREBY CERTIFY, That on this _____ day of July, A. D. 1985
before me personally appeared _____
and _____, respectively President _____
of _____ Scarecrow Utility, Inc.,
of the State of Florida _____ a corporation under the laws
of the State of Florida _____, to me known to be the persons described in and who
executed the foregoing conveyance to Mad Matter Utility, Inc.
and severally acknowledged the execution thereof to be their free act and deed as such officers,
for the uses and purposes therein mentioned; and that they affixed thereto the official
seal of said corporation, and the said instrument is the act and deed of said corporation.

WITNESS my signature and official seal at _____ Tampa
In the County of Hillsborough and State of Florida
the day and year last aforesaid.

[Handwritten Signature]
Notary Public, State of Florida
My Commission Expires Feb. 10, 1986

FORM R.E.-114 - Florida Title Co., Tampa, FL

Warranty Deed
FROM CORPORATION

TO

Date
ABSTRACT OF DESCRIPTION

FILED FOR RECORD
JUN 31 0 18 PM '85

Subject to the terms and conditions of that certain Mortgage executed by Groveland Development, Inc., to Flagship Park, recorded December 22, 1978 in O. R. Book 984, Page 38 of the Public Records of Pasco County, Florida, thereafter assumed and modified by that certain Assumption and Modification Agreement, dated July 10, 1984 and recorded November 7, 1984 in O. R. Book 1374, Page 103 between Sun Bank of Tampa Bay to Scarecrow Utility, Inc., of the Public Records of Pasco County, Florida. Also subject to that certain Mortgage executed by Scarecrow Utility, Inc., to Groveland Development, Inc., recorded March 1, 1982 in O. R. Book 1180, Page 458 of the Public Records of Pasco County, Florida, thereafter assigned to Universal Homes Inc., and Habitat Builders, Inc.

O.R. 1433 PG 0968

FROM PRO TITLE SERVICES TO

This Warranty Deed Made and executed the 31 day of December 1986
SCARBOROUGH-ZARING JOINT VENTURE II

a corporation existing under the laws of Florida
business at 1155 U.S. Highway 19, Palm Harbor, Florida 33563
hereinafter called the grantor, to Mad Hatter Utilities, Inc.

whose postoffice address is Post Office Drawer 1387, Lutz, Florida 33549
hereinafter called the grantee

Witnesseth: That the grantor, for and in consideration of the sum of \$ 10.00 and other
valuable considerations, receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell,
alien, remise, release, convey and confirm unto the grantee, all that certain land situate in
County, Florida, viz:

Tract "F" as shown on a certain plat of Carpenter's
Run Phase One which is recorded in the public
records of Pasco County, Plat Book 24, Pages 122,
123 and 124. 100002 10 6903 09-01-87
13117
RECORD/INDEX 1 5.00
REC MOD TR FUND 1 1.00
01 00 42
DOC STAMPS 1 .53
01 00 41
10 CASH TOTAL 1 6.53

82773
RETURN TO RECORD
FILED FOR GRANTOR
TOGETHER WITH ALL THE INSTRUMENTS, HEREDITARY AND APPURTENANCES THEREA BELONGING OR IN ANY
WISE APPERTAINING.

The purpose of this conveyance is for the
Water Treatment Plant.
Documentary Tax Pd. \$ 55.00
Intangible Tax Pd.
Jail Fines/Cl. Pasco County
BY E. Log Deputy Clerk

To Have and to Hold, the same in fee simple forever.

And the grantor hereby covenants with said grantee that it is lawfully seized of said land in fee
simple; that it has good right and lawful authority to sell and convey said land; that it hereby fully war-
rants the title to said land and will defend the same against the lawful claims of all persons whomsoever;
and that said land is free of all encumbrances

Scarborough-Zaring Joint Venture, II a Joint Venture comprised of
Scarborough Constructors, Inc., a Florida Corporation and Zaring
National Corporation, an Ohio Corporation authorized to do business
in the State of Florida.

In Witness Whereof the grantor has caused
to be executed in its name, and its corporate seal to be hereunto affixed, by its
proper officers thereunto duly authorized, the day and year first above written.

ATTEST:
Signed, sealed and delivered in the presence of:
Olga A. Soukhal
Chen G. Wright

SCARBOROUGH-ZARING JOINT VENTURE II
SCARBOROUGH CONSTRUCTORS, INC.
By Perry J. Reader
PERRY J. READER, VICE PRESIDENT
ZARING NATIONAL CORPORATION
By Robert A. Haverkamp
ROBERT A. HAVERKAMP, VICE PRESIDENT

STATE OF
COUNTY OF
I HEREBY CERTIFY that on this day, before me, as officer duly qualified and sworn, personally appeared Robert A. Haverkamp & Perry J. Reader
well known to me to be the Vice President and Vice President respectively of the above named corporation,
in the presence of me, and that they solemnly acknowledged executing the same in the presence of me, and that
they were duly authorized to do so by the board of directors of the said corporation and that the seal of the said corporation
was lawfully and officially used in the County and State last aforesaid this 31 day of December 1986.

This instrument created by:
MAD HATTER UTILITIES
Address P.O. Drawer 1387
Lutz, FL 33549

Notary Public, State Of Florida At Large
My Commission Expires Mar. 20, 1990
Issued by W120 Procedure Manual

G. R. 1638 PA 0036

153,661.82

85070032-01-2D

WAMCO FORM 01

WARRANTY DEED

This Warranty Deed Made the 14TH day of AUGUST A. D. 1986 by Richard V. Dunn and Glenn McDonnell, a/k/a J. Glenn McDonnell

hereinafter called the grantor, to

Mad Hatter Utility, Inc., 10610 E. Green Ave., Tampa, FL 33617

whose postoffice address is hereinafter called the grantee.

Witnesseth: That the grantor, for and in consideration of the sum of \$ 10.00 and other valuable considerations, receipt whereof is hereby acknowledged, hereby grants, bargains, sells, conveys, releases, conveys and confirms unto the grantee, all that certain land situate in PASCO County, Florida, wit:

SEE EXHIBIT A ATTACHED

THIS IS NOT THE HOMESTEAD PROPERTY OF THE GRANTORS

Return to: This instrument was prepared by JEANETTE C. HANCOCK, STEWARD TITLE OF TAMPA, 3834 Neptune Bl. P.O. Box 19088, Tampa, Fla. As a necessary incident to the fulfillment of conditions contained in a UIC insurance commitment issued by K.

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

To Have and to Hold, the said in fee simple forever.

And the grantor hereby covenants with said grantee that the grantor is lawfully seized of said land in fee simple; that the grantor has good right and lawful authority to sell and convey said land; that the grantor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever; and that said land is free of all encumbrances, except taxes accruing subsequent to December 31, 19

Documentary Tax Pd. \$ 7168.50
\$ _____ Intangible Tax Pd.

Notary Public, Pasco County
By: [Signature]

In Witness Whereof, the said grantor has signed and sealed these presents the day and year first above written.

Signed, sealed and delivered in our presence:

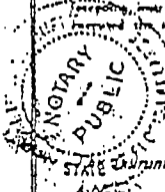
[Signatures of Richard V. Dunn and Glenn McDonnell]

STATE OF FLORIDA
COUNTY OF HILLSBOROUGH

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State of Florida, and in the County aforesaid, to take acknowledgments, personally appeared Richard V. Dunn and Glenn McDonnell, a/k/a J. Glenn McDonnell

to me known to be the person described in and who executed the foregoing instrument and they acknowledged before me that they executed the same.

WITNESS my hand and official seal in the County and State aforesaid this 14TH day of AUGUST, 1986



[Signature of Notary Public]

NOTARY PUBLIC

STATE OF FLORIDA

MY COMMISSION EXPIRES: JUNE 25, 1990

FILED
AUG 15 4 23 PM '86
269378

O.R. 1529-PB 0207

Conrad

17.50

PARCEL 3: WATER TREATMENT PLANT SITE

For a point of reference, commence at the Southwest corner of Lot 14 of FOXWOOD SUBDIVISION, PHASE "4", as per map or plat thereof recorded in Plat Book 18, Pages 5 through 10, inclusive, of the Public Records of Pasco County, Florida; said point being on the South boundary of the Northwest 1/4 of the Northwest 1/4 of the Southeast 1/4 of Section 36, Township 26 South, Range 18 East, Pasco County, Florida; Run thence S. 89 deg. 52' 47" W., along the S. boundary of NW 1/4 of SE 1/4 of said Section 36, a distance of 135.00 feet for point of beginning, continue thence S. 89 deg. 52' 47" W., along the South boundary of the Northwest 1/4 of the Northwest 1/4 of the Southeast 1/4 of said Section 36, a distance of 119.09 feet; thence North 05 deg. 06' 34" E., a distance of 68.25 feet; thence N. 34 deg. 21' 04" E., a distance of 70.79 feet to a point on a curve to the left having a radius of 150.00 feet; thence 78.13 feet along the arc of said curve through a central angle of 29 deg. 50' 39" a chord bearing and distance of South 70 deg. 34' 16" E., 77.25 feet to a point on said curve thence S. 00 deg. 07' 13" E., a distance of 100.48 feet to the point of beginning.

100002 10 B271 08-15-84	1004
16:17	
RECORDING	
01 00 40	9.00
DOC STAMPS	
01 00 41	768.50
10 CASH TOTAL 1	777.50

O.R. 1529 PG 0208



LEGAL DESCRIPTION

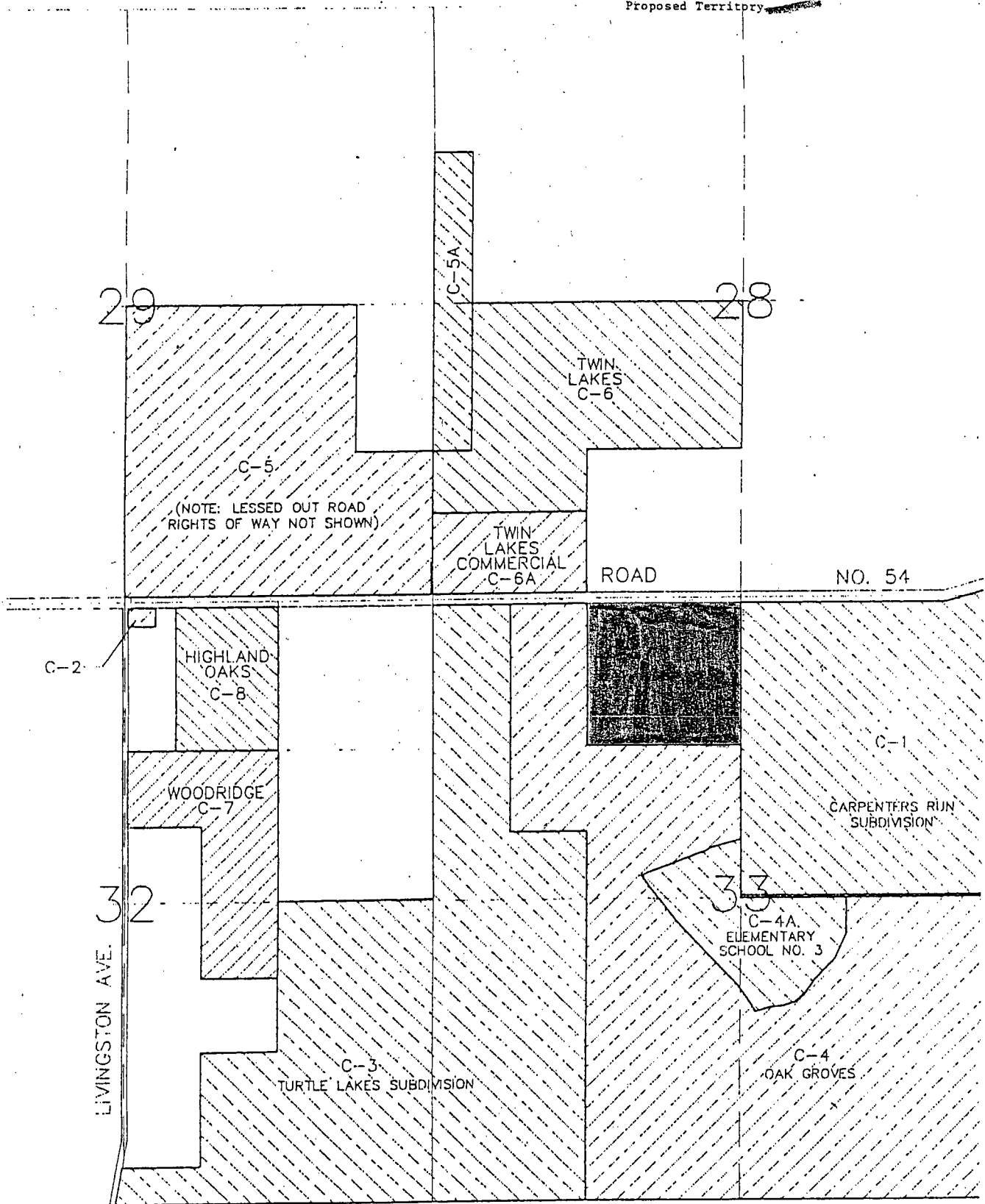
The Northeast 1/4 of the Northwest 1/4 of Section 33, Township 26 South, Range 19 East, Pasco County, Florida.

