EXEMPTION 8 Page 1 of 4

APPLICATION FOR RESELLER EXEMPTION SECTION 367.022(8), FLORIDA STATUTES RULE 25-30-060 (3) (b), FLORIDA ADMINISTRATIVE CODE

The application must be signed by the owner or accompanied by a letter of Authorization from the owner.

960629-WS

NAME OF SYSTEM: Stonebrook Apartments

PHYSICAL ADDRESS OF SYSTEM: 1000 Stonebrook Drive

Sanford, Florida 32773

COUNTY WHERE SYSTEM IS LOCATED: Seminole

NUMBER OF UNITS: 244

WHEN CONSTRUCTED: 1991

NAME OF SYSTEM OWNER (S): Placid Lake Associates, LTD.

MAILING ADDRESS (IF DIFFERENT): C/O P.A.C. Land Development 2281 Lee Road, Winter Park 32789

PRIMARY CONTACT PERSON:

NAME: WaterMaster Metering Systems, Inc.

ADDRESS: Atten: Cindy T. Darling

1570 Madruga Ave. Suite 200 Coral Gables, Fla. 33146

PHONE NO.: (305) 662-1088 FAX (305) 662-2178

NATURE OF OWNER'S BUSINESS ORGANIZATION (CORPORATION,
PARTNERSHIP, LIMITED PARTNERSHIP, SOLE PROPRIETOR, ASSOCIATION, ETC.)
Limited Partnership

05586 HAY 20 %

EXEMPTION 8

Page 2 of 4

APPLICATION FOR RESELLER EXEMPTION

I believe this system to be exempt from the regulation of the Florida Public Service Commission pursuant to Section 367.022 (8), Florida Statutes, for the following reasons:

1. Service will price.	l be provid	ed at a rate or char	ge that does not exceed th	he actual purchas
	aware of t	he requirements of	Rule 25-30.111, Florida /	Administrative
			ements. (Rule Attached.)	
3. Reseller is : 25-30.262 t	aware of th hrough 25	ne requirements of 3 -30.267, Florida Ad	Section 367.122, Florida S ministrative Code, regard e and Rule attached.)	Statutes and Rule
4. The utility	services pr	ovided are:		
Water	X	Wastewater	X	
	No.	or Septic		
For	service not	provided, please st		
N/A				
Name: City Phone Nur Number of 3"	y of Sanfor nber: 407- f Master M	330-5630 leters and sizes: 2 O	ne 8 " and One reclaim i	515.00
7. Attached is schedule m	a schedul ust specifi	e of reseller's propo	f the provider in 5 above sed rates and charges. (E the reseller proposes to rate of charge:	xhibit B) The
	ommon ar		b. Security Deposits	
The commi	ssion curr		resellers to charge tenan	ts for
tenants wil	not excee	d the cost to provid	e amount the reseller pro the service. (Exhibit C)	
9. Attached is	an explan	ation of the propos aterwater. (Exhibit	ed method of billing custo	omers, separately

10. Residents will be billed within 5 days after the meters have been read.

EXEMPTION 8 Page 3 of 4

APPLICATION FOR RESELLER EXEMPTION

If the reseller proposes to contract out metering or billing services, provide the following documentation.

SERVICE COMPANY: WaterMaster Metering Systems, Inc.

ADDRESS: 1570 Madruga Avenue, Suite 200

Coral Gables, Florida 33146 PHONE NO.: 305-662-1088

Attached a copy of the above billing company's standard service agreement.
 (Exhibit F)

12. Attached is a statement that the reseller, and not its agent, will control customer deposits, if applicable. If applicable (see Exhibit B), reseller will control customer deposits in all cases. Under no circumstances does WaterMaster collect deposits from the residents.

Attached is Rule 25-30.111, Florida Administrative Code, which explains the annual reporting requirement for resellers. Also, attached is Section 367.122, Florida Statues, which explains reseller responsibility to examine and test meters. Also attached are Rules 25-30.262 through 25-30.267, Florida Administrative Code, which expand on reseller responsibilities for meter accuracy, meter test methods, meter testing equipment, periodic meter tests, meter tests by request and recordation of meter tests. The attached rules should be read, as acknowledged on the application, and retained by the reseller.

I am aware that pursuant to Section 837.06, Florida Statutes, whoever knowingly make a false statement in writing with the intent to mislead a public servant in the performance of his official duty shall be quilty of a misdemeanor of the second degree, punishable as provided in s. 775.082 or s. 775.083, F.S.

