

Diamond Williams

From: Trina Collins [TCollins@RSBattorneys.com]
Sent: Monday, August 23, 2010 3:30 PM
To: Filings@psc.state.fl.us
Cc: ewart@niamerica.com; BWilkinson@niamerica.com; donald.clayton@tangibl.com; Bart Fletcher; Martin Friedman; Christian W. Marcelli; Trina Collins
Subject: Filing in Docket No. 100149-WU; Ni Florida, LLC - Tamiami Application for an Increase in Water Rates in Lee County, Florida
Importance: High
Attachments: PSC Clerk 03 (Filing Response to Staff's Data Request) ltr.pdf

- a. Martin S. Friedman, Esq.
Christian W. Marcelli, Esq.
Rose, Sundstrom & Bentley, LLP
Sanlando Center
2180 W. State Road 434, Suite 2118
Longwood, FL 32779
Phone: (407) 830-6331
Fax: (407) 830-8522
Email: mfriedman@rsbattorneys.com
cmarcelli@rsbattorneys.com
- b. Docket No. 100149-WU; Ni Florida, LLC - Tamiami Application for an Increase in Water Rates in Lee County, Florida - Filing Ni Florida, LLC - Tamiami's response to Staff's first data request dated July 21, 2010.
- c. Ni Florida, LLC
- d. 59 Pages.
- e. Letter to Commission Clerk and attachments - 59 pages.

RECEIVED - DATE
6983 AUG 23 09
PSC-03: CLERK OF CLERK

LAW OFFICES
ROSE, SUNDSTROM & BENTLEY, LLP

www.rsbatorneys.com

FREDERICK L. ASCHAUER, JR.
CHRIS H. BENTLEY, P.A.
ROBERT C. BRANNAN
F. MARSHALL DETERDING
MARTIN S. FRIEDMAN, P.A.
JOHN J. FUMERO, P.A.
BRIDGET M. GRIMSLEY
JOHN R. JENKINS, P.A.
KYLE L. KEMPER

Please Respond to the Longwood Office

August 23, 2010

CHRISTIAN W. MARCELLI
STEVEN T. MINDLIN, P.A.
THOMAS F. MULLIN
CHASTITY H. O'STEEN
WILLIAM E. SUNDSTROM, P.A.
DIANE D. TREMOR, P.A.
JOHN L. WHARTON

ROBERT M.C. ROSE, (1924-2006)

E-FILING

Ann Cole, Commission Clerk
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Re: Docket No. 100149-WU; Ni Florida, LLC - Tamiami
Application for an Increase in Water Rates in Lee County, Florida
Our File No.: 43053.04

Dear Ms. Cole:

Enclosed for filing in the above-referenced docket is the response of Ni Florida, LLC - Tamiami (the "Utility") to Staff's first data request dated July 21, 2010. Staff has requested the following information in order to complete its analysis in the above-referenced docket.

1. The following items relate to the pro forma isolated valves and meter replacements reflected in adjustment (B) MFR Schedule A-3.

For each addition, provide the following:

- (a) a statement why each addition is necessary;
- (b) a copy of all invoices and other support documentation if the plant addition has been completed or in process;
- (c) a copy of the signed contract or any bids, if the plant addition has not been completed;
- (d) a status of the engineering and permitting efforts, if the plant addition has not been through the bidding processing; and
- (e) the projected in-service date for each outstanding plant addition.

DOCUMENT BY JAMES P. BENTLEY
06983 AUG 23 09
FPSC-DUPLICATE

RESPONSE:

- a. This project was performed to: (1) install isolation valves, such that when water needed to be shut off to one customer, the Utility could shut off water to that section of street and not the entire subdivision, and (2) install meters to improve on the water loss the subdivision had experienced in recent years.
 - b. Attached to this response are all invoices for the cost of the projects. The isolation valve project was completed in January 2010 and the meter installation project was completed in May 2010.
 - c. The projects were done under a request for proposal from KBHS, Inc., which is attached.
 - d. No engineering or permitting efforts were required.
 - e. As stated in the response to part (b) above, the projects are complete.
2. The following items relate to Ni Florida's requested rate case expense.
- (a) For each individual person, in each firm providing consulting services to the applicant pertaining to this docket, provide the billing rate, and an itemized description of work performed. Please provide detail of hours worked associated with each activity. Also provide a description and associated cost for all expenses incurred to date.
 - (b) For each firm or consultant providing services for the applicant in this docket, please provide copies of all invoices for services provided to date.
 - (c) If rate consultant invoices are not broken down by hour, please provide reports that detail by hour, a description of actual duties performed, and amount incurred to date.
 - (d) Please provide an estimate of costs to complete the case by hour for each consultant or employee, including a description of estimated work to be performed, and detail of the estimated remaining expenses to be incurred through the PAA process.
 - (e) Please provide an itemized list of all other costs estimated to be incurred through the PAA process.

RESPONSE:

- a. Attached is a detail of the costs and fees incurred by each individual in each firm through July 31, 2010, as well as invoices detailing such work.
 - b. Attached hereto are the invoices for rate case expenses.
 - c. The individual invoices, attached hereto, provide a description of the work done on each task and a detail of the reimbursable expenses incurred.
 - d. Attached hereto is a detail of the estimated costs to complete this matter through PAA by each consultant, employee or service provider, including a description of such tasks to be performed. The estimates to complete this matter through PAA are the best estimates of the remaining tasks in this docket, and take into account the actual amounts expended in the Utility's previous rate case.
 - e. Attached hereto is a detail of all other costs to be incurred through the PAA process.
3. N/A
4. According to MFR Schedule B-3, the Utility has proposed an increase of \$300 per month for its Contract Operator. Please provide an executed copy of the current contract with the Operator.

RESPONSE: Attached hereto is an executed proposal from Florida Utility Group reflecting the increase in costs for the Utility's Contract Operator.

5. According to MFR Schedule B-3, Ni Florida has proposed an adjustment to increase its uncollectable accounts to 1.75% of revenue. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above adjustment to uncollectable accounts.

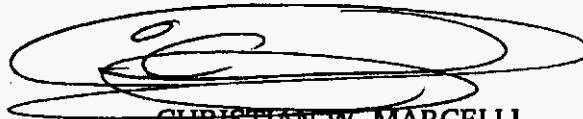
RESPONSE: Ni Florida, LLC - Tamiami had uncollectible accounts expense, which is the same as bad debts expense, during the test year of \$1,202.53. In choosing 1.75 percent to use in a pro forma adjustment for this expense, Ni Florida considered the historical amount, the state of the economy, and the effect of higher rates on uncollectible expense.

6. According to MFR Schedule B-3, the Utility has proposed an adjustment to reflect bad debts expense at 1.75% of requested increase in revenue. Please provide all of the Utility's calculations, basis, workpapers, and support documentation for the above adjustment to bad debts expense.

RESPONSE: The bad debts expense adjustment applies the same percentage (1.75%) to historical revenue, as it does to the requested increase in revenues. Uncollectible accounts expense is the same as bad debts expense. Please see the response to Question 5 of Staff's First Data Request for justification of the 1.75%.

Should you or members of the Staff have any questions regarding this filing, please do not hesitate to give me a call.

Very truly yours,



CHRISTIAN W. MARCELLI
For the Firm

CWM/tlc
Enclosures

cc: Ed Wallace, President (w/enclosures) (via e-mail)
Mr. Benny Wilkinson (w/enclosures) (via e-mail)
Mr. Donald Clayton (w/enclosures) (via e-mail)
Mr. Bart Fletcher (w/enclosures) (via e-mail)

M:\1 ALTAMONTE\NI FLORIDA, LLC (43053)\(.04) 12-31-09 TY Rate Case (Lee County)\PSC Clerk 03 (Filing Response to Staff's Data Request) ltr.doc

Item No. 1

KBHS, Inc.

13825 US Highway 19, Suite 302
Hudson, Florida 34667

[Signature]
APPROVED DEC 31 2009

Invoice

Date	Invoice #
12/21/2009	11546

Phone: (727) 643-9593 for service
(727) 863-0205, ext. 102 for billing questions
Fax: (727) 869-5913

Bill To
Ni Florida, LLC
13825 US Hwy 19, Suite 301
Hudson, FL 34667

Project Date
12/21/2009

P.O. No.

Quantity	Project / Parts / Labor	Item	Rate	Amount
1	Tamiami Install Isolation Valves at Tamiami Village	6" Isolation Valves	1,906.90	1,906.90
15		4" Isolation Valves	1,582.90	23,743.50
15		2" Isolation Valves	1,072.60	16,089.00
APPROVED <i>[Signature]</i>				

Total	\$41,739.40
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FLORIDA UTILITY GROUP, LLC

13825 US Highway 19, Suite 302
Hudson, Florida 34667

Phone: (727) 863-0205
Fax: (727) 869-5913

APPROVED DEC 31 2009

INVOICE

Date	Invoice #
12/23/2009	9910
Due Date	Terms
12/23/2009	Due on receipt

Bill To
Ni Florida, LLC 13825 US Highway 19 Suite 301 Hudson, FL 34667

P.O. No.

Project
Ni Florida - Tamiami

Service Date	Item	Description	QTY	Rate	Amount
12/16/2009	Additional Sampling	Tamiami Flamingo and Pluto Certified Water and/or Wastewater Operator collected additional samples due to PBWN issued due to valves installed at above locations.	4	35.00	140.00
12/17/2009	Bacteriological Sa... Additional Sampling	Drinking Water Bacteriological Laboratory Analysis: BACTS Certified Water and/or Wastewater Operator collected additional samples due to PBWN issued due to valves installed at above locations.	2	30.00	60.00
			4	35.00	140.00
	Bacteriological Sa... Sample Submittal ...	Drinking Water Bacteriological Laboratory Analysis: BACTS Sample Submittal Fee	2	30.00	60.00
			1	55.00	55.00

Total	\$455.00
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Invoice

KBHS, Inc.

13825 US Highway 19, Suite 302
Hudson, Florida 34667

Date	Invoice #
1/21/2010	11678

Phone: (727) 643-9593 for service
(727) 863-0205, ext. 102 for billing questions
Fax: (727) 869-5913

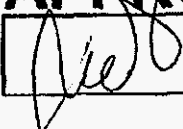
Bill To

Ni Florida, LLC
13825 US Hwy 19, Suite 301
Hudson, FL 34667

APPROVED JAN 22 2010

Project Date
01/21/2010

P.O. No.

Quantity	Project / Parts / Labor	Item	Rate	Amount
	Tamiami Install Isolation Valves at Tamiami Village Balance of Billing			
2		6" Isolation Valves	1,906.90	3,813.80
3		2" Isolation Valves	1,072.60	3,217.80
3		2" Blow-Offs	1,500.00	4,500.00
		APPROVED 		

Total	\$11,531.60
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FLORIDA UTILITY GROUP, LLC

13825 US Highway 19, Suite 302
Hudson, Florida 34667

Phone: (727) 863-0205
Fax: (727) 869-5913

INVOICE

Date	Invoice #
1/29/2010	10237
Due Date	Terms
1/29/2010	Due on receipt

Bill To
Ni Florida, LLC 13825 US Highway 19 Suite 301 Hudson, FL 34667

† APPROVED JAN 30, 2010



P.O. No.

Project
Ni Florida - Tamiami

Service Date	Item	Description	QTY	Rate	Amount
1/25/2010	RPZ Cert.	Tamiami RPZ Certifications and Repairs			
	Parts / Materials Pr...	Performed certification of RPZ devices (4).	4	100.00	400.00
	Parts / Materials Pr...	Test cocks replaced	3	25.00	75.00
	RPZ Cert.	6" RPZ repair kit and re-installation of device. Performed certification of 6" RPZ device	1	750.00	750.00
			1	200.00	200.00

APPROVED


Total	\$1,425.00
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INVOICE

ALL ABOUT BACKFLOWS
 7141 TWIN EAGLE LANE
 FT MYERS FL 33912
 CELL: 239-653-3906

580755

SOLD TO: **FLORIDA UTILITIES** ADDRESS: **TAMIAMI VILLAGE**
 CITY, STATE, ZIP: **N TAMIAMI TR FT MYERS FL**

CUSTOMER ORDER NO. _____ SOLD BY _____ TERMS _____ F.O.B. _____

ORDERED	SHIPPED	DESCRIPTION	PRICE	UNIT	DATE	AMOUNT
4		BACKFLOW TESTS	100 ^{ea}		11/25/10	400.00
3		TEST COCKS REPLACED	25 ^{ea}			75.00
1		6" REPAIR KIT INSTALLED				75.00
1		6" BACKFLOW TEST				200.00
TOTAL						\$ 1425.00

PLEASE REMIT TO:
 ALL ABOUT BACKFLOWS
 7141 TWIN EAGLE LANE
 FT MYERS FL 33912

FLORIDA UTILITY GROUP, LLC

13825 US Highway 19, Suite 302
Hudson, Florida 34667

Phone: (727) 863-0205

Fax: (727) 869-5913

J
APPROVED FEB 26 2010

INVOICE

Date	Invoice #
1/29/2010	10608
Due Date	Terms
1/29/2010	Due on receipt

Bill To
Ni Florida, L.L.C 13825 US Highway 19 Suite 301 Hudson, FL 34667

P.O. No.

