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February 18, 1997

FEDERAL EXPRESS

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

970210-WS

Re: Application for Affirmation and Exercise of Jurisdiction by the Florida Public Service Commission; Amendment of Certificate Nos. 236-W and 179-S; Establishment of Rate Base for Facilities Transferred; Approval of the Applicability of Rates, Charges, Classifications, Rules and Regulations, and Service Availability Policies; Confirmation of Inclusion of Land and Facilities in a Single Utility System; and Approval of a Limited Proceeding to Adjust Rates in St. Johns County, Florida

Applicant: United Water Florida Inc.
1400 Millcoe Road
Jacksonville, FL 32239

Persons to Contact: James L. Ade/Scott G. Schildberg
Martin, Ade, Birchfield & Mickler, P.A.
One Independent Drive, Suite 3000
Jacksonville, FL 32202

Dear Ms. Bayo:

United Water Florida Inc. ("United Water Florida") hereby files its Application for Affirmation and Exercise of Jurisdiction by the Florida Public Service Commission; Amendment of Certificate Nos. 236-W and 179-S; Establishment of Rate Base for Facilities Transferred; Approval of the Applicability of Rates, Charges, Classifications, Rules and Regulations, and Service Availability Policies; Confirmation of Inclusion of Land and Facilities in a Single Utility System; and Approval of a Limited Proceeding to Adjust Rates in St. Johns County, Florida.

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Ms. Blanca Bayo, Director
February 18, 1997
Page 2

Accordingly, please find enclosed the following:

- a. An original Application.
- b. Twelve (12) copies of the Application.
- c. A check payable to the Florida Public Service Commission in the amount of \$2,000.00 for the filing fees for water and wastewater.
- d. An original and two (2) copies of the proposed tariff sheets.
- e. A copy of Certificate Nos. 236-W and 179-S. The original certificates have been filed in another docket.
- f. A computer diskette containing the legal description of the requested additional service area.

Please file the originals and distribute the copies in accordance with your usual procedures. If you have any questions or comments in connection with this matter, please do not hesitate to call.

Sincerely yours,



Scott G. Schildberg

SGS:dws
Enclosures

cc: Mr. David E. Chardavoyne
Mr. Robert A. Gerber
Mr. Richard A. Hensch (w/o enclosures)
Mr. Munipalli Sambamurthi
Michael A. Walters, Esquire

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application by United)
Water Florida Inc. for Amendment)
of Certificate Nos. 236-W and)
179-S and a Limited Proceeding to)
Adjust Rates in St. Johns County,)
Florida)
_____)

DOCKET NO.: _____

DATE SUBMITTED FOR FILING:
February 18, 1997

APPLICANT

United Water Florida Inc.
1400 Millcoe Road
Jacksonville, Florida 32225

PERSONS TO CONTACT

James L. Ade/Scott G. Schildberg
Martin, Ade, Birchfield &
Mickler, P.A.
3000 Independent Square
Jacksonville, Florida 32202
(904) 354-2050

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application by United Water)
Florida Inc. for Amendment of)
Certificate Nos. 236-W and 179-S)
and a Limited Proceeding to Adjust)
Rates in St. Johns County, Florida)

APPLICATION
FOR AFFIRMATION AND EXERCISE OF JURISDICTION BY
THE FLORIDA PUBLIC SERVICE COMMISSION;
AMENDMENT OF CERTIFICATE NOS. 236-W AND 179-S;
ESTABLISHMENT OF RATE BASE FOR FACILITIES TRANSFERRED;
APPROVAL OF THE APPLICABILITY OF RATES, CHARGES, CLASSIFICATIONS,
RULES AND REGULATIONS, AND SERVICE AVAILABILITY POLICIES;
CONFIRMATION OF INCLUSION OF LAND AND
FACILITIES IN A SINGLE UTILITY SYSTEM;
AND APPROVAL OF A LIMITED PROCEEDING TO ADJUST RATES
IN ST. JOHNS COUNTY, FLORIDA

United Water Florida Inc., a Florida corporation formerly known as Jacksonville Suburban Utilities Corporation (hereinafter sometimes referred to as "United Water Florida" or "Applicant"), hereby makes application to the Florida Public Service Commission (hereinafter sometimes referred to as the "Commission") for the affirmation and exercise of the Commission's jurisdiction over United Water Florida and the water and wastewater facilities of Sunray Utilities-St. Johns, Inc. (hereinafter sometimes referred to as "Sunray" or "Sunray-St. Johns"); the amendment of Certificate Nos. 236-W and 179-S to include certain territory located in St. Johns County, Florida, in United Water Florida's certificated service area; for the establishment of the rate base for the water and wastewater facilities to be transferred from Sunray to United Waterworks Inc. (hereinafter sometimes referred to as "United Waterworks"), and from United Waterworks to United Water Florida;

for the approval of the inclusion of such rate base (i.e., the Net Book Value of the Purchased Assets, as both are defined in the Agreement of Purchase and Sale) in the rate base of United Water Florida; for approval of the application of (i) United Water Florida's rates, charges, classifications, rules and regulations, certain service availability charges, and service availability policies, and (ii) certain of Sunray's service availability charges, to the customers located or to be located in Sunray's current service area; and for confirmation of the inclusion of Sunray's land and facilities (hereinafter sometimes referred to as "Sunray's Facilities") in United Water Florida's single utility system.

Applicant hereby requests that the approval and disposition of this Application be conducted in the form of a limited proceeding pursuant to Section 367.0822, Florida Statutes (1995); and Applicant submits the following information in an original and twelve (12) copies:

General Information

1. The full name, address, and telephone number of Sunray are as follows:

Sunray Utilities-St. Johns, Inc.
501 Centre Street
Fernandina Beach, Florida 32035-4218
(904) 261-2918

The mailing address of Sunray is P. O. Box 1708, Fernandina Beach, Florida 32035-4218.

Sunray Utilities, Inc. (hereinafter sometimes referred to as "Sunray Utilities") is a Florida corporation which was incorporated

on April 1, 1987. Sunray-St. Johns has offices located in Fernandina Beach, Florida. Sunray-St. Johns was incorporated on December 20, 1990. Sunray-St. Johns is a wholly-owned subsidiary of Rayonier, Inc. (hereinafter sometimes referred to as "Rayonier").

2. Sunray Utilities was issued Certificate Nos. 502-W and 436-S to serve in Nassau County in Order No. 19392, Docket No. 870649-WS, and Certificate Nos. 504-W and 438-S to serve in St. Johns County in Order No. 19428, Docket No. 870539-WS. Sunray Utilities provided water and wastewater service in St. Johns County pursuant to Certificate Nos. 504-W and 438-S. St. Johns County subsequently reacquired local jurisdiction over private water and wastewater utility systems in St. Johns County whose service does not transverse county boundaries.

As noted in Order No. 24398, Docket No. 910166-WS:

In recognition of the jurisdictional transfer, and the prospect of being regulated by two different entities, in November, 1990, Sunray [Utilities] reorganized into two separate corporations, Sunray Utilities-St. Johns, Inc. and Sunray Utilities-Nassau, Inc. On February 18, 1991, Sunray Utilities filed a petition for this Commission to recognize and acknowledge its corporate reorganization.

In Order No. 24398, the Commission acknowledged the corporate reorganization and the resulting name changes.

Sunray-St. Johns is providing water and wastewater utility service in St. Johns County, Florida, pursuant to Franchise Certificate Nos. 7 and 8 (hereinafter sometimes referred to as the "Franchises"), issued by the St. Johns County Water and Sewer

Authority (hereinafter sometimes referred to as the "Authority"), from one water treatment facility and one wastewater treatment facility.

3. The full name, address, and telephone number of United Water Florida are as follows:

United Water Florida Inc.
1400 Millcoe Road
Jacksonville, Florida 32225
(904) 725-2865

The mailing address of United Water Florida is P. O. Box 8004, Jacksonville, FL 32239.

United Water Florida is a Florida corporation incorporated on June 5, 1937, with offices located in Jacksonville, Duval County, Florida. United Water Florida is a wholly owned subsidiary of United Waterworks. United Water Florida provides water and wastewater utility service in Duval, Nassau, and St. Johns Counties pursuant to Certificate Nos. 236-W and 179-S (hereinafter sometimes referred to as the "Certificates").

4. The full name, address, and telephone number of United Waterworks are as follows:

United Waterworks Inc.
200 Old Hook Road
Harrington Park, New Jersey 07640
(201) 784-9434

United Waterworks is a Delaware corporation incorporated on June 1, 1970, with its principal offices located in New Jersey. United Waterworks is the parent company of United Water Florida.

5. The full name, address, and telephone number of the individuals to contact concerning this application are as follows:

James L. Ade/Scott G. Schildberg
Martin, Ade, Birchfield & Mickler, P.A.
3000 Independent Square
Jacksonville, Florida 32202
(904) 354-2050

6. The Commission has authorized United Water Florida to provide water and wastewater service in three neighboring counties.

(a) United Water Florida provides water and wastewater service in Duval County from twenty (20) separate water facilities and seven (7) separate wastewater facilities located in Duval County pursuant to Certificate Nos. 236-W and 179-S.

(b) United Water Florida provides water and wastewater service in St. Johns County from eight (8) separate water facilities and three (3) separate wastewater facilities located in St. Johns County pursuant to Certificate Nos. 236-W and 179-S.

(c) United Water Florida provides water and wastewater service in Nassau County from one (1) separate water facility and two (2) separate wastewater facilities located in Nassau County pursuant to Certificate Nos. 236-W and 179-S.

(d) United Water Florida's facilities and land are functionally related and comprise a single utility system whose service transverses county boundaries.

7. United Waterworks owns or controls only one other utility system in Florida. The other utility system is owned by United Water South Gate Inc., a subsidiary of United Waterworks, and is located in Sarasota County, Florida. United Water Florida does not own any utility system other than its own system.

8. On August 21, 1996, Sunray and United Waterworks entered into an Agreement of Purchase and Sale (hereinafter sometimes referred to as the "Agreement") concerning the intended purchase by United Waterworks of the water and wastewater franchise certificates of Sunray, the water and wastewater systems and utility facilities owned and operated by Sunray, and certain other assets to be transferred in connection therewith (which franchise certificates, systems, facilities, and assets are referred to in the Agreement and are hereinafter sometimes referred to as the "Purchased Assets"). The Agreement also provides for the transfer of the Purchased Assets from United Waterworks to United Water Florida as a contribution to the capital of United Water Florida. A copy of the Agreement is attached hereto as Exhibit A-2.

9. United Water Florida currently is operating Sunray's Facilities pursuant to an Operations and Management Agreement (hereinafter sometimes referred to as the "Operations and Management Agreement") entered into on August 21, 1996, by United Water Florida and Sunray, a copy of which is attached hereto as Exhibit A-3.

10. United Water Florida, United Waterworks and Sunray have submitted to the Authority (i) a Joint Application for Transfer of Water Certificate No. 7 and Utility Facilities from Sunray Utilities-St. Johns, Inc., to United Water Florida Inc., and (ii) a Joint Application for Transfer of Wastewater Certificate No. 8 and Utility Facilities from Sunray Utilities-St. Johns, Inc., to

United Water Florida Inc. (hereinafter sometimes referred to as the "County Applications").

11. United Water Florida represents that, following the approval of the requests in the County Applications by St. Johns County and in this Application by the Commission and the transfer of the Purchased Assets to United Water Florida, United Water Florida will own, maintain, and operate the Purchased Assets in accordance with Florida law and, that United Water Florida will fulfill the commitments, obligations, and representations of Sunray with regard to utility matters.

12. In connection with the foregoing, Applicant hereby requests that the Commission:

(a) Affirm that it has jurisdiction over United Water Florida and Sunray's Facilities and exercise such jurisdiction.

(b) Amend Certificate Nos. 236-W and 179-S to include the service area of Sunray in United Water Florida's certificated service area.

(c) Determine the rate base of Sunray's Facilities in accordance with the formula set forth in the Agreement.

(d) Approve the contribution by United Waterworks of the Purchased Assets to the capital of United Water Florida, and approve the inclusion of Sunray's rate base (i.e., the Net Book Value, as defined in the Agreement, of the Purchased Assets) in United Water Florida's rate base.

(e) Approve the application of (i) United Water Florida's water and wastewater service rates, charges, classifica-

tions, rules and regulations, and certain service availability charges and service availability policies and (ii) certain of Sunray's service availability charges, to Sunray's existing customers and service area, effective as of the closing date provided in the Agreement.

(f) Confirm that the addition of Sunray's Facilities to United Water Florida's facilities and land (i) will result in Sunray's Facilities becoming a part of United Water Florida's functionally related facilities and land, and (ii) will result in Sunray's Facilities becoming a part of United Water Florida's single utility system whose service transverses county boundaries.

(g) Conduct the proceeding concerning the Application, including the establishment of rates and charges, in a limited proceeding as provided by Section 367.0822, Florida Statutes (1995).

(h) Implement the approval of this Application by approving the tariff sheets submitted with this Application as Exhibits A-17 and A-18.

**History of Commission
Jurisdiction in St. Johns County**

13. On July 25, 1985, the Board of County Commissioners of St. Johns County (hereinafter sometimes referred to as the "Board") adopted Resolution No. 85-106 declaring that St. Johns County was subject to the provisions of Chapter 367, Florida Statutes, thereby establishing the jurisdiction of the Commission over private water and wastewater utility companies in St. Johns County.

14. On September 26, 1989, the Board adopted Resolution No. 89-214 rescinding the jurisdiction of the Commission in St. Johns County.

15. On December 20, 1989, the Commission issued Order No. 22330 acknowledging the resolution by the Board rescinding the jurisdiction of the Commission over private water and wastewater utility companies whose systems were located exclusively in St. Johns County.

16. Section 367.171, Florida Statutes, provides that a county by ordinance or resolution may rescind any prior ordinance or resolution imposing Commission jurisdiction over private water and wastewater utility companies and thereby exclude itself from the provisions of Chapter 367, Florida Statutes, except that the county may not exclude itself from Section 367.171, Florida Statutes.

17. Section 367.171(7), Florida Statutes (1995), provides, in part, as follows:

(7) Notwithstanding anything in this section to the contrary, the commission shall have exclusive jurisdiction over all utility systems whose service transverses county boundaries, whether the counties involved are jurisdictional or nonjurisdictional (Emphasis added).

18. The Florida Legislature enacted Section 367.171(7), Florida Statutes, to provide efficient and economical regulation for utility companies that provide service in two (2) or more counties. In providing for a single regulatory authority to exercise jurisdiction over utility systems whose service transverses county boundaries, the Legislature properly focused judicial determination on

the service, not the physical systems, transversing county boundaries. Section 367.171(7), Florida Statutes, specifically grants to the Commission jurisdiction over systems which provide service across county boundaries. The term "System" is defined as:

[F]acilities and land used or useful in providing service and, upon a finding by the commission, may include a combination of functionally related facilities and land. (Emphasis added).

Section 367.021(11), Florida Statutes (1995).

19. On April 8, 1991, in response to United Water Florida's Petition for Declaratory Statement Relating to Jurisdiction of the Florida Public Service Commission, which asked the Commission to determine whether the Commission had exclusive jurisdiction over the water and wastewater facilities owned and operated by United Water Florida in Duval, Nassau, and St. Johns Counties (hereinafter referred to as the "Petition"), the Commission issued Order No. 24335, which stated that "the water and wastewater services of [United Water Florida Inc. in]... St. Johns County are subject to the exclusive jurisdiction of this Commission." The Order further stated that "[e]xclusive jurisdiction resides within this Commission pursuant to Section 367.171(7) to regulate [United Water Florida's]... water and wastewater services in St. Johns, Duval, and Nassau Counties." The Commission found United Water Florida's combination of functionally related facilities and land to be a utility system whose service transverses county boundaries.

Facts evidencing the functional relationship among the facilities of United Water Florida which provide service to United Water Florida's customers include the following:

(i) United Water Florida provides water and wastewater service in Duval, Nassau, and St. Johns Counties from twenty (20) separate water facilities and seven (7) separate wastewater facilities located in Duval County, eight (8) separate water facilities and three (3) separate wastewater facilities located in St. Johns County, and one (1) separate water facility and two (2) separate wastewater facilities located in Nassau County.