S 17/86 (Date)

Owner's Signature

Place Like AGOC.

Owner's Name (Typed or Printed)

Owner's Title

EXEMPTION 8 Page 4 of 4

APPLICATION FOR RESELLER EXEMPTION

The original and four copies of the completed application and the supporting documentation should be mailed to:

Director, Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, Florida 32399-0850

EXHIBIT A

SCHEDULE OF THE UTILITY COMPANY RATES AND CHARGES

Water Charges:

The City of Sanford County Utility charges a fixed monthly base charge of \$376.81 per 8" meter (1 meter) and \$3.25 base charge of per reclaim irrigation meter (1 meter).

Variable Water Commodity Charges per month = 0-2000 \$1.20 (Per 1000 Gal.) (8" meter) = 2001-9999 \$1.45 (Per 1000 Gal.)

Variable Water Commodity Charges per month = \$.10 (Per 1000 Gal.) (Irrigation Meter)

Plus 10% utility tax on total water charge per month

Sewer Charges:

The City of Stanford Utility charges a fixed monthly base charge of \$563.20 per 8" meter (1 meter). No sewer charge on reclaim meter.

Variable Sewer Commodity Charges per month = 0-2000 \$2.20 (8" meter) = 2001-9999 \$3.31

Commercial Garbage:

The City of Stanford Utility charge a fixed monthly fee of \$1,493.76 plus \$15.00 for each extra pick up per month.

Stormwater Fee:

The City of Stanford Utility charge \$3.00 per each unit, 244 unit x 3 = \$732.00 fixed monthly charge.

The state of

TO:

68 EXAMPLES

EFFECTIVE DATE: August 1, 1993

CITY OF BANTOND

MATER AND EXWER UTILITY RATES

*Residential (3/4" Neter) - Inside City

Consumption (Gallons)		Availability Charge \$		Flow	Flow Charge \$			
14	CEAA	WAS I	Mater	PERMIT	Mater	BENET		Total
0		2,000	3.24	4.69	2.40	4.40	.55	
2,000	*	2,999	3.14	4.69	2.40	4.40	.85	15.18
3,000	-	3,999	3.14	. 4.69	3.85	7.71	.70	15.16
4,000		4,999	3.14	4.69	5.30	11.02	.84	20.09
5,000	-	5,999	3.24	4.69	6.75	-14.33	.22	24.99
6,000		6,999	3.14	4.69	8.20	17.64		29.90
7,000		7,999	3.14	4.69	9.65	20.95	1.13	34.80
8,000	-	8,999	3.14	4.69	11.10		1.28	39.71
9,000	-	9,999	3.14	4.69		24.26	1.42	44.61
10,000	-	10,999	3.14	4.69	12.55	27.57	1.57	49.52
11,000		11,999	3.14		14.00	30.88	2.71	84.42
12,000			NAME OF THE OWNER, OF THE OWNER, OF THE OWNER, OF THE OWNER, OWNER, OWNER, OWNER, OWNER, OWNER, OWNER, OWNER,	4.69	15.45	34.19	1.86	59.33
13,000		12,999	3.14	4.69	16.90	37.50	2.00	64.23
	-	13,999	3.14	4.69	18.35	37.50	2.15	65.63
14,000	-	14,999	3.14	4.69	19.80	37.80	2.29	67.42
15,000		15,999	3.14	4.69	21.25	37.50	2.44	69.02
NOTE:		CHEST SEW!		CHARGE PO	OR STRELE	PARTLY I	ESIDEN	

*Residential customers on meters larger than 3/4" will have a higher base charge as listed below:

Heter Size	Availabil: Mater	ity Charge \$
1"	6.29	9.40
1 1/2"	12.57	10.70
2"	18.85	28.17
3"	62.81	93.00
4"	141.31	211.21
6*	251.21	375.46
8*	376.81	563.20
20"	471.01	704.00
754	628.01	938.66

WATER RATES BASED ON \$1.20 FOR FIRST 2,000 GALLONS USED. THEN \$1.45 FOR EACH ADDITIONAL 1,000 GALLONS USED.

SEWER RATES BASED ON \$2.20 FOR FIRST 2,000 GALLONS USED. THEN \$3.31 FOR EACH ADDITIONAL 1,000 GALLONS USED.