Project
Ni Florida - Tamiami

Service Date	Item	Description	QTY	Rate	Amount
		Tamiami Sampling Event for RPZ Repairs			
1/25/2010	Service	Temporary helpers to hand out BWN due to shut down of system for RPZ repairs.	3	60.00	180.00
1/26/2010	Bacteriological Sa...	LCHD - Bacte samples after repairs made to 6" RPZ device.	2	40.00	80.00
1/27/2010	Bacteriological Sa...	LCHD - Bacte samples after repairs made to 6" RPZ device.	2	40.00	80.00
1/27/2010	Sample Submittal ...	Sample Submittal Fee	1	55.00	55.00
1/28/2010	Service	Temporary helpers to hand out rescission notices once samples cleared.	1	160.00	160.00
1/28/2010	Service	Joe Jacobs time to assist in handing out rescission notices once samples cleared.	4	27.50	110.00
This Invoice in conjunction with Invoice #10237 dated 1/29/2010 for repairs to 6" RPZ device.					

APPROVED
JWS

Total	\$665.00
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FLORIDA UTILITY GROUP, LLC

13825 US Highway 19, Suite 302
Hudson, Florida 34667

Phone: (727) 863-0205
Fax: (727) 869-5913

APPROVED FEB 28 2010

INVOICE

Date	Invoice #
2/26/2010	10572
Due Date	Terms
2/26/2010	Due on receipt

Bill To
Ni Florida, LLC 13825 US Highway 19 Suite 301 Hudson, FL 34667

P.O. No.

Project
Ni Florida - Tamiami

Service Date	Item	Description	QTY	Rate	Amount
2/24/2010	Gen. Labor	Tamiami 3166 Venus Lane General labor in assisting with plumbing repairs at above address, plastic pipe broke under edge of driveway. Installed 6 feet of 3/4" pvc pipe sch 40.	2.5	27.50	68.75
	Parts / Materials Pr...	Ford Couplings	2	18.55	37.10
	Parts / Materials Pr...	3/4" pvc pipe sch 40	6	0.30	1.80
	Services	Repairs to broken water main in street provided by Franzese Plumbing .	1	720.00	720.00
		This Invoice in conjunction with Invoice #10609 dated 2/28/2010 for BWN samples and notices associated with repairs made.			

APPROVED
[Signature]

Total	\$827.65
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FLORIDA UTILITY GROUP, LLC

13825 US Highway 19, Suite 302
Hudson, Florida 34667

Phone: (727) 863-0205
Fax: (727) 869-5913

APPROVED FEB 28 2010

INVOICE

Date	Invoice #
2/28/2010	10609
Due Date	Terms
2/28/2010	Due on receipt

Bill To
Ni Florida, LLC 13825 US Highway 19 Suite 301 Hudson, FL 34667

P.O. No.

Project
Ni Florida - Tamiami

Service Date	Item	Description	QTY	Rate	Amount
2/25/2010	Service	Tamiami Sampling Event for Water Line Break Handed out BWN for partial shut down of water due to repairs of broken water line at 3166 Venus Lane, affecting residents on Venus Lane only. (approx. 50 homes).	1	27.50	27.50
2/26/2010	Bacteriological Sa...	LCHD - Bacte samples after repairs made to broken line at above address.	2	40.00	80.00
2/27/2010	Bacteriological Sa...	LCHD - Bacte samples after repairs made to broken line at above address.	2	40.00	80.00
2/27/2010	Sample Submittal ...	Sample Submittal Fee	1	55.00	55.00
2/28/2010	Service	Handed out rescission notices once samples cleared.	1	27.50	27.50
This Invoice in conjunction with Invoice #10572 dated 2/26/2010 for water line repairs made at 3166 Venus Lane.					

APPROVED
[Signature]

Total	\$270.00
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KBHS, Inc.

13825 US Highway 19, Suite 302
Hudson, Florida 34667

Invoice

Date	Invoice #
5/13/2010	12085

Phone: (727) 643-9593 for service
(727) 863-0205, ext. 102 for billing questions
Fax: (727) 869-5913

Bill To

Ni Florida, LLC
13825 US HWY 19, Suite 302
Hudson, FL 34667

Project Date
04/30/2010

P.O. No.

Quantity	Project / Parts / Labor	Item	Rate	Amount
	Tamiami Extra Boxes and Meters Installed			
86	Labor only	Meter Boxes	20.00	1,720.00
58	Labor only	Badger Meters	30.00	1,740.00

APPROVED

Balance Due	\$3,460.00
Payments/Credits	\$0.00
Total	\$3,460.00

KBHS, Inc.

13825 US Highway 19, Suite 302
Hudson, Florida 34667-1191

Phone: (727) 643-9593 for service
(727) 863-0205, ext 102 (Jane Newcomb) for billing questions
Fax: (727) 869-5913

Bill To

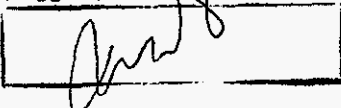
Ni Florida, LLC
13825 US HWY 19, Suite 302
Hudson, FL 34667

Invoice

Date	Invoice #
4/30/2010	12084

P.O. No.	Project Date
	04/30/2010

Quantity	Projects / Parts / Labor	Item	Rate	Amount
	Tamiami Meter Installations Final Billing			
60	Badger Meters 10%	Badger Meters	82.65	4,959.00
36	Meter Boxes 10%	Meter Boxes	75.00	2,700.00
25	Meter Valve Assembly 10%	Meter Valve Assembly	330.60	8,265.00

APPROVED


Total due upon receipt. Overdue accounts subject to a service charge of 2% per month. In the event that suit is necessary to collect the account, customer will be liable for reasonable attorney fees.

Total	\$15,924.00
Payments/Credits	\$0.00
Balance Due	\$15,924.00

Invoice

KBHS, Inc.

13825 US Highway 19, Suite 302
Hudson, Florida 34667

Phone: (727) 643-9593 for service
(727) 863-0205, ext. 102 for billing questions
Fax: (727) 869-5913

Bill To

Ni Florida, LLC
13825 US Hwy 19, Suite 301
Hudson, FL 34667

APPROVED JAN 26 2010



APPROVED MAR 26 2010

Date	Invoice #
3/26/2010	11909

Project Date
03/26/2010

P.O. No.

Quantity	Project / Parts / Labor	Item	Rate	Amount
356	Tamiami Meter Installations Badger Meters 60%	Badger Meters	82.65	29,423.40
226	Meter Boxes 60%	Meter Boxes	75.00	16,950.00
148	Meter Valve Assembly 60%	Meter Valve Assembly	330.60	48,928.80

APPROVED


Total	\$95,302.20
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Invoice

KBHS, Inc.

13825 US Highway 19, Suite 302
Hudson, Florida 34667

Date	Invoice #
2/25/2010	11801

Phone: (727) 643-9593 for service
(727) 863-0205, ext. 102 for billing questions
Fax: (727) 869-5913

APPROVED FEB 24 2010

Bill To
Ni Florida, LLC
13825 US Hwy 19, Suite 301
Hudson, FL 34667

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ENTERED

MAR 01 2010

Project Date
02/25/2010

BY: _____
Name: _____

P.O. No.

Quantity	Project / Parts / Labor	Item	Rate	Amount
	Tamiami Meter Installations			
178	Badger Meters 30%	Badger Meters	82.65	14,711.70
113	Meter Boxes 30%	Meter Boxes	75.00	8,475.00
74	Meter Valve Assembly 30%	Meter Valve Assembly	330.60	24,464.40

APPROVED
[Signature]

Total	\$47,651.10
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ALL ABOUT BACKFLOWS
 7141 TWIN EAGLE LANE
 FORT MYERS, FL 33912
 239-561-1165 CELL 633-3906

Att: Jane
 239-869-5913
RECEIVED
ENTERED

Invoice

Date	Invoice #
1/25/2010	500755

Bill To FLORIDA UTILITIES 13825 US 19 #3301 HUDSON FL 34667	BY: _____ Name: _____	Ship To TAMIAMI VILLAGE N CLEVELAND AVE FT MYERS FL
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P.O. Number	Terms	Rep	Ship	Via	F.O.B.	Project
			1/25/2010			
Quantity	Item Code	Description	Price Each	Amount		
4	BACKFLOW CER...	TESTING BACKFLOW DEVICE	100.00	400.00		
3	TEST COCK INST...		25.00	75.00		
1	BACKFLOW REP...	REBUILDING BACKFLOW DEVICE 6" WILKINS 975	750.00	750.00		
1	BACKFLOW CER...	TESTING BACKFLOW DEVICE 6"	200.00	200.00		
				Total	\$1,425.00	

Ni Florida, LLC

November 17, 2009

Request for Proposal – Ni Florida, LLC - Tamiami Village, North Fort Meyers, Florida

Dear Service Provider:

Please provide a proposal for the installation of meters, valve box and covers, curb valves and isolation valve replacements for the Tamiami Village Division.

Water Meters:

<u>Quantity</u>	<u>Description</u>	<u>Cost</u>	<u>Labor</u>	<u>Total</u>
594	5/8" x 3/4" Badger Brass Water Meters	\$ 52.65	\$ 30.00	\$ 82.65

Meter Boxes and Covers:

<u>Quantity</u>	<u>Description</u>	<u>Cost</u>	<u>Labor</u>	<u>Total</u>
375	Series 1200 Meter Boxes	\$ 55.00	\$ 20.00	\$ 75.00

Curb Valve Replacement:

<u>Quantity</u>	<u>Description</u>	<u>Cost</u>	<u>Labor</u>	<u>Total</u>
247	Valve Assemblies (2-3/4" curb, 1-1" curb)	\$ 210.60	\$ 120.00	\$ 330.60

Isolation Valve Replacement:

The following pricing includes 2" valve, couplings, pipe, valve box and 18" x 18" concrete pad.

<u>Quantity</u>	<u>Description</u>	<u>Cost</u>	<u>Labor</u>	<u>Total</u>
15	2" Valve Assemblies	\$ 372.60	\$ 700.00	\$ 1,072.60

10913 Metronome Drive Houston, TX 77043
713-574-7771 Office
713-647-0277 Fax

Ni Florida, LLC

The following pricing includes 4" valve, mega lugs, Hy-Max couplings, pipe, valve box and 18" x 18" concrete pad.

Quantity	Description	Cost	Labor	Total
15	4" Valve Assemblies	\$ 882.90	\$ 700.00	\$ 1,582.90

The following pricing includes 4" valve, mega lugs, Hy-Max couplings, pipe, valve box and 18" x 18" concrete pad.

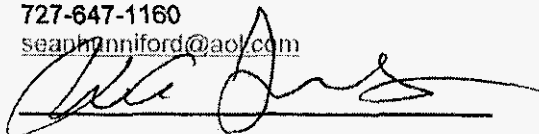
Quantity	Description	Cost	Labor	Total
1	6" Valve Assemblies	\$ 1,206.90	\$ 700.00	\$ 1,906.90

Summary:

Total price to install 594 meters	\$ 49,094.10
Total price to install 375 meter Boxes	\$ 28,087.50
Total price to install 247 Double Valve Assemblies	\$ 81,658.20
Total price to install 15 - 2" valves	\$ 16,086.00
Total price to install 15 - 4" valves	\$ 23,743.50
Total price to install 1 - 6" valves	\$ 1,906.90
Total	\$ 200,579.20

Company Name: KBHS, Inc.
Contact Name: Sean Hunniford
Address: 13825 US Highway 19, Suite 302
Hudson, FL 34667
Phone Number: 727-863-4626
Fax Number: 727-863-6707
Cell Number: 727-647-1160
e-mail address: seanhunniford@aol.com

Signature:



10913 Metronome Drive Houston, TX 77043
713-574-7771 Office
713-647-0277 Fax

Item No. 2

COMMUNITY COLLEGE DATE

16983 AUG 23 9

FPSC-COMMISSION CLERK

NI Florida, LLC - Tamiami
Deferred Rate Case Expenses
Actual thru July 31, 2010 and Estimated

Tangibl, LLC

Actual Costs Incurred through July 31, 2010	\$ 25,330.00	
Estimated Costs to be incurred through completion	<u>\$ 9,670.00</u>	See attached estimate
Total Tangibl, LLC	<u>\$ 35,000.00</u>	

Rose, Sundstrom & Bentley, LLP

Actual Costs incurred through July 31, 2010	\$ 11,681.47	
Estimated Costs to be incurred through completion	<u>\$ 38,975.00</u>	See attached estimate
Total Rose, Sundstrom & Bentley, LLP	<u>\$ 50,656.47</u>	

Key Engineering Associates, Inc.

