



FRIEDMAN,
FRIEDMAN & LONG, P.A.
ATTORNEYS & COUNSELORS

September 12, 2014

E-FILE

Ms. Carlotta S. Stauffer
Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

RE: Docket No. 110200-WU; In re: Application for increase in water rates in Franklin County by
Water Management Services, Inc./ Request for Escrow Withdrawal
Our File No. 46023.01

Dear Ms. Stauffer:

Pursuant to PSC Order No. PSC-12-0641-PCO-WU, Water Management Services, Inc. ("WMSI") requests the Staff provide the Escrow Agent with written authorization to disburse \$142,092.00 from the Escrow Account to repay the construction loan with Farmers & Merchant Bank pursuant to the attached loan and payment documents. There are sufficient funds in the Escrow Account to make this payment.

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

Very truly yours,

A handwritten signature in blue ink, appearing to read "Martin S. Friedman", written over a white background.

MARTIN S. FRIEDMAN
For the Firm

MSF/

cc: Gene Brown (via e-mail)
Sandy Chase (via e-mail)
Martha Barrera, Esquire (via e-mail)
Erik Sayler, Esquire (via e-mail)
Andrew Maurey (via e-mail)

WATER MANAGEMENT SERVICES, INC. 250 JOHN KNOX ROAD #4 TALLAHASSEE, FL 32303 BORROWER'S NAME AND ADDRESS <small>"I" includes each borrower above, jointly and severally.</small>	FARMERS & MERCHANTS BANK P.O. BOX 340 MONTICELLO, FL 32345 LENDER'S NAME AND ADDRESS <small>"You" means the lender, its successors and assigns.</small>	TIN 59-3449317 Loan Number <u>9102807-79</u> Date <u>09-12-2014</u> Maturity Date <u>09-19-2014</u> Loan Amount \$ <u>142,842.15</u> Renewal Of _____ OFFICER <u>DEM/DP</u>
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For value received, I promise to pay to you, or your order, at your address listed above the **PRINCIPAL** sum of ONE HUNDRED FORTY TWO THOUSAND EIGHT HUNDRED FORTY TWO AND 15/100 Dollars \$ 142,842.15

Single Advance: I will receive all of this principal sum on 09-12-2014. No additional advances are contemplated under this note.

Multiple Advance: The principal sum shown above is the maximum amount of principal I can borrow under this note. On _____ I will receive the amount of \$ _____ and future principal advances are contemplated.

Conditions: The conditions for future advances are _____

Open End Credit: You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on _____.

Closed End Credit: You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).

INTEREST: I agree to pay interest on the outstanding principal balance from 09-12-2014 at the rate of 6.250 % per year until 09-19-2014.

Variable Rate: This rate may then change as stated below.

Index Rate: The future rate will be _____ the following index rate: _____

No Index: The future rate will not be subject to any internal or external index. It will be entirely in your control.

Frequency and Timing: The rate on this note may change as often as _____.

A change in the interest rate will take effect _____.

Limitations: During the term of this loan, the applicable annual interest rate will not be more than _____ % or less than _____ %.

The rate may not change more than _____ % each _____.

Effect of Variable Rate: A change in the interest rate will have the following effect on the payments:

The amount of each scheduled payment will change. The amount of the final payment will change.

ACCRUAL METHOD: Interest will be calculated on a ACTUAL/360 basis.

POST MATURITY RATE: I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:

on the same fixed or variable rate basis in effect before maturity (as indicated above).

at a rate equal to 18%.

LATE CHARGE: If a payment is made more than 10 days after it is due, I agree to pay a late charge of 5.000% OF THE PAYMENT AMOUNT OF PRINCIPAL AND INTEREST WITH A MAX OF \$100.00.

ADDITIONAL CHARGES: In addition to interest, I agree to pay the following charges which are are not included in the principal amount above: _____

PAYMENTS: I agree to pay this note as follows:

ON DEMAND, BUT IF NO DEMAND IS MADE THEN 1 PAYMENT OF \$143,016.74 ON 09-19-2014.

ADDITIONAL TERMS:

SECURITY: This note is separately secured by (describe separate document by type and date): SECURITY AGREEMENT DATED 09/12/2014

(This section is for your internal use. Failure to list a separate security document does not mean the agreement will not secure this note.)