9

TD:

STORMWATER MANAGEMENT UTILITY PROGRAM

Stormwater Management Utility Rates Ranes are based on on Equivalent Residential Unit or typical sargic juntily household

flat rate of \$3.00 per month. quivalent Residential Until (ERU) for billing purposes. The charge for one (1) ERU is set at a asidential: Each residential unit, regardless of residential class, will be considered one (1)

Non-residential: Each non-residential customer will be charged a stormwater fee based on the number of ERUs (\$3.00 each per month) computed by using the following formula.

No. of EXU - Table impervious area of such mercal Assertage impervious area of 1.0 EXU

A minimum value of 1.0 EXU shall be assigned to each non-residential property

Undeveloped, Platted or Zoned for Development: Parcels undeveloped, platted or accord for development may be charged on the basis of the number of EXUs (\$3.00 each per month) completed by using this formula.

No. of ERU - Total importations area of such metral American importations area of 1.0 ERU

The important arm of each parcel of property will be determined by the City. The excrage imports use arms of each 1.0 EXU for the City is 2.125 agains fort. Undeveloped: Stormwater fees will not be charged for undeveloped property.

ESTABLISHED OCTOBER 1991

Water and Sewer

Customer Service 407-330-5630 INSIDE CITY LIMITS

Which 1 lack 1 lack 2 lack 3 lack 4 lack 6 lack 6 lack 10 lack	11
114 629 1257 1885 6241 6241 19641 47161 678.01	Wheer districts with the Monath
4.69 18.78 28.17 28.14 211.21 275.46 568.20 704.00	Sewer Tr Clinaca:

Ę	5	Ħ	Ē
ğ	è	2,00	H
Ę	1000	ů	Valer Rate
us 10% Tax Widhin City Linux	1,00	rst 2,000 Californi/Moath \$1,30	*
ğ	58	Most	
Ė	Ę	ĭ	
=	ř	1	ı
	P	L	tood gallons
	3:	1	£
	1	10	삪
	22	50	ř
	ò	幫	Ē

NOTE: Highest chargeable sewer flow rate for single family studential account is 12,000 gallions. M Rates outside City Limits are 25% by her than laude City Linets Rates.

Each Additional 1,900 Calling/Honth

First 2,000 Gailloca/Month Sewer Rate

per 1000 gallous

Irrigation Program Reclaimed Water

407-330-5649

Availability Charge/meach

Reliabled water serves areas as timised Raics per 1,000 Callons/month 525





EXHIBIT B

SCHEDULE OF THE RE-SELLER'S PROPOSED RATES AND CHARGES

Water Charges:

At this time the property does not intend to submeter the property. Therefore, a flat prorate method is how the resellers are going to allocate the Water and Wastewater charges to the individual units.

Water Availability charge plus metered water charges times a 10% utility tax equals total water expense for the month. This amount is then divided by the total number of units to generate the prorated monthly water expense per unit.

Example:

 Water Availability
 \$ 376.21

 Metered Water
 1,755.45

 10% Utility Tax
 213.23

Total Water Expense \$2,344.89 / 244 = \$9.61 per unit

Sewer Charges:

At this time the property does not intend to submeter the property. Therefore, a flat prorate method is how the resellers are going to allocate the Water and Wastewater charges to the individual units.

Sewer Availability charge plus Sewer Flow Charge, Stormwater fee and Commercial Garbage equals the total Wastewater expense for the month. This amount is then divided by the total number of units to generate the prorated monthly Wastewater Expense per unit.

Example:

Sewer Availability \$ 563.20 Sewer Flow 4,006.19 Commercial Garbage 1,493.76 Extra Pick Up 15.00 Stormwater 732.00

Total Wastewater Expense \$6.810.15 / 244 = \$27.91 per unit

Common Area:

This property does charge common area to the residents.

Security Deposit:

This property does/does not collect a separate security deposit for Water/Sewer charges.

Administrative/Operating Costs:

No administrative or operating costs are being charged to the residents.

EXHIBIT C

Method of Billing Customers

The method of billing customers is by a computer calculation. When the customer's total monthly water and sewer charges into the computer system divides the total amount by the number of units in the property creating a flat prorated amount for each unit. These amount are printed on bills (Exhibit D) showing the separate charge for water and wastewater, along with the month of the billing.

Rates and Charges for 244 units at Stone Brook

Water Charges:

Water Availability charge plus metered water charges times a 10% utility tax equals total water expense for the month. This amount is then divided by the total number of units to generate the prorated monthly water expense per unit.