Actual Costs Incurred through July 31, 2010	\$ 420.97	
Estimated Costs to be incurred through completion	<u>\$ -</u>	
Total Key Engineering Associates, Inc.	<u>\$ 420.97</u>	

Florida Utility Group - Customer Mailings

Estimated Costs to be incurred for customer mailings	<u>\$ 6,804.00</u>	3 Mailings @ \$3 for 756
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TOTAL DEFERRED RATE CASE EXPENSES - NI FLORIDA - TAMIAMI

Actual Costs incurred through June 30, 2010	\$ 37,432.44	
Estimated Costs to be incurred through completion	<u>\$ 55,449.00</u>	
TOTAL	<u>\$ 92,881.44</u>	

**NI Florida, LLC - Tamiami
Deferred Rate Case Expenses
Project-to-Date July 31, 2010**

Tangibl, LLC

<u>Person</u>	<u>Invoice #</u>	<u>Hrs</u>	<u>Rate</u>	<u>Amount</u>	<u>Description of Work</u>
Donald J. Clayton	40-33312.01	Lump Sum Quote		\$ 10,000.00	Rate case preparation
Donald J. Clayton	40-33312.02	Lump Sum Quote		\$ 15,000.00	Rate case preparation
Donald J. Clayton	40-33301.11	2.0	\$ 165.00	\$ 330.00	Preparation of responses to FPSC data requests
Total Tangibl, LLC				\$ 25,330.00	

Rose, Sundstrom & Bentley, LLP

<u>Person</u>	<u>Invoice #</u>	<u>Hrs</u>	<u>Rate</u>	<u>Amount</u>	<u>Description of Work</u>
Martin Friedman	42154	1.3	\$ 330.00	\$ 429.00	Legal services-rate case
	42154			\$ 21.71	Expenses
Christian Marcelli	42664	4.9	\$ 305.00	\$ 1,494.50	Legal services-rate case
	42664			\$ 24.81	Expenses
Martin Friedman	42869	1.3	\$ 330.00	\$ 429.00	Legal services-rate case
Christian Marcelli	42869	12.2	\$ 305.00	\$ 3,721.00	Legal services-rate case
	42869			\$ 2,849.71	Expenses/Filing Fee
Martin Friedman	43096	0.8	\$ 330.00	\$ 264.00	Legal services-rate case
Christian Marcelli	43096	7.8	\$ 305.00	\$ 2,379.00	
	43096			\$ 68.74	Expenses/Filing Fee

Total Rose, Sundstrom & Bentley, LLP

\$ 11,681.47

Key Engineering Associates, Inc.

<u>Person</u>	<u>Invoice #</u>	<u>Hrs</u>	<u>Rate</u>	<u>Amount</u>	<u>Description of Work</u>
Keith Bachmann	10-067B	2.0	\$ 135.00	\$ 270.00	Mapping for Rate Case
				\$ 150.97	Expenses

Total Key Engineering Associates, Inc.

\$ 420.97

TOTAL

\$ 37,432.44

Tangibl Estimate to complete case
Docket No. 100149-WU
As of August 18, 2010

<u>Hours</u>	<u>Description</u>
24.0	Respond to formal and informal interrogatories from Staff.
18.0	Respond to Audit Staff's requests for information;
8.0	Review audit report and conference with client to discuss audit report and assist with the preparation of the response to audit report.
4.0	Review Staff recommendation; conference with client and attorneys regarding recommendation.
4.0	Review PAA Order; conference with client and attorneys regarding PAA Order.
<u>58.0</u>	@ \$165/hour= \$9,570

Other costs

Fedex mailings 4 @ \$25/mailling = \$100



301 Oxford Valley Rd / Suite 1604 / Yardley, Pennsylvania 19067-7706
TEL 215.369.9346 / FAX 215.369.9344 / www.tangibl.com

COPY
INVOICE

SOLD TO: Ni Florida LLC
10913 Metronome Drive
Houston, TX 77043

DATE: May 7, 2010
INVOICE #: 40-33312.01
TERMS: Net 30 days

ATTENTION: Ms. Carey Thomas

FORM OF CONTRACT: Verbal NTP

REQUESTED BY: Ed Wallace

PROJECT: Tamiami Base Rate Case

SCOPE OF SERVICES: Preparation of base rate case for 2010.

PROFESSIONAL SERVICES

TIME PERIOD: 04/01/10 TO 04/30/10

	<u>AMOUNTS</u>
Lump Sum Quote	\$25,000.00
Previous Amount Billed	\$0.00
Amount Due This Month	\$10,000.00
Remaining Amount	<u>\$15,000.00</u>

TOTAL AMOUNT DUE THIS INVOICE: \$10,000.00



301 Oxford Valley Rd / Suite 1604 / Yardley, Pennsylvania 19067-7706
TEL 215.369.9345 / FAX 215.369.9344 / www.tangibl.com

INVOICE

SOLD TO: Ni Florida LLC
10913 Metronome Drive
Houston, TX 77043

DATE: June 4, 2010
INVOICE #: 40-33312.02
TERMS: Net 30 days

ATTENTION: Ms. Carey Thomas

FORM OF CONTRACT: Verbal NTP

REQUESTED BY: Ed Wallace

PROJECT: Tamiami Base Rate Case ✓

received
6-7-2010
PBDct

SCOPE OF SERVICES: Preparation of base rate case for 2010.

PROFESSIONAL SERVICES

TIME PERIOD: 05/01/10 TO 05/31/10

	<u>AMOUNTS</u>
Lump Sum Quote	\$25,000.00
Previous Amount Billed	\$10,000.00
Amount Due This Month	\$15,000.00
Remaining Amount	\$0.00
TOTAL AMOUNT DUE THIS INVOICE:	\$15,000.00

POST
6/21/10

186.1.b
Deferred Rate Case Exp. - Water



301 Oxford Valley Rd / Suite 1604 / Yardley, Pennsylvania 19067-7706
TEL 215.369.9345 / FAX 215.369.9344 / www.tangibl.com

received
7-12-10

276

INVOICE

SOLD TO: Ni America
10913 Metronome Drive
Houston, TX 77043

DATE: July 2, 2010
INVOICE #: 40-33301.11
TERMS: Net 30 Days

ATTENTION: Carey Thomas

FORM OF CONTRACT: Verbal

REQUESTED BY: Mr. Ed Wallace

PROJECT: Various Professional Services

SCOPE OF SERVICES: Preparation of responses to PSC data requests for Tamiami Base Rate Case.

PROFESSIONAL SERVICES

TERM: 06/01/10 THROUGH 06/30/10

LABOR:

<u>HOURS</u>	<u>CLASSIFICATION</u>	<u>AMOUNTS</u>
2	Principal - @ \$165 DJC = Donald J. Clayton	\$330.00
SUBTOTAL:		\$330.00
TOTAL AMOUNT DUE THIS INVOICE:		\$330.00

POSTED
7/13/10

QBdate 6/30/10

145.12 Accts. Rec. from
Tamiami Village

inv30-01 (revised 02/04) Water

RSB Estimate to complete case

Docket No. 100149-WU

As of August 18, 2010

Please note: The fees and costs below were estimated using the actual expenditures from the Utility's recent rate case in Docket No. 090182-SU as a guide.

<u>Hours</u>	<u>Description</u>
10.0	Travel to and attend customer hearing.
21.0	Establish interim rates: Prepare for and travel to Agenda Conference in Tallahassee for interim rates (15.0 hrs); Prepare customer notice and tariff sheets; Interact with Staff regarding review and approval of interim rate customer notice and tariff sheets; Complete post-implementation filing requirements.
5.0	Research and prepare initial customer notice and rate case synopsis; Interact with Staff regarding review and approval of notice and synopsis; Complete mailing and filing requirements regarding notices and synopsis.
22.0	Respond to formal and informal interrogatories from Staff.
20.0	Review and advise client regarding Audit Staff's requests for information; Facilitate Staff Audit and advise client regarding same; Review documentation and prepare and implement protective order; Review audit report, conference with client to discuss audit report, prepare response to audit report. This estimate includes both work done with the preparation of the audit report and response thereto.
6.0	Review Staff recommendation; conference with client and consultants regarding recommendation; conference with Staff regarding recommendation.
15.0	Prepare for and attend final rates Agenda conference, discuss Agenda with client and Staff.
6.0	Review PAA Order; conference with client and consultants regarding PAA Order.
3.5	Prepare revised tariff sheets, obtain Staff approval of tariffs; Draft and revise customer notice, Interact with Staff regarding review and approval of tariffs and notice; Coordinate mailing of customer notices and implementation of tariffs.
4.0	Consult with client and assist with post PAA filing requirements, including Commission Ordered Adjustments, Rate Case expense update and other filing requirements.

112.5 @ \$330/hour= \$37,125.00

Estimated Costs:

\$500.00	Round trip travel to customer meeting, lodging and meals.
\$500.00	Round trip travel to interim rate Agenda Conference, lodging and meals.
\$500.00	Round trip travel to Agenda Conference, lodging and meals.
\$125.00	Photocopies
\$100.00	Long distance teleconference services
<u>\$125.00</u>	Fedex/courier services
\$1,850.00	

Time Report

Billed and Unbilled

NI FLORIDA, LLC / 12/31/09 TY RATE CASE - LEE COUNTY (43053-4)