(ii) United Water Florida manages all of its facilities from its office in Duval County. The office is centrally located for all of United Water Florida's service areas in Duval, Nassau, and St. Johns Counties. In terms of driving time from the office, it takes approximately the same amount of time to reach the most remote service area in each of the three counties.

(iii) The same manager is responsible for managing all of United Water Florida's operations in the three counties.

(iv) The same officers of United Water Florida are responsible for overseeing all of United Water Florida's operations in the three counties.

(v) The same engineers of United Water Florida are responsible for designing United Water Florida's facil-

ities, establishing standards and specifications, reviewing developer plans, coordinating with regulatory agencies concerning required permits, and providing engineering services in all three counties.

(vi) The same accountants and other administrative personnel of United Water Florida are responsible for providing administrative support for United Water Florida's operations in the three counties.

(vii) The same maintenance personnel of United Water Florida maintain and repair United Water Florida's facilities in the three counties.

(viii) United Water Florida's customers in the three counties are serviced by the same customer service representatives at the same telephone number.

(ix) The water produced by all of United Water Florida's water treatment plants and the effluent and sludge by-products of all of United Water Florida's wastewater treatment plants are tested by the same personnel and independent laboratories.

(x) Purchasing for United Water Florida's facilities is done on the larger economic scale of United Water Florida's overall operations and facilities and not on a county by county or a facility by facility basis.

(xi) Staffing requirements are reviewed in the context of United Water Florida's overall operations and

facilities and not on a county by county or a facility by facility basis.

(xii) United Water Florida's other planning is done in the context of United Water Florida's overall operations and facilities and not on a county by county or a facility by facility basis.

(xiii) United Water Florida's budgeting has been on the basis of United Water Florida's overall operations and facilities and not on a county by county or a facility by facility basis.

(xiv) The separate facilities operated by United Water Florida are not substantially different from each other.

(xv) The cost of operating one of United Water Florida's facilities does not vary materially from the cost of operating another of its facilities merely because the facilities are located in different counties.

(xvi) United Water Florida manages and operates its facilities as a single functionally related system.

20. On April 23, 1991, the Board and the Authority filed a motion for reconsideration of Order No. 24335.

21. On June 20, 1991, the Commission issued Order No. 24684 denying the motion for reconsideration.

22. On July 22, 1991, the Board and the Authority filed a Notice of Administrative Appeal of Order No. 24684.

23. On June 5, 1992, the First District Court of Appeal of the State of Florida affirmed the Commission's order and held that

the Commission had exclusive jurisdiction over United Water Florida in St. Johns County. The court stated that:

...the undisputed evidence establishes that these facilities are interrelated administratively and operationally. Thus, the evidence supports the PSC's finding that [UWF's] ... facilities constitute a "combination of functionally related facilities and land", in a word, a "system." Because the service provided by this system crosses county boundaries, it is clear that the PSC has exclusive jurisdiction over [UWF] ... pursuant to subsection 367.171(7).

Board of County Commissioners of St. Johns County v. Beard, 601 So.2d 590 (Fla. 1st DCA 1992).

24. The Commission previously has granted an application involving United Water Florida similar to this Application. In In re: Application for Amendment of Certificate Nos. 236-W and 179-S and for a Limited Proceeding to Adjust Rates in St. Johns County by Jacksonville Suburban Utilities Corporation [now known as United Water Florida], Docket No. 930204-WS, the Commission exercised its jurisdiction, amended United Water Florida's Certificates to include additional service area in St. Johns County, and approved the use of United Water Florida's uniform rates and charges. See Order No. PSC-93-1480-FOF-WS. That application also involved United Water Florida's acquisition of the land and facilities of another utility company.

**Commission Jurisdiction Over
United Water Florida and the Sunray Land and Facilities
and the Inclusion of Sunray's Land and Facilities
in United Water Florida's Single Utility System**

25. Sunray's service area contains a combination of functionally related facilities and land. Sunray employs a uniform

rate structure for its service area. One portion of United Water Florida's functionally related facilities and land, which are a part of its single system, including a part of its existing service area (hereinafter sometimes referred to as the "St. Johns North Area"), is located in close proximity to Sunray's service area.

26. United Water Florida is operating Sunray's Facilities in St. Johns County pursuant to the Operation and Management Agreement. United Water Florida is operating and administering the Sunray Facilities to the extent permitted by the Operations and Management Agreement as another facility in United Water Florida's single utility system whose service transverse county boundaries. Consistent with the operation of United Water Florida's facilities, the Sunray Facilities are:

- (a) Managed from the same office by the same manager.
- (b) Overseen by the same officers of United Water Florida.
- (c) Served by the same engineers, maintenance personnel, customer service representatives, accountants, and other administrative personnel of United Water Florida.
- (d) Tested by the same personnel and independent laboratories.
- (e) Supplied with purchases made in the context of the larger economic scale of United Water Florida's overall operations and facilities and not on a "stand alone" basis.
- (f) Staffed in the context of United Water Florida's overall operations and facilities.

(g) Planned and budgeted for on the basis of United Water Florida's overall operations and facilities.

(h) Not substantially different from the other facilities.

(i) Not materially different in the cost of operation from the other facilities.

27. If the Sunray Facilities are acquired by United Water Florida and are not subject to Commission jurisdiction, United Water Florida will have to own, operate, and administer the Sunray Facilities on a "stand-alone" basis. Under a stand-alone basis, United Water Florida will not be able to pass along the advantages of uniform rates to the customers in Sunray's Service Area and the advantages of uniform rates may be lost to all of United Water Florida's customers.

28. In addition, the problems inherent with potential regulation by two regulators of a single utility system would result in uncertainty and increased costs for United Water Florida and its customers.

29. Because the Commission has exclusive jurisdiction over the Sunray Facilities when acquired by United Water Florida, United Water Florida must comply with the rules and regulations of the Commission concerning the Sunray Facilities. If the Commission did not have exclusive jurisdiction over the Sunray Facilities when acquired by United Water Florida, then the Board of County Commissioners of St. Johns County would have jurisdiction and United Water Florida would be required to comply with the Rules and

Regulations of St. Johns County concerning the Sunray Facilities. The rules and regulations of the Commission differ from the Rules and Regulations of St. Johns County.

30. In the event that St. Johns County has jurisdiction over the Sunray Facilities after they are acquired by United Water Florida, then there will be regulatory inefficiency because the same system and utility company will be regulated by two governmental agencies. A single utility company will be subject to different rules, regulations, and policies on various issues, including but not limited to following: jurisdictional disputes, territorial disputes, rates, charges, service availability policies, and customer service. For example, when United Water Florida files a rate case, it will need to file a rate case with both the Commission and the appropriate authority for St. Johns County. Even if both regulatory agencies agreed as to the total amount of prudently incurred expenses, unless the two regulatory agencies also agreed to use the same percentage allocation of the expenses among the counties in the two rate cases, then United Water Florida risks not receiving sufficient revenue to cover the entire amount of the prudently incurred expense.

31. United Water Florida is providing water and wastewater service in three adjoining counties. United Water Florida provides such service through a single utility system of functionally related facilities. United Water Florida operates separate facilities but operates them in a manner in which the various facilities are treated as a single system and personnel requirements and other

decisions are made for the entire system serving the three counties. United Water Florida does not operate its facilities differently in the various counties and United Water Florida's decisions concerning its facilities are not determined by county boundaries.

32. Accordingly, Applicant requests that the Commission (i) recognize the Sunray Facilities as additional utility facilities in a single utility system whose service transverses county boundaries, (ii) affirm that it has jurisdiction over United Water Florida and the Sunray Facilities, and (iii) exercise such jurisdiction.

Amendment of Certificates

33. Applicant hereby requests that the Commission amend Certificate Nos. 236-W and 179-S to include the service area of Sunray.

34. A legal description of the service area of Sunray (hereinafter sometimes referred to as the "Sunray Service Area") is attached hereto as Exhibit A-4. A territorial map of the Sunray Service Area is attached hereto as Exhibit A-5.

35. Detailed system maps showing the lines and facilities of the Sunray Facilities and the territory served thereby is attached hereto as Exhibits A-6 and A-7.

36. United Water Florida is currently providing water and wastewater service to customers located in the Sunray Service Area under the Operations and Management Agreement. The provision of water and wastewater service to the Sunray Service Area has been and will continue to be consistent with the water and wastewater

section of the local comprehensive plan, as approved by the Department of Community Affairs.

37. As more fully discussed in Paragraphs 70-83 of this Application, United Water Florida has the financial and technical ability to provide water and wastewater service to the Sunray Service Area.

38. The Purchased Assets will be transferred from United Waterworks to United Water Florida as a contribution to the capital of United Water Florida.

39. Exhibits setting forth the capacities of the water and wastewater facilities of the Sunray Facilities are attached hereto as Exhibits A-8 and A-9.

40. Sunray is responsible for all outstanding regulatory assessment fees, fines, and refunds owed. The liability for such fees, fines, and refunds between Sunray and United Waterworks is set forth in Paragraphs 4(c) and 4(d) of the Agreement.

41. Copies of the deeds evidencing Sunray's ownership of the plant sites for the Sunray Facilities are attached hereto as Exhibit A-15. Title to such plant sites shall be transferred to United Water Florida pursuant to the Agreement following the approval of this Application.

42. According to Sunray's 1995 Annual Report filed with the Authority, Sunray's customers for 1995 on a yearly average basis were as follows:

	<u>Water</u>	<u>Wastewater</u>
2" meter	1	1
8" by 2" compound meter	1	1
Other	<u>0</u>	<u>0</u>
Total	2	2

43. A list provided by the Authority of all utilities within a four mile radius of the Sunray Service Area is attached hereto as Exhibit A-21.

44. The most recent Commission order amending United Water Florida's uniform rates is WS-96-0227.

45. An affidavit that United Water Florida has tariffs and annual reports on file with the Commission is attached hereto as Exhibit A-12.

46. The books and records of Sunray are available for review at the two following locations:

Records through 1989
 Jacksonville Utilities Management
 1300 Riverplace Blvd., Suite 620
 Jacksonville, Florida 32207
 (904) 399-8802

Records since 1989
 Sunray Utilities-St. Johns, Inc.
 501 Centre Street
 Fernandina Beach, Florida 32035
 (904) 261-2918

47. Proposed tariff sheets to recognize the amendment to Certificate Nos. 236-W and 179-S are attached hereto as Exhibits A-17 and A-18.

48. In this Application and its exhibits, United Water Florida has provided all of the information required by Section 367.045, Florida Statutes (1995), and the Rules of the Commission

for the approval of an amendment to its Certificates of Authorization to include additional certificated service area, accordingly, United Water Florida requests that the Commission amend its Certificate Nos. 236-W and 179-S to include the service area of Sunray as set forth in Exhibits A-17 and A-18, in United Water Florida's service area.

**Determination of Sunray's Rate Base
and the Inclusion of Sunray's Rate Base
in United Water Florida's Rate Base**

49. Applicant hereby requests that the Commission determine the rate bases of Sunray (i.e., the Net Book Value of the Purchased Assets) in accordance with the formula set forth in the Agreement. See Paragraph 2 and Exhibit C to the Agreement and Exhibit A-20.

50. In Order No. 25501, the Commission used projected permanent plants to set Sunray's initial rates. The rate base of Sunray has not been established by either the Authority or the Commission. Based on information in Sunray's 1995 Annual Report to St. Johns County, the rate bases of Sunray's water and wastewater facilities as of December 31, 1995, were \$865,720 and \$1,216,229, respectively. See attached Exhibit A-20.

51. The rate base of United Water Florida in the utility facilities of Sunray as of the date of the transfer will be \$865,720 and \$1,216,229, respectively, for water and wastewater, plus adjustments for appropriate additions and reductions between December 31, 1995, and the date of transfer.

52. United Waterworks and United Water Florida have the financial ability to purchase the Purchased Assets and operate the

facilities of Sunray. A balance sheet and statement of income of United Waterworks are attached hereto as Exhibit A-14. A balance sheet and statement of income of United Water Florida are attached hereto as Exhibit A-13.

53. It is Applicant's intent that United Water Florida will own and operate the water and wastewater utility facilities which are the subject of this Application upon the approval of the County Applications and this Application, and the transfer of assets to United Water Florida, and, thus, United Water Florida should be allowed to include the cost of such utility facilities in its rate base.

54. The addition of the rate base of Sunray to the rate base of United Water Florida will not materially affect the rate base of United Water Florida for rate-making purposes or for the purpose of complying with other Commission rules and guidelines.

55. Applicant further represents that the approval of this Application will not operate to cause United Water Florida to exceed its last authorized rate of return.

56. Applicant hereby requests that the Commission approve the contribution by United Waterworks of the Certificates and the other Purchased Assets to the capital account of United Water Florida. Applicant further requests that the Commission determine the rate base of Sunray and approve the inclusion of the rate base of Sunray (i.e., the Net Book Value of the Purchased Assets) into the rate base of United Water Florida.

**Use of Limited Proceeding and
Approval of the Application of United Water Florida's
Water and Wastewater Service Rates, Charges, Classifications,
Rules and Regulations, Certain
Service Availability Charges, and Service Availability Policies,
and Certain of Sunray's Service Availability Charges**

57. Applicant hereby requests that the Commission conduct its review and disposition of this Application in the form of a limited proceeding, as provided in Section 367.0822, Florida Statutes (1995).

58. Applicant further requests that the Commission approve the application of (i) United Water Florida's water and wastewater service rates, charges, classifications, rules and regulations, and certain service availability charges and service availability policies and (ii) certain of Sunray's service availability charges, as shown on Exhibit A-16, for Sunray's customers and service area. United Water Florida intends for all of its current service availability charges to apply in the Sunray Service Area, except for its guaranteed revenue charge and its plant capacity charge, which will be replaced by Sunray's guaranteed revenue charge and plant capacity charge.

59. The Commission has previously authorized United Water Florida to employ a uniform set of rates in the three counties in Orders Nos. 22794, 23111, 23708, 23834, and PCS-93-1480-FOF-WS.

60. The requested application of United Water Florida's current rates, charges, classifications, rules and regulations, certain service availability charges and service availability policies and certain of Sunray's current service availability charges, as shown on Exhibit A-16, to Sunray's existing customers

and service area will result in United Water Florida having uniform non-preferential rates for its customers in its entire service area.

61. United Water Florida's rates and charges have already been reviewed by the Commission and are currently being reviewed by the Commission in Docket No. 960451-WS and no additional costs or expenses to either the Commission or United Water Florida will be involved in the approval of United Water Florida's rates and charges.

62. The Commission has found that United Water Florida's water and wastewater rate structures promote water conservation. See Order No. 9533, issued in Docket No. 790316-WS (In re: Application of Jacksonville Suburban Utilities Corporation for an adjustment of rates in Duval County) and Docket No. 790317-WS (In re: Application of Southern Utilities Company for an adjustment of rates in Duval County). In Order No. 9533, the Commission stated that:

We believe that any structure that requires a customer to pay for a minimum number of gallons, whether these gallons are used or not, is discriminatory. . . . We believe the Base Facility Charge Rate Design should be implemented.

. . . .

The primary reasoning supporting this type structure is that each customer would pay his pro-rata share of the related facility costs necessary to provide the service in the Base Facility Charge; and, secondly, he would pay for only the gallons actually consumed under the gallonage charge.

We have made a detailed study of the type, number and classification of the customers, the gallons consumed by customer classification, and the applicability of the Base Facility Charge Rate Design. We believe it should be implemented in this case for the following reasons:

(1) Under this structure, the customers are charged for only the gallons of water used rather than for minimum number of gallons included in the framework of the minimum charge, whether these gallons are used or not.

(2) For those customers who practice conservation, this structure will afford them an opportunity to be recognized and compensated in the form of savings for their conservation efforts.

(3) This type structure would lend itself to solving the "fair-share" problems associated with part-time residents. This Commission recognizes the fact that if these residents do not pay their pro-rata share of the cost of providing their service, the deficiency created would unfairly have to be absorbed in the rates of the year-round residents.