PURPOSE: The purpose of this loan is BUSINESS CONSTRUCTION DRAW.

SIGNATURES: I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

WATER MANAGEMENT SERVICES, INC.

 GARY D. BROWN, PRESIDENT

Signature for Lender

 DON E. MAY, SENIOR VICE PRESIDENT/CITY EXECUTIVE TALLAHASSEE

WATER MANAGEMENT SERVICES INC
250 JOHN KNOX ROAD SUITE #4
TALLAHASSEE, FL 32303

1615
63-111,631
909

Sept 12, 14 Date

PAY to the order of - Withers Coastal Marine Construction Co. - \$ 142092
One hundred forty-two thousand ninety-two and ⁰⁰/₁₀₀ Dollars

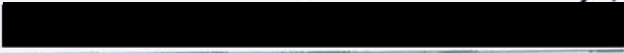


Farmers & Merchants Bank
3320 Thomasville Road
Tallahassee, Florida 32308
www.fmbbank.com

Security Features
Details on
Back.

For _____

[Signature] AP



APPLICATION AND CERTIFICATION FOR PAYMENT

AIA DOCUMENT G702

PAGE ONE OF 1

PAGES 2

TO OWNER:
 WATER MANAGEMENT SERVICES, INC
 139 W. GULF BEACH DRIVE
 ST. GEORGE ISLAND, FL 32328

PROJECT: ST. GEORGE ISLAND
 WATER SYSTEM
 IMPROVEMENTS

FROM CONTRACTOR:
 WITHER COASTAL MARINE CONSTRUCTION, INC
 P.O. BOX 908
 PANACEA, FL 32346

VIA ARCHITECT: LES THOMAS, P.E.

CONTRACT FOR:
 ST. GEORGE ISLAND WATER SYSTEM IMPROVEMENTS

APPLICATION NO: 2

PERIOD TO: March 1, 2014
 September 2, 2014

PROJECT NOS: 2014 - 3

CONTRACT DATE: September 2, 2014

Distribution to:

OWNER
 ARCHITECT
 CONTRACTOR
 FPSC

CONTRACTOR'S APPLICATION FOR PAYMENT

Application is made for payment, as shown below, in connection with the Contract.
 Continuation Sheet, AIA Document G703, is attached.

- | | | |
|---|----|--------------|
| 1. ORIGINAL CONTRACT SUM | \$ | 2,801,599.00 |
| 2. Net change by Change Orders | \$ | 0.00 |
| 3. CONTRACT SUM TO DATE (Line 1 + 2) | \$ | 2,801,599.00 |
| 4. TOTAL COMPLETED & STORED TO DATE (Column G on G703) | \$ | 279,412.00 |
| 5. RETAINAGE: | | |
| a. 10 % of Completed Work (Column D + E on G703) | \$ | 27,941.00 |
| b. % of Stored Material (Column F on G703) | \$ | |
| Total Retainage (Lines 5a + 5b or Total in Column I of G703) | \$ | 27,941.00 |
| 6. TOTAL EARNED LESS RETAINAGE (Line 4 Less Line 5 Total) | \$ | 251,471.00 |
| 7. LESS PREVIOUS CERTIFICATES FOR PAYMENT (Line 6 from prior Certificate) | \$ | 109,379.00 |
| 8. CURRENT PAYMENT DUE | \$ | 142,092.00 |
| 9. BALANCE TO FINISH, INCLUDING RETAINAGE (Line 3 less Line 6) | \$ | 2,550,128.00 |

CHANGE ORDER SUMMARY	ADDITIONS	DEDUCTIONS
Total changes approved in previous months by Owner		
Total approved this Month		
TOTALS	\$0.00	\$0.00
NET CHANGES by Change Order	\$0.00	

The undersigned Contractor certifies that to the best of the Contractor's knowledge, information and belief the Work covered by this Application for Payment has been completed in accordance with the Contract Documents, that all amounts have been paid by the Contractor for Work for which previous Certificates for Payment were issued and payments received from the Owner, and that current payment shown herein is now due.