08/09/2010

Date	SM/Task	Attorney Name	Rate	Hours	Amount	Service	Activity
03/11/2010	0003	MARTIN S FRIEDMAN	A	1.10 ✓	363.00	10000	CONFERENCE CALL WITH BENNY, ED, NATHAN AND DON REGARDING UPCOMING RATE FILING; BEGIN RESEARCH AND DRAFT OF TEST YEAR LETTER
03/18/2010	0003	MARTIN S FRIEDMAN	A	0.20 ✓	66.00	10000	REVIEW CORRESPONDENCE AND PRO FORMAS FROM MR. WILKINSON AND REVISE TEST YEAR LETTER ACCORDINGLY
04/30/2010	0046	CHRISTIAN W MARCELLI	A	1.60 ✓	488.00	10000	DRAFT APPLICATION FOR INCREASE IN RATES; PREPARE DRAFTS OF PROPOSED TARIFF SHEETS AND SUPPORTING DOCUMENTATION.
05/12/2010	0046	CHRISTIAN W MARCELLI	A	2.50 ✓	762.50	10000	REVIEW CORRESPONDENCE FROM CONSULTANT REGARDING STATUS OF MFRS; DRAFT APPLICATION AND SUPPORTING AFFIDAVITS FOR RATE CASE; DRAFT CORRESPONDENCE TO CLIENT REGARDING AFFIDAVITS.
05/13/2010	0046	CHRISTIAN W MARCELLI	A	0.50 ✓	152.50	10000	REVIEW CORRESPONDENCE FROM CLIENT REGARDING AFFIDAVIT OF UTILITY OFFICER; REVIEW AND REVISE APPLICATION IN LIGHT OF SAME.
05/17/2010	0046	CHRISTIAN W MARCELLI	A	0.30 ✓	91.50	10000	REVIEW CORRESPONDENCE FROM DON CLAYTON REGARDING CLASS B MFRS; DRAFT CORRESPONDENCE TO CONSULTANT REGARDING SAME.
06/16/2010	0003	MARTIN S FRIEDMAN	A	0.60 ✓	198.00	10000	INITIAL REVIEW OF MFRS; REVIEW AND COMMENT UPON PROPOSED APPLICATION
06/16/2010	0046	CHRISTIAN W MARCELLI	A	2.80 ✓	854.00	10000	DRAFT APPLICATION FOR INCREASE IN WATER RATES; REVIEW CORRESPONDENCE FROM DON CLAYTON REGARDING MFRS; REVIEW MFR SCHEDULES AND SUPPORTING INFORMATION; DRAFT INTERIM AND FINAL TARIFF SHEETS; PREPARE AFFIDAVITS FOR INCLUSION WITH APPLICATION; DRAFT CORRESPONDENCE TO DON CLAYTON REGARDING SAME; REVIEW CORRESPONDENCE FROM DON CLAYTON REGARDING REVISIONS TO MFRS.
06/17/2010	0046	CHRISTIAN W MARCELLI	A	3.30 ✓	1,006.50	10000	REVIEW AND REVISE APPLICATION FOR INCREASE IN WATER RATES; CONTINUED REVIEW AND MARKUP OF MFR SCHEDULES; DRAFT CORRESPONDENCE TO AND REVIEW CORRESPONDENCE FROM DON CLAYTON REGARDING MFRS; DRAFT LATE FEE AND NSF CHARGE TARIFFS; REVISE APPLICATION TO INCLUDE COST JUSTIFICATION FOR MISCELLANEOUS SERVICE CHARGES, NSF FEES AND LATE FEES; RESEARCH LOCATION OF LIBRARY IN SERVICE TERRITORY; DRAFT CORRESPONDENCE TO CLIENT REGARDING LOCATION OF OFFICE IN SERVICE TERRITORY (OFFICE IS ONLY IN PASCO); CONTINUED PREPARATION OF MFRS FOR REPRODUCTION.
06/18/2010	0046	CHRISTIAN W MARCELLI	A	1.00 ✓	305.00	10000	REVIEW AND REVISE MFR SCHEDULES; REVIEW CORRESPONDENCE FROM DON CLAYTON REGARDING REVISIONS TO MFRS; DRAFT CORRESPONDENCE TO DON CLAYTON REGARDING SAME.
06/18/2010	0046	CHRISTIAN W MARCELLI	A	1.10 ✓	335.50	10000	REVIEW CORRESPONDENCE FROM CLIENT REGARDING CUSTOMER COMPLAINT FILES; REVIEW COMPLAINT FILES; PREPARE COMPLAINT FILES FOR FILING WITH ADDITIONAL ENGINEERING INFORMATION; LEGAL RESEARCH REGARDING INCREASING FIRE SERVICE RATES; DRAFT CORRESPONDENCE TO DON CLAYTON REGARDING SAME.
06/20/2010	0003	MARTIN S FRIEDMAN	A	0.30 ✓	99.00	10000	REVIEW AND COMMENT UPON APPLICATION AND MFR'S.

Time Report

Billed and Unbilled

NI FLORIDA, LLC / 12/31/09 TY RATE CASE - LEE COUNTY (43053-4)

08/09/2010

Date	SM/Task	Attorney Name	Rate	Hours	Amount	Service	Activity
06/21/2010	0046	CHRISTIAN W MARCELLI	A	4.00 ✓	1,220.00	10000	REVIEW AND REVISE APPLICATION, MFRS AND ADDITIONAL ENGINEERING INFORMATION; DRAFT CORRESPONDENCE TO PSC CLERK REGARDING FILING OF SAME; PREPARE ALL DOCUMENTS FOR FILING WITH PSC CLERK.
06/23/2010	0003	MARTIN S FRIEDMAN	A	0.40 ✓	132.00	10000	TELEPHONE CONFERENCE WITH MR. FLETCHER WHO TELEPHONED REGARDING INTERIM RATE AGENDA AND LETTER TO MR. WALLACE AND MR. WILKINSON; DRAFT WAIVER LETTER
07/23/2010	0046	CHRISTIAN W MARCELLI	A	0.20 ✓	61.00	10000	REVIEW STAFF'S DEFICIENCY LETTER; DRAFT CORRESPONDENCE TO CLIENT REGARDING DEFICIENCY LETTER.
07/23/2010	0046	CHRISTIAN W MARCELLI	A	0.50 ✓	152.50	10000	REVIEW STAFF'S FIRST DATA REQUEST; REVIEW MFRS IN LIGHT OF QUERIES IN DATA REQUEST; DRAFT CORRESPONDENCE TO CLIENT AND CONSULTANT REGARDING RESPONSE TO STAFF'S FIRST DATA REQUEST.
07/26/2010	0046	CHRISTIAN W MARCELLI	A	1.80 ✓	549.00	10000	REVIEW MFR SCHEDULES IN LIGHT OF STAFF'S DEFICIENCY LETTER; REVIEW 2009 ANNUAL REPORT; TELEPHONE CONFERENCE WITH DON CLAYTON REGARDING RESPONSE TO DEFICIENCIES; DRAFT CORRESPONDENCE TO AND REVIEW CORRESPONDENCE FROM CLIENT AND CONSULTANT REGARDING DEFICIENCY LETTER ISSUES; REVIEW REVISED TARIFF SHEETS IN RESPONSE TO DEFICIENCY LETTER.
07/27/2010	0003	MARTIN S FRIEDMAN	A	0.80 ✓	264.00	10000	REVIEW DEFICIENCY LETTER AND DATA REQUEST AND CONFERENCE CALL REGARDING SAME
07/27/2010	0046	CHRISTIAN W MARCELLI	A	3.60 ✓	1,098.00	10000	TELEPHONE CONFERENCE WITH CLIENT AND CONSULTANT REGARDING RESPONSE TO DEFICIENCY LETTER; REVIEW MFRS AND DEFICIENCY LETTER; DRAFT RESPONSE TO STAFF'S DEFICIENCY LETTER; REVIEW CORRESPONDENCE FROM AND DRAFT CORRESPONDENCE TO CLIENT AND CONSULTANT REGARDING RESPONSES TO STAFF'S DEFICIENCY LETTER; REVIEW REVISED SCHEDULES IN RESPONSE TO DEFICIENCY LETTER.
07/28/2010	0046	CHRISTIAN W MARCELLI	A	1.70 ✓	518.50	10000	REVIEW AND REVISE RESPONSE TO STAFF'S DEFICIENCY NOTICE; DRAFT CORRESPONDENCE TO CLIENT AND CONSULTANT REGARDING SAME; TELEPHONE CONFERENCE WITH CLIENT REGARDING SAME; PREPARE DOCUMENTS FOR FILING WITH PSC CLERK'S E-FILING SYSTEM.
Report Totals:				28.30	8,716.50		

MF - 3.4 @ \$330/hr = \$1,122.00
 CM - 24.9 @ \$305/hr = \$7,594.50

LAW OFFICES
ROSE, SUNDSTROM & BENTLEY, LLP
P.O. BOX 1667
TALLAHASSEE, FLORIDA 32302-1667

F.E.I.# 59-2783536

(850) 877-6555

PLEASE REFER TO INVOICE NUMBER
WHEN REMITTING

NI FLORIDA, LLC
CAVID LOMBARDI
10913 METRONOME
HOUSTON, TX 77943-2201

Q13
APRIL 9, 2010
INVOICE # 42154
FILE # 43053-00004
PAGE 1

MATTER: 12/31/09 TY RATE CASE - LEE COUNTY

3/11/10	CONFERENCE CALL WITH BENNY, ED, NATHAN AND DON REGARDING UPCOMING RATE FILING; BEGIN RESEARCH AND DRAFT OF TEST YEAR LETTER	1.10
3/18/10	REVIEW CORRESPONDENCE AND PRO FORMAS FROM MR. WILKINSON AND REVISE TEST YEAR LETTER ACCORDINGLY	.20
TOTAL HOURS		1.30

PROFESSIONAL FEES \$ 429.00

FEDERAL EXPRESS 18.46
PHOTOCOPIES 3.25

TOTAL COSTS ADVANCED \$ 21.71

TOTAL STATEMENT \$ 450.71

POSTED
5/12/10
4

POSTED
5/12/10
4

*Prepared -
for submission / B*

LAW OFFICES
ROSE, SUNDBSTROM & BENTLEY, LLP

P.O. BOX 1567
TALLAHASSEE, FLORIDA 32302-1567

(850) 877-6555

received
6-14-10

F.E.I.# 59-2783538

PLEASE REFER TO INVOICE NUMBER
WHEN REMITTING

NI FLORIDA, LLC
BENNY WILKINSON
10913 METRONOME
HOUSTON, TX 77943-2201

JUNE 10, 2010 *ASdate*
INVOICE # 42664
FILE # 43053-00004
PAGE 1

Amiami

MATTER: 12/31/09 TY RATE CASE - LEE COUNTY

4/30/10	DRAFT APPLICATION FOR INCREASE IN RATES; PREPARE DRAFTS OF PROPOSED TARIFF SHEETS AND SUPPORTING DOCUMENTATION.	1.60
5/12/10	REVIEW CORRESPONDENCE FROM CONSULTANT REGARDING STATUS OF MFRS; DRAFT APPLICATION AND SUPPORTING AFFIDAVITS FOR RATE CASE; DRAFT CORRESPONDENCE TO CLIENT REGARDING AFFIDAVITS.	2.50
5/13/10	REVIEW CORRESPONDENCE FROM CLIENT REGARDING AFFIDAVIT OF UTILITY OFFICER; REVIEW AND REVISE APPLICATION IN LIGHT OF SAME.	.50
5/17/10	REVIEW CORRESPONDENCE FROM DON CLAYTON REGARDING CLASS B MFRS; DRAFT CORRESPONDENCE TO CONSULTANT REGARDING SAME.	.30

TOTAL HOURS 4.90

PROFESSIONAL FEES \$ 1,494.50

FEDERAL EXPRESS 24.81

TOTAL COSTS ADVANCED \$ 24.81

TOTAL STATEMENT \$ 1,519.31

POSTED
PLC 6/22/10

LAW OFFICES
ROSE, SUNDBLUM & BENTLEY, LLP
P.O. BOX 1567
TALLAHASSEE, FLORIDA 32302-1567
(850) 877-6655

receive
7-19-10

F.E.I.# 69-2783538

PLEASE REFER TO INVOICE NUMBER
WHEN REMITTING

NI FLORIDA, LLC
BENNY WILKINSON
10913 METRONOME
HOUSTON, TX 77943-2201

POSTED
7/14/10

JULY 14, 2010
INVOICE # 42869
FILE # 43053-00004
PAGE 1

MATTER: 12/31/09 TY RATE CASE - LEE COUNTY

6/16/10	INITIAL REVIEW OF MFRS; REVIEW AND COMMENT UPON PROPOSED APPLICATION	.60
6/16/10	DRAFT APPLICATION FOR INCREASE IN WATER RATES; REVIEW CORRESPONDENCE FROM DON CLAYTON REGARDING MFRS; REVIEW MFR SCHEDULES AND SUPPORTING INFORMATION; DRAFT INTERIM AND FINAL TARIFF SHEETS; PREPARE AFFIDAVITS FOR INCLUSION WITH APPLICATION; DRAFT CORRESPONDENCE TO DON CLAYTON REGARDING SAME; REVIEW CORRESPONDENCE FROM DON CLAYTON REGARDING REVISIONS TO MFRS.	2.80
6/17/10	REVIEW AND REVISE APPLICATION FOR INCREASE IN WATER RATES; CONTINUED REVIEW AND MARKUP OF MFR SCHEDULES; DRAFT CORRESPONDENCE TO AND REVIEW CORRESPONDENCE FROM DON CLAYTON REGARDING MFRS; DRAFT LATE FEE AND NSF CHARGE TARIFFS; REVISE APPLICATION TO INCLUDE COST JUSTIFICATION FOR MISCELLANEOUS SERVICE CHARGES, NSF FEES AND LATE FEES; RESEARCH LOCATION OF LIBRARY IN SERVICE TERRITORY; DRAFT CORRESPONDENCE TO CLIENT REGARDING LOCATION OF OFFICE IN SERVICE TERRITORY (OFFICE IS ONLY IN PASCO); CONTINUED PREPARATION OF MFRS FOR REPRODUCTION.	3.30
6/18/10	REVIEW AND REVISE MFR SCHEDULES; REVIEW CORRESPONDENCE FROM DON CLAYTON REGARDING REVISIONS TO MFRS; DRAFT CORRESPONDENCE TO DON CLAYTON REGARDING SAME.	1.00
6/18/10	REVIEW CORRESPONDENCE FROM CLIENT REGARDING CUSTOMER COMPLAINT FILES; REVIEW COMPLAINT FILES; PREPARE COMPLAINT FILES FOR FILING WITH ADDITIONAL ENGINEERING INFORMATION; LEGAL RESEARCH REGARDING INCREASING FIRE SERVICE RATES; DRAFT CORRESPONDENCE TO DON CLAYTON REGARDING SAME.	1.10
6/20/10	REVIEW AND COMMENT UPON APPLICATION AND MFR'S.	.30