(4) This Commission has the responsibility to insure that rates are structured in such a manner as to be fair, reasonable, just and non-discriminatory. We believe this rate structure meets these criteria. (Emphasis added.)

63. All of the facilities used by United Water Florida to provide water and wastewater utility service to customers in Duval, Nassau, and St. Johns Counties comprise a single water and wastewater system. See Paragraph Nos. 19-24. In Order No. 24335, issued on April 8, 1991, the Commission specifically found that:

[United Water Florida's] combination of functionally related facilities and land is indeed a utility system whose service transverses county boundaries.

64. The requested application of United Water Florida's current rates to Sunray's existing customers and service area will result in cost savings due to a reduction in accounting, data processing, and administrative expenses. Such cost savings will benefit current ratepayers of Sunray as well as current and future ratepayers of United Water Florida.

65. By retaining Sunray's plant capacity charges and guaranteed revenue charges, which are the charges set forth on Exhibit A-16, the level of contributions-in-aid-of-construction ("CIAC") and guaranteed revenue appropriate for Sunray's existing plants will be maintained without adversely affecting United Water Florida's rate structure.

66. Sunray's residential service customers will experience substantially lower rates even though Sunray did not file for a price index adjustment for 1993, 1994, 1995, or 1996. United Water Florida has filed for a rate adjustment in Docket No. 960451-WS. United Water Florida's Residential Service Water Gallonage Charge is thirty-two percent less than Sunray's Residential Service Water Gallonage Charge ($\$1.11/\$1.64 \times 100 = 68\%$). While United Water Florida's Residential Wastewater Gallonage Charge is approximately thirty-nine percent more than Sunray's Residential Wastewater Gallonage Charge ($\$3.02/\$2.18 \times 100 = 139\%$), United Water Florida's Residential Service Wastewater Base Facility Charge is forty-eight percent less than Sunray's Residential Service Wastewater Base Facility Charge ($\$27.75/\$52.98 \times 100 = 52\%$). A comparison of the Residential Service Base Facility Charges is set forth below.

Water Residential Service Base Facility Charges by Quarter

<u>Meter Size</u>	<u>Sunray's Charge</u>	<u>United Water Florida's Charge</u>	<u>Percentage Decrease</u>
5/8"	\$ 45.51	\$ 15.93	65%
3/4	68.28	22.33	67%
1"	113.79	35.10	69%
1-1/2"	227.61	79.81	65%
2"	364.14	156.51	57%
3"	728.28	N/A	N/A
4"	1,137.96	N/A	N/A
6"	2,275.89	N/A	N/A
8"	3,641.43	N/A	N/A

Wastewater Residential Service Base Facility Charge By Quarter

<u>Meter Size</u>	<u>Sunray's Charge</u>	<u>United Water Florida's Charge</u>	<u>Percentage Decrease</u>
All	\$ 52.98	\$ 27.75	48%

Sunray's monthly base facility charges have been converted to quarterly charges.

67. Sunray's general service customers will experience lower combined gallonage charges and most will also have lower base facility charges even though Sunray did not file for a price index adjustment for 1993, 1994, 1995, or 1996. United Water Florida's General Service Water Gallonage Charge is thirty-two percent less than Sunray's General Service Water Gallonage Charge ($\$1.11/\$1.64 \times 100 = 68\%$) and its General Service Wastewater Gallonage Charge is sixteen percent more than Sunray's General Service Gallonage Charge ($\$3.02/\$2.61 \times 100 = 116\%$). A comparison of the General Service Base Facility Charges is set forth below.

Water General Service Base Facility Charges by Month

<u>Meter Size</u>	<u>Sunray's Charge</u>	<u>United Water Florida's Charge</u>	<u>Percentage Decrease <Increase></u>
5/8"	15.17	7.40	51%
3/4"	22.76	9.53	58%
1"	37.93	13.78	64%
1-1/2"	75.87	28.71	62%
2"	121.38	54.27	55%
3"	242.76	143.72	41%
4"	379.32	369.55	3%
6"	758.63	416.40	45%
8"	1,213.81	4,638.54	<282%>

Wastewater General Service Base Facility Charges by Month

<u>Meter Size</u>	<u>Sunray's Charges</u>	<u>United Water Florida's Charges</u>	<u>Percentage Decrease <Increase></u>
5/8"	17.66	10.55	40%
3/4"	26.50	14.59	45%
1"	44.16	23.44	47%
1-1/2"	88.31	53.54	39%
2"	141.29	105.14	26%
3"	282.59	285.80	<19%>
4"	441.55	741.66	<68%>
6"	883.08	836.28	5%
8"	1,412.93	9,360.35	<562%>

68. The use of a uniform set of rates for United Water Florida is consistent with United Water Florida's operation of its water and wastewater facilities as a single utility system.

69. Accordingly, Applicant requests that the Commission approve the application of (i) United Water Florida's water and wastewater service rates, charges, classifications, rules and regulations, and certain service availability charges and service availability policies and (ii) certain of Sunray's service availability charges, as shown on Exhibit A-16, for Sunray's customers and service area, and that the Commission conduct its

review and disposition of this Application in the form of a limited proceeding, as provided in Section 367.0822, Florida Statutes (1995).

Public Interest

70. It is in the public interest for this Application to be approved.

71. The officers of United Waterworks and United Water Florida possess the experience in the water and wastewater industry necessary to maintain the water and wastewater facilities being transferred and to provide for the growth of such facilities to serve the customers in the Sunray Service Area. United Water Resources Inc., the corporate parent of United Waterworks, and its affiliates have been engaged in owning and operating water systems for over one hundred (100) years. The utility systems owned and operated by United Water Resources Inc. and its subsidiaries provide water service to over two million individuals in thirteen states. Several of the affiliates, including United Water Florida, also provide wastewater service to many of their customers. United Waterworks and its affiliates have owned and operated several utility facilities in various and diverse locations in Florida over the past twenty-five years. United Water Florida has provided service in Northeast Florida for the past twenty-five years.

72. As Exhibits A-13 and A-14 clearly demonstrate, United Waterworks and United Water Florida have the financial ability to acquire, operate, maintain, and expand the Sunray Facilities.

73. United Waterworks and United Water Florida have extensive knowledge of regulations and vast experience in working with regulatory agencies.

74. United Waterworks and United Water Florida have substantial experience with acquisitions of utility facilities. Both companies have a proven track record of bringing such utility facilities into compliance with regulatory requirements and then continuing to operate the utility facilities in compliance. During the past ten (10) years, United Water Florida has acquired the utility facilities of nine (9) utility companies. Often, United Water Florida was encouraged by regulatory agencies to acquire such facilities because the facilities were being operated in violation of environmental and other regulatory requirements.

United Water Florida acquired the assets of St. Johns North Utility Corp. ("St. Johns North") when St. Johns North was faced with a moratorium on connections by the DEP. United Water Florida acquired the assets of Ponce de Leon Utility Company of St. Johns County, Inc. ("Ponce de Leon"), when Ponce de Leon needed to expand its utility facilities. In both cases, as well as in all other acquisitions by United Water Florida, United Water Florida has made the necessary plant expansions, brought the utility facilities into compliance with regulatory requirements, is operating the utility facilities in an efficient and economical manner, and is providing excellent, high quality service to its customers.

75. United Water Florida takes pride in its utility system and operations. It has a rotating preventive maintenance program

to maintain its utility system in an economical and efficient manner. The preventive maintenance program has been successful in anticipating and avoiding problems before they develop. A part of the preventative maintenance program utilizes televised inspections of wastewater collection mains to identify potential problem areas. The televised inspections also locate existing problems and confirm that the repairs have solved any previously located leaks or other difficulties.

76. United Water Florida also has been a leader in the use of telemetry in the operation of utility systems. Beginning in the 1970's, United Water Florida developed an alarm system to provide warnings of system malfunctions to company personnel through the use of telephone wires. Several years ago, United Water Florida enhanced its alarm system by installing a Supervisory Control and Data Acquisition system ("SCADA"). SCADA is a radio-based network of remote terminal units which continuously monitor United Water Florida's water treatment plants, wastewater treatment plants, and wastewater lift stations. The remote terminal units are in continuous communication with a central computer. The SCADA system is monitored by operators 16 hours a day and a paging system responds to alarms during the remaining 8 hours. The SCADA system allows United Water Florida to effectively monitor its plants and lift stations 24 hours a day as opposed to the fewer hours of on-site operator attendance required by the DEP. The SCADA system is an efficient, effective, and economical tool for monitoring, operating, and maintaining United Water Florida's utility system.

77. United Water Florida is able to carefully plan for plant expansions and the development of its collection and distribution systems due to its in-house staff of highly trained engineers.

78. United Water Florida has a trained team of customer service representatives and field service representatives, overseen by a customer service department foreman, who are available to investigate questions concerning billing, metered usage, and other customer inquiries. United Water Florida includes its customer service telephone number (725-2865) on its utility service invoices.

79. United Water Florida practices good corporate citizenship by participating in community affairs and encouraging its employees to become active in the community. For example, representatives of United Water Florida and the Regulatory Environmental Services Division of the City of Jacksonville have visited schools and made joint presentations to the students on the importance of water conservation.

80. United Water Florida has been at the forefront in efforts to improve the quality of life through the protection of the environment. The management of United Waterworks and United Water Florida have acted to insure that United Water Florida provides high quality utility service in a manner which protects the environment.

81. United Water Florida has received more than twenty awards during the past twenty years regarding various aspects of its

operations. A description of the awards is attached hereto as Exhibit A-22.

82. Applicant states that the intended transfer will result in the following advantages to Sunray's existing customers:

(a) United Water Florida, with the financial, managerial, and technical support of United Waterworks, will be better able than Sunray to attract capital and to meet the existing and future needs for water and wastewater service in the Sunray Service Area.

(b) As customers of a stable and well financed utility company with a larger customer base, Sunray's customers will experience operating costs, costs of capital, and rates that will be lower both over the short term and the long term.

(c) As set forth in the Agreement, the parties to the Agreement determined that the acquisition of the Sunray Facilities by United Water Florida is in the best interests of the affected public, Sunray, and United Water Florida. Rayonier, the owner of Sunray, also is selling Sunray-Nassau, its only other water and wastewater system, to United Water Florida. Sunray has decided to sell the operating assets of its utility services business and is no longer interested in remaining in the utility services business;

(d) Reliable and high quality service will be provided to Sunray's customers by United Water Florida as a professionally managed and operated utility company with extensive knowledge of utility operations, maintenance, and regulation.

(e) Operating efficiencies will result from the acquisition.

(f) United Water Florida buys water and wastewater related equipment, materials, and supplies in bulk, and believes that it can reduce operating costs through applied economies of scale.

(g) Personnel costs will be reduced by United Water Florida due to more efficient utilization of personnel.

(h) Granting the Application will permit the customers of Sunray to be served by a utility company with a greater number of customers. The larger customer base, in turn, should result in smaller future increases in rates for water and wastewater service paid by the customers of United Water Florida and also should be less than would be the case under Sunray's ownership.

(i) United Water Florida has a broader customer base to absorb the rate impact resulting from any unanticipated construction cost overruns.

(j) Sunray's customers will experience a substantially lower risk of large rate increases necessitated by capital investments from regulatory requirements for specific or isolated treatment plant, effluent disposal, or collection or distribution facilities improvements.

(k) The Sunray Facilities will be owned by a company whose primary business is the operation of water and wastewater utility systems.

83. Applicant states that the intended transfer will result in the following advantages to United Water Florida's existing customers:

(a) The proposed acquisition will be financially self-supporting without affecting existing rates.

(b) The larger customer base should provide additional rate stability in the future.

84. The intended transfer also will result in advantages to concerned regulatory agencies, including the advantages arising when a small utility company will cease to exist.

85. For the reasons set forth in this paragraph and elsewhere in the Application, including but not limited to the benefits to customers set forth in Paragraphs 82 and 83, United Water Florida states that it is in the public interest for this Application to be approved.

Filing Fee and Notice

86. According to the 1995 Annual Report of Sunray, the design capacities of the water and wastewater facilities are 457 equivalent residential connections (hereinafter referred to as "ERCs") and 254 ERCs for water and wastewater, respectively.

87. An application fee in the amount of \$2,000.00 (\$500.00 for amendment of water certificate, \$500.00 for amendment of wastewater certificate, \$500.00 for limited proceeding for water facilities, and \$500.00 for limited proceeding for wastewater facilities) as required by Section 367.145, Florida Statutes

(1995), and by Rule 25-30.020, Florida Administrative Code, is submitted with this Application.

88. An affidavit showing proof of compliance of notification requirements of Section 367.045, Florida Statutes, and Rule 25-30.030, Florida Administrative Code, will be provided as Late Filed Exhibit A-24.

Request for Relief

89. In connection with the foregoing, Applicant hereby requests that the Commission:

(a) Affirm that it has jurisdiction over United Water Florida and the Sunray Facilities and exercise such jurisdiction.

(b) Amend Certificate Nos. 236-W and 179-S to include the Sunray Service Area into United Water Florida's certificated service area.

(c) Determine the rate base of Sunray in accordance with the formula set forth in the Agreement.

(d) Approve the contribution by United Waterworks of the Certificates and the other Purchased Assets to the capital of United Water Florida, and approve the inclusion of Sunray's rate base in United Water Florida's rate base.

(e) Approve the application of United Water Florida's water and wastewater service rates, charges, classifications, rules and regulations, and certain service availability charges, service availability policies, and certain of Sunray's service availability charges, as shown on Exhibit A-16, to Sunray's existing customers

and service area, effective as of the closing date provided in the Agreement.

(f) Confirm that Sunray's Facilities are (i) a part of United Water Florida's functionally related land and facilities, and (ii) a part of United Water Florida's single utility system whose service transverses county boundaries.

(g) Conduct the approval of the Application in a limited proceeding as provided by Section 367.0822, Florida Statutes (1995).

(h) Implement the amendment of Certificate Nos. 236-W and 179-S by approving the tariff sheets attached as Exhibits A-17 and A-18.

WHEREFORE, Applicant requests that the Commission approve each of the requests made in this Application, and that the Commission conduct its review and disposition of this Application in the form of a limited proceeding, as provided in Section 367.0822, Florida Statutes (1995), with regard to the subject matter contained herein.

I, MUNIPALLI SAMBAMURTHI, as Vice President of United Water Florida Inc., do solemnly swear or affirm that the facts stated in the foregoing application and all exhibits attached thereto are true and correct and that said statements of fact constitute a complete statement of the matter to which it relates.

UNITED WATER FLORIDA INC.

M. Sambamurthi

MUNIPALLI SAMBAMURTHI
Vice President

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was sworn and subscribed before me this 7th day of February, 1997, by MUNIPALLI SAMBAMURTHI, as Vice President of United Water Florida Inc., a Florida corporation, on behalf of the corporation. He is personally known to me and did take an oath.

Dianne W. Smith

Notary Public, State of Florida
Print Dianne W. Smith



DIANNE W. SMITH
MY COMMISSION # CC448361 EXPIRES
March 28, 1999
BONDED THRU TRICY FARM INSURANCE, INC.

My Commission expires:
Commission No.:

Additional Information Required
For Amendment of Water and Wastewater Certificates
Pursuant to Section 367.045, Florida Statutes (1995)
and
Rule 25-30.036, Florida Administrative Code

1. The names and addresses of the corporate officers and directors of United Water Florida Inc. ("United Water Florida") are contained in Exhibit A-1 attached hereto and by reference made a part hereof.
2. United Waterworks Inc. ("United Waterworks"), owns or controls only one other water and wastewater utility system in Florida. The other utility system is owned by United Water South Gate Inc., a subsidiary of United Waterworks Inc. and is located in Sarasota County, Florida.
3. United Water Florida owns no other public utility systems.
4. A copy of the Agreement of Purchase and Sale dated August 21, 1996, by and between Sunray Utilities-St. Johns, Inc. ("Sunray"), and United Waterworks is attached hereto as Exhibit A-2 and by this reference made a part hereof.
5. A copy of the Operations and Management Agreement dated August 21, 1996, by and between Sunray and United Water Florida is attached hereto as Exhibit A-3 and by this reference made a part hereof.
6. A legal description of the service area of Sunray is attached hereto as Exhibit A-4 and by this reference made a part hereof. The water service area and the wastewater service area are identical.
7. A map showing Sunray's service area is attached hereto as Exhibit A-5.
8. Detailed system maps showing the location of treatment facilities and Sunray's service area are attached hereto as Exhibits A-6 (water system) and A-7 (wastewater system).
9. Statements describing the capacity of the existing lines and the capacity of Sunray's treatment facilities are attached hereto as Exhibits A-8 and A-9 for water and wastewater, respectively.
10. Schedules of the numbers and dates of any permits issued by the Florida Department of Environmental Protection ("DEP") for Sunray's water and wastewater systems are attached hereto as Exhibits A-10 and A-11, respectively.