AND

That portion of Section 33, Township 26 South, Range 19 East, Pasco County, Florida not previously included within the service territory of Mad Hatter Utility, Inc. by prior Florida Public Service Commission Orders.



Existing Territory 
 Proposed Territory 



TOWNSHIP 26 SOUTH - RANGE 19 EAST

PARTY CHIEF	PREPARED FOR	MAD HATTER 1900 LAND O SUIT LUTZ, FLOI
DRAWN BY W.S.L.	(813) 940-2187	
CHECKED BY	(813) 949-5877	
SCALE 1" = 800'	(FAX) 949-2146	



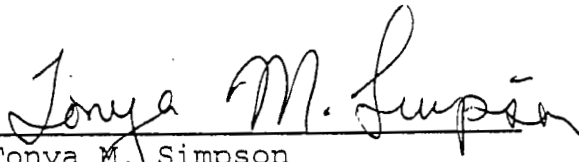
AFFIDAVIT OF MAILING

STATE OF FLORIDA

COUNTY OF LEON

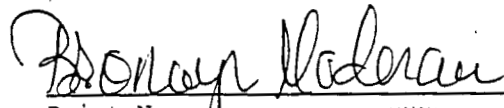
Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared TONYA M. SIMPSON who, after being duly sworn on oath, did depose on oath and say that she is the secretary of F. Marshall Deterding, attorney for Mad Hatter Utility and that on December 6, 2002 she did send by regular mail, a copy of the notice attached hereto to each of the utilities, governmental bodies, agencies, or municipalities, in accordance with the list provided by the Florida Public Service Commission, which is also attached hereto.

FURTHER AFFIANT SAYETH NAUGHT.



Tonya M. Simpson

Sworn to and subscribed before me this 6th day of December, 2002, by Tonya M. Simpson who is personally known to me.



Print Name
NOTARY PUBLIC
My Commission Expires



December 6, 2002

LEGAL NOTICE OF APPLICATION FOR AMENDMENT OF CERTIFICATES

Pursuant to the provisions of Section 367.045, Florida Statutes, and the provisions of Florida Public Service Commission Rule 25-30.030, Notice is hereby given this 6th day of December, 2002 by Mad Hatter Utility, Inc., 1900 Land O'Lakes Blvd., Ste. 113, Lutz, Florida 33549, of its Application to extend its service area to provide water and wastewater service to the following described lands in Pasco County, Florida:

The Northeast 1/4 of the Northwest 1/4 of Section 33,
Township 26 South, Range 19 East, Pasco County, Florida.

AND

That portion of Section 33, Township 26 South, Range 19
East, Pasco County, Florida not previously included within the
service territory of Mad Hatter Utility, Inc. by prior Florida Public
Service Commission Orders.

Any objection to the said application must be made in writing and filed with the Director, Division of the Commission Clerk and Administrative Services, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, within thirty (30) days from the date of this notice. At the same time, a copy of said objection should be mailed to the applicant whose address is set forth below. The objection must state the grounds for the objection with particularity.

F. Marshall Deterding, Esquire
Rose, Sundstrom & Bentley
2548 Blairstone Pines Drive
Tallahassee, Florida 32301

STATE OF FLORIDA

COMMISSIONERS:
LILA A. JABER, CHAIRMAN
J. TERRY DEASON
BRAULIO L. BAEZ
MICHAEL A. PALECKI
RUDOLPH "RUDY" BRADLEY



TIMOTHY DEVLIN, DIRECTOR
DIVISION OF ECONOMIC REGULATION
(850) 413-6900

Public Service Commission

December 6, 2002

Mr. F. Marshall Deterding
Rose, Sundstrom & Bentley, L.L.P.
2548 Blairstone Pines Drive
Tallahassee, Florida 32301

Re: Noticing List for Pasco and Hillsborough Counties for the Application of Amendment of Mad Hatter Utilities, Inc. in Pasco County

Dear Mr. Deterding:

Enclosed is the list of water and wastewater utilities and governmental/regulatory agencies in the above mentioned counties. Please refer to Commission Rule 25-30.030, Florida Administrative Code, for the noticing requirements. Noticing must be done in the proper format, consistent with the rule. If your notice is not in the proper format, you will be required to renotice and your application will be delayed. Instructions for preparation of a territory description are available upon request.

Please note that if your county list includes two Department of Environmental Protection offices or two Water Management District offices, you must identify which is the proper district office for your notice.

You will note that the county list is dated and is valid for sixty days from that date. If you have not performed the noticing by this date, you must request an updated list.

If you have any questions, please contact the undersigned.

Sincerely,

A handwritten signature in cursive script that reads "Patti Daniel".

Patti Daniel, Supervisor
Bureau of Certification

C:\wp6\County\7madhatter.rpr
Enclosures

LIST OF WATER AND WASTEWATER UTILITIES IN PASCO COUNTY

(VALID FOR 60 DAYS)
12/06/2002-02/03/2003

UTILITY NAME

MANAGER

PASCO COUNTY

ALLEN LAFORTUNE AND OTIS FONDER (WU556)
36645 SUNSHINE ROAD
ZEPHYRHILLS, FL 33541-1182

ALLEN LAFORTUNE
(813) 782-6929

ALOHA UTILITIES, INC. (WS001)
6915 PERRINE RANCH ROAD
NEW PORT RICHEY, FL 34655-3904

STEPHEN G. WATFORD
(727) 372-0115

C. S. WATER COMPANY, INC. (WU030)
P. O. BOX 40
CRYSTAL SPRINGS, FL 33524-0040

CLYDE A. BISTON
(813) 783-2984 (OFFICE)

CRESTRIDGE UTILITY CORPORATION (WU049)
4804 MILE STRETCH DRIVE
HOLIDAY, FL 34690-4358

EILEEN M. FALLA
(727) 937-6275

DIXIE GROVES ESTATES, INC. (WU056)
% MATTHEW A. POTTER, CPA
5940 MAIN STREET
NEW PORT RICHEY, FL 34652-2716

JUDSON F. POTTER
(727) 845-1530

EAST PASCO UTILITIES, INC. (WS017)
P. O. BOX 370
PORT RICHEY, FL 34673-0370

JACKIE TURCO
(727) 845-3199

FLORALINO PROPERTIES, INC. (WU075)
P. O. BOX 5017
LARGO, FL 33779-5017

TONY TUBOLINO
(727) 843-0064

FLORIDA WATER SERVICES CORPORATION (WS554)
P. O. BOX 609520
ORLANDO, FL 32860-9520

CARLYN KOWALSKY
(407) 598-4297

FOREST HILLS UTILITIES, INC. (WS081)
1518 U.S. HIGHWAY 19
HOLIDAY, FL 34691-5649

ROBERT L. DREHER
(727) 937-7457

HACIENDA UTILITIES, LTD. (SU810)
7107 GIBRALTAR AVENUE
NEW PORT RICHEY, FL 34653-4014

ALLAN MARTIN
(727) 847-1409

LIST OF WATER AND WASTEWATER UTILITIES IN PASCO COUNTY

(VALID FOR 60 DAYS)
12/06/2002-02/03/2003

UTILITY NAME

MANAGER

PASCO COUNTY (continued)

HOLIDAY GARDENS UTILITIES, INC. (WU109)
4804 MILE STRETCH DRIVE
HOLIDAY, FL 34690-4358

EILEEN M. FALLA
(727) 937-6275

HOLIDAY UTILITY COMPANY, INC. (WU111)
P. O. BOX 27
TARPON SPRINGS, FL 34688-0027

MELODY MICKLER
(727) 937-3750

HUDSON UTILITIES, INC. (SU114)
14334 OLD DIXIE HIGHWAY
HUDSON, FL 34667-1134

MATHEW GRIFFIN
(727) 863-0205

JASMINE LAKES UTILITIES CORPORATION (WS630)
% AQUASOURCE, INC.
411 SEVENTH AVENUE, MD. 14-3
PITTSBURGH, PA 15219-1919

WILLIAM V. PFROMMER
(412) 393-3623

KEMPLE WATER COMPANY (WU132)
37502 MARCLIFF TERRACE
ZEPHYRHILLS, FL 33541-8451

RICHARD KEMPLE
(813) 782-2972

L W V UTILITIES, INC. (WU135)
7552 CONGRESS STREET, SUITE 4
NEW PORT RICHEY, FL 34653-1106

JAMES A. COCHRAN
(727) 849-9389

LABRADOR SERVICES, INC. (WS835)
P. O. BOX 1206
ZEPHYRHILLS, FL 33539-1206

HENRY VIAU
(813) 780-7364

LINDRICK SERVICE CORPORATION (WS149)
P. O. BOX 1176
NEW PORT RICHEY, FL 34656-1176

HELEN L. MCNEIL
(727) 848-1165

MAD HATTER UTILITY, INC. (WS155)
1900 LAND O' LAKES BLVD., SUITE 107
LUTZ, FL 33549-2913

LARRY G. DELUCENAY
(813) 949-2167 OR -5977

MINK ASSOCIATES II, LLC, D/B/A TIMBERWOOD UTILITIES (WS843)
36323 ARBOR OAKS DRIVE
ZEPHYRHILLS, FL 33541-2031

GERALD D. ROSS
(813) 788-1356

LIST OF WATER AND WASTEWATER UTILITIES IN PASCO COUNTY

(VALID FOR 60 DAYS)
12/06/2002-02/03/2003

UTILITY NAME

MANAGER

PASCO COUNTY (continued)

ORANGELAND WATER SUPPLY (WU179) 2109 OVERVIEW DRIVE NEW PORT RICHEY, FL 34655-4131	FRED J. SNELL (727) 372-8330
ORANGEWOOD LAKES SERVICES, INC. (WS180) 7602 CONGRESS STREET, SUITE 4 NEW PORT RICHEY, FL 34653-1107	ALFRED G. HEILER (727) 849-9555
PARADISE LAKES UTILITY, L.L.C. (WS446) P. O. BOX 750 LAND O'LAKES, FL 34639-0750	JOSEPH T. LETTELLEIR (813) 949-9327 EXT 322
PASCO UTILITIES, INC. (WU190) P. O. BOX 4118 TAMPA, FL 33677-4118	LIONEL LLANES (813) 877-8330
SKY ACRES ENTERPRISES D/B/A TERRACE PARK VENTURES (SU750) 14332 NORTH LANE DRIVE MARATHON, WI 54448-9596	TERRY HOFFER (715) 443-6333
SOUTH PASCO UTILITIES, INC. (WS634) P. O. BOX 16800 TAMPA, FL 33687-6800	GEORGE L. BLACK, JR. (813) 986-2489
UTILITIES, INC. OF FLORIDA (SU640) 200 WEATHERSFIELD AVENUE ALTAMONTE SPRINGS, FL 32714-4099	DONALD RASMUSSEN (407) 869-1919
UTILITIES, INC. OF FLORIDA (WU372) 200 WEATHERSFIELD AVENUE ALTAMONTE SPRINGS, FL 32714-4099	DONALD RASMUSSEN (407) 869-1919
VIRGINIA CITY UTILITIES, INC. (WU718) % MATTHEW A. POTTER, CPA 5940 MAIN STREET NEW PORT RICHEY, FL 34652-2716	JUDSON F. POTTER (727) 845-1530