145.12

LAW OFFICES
ROSE, SUNDSTROM & BENTLEY, LLP

P.O. BOX 1587
TALLAHASSEE, FLORIDA 32302-1587

F.E.I.# 59-2783536

(850) 877-8555

PLEASE REFER TO INVOICE NUMBER
WHEN REMITTING

NI FLORIDA, LLC

Invoice #: 42869

PAGE 2

6/21/10	REVIEW AND REVISE APPLICATION, MFERS AND ADDITIONAL ENGINEERING INFORMATION; DRAFT CORRESPONDENCE TO PSC CLERK REGARDING FILING OF SAME; PREPARE ALL DOCUMENTS FOR FILING WITH PSC CLERK.	4.00
6/23/10	TELEPHONE CONFERENCE WITH MR. FLETCHER WHO TELEPHONED REGARDING INTERIM RATE AGENDA AND LETTER TO MR. WALLACE AND MR. WILKINSON; DRAFT WAIVER LETTER	.40

TOTAL HOURS 13.50

PROFESSIONAL FEES \$ 4,150.00

FILING FEE	2,000.00
PHOTOCOPIES	261.75
LONG DISTANCE CALLS	.20
OUTSIDE PHOTOCOPIES	587.76

TOTAL COSTS ADVANCED \$ 2,849.71

TOTAL STATEMENT
\$ 6,999.71

OK [Signature]

LAW OFFICES
ROSE, SUNDBSTROM & BENTLEY, LLP
2548 BLAIRSTONE PINES DR
TALLAHASSEE, FLORIDA 32301

F.E.I.# 59-2783538

(850) 877-6655

PLEASE REFER TO INVOICE NUMBER
WHEN REMITTING

OB 7/31/10

NI FLORIDA, LLC
BENNY WILKINSON
10913 METRONOME
HOUSTON, TX 77943-2201

AUGUST 10, 2010
INVOICE # 43096
FILE # 43053-00004
PAGE 1

MATTER: 12/31/09 TY RATE CASE - LEE COUNTY

7/23/10	REVIEW STAFF'S DEFICIENCY LETTER; DRAFT CORRESPONDENCE TO CLIENT REGARDING DEFICIENCY LETTER.	.20
7/23/10	REVIEW STAFF'S FIRST DATA REQUEST; REVIEW MFRS IN LIGHT OF QUERIES IN DATA REQUEST; DRAFT CORRESPONDENCE TO CLIENT AND CONSULTANT REGARDING RESPONSE TO STAFF'S FIRST DATA REQUEST.	.50
7/26/10	REVIEW MFR SCHEDULES IN LIGHT OF STAFF'S DEFICIENCY LETTER; REVIEW 2009 ANNUAL REPORT; TELEPHONE CONFERENCE WITH DON CLAYTON REGARDING RESPONSE TO DEFICIENCIES; DRAFT CORRESPONDENCE TO AND REVIEW CORRESPONDENCE FROM CLIENT AND CONSULTANT REGARDING DEFICIENCY LETTER ISSUES; REVIEW REVISED TARIFF SHEETS IN RESPONSE TO DEFICIENCY LETTER.	1.80
7/27/10	REVIEW DEFICIENCY LETTER AND DATA REQUEST AND CONFERENCE CALL REGARDING SAME	.80
7/27/10	TELEPHONE CONFERENCE WITH CLIENT AND CONSULTANT REGARDING RESPONSE TO DEFICIENCY LETTER; REVIEW MFRS AND DEFICIENCY LETTER; DRAFT RESPONSE TO STAFF'S DEFICIENCY LETTER; REVIEW CORRESPONDENCE FROM AND DRAFT CORRESPONDENCE TO CLIENT AND CONSULTANT REGARDING RESPONSES TO STAFF'S DEFICIENCY LETTER; REVIEW REVISED SCHEDULES IN RESPONSE TO DEFICIENCY LETTER.	3.60
7/28/10	REVIEW AND REVISE RESPONSE TO STAFF'S DEFICIENCY NOTICE; DRAFT CORRESPONDENCE TO CLIENT AND CONSULTANT REGARDING SAME; TELEPHONE CONFERENCE WITH CLIENT REGARDING SAME; PREPARE DOCUMENTS FOR FILING WITH PSC CLERK'S E-FILING SYSTEM.	1.70
	TOTAL HOURS	8.60

LAW OFFICES
ROSE, SUNDBSTROM & BENTLEY, LLP
P.O. BOX 1587
TALLAHASSEE, FLORIDA 32302-1587

F.E.I.# 58-2783538

(850) 877-8555

PLEASE REFER TO INVOICE NUMBER
WHEN REMITTING

NI FLORIDA, LLC

Invoice #: 43096

PAGE 2

PROFESSIONAL FEES	\$ 2,643.00
FEDERAL EXPRESS	56.99
PHOTOCOPIES	11.75
TOTAL COSTS ADVANCED	\$ 68.74
TOTAL STATEMENT	<u>\$ 2,711.74</u>

Tamiami Rate Case
OK to pay.
BFW
Deferred Rate Case Expense



Invoice Number 7-132-23237	Invoice Date Jun 22, 2010	Account Number 2103-2301-5
--------------------------------------	-------------------------------------	--------------------------------------

FedEx Express Shipment Detail By Payor Type (Original)

Shipped on: Jun 18, 2010
 Payor: Shipper
 NO REFERENCE INFORMATION

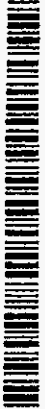
- Fuel Surcharge - FedEx has applied a fuel surcharge of 10.00% to this shipment.
- Distance Based Pricing, Zone 2
- Package sent from: 34688 zip code
- FedEx has audited this shipment for correct packages, weight, and service. Any changes made are reflected in the invoice amount.
- Your revenue threshold for this ship date was not met, therefore no Earned Discounts were applied.
- Minimum Billable Weight was applied.

Automation	USAB	Sender	
Tracking ID	885155819323	K BACHMANN	
Service Type	FedEx Priority Overnight	KEY ENGINEERING ASSOC INC	
Package Type	FedEx Tube	4562 RUTLEDGE DR	
Zone	02	PALM HARBOR FL 34685-3671 US	
Packages	1		
Actual Weight	2.0 lbs, 0.9 kgs		
Rated Weight	6.0 lbs, 2.7 kgs		
Delivered	Jun 17, 2010 09:06		
Svc Area	A2	Transportation Charge	28.15
Signed by	T.COLLINS	Fuel Surcharge	2.82
FedEx Use	016706002/0001486/_	Total Charge	USD 30.97

Recipient
 CHRISTIAN MARCELLI ESQ
 ROSE SUNDSTROM & BENTLEY LLP
 2180 W STATE RD 434 STE 2115
 LONGWOOD FL 32779 US

Ni America.

Shipper Subtotal	USD	\$30.97
Total FedEx Express	USD	\$30.97



Key Engineering Associates, Inc.

KEY Engineering Associates, Inc.
4562 Rutledge Drive
Palm Harbor, FL 34685

received
7-8-10

Ni America
10913 Metronome
Houston, TX 77043

INVOICE NO: 10-067B
DATE: 7/1/2010
AMOUNT: \$420.97
TERMS: Net 30 Days
JOB NO: 400

Attn: Andy Thomas

PROFESSIONAL ENGINEERING SERVICES FOR JUNE, 2010

NI FLORIDA, TAMIAMI MAPS

QB: 6/30/10

- * Coordination with Andy Thomas & John Wittenzellner
- * Modified and prepared copies of Tamiami maps for for Christian Marcelli, per Andy's request

Principal	2.0	x	\$135.00	=	\$270.00
Associate	0.0	x	\$115.00	=	\$0.00
					<u>\$270.00</u>

REIMBURSABLE EXPENSES:

Fed Ex					\$30.97
Key Engineering - Color Plots					\$120.00
Milage: 0 miles @ \$0.50 per mile					\$0.00
					<u>\$150.97</u>

POSTED
7/5/10

Subtotal: \$420.97

TOTAL DUE THIS INVOICE: \$420.97

THANK YOU!

POSTED
7/6/10

APPROVED
[Signature]

Key Engineering Associates, Inc.

COLOR PLOTS EXPENSE WORKSHEET

Ni Florida
Tamiami Mapping

* 4 sheets - For Christian Marcelli

24 X 36 COLOR BOND PLOTS:

4 SHEET @ 6 SF PER SHEET = 24 SF

24 SF @ \$5.00 PER SF = **\$ 120.00**

Item No. 4

Florida Utility Group. LLC

13825 US Highway 19, Suite 301
Hudson, FL 34667
(727) 863-0205 Office
(727) 869-5913 Fax

July 28, 2010

Ni Florida - Tamiami
Mr. Ed Wallace
10913 Metronome Drive
Houston, TX 77043

Re: Request to consider amendments to the "Professional Service Contract for the Operations and Maintenance of Water and Wastewater Systems" dated August 19, 2008 between Florida Utility Group, LLC and Ni Florida, LLC.

Dear Mr. Wallace

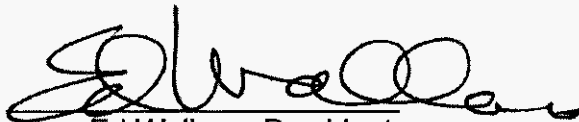
As discussed in our meeting, Florida Utility Group, LLC wished to amend the above mentioned contract from \$3,000.00 per month to \$3,300.00 per month as outlined in the Basic Operational Services Exhibit "B" of our agreement.

As presently provided, additional time spent performing monthly valve exercising and flushing will be billed separately. If you have any questions regarding this or any other matter, please feel free to contact me.

Respectfully submitted,

John Wittenzellner Jr.
President

Approved By:


Ed Wallace, President

Approval Date: July 30, 2010

**A PROFESSIONAL SERVICE CONTRACT
FOR THE
OPERATIONS AND MAINTENANCE OF
WATER and WASTEWATER SYSTEMS**

This PROFESSIONAL SERVICE CONTRACT ("CONTRACT") is entered into this 29th day of August, 2008 by and between NI America Operating LLC, the ("UTILITY"), a Delaware limited liability corporation, and Florida Utility Holdings LLC, ("FUGH") a Florida limited liability corporation .

RECITALS

WHEREAS, the UTILITY owns and has control over a water production system, a water distribution system, a wastewater collection system and a wastewater treatment system all described in EXHIBIT "A" (FACILITIES).

WHEREAS, the UTILITY desires to engage the services of FUGH for the general management of the UTILITY, and FUGH desires to serve as general manager and operator of the UTILITY; further, whereas, UTILITY and FUGH desire to enter into an equitable agreement that documents the following underlying premise.

- (1) UTILITY agrees to compensate FUGH for the contractual services provided pursuant to this Agreement in accordance with the schedule attached hereto as EXHIBIT "B" , "C" and "D". Such schedule shall not be amended without the prior consent of the UTILITY.
- (2) FUGH shall submit statements and/or invoices for services to the UTILITY monthly. The UTILITY shall pay such statements and/or invoices within 30 days of receipt. The UTILITY agrees to pay interest at a rate of 10% per annum on all amounts unpaid after 30 days.

All expenditures that are deemed capital improvements by the governing regulatory body and installed by FUGH will be paid by UTILITY based on EXHIBIT "P". Actual expenditures by FUGH will be reviewed quarterly and compared to amounts budgeted; as such, the subsequent year's budget will be adjusted accordingly.

NOW, THEREFORE, in consideration of the promises, mutual covenants and provisions contained herein and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, FUGH agrees to furnish the UTILITY certain professional services necessary for the proper operation and maintenance of the FACILITIES and the UTILITY agrees to compensate FUGH for these services, under the concepts expressed above, all in accordance with the following terms and conditions:

ARTICLE 1 - GENERAL

1.01 SCOPE OF WORK - FUGH shall provide general management services to the UTILITY for the FACILITIES and additions thereto, during the term of this CONTRACT. These services shall include, but are not limited to, all supervision, labor, transportation, tools, equipment and operational consultants to operate and maintain said FACILITIES and all appurtenances thereto. FUGH shall operate all FACILITIES under applicable regulatory requirements, shall meet all government-imposed standards and/or reporting standards and shall respond to all service calls in a timely fashion.