11. The types of customers anticipated to be served in the Sunray service area will be primarily single family residential.
12. The most recent order of the Commission establishing or changing United Water Florida's rates is WS-96-0227.
13. An affidavit that United Water Florida has annual reports and tariffs on file with the Commission is attached hereto as Exhibit A-12.
14. A balance sheet and a statement of income of United Water Florida are attached hereto as Exhibit A-13 and by this reference made a part hereof.
15. A balance sheet and statement of income of United Waterworks are attached hereto as Exhibit A-14 and by this reference made a part hereof.
16. The statement of facts relied upon by Applicants to show that the approval of this Application is in the public interest, including a summary of United Water Florida's experience in water and wastewater utility operation and the showing of United Water Florida's experience and financial and technical ability to provide service, is contained in paragraphs 60-84 of the Application and Exhibits A-13 and A-14. United Water Resources Inc., the corporate parent of United Waterworks, and its subsidiaries have been engaged in owning and operating water systems for over one hundred (100) years. The utility systems owned and operated by United Water Resources Inc. and its subsidiaries provide water service to over two million individuals in thirteen states. Several of the subsidiaries, including United Water Florida, also provide wastewater service to many of their customers. United Waterworks and its affiliates have owned and operated several utility facilities in various and diverse locations in Florida over the past twenty-five years. United Water Florida has provided service in Northeast Florida for the past twenty-five years. United Water Florida would further state that it has been regulated by the Commission since 1974 and that the officers of United Waterworks and United Water Florida possess the experience in the water and wastewater utility industry necessary to maintain in satisfactory condition the water and wastewater utility systems being transferred and to provide for the growth in facilities to serve the customers in Sunray's service area.
17. According to the 1995 Annual Report of Sunray, the design capacities of the systems to be transferred are 0.160 MGD and 0.070 MGD for water and wastewater, respectively.
18. United Water Florida anticipates upgrading the wastewater treatment facilities. To the extent technically and

economically feasible, reuse will be considered for effluent disposal, together with discharge to wetlands, the St. Johns River, or both.

19. An application fee in the amount of \$2,000.00 (\$500.00 for amendment of water certificate, \$500.00 for amendment of wastewater certificate, \$500.00 for limited proceeding for water utility system, and \$500.00 for limited proceeding for wastewater utility system) as required by Section 367.145, Florida Statutes (1995), and by Rule 25-30.020, Florida Administrative Code, is submitted with this application.
20. United Waterworks is financing the purchase through its own capital and will transfer the Purchased Assets to United Water Florida as a contribution to capital. United Water Florida does not anticipate that its extension will have a significant impact on its monthly rates and service availability charges.
21. Sunray has provided United Water Florida with copies of all of Sunray's federal income tax returns since 1987.
22. After reasonable investigation, Sunray's system appears to be in satisfactory condition and in compliance with all applicable standards set by the Florida Department of Environmental Protection.
23. Sunray is responsible for the payment of all outstanding regulatory assessment fees, fines, or refunds owed. The responsibility for such fees, fines, and assessments between Sunray and United Waterworks is set forth in Paragraphs 4(c) and 4(d) of the Agreement.
24. Copies of the deeds to the various properties where the utility treatment facilities are located are attached hereto as Exhibit A-15 and by this reference made a part hereof. The deeds indicate that Sunray owns the land upon which the utility treatment facilities are located.
25. A schedule of the service availability charges of Sunray proposed to be continued following the transfer are set forth in Exhibit A-16 attached hereto and by this reference made a part hereof.
26. Tariff sheets to insert Sunray's certificated service area into the certificated service area of United Water Florida and setting forth the service availability charges are attached hereto as Exhibits A-17 and A-18 for the water and wastewater tariffs, respectively, and by this reference made a part hereof.
27. United Water Florida's original certificates, Certificate Nos. 236-W and 179-S, have been filed with this Application or

United Water Florida's Application in connection with Sunray Utilities-Nassau, Inc., and copies of such certificates are attached hereto as Exhibit A-19.

28. The full name, address, and telephone number of the person with Sunray's books and records for the years prior to 1990 are:

Jacksonville Utilities Management
1300 Riverplace Blvd., Suite 620
Jacksonville, Florida 32207
(904) 399-8802

The full name, address and telephone number of the person with Sunray's books and records for the years since 1989 are:

Sunray Utilities-St. Johns, Inc.
501 Centre Street
Fernandina Beach, Florida 32035
(904) 261-2918

29. An exhibit setting forth the methodology of calculating the rate base and purchase price is attached hereto as Exhibit A-20.
30. A list provided by the St. Johns County Water and Sewer Authority of all utilities within a four mile radius of Sunray's service area is attached hereto as Exhibit A-21.
31. A list of awards given to United Water Florida during the past twenty (20) years is attached hereto as Exhibit A-22.
32. An affidavit showing proof of compliance with Section 367.045(1)(a) & (e), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, will be late filed as Exhibit A-23.
33. To the best of United Water Florida's knowledge, its provision of service will be consistent with the water and wastewater sections of the local comprehensive plan, as approved by the Department of Community Affairs.

LIST OF DIRECTORS AND OFFICERS
UNITED WATER FLORIDA INC.

<u>NAME</u>	<u>ADDRESS</u>	<u>TITLE</u>
HENSCH, RICHARD A.	200 Old Hook Road Harrington Park, NJ	President and Director
CHARDAVOYNE, DAVID E.	200 Old Hook Road Harrington Park, NJ	Director
TURNER, JOHN J.	200 Old Hook Road Harrington Park, NJ	Treasurer and Director
SAMBAMURTHI, MUNIPALLI	1400 Milcoe Road P.O. Box 8004 Jacksonville, FL	Vice President
SHAKLEY, ALLAN D.	200 Old Hook Road Harrington Park, N.J.	Secretary
HULMES, W.L.	200 Old Hook Road Harrington Park, N.J.	Assistant Secretary

AGREEMENT OF PURCHASE AND SALE

between

SUNRAY UTILITIES-ST. JOHNS, INC.

and

UNITED WATERWORKS INC.

and EXHIBITS A through G

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT made this 21st day of August, 1996, by and between **SUNRAY UTILITIES - ST. JOHNS, INC.**, a Delaware corporation (hereinafter called the "Seller"), and **UNITED WATERWORKS INC.**, a Delaware corporation, or assigns (hereinafter called the "Purchaser").

BACKGROUND

The Seller owns a water treatment and distribution system (hereinafter called the "Water System") and a wastewater collection, treatment and disposal system (hereinafter called the "Wastewater System"). The Water System and Wastewater System are sometimes herein referred to collectively as the "Utility System";

The Utility System operates under Franchise Certificates (hereinafter called the "Certificates") issued by the Board of County Commissioners of St. Johns County (hereinafter called the "Board"). It serves now and is available to serve in the future certain territory within the boundaries of St. Johns County, Florida as defined by the Certificates.

Because of the lower rate structure and extensive and continuing experience of the Purchaser and its affiliates in operating similar utility systems, among other things, the acquisition of the Seller's Utility System by the Purchaser or an affiliate of the Purchaser is believed by the parties to be in the best interest of the Seller, the Purchaser and the affected public. It is also in the best interests of such parties for United Water Florida Inc., an affiliate of the Purchaser (hereinafter called the

"Operator") to operate and manage the Utility System pending regulatory approval.

The Seller is desirous of: (i) retaining the Operator to operate and manage the Utility System pursuant to a separate Operations and Management Agreement (hereinafter called the "Operations and Management Agreement") between the Seller and the Operator from the effective date of the Operations and Management Agreement; and (ii) selling the Purchased Assets to the Purchaser upon the terms and conditions set forth in this Agreement.

The Purchaser is desirous of purchasing the Utility System and immediately after such purchase making a capital contribution of the Utility System to the Operator. The Operator intends for the facilities and land of the Seller to become a part of the Operator's functionally related land and facilities so as to comprise a part of the Operator's single utility system.

NOW, THEREFORE, in consideration of the premises and of the covenants and agreements herein contained, intending to be legally bound hereby, the Seller and the Purchaser hereby agree as follows:

1. **COVENANT TO SELL AND PURCHASE AND DESCRIPTION OF PURCHASED ASSETS**

The Purchaser hereby offers to buy, and the Seller hereby agrees to sell, the Purchased Assets (hereinafter defined) for the Purchase Price (hereinafter defined) and upon the terms, and subject to the conditions and other provisions hereof.

a. For convenience, the term "Purchased Assets" shall be used to designate all of the assets, business properties and rights both tangible and intangible which the Seller uses in

connection with the operation of the Utility System (but shall not include the "Excluded Assets" described in paragraph 1b. hereof), all of which are being purchased hereunder by the Purchaser and which include, but are not limited to, the following:

(1) The real estate described in Exhibit "A" attached hereto (hereinafter called the "Real Property") and all buildings and improvements owned by the Seller located thereon.

(2) All easements, licenses and rights-of-way and consents owned or used by the Seller for the construction, operation and maintenance of the Utility System.

(3) All water treatment plants, water supply and distribution facilities, wastewater treatment plants, wastewater collection and disposal facilities and other utility plant in service of every kind and description whatsoever, including but not limited to lift stations, transmission mains, distribution mains, supply pipes, collection pipes or facilities, septic tank effluent pumps, valves, meters, meter boxes, hydrants, service connections and all other physical facilities and property installations in use in connection with the Utility System operated by the Seller including, but not limited to, the items of Inventory described in Exhibit "B" attached hereto.

(4) All personal property of the Seller including vehicles, equipment, apparatus, tools, materials, supplies, appliances and construction work in progress.

(5) To the extent transferable by the Seller and subject to such regulatory approvals as may be required, all of the

Seller's certificates, permits, licenses, franchises, easements, and all rights of the Seller to construct, maintain and operate plants and systems for the procuring, treatment, distribution and transmission of water and for the collection, treatment and disposal of wastewater, including sludge and effluent, and every right of every character whatever used or useful in connection therewith; all agencies for the supply of water to the Utility System or others; all water rights, flowage rights and riparian rights, and all renewals, extensions, additions or modifications of any of the foregoing; together with all rights granted to the Seller under the Certificates granted by the Board whether currently held by the Seller or whether granted to the Seller after the date of execution of this Agreement. Upon Closing, this Agreement shall operate as an assignment of all such rights; provided, however, at the Purchaser's request, the Seller shall execute written assignments of such rights. The parties shall cooperate in applying for and obtaining transfer to the Purchaser of all such rights requiring regulatory approval or notice, provided that all fees and charges payable in connection therewith shall be paid by the Purchaser.

(6) All past and current customer records, prints, plans, engineering reports, surveys, specifications, shop drawings, equipment manuals, and other information reasonably required by the Purchaser which are in possession of the Seller or its agents on the Closing Date pertaining to the operation of the Utility System.

(7) Such drawings, including "as built" drawings where available, as are in possession of the Seller or its agents, showing all facilities of the Utility System. Such drawings shall also include any original tracings, sepias or other reproducible material where same is in possession of the Seller.

(8) Cash in an amount equal to (A) connection charges, capacity charges, and other amounts (hereinafter called "Connection Charges"), paid to the Seller prior to Closing for connections not completed at time of Closing and also (B) any funds other than contribution in aid of construction tax impact monies (plus any interest thereon) subject to refund to customers, including developers, or others.

b. Excluded Assets:

(1) Except as provided in paragraph (8) above, cash and bank accounts of the Seller.

(2) Escrow and other Seller provisions sufficient for the payment of federal and state income taxes (including any taxes on contributions in aid of construction). As the Seller remains responsible for filing and satisfying all of its income tax obligations, such escrow or other funds held by the Seller shall remain with the Seller after Closing.

(3) All notes receivable and accounts receivable of the Seller for utility services rendered up to and including the Effective Date of the Operations and Management Agreement, prorated as described therein.

(4) Computer hardware or software (other than hardware normally located on the Real Property) used to run accounting and management information systems owned by an affiliated entity, the use of which is shared in or incidental to the business operations of the Seller and such affiliate.

2. PURCHASE PRICE

The Purchaser agrees to pay as a purchase price (herein called the "Purchase Price") a cash consideration in an amount equal to the Net Book Value (as shown on Exhibit C) of the Purchased Assets at the time of Closing calculated in the manner set forth on Exhibit C, subject to verification of and agreement to the result of the calculation at the time of Closing. The components used to determine the Net Book Value of the Utility System as set forth on Exhibit C shall be calculated in accordance with the National Association of Regulatory Utility Commissioners Uniform System of Accounts.

3. PAYMENT OF PURCHASE PRICE; DEPOSITS

a. Payment. The Purchaser shall pay the Purchase Price to Seller at Closing in cash or in immediately available United States funds. The parties hereto agree that the Purchase Price is neither the highest, nor the lowest, amount that could be justified as a fair value of the Purchased Assets according to the terms and conditions of this Agreement.

b. Deposits. In the event the transfer of the Purchased Assets to the Purchaser has not been approved by Acceptable Orders (as hereafter defined) within nine (9) calendar

months after the later date of the filing with the Florida Public Service Commission ("Commission") and the Board of Joint Applications for the issuance of Acceptable Orders, Purchaser shall deposit with Seller in immediately available United States funds an amount equal to twenty-five percent (25%) of the Net Book Value of the Purchased Assets, calculated in the manner set forth on Exhibit C and on the basis of the financial statements of Seller for the year ending December 31, 1995. Thereafter, unless Acceptable Orders are sooner obtained, deposits in like amounts shall be required on the fourteenth, nineteenth, and twenty-fourth monthly anniversary of the later date of such filing of Joint Applications (collectively, the "Deposit"). The aggregate amount of the Deposit shall be credited against the Purchase Price due at Closing, or returned to the Purchaser, if this Agreement is terminated as provided in paragraph 4.b. below, subject to prorations and adjustments as provided herein. In the event the amount of the Deposit exceeds the amount of the Purchase Price calculated at the time of Closing, the excess, together with earnings on the excess, shall be refunded to the Purchaser.

c. Escrow. The Deposit shall be held in escrow by the Seller in a separate segregated account, and may be invested by the Seller as the Seller shall direct. The amount of the Deposit credited to the Purchase Price at Closing, or returned to the Purchaser upon termination, shall be calculated on the basis of the actual amount deposited by the Purchaser regardless of loss or gain resulting from Seller's investment thereof. All earnings on the

amount of the Deposit shall be paid to the Seller or the Purchaser, or apportioned between them, in accordance with the amount of the Deposit that is paid to the Seller or the Purchaser pursuant hereto.

d. **Acceptable Orders.** For purposes of this Agreement, the term "Acceptable Orders" shall mean orders issued by the Commission and the Board which orders are not appealed or for which a reconsideration is not requested within the applicable time periods: (i) approving the transfer of the Purchased Assets to the Purchaser in accordance with the terms of this Agreement; (ii) approving the transfer of the Purchased Assets from the Purchaser to the Operator in accordance with the terms of this Agreement; (iii) amending the Operator's Certificates of Authorization to allow the Operator to operate the Utility System in the territory served by the Utility System as of the date of Closing, which territory shall include, but not be limited to, the territory described on Exhibit D hereto; (iv) approving the Operator charging the Seller's plant capacity charges and guaranteed revenue charges and the Operator's other than current water and wastewater monthly or other periodic rates and charges to the Seller's existing customers commencing on the date of Closing; and (v) approving the inclusion of the Net Book Value of the Purchased Assets in the Operator's rate base for transfer purposes.