LIST OF WATER AND WASTEWATER UTILITIES IN PASCO COUNTY

(VALID FOR 60 DAYS)
12/06/2002-02/03/2003

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

CLERK, BOARD OF COUNTY COMMISSIONERS, PASCO COUNTY
38053 LIVE OAK AVENUE
DADE CITY, FL 33525

DEP SOUTHWEST DISTRICT
3804 COCONUT PALM DRIVE
TAMPA, FL 33618-8318

MAYOR, CITY OF DADE CITY
P. O. BOX 1355
DADE CITY, FL 33526-1355

MAYOR, CITY OF NEW PORT RICHEY
5919 MAIN STREET
NEW PORT RICHEY, FL 34652

MAYOR, CITY OF PORT RICHEY
ATTN: CITY CLERK
8624 PORT RICHEY VILLAGE LOOP
PORT RICHEY, FL 33568

MAYOR, CITY OF SAN ANTONIO
32819 PENNSYLVANIA AVENUE
P. O. BOX 75
SAN ANTONIO, FL 33576-0075

MAYOR, CITY OF ST. LEO
P. O. BOX 2479
ST. LEO, FL 33574-2479

MAYOR, CITY OF ZEPHYRHILLS
5335 8TH STREET
ZEPHYRHILLS, FL 33540-5133

LIST OF WATER AND WASTEWATER UTILITIES IN PASCO COUNTY

(VALID FOR 60 DAYS)
12/06/2002-02/03/2003

UTILITY NAME

MANAGER

MIKE WELLS, PASCO COUNTY PROPERTY APPRAISER
38053 LIVE OAK AVENUE, SUITE 211
P. O. BOX 401
DADE CITY, FL 33526-0401

PASCO COUNTY ADMIN., 7530 LITTLE ROAD
PUBLIC WORKS UTILITY BUILDING
NEW PORT RICHEY, FL 34654

S.W. FLORIDA WATER MANAGEMENT DISTRICT
2379 BROAD STREET
BROOKSVILLE, FL 34609-6899

TAMPA BAY REGIONAL PLANNING COUNCIL
9455 KOGER BLVD., SUITE 219
ST. PETERSBURG, FL 33702-2491

STATE OFFICIALS

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

DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES
FLORIDA PUBLIC SERVICE COMMISSION
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

LIST OF WATER AND WASTEWATER UTILITIES IN HILLSBOROUGH COUNTY

(VALID FOR 60 DAYS)
12/06/2002-02/03/2003

UTILITY NAME

MANAGER

HILLSBOROUGH COUNTY

C. S. WATER COMPANY, INC. (WU030)
P. O. BOX 40
CRYSTAL SPRINGS, FL 33524-0040

CLYDE A. BISTON
(813) 783-2984 (OFFICE)

LIST OF WATER AND WASTEWATER UTILITIES IN HILLSBOROUGH COUNTY

(VALID FOR 60 DAYS)
12/06/2002-02/03/2003

UTILITY NAME

MANAGER

GOVERNMENTAL AGENCIES

CLERK, BOARD OF COUNTY COMMISSIONERS, HILLSBOROUGH COUNTY
P. O. BOX 1110
TAMPA, FL 33601

DEP SOUTHWEST DISTRICT
3804 COCONUT PALM DRIVE
TAMPA, FL 33619

MAYOR, CITY OF PLANT CITY
P. O. DRAWER C
PLANT CITY, FL 33564-9003

MAYOR, CITY OF TAMPA
CITY HALL
306 EAST JACKSON STREET, 8N
TAMPA, FL 33602-5223

MAYOR, CITY OF TEMPLE TERRACE
P. O. BOX 16930
TEMPLE TERRACE, FL 33687-6930

S.W. FLORIDA WATER MANAGEMENT DISTRICT
2379 BROAD STREET
BROOKSVILLE, FL 34609-6899

TAMPA BAY REGIONAL PLANNING COUNCIL
9455 KOGER BLVD., SUITE 219
ST. PETERSBURG, FL 33702-2491

LIST OF WATER AND WASTEWATER UTILITIES IN HILLSBOROUGH COUNTY

(VALID FOR 60 DAYS)
12/06/2002-02/03/2003

UTILITY NAME

MANAGER

STATE OFFICIALS

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

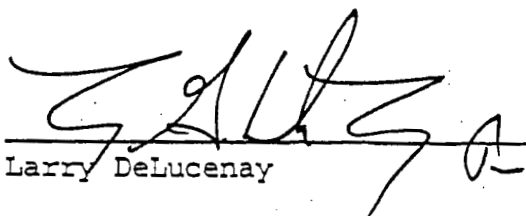
DIVISION OF THE COMMISSION CLERK AND ADMINISTRATIVE SERVICES
FLORIDA PUBLIC SERVICE COMMISSION
2540 SHUMARD OAK BOULEVARD
TALLAHASSEE, FL 32399-0850

A F F I D A V I T

STATE OF FLORIDA)
COUNTY OF pasco)


BEFORE ME, the undersigned authority, authorized to administer oaths and take acknowledgements, personally appeared Larry DeLucenay, President of Mad Hatter Utility, Inc., who after being duly sworn, did depose on oath and say that Mad Hatter Utility, Inc. does currently have tariffs and annual reports on file with the Florida Public Service Commission.

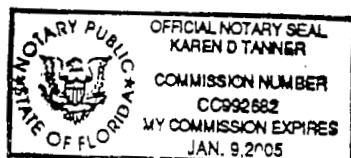
FURTHER AFFIANT SAYETH NOT.


Larry DeLucenay

STATE OF FLORIDA)
COUNTY OF pasco)

The foregoing instrument was acknowledged before me this 5th day of December, 2002, by Larry DeLucenay, who is personally known to me or who has produced _____ as identification.


Print Name Karen D. Tanner
Notary Public
State of Florida at Large
My Commission Expires:



NAME OF COMPANY MAD HATTER UTILITY, INC.

WASTEWATER TARIFF

DESCRIPTION OF TERRITORY SERVED

The Northeast 1/4 of the Northwest 1/4 of Section 33, Township 26 South, Range 19 East, Pasco County, Florida.

AND

That portion of Section 33, Township 26 South, Range 19 East, Pasco County, Florida not previously included within the service territory of Mad Hatter Utility, Inc. by prior Florida Public Service Commission Orders.

LARRY G. DELUCENAY
ISSUING OFFICER

PRESIDENT
TITLE

NAME OF COMPANY MAD HATTER UTILITY, INC.

WATER TARIFF

DESCRIPTION OF TERRITORY SERVED

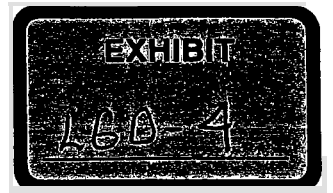
The Northeast 1/4 of the Northwest 1/4 of Section 33, Township 26 South, Range 19 East, Pasco County, Florida.

AND

That portion of Section 33, Township 26 South, Range 19 East, Pasco County, Florida not previously included within the service territory of Mad Hatter Utility, Inc. by prior Florida Public Service Commission Orders.

LARRY G. DELUCENAY
ISSUING OFFICER

PRESIDENT
TITL F



DEVELOPER AGREEMENT
BETWEEN
FREEMARR DEVELOPMENT, INC.
AND
MAD HATTER UTILITY, INC.

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DEVELOPER'S AGREEMENT

THIS AGREEMENT is made and entered into this 7th day of June, 2002 by and between FREEMARR DEVELOPMENT, INC., whose business address is 1463 Oakfield Drive, Suite 134, Brandon, FL 33511, and its successors and assigns, (hereinafter referred to as "DEVELOPER"), and MAD HATTER UTILITY, INC., whose business address is 1900 Land O' Lakes Blvd, Suite 107, Lutz, FL 33549, and its successors and assigns, (hereinafter referred to as "SERVICE COMPANY");

WITNESSETH

WHEREAS, DEVELOPER owns or controls land located in Pasco County, in the State of Florida, which property is more particularly described in Exhibit "A", attached hereto and made a part hereof (the Property"), and intends to develop a project known as OAK GROVE PHASE 4-A on the Property by erecting residential or commercial improvements, or one of any combination of these thereon as provided in the Development Plan attached hereto (hereinafter the "Project"); and

WHEREAS, DEVELOPER is desirous of having available to the Property SERVICE COMPANY'S central water, wastewater and irrigation water systems so that there may be provided to the Property and the improvements to be constructed thereon from time to time and to the occupants thereof adequate water, wastewater and irrigation water service from the central utility systems of the SERVICE COMPANY; and;

WHEREAS, the SERVICE COMPANY is willing to provide, in accordance with the provisions of this Agreement and subject to approval of the Florida Public Service Commission ("PSC"), central water, wastewater and irrigation water service, and to allow extension of its facilities to the Property and thereafter operate such facilities so that the occupants of the improvements on the Property will receive an adequate potable and irrigation water supply and wastewater collection services from SERVICE COMPANY; and,

WHEREAS, the DEVELOPER acknowledges and agrees that wastewater treatment and disposal services are presently provided by Pasco County pursuant to its ordinances, rules, regulations and the Bulk Wastewater Service Agreement existing between Pasco County and SERVICE COMPANY, but treatment locations are subject to change at the discretion of the SERVICE COMPANY; and,

WHEREAS, the DEVELOPER acknowledges and agrees that reclaimed water services may be provided by SERVICE COMPANY for irrigation water services in the future pursuant to appropriate SERVICE COMPANY rules and regulations or a future Bulk Reclaimed Water Service Agreement between Pasco County and SERVICE COMPANY, but that initial irrigation water shall be potable water; and,

WHEREAS, DEVELOPER acknowledges and agrees to comply with the bulk service agreement for wastewater treatment services between Pasco County and SERVICE COMPANY, and DEVELOPER'S obligation thereunder to arrange for payment of all wastewater capacity fees for the Property through Pasco County prior to receiving service under this Agreement.

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

SECTION 1. DEFINITIONS

The following definitions and references are given for the purpose of interpreting the terms as used in this Agreement and shall apply unless the context indicates a different meaning:

- 1.01 "Property" - all the lands legally described in Exhibit "A", and represented by DEVELOPER to be accurate and complete;
- 1.02 "Development Plan" - the proposed improvements to be constructed on the Property and the anticipated time for the construction thereof as set forth in Exhibit "B" attached hereto and made a part hereof;
- 1.03 "Phase" - refers to a part of the Property which is being or is to be developed as a unit;
- 1.04 "Lot or Tract" - each separate subdivided building site as platted of record or as shown on the development plan attached as part of Exhibit "B" and made a part hereof;
- 1.05 "Service" - the readiness and ability on the part of SERVICE COMPANY to furnish potable and irrigation water service, and wastewater service to each lot;
- 1.06 "Point of Delivery" - the point where the pipes or meters of SERVICE COMPANY are connected with the pipes of the consumer. Unless otherwise indicated, point of delivery shall be at a point on the consumer's lot line;
- 1.07 "Consumer Installation" - all facilities on the consumer's side of the point of delivery;
- 1.08 "Interested Parties" - the parties executing Exhibit "C" attached hereto and made a part hereof for the purpose of subordinating their interests in the Property to this Agreement. DEVELOPER warrants that the persons executing said Exhibit "C" are all persons having an interest in the Property, other than the DEVELOPER, whether as a mortgagee, secured lien holder, tenant or otherwise.
- 1.09 "Contribution-in-aid-of-Construction" or "CIAC" - the sums of money designated as such and property represented by the value of any potable and irrigation water distribution, or sewage collection system constructed by DEVELOPER, which DEVELOPER agrees to contribute to

- SERVICE COMPANY as a contribution-in-aid-of-construction to induce SERVICE COMPANY to provide potable and irrigation water service, and wastewater collection services to the Property.

1.10 "Master Plan" - Master Plan for SERVICE COMPANY'S potable and irrigation water, and wastewater systems prepared by SERVICE COMPANY or SERVICE COMPANY'S Engineers, as amended, or conceptual as may be modified from time to time.

1.11 "Equivalent Residential Connection" or "ERC" - the estimated average daily flow for a single-family residential unit which for all purposes of this Agreement shall be computed at three hundred fifty (350) gallons per day (gpd) for water service and two hundred eighty (280) gallons per day (gpd) for wastewater service.

1.12 "Utility Facilities" - unless otherwise described herein, shall mean the potable water distribution mains, hydrants, services, meters, and related appurtenances and equipment; wastewater collection mains, laterals, services, pumping stations, and related and appurtenances and equipment; and irrigation water mains, services, meters, and related appurtenances and equipment.

1.13 "Connection Point" - means that point in SERVICE COMPANY'S existing utility system determined by SERVICE COMPANY, where the DEVELOPER will be allowed to connect its on-site or off-site facilities.