ARTICLE 2 - SERVICES

A. OTHER SERVICES

2.01 OPERATIONS - In addition to those services named in Article 1.01, FUGH shall provide the following services under the conditions set forth herein:

- A. Staff the FACILITIES with employees experienced in water and wastewater systems operation and maintenance procedures.

FUGH affirms that all of the UTILITY's FACILITIES shall be operated only under the direct supervision of personnel who possess valid certificates of competency as required by the federal and state regulatory agencies and shall maintain continuing education competency certification consistent with requirements of state regulatory agencies.

- B. Inspect each UTILITY facility as required and maintain a written inspector-certified log of each such inspection as part of the permanent records of the UTILITY.
- C. Maintain records of operation, maintenance activities and testing/sampling which will be available for inspection by the UTILITY during normal working hours and reported no less frequently than monthly to the UTILITY.
- D. Maintain any existing and operable security systems of all FACILITIES within the existing fences.
- E. Furnish personnel, tools and equipment required to perform preventative maintenance for all pieces of equipment and FACILITIES throughout the UTILITY's system. Such maintenance will cover, but will not be limited to: lubricating and maintaining all mechanized equipment; to replace control lamps or light bulbs; to adjust or replace pump shaft packing and to perform other preventive maintenance as is reasonable and necessary; and, as applicable, or recommended by the manufacturer of the equipment. The scheduling of proper service intervals and the compilation of a history of all such service performed shall be accomplished by FUGH.
- F. Keep clean and neat all existing buildings, structures and grounds located at the FACILITIES, provided that, however, FUGH shall be under no obligation to improve the current condition of such existing buildings, structures and grounds. FUGH shall obtain UTILITY approval before any modifications or major maintenance affecting appearance of the FACILITIES is initiated.
- G. Comply with all applicable federal and state laws and regulations as they pertain to the scope of FUGH's responsibilities under this CONTRACT. The scope includes, but is not limited to, providing the routine testing and laboratory analyses as required by current regulations and as necessary for process control; preparing and signing all federal and state regulatory agency-required monitoring and operating reports and submitting them to the proper state and/or federal agencies with monthly copies to the UTILITY. Any existing UTILITY laboratory and laboratory equipment shall remain the property of the UTILITY but will be made available, at no charge, to FUGH during the term of this CONTRACT.

Submit water samples to the authorized state regulatory agency in compliance with applicable regulations. All test results shall be kept in a permanent file in FUGH's offices and shall remain the property of the UTILITY.
- H. Provide a written monthly operations and maintenance report to the UTILITY, including an accounting of maintenance expenditures.
- I. Operate the FACILITIES to minimize odors to the extent reasonably possible. Deal in a professional manner with residents and community groups concerned with odors or any other facets of operations. FUGH will notify the UTILITY and the UTILITY will notify FUGH of odor-related complaints within twenty-four (24) hours.
- J. Sixty (60) days prior to each new fiscal year, FUGH will submit to the UTILITY an estimated budget for the following fiscal year. The budget will include the necessary capital improvements or replacements that, in the opinion of FUGH, are required to maintain operations and meet regulatory requirements.
- K. Wastewater Treatment Plant - FUGH will maintain and operate the wastewater treatment FACILITIES so that effluent discharge requirements are in accordance with requirements as listed in applicable regulatory permits, attached hereto as EXHIBIT "E", and amended from time to time.

1. In the event any one of the plant loading parameters exceeds design parameters, FUGH shall make reasonable effort to maintain the plant effluent within permit limits but, in any case, shall return the plant effluent to the limits listed in the applicable permits within thirty (30) days after loadings return to within the design parameters.
 2. In the event abnormal or biologically toxic material is received at the Wastewater Treatment Facility, FUGH will notify the UTILITY and required regulatory agencies immediately after discovery of the condition and use reasonable efforts to remove and reduce such substances. FUGH will resume responsibility for the permits as soon as possible but not more than thirty (30) days after any toxic substances are removed from the plant influent.
 3. FUGH agrees to assume liability for fines or civil penalties imposed by a regulatory agency during the term of this CONTRACT, to the extent said violations are caused by the intentional, willful or sole negligent actions of FUGH. FUGH reserves the right to contest such fines or penalties prior to payment.
- L. Water Wells - FUGH will maintain and operate the water wells so that produced water meets regulatory requirements.
1. Maintain and operate the FACILITIES so that product water, with regular treatment, conforms to federal and state regulatory agencies' current standards. FUGH is not responsible for meeting such standards if (a) the raw water contains substances which cannot, under normal or periodic conditions, be treated or removed by the existing FACILITIES or (b) raw water characteristics exceed the treatment design characteristics of the FACILITIES. Except as provided herein, the UTILITY owns and shall retain ownership and responsibility for all water produced, treated and distributed by the FACILITIES. The UTILITY shall be solely liable for any damages, fines, or civil penalties caused by said water, unless such damages result from the intentional, willful or negligent actions of FUGH, its agents, subcontractors, or employees.
 2. FUGH will notify the UTILITY within forty-eight (48) hours of any abnormal treatment condition or occurrences and make recommendations and take action in a timely manner to effect necessary changes to the process to achieve a suitable product water under the then existing circumstances.
- M. Accuracy of Water Meters - FUGH will, on a best efforts basis, maintain a program to test the accuracy of water meters which will include, but not be limited to, annual water usage audits on systems and physical inspection and/or reporting of deficient or illegal water meters and taps. Where necessary, replace or repair meters to assure the accuracy of the billing process.
- N. Consumer Confidence Report - FUGH will prepare and mail to each customer a CCR as required by the Safe Water Drinking Act of 1995 as updated by the current statues of the EPA.

2.02 METER READING AND BILLING AND COLLECTIONS - FUGH shall perform billing and collection services per the UTILITY's tariff and policies for the UTILITY's water and wastewater services. FUGH shall bill each customer of the UTILITY monthly in accordance with the UTILITY's approved rate structure. The UTILITY recognizes that adjustments to billing are from time to time necessary and appropriate. FUGH shall use due diligence and good business practice in applying such adjustments and shall follow the written policies of the UTILITY in making adjustments, including any future changes thereto by the UTILITY.

Additionally, FUGH will provide the following billing and collection services:

- A. Customer Service Office - FUGH shall maintain an office where customers may pay their bills, apply for service, obtain information, register complaints, and generally receive normal and customary billing and collecting services.

- B. Meter Reading - FUGH shall read meters served by the UTILITY once each month in compliance with UTILITY's rate order/tariff and billing schedules.
- C. Unconditional Deposit - FUGH agrees to deposit all sums of money received from deposits and service billings to the UTILITY's "Operating Account" at a bank or qualified depository chosen by the UTILITY. FUGH affirms that all such monies shall be deposited in the UTILITY's operating account, without offset, counterclaim, abatement, suspension, diminution or claims that may result from litigation disputes.
- D. Delinquency Notices - FUGH shall send delinquency notices to certain customers of the UTILITY in accordance with policies or ordinances contained in the rate order. Such notices shall advise the customer of the full amount owed the UTILITY, and such notice will state the fees and/or deposits which become due should service be terminated for non-payment.
- E. Customer Account Transfers - FUGH shall, in a timely manner, transfer water and wastewater service at any given location from one customer to another upon request, and will bill the customer in accordance with the rate order/tariff.
- F. Management of Funds. - FUGH shall manage the UTILITY's funds by:
 - i. Properly depositing all UTILITY funds in the UTILITY's accounts, without offset or counterclaim, and
 - ii. Coordinating and monitoring UTILITY finances, including performing monthly reconciliation of the UTILITY's bank statements for each of the UTILITY's accounts used for collection of bills and payment of expenses, establishment of new accounts, updating of signature cards and segregation of funds as required.

2.03 BOOKKEEPING - FUGH shall provide the bookkeeping services listed below.

- A. On a quarterly basis, provide posting of all receipts and disbursements, reconcile actual expenses incurred to date to budget in accordance with the UTILITY auditor's recommendations.
- B. On an annual basis, provide accounting for all transactions using the NARUC chart of accounts in accordance with generally accepted accounting principles, the State of Texas, and applicable debt and/or equity covenants.
- C. Maintain records of all UTILITY customers including new customers, customer billings and receipts, and water and wastewater usage.
- D. Monitor UTILITY invoices for accuracy, avoid late payment penalties, and resolve all disputed invoices received by the UTILITY.
- E. Prepare the annual operating budget and reconcile annual budget to actual.
- F. Prepare the UTILITY's financial reports to include the monthly cash report, the monthly disbursement summary, and the quarterly budget report.
- G. Provide the UTILITY's Auditor with the UTILITY's records needed to perform the annual audit.
- H. Reconcile the General Ledger Accounts to Subsidiary Ledger Accounts.

2.04 HOURS OF OPERATION - Normal office hours of operation for FUGH's personnel shall be from 8:00 a.m. through 5:00 p.m., Monday through Friday except Holidays. During other hours, FUGH shall respond to emergency calls.

om/EB

- 2.05 DAMAGE** - Notwithstanding Article 2.01, Paragraph F, of this CONTRACT, FUGH shall not be required to repair all or any portion of the FACILITIES or any other structure or property damaged due to flood, fire, explosion, riot, revolution, civil disturbance, war, other acts of God or any other cause whatsoever beyond the control of FUGH or due to the acts or omissions of any person other than FUGH, it's employees, agents or subcontractors; save and accept upon the request and at the expense of the UTILITY.
- 2.06 EMERGENCIES** - FUGH shall respond to any emergency throughout the year without regard for the time of day. Emergencies are defined as:
- A. A hazardous, abnormal, or unusual condition affecting the public health or operations of the FACILITIES.
 - B. A loss of water pressure or serious degradation of water quality at one or more customer locations.
 - C. Blockage of any type in the wastewater collection system.
 - D. A condition resulting in degradation of the wastewater treatment plant effluent to levels in excess of limits allowed by the UTILITY's wastewater discharge permits.
- 2.07 NON-EMERGENCY REPAIRS** - FUGH shall timely perform non-emergency normal repairs during its regular workday. FUGH shall schedule such non-emergency normal repairs on a first call, first service basis, unless specifically asked by the UTILITY to accelerate response to a particular item.
- 2.08 NEW SERVICE CONNECTIONS** - FUGH will complete residential water and wastewater taps in accordance with EXHIBIT "B". FUGH will complete commercial water and wastewater taps in accordance with EXHIBIT "B".
- 2.09 DISCONNECTS/RECONNECTS** - During regular business hours as defined in Article 2.04 herein, FUGH shall terminate water service as required by delinquent policies established by the UTILITY or at the request of the UTILITY.
- 2.10 METER REMOVAL** - During regular business hours as defined in Article 2.04 herein, FUGH shall remove a customer's water meter when a customer restores service without paying the amount owed the UTILITY. FUGH will reinstall the meter when authorized by the UTILITY.
- 2.11 SUBCONTRACTORS** - Under the terms of this CONTRACT, subcontractors of FUGH are considered to be companies or individuals that are contracted by FUGH and are not full-time employees of record of FUGH.
- 2.12 GUARANTIES** - FUGH shall use good judgment with respect to materials and replacement equipment and shall assign all warranties and guarantees to the UTILITY; but FUGH shall not be responsible to the UTILITY for any guaranty or guaranties in connection with such materials or replacement equipment except for damages incurred by the UTILITY due to the negligence of FUGH or employees.
- 2.13 MOWING** - FUGH will be responsible for as needed mowing of the UTILITY's FACILITIES. Costs of this service are included in the CONTRACT price.
- B. ADDITIONAL SERVICES**
- 2.14 NON-SPECIFIED SERVICES** - FUGH, the General Manager, shall at the discretion of the UTILITY and in liaison with the UTILITY's Representative, facilitate all responsibilities of the UTILITY contained in the CONTRACT.

FUGH shall also provide any and all services required by or for the UTILITY, whether or not such services

are specified as a part of this CONTRACT. Those services not specified in this CONTRACT shall be considered additional services and FUGH shall be compensated for additional services as per EXHIBIT "C" and "D."

2.15 LIABILITY - FUGH agrees to assume liability for damages, fines, or civil penalties imposed during the term of this CONTRACT, to the extent said violations are caused by the intentional, willful, or negligent actions of FUGH, its agents, subcontractors, or employees.