4. MISCELLANEOUS AGREEMENTS

a. During the period of time between the effective date of the Operations and Management Agreement and the Closing Date,

the Operator shall operate the Utility System under the terms of the Operations and Management Agreement to be executed contemporaneously with the execution of this Agreement.

b. In the event that the transaction contemplated herein is not approved by the Commission or the Board by Acceptable Orders, or in the event that the transaction is abandoned by the mutual agreement in writing of the parties, this Agreement shall terminate thirty (30) days after: (i) the date that the Purchaser notifies the Seller that an order is not an Acceptable Order; or (ii) the date of such abandonment, as the case may be. At the end of said thirty (30) days, the Seller shall return the Deposit, together with all earnings thereon, to the Purchaser, plus an amount equal to the undepreciated book value of expenditures incurred by the Operator for capital improvements during the Operator's operation of the Utility System pursuant to the Operations and Management Agreement (less the unpaid balance of any obligations incurred for such capital improvements that are assumed by the Seller).

c. The Seller shall remain responsible for and shall pay all regulatory assessment fees, fines, refunds and other amounts required to be paid by any statute, ordinance, rule, regulation, order or determination made by any governmental regulatory agency for any action or event arising out of the operation of the Utility System prior to the effective date of the Operations and Management Agreement and subsequent to the

termination of this Agreement and the return of the operation of the Utility System to the Seller.

d. The Purchaser shall be responsible for and shall pay all regulatory assessment fees, fines, refunds and other amounts required to be paid by any statute, ordinance, rule, regulation, order or determination made by any governmental regulatory agency for any action or event arising out of the operation of the Utility System during the time that Operator is operating the Utility System pursuant to the Operations and Management Agreement and subsequent to the date of Closing.

e. On or prior to August 1, 1996, the Board of Directors and stockholders of the Seller shall have ratified and approved the execution of this Agreement and authorized the sale of the Purchased Assets and copies of the resolutions certified by the Secretary of the Seller evidencing such ratifications and approval shall have been delivered to the Purchaser.

f. On or prior to August 1, 1996, the Board of Directors of the Purchaser shall have ratified and approved the execution of this Agreement and authorized the acquisition of the Purchased Assets and copies of the Resolutions evidencing such ratifications and approval certified by the Secretary of the Purchaser shall have been delivered to the Seller.

g. During the time that the Operator is operating the Utility System pursuant to the Operations and Management Agreement, the Purchaser agrees to assume all risk of damage to any part of the Purchased Assets. The Purchaser further agrees that no such

damage shall constitute a failure of consideration. In the event of damage to the Purchased Assets, the Purchaser shall have the right to receive all insurance proceeds payable with respect thereto and agrees to restore the same to their original condition with no adjustment to the Purchase Price regardless of the cost of such restoration; provided, however, that in the event this Agreement is terminated as provided herein without a conveyance of the Purchased Assets to the Purchaser, the Seller shall upon such termination reimburse the Purchaser for the amount by which the cost of such restoration exceeded the insurance proceeds available therefor, or the Purchaser shall pay over to the Seller the amount by which the insurance proceeds exceeded the cost of such restoration, as the case may be. In the event of a taking of all or substantially all of the Utility System, the Purchaser shall be entitled to (i) terminate this Agreement or (ii) receive all of the proceeds payable by reason thereof, which shall be applied as a payment on account of the Purchase Price, and within thirty (30) days after the receipt thereof by the Purchaser, and the receipt of Acceptable Orders, Purchaser shall pay the balance of the Purchase Price to the Seller, and the Seller shall convey the remaining portion of the Purchased Assets to the Purchaser as provided herein. In the event of a taking of less than substantially all of the Utility System, the Purchaser shall be entitled to receive all proceeds payable by reason thereof and there shall be no adjustment to the Purchase Price; provided, however, that in the event this Agreement is terminated as provided herein, the Purchaser shall

upon such termination pay over to the Seller the amount of the proceeds from such taking received by the Purchaser.

h. During the time that the Operator is operating the Utility System pursuant to the Operations and Management Agreement, the Purchaser shall secure, maintain, and pay, or cause to be secured, maintained and paid, the premiums for insurance (which may be in the form of blanket coverage including other property owned or operated by the Purchaser or the Operator) covering the Purchased Assets. Such insurance shall be written by sound and reputable insurance companies, in the full insurable value of the Purchased Assets. All policies of insurance shall provide that losses thereunder shall be paid to the parties to this contract as their several interests may appear. All premiums for such insurance shall be paid by the Purchaser when due, and prior to delinquency. The Purchaser shall furnish the Seller with a certificate of insurance evidencing the coverage required by this paragraph.

i. Except as otherwise specifically provided herein, the Purchaser shall assume and agree to pay or discharge all liabilities relating to the operation of the Utility System during the period of the Operator's operation thereof pursuant to the Operations and Management Agreement, and from and after the date of Closing.

5. SELLER'S WARRANTIES

The Seller hereby represents and warrants, and shall represent and warrant at Closing, as follows:

a. The Seller is a corporation duly organized, validly existing, and in good standing under the laws of the State of Delaware, and has full corporate power to carry on its business as now being conducted, to enter into the transactions contemplated by this Agreement, and to carry out the provisions hereof.

b. (i) No provisions of the Articles of Incorporation or Bylaws of the Seller, or of any agreement, including, without limitation, lease, license, franchise or permit, to which the Seller is a party or by which it is bound or is affected, has been or will be violated by the execution and delivery of this Agreement, the performance or satisfaction of any agreement or condition herein contained or provided for upon the part of the Seller to be performed or satisfied, and (ii) all requisite authorizations required by any instruments or agreements existing immediately prior to the Closing for such execution, delivery, performance, satisfaction and consummation by the Seller have been duly obtained.

c. All corporate actions required to be taken by the Seller in authorizing this Agreement and the transactions contemplated hereby have been taken or will be taken by the Closing.

d. This Agreement and all documents executed in connection herewith or pursuant hereto on behalf of the Seller will be duly authorized, validly executed and delivered and will be binding upon the Seller in accordance with their terms.

e. From and after the date of the execution of this Agreement, the Seller will not, without the prior written consent of the Purchaser, dispose of or encumber any of the Purchased Assets, with the exception of any transactions occurring in the ordinary course of the Seller's business.

f. The Seller will permit full examination by the Purchaser's authorized representatives of all existing contractual obligations, physical systems, assets, real estate, rights-of-way, easements, and inventories utilized by the Seller in the ordinary course of business by the Seller.

g. The Seller will do nothing to cause or allow any material depletion of the Purchased Assets nor any material change in the condition of the Purchased Assets, from and after the date of the execution hereof, and shall do nothing to impede the Operator from being able, under the Operations and Management Agreement, to properly maintain such facilities within the custom and usage of the industry up until the date of Closing.

h. The Seller will reasonably cooperate by providing the Operator with reasonable access to records and facilities to assist in the acquainting of the Operator's operating and administrative personnel in the operation of the Seller pursuant to the Operations and Management Agreement.

i. The information provided to the Purchaser by the Seller as provided herein is true and correct to the best of the Seller's knowledge.

j. Except to the extent that the Purchased Assets are in the possession of the Purchaser or the Operator pursuant to the Operations and Management Agreement, or are located on property which is not owned by the Seller, the Seller is in sole and exclusive possession of the Purchased Assets and the Seller is delivering sole and exclusive possession of the Purchased Assets to the Purchaser.

k. Except for Permitted Encumbrances provided for below and the requisite authorizations and consents of the applicable governmental authorities with respect to the sale and transfer of all licenses and permits to own and operate the Utility System, the Seller is the owner of the Purchased Assets.

l. Except for the Permitted Encumbrances set forth below, there are no liens, claims or encumbrances of whatever type or nature upon or against the Purchased Assets, including but not limited to, financing statements or security instruments filed under the Uniform Commercial Code within the county where the Purchased Assets are located or with the Secretary of State.

m. As of the date of this Agreement, regulations applicable to the Real Property do not prohibit the existing operation of the Utility System thereon, and the Utility system is being operated in accordance with applicable permits. This representation of the Seller shall not survive the Closing. If prior to Closing, the Purchaser determines that, as a result of the act or omission of the Seller, the operation of the Utility System is: (i) prohibited by zoning regulations applicable to the Real

Property; or (ii) not in accordance with applicable permits, the Purchaser shall have the right to terminate this Agreement and to receive a refund of the Deposit, whereupon neither party shall have any further rights or obligations hereunder.

n. All water and wastewater lines and all other water and wastewater service facilities are located on the Real Property, in dedicated public rights-of-way or utility easements set forth in recorded plats, or in easements created by express grant which easements or the Seller's rights therein shall be conveyed to the Purchaser at Closing. Copies of all plats and easements shall be delivered to the Purchaser by the Seller prior to the Closing or at Closing.

o. Except as disclosed to the Purchaser in writing at or prior to the date of the Closing, the Seller has no knowledge and has not been notified of the existence of any violation of any statutes, ordinances, governmental rules, regulations, permits, conditions, or other governmental requirements of any type or nature including, but not limited to, those of the U.S. Environmental Protection Agency, Florida Department of Environmental Protection, St. Johns County Commission, St. Johns River Water Management District and the Board applicable to the ownership, maintenance, construction or operation of the Utility System, nor of any conditions which by reason of the passing of time or the giving of notice would constitute such a violation.

p. There exists no employment contract under which the Seller is the employer which cannot be canceled with thirty (30)

days' notice or less, and without the payment of any consideration for such cancellation.

q. The Purchased Assets include all assets that are required in order to enable the Purchaser to operate the Utility System, and will be transferred by the Seller to the Purchaser.

r. The Seller shall perform all of the conditions to Closing which should be performed by the Seller prior to the Closing as provided herein.

s. There are no legal proceedings or governmental investigations pending before any court, governmental body, or any other duly constituted tribunal, or, to the best of the Seller's knowledge, threatened or in prospect, against or relating to the Seller or its business or properties, the results of which, if adversely determined, could materially adversely affect the financial condition, assets or conduct of the business of the Seller, or against or relating to the transactions contemplated by this Agreement.

6. PURCHASER'S WARRANTIES

The Purchaser hereby represents and warrants, and shall represent and warrant at Closing, as follows:

a. The Purchaser is a corporation duly organized, validly existing, and in good standing under the laws of the State of Delaware, and has full corporate power to carry on its business as now being conducted, to enter into the transactions contemplated by this Agreement, and to carry out the provisions hereof.

b. (i) No provision of the Articles of Incorporation or Bylaws of the Purchaser, or of any agreement, including, without limitation, lease, license, franchise or permit, to which the Purchaser is a party or by which it is bound or is affected, has been or will be violated by the execution and delivery of this Agreement, the performance or satisfaction of any agreement or condition herein contained or provided for upon the part of the Purchaser to be performed or satisfied, and (ii) all requisite authorizations required by any instruments or agreements existing immediately prior to the Closing for such execution, delivery, performance, satisfaction and consummation by the Purchaser have been duly obtained.

c. All corporate actions required to be taken by the Purchaser in authorizing this Agreement and the transactions contemplated hereby have been taken or will be taken by the Closing.

d. This Agreement and all documents executed in connection herewith or pursuant hereto on behalf of the Purchaser will be duly authorized, validly executed and delivered and will be binding upon the Purchaser in accordance with their terms prior to the Closing.

e. The Operator is currently licensed to operate or construct water and wastewater systems similar to the Utility System in the State of Florida, and the Purchaser has not been notified of the existence of any violation of any governmental rules, regulations, permits, conditions, or other governmental

requirements of any type or nature applicable to the ownership, maintenance, construction or operation of such licenses or permits currently held by the Purchaser or the Operator which have not been corrected or to which a proper response has not been made, nor of any conditions which by reason of the passing of time or the giving of notice would constitute such a violation.

f. The Purchaser agrees to diligently and in good faith pursue the transfer to the Purchaser of all permits and rights which require regulatory approval as contemplated by paragraph 1.a(5) above.

g. There are no legal proceedings or governmental investigations pending before any court, governmental body, or any other duly constituted tribunal, or, to the best of the Purchaser's knowledge, threatened or in prospect, against or relating to the Purchaser or its business or properties, the results of which, if adversely determined, could materially and adversely affect the financial condition, assets or conduct of the business of the Purchaser, or against or relating to the transactions contemplated by this Agreement.

h. The Purchaser has the ability to pay the Purchase Price as provided herein.

7. ENVIRONMENTAL ACCOUNTABILITY

a. This transaction is a commercial transaction by and between knowledgeable parties in the same industry for the purchase and sale of Real Property which has been previously used by the Seller as private wastewater and water utility plants and systems.

The Real Property has been valued by and through negotiations, and is sold and purchased by and between the parties for and as a commercial purpose. The Seller represents that the wastewater and water systems at or upon the Real Property were built by it in 1989, upon a tract of land which the Seller knows to have been used by its affiliated predecessors in title as commercial pine plantation timberland from 1943 until the Real Property was conveyed to Seller.

b. For purposes of this Agreement, "Risk Substances" consist of "hazardous wastes," "hazardous substances," "hazardous materials," "oil" and "petroleum products" each of which shall have the meanings set forth in the Federal Resource Conservation and Recovery Act (RCRA, 42 U.S.C. 6901 et. seq., together with all amendments and re-enactments thereto), the Federal Comprehensive Environmental Response Compensation and Liability Act (CERCLA/Superfund/SARA, 42 U.S.C., 9601, et seq., together with all amendments and re-enactments thereto), the Federal Hazardous Materials Transportation Act, the Federal Clean Water Act, and corresponding state and local laws and ordinances, as such acts, laws, or ordinances are currently in effect. The term "hazardous waste" shall include, without limiting the generality of the foregoing, polychlorinated biphenyls ("PCBs"), chemicals covered by one or more provisions of the Emergency Planning and Community Right-to-Know Act of 1986, (42 U.S.C. §§11001-11050, and its implementing regulations,) and substances or materials which would constitute the basis for the necessity of taking remedial or

protective action if required to comply with any of the foregoing acts, laws or ordinances. To the best of the Seller's knowledge, there is no asbestos incorporated into utility plants and structures on, in, or under the Real Property; and in any event, there is no asbestos located on the Real Property with respect to which removal, encapsulation, or other preventative action is required by law, rule, or regulation.

c. The Seller has no knowledge of and the Seller's records do not disclose any ground water, surface water, or soil contamination of the Real Property caused by any Risk Substance which was released or which migrated from the Real Property which would or could necessitate taking remedial or protective action. There are no enforcement actions or, to the knowledge of the Seller, any investigations pending by any federal, state, or local governmental agency or any pending claims or complaints by any private third parties regarding spills, leaks, or losses of Risk Substances on the Real Property. The Seller has no knowledge of and the Seller's records do not disclose that any risk Substances are being generated, used, stored, treated, or currently being, or have been, spilled, released, discharged, disposed of, placed, or otherwise caused to become located in, on, under, or upon any of the Real Property or the structures thereon, except for such Risk Substances as are presently, and as of the Closing Date will be, lawfully and safely present on the Real Property.

d. The records of the Seller do not reflect and Seller has no knowledge of the use on the Real Property of any Risk

Substance other than those treatment chemicals normally associated with the operation of wastewater and water utility systems, including also the oils, gasoline, diesel fuel, grease, solvents and/or detergents as might be used ancillary to operation of mechanical equipment, including motor vehicles, at, upon or across the Real Property in connection with construction and its normal use. The records of the Seller do not reflect and the Seller has no knowledge of any past or present use by consent or by trespass of the Real Property for disposal of Risk Substances. The records of the Seller do not reflect and the Seller has no knowledge of any claim or notice of violation of any Federal, State or local law, regulation or ordinance governing the use, handling, storage or disposition at or upon the Real Property of any Risk Substances. To the best of Seller's knowledge, there are not now nor have there been underground storage tanks used for the storage of Risk Substances on the Real Property.