Example:

 Water Availability
 \$ 376.21

 Metered Water
 1,755.45

 10% Utility Tax
 213.23

Total Water Expense \$2,344.89 / 244 = \$9.61 per unit

Sewer Charge:

Sewer Availability charge plus Sewer Flow Charge, Stormwater fee and Commercial Garbage equals the total Wastewater expense for the month. This amount is then divided by the total number of units to generate the prorated monthly Wastewater Expense per unit.

Example:
Sewer Availability \$ 563.20
Sewer Flow 4,006.19
Commercial Garbage 1,493.76
Extra Pick Up 15.00
Stormwater 732.00

Total Wastewater Expense \$6,810.15 / 244 = \$27.91 per unit

By prorating the extra amount of water and wastewater billed as the utility company, the amount collected from the residents will not exceed the amount paid to the utility company. If collections by the end of the year should exceed charges from the utility company, all excess collections will be reimbursed to the residents.

Exibit D

ADDRESS LISTED BELOW	STUB WITH YOUR PAYMENT
to	ACCOUNT READING DATE
AMOUNT	FROM 10
	WATER USAGE
	AMOUNT DUE THIS PERIOD 5
	PLEASE FILL IN AMOUNT BELOW RAYMEN" DUE UPON RECEPT
	to

SERVICE AGREEMENT

THIS SERVICE AGREEMENT ("Agreement") is made on thest day of, 1995 by and between WaterMaster Metering Systems, Inc. ("WaterMaster" a Florida corporation, whose address is 1570 Madruga Avenue, Suite 200, Coral Gable.
Florida 33146, and ("Customer"), whose address
Purpose of Agreement. The purpose of this Agreement is to state the terms and conditions under which WaterMaster will provide water sub-meter reading services including the generation of monthly statements of water/sewer usage, to the residents of each metered unit within
NOW, THEREFORE, in consideration of the mutual promises and condition herein contained in this Agreement, the parties agree as follows:
1. Services Provided. WaterMaster will read the Meters and provide monthly statement of water/sewer usage to each resident's unit. In this regard, reference is made to the WaterMaster Performance of Services attached hereto as Exhibit "A" and made a part hereof. From time to time, WaterMaster may modify the Services is accordance with its general corporate policies. However, such modifications to the Services shall not diminish the general services provided to Customer by WaterMaster. The timing of the issuance of monthly water/sewer bills to each unit's occupant is subject to adjustment in the event of any cause or causes beyond the control of WaterMaster.
2. Term of Agreement.
a) Initial Term: The term of this Agreement shall be for(years, commencing thirty (30) days after the date on which Customer gives writtenotice to WaterMaster that all () units of Customer have been activated for reading by WaterMaster ("Commencement Date"). WaterMaster shall read, pursuant to Exhibit "A" these Meters and all other Meters installed by Customer and will commence providing monthly statements for water/sewer usage during the monthly billing cycle following each remaining unit's activation.

Renewal Option: This Agreement shall automatically renew itself for two (2) additional periods of () years each on the terms and conditions as hereinafter set forth, unless terminated by customer's written notice to WaterMaster which notice must be received by WaterMaster within thirty (30) days prior to the automatic renewal date of this Agreement. Upon renewal all of the terms in effect as of the end of the immediately preceding term shall continue in effect for the purposes of this Agreement, except the Service Fee set forth under Paragraph 4., which shall be increased annually beginning percent of the annual increase in the Consumer Price Index ("CPI"). The CPI for , 199 shall be used as a basic standard for each consecutive annual increase. The CPI means the Consumer Price Index published by the Bureau of Labor Statistics of the United States Department of Labor, Consumer Price Index for All Urban Consumers. In no event shall WaterMaster's Service Fee be reduced. In the event the CPI is discontinued, ceases to incorporate a significant number of items now incorporated therein, or a substantial change is made in such CPI, the parties hereto shall attempt to mutually agree on an alternative formula.

Termination.

- a) For Cause: This Agreement may be terminated by Customer "For Cause" only in the event of the gross negligence or material non-performance of WaterMaster, provided that such termination For Cause shall only be effective if such default by WaterMaster continues uncured for a period of thirty (30) days after being advised by Customer in writing of such default.
- b) Without Cause: Customer for any reason whatsoever may terminate this Agreement subsequent to the Commencement Date by giving WaterMaster written notice to that effect stipulating a termination date which shall be no sooner than ninety (90) days after the date of such written notice, and shall be effective on the last day of the month following the expiration of such notice. If termination occurs within the first thirty-six (36) months of the term of this Agreement, WaterMaster shall receive a lump sum payment of \$______ from Customer as a termination fee. If termination occurs after thirty-six (36) months from the commencement date of this Agreement, Customer may terminate this Agreement with the giving of ninety (90) days advance notice as described above, with no termination fee.