ARTICLE 3 - UTILITY RESPONSIBILITIES

3.01 PAYMENT FOR CONTRACTUAL SERVICES - The UTILITY shall pay to FUGH as compensation for the professional services, the amounts pursuant to the attached EXHIBIT's "B & C." Late payments may be subject to an interest charge at the State's maximum legal rate.

3.02 MATERIALS AND SUBCONTRACTED EXPENSES - Operator shall be compensated monthly for invoices submitted for services, additional services, materials and subcontract services.

- A. Materials Expenditures for all materials used by FUGH in normal maintenance and repairs.
- B. FUGH's Subcontracted and Rental Expenditures for services and equipment so specialized as to preclude their classification as normal maintenance and repair services. The UTILITY shall retain the right, without obligation, to acquire multiple quotations and competitive bids on Subcontracted Expense in which the portion representing labor and equipment rental cost in excess of \$1,000. FUGH shall retain the right, without obligation, to participate, as a subcontractor to the UTILITY, in such processes of multiple quotations and competitive bidding.
- C. Such other expenditures as may be mutually agreed in writing by the UTILITY and FUGH. A separate approval from the UTILITY shall be required for each such expenditure.

3.03 FACILITIES' UTILITIES - FUGH will pay for all utilities. FUGH will invoice UTILITY monthly for utilities. The UTILITY agrees to pay such involved amount.

3.04 CAPITAL/MAINTENANCE EXPENDITURES - The UTILITY shall be responsible for Capital/Maintenance Expenditures relating to materials and equipment not generally retained by FUGH. Material and equipment rental costs will be drawn from the material cost reserve as specified above. For the purposes of this CONTRACT, Capital/Maintenance Expenditures are included in EXHIBIT "F" and include Expenditures in which the labor cost and equipment rental costs exceed \$1,000. Expenditures not included in EXHIBIT "F" shall be considered repairs and maintenance:

The UTILITY shall retain the right, without obligation, to acquire multiple quotations and competitive bids on Capital/Maintenance Expenditures where the labor and equipment rental costs exceed \$ 1,000.

3.05 EASEMENTS AND LICENSES - The UTILITY will maintain easements and licenses for the FACILITIES unless covered by an existing variance.

3.06 REGULATORY PERMITS - The UTILITY shall remain the named permittee on all required regulatory permits and has the ultimate responsibility for meeting all regulatory requirements. The UTILITY will furnish FUGH a copy of all applicable regulatory permits. The UTILITY will, in writing, keep FUGH informed of all regulatory-related inquiries, complaints or orders received.

3.07 WATER AND WASTEWATER RECORD DRAWINGS - The UTILITY shall provide FUGH with a complete and accurate set of its drawings of the UTILITY and all of its FACILITIES, as available. FUGH shall locate these drawings in its service office in a manner that allows their efficient and effective use in solving or locating system and facility issues and shall return them to the UTILITY at the expiration of this CONTRACT. The UTILITY shall be responsible for maintaining and upgrading these drawings. If the UTILITY is unable to provide a complete set of drawings, FUGH shall use its reasonable effort to solve system-related issues.

3.08 SLUDGE HAULING - The UTILITY shall retain responsibility for all sludge and by-products. FUGH shall arrange and pay for disposal of such sludge and by-products upon submission of monthly invoice to UTILITY shall be reimbursed at cost.

3.09 CHEMICAL INVENTORY - The compensation cited in EXHIBIT "B" includes a Reserve Account to cover the cost of chemicals routinely used in the operations or the FACILITIES. Such chemicals shall be stored at locations within or near the FACILITIES in quantities sufficient to ensure continuous operation of the FACILITIES.

3.10 LABORATORY EXPENDITURES - FUGH will pay for all laboratory expenditures. The compensation cited in EXHIBIT "B" includes a Reserve Account to cover the cost of laboratory expenditures.

3.11 POSTAGE - FUGH will pay for all billing postage. The compensation cited in EXHIBIT "B" includes a Reserve Account to cover the cost of postage expenditures.

FUGH shall provide the UTILITY a monthly statement that indicates the current balance of this account.

The cost of the services provided by FUGH is based upon the postage rates in effect at the time this CONTRACT is executed. Upon review annually, FUGH shall be entitled to adjust the amount of this Reserve Account to reflect the then-current postage rates.

ARTICLE 4 - INSURANCE

4.01 INSURANCE COVERAGE - Following execution of this agreement, FUGH will have its insurance carrier(s) issue direct to the UTILITY certificates of insurance for the following insurance coverage:

1.	Workers Compensation as prescribed by law	Statutory
2.	General Liability	\$1,000,000.00
	Completed Operations	
	(Coverage for work performed)	\$1,000,000.00
	Aggregate (Combined)	\$2,000,000.00
3.	Vehicle Liability	\$1,000,000.00

FUGH affirms that the above referenced insurance will be maintained in force throughout the term of this CONTRACT and that the UTILITY will be identified as an additional named insured.

4.02 UTILITY COVERAGE - The UTILITY will ensure that standard fire and flood insurance policies are maintained, including extended coverage to the full insurable value of the FACILITIES.

4.03 CLAIMS ASSISTANCE - The UTILITY maintains various types of insurance to protect against loss to property and is required to notify the insurance agent of such claims. In the event of loss or damage, the cooperation of FUGH may be required in resolving the claim. In this regard, FUGH shall notify the UTILITY of any occurrence or situation that might give rise to a claim due to accident, property damage or loss.

ARTICLE 5 - RENEWAL AND ADJUSTMENTS

5.01 TERM - The initial term of this CONTRACT is August 29, 2008 through August 31, 2009 ; a period of one (1) year two (2) days and shall automatically renew for one (1) year periods thereafter, subject to the right of either party to terminate this CONTRACT by giving written notice of such termination to the other party sixty (60) calendar days prior to the renewal date. The UTILITY's rights and obligations under this Contract shall not be assignable or transferable without permission of FUGH's parent company. In the event of a change of control regarding UTILITY assets serviced by FUGH under this Contract, FUGH will continue to provide services for a period of not less than six (6) months following such change in control.

ARTICLE 6 - TERMINATION

6.01 TERMINATION FOR CAUSE - FUGH may terminate this CONTRACT for material breach by the other party, or for failure to perform to the standards set forth by the CONTRACT, providing that the terminating party first provide written notice of the breach or failure to perform to the other party and the breach or failure to perform is not corrected within sixty (60) calendar days of the notice. As it relates to this contract a material breach by the Utility includes, but is not limited to, failure to pay invoices within a reasonable time period, failure or consistent unwillingness to bring facilities up to specifications provided for by the governing regulatory authority, or a change of control that is not otherwise provided for in this contract such as bankruptcy or receivership. If the defaulting party, at the end of such sixty (60) day period is diligently pursuing the cure of such default, and it is likely that such default can be cured by the continued diligent efforts of the defaulting party, the non-defaulting party shall grant the defaulting party such additional time as is reasonably necessary to complete the cure. The party receiving such notice shall be given this time as an opportunity to correct the breach or failure to perform; provided, however, that if said breach or failure to perform is not corrected within said time period, the CONTRACT shall be terminated and shall be considered null and void. UTILITY or FUGH may terminate this CONTRACT for any reason within sixty (60) calendar days notice. In the event of termination, the UTILITY shall pay FUGH compensation pursuant to this CONTRACT up to the date of termination (pro rated for less than a full month, if necessary) and any unpaid expenses incurred by FUGH pursuant to this CONTRACT.

ARTICLE 7 - CHANGE IN SCOPE ADJUSTMENT

7.01 GENERAL PROVISION FOR ADJUSTMENT - If any significant and material changes in the scope of operation for the FACILITIES should occur, including changes in governmental regulatory compliance regulations, FUGH shall be entitled to additional compensation for such additional work. Such additional compensation will be negotiated by the parties within thirty (30) days.

ARTICLE 8 - INDEMNITY AND LIMITATIONS

8.01 INDEMNIFY AND HOLD HARMLESS - Except as otherwise set forth in this CONTRACT, FUGH hereby agrees to, and shall indemnify and hold harmless the UTILITY, its elective and appointive boards, officers, agents and employees from any claim, loss, liability, damage, injury, or expense, including attorneys' fees, which directly arise from the intentional, willful or negligent operations of FUGH, its agents, subcontractors, or employees under this CONTRACT. FUGH shall not be liable to the UTILITY for and the UTILITY shall be solely responsible, as between FUGH and the UTILITY, for any claim, loss, liability, damage, injury or expense, including attorneys' fees, which arises from any cause other than intentional, willful or negligent operations of FUGH, its agents, subcontractors, or employees.

8.02 ABNORMAL CONDITIONS - Notwithstanding any other provision of this CONTRACT, should FACILITY loading exceed FACILITY design parameters or should influent contain abnormal, toxic or other substances which cannot be removed or treated by existing FACILITY or contain discharges which violate applicable wastewater ordinances and permit levels ("ABNORMAL CONDITIONS"), should the flow or conditions exceed the design parameters of the FACILITIES, or should product water contain abnormal, toxic or other substances which violate the applicable ordinances or permit levels ("Abnormal Conditions"), FUGH will use its best efforts to maximize the FACILITIES' performance, but shall not be responsible for associated effluent characteristics or damages, fines, penalties or claims resulting there from. As between the UTILITY and FUGH, the UTILITY shall retain responsibility for all wastewater influent and effluent flowing through and treated by the FACILITIES subject to the terms of this CONTRACT. FUGH shall advise the UTILITY of the abnormal situation and planned course of action and shall use its best efforts to return the FACILITIES to permit limits after influent returns to acceptable limits.

8.03 FORCE MAJEURE - FUGH shall not be deemed to be in default if performance of the obligations required by this CONTRACT is delayed, disrupted, or becomes impossible because of any act of God, war, earthquake, fire, strike, flood, civil commotion, epidemic, act of government, its agencies or officers, or any other cause beyond the control of the parties ("Force Majeure"). Upon occurrence of any such event, FUGH shall operate the FACILITIES on a best effort basis (at no additional cost to FUGH) and shall not be responsible for effluent characteristics or damages, fines, penalties or claims resulting there from; if any

additional expense is incurred by FUGH in such operation, that expense shall be deemed to be an Extraordinary Cost, for which FUGH will submit an invoice to the UTILITY for consideration and potential reimbursement.

8.04 REASONABLE DILIGENCE - FUGH agrees to use reasonable and knowledgeable diligence in the operation of the UTILITY's FACILITIES, but FUGH shall not be liable for any direct or indirect loss, injury or damage resulting from diminution or interruption of service within the systems unless such diminution or interruption of service results from the intentional act, willful misconduct or negligence of FUGH, its agents, subcontractors or employees.

ARTICLE 9 - GENERAL PROVISIONS

9.01 EQUIPMENT INSTALLED BY - The UTILITY and FUGH agree that any capital or proprietary equipment purchased and/or furnished by FUGH during the term of this CONTRACT shall remain the sole and exclusive property of FUGH. FUGH shall have the right to remove all of such equipment at the end, or upon early termination, of this CONTRACT.

9.02 INDEPENDENT CONTRACTOR - It is understood that the relationship of FUGH to the UTILITY is that of an independent contractor and that none of the employees, subcontractors, or agents of FUGH shall be considered employees of the UTILITY. FUGH is not required to take any employees of an acquired system. In the event that FUGH decides to retain employees of acquired system, FUGH agrees to not hire such employees directly by FUGH, rather outsource such employees via a lease through an independent service provider (i.e. Adminstaff) in order to operate acquired system.

9.03 FAILURE TO ENFORCE - The failure on the part of either party to enforce its rights as to any provision of this CONTRACT shall not be construed as a waiver of its rights to enforce such provision in the future.

9.04 ASSIGNMENT - This CONTRACT will not be assigned by either party without the prior written consent of the other, except that Ni America Operating LLC may assign to any other wholly owned subsidiary of Ni America LLC.

9.05 EQUAL OPPORTUNITY EMPLOYER - FUGH is an equal opportunity employer with an approved affirmative action program.

9.06 ENTIRE CONTRACT - This CONTRACT contains the entire agreement between the UTILITY and FUGH and supersedes all previous or contemporaneous communications, representations or contracts. This CONTRACT may be modified only by a written amendment signed by both parties.

9.07 OWNERSHIP OF WASTEWATER INFLUENT/EFFLUENT - As between the UTILITY and FUGH, the UTILITY owns and shall retain ownership and responsibility for all wastewater influent and effluent flowing through and treated by the FACILITIES. The UTILITY shall be solely liable for any damages caused by said wastewater influent and effluent except as provided otherwise in this CONTRACT unless damage is a direct result of gross negligence on the part of FUGH.