e. The Purchaser has the opportunity to examine the Real Property from the inception of negotiations through closing. Within one hundred twenty (120) days of the Effective Date of the Operations and Management Agreement, the Purchaser shall complete a Phase I site investigation to determine the presence of Risk Substances in or under the Real Property. It is the Purchaser's responsibility to have the site investigation completed within the required time frame, and if the site investigation is delayed or incomplete, the Purchaser and the Operator shall be deemed to have elected to accept the Real Property in its condition existing on

the Effective Date. If the Purchaser's site investigation reveals Risk Substances which would mandate remediation under U.S. Environmental Protection Agency or Florida Department of Environmental Protection laws or regulations, or the presence of Risk Substances not naturally occurring in ambient sampling, even if not requiring remediation, the Purchaser and the Operator as their exclusive remedy shall provide immediate notice thereof to the Seller, and upon tender and assignment of the Purchaser's site investigation report, including an assignment of the contract by which the report was undertaken, and all engineering, testing and support data, the Purchaser and the Operator shall have the right to unilaterally cancel this Agreement and the Operations and Management Agreement at the same time abandoning any legal or equitable rights in the land to the Seller and returning to the Seller any title evidence, surveys or other similar documents received from the Seller and the Purchaser's copy of this Agreement, whereupon all rights and liabilities of the parties hereunder and under the Operations and Management Agreement shall cease. If the site investigation reveals (a) no contamination, or (b) only trace constituents of naturally occurring Risk Substances not mandating remediation, then this Agreement shall proceed to closing, and at closing the Property shall be conveyed from the Seller to the Purchaser.

f. The Purchaser and the Operator covenant with the Seller that in the event any Risk Substance is discovered on the Real Property after the Effective Date, neither the Purchaser nor

the Operator shall bring suit against the Seller or seek other legal recourse against the Seller, or make any claim, crossclaim or counterclaim against the Seller as a result thereof, unless the Purchaser or the Operator reasonably believes that such contamination was placed on the Real Property by the negligent or intentional act of the Seller after the Effective Date, or is attributable to a violation of the Seller's permits governing the operation of its water and wastewater utility systems occurring prior to the Effective Date. The Purchaser and the Operator, on the one hand, and the Seller, on the other hand, are not hereby and shall not be required to indemnify or hold harmless one another for any judgments, damages, punitive damages, penalties, fines, costs, liabilities, sums paid in settlement of claims, interest, losses, attorneys' fees, (including any fees and expenses incurred in enforcing this indemnity), consultant fees and expert fees (hereinafter called "Damages") that arise directly or indirectly from or in connection with any environmental remediation or cost recovery action brought against the Seller, the Purchaser and the Operator (or any combination of such parties) by any federal, state, municipal or local governmental body or agency. The Seller shall indemnify and hold the Purchaser and the Operator harmless from and against all Damages arising out of claims of third parties (other than remediation actions by governmental bodies or agencies, as noted previously) resulting from contamination of or by the Real Property, not disclosed in the site investigation report, and proven to have occurred prior to the Effective Date. The Purchaser

and the Operator shall indemnify and hold the Seller harmless from and against all Damages arising out of claims of third parties (other than remediation actions by governmental bodies or agencies, as noted previously) resulting from contamination of or by the Real Property which occurs after the Effective Date, unless such Damages arise from contamination placed on the Real Property by the negligent or intentional act of the Seller after the Effective Date, or such Damages arise out of a violation of the Seller's permits governing the operation of its water and wastewater utility systems preceding the Effective Date.

g. This paragraph 7 sets forth the exclusive rights, duties, liabilities and obligations of the parties to this Agreement with respect to the matters set forth in this paragraph. The provisions of the Indemnification and Hold Harmless Agreement executed by the Seller, the Purchaser and the Operator simultaneously with the execution of this Agreement are not intended to affect and shall not affect the rights, duties, liabilities or obligations of the Seller, the Purchaser or the Operator with respect to such matters.

8. PERMITTED ENCUMBRANCES

a. The Permitted Encumbrances shall not be deemed or construed to render the Seller's title to the Real Property unmarketable, and the Purchaser shall not have the right to refuse to close by reason thereof, and the Purchase Price for the Purchased Assets shall not in any respect be reduced by reason thereof. The Purchaser shall notify the Seller in writing no later

than 60 days after receipt of the title insurance commitments pursuant to paragraph 12 hereof, of any alleged defect in the Seller's title to the Real Property (other than those excepted herein and the Permitted Encumbrances), such written notice to include all exceptions, encumbrances, liens, easements, covenants, restrictions or other defects in the Seller's title to the Real Property (other than the Permitted Encumbrances) which, in the reasonable opinion of the Purchaser's counsel, render or may render the Seller's title to the Real Property unmarketable and/or uninsurable. Any objections to title to the extent not shown on the notice furnished the Purchaser in accordance with the provisions of this paragraph shall be deemed to have been waived by the Purchaser for all purposes hereof and the Purchaser shall not be entitled to any damages or other remedies. The Seller shall be entitled to ninety (90) days time to eliminate any of the objections to title set forth in the Purchaser's notice. The Seller is not, however, under any obligation to remove any objection to title, and is not under any obligation to bring any action or proceeding in order to make title to the Real Property marketable. In the event the Seller shall be unable to deliver title herein required, then the Purchaser shall have only the following rights: (a) to accept whatever title the Seller is able to convey without any abatement of the Purchase Price, or (b) to reject title. The Purchaser shall not be entitled to any other rights or remedies. If the Purchaser shall reasonably reject title under (b), neither party shall have any further liability

whatsoever hereunder, and in such event the Seller shall pay all costs of the title insurance commitments. The Purchaser shall not object to title by reason of the existence of any mortgage, lien, encumbrance, covenant, restriction or other matter, provided (a) the same may be satisfied with the payment of money and the Seller, at its option, elects to do so by paying same at or prior to Closing; or (b) any mechanic's lien or other encumbrance which can be released of record, bonded or transferred of record to substitute security so as to relieve the Real Property of such mechanic's liens or other encumbrances by the Seller at or before Closing and the Seller elects to do so prior to Closing; or (c) the title insurance company issuing the title insurance commitments referred to above is willing to affirmatively insure against such matter and is willing to insure against the enforcement thereof against the Real Property.

b. As used above, "Permitted Encumbrances" means and includes the following:

(1) All present and future building restrictions, zoning regulations and all present and future laws, ordinances, resolutions, regulations and orders of any governmental authority having jurisdiction over the Real Property and the use thereof as represented herein; provided, however, that such restrictions, regulations, laws, ordinances, resolutions and orders shall not as of the Closing Date materially impair the existing or reasonably anticipated future operation of the Utility System.

(2) Easements, restrictions, reservations, rights-of-way, conditions and limitations of record, if any, which are not coupled with any reverter or forfeiture provisions, including (without limitation) any drainage, canal, mineral, road, or other reservations of record in favor of the State of Florida or any of its agencies or governmental or quasi-governmental entities, or as may be set forth in any "Murphy Deeds," none of which however shall materially impair or restrict the use of the Property for the operation of the Utility System.

(3) All of the matters shown as Permitted Encumbrances on Exhibit "E" attached hereto and such other matters as are permitted under the terms of this Agreement.

9. CONDITIONS PRECEDENT TO CLOSING

The obligations of each party to close the transaction contemplated by this Agreement are subject to the conditions that, on the Closing Date:

a. No action for injunctive relief shall have been filed against either party which prevents or if granted would prevent the sale and acquisition of the Purchased Assets as contemplated hereby.

b. Each party shall have performed all the undertakings required to be performed by it under the terms hereof prior to or at Closing, unless previously waived by the other party.

c. The Purchaser and the Seller shall have executed the Indemnification and Hold Harmless Agreement in substantially the form attached hereto as Exhibit "F".

d. All warranties and representations herein of both parties shall be true as of the Closing Date, unless waived by the other party.

e. Acceptable Orders of the Commission and the Board shall have been obtained.

f. All certificates, permits, licenses, franchises and other rights required for the operation of the Utility System shall have been transferred or shall, in the reasonable opinion of the Seller and the Purchaser, be transferable from the Seller to the Purchaser.

10. REGULATORY MATTERS

a. The Purchaser, with the cooperation of the Seller, shall be responsible for securing Acceptable Orders of the Board and the Commission pursuant to the requirements of Section 367.071, Fla. Stat., and Section 7, St. Johns County Ordinance No. 89. However, the applications for the approval of such transfer shall be entitled "Joint Application," as is customary in the practice, and the Purchaser and the Seller shall execute same. Such Joint Applications shall be filed as soon as practical after the execution hereof, and the Seller agrees to use its best efforts to cooperate with the Purchaser, as reasonably suggested by the Purchaser, and the Purchaser agrees to use its best efforts, to obtain approval of the Joint Applications.

b. It is the intention of the Purchaser to put into effect for the Utility System the rates and charges which are in effect for the Operator's customers in Duval, St. Johns and Nassau

Counties except that the Purchaser intends to leave in effect the Seller's plant capacity charges and guaranteed revenue provisions.

11. DUE DILIGENCE REVIEW

During the period from the date of this Agreement and continuing for sixty (60) days thereafter (hereinafter called the "Due Diligence Period"), the Purchaser may, at its own expense, conduct a due diligence investigation of the Purchased Assets and the utility business of the Seller. The Seller shall allow the Purchaser, and any consultants and advisers of the Purchaser to have reasonable access, during normal business hours, to the Purchased Assets, physical systems, real estate, rights-of-way, easements, inventories, properties, offices, facilities, contractual obligations, financial data, operating data and all financial, accounting, engineering and other books and records of the Seller related to the utility business and its financial and legal condition, as the Purchaser deems necessary or advisable. The Purchaser at its expense may make copies or extracts of the Seller's documents and records related to the utility business as the Purchaser may desire, including without limitation, customer records as required by the Purchaser. The Seller shall cause the officers and employees of the Seller to cooperate with and assist the Purchaser in performing its due diligence as contemplated hereby to the extent consistent with the performance during normal business hours of their duties and responsibilities for the Seller. The Purchaser shall cause its employees, agents, other consultants and advisors to conduct such review of the Seller in such a manner

as to minimize the interference resulting from the conduct of such review with the daily operations of the Seller. If the purchase and sale transaction is not consummated, each party shall, upon the request of the other party, either return or destroy promptly all confidential information of the other party that may be in its possession, provided that one copy may be retained by counsel of each party solely for record purposes. Each party will promptly provide to the other party a certificate signed by an officer of such party confirming that all such materials have been returned or destroyed.

12. CLOSING DATE AND CLOSING

a. Provided the conditions to be performed prior to Closing have been performed, this transaction shall be closed (herein called the "Closing") within thirty (30) days after the issuance of the last of the Acceptable Orders and the expiration of all times for rehearing and appeal of such Orders without any rehearing or appeal having been requested or taken as provided herein, unless the parties mutually agree in writing to alter such period.

b. At Closing:

(1) The Seller shall deliver to the Purchaser a special warranty deed conveying the Real Property to the Purchaser. All documentary stamps on the deed of conveyance of the Real Property included in the Purchased Assets shall be paid by the Seller. The amount of the documentary stamps on the deed shall be based on the value of the real property assigned by the Commission

to the real property of the Utility System in connection with the Commission's determination of the rate base of the Utility System for purposes of transfer pursuant to Section 3d. hereof.

(2) Ad valorem taxes on the Purchased Assets for the year of Closing, shall be prorated as of the Closing Date.

(3) Credit shall be given to the Purchaser for the Deposit and same shall offset against the amount of the Purchase Price payable at Closing.

(4) Except as provided herein or in the Operations and Management Agreement, all taxes and assessments accrued or owed by the Seller and unpaid as of the effective date of the Operations and Management Agreement, and all ad valorem taxes unpaid as of the date of Closing shall be and remain the obligation of the Seller. All taxes and assessments imposed or attempted to be imposed upon the Utility System for the period during which the Operator is operating the Utility System pursuant to the Operations and Management Agreement, and all ad valorem taxes accruing after the date of Closing, shall be the obligation of the Purchaser.

(5) Except as provided in this Agreement, sums held or collected by the Seller for Connection Charges, advances for construction, or meter installation fees where such construction or installation has been completed, and working capital allowances shall remain the Seller's sole and separate property with no claim of the Purchaser therefore.

(6) All transfers required or necessary hereunder shall take place at Closing, unless extended by mutual consent.

(7) Each party shall be responsible for its own respective closing costs.

(8) Each of the respective parties hereto shall pay the fees of its own attorneys, engineers, accountants, and other professional advisers or consultants in connection with the negotiation, preparation and execution of this Agreement and any documents associated with the closing of the sale and purchase transaction contemplated herein.

(9) All bills for services rendered in connection with the additions, improvements or betterments of the Utility System prior to the effective date of the Operations and Management Agreement shall be paid by the Seller.

(10) Contemporaneously with the execution of this Agreement, or as soon as practical but in no event later than ninety (90) days following the execution of this Agreement, the Seller will provide to the Purchaser, the following:

(a) For the Seller, the balance sheet as of December 31, 1995, and an income statement for the period from January 1, 1996, through June 30, 1996.

(b) A schedule and copies of all other agreements entered into between the Seller and other parties which would or might be considered to be an encumbrance upon the Purchased Assets.

(c) A legal description of all of the Real Property. In addition, a legal description of all parcels in the service area of the Utility System owned by the Seller.

(d) Existing surveys of all the Real Property.

At the Purchaser's request made within ninety (90) days after the date hereof, the Seller shall furnish to the Purchaser within ninety (90) days prior to the Closing Date updated surveys of the Real Property owned by the Seller prepared by a Florida licensed surveyor in accordance with the minimum detailed standards adopted by the Florida Society of Professional Land Surveyors in accordance with Florida Statutes 472.027. Said survey(s) shall set forth the area contained in such parcel of property, together with all existing easements, alleys, streets and roads thereon; show any encroachments or any protrusions from the property; show all existing improvements constructed thereon and distances to boundary lines; show ingress and egress to the property either over dedicated public streets or over recorded easements benefitting the property providing access to the property; and state the flood zone of the property determined by the Department of Housing and Urban Development under the Federal Flood Protection Act, as amended. The Seller shall pay the cost of the surveys prior to or at the Closing.

(e) A description of all private easements and rights-of-way owned or used by the Seller for the construction, operation and maintenance of the Utility System.

(f) Inventory of all equipment, vehicles, tools, parts, laboratory equipment, office equipment, unset or reserved meters, and other personal property located on or in connection with the property that is being acquired by the

Purchaser pursuant to this Agreement, together with a schedule showing the nature of the ownership or use rights thereof of the Seller. With respect to this personal property, the Seller represents that same will not be depleted prior to the Closing except in the normal and ordinary course of the operation of the Utility System by the Seller and replacements and additions thereto will be acquired by the Seller prior to Closing in the normal and ordinary course of the operation of the Utility System by the Seller.

(g) Copies of current or active permits, applications or other documents required for the operation of the Utility System, together with effective dates and expiration dates (if any) demonstrating approval of the facilities of the Utility System by all applicable governmental authorities, including, but not limited to: (i) Florida Department of Environmental Protection, (ii) St. Johns River Water Management District, (iii) St. Johns County, (iv) the Board, and (v) the St. Johns County Water and Sewer Authority.

(h) A list of customer deposits by name and account number, setting forth the amount of each individual deposit and the aggregate total thereof. This item shall be furnished by the Seller at or prior to the execution of this Agreement.

(i) Plans and Specifications of any water distribution mains, wastewater collection lines, lift stations and any other facility designed or under construction as of the date of this Agreement, if any. This information will be amended at

Closing to add such facilities the construction of which has commenced after the date of this Agreement.

(j) A schedule of all existing warranties by third parties respecting completed or in progress construction

(k) The form of deed contemplated herein, to be executed and delivered by the Seller to the Purchaser at time of Closing.

(l) The form of bill of sale contemplated herein, to be executed and delivered by the Seller to the Purchaser at time of Closing.