1.14 "Reclaimed Water" - water produced by the proper treatment of wastewater effluent such that it may be used for consumer irrigation and other specified non-potable uses.

1.15 "Irrigation Water" - water provided through Utility Facilities separate and apart from the potable water and wastewater Utility Facilities, to be used for consumer irrigation of lawns, shrubs, and other vegetation. The irrigation water may be potable water, non-potable water, or may be reclaimed water in the event that SERVICE COMPANY chooses to use reclaimed water pursuant to the terms of this Agreement.

SECTION 2. EASEMENTS

2.01 Grant of Easements. DEVELOPER hereby grants and gives to SERVICE COMPANY, its successors and assigns, subject to the terms of this Agreement, the exclusive right or privilege to construct, install, own, maintain, expand and operate the Utility Facilities in, under, upon, over and across the Property to serve the Property; and to provide service to the property of others in accordance with the Master Plan of SERVICE COMPANY, an exclusive right or privilege to construct, install, own, maintain, repair and operate said Utility Facilities in, under, upon, over and across the present and future streets, roads, terraces, alleys, easements, reserved utility strips and utility sites, and any public place or common area as provided for, dedicated to, or otherwise available for public use, whether or not provided for in any plats, agreements, dedication or grants of record. Nothing contained herein shall be construed as granting an interest in any publicly owned property by DEVELOPER nor shall this grant in any manner be deemed as diminishing or restricting

SERVICE COMPANY'S right to the use of any such publicly owned property. SERVICE COMPANY may demand that the DEVELOPER grant or obtain easements for installation of the Utility Facilities even when parallel public rights of way exist.

2.02 Form of Grant. In addition to the grant herein, DEVELOPER agrees to execute a written Grant of Easement, or include the language of the grant in the recording of the plat for the project.

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

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

2.05 Errors in Line Locations. SERVICE COMPANY and DEVELOPER will use due diligence in ascertaining all easement locations; however, should SERVICE COMPANY or DEVELOPER install any of the Utility Facilities outside a dedicated easement area, SERVICE COMPANY will not be required to move or relocate any Utility Facilities lying outside a dedicated easement area, or private easement area conveyed by express grant, so long as the Utility Facilities do not interfere with the then or proposed use of the area in which the Utility Facilities have been installed, and so long as SERVICE COMPANY obtains a private easement for such line location, which DEVELOPER will grant without cost to SERVICE COMPANY if it is within DEVELOPER'S reasonable power to make such grant. Should SERVICE COMPANY be obligated to relocate any such facility installed by DEVELOPER, then DEVELOPER shall reimburse to SERVICE COMPANY, SERVICE COMPANY'S costs reasonably incurred in connection with such relocation.

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

service.

SECTION 3. AGREEMENT TO SERVE

Upon the completion of construction of the Utility Facilities by DEVELOPER, and its inspection and acceptance by SERVICE COMPANY, and subject to the other terms of this Agreement, SERVICE COMPANY covenants and agrees that it will authorize DEVELOPER to connect the Utility Facilities installed by DEVELOPER to the central facilities of SERVICE COMPANY in accordance with the terms and intent of this Agreement. Such connection shall at all times be at the expense of the DEVELOPER and in accordance with rules, regulations and orders of the SERVICE COMPANY and all applicable governmental authorities. The Parties hereto agree that once DEVELOPER has conveyed to SERVICE COMPANY all Utility Facilities constructed by DEVELOPER in accordance with this Agreement and once it provides permanent utility service to the Property and DEVELOPER or others have connected consumer installations to its system, that thereafter SERVICE COMPANY will continuously provide, at its cost and expense, but in accordance with the other provisions of this Agreement, including all applicable rules and regulations and rate schedules, water and wastewater service to the Property in a manner to reasonably conform with all requirements of the applicable governmental authority having jurisdiction over the operations of SERVICE COMPANY.

SECTION 4. GRANT TO SERVICE COMPANY OF RIGHTS TO SERVE THE PROPERTY

DEVELOPER hereby grants and gives to Service Company, its successors and assigns, the exclusive and perpetual right or privilege to construct, own, maintain, operate and expand the potable water, sewage and irrigation water systems to serve the Property; and, the exclusive and perpetual right, privilege, easement and right-of-way to construct, reconstruct, install, lay, own, operate, maintain, repair, replace, renew, improve, alter, extend, remove, relocate and inspect potable and irrigation water transmission and distribution lines and sanitary sewage collection and transmission lines, mains, pipes, laterals, manholes, valves, pumping stations, lift stations, connections and all related and appurtenant facilities and equipment in, under, through, over, upon and across all present and future streets, avenues, roads, terraces, places, courts, alleys, ways, easements, reserved utility strips and utility sites, rights-of-way, and other public, quasipublic and reserved ways, areas, places and locations, including but not limited to any lake, canal or other water area, shown on any plat or plats of the Property, or any part thereof, which may be recorded from time to time, or which may be provided for in private easement agreements independent of such plat or plats, or in dedications or otherwise all of the foregoing hereafter being called "Easement Areas", together with the full use, occupation and enjoyment thereof for such purposes, and all rights and privileges incident or appertaining or appurtenant thereto, including but not limited to the right of ingress and egress for such purposes throughout such Easement Areas and to and within every lot and parcel of land shown on any such plat or plats or to any part of the Property. Simultaneously with the recording of any plat or plats, or thereafter, at the option and upon request of Service Company or its successors or assigns, DEVELOPER shall execute and deliver a grant or grants of easement in recordable form, which form shall be as shown in Exhibit "E" and subject to the prior approval of Service Company,

designating or describing the Easement Areas granted by this Section. All easements granted to Service Company by this Section shall contain legal descriptions of the said Easement Areas described in metes and bounds or otherwise delineating the exact area of the Property included as the Easement Areas.

SECTION 5. RESTRICTIVE COVENANT

DEVELOPER, as a further consideration of this Agreement, and in order to effectuate the foregoing grants to Service Company, shall place and record the following covenant upon the Property as a covenant running with the land, thereby subjecting it to a reservation, limitation, condition or restriction in favor of Service Company as follows:

MAD HATTER UTILITY, INC., ("Service Company"), or its successors or assigns, has the sole and exclusive right to provide all potable water, sewage and irrigation water facilities and service to the Property described in Exhibit "A" and to any property to which potable or irrigation water service or sewage service is actually rendered pursuant to this Agreement. All occupants of any residence, building, unit or improvement erected on the Property, and all subsequent or future owners or purchasers of the Property, or any portion thereof, shall receive their potable and irrigation water and sewage service from the aforesaid corporation, or its successors or assigns, and shall pay for the same in accordance with the terms, conditions, tenor and intent of this Agreement, for so long as the aforesaid corporation, or its successors or assigns, provide such services, or either of them, to the Property, and all occupants of any residence, building, unit or improvement erected or located on the Property, and all subsequent or future owners or purchasers of the Property, or any portion thereof, agree by occupying any premises on the Property, or by recording any deed of conveyance with respect to the Property, that they will not construct, dig, or build wells, or build or otherwise make available or use potable or irrigation water service or sewage service from any source other than that provided by Service Company. Service Company shall have access at all reasonable times to every water meter it shall have installed, for the purposes of reading, maintaining, repairing, checking, and replacing the said water meter. Potable and irrigation water supplied by Service Company to any customer shall not be offered for resale or be resold. The sole, only and exclusive obligation of Service Company respecting the supplying of water shall be to supply at its water meters, potable water suitable for domestic consumption. Property owner, its successors and assigns agree that should it be determined that water, sewer or irrigation water facilities have been installed outside of easements granted to Service Company, property owner, its successors and assigns, shall grant and execute sufficient easements for said facilities in the form attached as Exhibit "E" of their Developer Agreement without cost to, or further obligation of, Service Company.

A sample of the Grant is attached hereto as Exhibit "F". A form similar to this exhibit must be submitted by DEVELOPER for Service Company's review and approval. The approved form must be executed by Property Owner within sixty (60) days of execution of this Agreement.

SECTION 6. ON-SITE INSTALLATIONS

6.01 Obligation to Construct. To induce SERVICE COMPANY to continuously provide consumers located on the Property with potable and irrigation water, and wastewater services, DEVELOPER agrees to construct and to transfer ownership and control to SERVICE COMPANY as a Contribution-in-aid-of-Construction, the on-site Utility Facilities necessary to provide service to each unit within the DEVELOPER'S Property, as referred to in this Agreement. The term "on-site Utility Facilities" means and includes all Utility Facilities constructed within the boundaries of DEVELOPER'S Property, providing a network of Utility Facilities to serve each such lot or unit in the project.

6.02 Engineering Design Plans. DEVELOPER shall cause to be prepared engineering plans prepared and sealed by a professional engineer registered in the State of Florida, showing the construction plans for Utility Facilities acceptable to SERVICE COMPANY, and otherwise in accordance with the SERVICE COMPANY'S written specifications. Such detailed plans may be for the initial phase only, and subsequent phases may be furnished from time to time. However, each such phase shall conform to the Development Plan for the Property attached hereto or if not so attached such Development Plan shall be submitted to SERVICE COMPANY concurrent with or prior to submission of engineering plans for the first phase. DEVELOPER may modify its Development Plan at any time with the consent of SERVICE COMPANY, which consent shall not be unreasonably withheld provided such modification does not unduly interfere with SERVICE COMPANY'S existing facilities or commitments or increase the water or sewage capacity required by the Property. DEVELOPER shall submit a copy of the modified plan to SERVICE COMPANY. DEVELOPER shall cause its engineer to submit to SERVICE COMPANY plans and specifications governing the materials to be used by DEVELOPER and the method and manner of installation. All such plans and specifications submitted to SERVICE COMPANY'S engineer shall be subject to the approval of SERVICE COMPANY, which approval shall not be unreasonably withheld, and no construction shall commence until SERVICE COMPANY has approved such plans and specifications in writing. DEVELOPER shall pay SERVICE COMPANY'S costs and expenses in reviewing all such plans and specifications submitted by DEVELOPER, which charges shall be uniform and consistent with such charges made by SERVICE COMPANY to other DEVELOPERS. At the time of submitting the plans and specifications for review, DEVELOPER shall pay a deposit for the review costs incurred by SERVICE COMPANY.

After the approval of plans and specifications, DEVELOPER shall cause to be constructed, at DEVELOPER'S own cost and expense, the Utility Facilities as shown on the plans and specifications. DEVELOPER further represents and warrants that said Utility Facilities furnished by it shall be constructed and installed in a manner satisfactory to and meeting the approval of all applicable public, governmental or other agencies having supervision, regulation, direction and control of design and construction of such Utility Facilities and services rendered in connection therewith. All construction of Utility Facilities to be constructed or installed by DEVELOPER hereunder shall be done by contractors approved in advance by SERVICE COMPANY as competent to perform such work.

After completion of construction and prior to acceptance of such improvements by SERVICE

COMPANY, DEVELOPER agrees to furnish to SERVICE COMPANY: a) one (1) set of Mylar "as built" drawings showing specification locations, depth, and other appropriate details of all Utility Facilities as located by a licensed surveyor along with five (5) sets of prints of the "as built" drawings which have been sealed by the surveyor and certified by the engineer of record; b) an overlay Mylar showing actual easements granted by DEVELOPER to ensure that as-built lines were constructed within easements; c) as-builts (with easements) on "Auto-CAD" disk, layered per utility specifications; d) three (3) sets of all appropriate manuals for operation of any pumping stations and other mechanical and electrical equipment installed by DEVELOPER, as applicable; e) the results of bacteriological tests of the installed potable water lines approved by the appropriate regulatory agency; and, f) the written results of pressure tests of all mains, services and laterals to be pressurized when in service, and a VHS format tape showing wastewater main TV inspections.

After inspection and acceptance, SERVICE COMPANY agrees to accept and maintain each phase of on-site construction as it is completed by DEVELOPER, except for consumer installations which are not the responsibility of SERVICE COMPANY, as hereinafter provided. DEVELOPER shall indemnify and hold SERVICE COMPANY harmless from and in respect of any repairs or replacements required to be made to said Utility Facilities conveyed by DEVELOPER to SERVICE COMPANY which occur within two (2) years from the date of the conveyance of such Utility Facilities from DEVELOPER to SERVICE COMPANY.