- c) WaterMaster may terminate this Agreement in the event Customer fails to make payment of its Service Fee, pursuant to the terms so stated in this Agreement, and if such payment is not made to WaterMaster by Customer within thirty (30) days after Customer is advised in writing by WaterMaster of such failure to make payment. In this event, WaterMaster may exercise any and all of the rights, privileges and remedies which it may have under the laws of the State of Florida and/or the United States of America, and shall be entitled to a lump sum payment prescribed in Paragraph 3.b. above as and for liquidated damages.
- 4. Service Fee: WaterMaster shall be compensated by Customer for the first _____ () years of this Agreement at \$____ per month per meter read plus any increase over 20 cents in the published United States Postal rate for mailing a postcard first class. For the remainder of the term of this Agreement, WaterMaster's compensation shall be increased in accordance with Paragraph 2.b. above. The CPI for January, 199_ shall be used as the basic standard for each annual increase. WaterMaster will send a statement to Customer of the compensation due it at the end of each month and the Customer shall make payment within ten (10) days of the billing date (or as otherwise defined in Paragraph 10 of Exhibit "A"). Interest will be charged at the rate of one and one-half percent (1 1/2%) per month on all delinquent accounts.
- 5. WaterMaster's Responsibility: WaterMaster will use due care in reading Customer's sub-meters and producing each residents unit's water/sewer bill. It will be responsible and liable to Customer only to the extent of correcting any errors in either reading the sub-meters or producing water/sewer bills. WaterMaster shall not be responsible for consequential damages.
- 6. <u>Customer's Responsibility</u>: Customer shall be responsible to notify WaterMaster on a timely basis of all move-in and move-out activity of the Residents. WaterMaster will not be held responsible for billing errors made as a result of Customer's failure to notify WaterMaster of such move-in/move-out activity.
- 7. <u>Irrevocable License</u>: As long as this Agreement remains effective, WaterMaster shall have, and Customer hereby grants, an irrevocable license to enter upon the Premises at reasonable times as necessary for the purpose of installing, maintaining, repairing, replacing or removing the Equipment. In performing its work at the Premises pursuant to this Agreement, WaterMaster shall use its best efforts to minimize interference with the Owner's use of the Premises. After reasonable notice from WaterMaster, Customer shall provide an employee or other authorized person to accompany WaterMaster, its employees or independent contractors, into any unoccupied Dwelling Units, and shall take reasonable steps to assure access by WaterMaster, its agents and independent contractors, at reasonable times to any part of the Premises over which Customer does not have control.

	-	
and Kent Model C- WaterMaster be liabl consequential damage	-700 le for ges of	Warranty: The manufacturer warranties all material as 2-700 Bronze Guarantee and Performance Assurance program, Remote Meter Read System Guarantee. In no event shall damage exceeding the manufacturer's liability for incidental or any kind, specifically including, but not in limitation thereof, jury to person or property.
	9.	Miscellaneous Provisions.
in accordance		Governing Law. This Agreement shall be construed under and the laws of the State of Florida, and all obligations of the der this Agreement are performable in County,

	b)	Parties Bound. This Agreement shall be binding on and inur
to the benefit	t of the	e parties and to their respective heirs, executors, administrators
legal represe	ntative	es, successors and assigns.

- c) Attorney's Fees and Costs. In any suit, action or proceeding the parties agree to Binding Arbitration when seeking enforcement of any terms or provisions of this Agreement or relating to any transaction contemplated by this Agreement.
- d) Notices. All notices to either party required pursuant to this Agreement may be delivered personally or may be sent by certified or registered United States mail, return receipt requested, with postage prepaid, to the other party to be notified at the address set forth below, or such other address as either party may designate in writing. Any notice shall be deemed delivered when given, if personally delivered, or seven (7) business days after mailing, if mailed.