13. TITLE INSURANCE

Good and insurable title to the Real Property shall be conveyed free and clear of all liens, claims and encumbrances, except for Permitted Encumbrances. As soon as practicable after the execution of this Agreement, the Seller shall deliver to the Purchaser a title insurance commitment covering the Real Property reflecting the Seller's title to such Real Property to be good, marketable and insurable. Where access to any parcel of the Real Property is not provided by a dedicated public right-of-way, the title commitment shall insure to the Purchaser a private easement of ingress and egress providing access to such property. At Closing the Seller shall deliver to the Purchaser an owner's title insurance binder covering the Real Property in the amount of that portion of the Purchase Price allocable to the Real Property (and private easements giving the Purchaser the right of ingress and egress to each parcel of the Real Property to which access is not

provided by a dedicated public right-of-way) as set forth in paragraph 12b(1) above from a reputable title insurance company acceptable to the Purchaser, showing the title to be free and clear of all liens and encumbrances except for matters appearing on the survey and the Permitted Encumbrances. The Seller will execute at or prior to Closing in favor of the title insurance company a mechanic's lien affidavit and "Gap" Affidavits sufficient to allow such title insurance company to delete all standard exceptions other than matters appearing on the survey. Title to the Real Property will be conveyed to the Purchaser at Closing by special warranty deed and title to the personal property to be conveyed will be conveyed by Bill of Sale containing general warranties of title. After closing instruments have been recorded in the public records, the Seller shall provide the owner's title insurance policy issued on the binder and shall have the applicable underlying abstract covering the real property delivered to the Purchaser. The entire cost of the title policy premium shall be borne by the Seller.

14. SELLER AND PURCHASER COOPERATION

The Seller will permit full examination by the Purchaser's authorized representatives of all existing financial and accounting books and records of the Seller, contractual obligations, physical systems, assets, real estate, rights-of-way, easements, inventories and all of the records utilized or prepared by the Seller in the course of conducting the business of the Utility System. The Seller will also reasonably cooperate by opening records, providing

access to records and facilities and assisting the Operator's operating and administrative personnel with the examination of the operation of the Seller. In the event that the purchase and sale transaction is not consummated as contemplated in this Agreement and the Operator is in possession of the Utility System pursuant to the Operations and Management Agreement, the Operator shall permit full examination by the Seller's authorized representative of all existing financial and accounting books and records relating to the Utility System, contractual obligations, physical systems, assets, real estate, rights-of-way, easements, inventories and all other records utilized or prepared by the Operator in the course of conducting the business of the Utility System in connection with the return of the possession of the Utility System to the Seller.

15. SELLER'S OR PURCHASER'S DEFAULT

If the sale of the Purchased Assets is not consummated by reason of any breach or default hereof, then the nondefaulting party may pursue any remedy at law or in equity available including the remedy of specific performance to compel the defaulting party to act or perform in accordance with any of the requirements of this Agreement.

16. UTILITY SERVICE AGREEMENTS

The Purchaser acknowledges that the Seller has entered into certain utility service agreements (hereinafter called the "Developer Agreements") for the provision of water and wastewater services as described in the List of Service Agreements attached hereto as Exhibit "G", copies of which have been provided to the

Purchaser. On the Effective Date, as defined in the Operations and Management Agreement, the Seller shall provide the Operator with a Schedule of Developer Agreements as of the Effective Date. The Schedule of Developer Agreements shall include the following: development name, date of agreement, developer's name, identification of current assignee of developer's rights if other than developer, number of water equivalent residential connections ("ERCs") reserved, number of water ERCs connected, number of water ERCs for which developer has paid connection fees but which have not been connected, number of wastewater ERCs reserved, number of wastewater ERCs connected, number of wastewater ERCs for which developer has paid connection fees but which have not been connected, and the amounts and descriptions of other payments which have been made by developer. The Purchaser agrees to assume the Seller's obligations pursuant to the Developer Agreements at Closing and to indemnify and hold the Seller harmless from any claims, losses or expenses resulting from the assumption of such obligations by the Purchaser. Purchaser shall not assume the Seller's obligations pursuant to any Developer Agreements other than the Developer Agreements described within this paragraph. This provision shall survive Closing and be a continuing obligation of the Purchaser.

17. DISPUTE RESOLUTION

a. The parties desire to settle future disputes which may arise between them with respect to the transactions

contemplated by this Agreement without litigation, and agree to engage in good faith negotiations to resolve any dispute which may arise. In the event the parties are unable to resolve a dispute by negotiation, the dispute shall be submitted to arbitration in Jacksonville, Florida, in accordance with the Florida Arbitration Code, Chapter 682, Florida Statutes (1995), as it exists at the time of the submission of the dispute to arbitration. The award rendered by the arbitrators appointed in accordance with the terms of this paragraph shall be binding upon the parties and judgment on the award may be entered in any court having jurisdiction thereof.

b. Each dispute shall be referred to three arbitrators, one to be appointed by the Purchaser/Operator, one to be appointed by the Seller, and the third to be appointed by the two arbitrators appointed by the parties. If the two arbitrators so appointed fail to agree upon a third arbitrator within ten (10) days after the appointment of the second arbitrator, then, upon notice to the other party or parties, any party may make an application to the court of competent jurisdiction in Jacksonville, Florida, for the appointment of a third arbitrator, and such appointment shall be binding on all parties to the dispute.

c. Written notice of a demand for arbitration by any party shall be served on the other party or parties, naming the arbitrator selected by the party demanding arbitration and specifying in detail the nature of the dispute (the "Arbitration Notice"). If the other party shall refuse or neglect to notify the

party demanding arbitration of the appointment of an arbitrator within 20 days after receipt of the Arbitration Notice, the arbitrator appointed by the first party shall proceed to arbitrate and determine the matters of disagreement. The award of any two (2) arbitrators, or the single arbitrator, as the case may be, in writing signed by the arbitrator or arbitrators shall be final, provided that such award shall be made within 120 days after the date of the Arbitration Notice. If the single arbitrator or a majority of the three (3) arbitrators so appointed fail to reach a decision as to a resolution of the dispute within 120 days after the date of the Arbitration Notice, any party to the dispute, upon notice to the other party or parties to the dispute, may apply to the court of competent jurisdiction in Jacksonville, Florida, for the appointment of an umpire who shall decide upon a resolution of the dispute based upon the record of the arbitration. The decision of the umpire, or a majority of the arbitrators, as the case may be, in writing under oath as to the resolution of the dispute shall be final and binding upon the parties. Should an arbitrator or umpire die, or refuse to act, or become incapable, incompetent or unfit to act before hearings have been completed and before an award has been rendered, a successor may be appointed by the party (in the case of an arbitrator) or court (in the case of an umpire) who originally made the appointment.

d. The parties to the dispute may agree to modify the periods of time set forth in this Arbitration provision by an agreement in writing signed by all parties to the dispute. All

demands and notices required by this Arbitration provision shall be served in accordance with paragraph 18.f. below.

e. It is expressly understood and agreed that the arbitrators who are appointed in accordance with this Agreement shall not have the authority or power to directly or indirectly alter, amend or modify any of the terms and conditions hereof or of any document or instrument contemplated hereby in any form or manner, or to award the remedy of specific performance.

18. OTHER MISCELLANEOUS PROVISIONS

a. The parties hereto recognize and agree that time is of the essence in this Agreement.

b. This Agreement is being executed simultaneously with the Operations and Management Agreement between the Seller and the Operator. These Agreements and agreements referenced herein and therein contain the entire agreement and understandings between the parties to these Agreements and there are no other agreements or understandings, oral or written, with reference to the subject matter hereof that are not either referenced or merged herein and superseded hereby. No alteration, change or modification to the terms of this Agreement shall be valid unless made in writing and signed by the parties to the agreement being modified. This Agreement, regardless of where executed, shall be governed and construed according to the laws of the State of Florida. This Agreement may be executed in each of several counterparts, each of which shall be considered an original.

c. The parties hereto agree to execute any and all further instruments and documents and to take all such action as reasonably may be required by either party to perfect the grant, conveyance, assignment or transfer of an asset or effectuate the terms and provisions of this Agreement.

d. Neither the Purchaser nor the Seller may transfer or assign this Agreement or the respective duties or obligations hereunder without obtaining the prior written consent of the other, except that the Purchaser may assign this Agreement to a wholly-owned subsidiary of the Purchaser without the Seller's consent. Neither this Agreement nor any memorandum hereof shall be recorded.

e. The Purchaser and the Seller represent and warrant each to the other that they have not dealt with either a broker, salesman, or finder in connection with any part of this transaction contemplated by this Agreement, and, insofar as it knows, no broker, salesman or other person is entitled to any authority or fee with respect to such transaction. Further, each party shall indemnify the other against any claim or loss incurred or suffered as a result of any broker's or salesman's authority or finders fee alleged to be payable because of any statements, act or omissions of the indemnifying party.

f. All notices hereunder shall be in writing and shall be deemed to have been delivered, unless otherwise provided herein, to the respective party if hand delivered (with written acknowledgment or receipt) or when mailed registered or certified mail, postage prepaid, to such party at the addresses set forth

below or such other address as either party may designate to the other in writing:

If to the Seller:

Rayonier, Inc.
Attn: Mr. William D. Ericksen
P.O. Box 728
Fernandina Beach, FL 32035-0728

If to the Purchaser:

United Waterworks Inc.
200 Old Hook Road
Harrington Park, NJ 07640
Attn: Mr. Richard A. Hensch

with a copy to:

United Water Florida Inc.
1400 Millcoe Road
Jacksonville, FL 32225
Attn: Mr. Philip Heil

g. All salaries of employees of Seller to the effective date of the Operations and Management Agreement and all obligations of the Seller as of the effective date of the Operations and Management Agreement to said employees for accrued vacation pay or severance or for sick term benefits pay shall be paid by the Seller.

h. The headings used are for convenience only, and the parties herein agree that they shall be disregarded in the construction of this Agreement.

i. It is agreed by and between the parties hereto that all words, terms, and conditions herein contained are to be read in concert, each with the other, and that a provision contained under

one heading may be considered to be equally applicable under another heading in the interpretation of this Agreement.

j. In the event of any arbitration or litigation arising out of this Agreement or any document executed in connection herewith or pursuant hereto, each party shall bear its own costs of such litigation, including reasonable attorneys' fees and expenses, whether incurred at or before trial or on appeal.

k. This Agreement shall be binding upon and inure to the benefit of the Purchaser, the Seller, and their respective successors or assigns.

IN WITNESS WHEREOF, the parties have hereunto caused this Agreement to be executed the day and year aforesaid in counterparts, each counterpart to be considered an original.

Signed, sealed and delivered in the presence of:

SUNRAY UTILITIES-ST. JOHNS, INC.

W. J. [Signature]
Print W. J. [Name]

By: W. D. [Signature]
Print W. D. [Name]
Its: [Title]

Anna Mae Vojtech
Print ANNA MAE VOJTECH

"SELLER"

UNITED WATERWORKS INC.

Print _____

By: _____
Print _____
Its: _____

Print _____

"PURCHASER"

one heading may be considered to be equally applicable under another heading in the interpretation of this Agreement.

j. In the event of any arbitration or litigation arising out of this Agreement or any document executed in connection herewith or pursuant hereto, each party shall bear its own costs of such litigation, including reasonable attorneys' fees and expenses, whether incurred at or before trial or on appeal.

k. This Agreement shall be binding upon and inure to the benefit of the Purchaser, the Seller, and their respective successors or assigns.

IN WITNESS WHEREOF, the parties have hereunto caused this Agreement to be executed the day and year aforesaid in counterparts, each counterpart to be considered an original.

Signed, sealed and delivered in the presence of:

SUNRAY UTILITIES-ST. JOHNS, INC.


Print _____


By: _____
Print _____
Its: _____

Print _____

"SELLER"

UNITED WATERWORKS INC.


Print Susan E. Coughlin


By: 
Print Richard Hensch
Its: Vice President- Region II


Print Jasmine De Simone

"PURCHASER"

STATE OF FLORIDA
COUNTY OF NASSAU

The foregoing instrument was acknowledged before me this 21st
day of August, 1996, by W D ERICKSEN, as
PRESIDENT of SUNRAY UTILITIES - ST. JOHNS, INC., a
Delaware corporation, on behalf of the corporation. He/she () is
personally known to me or () produced a _____ Driver's
License as identification _____ and did take an oath.

James L. Shroads
Print _____
Notary Public
Commission Number 600352184
My commission expires _____


STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____
day of _____, 1996, by _____, as
_____ of UNITED WATERWORKS INC., a Delaware
corporation, on behalf of the corporation. He/she () is
personally known to me or () produced a _____ Driver's
License as identification _____ and did take an oath.

Print _____
Notary Public
Commission Number: _____
My commission expires: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1996, by _____, as _____ of SUNRAY UTILITIES - ST. JOHNS, INC., a Delaware corporation, on behalf of the corporation. He/she () is personally known to me or () produced a _____ Driver's License as identification _____ and did take an oath.

Print _____
Notary Public
Commission Number: _____
My commission expires: _____

STATE OF New Jersey
COUNTY OF Bergen

The foregoing instrument was acknowledged before me this 15th day of July, 1996, by Richard Hensch, as Vice President-Region II of UNITED WATERWORKS INC., a Delaware corporation, on behalf of the corporation. He/she (X) is personally known to me or () produced a _____ Driver's License as identification _____ and did take an oath.

Print _____
Notary Public
Commission Number: _____
My commission expires: _____

Gloria Tait
GLORIA TAIT
NOTARY PUBLIC OF NEW JERSEY
MY COMMISSION EXPIRES JAN. 19, 2000
ID# 2173385

EXHIBIT A

Parcel 1:

A PARCEL OF LAND LOCATED IN SECTION 18, TOWNSHIP 5 SOUTH, RANGE 28 EAST, ST. JOHNS COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: FOR A POINT OF REFERENCE COMMENCE AT THE NORTHWEST CORNER OF SECTION 19, TOWNSHIP 5 SOUTH, RANGE 28 EAST OF SAID COUNTY; THENCE SOUTH $02^{\circ}41'25''$ EAST ALONG THE WESTERLY LINE OF SAID SECTION 19, A DISTANCE OF 491.17 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF STATE ROAD 210 (A 100.00 FOOT RIGHT-OF-WAY AS NOW ESTABLISHED); THENCE NORTH $73^{\circ}27'36''$ EAST ALONG SAID NORTHERLY RIGHT-OF-WAY LINE A DISTANCE OF 1462.51 FEET TO A POINT OF CURVE OF A CURVE CONCAVE TO THE SOUTH, SAID CURVE BEING ON SAID RIGHT-OF-WAY LINE AND HAVING A RADIUS OF 1196.67 FEET; THENCE ALONG THE ARC OF SAID CURVE A DISTANCE OF 337.47 FEET, THROUGH A CENTRAL ANGLE OF $16^{\circ}09'24''$ (HAVING A CHORD BEARING NORTH $81^{\circ}32'18''$ EAST AND A CHORD DISTANCE OF 336.33 FEET); THENCE NORTH $89^{\circ}37'00''$ EAST ALONG SAID RIGHT-OF-WAY LINE A DISTANCE OF 152.93 FEET TO THE INTERSECTION OF SAID RIGHT-OF-WAY LINE AND THE EASTERLY RIGHT-OF-WAY LINE OF A 150.00 FEET J.E.A. POWERLINE RIGHT-OF-WAY AS RECORDED IN OFFICIAL RECORDS VOLUME 2176 PAGE 27 OF THE CURRENT PUBLIC RECORDS OF DUVAL COUNTY, FLORIDA; THENCE NORTH $09^{\circ}20'30''$ WEST ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 1569.99 FEET; THENCE NORTH $80^{\circ}39'30''$ EAST FOR A DISTANCE OF 484.60 FEET TO THE POINT OF BEGINNING; THENCE NORTH $03^{\circ}05'50''$ EAST, A DISTANCE OF 67.89 FEET; THENCE NORTH $50^{\circ}03'12''$ EAST, A DISTANCE OF 699.00 FEET; THENCE SOUTH $89^{\circ}12'29''$ EAST, A DISTANCE OF 170.54 FEET; THENCE SOUTH $88^{\circ}13'25''$ EAST, A DISTANCE OF 180.28 FEET; THENCE SOUTH $21^{\circ}45'18''$ EAST, A DISTANCE OF 184.71 FEET; THENCE SOUTH $08^{\circ}02'36''$ WEST, A DISTANCE OF 189.08 FEET; THENCE SOUTH $13^{\circ}25'19''$ WEST, A DISTANCE OF 134.60 FEET; THENCE SOUTH $39^{\circ}10'43''$ WEST, A DISTANCE OF 134.60 FEET; THENCE SOUTH $34^{\circ}06'19''$ WEST, A DISTANCE OF 81.20 FEET; THENCE NORTH $81^{\circ}01'33''$ WEST, A DISTANCE OF 781.69 FEET; THENCE NORTH $03^{\circ}05'50''$ EAST, A DISTANCE OF 30.72 FEET TO THE POINT OF BEGINNING. SAID PARCEL CONTAINING 10.000 ACRES, MORE OR LESS.