CONTRACTOR: Withers Coastal Marine Construction, Inc

By: Ben Withers Date: 9/2/2014
 Ben Withers, as its President

State of: Florida County of: Wakulla
 Subscribed and sworn to before me this 2 day of September 2014
 Notary Public: N. J.
 My Commission expires: 12/18/14



ARCHITECT'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data comprising the application, the Architect certifies to the Owner that to the best of the Architect's knowledge, information and belief the Work has progressed as indicated, the quality of the Work is in accordance with the Contract Documents, and the Contractor is entitled to payment of the AMOUNT CERTIFIED.

AMOUNT CERTIFIED \$ 142,092

(Attach explanation if amount certified differs from the amount applied. Initial all figures on this Application and on the Continuation Sheet that are changed to conform with the amount certified.)

ARCHITECT: [Signature] Date: 9/4/2014

This Certificate is not negotiable. The AMOUNT CERTIFIED is payable only to the Contractor named herein. Issuance, payment and acceptance of payment are without prejudice to any rights of the Owner or Contractor under this Contract.

CONTINUATION SHEET

AIA DOCUMENT G703

PAGE 2 OF 2 PAGES

AIA Document G702, APPLICATION AND CERTIFICATION FOR PAYMENT, containing Contractor's signed certification is attached.

APPLICATION NO: 2
APPLICATION DATE: 9/2/2014

In tabulations below, amounts are stated to the nearest dollar.

PERIOD TO: 03/01/14 to 09/02/14

Use Column I on Contracts where variable retainage for line items may apply.

ARCHITECT'S PROJECT NO: 2011-113

A ITEM NO.	B DESCRIPTION OF WORK	C SCHEDULED VALUE	D WORK COMPLETED		F MATERIALS PRESENTLY STORED (NOT IN D OR E)	G TOTAL COMPLETED AND STORED TO DATE (D+E+F)	H % (G+C)	I BALANCE TO FINISH (C-G)	J RETAINAGE (IF VARIABLE RATE)
			D FROM PREVIOUS APPLICATION (D + E)	E THIS PERIOD					
6.e.	260' of 6" PVC distribution main, incl. Valves, Fittings, etc	\$9,980.00	\$9,980.00	\$0.00	\$0.00	\$9,980.00	100.00%	\$0.00	\$998.00
6.f.	1996' of 8" PVC distribution main, incl. Valves, Fittings, etc	\$83,832.00	\$83,832.00	\$0.00	\$0.00	\$83,832.00	100.00%	\$0.00	\$8,383.00
6.d.	1180' of 8" PVC distribution main, incl. Valves, Fittings, etc	\$220,920.00	\$27,720.00	\$49,560.00	\$0.00	\$77,280.00	34.98%	\$143,640.00	\$7,728.00
6.b.	660' of 6" PVC distribution main, incl. Valves, Fittings, etc	\$8,960.00	\$0.00	\$8,960.00	\$0.00	\$8,960.00	100.00%	\$0.00	\$896.00
6.g.	1840' of 10" PVC distribution main, incl. Valves, Fittings, etc	\$189,000.00	\$0.00	\$99,360.00	\$0.00	\$99,360.00	52.57%	\$89,640.00	\$9,936.00
GRAND TOTALS		\$512,692.00	\$121,532.00	\$157,880.00	\$0.00	\$279,412.00		\$233,280.00	\$27,941.00

Users may obtain validation of this document by requesting of the license a completed AIA Document D401 - Certification of Document's Authenticity

RECEIPT OF PAYMENT AND RELEASE OF LIEN

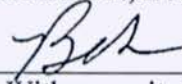
Withers Coastal Marine Construction, Inc. hereby acknowledges receipt of progress payment number 2 in the amount of One Hundred Forty Two Thousand, Ninety Two Dollars (\$142,092), and hereby waives and releases its lien and right to claim a lien for labor, services, or materials furnished through September 2, 2014 to Water Management Services, Inc. on the job of St. George Island water system improvements to the following property:

Any and all property owned by Water Management Services, Inc.
on St. George Island, FL

This waiver and release does not cover any retention or labor, services, or materials furnished after September 2, 2014.

Dated this 2nd day of September, 2014.

WITHERS COASTAL MARINE
CONSTRUCTION, INC., a Florida corporation

By: 
Ben Withers, as its President