TO WATERMASTER:

1570 Madruga Avenue, Suite 200 Coral Gables, Florida 33146

TO CUSTOMER:

Attention:

- e) Waiver of Breach. The waiver by either party of the other party's breach of any term or condition of this Agreement shall not be, or be deemed to be, a waiver of any subsequent breach by such party of the same or any other term or condition of this Agreement, and the failure by either party to enforce any right or remedy it might have by reason of the failure of the other party to perform any obligation under this Agreement shall not be, or be deemed to be, a waiver of any subsequent failure by such other party to perform same or any other obligation under this Agreement.
- f) <u>Captions</u>. Captions to, and heading of, the sections, subsections, paragraphs and sub-paragraphs of this Agreement are solely for the convenience of the parties, are not a part of this Agreement, and shall not be used for the interpretation or determination of the validity of this Agreement or any term or provision hereof.
- g) <u>Counterparts</u>. This Agreement may be executed in one or more counterparts, and all so executed shall constitute one and the same agreement and shall be binding on all the parties hereto, notwithstanding that all of the parties may be signatory to the original or the same counterpart.
- h) <u>Severability</u>. If any part or portion hereof shall be determined to be invalid, illegal or unenforceable, in whole or in part, neither the validity of the remaining parts of such term nor the validity of any other term of this Agreement shall in any way be affected thereby.
- i) Amendment. No amendment or modification of this Agreement shall be valid or effective unless the same be in writing and signed by all the parties hereto.
- j) Prior Agreements Superseded. This Agreement constitutes the sole and only agreement of the parties with reference to meter reading and water/sewer billing services and supersedes any prior understandings or written or oral agreements between the parties respecting the subject matter of this Agreement.

IN WITNESS WHEREOF, the parties hereto have duly executed this Agreement effective as of the date first above written.

WITNESSES:	"CUSTOMER"
	By:
	Title:
	WaterMaster Metering Systems, Inc., a Florida Corporation
	By:

EXHIBIT A

Exhibit A	is made part of the	Agreement	made on the	_th da	y of	, 199_ by	and
between	WaterMaster	Metering	Systems,	Inc.	("WaterMa	aster")	and
	("C	ustomer").					

WATERMASTER PERFORMANCE OF SERVICES

- Water/sewer bills are mailed by WaterMaster directly to residents approximately the 23rd day of each month. Meters are read between the 1st and 18th day of each month with approximately a 30-day billing cycle.
- At the same time that Customer's residents receive their monthly bills, Customer will
 receive a summary report showing how much WaterMaster has billed each resident. The
 summary also shows the last date each meter was read.
- The summary report also serves as WaterMaster's bill to Customer for WaterMaster's monthly service fee of \$_____ per meter read and processed.
- 4. WaterMaster relies on Customer to provide WaterMaster with current information with respect to monthly move-ins and move-outs. For accurate billing, WaterMaster requests that Customer notify WaterMaster of all changes by the 19th day of each month. WaterMaster will not accept changes from Customer's residents. Customer may phone or fax such changes to WaterMaster.
- 5. The closest regularly scheduled reading date will serve as the beginning reading for all new residents and the ending reading for vacating resident. Customer may want to obtain actual move-in and move-out readings itself and fax them in to WaterMaster's office. Otherwise, the closest regularly scheduled reading date by WaterMaster will serve as the move-in or move-out reading.
- Customer will be notified by mail or Fax if WaterMaster finds the current reading to be exceptionally high or if the meter shows no movements when the unit is occupied.
- 7. If a unit is occupied and the meter shows no movement, the resident will receive a minimum bill for fixed service charges only. The bill does not include any charges for actual water and sewer usage. After the problem is corrected, a regular monthly bill will be sent, including all water and sewer charges.
- WaterMaster will read meters for vacant units and include in Customer's monthly summary report, notice of water leaks.

EXHIBIT A - PAGE 2

- 9. If any meter malfunction is due to a defective meter, gross negligence or willful misconduct of WaterMaster or it's agents, WaterMaster will repair or replace meter, at its option, with no charge to Customer. If meter has been damaged due to willful misconduct, vandalism, foreign debris or act of God WaterMaster will, after notification to and approval by Customer, repair or replace meter, at its option, and Customer will be billed for time, repair or replacement of meter and any additional material, at a price consistent with existing material and labor costs.
- 10. WaterMaster will handle Customer's remittance. WaterMaster will receive payments from Customer's residents, and provide Customer a copy of the monthly bookkeeping records. WaterMaster will remit to Customer, within thirty (30) days after the end of each billing cycle, all funds collected from residents less WaterMaster's monthly service fee pursuant to Paragraph 4. of the Service Agreement, less any repair or service charges per Paragraph 9 above.