9.08 OWNERSHIP OF SLUDGE - As between the UTILITY and FUGH, the UTILITY owns and shall retain ownership of and responsibility for all sludge and by-products. FUGH shall arrange for the hauling and disposal of such sludge and by-products. The UTILITY shall select suitable disposal FACILITIES which shall be in compliance with all applicable laws and which shall not be the subject of a pending or threatened enforcement action. If the UTILITY so requests, FUGH shall assist the UTILITY in selecting a company to haul sludge and by-products to such disposal FACILITIES for the UTILITY.

9.09 OWNERSHIP OF CHEMICALS - As between the UTILITY and FUGH, the UTILITY owns and shall retain ownership and responsibility for all chemicals routinely used in the operation of the FACILITIES. The UTILITY shall be solely liable for any damages caused by said chemicals except such damages result from the intentional, willful or negligent action of FUGH.

9.10 ACCESS - UTILITY officials and representatives shall have access to the FACILITIES covered by this CONTRACT during normal working hours (as specified herein) and at other times, for reasons of safety,

upon reasonable notice to FUGH.

9.11 CORRESPONDENCE AND WRITTEN INQUIRIES - FUGH shall respond directly to all correspondence or written inquiries from the UTILITY's customers in a prompt, professional manner.

9.12 UTILITY RECORDS - FUGH agrees to deliver to the UTILITY, or the UTILITY's designated agent, all records pertaining to the operations of the UTILITY's FACILITIES upon request by the UTILITY. The UTILITY agrees, however, that FUGH may make copies of any records FUGH believes it should retain.

9.13 COMPLIANCE WITH STATE LAW - Should any provision of this CONTRACT be determined to be in conflict with the laws of the State, the parties hereto agree to amend such provision to ensure compliance with the laws of the State.

9.14 NOTICES - All notices shall be in writing and delivered in person or transmitted by certified mail, return receipt requested, postage prepaid.

Notices required to be given to FUGH shall be addressed as follows:

Florida Utility Group Holding LLC
13925 U.S. Hwy 19, Suite 302
Hudson, Florida 34667

(or to such other address as may be specified in written notice)

Notices required to be given to the UTILITY shall be addressed as follows:

Ni America Operating LLC
10913 Metronome Drive
Houston, Texas 77043

(or to such other address as may be specified in written notice)

ARTICLE 10 - ARBITRATION

10.01 BINDING ARBITRATION - Any dispute, claim, or controversy of any kind (e.g., whether in contract or in tort, statutory or common law, legal or equitable) hereafter arising between the parties in any way arising out of, pertaining to or in connection with, directly or indirectly out of the Professional Service Contract for the Operations and Maintenance of Water or Wastewater Systems (the "Document"); or any incidents, omissions, acts, practices or occurrences arising out of or in connection with the Document shall, except as expressly and specifically noted to the contrary in this Article 10, be resolved by binding arbitration by a single arbitrator. Each of the foregoing matters shall be referred to as a "Dispute." Each of the parties agrees on behalf of itself and its affiliates to arbitrate any Dispute unless the opposing party shall specifically waive arbitration in writing. Any party to this Arbitration Paragraph may, by summary proceeding (e.g., a plea in abatement or motion to stay further proceedings), bring an action in court to compel arbitration for any Disputes not referred to arbitration as required by this Article 10.

10.02 GOVERNING RULES - All Disputes between the parties shall be resolved by binding arbitration in accordance with the terms of this Arbitration Paragraph, the Commercial Arbitration Rules of the American Arbitration Association, and, to the maximum extent applicable, the Federal Arbitration Act (Title 9 of the United States Code). In the event of any inconsistency between this Arbitration Paragraph and such statute and rules, this Arbitration Paragraph shall control. Judgment upon the award rendered by the arbitrators shall be binding and not subject to appeal, but may be reduced to judgment in any court having jurisdiction.

10.03 EXCEPTION TO ARBITRATION; PRESERVATION OF REMEDIES - No provision of, nor the exercise of any rights under, this Arbitration Paragraph shall limit the right of any party, and the parties shall have the right during any Dispute to seek, use and employ ancillary or preliminary remedies, judicial or otherwise, for the purposes of perfecting or filing mechanics' liens, realizing upon, preserving, protecting, or foreclosing upon any property, real or personal, which is involved in a Dispute, or which is subject to, or described in, the

Document. The institution and maintenance of an action for judicial relief or pursuit of provisional or ancillary remedies or exercise of self-help remedies shall not constitute a waiver of the agreements, arrangements or understandings between the parties relating to the arbitration of Disputes. No oral understandings, statements, promises or inducements contrary to the terms of this Arbitration Paragraph exist. This Arbitration Paragraph may only be amended by written agreement signed by both parties.

IN WITNESS WHEREOF, the UTILITY and FUGH have caused this CONTRACT to be duly executed as of the day and year first above written.

Ed Wallace

By: Ed Wallace
President

ATTEST: Carey A. Thomas

DATE: 9/25/08

John Wittenzeller Jr.

By: John Wittenzeller Jr.
PRESIDENT

ATTEST: Sam M. [Signature]

DATE: 8-19-08

EXHIBIT "A"

UTILITY SYSTEM

FACILITIES DESCRIPTION (Note this will be an addendum to the local contract or overall contract locally)

WASTEWATER TREATMENT PLANT

N/A

WASTEWATER COLLECTION SYSTEM

N/A

WATER SYSTEM

Tamiami Water System PWS #

2-15

EXHIBIT "B"

BASIC OPERATIONAL SERVICES

Office Costs:

Meter Reading	\$.50 /connection *
Billing/Collection	\$.50 /connection
Administration	\$ 1.00 /connection
24 Hour Customer Call Service	\$.50 /connection
<u>TOTAL</u>	<u>\$ 2.50 /connection</u>

- Include any other costs to be charged on a per connection basis.
- * based on meter reading by subcontracting with resident workers

Water Distribution/Wastewater Collection System and Water/Wastewater Plant Facilities Operations:

BASE FEE TOTAL \$ 1.50 /month

Additional operating costs/expenses to be paid by the Utility, in addition to the Base Fee, including items ordered and obtained by the Operator to perform routine preventative maintenance/minor repairs shall be reimbursed by UTILITY without additional markup.

Set charges for specific items (including labor and/or equipment). All per rates on "C & D."

WATER TAPS				
	LINE SIZE	TYPE OF TAP	CHARGE	
RESIDENTIAL	4" and Under	Long	\$ per quote	
		Short	\$ per quote	
	6"	Long	\$ per quote	
		Short	\$ per quote	
	8"	Long	\$ per quote	
		Short	\$ per quote	
	12"	Long	\$ per quote	
		Short	\$ per quote	
COMMERCIAL	4" and Under	Long	\$ per quote	
		Short	\$ per quote	
	6" and Under	Long	\$ per quote	
		Short	\$ per quote	
	8"	Long	\$ per quote	
		Short	\$ per quote	
		12"	Long	\$ per quote
			Short	\$ per quote

Handwritten signature/initials

METERS (including box installed)	
METER SIZE	CHARGE
3/4" x 5/8"	\$ 420.00
1"	\$ 775.00
2"	\$ per quote

COPPER AND LEAD TESTING	
Sample Collection	\$ 100.00 per round
Sample Testing	\$ per quote

Special mailing for notice of Delinquent account or returned checks (excluding postage.)	\$ 2.50
Pre-construction and post-construction lot inspection; includes physically inspecting the lot with the builder prior to construction and after construction, noting the Condition of the Utility's facilities.	\$ per quote
Sewer connection inspection.	\$ N/A
Call-outs such as meter re-reads, distribution of door hangers, and leak investigations will be paid for at the established set charges for Labor and equipment (EXHIBIT "B").	\$ included in base fee
Grease trap inspection.	\$ N/A
Personnel rates (specify hours/days considered to be overtime).	See EXHIBIT "C"
Set charges for equipment.	See EXHIBIT "D"
Insurance coverages – provide summary of all coverages.	
Utility must be included as additional insured. Provide certificate only if hired by Utility.	
List of principals of the company and their primary residence.	
List the locations of all offices, including corporate, regional and service offices and the licenses/certificates the Company holds to operate in the State of Florida	
Number of employees by function and location; include list of operators holding A, B, C and D licenses.	
Name(s)/qualifications of person(s) who will coordinate with Utility Manager and person(s) who will operate Utility's facilities.	

dm/EG

EXHIBIT "C"

Actual costs

I. PERSONNEL

Classification	Actual Cost Straight Time	Actual Cost Overtime
Administrative - Clerical	22.50	ST x 1 ½
Bookkeeper	25.00	ST x 1 ½
Laborer	27.50	ST x 1 ½
Field Service Representative	30.00	ST x 1 ½
Field Operator	35.00	ST x 1 ½
Equipment Operator	35.00	ST x 1 ½
Technician	42.50	ST x 1 ½
Foreman	40.00	ST x 1 ½
Supervisor	45.00	ST x 1 ½
Manager	75.00	

Notes: ⁽¹⁾ Prices are subject to change upon yearly review.

EXHIBIT "D"

II. EQUIPMENT

Classification	Rate Per Hour	Rate Per Day	Minimum Rate
Service Truck	15.00	90.00	
Dump Truck	35.00	200.00	
Back Hoe Rig: Dump Truck, Back Hoe & Trailer	55.00	330.00	
Crane Truck	35.00	210.00	
16 ft. Trailer	10.00	60.00	
Confined Space Unit*	15.00	90.00	
Air Pack	N/A	N/A	
Air Compressor	15.00	90.00	
Air Compressor (Small)	9.00	54.00	
Pressure Washer	12.50	75.00	
Pressure Recorder	N/A	60.00	
Jumping Jack	15.00	90.00	
Metal Detector	10.00	60.00	
Cutting Torch	10.00	60.00	
Jet/Vactor	120.00	N/A	
Jet/Vactor Disposal Fee	65.00/yard	N/A	
Camera Truck	1.00/Foot, \$400.00 Min.	N/A	
Gas Generator - 110V	11.00	66.00	
Welding Machine	15.00	90.00	
Weedeater	5.00	30.00	
Flow Recorder	N/A	60.00	
Two (2) Section Speed Shoring	N/A	150.00	
Cutoff Saw (Plus cost of blades)	11.00	65.00	
Chain Saw - 18"	9.00	50.00	
12 Volt Pump	10.00	60.00	
CentriFUGHal Pump - 2"	9.00	50.00	
CentriFUGHal Pump - 3"	10.00	60.00	
Air Hammer	10.00	60.00	
Light Tower	15.00	90.00	
Pipe Threader - 1/2" to 2"	12.00	70.00	
"A" Box Cleaner	N/A	N/A	
Tapping Tools 1/2" - 2"	20.00/tap	N/A	
Tapping Tools	50.00/tap	N/A	
Extension Ladder (20')	9.00	50.00	

*Confined Space Unit consists of Air Pack, "A" Frame/Winch, Gas Detector, and Fresh Air Blower.

Handwritten initials/signature

EXHIBIT "E"

REGULATORY PERMITS

N/A

an/B

EXHIBIT "F"

The following items are considered "Capital Improvements" and, as such, are to be billed to the UTILITY at per quote. All other items are deemed normal repair and maintenance and are the responsibility of FUGH as billed in accordance with the provisions described in CONTRACT for which this EXHIBIT is attached:

<u>Water Plant</u>	<u>Wastewater Plant</u>
<p><i>Replacement of:</i></p> <p>Hydro tank Well Well pump Flow meter Chlorinator Underground isolation valve Booster pump Isolation valve Fault monitors Air conditioner units Control building Fence Security equipment Pressure regulators Meters Above ground isolation valves Fire hydrants Line extensions Electric components and labor in excess of \$1,000</p>	<p><i>Replacement of:</i></p> <p>Lift station Check valve Isolation valve Lift pumps Impellers Exhaust fans Sump pumps Clarifier Clarifier guts (motor/drive mechanism/gear/gear box) Skimmer Rakes Diffusers Ball valves Baffles Weirs Flow readers Bar screen Separator box Blower motor Chemical feed equipment Electric components and labor in excess of \$2,500 Distribution system components and labor in excess of \$1,000</p>
<p>Any other internal equipment necessary to run the plant under normal operations that would be deemed Capital under the NARUC chart of accounts or that the components and labor are in excess of \$1,000.</p>	