Simultaneously, with the conveyance of the Utility Facilities described above from DEVELOPER to SERVICE COMPANY, the DEVELOPER shall deliver to SERVICE COMPANY an executed Contract Bond in the total amount of the actual cost of construction of said Utility Facilities. The Contract Bond shall have as the surety thereon, such surety company as is authorized to write bonds of such character and amount in accordance with the laws of the State of Florida. The attorney-in-fact, or other officer who signs such Contract Bond for a surety company shall file with such Bond a certified copy of his Power of Attorney authorizing him to do so. The Contract Bond may be written either with the DEVELOPER'S Contractor as "principal" and the DEVELOPER and SERVICE COMPANY as "co-obligees" or, in the alternative, with the DEVELOPER as "principal" and the SERVICE COMPANY as "co-obligee". The Contract Bond shall remain in force for two (2) years following the date of final acceptance by SERVICE COMPANY of the work done pursuant to this Agreement to protect the SERVICE COMPANY against losses resulting from any and all defects in materials or improper performance of that work and with regard to the DEVELOPER'S indemnity of SERVICE COMPANY as provided above during that two (2) year period. Upon demand by the SERVICE COMPANY, the DEVELOPER shall correct or cause to be corrected all such defects which are discovered including all retesting within said warranty period or periods as set forth above, failing which SERVICE COMPANY shall make such repairs and/or replacements of defective work and/or materials and the DEVELOPER and/or its surety shall be liable to SERVICE COMPANY for all of its costs arising therefrom.

6.03 Meter Installations. DEVELOPER shall be required to pay the applicable charge (as set by SERVICE COMPANY from time to time) for meters and meter installations of sufficient capacity for all single-family, residential, multi-family, mobile home, commercial installation or any

other connection requiring a measuring device. Exhibit "D" contains a schedule of charges for meters for this Project based on fees charged on the date of execution of this Agreement.

6.04 Inspection of Work. During the construction of the water distribution and sewage collection systems by DEVELOPER, DEVELOPER'S engineer shall inspect the proper installation of Utility Facilities by the contractor, and when construction is completed, shall supervise the standard tests for pressure, exfiltration, line and grade, and all other normal engineering tests to determine that the system has been installed in accordance with the plans and specifications, good engineering practices and SERVICE COMPANY'S written requirements for said testing. SERVICE COMPANY shall have the right, but is not obligated to review and observe such installations and testing to determine compliance with the plans and specifications. SERVICE COMPANY shall not supervise the construction or control the quality of the installation, and shall not be deemed to have done so by its conduct of observing and reviewing the installation and testing. DEVELOPER'S engineer shall coordinate at least one (1) preconstruction meeting with SERVICE COMPANY, and shall coordinate all testing dates with SERVICE COMPANY. DEVELOPER agrees to pay to SERVICE COMPANY, or SERVICE COMPANY'S authorized agent, a reasonable sum to cover the cost of inspection of installations made by DEVELOPER or DEVELOPER'S contractor, which charge shall be uniform and consistent with such charges made by SERVICE COMPANY to others. DEVELOPER shall place a deposit for said work by SERVICE COMPANY at the time the construction plans are submitted for review by SERVICE COMPANY. The initial deposit amount is described in Exhibit "D".

6.05 Transfer of Title. Prior to the rendering of service by SERVICE COMPANY, DEVELOPER shall convey to SERVICE COMPANY, by itemized bill of sale, in form satisfactory to SERVICE COMPANY'S counsel, the Utility Facilities as constructed by DEVELOPER and approved by SERVICE COMPANY, free and clear of all liens or encumbrances of any form. DEVELOPER shall execute any and all documents necessary to ensure that the Utility Facilities are free and clear of all said liens or encumbrances to the satisfaction of SERVICE COMPANY'S legal counsel. DEVELOPER shall further cause to be conveyed to SERVICE COMPANY all easements and/or rights-of-way covering areas in which water and wastewater lines are installed, by recordable document in form satisfactory to SERVICE COMPANY'S counsel. DEVELOPER agrees to grant all real property utilized for wastewater pumping stations by warranty deed in a form acceptable to SERVICE COMPANY. Proof of title may be required or obtained by SERVICE COMPANY at DEVELOPER'S expense. The use of easements granted by DEVELOPER shall not preclude the use by other utilities of these easements, such as for cable television, telephone or gas utilities so long as such other utilities do not interfere with SERVICE COMPANY'S use of the easement. SERVICE COMPANY agrees that the acceptance of the Utility Facilities installed by DEVELOPER shall constitute the assumption or responsibility by SERVICE COMPANY for the continuous operation and maintenance of such systems from that date forward, subject, however, to the two (2) year indemnity of DEVELOPER and the surety provided for above.

Mortgagees, if any, having prior liens on such property, or other interested parties, as applicable, shall be required to release such liens, subordinate their position or join in the grant or

dedication of the easements or rights-of-way, or give to SERVICE COMPANY assurance by way of a "non-cut-off agreement", that in the event of a foreclosure, mortgagee would continue to recognize the easement rights of SERVICE COMPANY and the other rights of SERVICE COMPANY under this Agreement, as long as SERVICE COMPANY substantially complies with the terms of this Agreement. Exhibit "C" provides the form of such subordination agreement. All Utility Facilities, except consumer installations, shall be covered by easements or rights-of-way if not located within platted or dedicated roads or rights-of-way with SERVICE COMPANY'S express approval.

The Developer shall itemize all installed Utility Facilities in sufficient detail so that the Service Company can determine the description of each item being contributed, together with the cost related thereto paid for by the Contributor. Said cost shall include, but not be limited to, fees for permits and costs incurred in connection with inspection, installation, analysis, testing, insurance, legal work or engineering. A form for "Itemized List of Materials Used In Construction" shall be used to perform such itemization, and is available from SERVICE COMPANY on request.

~~6.06 Potable Water Source Replacement Permitting. Pursuant to Paragraph 11 below ("Prior Approvals"), DEVELOPER shall be required to seek a permit to replace the water source withdrawals use by the DEVELOPER's project. As a part of that replacement permitting activity, DEVELOPER may also be required to contribute a potable water well site on their project's site.~~

SECTION 7. OFF-SITE INSTALLATIONS

Where applicable, and as required by the approved engineering plans and specifications, DEVELOPER shall construct and install any Utility Facilities required to extend SERVICE COMPANY'S existing facilities from the Connection Point(s) to the Property. The construction of all such off-site installations and the conveyance of same to SERVICE COMPANY, shall be governed by all the terms and provisions of Section 4 above as applicable thereto. ~~SERVICE COMPANY may, if provided in Exhibit "D" attached hereto and made a part hereof, elect to construct certain of such off site Utility Facilities through its own selected engineering contractor, and in such event DEVELOPER shall be responsible for payment of the actual and direct costs of such off site Utility Facilities as provided in Exhibit "D" attached hereto and made a part hereof and the cost of their installation, which payment shall be a condition precedent to the initial rendering of service.~~ The construction and transfer of the Utility Facilities including, without limitation, engineering, easements, construction, testing, inspections, warranties, indemnification and hold harmless, bond, transfer documentation, shall be performed as required for on-site Utility Facilities above.

SECTION 8. MISCELLANEOUS WATER AND WASTEWATER CHARGES LIMITATIONS ON AVAILABILITY OF SERVICE

The payment by DEVELOPER of all sums set forth in Exhibit "D", in accordance with the

terms and the manner set forth therein, shall be considered essential to the continued performance by SERVICE COMPANY of the terms and conditions of this Agreement. In addition to the fees mentioned in Exhibit "D", the DEVELOPER agrees to arrange for wastewater capacity from Pasco County and pay Pasco County all fees for said wastewater treatment plant capacity as required by the Bulk Service Agreement between SERVICE COMPANY and Pasco County.

Upon execution of this Agreement and payment of all fees as provided herein, SERVICE COMPANY shall make reasonable efforts in the planning, permitting and construction of the new water treatment plant capacity necessary to provide service to DEVELOPER within a reasonable time. It is mutually agreed, however, that the aforesaid reservation of treatment plant capacity by SERVICE COMPANY does not guarantee initiation of service to the DEVELOPER on any date certain in the event that SERVICE COMPANY is prohibited, limited or restricted from making such connections or from providing potable water to, or from receiving and disposing of wastewater flow from the DEVELOPER'S Property, by any local, State or Federal governmental agencies having jurisdiction over such matters, until such time as said prohibition, limitation or restriction is removed or amended to SERVICE COMPANY'S reasonable satisfaction. This limitation on commencement of service specifically includes any litigation or administrative hearing processes delaying issuance of any permits required to serve the project, whether that litigation is initiated by third parties, or by the SERVICE COMPANY if SERVICE COMPANY deems such litigation or administrative hearings are reasonably necessary. In any such event, DEVELOPER agrees that SERVICE COMPANY shall not be liable or in any way responsible for any costs or losses incurred by DEVELOPER including, without limitation, the costs or losses incurred as a result of delays in providing service because of such local, State or Federal governmental regulation, intervention or control, or litigation over permit issuance.

Exhibit "D" is provided for informational purposes only. Payment of the sums set forth in Exhibit "D" does not and will not result in SERVICE COMPANY waiving any of its rates, rate schedules or rules and regulations, and their enforcement shall not be affected in any manner whatsoever by DEVELOPER making the contribution. SERVICE COMPANY shall not be obligated to refund to DEVELOPER any portion of such sums for any reason whatsoever, nor shall SERVICE COMPANY pay any interest or rate of interest upon such sums. If in the sole opinion of SERVICE COMPANY, all reasonable legal and administrative actions for the necessary approvals to provide service to DEVELOPER have been exhausted, and SERVICE COMPANY remains unable to provide service to DEVELOPER, SERVICE COMPANY shall refund the Capacity Fees paid under Exhibit "D", if applicable.

Neither DEVELOPER nor any person or entity holding any of the Property by, through or under DEVELOPER, or otherwise, shall have any present or future right, title, claim, lien or interest in and to the contributions or to any of the Utility Facilities and properties of SERVICE COMPANY, and all prohibitions applicable to DEVELOPER with respect to no refund of any such charges or contributions, no interest payment on said charges or contributions and otherwise, are applicable to all persons or entities, except for that which may be provided in Exhibit "D".

Any user or consumer of potable or irrigation water service or wastewater service shall not be entitled to offset any bill or bills rendered by SERVICE COMPANY for such service or services against the contributions or charges. DEVELOPER shall not be entitled to offset the contributions or charges against any claims or claims of SERVICE COMPANY.

SECTION 9. DISPOSITION OF CAPACITY

The water and wastewater system capacity allotment assigned to DEVELOPER herein cannot, and shall not, be assigned, transferred, leased, encumbered or disposed of in any manner by DEVELOPER, unless:

(a) DEVELOPER has obtained the prior written consent of SERVICE COMPANY (and as to wastewater system, Pasco County) to such an assignment, sale or disposition, or

(b) The assignment is in direct connection with a bona fide sale of the Property to which the system capacity reserve relates, and SERVICE COMPANY is notified in writing of such assignment and has consented to same. SERVICE COMPANY will not unreasonably withhold its consent to an assignment made in direct connection with a bona fide sale of the Property nor any other assignment made within six (6) years of the date of this Agreement, provided the Assignee shall:

(i) If SERVICE COMPANY shall so require, enter into a new Developer Agreement with SERVICE COMPANY whereby SERVICE COMPANY shall reserve for such Assignee the unused capacity reserved for the Assignor hereunder in accordance with the terms and conditions of SERVICE COMPANY'S Service Availability Policy and tariffs then in effect; or

(ii) If a new Developer Agreement is not entered into between such Assignee and SERVICE COMPANY, assume all of the duties and obligations of the Assignor under this Agreement; and

(iii) Pay all of SERVICE COMPANY'S legal and administrative costs incurred in connection with such new Developer Agreement or Assignment, as applicable.

In no instance shall any sale or assignment of system capacity reserved be made by DEVELOPER for a consideration which is more than that amount actually paid by DEVELOPER to reserve the capacity. In all instances the DEVELOPER and any Assignee shall provide to SERVICE COMPANY, at SERVICE COMPANY'S request, copies of all documents and such other information pertaining to or affecting such transfer as SERVICE COMPANY shall reasonably request.