EXEMPTION FOR RESALE OF UTILITY SERVICE, ANNUAL REPORT

Any person who has been granted an exemption from regulation as a reseller of water or wastewater service provided for in subsection 367.022(8), F.S., shall file a report by March 31 of each year following the year for which the exemption is claimed. The report shall contain the following:

- (1) A schedule, listing by month, the rates charged for and total revenue received from the water or wastewater service sold.
- (2) A schedule, listing by month, the rates charged and total expense incurred for the purchase of the water or wastewater service.
- (3) A statement listing the source from which the water or wastewater service was purchased.

Specific Authority: 367.121(1), F.S.
Law Implemented: .367.022(8), F.S.
Eistory: New 3/26/81, Formerly 25-10.09, 25-10.009, Amended
11/9/86, 11/30/93.

SECTION 367.122, FLORIDA STATUTES EXAMINATION AND TESTING OF METERS

- (1) The commission may provide for the examination and testing of all meters used for measuring any product or service of a utility.
- (2) Any customer or user may have any such meter tested by the utility upon payment of the fee fixed by the commission.
- (3) The commission shall establish reasonable fees to be paid for testing such meters on the request of the customers. Current utility customers or users may, at their discretion, pay the fee fixed by the commission at the time of the request or have the utility include the fee with their next regularly scheduled statement. However, the fee shall be paid by the utility and repaid to the customer or user if the meter is found defective or incorrect to the disadvantage of the customer or user in excess of the degree or amount of tolerance customarily allowed for such meters, or as may be provided for in rules and regulations of the commission. No fee may be charged for any such testing done by the commission or its representatives.
- (4) The commission may purchase materials, apparatus, and standard measuring instruments for such examinations and tests.

Eistory .-

s. 1, ch. 71-278; s. 100, ch. 73-333; s. 3, ch. 76-168; s. 1, ch. 77-457; ss. 16, 25, 26, ch. 80-99; ss. 2, 3, ch. 81-318; ss. 17, 26, 27, ch. 89-353; s. 4, ch. 91-429. 367.122

RULE 25-30.262, F.A.C. METER ACCURACY REQUIREMENTS

Each utility shall employ water meters which register within the accuracy limits set forth in this chart:

Accuracy limits in percentages

Meter Type	Maximum Rate	Intermediate Rate	New_	Minimum Rate Repaired
Displacement	98.5-101.5	98.5-101.5	95-101.5	90-101.5
Current	97 -102	None	95-102	90-102
Compound *	97 -103	97 -103	95-103	90-103

The minimum required accuracy for compound meters at any rate within the "changeover" range of flows shall be 85%.

General Authority: 367.121, F.S.
Law Implemented: 367.122(1), F.S.
Eistory: Amended 9/12/74, formerly 25-10.92, Transferred from 25-10.092 and Amended 11/9/86.

RULE 25-30.263, F.A.C. METER TEST METEODS

(1) Each utility shall test its displacement type cold water meters on at least the three rates of flow set forth in the following chart:

Meter Size		mal 7		Test Flow	Gallons	Per Minute
Inches		GPM		Minimum	Median	Maximum
5/8	1		20	1/4	2	15
3/4	2		30	1/2	3	25
1	3	-	50	3/4	4	35
1-1/2	5		100	1-1/2	8	50
2	8	-	160	2	15	100
3	16		300	4	20	150
4	28		500	7	40	200
6	48		1000	12	60	500

- (2) Each utility shall test its current, compound and fire-service type meters on at least three rates of flow: one at the minimum test flow and two or more within the normal test flow limits of the table set forth in subsection (1) of this rule, with the upper test flow to be at a rate as high as practicable.
- (3) Each utility shall test its compound meters within the "changeover" range of flows to determine overall operational efficiency and accuracy of registration.
- (4) A utility may test any displacement type meter after installation if the meter is three inches or larger. However, each utility shall test its current, compound and fire-service type meters in place to achieve maximum accuracy, and may install a test tee in the outlet piping to facilitate and reduce the cost of testing for meters which are three inches or larger.
- (5) Each utility may affix a seal to each of its tested and adjusted meters. The utility may affix the seal in such manner that it would have to be broken before any adjustment to meter registration could be achieved.

General Authority: 367.121, P.S.
Law Implemented: 367.122, P.S.
History: Amended 9/12/74, formerly 25-10.90, Transferred from 25-10.090 and Amended 11/9/86.