In the event that SERVICE COMPANY has existing capacity at its treatment plants to provide service to all persons including DEVELOPER who have contracted and paid for same, in the order of their developer agreement date of execution. In such event, SERVICE COMPANY

shall not diminish or utilize the water capacity allotment assigned to DEVELOPER hereunder by providing water capacity to other developers or customers, without the prior written consent of the DEVELOPER unless such other developers or customers provide to SERVICE COMPANY or there is otherwise available to SERVICE COMPANY sufficient funds to pay the costs to SERVICE COMPANY of providing water treatment facilities to replace the water treatment facilities so utilized by such other developers or customers and SERVICE COMPANY has received preliminary approval by all governmental agencies having jurisdiction over such facilities to the construction of such facilities and the anticipated completion date for the construction of such facilities shall be adequate to meet the DEVELOPER'S requirements for water services as provided for in its Development Plan attached hereto.

Except as hereinafter extended by SERVICE COMPANY in writing, failure of DEVELOPER, or its permitted assigns as provided above, to fully utilize the water treatment capacity reserved by SERVICE COMPANY hereunder for DEVELOPER on or before the expiration of ten (10) years from the date of this Agreement shall result in the release by DEVELOPER of such water treatment capacity and all obligations of SERVICE COMPANY to DEVELOPER in respect thereof shall be thereby null and void and of no further force or effect. SERVICE COMPANY shall be under no obligation whatsoever to refund to DEVELOPER any portion of the water capacity charges or other charges paid by DEVELOPER to SERVICE COMPANY under this Agreement.

SECTION 10. ASSURANCE OF TITLE TO PROPERTY

Simultaneously with the execution of this contract, at the expense of DEVELOPER, DEVELOPER shall deliver to SERVICE COMPANY an opinion of title from a qualified attorney-at-law, with respect to the Property, which opinion shall include a current report on the status of the title, setting out the name of the legal title holders, the outstanding mortgages, taxes, liens, tenancies or parties in possession and other covenants affecting the subject Property. The provisions of this paragraph are for the purpose of evidencing DEVELOPER'S legal right to grant the exclusive rights of service, easements, warranty deeds for pumping station property and lien rights contained in this Agreement.

SECTION 11. PRIOR APPROVALS

The parties recognize that SERVICE COMPANY may be required to obtain approval from various state and local governmental authorities having jurisdiction and regulatory power over the construction, maintenance and operation of treatment capacity and Utility Facilities before it can render service to the Property. SERVICE COMPANY will, at its expense, make the necessary and proper applications to all governmental authorities, and will use reasonable efforts to obtain such approvals. DEVELOPER shall reimburse SERVICE COMPANY for SERVICE COMPANY'S costs and expenses incurred in pursuing such governmental approvals. Applications for the approval of plans for on-site and off-site Utility Facilities to be constructed by DEVELOPER shall be forwarded by SERVICE COMPANY to the applicable governmental agency subsequent to SERVICE

COMPANY'S receipt of such plans from DEVELOPER'S engineer. If required, this Agreement shall be filed for record with the applicable governmental agency. It is further understood and agreed that this Agreement shall be null and void and of no further force and effect if any such requisite approval cannot be obtained within a reasonable period of time and through the application of reasonable efforts to obtain same. If DEVELOPER is not the legal title holder (OWNER) then such OWNER shall join in this agreement and be bound by all the terms and conditions whether binding upon the DEVELOPER or the record title holder.

~~As an additional prior approval obligation of the DEVELOPER under this Agreement, within 90 days of the execution of this Agreement, DEVELOPER shall file with the Southwest Florida Water Management District (hereinafter "SWFWMD") an Application for Additional Water Capacity ("Application") to be utilized by the Utility to replace the capacity committed under this Agreement. The Utility and the DEVELOPER will work together to ensure that such Application is in compliance with all applicable standards. However, the primary responsibility will be that of the DEVELOPER to ensure that this Application is properly prepared and filed, including compliance with all additional requirements of the SWFWMD. DEVELOPER shall file and process this Application at its sole cost of expense and shall do so expeditiously and diligently through to final permitting of such additional capacity by the SWFWMD and any other required regulatory body. Depending upon the circumstances of the DEVELOPER's property and of the Utility's long term needs for replacement capacity, the Utility at its sole discretion, may determine that the Application shall be for capacity above the capacity committed under this Agreement and will pay for any additional cost resulting from such oversizing of the requests made in the Application. Also at Utility's sole discretion, it may direct DEVELOPER to seek such permitting, either in the name of the Utility, or in the name of the DEVELOPER and thereafter transfer such water withdrawal rights to the Utility if the DEVELOPER is utilized as the permittee.~~

~~The location of the withdrawal requested in the Application shall be at the Utility's closest well, unless otherwise required by the Utility. The Utility reserves the right to require an additional well site within DEVELOPER's property if such alternative is in the best interest of the Utility's customers, rather than centralized withdrawal from its existing well sites.~~

~~All the costs of such additional water capacity permitting from the SWFWMD and any other regulatory authorities required in order to obtain permit authority for additional water withdrawals, shall be incurred by the DEVELOPER at solely the DEVELOPER's cost and at no cost to the Utility. The obtaining of such permit is a condition precedent to the Utility's continued obligation to provide service to DEVELOPER's property or to provide new connection within DEVELOPER's property or future properties proposed for development by DEVELOPER or any related entity or person.~~

SECTION 12. OWNERSHIP OF FACILITIES

All Utility Facilities used, useful or held for use in connection with providing potable and irrigation water service and wastewater service to the Property, shall at all times remain in the sole, complete and exclusive ownership of SERVICE COMPANY, its successors and assigns; any person

or entity owning any part of the Property or any residence, building, or unit constructed or located thereon, shall not have any right, title, claim or interest in and to such facilities or any part of them, for any purpose, including the furnishing of water or wastewater services to other persons or entities located within or beyond the limits of the Property.

SECTION 13. RATES AND CHARGES

Rates and other charges to DEVELOPER and/or individual consumers of service shall be those set forth in the Tariffs or Service Availability Policy of SERVICE COMPANY approved by the applicable governmental agency, if applicable. However, notwithstanding any provision in this Agreement, SERVICE COMPANY, its successors or assigns, may establish, amend, revise and enforce, from time to time in the future, its tariff, extension policy, rates or rate schedules, fees and charges (including capacity or connection charges) provided that such rates and charges are uniformly applied to customers in the service area and are non-discriminatory as applied to the same classification of service throughout the service area of SERVICE COMPANY.

SERVICE COMPANY may establish, amend or revise, from time to time in the future, and enforce rules and regulations covering water and wastewater service to the Property. Such rules and regulations so established by SERVICE COMPANY shall at all times be reasonable and subject to such regulation as may be applicable.

Any initial or future lower or increased rates, rate schedules, capacity charges or other fees and charges, and rules and regulations established, amended or revised and enforced by SERVICE COMPANY from time to time in the future, shall be binding upon DEVELOPER, upon any person or other entity holding by, through or under DEVELOPER, and upon any user or consumer of the service provided to the Property.

SECTION 14. CONSUMER INSTALLATIONS

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

14.02 Procedure for Connecting Consumer Installations. Although the responsibility for connecting the consumer installation to the lines of SERVICE COMPANY at the point of delivery is that of the DEVELOPER or entity other than SERVICE COMPANY, with reference to such connections, the parties agree as follows:

(a) only Utility Facilities and consumer installation service lines receiving SERVICE COMPANY'S prior approval shall be used;

(b) except as otherwise provided in subparagraph (d) below all consumer installation service lines must be inspected by SERVICE COMPANY before backfilling and covering of any pipes;

(c) notice to SERVICE COMPANY requesting an inspection of a consumer installation service line may be given by the plumber or DEVELOPER, and SERVICE COMPANY will make a good effort to inspect said consumer installation service line within twenty-four (24) hours of receiving a proper request, including lot number, phase, street and address;

(d) if SERVICE COMPANY fails to inspect the consumer installation service line within forty-eight (48) hours after such formal inspection is properly requested by the DEVELOPER or the owner of any parcel, DEVELOPER, owner or agent may backfill or cover the pipes without SERVICE COMPANY'S approval and SERVICE COMPANY must accept the connection as to any matter which could have been discovered by such inspection;

(e) if the DEVELOPER does not comply with the foregoing inspection provisions, SERVICE COMPANY may refuse service to any connection or phase that has not been inspected by SERVICE COMPANY until DEVELOPER complies with these provisions;

(f) the cost of constructing, testing, operating, repairing or maintaining consumer installations shall be that of DEVELOPER.

SECTION 15. RECLAIMED WATER SERVICE

SERVICE COMPANY may now or in the future, in its sole discretion, determine whether to accept reclaimed water supplied by Pasco County's utility system or others as a replacement for irrigation water in some areas. In the event that SERVICE COMPANY determines that such service is to be initiated, and subject to any regulation of the PSC, SERVICE COMPANY shall establish reasonable terms for providing that service at that time. However, SERVICE COMPANY has no obligation under this Agreement to provide such service.

SECTION 16. BINDING AGREEMENT ON SUCCESSORS AND ASSIGNS; NO THIRD PARTY BENEFICIARIES; CONSUMERS NOT SUCCESSORS OR ASSIGNS

This Agreement shall be binding upon and shall inure to the benefit of DEVELOPER, SERVICE COMPANY and their respective successors and assigns. This Agreement is not intended to the benefit of, or provide any contractual rights to, any third party. Consumers purchasing lots or units within the Property are not successors or assigns to this Agreement, and must apply for the appropriate service agreement with SERVICE COMPANY. DEVELOPER agrees to specifically notify consumers seeking to initiate service of DEVELOPER'S property of their obligation to apply

to SERVICE COMPANY for such service.

SECTION 17. NOTICE

Until further written notice by either party to the other, all notices provided for herein shall be in writing and transmitted by hand delivery by messenger service, by certified mail, return receipt requested, or by telegram, to address stated above..

SECTION 18. MATERIAL CHANGE

Should the Property either:

(a) be subject to a change of zoning; or

(b) be sold to a new developer; or

(c) be subjected to such other change or design which would authorize or require greater potable or irrigation water treatment capacity, or wastewater treatment capacity, greater demand for reclaimed water (if applicable), greater effluent disposal, greater fire flows, or additional Utility Facilities, or increased usage of the Utility Facilities as designed and approved pursuant to the engineering plans and specifications which are the subject of this Agreement, then DEVELOPER shall request a new Agreement with SERVICE COMPANY. Such new agreement shall only be made if, in the sole discretion of SERVICE COMPANY, service is available.

SECTION 19. FORCE MAJEURE

SERVICE COMPANY shall not be liable or responsible to DEVELOPER by reason of the failure or inability of SERVICE COMPANY to take any action it is required to take or to comply with the requirements imposed hereby or for any injury to DEVELOPER or by those claiming by or through DEVELOPER, which failure, inability or injury is caused directly or indirectly by force majeure as hereinafter set forth. The term "force majeure" as employed herein shall mean acts of god, strikes, lock-outs or other industrial disturbance; acts of public enemies, war, blockades, riots, acts of armed forces, militia, or public authority, epidemics; breakdown of or damage to machinery, pumps or pipe lines, landslides, earthquakes, droughts, fires, storms, floods, or washouts; arrests, title disputes, or other litigation; governmental restraints of any nature whether federal, state, county, municipal or otherwise, civil or military; civil disturbances; explosions, failure or inability to obtain necessary materials, supplies, labor or permits or governmental approvals whether resulting from or pursuant to existing or future rules, regulations, orders, laws or proclamations whether federal, state, county, municipal or otherwise, civil or military; or by any other causes, whether or not of the same kind as numerated herein, not within the sole control of SERVICE COMPANY and which by exercise of due diligence SERVICE COMPANY is unable to overcome.

SECTION 20. RIGHT OF REFUSAL

SERVICE COMPANY shall have the right to refuse to provide service and the right to terminate service to any lot, building or other improvement within DEVELOPER'S Property, or in lieu thereof, SERVICE COMPANY may delay the provision of any such service to any lot, building or other improvement upon the Property if DEVELOPER fails to fully comply (substantial compliance is specifically rejected) with its obligations as provided for in this Agreement, and SERVICE COMPANY reserves the right to terminate this Agreement in the event DEVELOPER fails to comply with any of the terms and conditions of this Agreement in a timely manner. The exercise of the rights of SERVICE COMPANY as provided in this paragraph shall be subject however to the rules and regulations of SERVICE COMPANY and the PSC.

SECTION 21. NOTICE OF TRANSFER

DEVELOPER agrees to provide proper written notice to SERVICE COMPANY of the actual date of the legal transfer of the Property or any portion thereof involving or otherwise affecting the provision of water or wastewater services from DEVELOPER to any lawful successor or assign. DEVELOPER shall remain responsible for all costs and expenses, including utility bills, which arise as a result of DEVELOPER'S failure to so notify SERVICE COMPANY or any improper notification to SERVICE COMPANY in connection therewith.

SECTION 22. SURVIVAL OF COVENANTS

The rights, privileges, obligations and covenants of DEVELOPER and SERVICE COMPANY shall survive the completion of the work of DEVELOPER with respect to any phase and to the Property as a whole.

SECTION 23 EFFECT OF THIS AGREEMENT ON PRIOR AGREEMENTS AND METHOD OF AMENDMENT

This Agreement supersedes all previous agreements or representations, either verbal or written, heretofore in effect between DEVELOPER and SERVICE COMPANY, made with respect to the matters herein contained, and when duly executed constitutes the entire Agreement between DEVELOPER and SERVICE COMPANY.

No additions, alterations or variations of the terms of this Agreement shall be valid nor provisions of this Agreement be waived by either party, unless such additions, alterations, variations or waivers are expressed in writing and duly signed by both Parties.

SECTION 24. LAWS OF FLORIDA TO GOVERN

This Agreement shall be governed by the laws of the State of Florida and it shall be and become effective immediately upon execution by both parties hereto, subject to any approvals

which must be obtained from governmental authority, if applicable.

SECTION 25. TABLE OF CONTENTS AND SECTION HEADINGS FOR CONVENIENCE ONLY

The Table of Contents and section headings used in this agreement are for convenience only and have no significance in the interpretation of the body of this Agreement, and the parties hereto agree that they shall be disregarded in construing the provisions of this Agreement.

SECTION 26. RECOVERY OF COSTS AND FEES

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

SECTION 27. WARRANTY OF AUTHORITY TO EXECUTE AGREEMENT

The signature of any person to this Agreement shall be deemed representation a personal warranty by that person that he/she has the power and authority to bind any corporation or partnership or any other business entity for which he purports to act.

SECTION 28. DOCUMENT IS THE RESULT OF MUTUAL DRAFTSMANSHIP

The terms, conditions and contents in this Agreement are the shared product of mutual draftsmanship by both parties, each being represented by counsel, and any ambiguities in this Agreement or any documentation prepared pursuant to it shall not be construed against any of the parties because of authorship. The parties acknowledge that all the terms of this Agreement were negotiated at arms's length, and that each party, being represented by counsel, is acting to protect its, his, her, or their own interest.

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

DEVELOPER

WITNESSES:

FREEMARR DEVELOPMENT, INC

Sign Name

By: [Signature]
President

Type or Print Name

Sign Name

Type or Print Name

STATE OF FLORIDA)
COUNTY OF)

The foregoing instrument was acknowledged before me this 7 day of JUNE 2002, by Michael E. Marras, President, on behalf of Freemarr Development, Inc., a Florida Corporation. He/she is personally known OR Produced Identification . Type of Identification Produced: _____.

Signature of Notary: [Signature]

My Commission Expires:

Susan J. Brown
Printed or stamped name of Notary



Susan J Brown
My Commission DD118763
Expires May 28, 2005

SERVICE COMPANY

WITNESSES:

MAD HATTER UTILITY, INC.

Sign Name

By: [Signature]
Larry DeLucenay, President

Type or Print Name

Sign Name

Type or Print Name

STATE OF FLORIDA)
COUNTY OF)

The foregoing instrument was acknowledged before me this 20 day of JUNE,
2002, by Larry DeLucenay as President of Mad Hatter Utility, Inc., a Florida corporation, on
behalf of the corporation. He/she is personally known _____ OR Produced Identification
_____. Type of Identification Produced: D420 52747 241.0.

Signature of Notary: Susan J Brown

My Commission Expires:

Susan J Brown
Printed or stamped name of Notary



Susan J Brown
My Commission DD118763
Expires May 28, 2005

EXHIBIT "A-1"
Legal Description
TO BE FURNISHED BY DEVELOPER
AND REPRESENTED TO BE ACCURATE AND COMPLETE

SEC. 33, TWP. 26 S., RGE. 19 E.
 PROJECT NUMBER 01-2594

DESCRIPTION

A PORTION OF SECTION 33, TOWNSHIP 26 SOUTH, RANGE 19 EAST, PASCO COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGIN AT THE SOUTHEAST CORNER OF LOT 147 OF OAK GROVE PHASE 3 AS RECORDED IN PLAT BOOK 40, PAGES 111 THROUGH 117 OF THE PUBLIC RECORDS OF PASCO COUNTY, FLORIDA; THENCE ALONG THE WESTERLY RIGHT-OF-WAY LINE OF OAK GROVE BOULEVARD AS SHOWN ON SAID OAK GROVE PHASE 3, S.00°30'13"E., 546.71 FEET; THENCE S.45°41'29"W., 13.28 FEET TO THE NORTHERLY RIGHT-OF-WAY LINE OF COUNTY LINE ROAD AS RECORDED IN O.R. 1242, PAGE 685 OF THE PUBLIC RECORDS OF PASCO COUNTY, FLORIDA; THENCE ALONG SAID NORTHERLY RIGHT-OF-WAY LINE S.89°29'47"W., 262.31 FEET TO THE INTERSECTION OF SAID NORTHERLY RIGHT-OF-WAY LINE AND THE NORTH-SOUTH CENTERLINE OF SAID SECTION 33; THENCE CONTINUE ALONG SAID NORTHERLY RIGHT-OF-WAY LINE, S.89°51'40"W., 1317.82 FEET TO THE EASTERLY BOUNDARY OF TURTLE LAKES UNIT 3 PHASE 2 AS RECORDED IN PLAT BOOK 25, PAGE 113 THROUGH 115 OF THE PUBLIC RECORDS OF PASCO COUNTY, FLORIDA; THENCE ALONG SAID WESTERLY BOUNDARY N.00°03'33"E., 210.95 FEET TO THE SOUTHEASTERLY BOUNDARY OF OAK GROVE PHASE 2 AS RECORDED IN PLAT BOOK 39, PAGES 10 THROUGH 16 OF THE PUBLIC RECORDS OF PASCO COUNTY, FLORIDA; THENCE ALONG SAID SOUTHEASTERLY BOUNDARY BY THE FOLLOWING THREE (3) COURSES: 1 - THENCE N.69°36'11"E., 300.44 FEET; 2 - THENCE N.00°00'00"E., 211.52 FEET; 3 - THENCE N.57°21'42"E., 280.92 FEET TO THE SOUTHERLY BOUNDARY OF SAID OAK GROVE PHASE 3; THENCE ALONG SAID SOUTHERLY BOUNDARY BY THE FOLLOWING FOUR (4) COURSES: 1 - S.15°13'15"E., 98.73 FEET TO A NON-TANGENT CURVE CONCAVE SOUTHWESTERLY HAVING A RADIUS OF 154.32 FEET; 2 - THENCE SOUTHEASTERLY ALONG SAID CURVE 90.52 FEET THROUGH A CENTRAL ANGLE OF 33°36'28" (CHORD BEARING S.61°59'09"E., 89.23 FEET) 3 - THENCE N.89°51'40"E., 786.09 FEET; 4 - THENCE N.84°42'54"E., 196.49 FEET TO THE POINT OF BEGINNING.

CONTAINING 18.355 ACRES, MORE OR LESS.

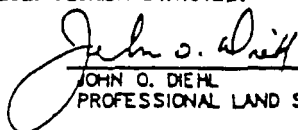
NOTES

1. BEARINGS SHOWN HEREON ARE BASED ON THE NORTH LINE OF TURTLE LAKES UNIT 5 ASSUMED AS BEING N89°58'15"W.
2. LEGAL DESCRIPTION WAS PREPARED BY POLARIS ASSOCIATES, INC.
3. RE-USE OF THIS SKETCH FOR PURPOSES OTHER THAN WHICH IT WAS INTENDED, WITHOUT WRITTEN VERIFICATION, WILL BE AT THE RE-USERS SOLE RISK AND WITHOUT LIABILITY TO THE SURVEYOR. NOTHING HEREIN SHALL BE CONSTRUED TO GIVE ANY RIGHTS OR BENEFITS TO ANYONE OTHER THAN THOSE CERTIFIED TO.
4. THIS SKETCH IS NOT INTENDED TO SHOW THE LOCATION OR EXISTENCE OF ANY JURISDICTIONAL, HAZARDOUS OR ENVIRONMENTALLY SENSITIVE AREAS.
5. THIS SKETCH WAS PREPARED WITHOUT THE BENEFIT OF AN ABSTRACT OF TITLE AND MAY BE SUBJECT TO EASEMENTS, RESTRICTIONS, RIGHTS-OF-WAY AND OTHER MATTERS OF RECORD.

CERTIFICATION


I HEREBY CERTIFY THAT THE SKETCH AND DESCRIPTION REPRESENTED HEREON MEETS THE TECHNICAL STANDARDS SET FORTH BY THE FLORIDA BOARD OF PROFESSIONAL LAND SURVEYORS IN CHAPTER 61G17-6, FLORIDA ADMINISTRATIVE CODE, PURSUANT TO SECTION 472.027 FLORIDA STATUTES.

03/01/02
 DATE


 JOHN O. DIEHL
 PROFESSIONAL LAND SURVEYOR #4053

NOT A SURVEY

SHEET 2 OF 2

	DATE		
SKETCH & DESCRIPTION	03/01/02	OAK GROVE PHASE 4A	 POLARIS ASSOCIATES INC. PROFESSIONAL SURVEYING 2915 S.R. 590, SUITE 17 CLEARWATER, FLORIDA 33739 (727) 669-0522
OAK4PLAT.DWG			
BOYLE GALS.DWG			

Initials of both parties

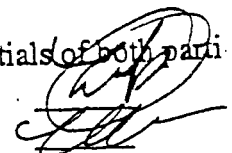
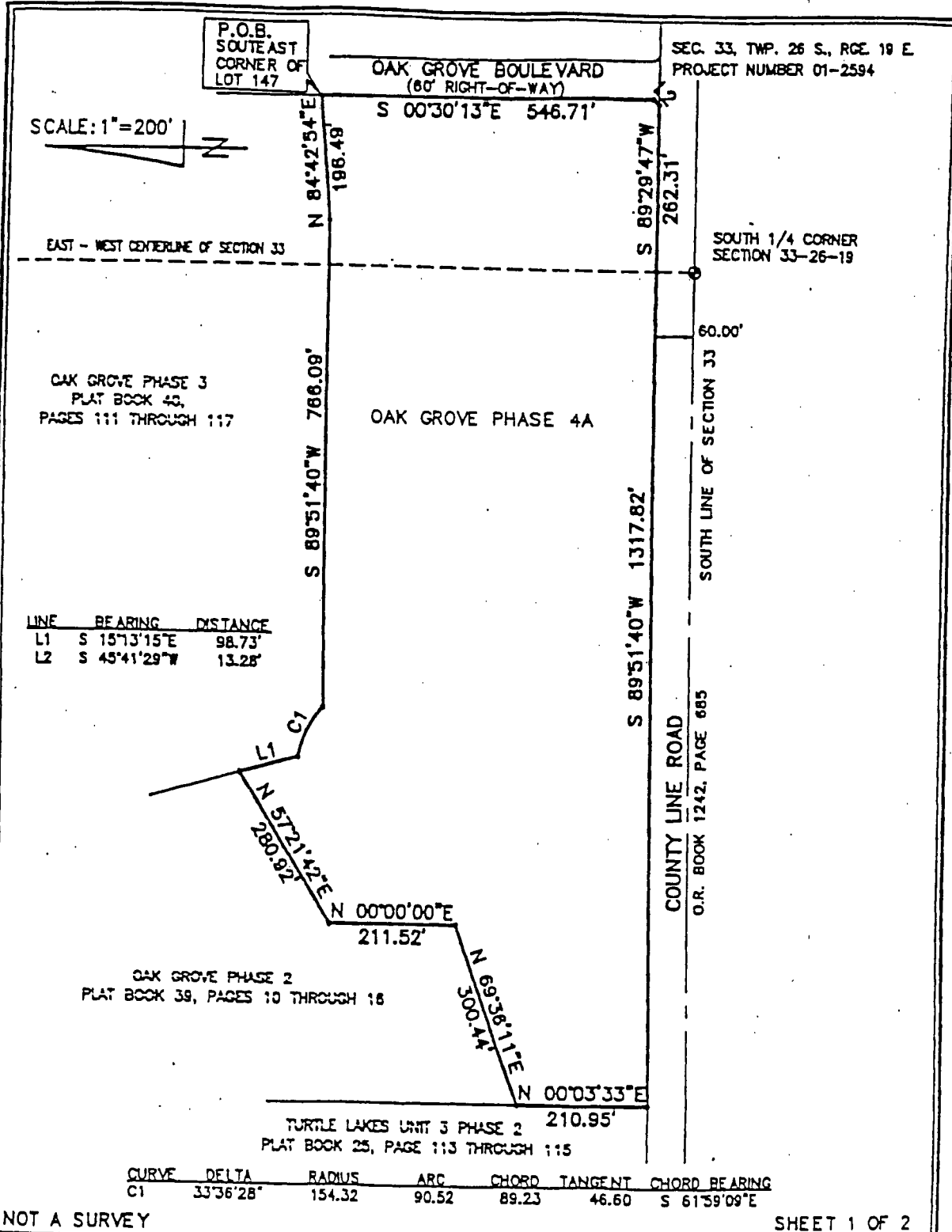