- (1) (a) Each utility providing metered water service shall either provide the necessary standard facilities, instruments and other equipment for testing meters in compliance with rules 25-30.263, or enter into arrangements with other utilities or agencies for the testing of the utility's meters.
 - (b) When the utility opts to arrange for its testing to be performed by another utility or agency, that utility shall notify the Commission.
- (2) (a) Standard meters may be used by the utility for field tests of meter accuracy provided that they are tested and calibrated to permit the testing of meters within the limits of accuracy set out in Rule 25-30.263.
- (b) Testing and calibration of the standard meters shall be done either by the utility with its volumetric or weight standard equipment, or by an approved laboratory.
- (c) Testing and calibration of the standard meters shall be done at least once every sixty (60) days while the standard meter is in use.

General Authority: 367.121(1), F.S.
Law Implemented: 367.122(1), F.S.
Eistory: Amended 9/12/74, formerly 25-10.89, Transferred from 25-10.089 and Amended 11/9/86.

RULE 25-30.265, F.A.C. PERIODIC METER TESTS

Each utility shall inspect and test a representative sample of its meters in service at least once during the intervals set out in this rule.

Size of Me	ter		Interval en Tests
5/8"			years
3/4"			years
1"		6	years
1-1/2"		4	years
2"		4	years
3*		3	years
4"			years
6"			year

General Authority: 367.121, F.S.
Law Implemented: 367.122, F.S.
Eistory: Amended 9/12/74, formerly 25-10.93, Transferred from 25-10.093 and Amended 11/9/86.

- (1) (a) Upon written request of any customer whose meter has not been tested within one-half the maximum interval provided in Rule 25-30.265, the utility shall make a field test for accuracy of that customer's meter.
 - (b) The utility may not charge for any field test performed pursuant to paragraph (a) of this subsection.
- (2) (a) The utility may require a deposit to defray cost of any bench test requested by any customer. However, the deposit may not exceed the following schedule:

Meter Size (inches) Fee 5/8 and 3/4 \$20.00 1 and 1-1/2 \$25.00 2 and over Actual Cost of Test

- (b) The utility may retain the deposit if the customer's meter is found to register accurately or below accuracy.
- (c) The utility shall refund the deposit if the customer's meter is found to register in excess of prescribed accuracy limits.
- (3) The Commission may provide a representative to observe or supervise any bench test upon written request from the customer or utility. The utility shall advise the customer of the customer's right to witness the bench test.
- (4) The utility shall provide the customer with a written report of the results of any test performed pursuant to this rule.
- (5) A meter shall in no way be disturbed after the utility has received notice that application has been made for a test by the customer unless a representative of the Commission is present or unless authority to do so is first given in writing by the Commission or by the customer.
- (6) At the request of the customer, the utility shall make arrangements for a meter test to be conducted by an independent meter testing facility of the customer's choosing. The customer shall be responsible for negotiating and paying to the independent meter testing facility any fee charged for such a test. Such independent meter testing facilities shall, at minimum, conform to the requirements of the American Waterworks's Association Water Meters Selection Installation Testing and Maintenance (AWWA-M6-1972). Where appropriate, the meter may be field tested.

RULE 25-30.266, F.A.C., continued:

The customer shall be responsible for all the costs to the utility associated with a meter test by an independent meter testing facility. The utility shall provide a detailed estimate of such costs and may require payment of such costs prior to the actual meter test. If the meter is found to be running fast in excess of the limits established by these rules, such costs shall be refunded, but if within the allowable limit, the utility may retain the costs.

Specific Authority: 367.121, F.S.
Law Implemented: 367.122, F.S.
History: Amended 9/12/74, 1/4/79, 10/11/83, formerly 25-10.94,
Transferred from 25-10.094 and Amended 11/9/86.

RULE 25-30.267, F.A.C. RECORD OF METER TESTS

- (1) Each utility shall preserve the original records of all meter tests at least until same meter is performed or until the meter is retired by a later test.
 - (2) These records shall include
 - (a) sufficient information to identify the meter;
 - (b) the reason for the test;
 - (c) date of test and reading of the meter;
 - (d) the computed accuracy before and after the repair; and
 - (e) any other data taken at the time of the test which would permit the convenient checking of the test results.

General Authority: 367.121, F.S. Law Implemented: 367.122, F.S. Eistory: Amended 9/12/74, formerly 25-10.91, Transferred from 25-10.091 and Amended 11/9/86.