EXHIBIT "A-2"
Legal Description
TO BE FURNISHED BY DEVELOPER
AND REPRESENTED TO BE ACCURATE AND COMPLETE



NOT A SURVEY

SHEET 1 OF 2

	DATE
SKEETCH & DESCRIPTION	03/01/02
OAK4PLAT.CRD	
BDYLEGALS.DWG	

OAK GROVE PHASE 4A



POLARIS ASSOCIATES INC.
 PROFESSIONAL SURVEYING
 2915 S.R. 590, SUITE 17
 CLEARWATER, FLORIDA 33759
 (727) 669-0522

Initials of both parties

EXHIBIT "B"

DEVELOPMENT PLAN FOR PROPERTY

Initials of both parties:

EXHIBIT "C-1"

SUBORDINATION OF INTEREST IN PROPERTY BY
INTERESTED PARTIES ONE FOR EACH SUCH PARTY

The undersigned as an inducement to SERVICE COMPANY to enter into this Developer Agreement with DEVELOPER, _____ does hereby join in the execution of this Developer Agreement for the purpose of subordinating each and every interest of the undersigned here in and to that real property more particularly described in Exhibit "A" attached hereto and made a part hereof to the rights of SERVICE COMPANY as provided for herein.

WITNESSES:

Name of Company

Sign Name

By: _____

Print Name:

As: _____

Type or print title

Type or Print Name

Sign Name

Type or Print Name

STATE OF FLORIDA)
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, _____, by _____ as _____ of _____ a Florida limited partnership, on behalf of the partnership. He/she is personally known _____ OR Produced Identification _____. Type of Identification Produced: _____

Signature of Notary: _____

Printed or stamped name of Notary

My Commission Expires:

Initials of both parties:

EXHIBIT "C-2"

SUBORDINATION OF INTEREST IN PROPERTY BY
INTERESTED PARTIES ONE FOR EACH SUCH PARTY

The undersigned as an inducement to SERVICE COMPANY to enter into this Developer Agreement with DEVELOPER, _____ does hereby join in the execution of this Developer Agreement for the purpose of subordinating each and every interest of the undersigned here in and to that real property more particularly described in Exhibit "A" attached hereto and made a part hereof to the rights of SERVICE COMPANY as provided for herein.

WITNESSES:

Name of Company

By: _____

Print Name:

As: _____

Type or print title

Sign Name

Type or Print Name

Sign Name

Type or Print Name

STATE OF FLORIDA)
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____, _____, by _____ as _____ of _____ a Florida limited partnership, on behalf of the partnership. He/she is personally known _____ OR Produced Identification _____. Type of Identification Produced: _____

Signature of Notary: _____

Printed or stamped name of Notary

My Commission Expires:

Initials of both parties:

EXHIBIT "D"

CONTRIBUTIONS-IN-AID-OF-CONSTRUCTION ("CIAC"), AND OTHER CHANGES

In order to further induce the SERVICE COMPANY to provide and maintain adequate and sufficient central water and wastewater facilities, DEVELOPER hereby agrees to abide by the provisions of this Exhibit "D" and to pay to the SERVICE COMPANY, in accordance with the terms and conditions set forth below, the sums of money set forth herein as Contributions-in-Aid-of-Construction ("CIAC"), together with such other charges as are hereafter provided for.

1. Meters fees - DEVELOPER requests the following meters:

94 - 5/8 x 3/4" potable water meters \$ 9,870
94 - 5/8 x 3/4" irrigation water meters \$ 9,870

2. Gallons per day of water treatment capacity reserved 23,500

3. Compliance with SERVICE COMPANY'S Service Availability Policy and Tariff: DEVELOPER recognizes and agrees to abide by all of the provisions of SERVICE COMPANY'S Service Availability Policy and/or Tariffs as filed with and/or approved by the Florida Public Service Commission and other applicable governmental authorities having jurisdiction thereof.

4. Reimbursement of Costs

Upon the execution of this Agreement, DEVELOPER shall pay to SERVICE COMPANY a deposit in the amount of ~~\$5,000.00~~ to defray SERVICE COMPANY'S legal and administrative costs in negotiating, preparing and executing this DEVELOPER AGREEMENT.

Initials of both parties:



WD \$ 4,500.⁰⁰
CK - June 3, 2002

Exhibit E

GRANT OF EASEMENT

THIS GRANT OF EASEMENT, made this ___ day of _____, 20__, by FREEMARR DEVELOPMENT, INC., whose business address is 1463 Oakfield Drive, Suite 134, Brandon, FL 33511, and its successors and assigns, (hereinafter referred to as "Grantor"), to MAD HATTER UTILITY, INC., whose business address is 1900 Land O' Lakes Blvd, Suite 107, Lutz, FL 33549, and its successors and assigns, (hereinafter referred to as "Grantee")

WITNESSETH

That the said Grantor, for and in consideration of ten and 00/100 dollars (\$10.00), and other good and valuable considerations to it in hand paid by the Grantee, the receipt and sufficiency of which is hereby acknowledged, has granted, bargained, sold and conveyed, and by these presents does grant, bargain, sell and convey to Grantee, a utility easement ("Easement"), in perpetuity, for all reasonable potable water, reclaimed water, and wastewater utility uses including, but not limited to, the right of ingress and egress thereto, the construction, installation, operation, maintenance, repair, extension, enlargement, reconnection, alteration and replacement of above ground or underground water, wastewater and reclaimed water facilities, including the right to reconstruct, improve, add to, change the size or remove above ground or underground water, wastewater and reclaimed water mains, lines, services, meter boxes (including valves), fittings, hydrants and appurtenances, and all sewer force mains, gravity lines, manholes, laterals (including valves), lift stations, and related facilities and the right to attach water, sewer, or reclaimed water mains, lines and related facilities to serve any other person, partnership, corporation, other legal entity over, in, through and under the following described real property ("Easement Area"):

See Legal Description Attached as Exhibit "1"

And the said Grantor retains, reserves and shall continue to enjoy the use of the surface of the above described Easement Area for any and all purposes which do not interfere with Grantee's use of the subject Easement Area, including the right to grant easements for the furnishing of utility services other than potable or reclaimed water service or wastewater service. Provided, however, that in no event shall the Grantor construct any form of structure over the Easement Area except standard paved or concrete driveways, streets or sidewalks. Also provided that every grant of easements to others shall be on the express condition that the grantee therein shall not impair or interfere with the use, occupation and enjoyment of the Easement Area by Grantee herein, nor require the Grantee herein to move, replace, adjust, alter or change any of its facilities, and that the grantee therein shall be liable to the Grantee herein for any injury or damage by the grantee therein to any facilities of Grantee herein. Should Grantor, its successors or assigns change the grade above Grantee's installed facilities, or perform any construction on the surface of the Easement Area which is permitted hereunder, which change in grade and or

construction requires the lowering, relocation and/or protection of Grantee's installed facilities, (such protection to include but not be limited to the construction of a vault to protect the pipes) such lowering, relocation and/or protection shall be performed at the sole cost and expense of Grantor, its successors or assigns.

No structure or improvement to the property other than standard three (3) foot wide, non-ornamental sidewalks or non-ornamental asphalt driveways, shall be located within the subject Easement Area, including without limitation, prohibition of boundary walls, buildings, public roads or rights-of-way, structures, cement parking areas, sidewalks wider than three (3) feet, ornamental sidewalks, ornamental or cement driveways or walkways, any form of cement slabs, fences, any tree or other vegetation (other than grass sod). Provided further that, if at any time in the future any portion of any asphalt driveways or sodded areas shall be destroyed, removed, damaged or disturbed in any way by Grantee as a result of Grantee installing, excavating, repairing, maintaining, replacing, reconnecting or attaching any water or reclaimed water or sewer mains, lines or related facilities within the foregoing described Easement Area, Grantee's sole obligation to restore the surface of the Easement Area shall be limited to the replacement of dirt (to previous grade), sod, repair or replacement of asphalt pavement or standard, non-ornamental sidewalk located in the said Easement Area which may have been destroyed, removed, or damaged.

Grantor warrants that it owns the above-described real property free and clear of any liens, encumbrances, or covenants which would impair the Grantee's ownership, use or enjoyment of the Easement granted herein; that Grantor has the authority to grant this Easement, and hereby binds itself, its successors and assigns, to warrant and forever defend the above-described Easement and the rights herein conferred against any person or legal entity whomsoever.

IN WITNESS WHEREOF, the said Grantor has caused these presents to be signed in its name by its duly authorized and proper offices, under authority duly vested in them by said corporation, and its corporate seal to be affixed, attested by its secretary, the day and year above written.

WITNESSES:

FREEMARR DEVELOPMENT, INC

By: _____
President

Sign Name

Type or Print Name

Sign Name

Type or Print Name

STATE OF FLORIDA)
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____,
_____, by _____, President, on behalf of Freemarr Development,
Inc., a Florida Corporation. He/she is personally known _____ OR Produced Identification
_____. Type of Identification Produced: _____.

Signature of Notary: _____

My Commission Expires:

Printed or stamped name of Notary

Exhibit F To Utility Extension And Service Agreement Between Mad Hatter Utility, Inc.

and ~~Carpenters Common, Inc~~

Freemarr Development Inc.

COVENANT FOR SERVICE

COMPANY'S RIGHTS TO SERVE PROPERTY

MAD HATTER UTILITY, INC., ("Service Company"), or its successors or assigns, have the sole and exclusive right to provide all potable water, sewage and irrigation water facilities and service to the Property described in Exhibit "A" and to any property to which potable or irrigation water service or sewage service is actually rendered pursuant to this Agreement. All occupants of any residence, building, unit or improvement erected on the Property, and all subsequent or future owners or purchasers of the Property, or any portion thereof, shall receive their potable and irrigation water and sewage service from the aforesaid corporation, or its successors or assigns, and shall pay for the same in accordance with the terms, conditions, tenor and intent of this Agreement, for so long as the aforesaid corporation, or its successors or assigns, provide such services, or either of them, to the Property, and all occupants of any residence, building, unit or improvement erected or located on the Property, and all subsequent or future owners or purchasers of the Property, or any portion thereof, agree by occupying any premises on the Property, or by recording any deed of conveyance with respect to the Property, that they will not construct, dig, or build wells, or otherwise make available or use potable or irrigation water service or sewage service from any source other than that provided by Service Company. Service Company shall have access at all reasonable times to every water meter it shall have installed, for the purposes of reading, maintaining, repairing, checking, and replacing the said water meter. Potable and irrigation water supplied by Service Company to any customer shall not be offered for resale or be resold. The sole, only and exclusive obligation of Service Company respecting the supplying of water shall be to supply at its water meters, potable water suitable for domestic consumption. Property owner, its successors and assigns agree that should it be determined that water, sewer or irrigation water facilities have been installed outside of easements granted to Service Company, property owner, its successors and assigns, shall grant and execute sufficient easements for said facilities in the form attached as Exhibit "E" of their Developer Agreement without cost to, or further obligation of, Service Company.

WITNESSES:

FREEMARR DEVELOPMENT, INC

By:

President

Sign Name

Type or Print Name

Sign Name

Type or Print Name

STATE OF FLORIDA)
COUNTY OF)

The foregoing instrument was acknowledged before me this _____ day of _____,
_____, by _____, President, on behalf of Freemarr Development,
Inc., a Florida Corporation. He/she is personally known _____. OR Produced Identification
_____. Type of Identification Produced: _____.

Signature of Notary: _____

My Commission Expires:

Printed or stamped name of Notary