Parcel 2:

A portion of Section 24, Township 5 South, Range 27 East, St. Johns County, Florida, being more particularly described as follows: COMMENCE at the intersection of the westerly line of said Section 24, with the centerline of State Road No. 5-210, (a 100 foot right-of-way as now established); thence North $47^{\circ}26'30''$ East along said centerline, 913.00 feet; thence North $42^{\circ}33'30''$ West, 50.00 feet to a point on the Northwestly right-of-way line of said State Road No. 5-210; thence continue North $42^{\circ}33'30''$ West, 850.00 feet to the POINT OF BEGINNING; thence North $41^{\circ}48'51''$ East, 10.05 feet; thence North $42^{\circ}33'30''$ West, 50.00 feet; thence South $47^{\circ}26'30''$ West, 50.00 feet; thence South $42^{\circ}33'30''$ East, 50.99 feet; thence North $47^{\circ}26'30''$ East, 40.00 feet to the POINT OF BEGINNING.

Parcel 3:

A PARCEL OF LAND LOCATED IN SECTION 18, TOWNSHIP 5 SOUTH, RANGE 28 EAST, ST. JOHNS COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: FOR A POINT OF REFERENCE COMMENCE AT THE NORTHWEST CORNER OF SECTION 19, TOWNSHIP 5 SOUTH, RANGE 28 EAST OF SAID COUNTY; THENCE SOUTH $02^{\circ}41'25''$ EAST ALONG THE WESTERLY LINE OF SAID SECTION 19, A DISTANCE OF 491.17 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF STATE ROAD 210 (A 100.00 FOOT RIGHT-OF-WAY AS NOW ESTABLISHED); THENCE NORTH $73^{\circ}27'36''$ EAST ALONG SAID NORTHERLY RIGHT-OF-WAY LINE A DISTANCE OF 1462.51 FEET TO A POINT OF CURVE OF A CURVE CONCAVE TO THE SOUTH, SAID CURVE BEING ON SAID RIGHT-OF-WAY LINE AND HAVING A RADIUS OF 1196.67 FEET; THENCE ALONG THE ARC OF SAID CURVE A DISTANCE OF 337.47 FEET, THROUGH A CENTRAL ANGLE OF $16^{\circ}09'24''$ (HAVING A CHORD BEARING NORTH $81^{\circ}32'18''$ EAST AND A CHORD DISTANCE OF 336.33 FEET); THENCE NORTH $89^{\circ}37'00''$ EAST ALONG SAID RIGHT-OF-WAY LINE A DISTANCE OF 152.93 FEET TO THE INTERSECTION OF SAID RIGHT-OF-WAY LINE AND THE EASTERLY RIGHT-OF-WAY LINE OF A 150.00 FOOT J.E.A. POWER LINE RIGHT-OF-WAY AS RECORDED IN OFFICIAL RECORDS VOLUME 2176, PAGE 27 OF THE CURRENT PUBLIC RECORDS OF DUVAL COUNTY, FLORIDA; THENCE NORTH $09^{\circ}20'30''$ WEST ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 1569.99 FEET; THENCE NORTH $80^{\circ}39'30''$ EAST FOR A DISTANCE OF 484.60 FEET; THENCE SOUTH $03^{\circ}05'50''$ WEST A DISTANCE OF 30.72 FEET TO THE POINT OF BEGINNING; THENCE SOUTH $81^{\circ}01'33''$ EAST A DISTANCE OF 781.69 FEET; THENCE SOUTH $08^{\circ}58'27''$ WEST A DISTANCE OF 250.00 FEET; THENCE NORTH $81^{\circ}01'33''$ WEST A DISTANCE OF 400.00 FEET; THENCE NORTH $65^{\circ}38'34''$ WEST A DISTANCE OF 379.94 FEET; THENCE NORTH $03^{\circ}05'50''$ EAST A DISTANCE OF 150.00 FEET TO THE POINT OF BEGINNING. CONTAINING 4.00 ACRES, MORE OR LESS.

Parcel 4:

A portion of Section 18, Township 5 South, Range 28 East, St. John's County, Florida, being more particularly described as follows: COMMENCE at an intersection with the Easterly right-of-way of that certain 150 foot wide J.E.A. powerline easement, as described in Official Records Volume 2176, Page 27 of the Current Public Records of said County (also being the same as the Westerly line of that certain 30 foot wide easement for ingress and egress, as recorded in Official Records Book 770, Pages 1729 through 1733 of the Current Public Records) with the Northerly right-of-way line of State Road No. 210 (a 100 foot right-of-way as now established); thence North $09^{\circ}17'06''$ West along said Easterly right-of-way line of that certain 150 foot wide J.E.A. powerline easement, 1569.99 feet to the Northwestern corner of said 30 foot wide easement for ingress and egress, for the POINT OF BEGINNING; thence North $09^{\circ}17'06''$ West along said Westerly right-of-way line, 1524.00 feet; thence North $08^{\circ}42'54''$ East perpendicular to last mentioned line, 50.00 feet; thence South $09^{\circ}17'06''$ East parallel to said Easterly right-of-way line, 1524.00 feet to the Northerly right-of-way line of said 30 foot easement for ingress and egress; thence South $08^{\circ}42'54''$ West along last mentioned Northerly line, 50.00 feet to the POINT OF BEGINNING.

Parcel 5:

That certain piece, parcel or tract of land located in Sections 18 and 19, Township 5 South, Range 28 East, St. Johns County, Florida, being more particularly described as follows:

Commence at a lighter wood post marking the Northwest corner of Section 19, Township 5 South, Range 28 East; thence South 02° 43' 25" East along the West line of said Section 19, a distance of 491.10 feet to a concrete monument, said point also being the Northerly right of way line of State Road No. 210; (a 100 foot right of way as shown on State of Florida right of way map, Section No. 7851-250 F.A.P. S-301 St. Johns County, Florida) said road also known as County Road No. 210; thence North 73° 30' 43" East along said right of way line, a distance of 803.64 feet; thence North 09° 58' 00" West, a distance of 50.33 feet; thence North 73° 30' 43" East, parallel with and 50 feet Northerly of the North right of way line of said State Road No. 210, a distance of 651.96 feet to the Point of Curvature of a curve to the right, said curve concave Southerly and having a radius of 1,245.92 feet, thence along and around said curve, through a central angle of 15° 50' 01", an arc distance of 344.31 feet, said arc subtended by a chord bearing and distance of North 81° 25' 43" East, 343.21 feet, to its intersection with the Westerly right of way line of a 150.00 foot wide electric transmission and distribution right of way, as conveyed in instrument recorded in Official Records Volume 2176 Page 27 of the current public records of Duval County, Florida, said point also being a concrete monument; thence North 09° 22' 30" West along said West line, 1,994.37 feet to the POINT OF BEGINNING; thence South 80° 37' 30" West, 692.80'; thence North 15° 28' 46" West, 87.05'; thence North 14° 12' 30" East, 183.79'; thence North 80° 37' 30" East, 628.53' to its intersection with the aforementioned Westerly right of way line of said 150.00 foot wide electric transmission and distribution right of way; thence South 09° 22' 30" East, along said line, 255.00' to the POINT OF BEGINNING, Containing 3.958 acres, (172,432 sq. ft.) more or less.

**INVENTORY LIST FOR
SUNRAY / ST. JOHNS
WWTP (G601)**

Page 1

EXHIBIT B

EQUIPMENT	EQUIP #	DESCRIPTION
Air Header Pipe	ARH002 ARH002a ARH002b ARH002c ARH002d ARH002e	4" Steel pipe 90° Bend flanged 90° Bend flanged 90° Bend flanged 90° Bend flanged
Air Tank #1	AIR001 AIR001a AIR001b AIR001c AIR001d AIR001e AIR001f AIR001g AIR001h	Capacity 26,493 gallons 1-1/4" Air diffuser 1-1/4" Air diffuser 1-1/4" Air diffuser 1-1/4" Air diffuser 1-1/4" Air diffuser 1-1/4" Air diffuser 1-1/4" Air diffuser 1-1/4" Air diffuser
Air Tank #2	AIR002 AIR002a AIR002b AIR002c AIR002d AIR002e AIR002f AIR002g AIR002h AIR002i AIR002j	Capacity 34,797 gallons 1-1/4" Air diffuser 1-1/4" Air diffuser 1-1/4" Air diffuser 1-1/4" Air diffuser 1-1/4" Air diffuser 1-1/4" Air diffuser 1-1/4" Air diffuser 1-1/4" Air diffuser 1-1/4" Air diffuser 1-1/4" Air diffuser
Air Tank #3	AIR003 AIR003a AIR003b AIR003c AIR003d	Capacity 15,025 gallons 1-1/4" Air diffuser 1-1/4" Air diffuser 1-1/4" Air diffuser 1-1/4" Air diffuser
Bar Grating	BRG002	
Bar Screen	BRS001	
Blower #1	BLW003 BLW003a	Roots blower, serial #7319411, designation 610 AF ID#820-263-120 filter, housing solberg model #FS274P300 Motor, Century, 3pb, 240 volts part #6-357721-01, fr S213T, type SC, rpm 1745, hp 7.5 brgs. drive/opp. 307/206, belts = B63 gates
Blower #2	BLW004	Roots blower, serial #8042665, designation 610 AF ID #820-263-320 filter, housing solberg model #FS274 P300 filter #274P Motor, Century, 3pb, 240 volts part #6-357721-01, fr S213T, type SC, RPM 1745, hp 7.5 brgs. drive/opp 307/206, belts = B52 gates
Blower Building	BvR002	Concrete block and wood - size 8'w x 12'l x 10.4'h

**INVENTORY LIST FOR
SUNRAY / ST. JOHNS
WWTP (G601)**

Page 2

EQUIPMENT	EQUIP #	DESCRIPTION
Blower Electric Panel	BEP001 BEP001a BEP001b BEP001c BEP001d BEP001e BEP001f BEP001g BEP001h BEP001i BEP001j BEP001k BEP001l BEP001m BEP001n	Enclosure, 24" w x 30" h x 12" d Time clock, Cramer rpm 1720.115U.60hz On/Off switch, Cutler Hammer Starter, Cutler Hammer, nema size 2 Starter, Cutler Hammer, nema size 2 Main circuit breaker-Westinghouse 150 amp 100 amp breaker 100 amp breaker 20 amp breaker, Westinghouse 20 amp breaker, Westinghouse 15 amp breaker, Westinghouse Time clock, Engler Time clock, Engler On/off switch, Cutler Hammer
Breathing Apparatus - Emergency Self Contained	SCB003	
Breathing Apparatus - Self Contained	GMK003	Lifear 3000
Chlorination Piping System	CLP002 CLP002a CLP002b CLP002c CLP002d CLP002e CLP002f	Rotameter, Regal (0-50 lbs) Injector, Regal Strainer, Regal 1" ball valve Solenoid valve, Richdel model #7914 Timer/electric box
Chlorinator #1	CL0007	Regal auto switchover, serial #A095177
Chlorinator #2	CL0008	Regal auto switchover, serial #A095178
Chlorine Contact Chamber	CCC002	Capacity 2,442 gallons
Chlorine Scales	CLS004	Wallace & Tiernan (150 lbs dual)
Chlorine Room	CR0004	Fiberglass, size 39' square x 6' tall
Clairfier	CLR0001	Capacity, 16,673 gallons
Dechlorination Chamber	DCC001	30" diameter x 7' deep
Dechlorination Dual Scale	DSC001	Wallace & Tiernan
Dechlorination Piping System	DCP001 DCP001a DCP001b DCP001c DCP001d DCP001e DCP001f	Rotameter (0-25 lbs) Injector Strainer 1" PVC ball valve 1" PVC ball valve 1" PVC check valve
Dechlorination Room	DCR001	Fiberglass - size 39' square x 6' tall

**INVENTORY LIST FOR
SUNRAY / ST. JOHNS
WWTP (G601)**

Page 3

EQUIPMENT	EQUIP #	DESCRIPTION
Digester	DIG001	Capacity 6,722 gallons 1-1/4" Air diffuser 1-1/4" Air diffuser
Effluent Launder	EFL002	Weir plates
Effluent Pipe	EFP002 EFP002a EFP002b EFP002c EFP002d EFP002e EFP002f EFP002g EFP002h EFP002i EFP002j EFP002k	8" steel pipe 8" 90° bend flanged 8" 90° MJ bend 8" 90° MJ bend 8" PVC pipe 8" MJ tee 8" MJ gate valve 8" MJ gate valve 8" 45° bend 6' x 6' concrete pad 6' x 6' concrete pad
Exhaust Fan - Chlorine Room	EFN006	Dayton, #37403, rpm 2800/3200. 1/20 hp type V21B, #7021-6560
Exhaust Fan - Dechlorination Room	EFN007	Dayton, #37403, rpm 2800/3200. 1/20 hp type V21B, #7021-6560
Fence	FEN006	6' chain ling with 3 strand barbed wire, double gates and 3900' in length
Flow Meter	FM0002	US Systems, 3700 series ultrasonic
Flow Meter Chart Recorder	FMC002	Honeywell, model EDR450T-2000-00-000-A-00-0111 serial #893075904003
Handrails	HDR002	1 5/8" aluminum
Influent Pipe	INP002 INP002a INP002b	8" DIP 8" 90° bend flanged
Main Disconnect	MDC003 MDC003a MDC003b MDC003c MDC003e MDC003f MDC003g MDC003h MDC003i	Main breaker, load center cover, Square D catalog # QOC430m, type 1, series G-1 20A Breaker, blower room lights 20A Breaker, Cl ₂ room & SO ₂ room 20A Breaker, spare 20A Breaker, STP recap 20A Breaker, flow meter 15A Breaker, traveler 100A Breaker, blower motors 30A Breaker, reuse station
Supernate Pump	DIG001a	SP 50 Pump 2" hose
Emerg Self Contained Breathing Apparatus	SCB005	5 Minute Air Supply
Emerg Self Contained Breathing Apparatus	SCB006	5 Minute Air Supply

**INVENTORY LIST FOR
SUNRAY / ST. JOHNS
WWTP (G601)**

EQUIPMENT	EQUIP #	DESCRIPTION
Percolation Pond #1	PPD005	147' x 273' 295' 147'
Percolation Pond #2	PPD006	309' x 309' x 144' x 144'
Pump #1	RUW001	Hydromatic mode #SK200, 2 hp 230 volts 3 pH, 150 gpm @ 21' TDH 3" discharge
Pump #2	RUW002	Hydromatic mode #SK200, 2 hp 230 volts 3 pH, 150 gpm @ 21' TDH 3" discharge
Return Sludge Line	RAS002	8" Pipe
Reuse Electric Panel	REPO01	
Reuse Piping (Effluent)	RWP001 RWP001a RWP001b RWP001c RWP001d RWP001e RWP001f RWP001g RWP001h RWP001i	3" gate valve 3" gate valve 3" x 4" nipple 3" x 4" nipple 3" threaded tee 3" threaded tee 4" x 3" bushing 4" threaded 90° 4" threaded 90°
Reuse Piping (Influent)	RUP001	8" PVC Pipe
Safety Shower & Eyewash	EW5003	
Sludge Collector	SCC002 SCC002a SCC002b	3" Sludge eductor Skimmer
Storage Box	SGB004	Tuff, plastic
Sulphonator #1	DCL001	Capital Control, advance 200 with sight tube (0-25 lbs) serial #20155, model #5248202
Sulphonator #2	DCL002	Capital Control, advance 200 with sight tube (0-25 lbs) serial #20155, model #5248202
Traveler,	SCT001 SCT001a SCT001b SCT001c SCT001d SCT001e SCT001f SCT001g SCT001h	Baldor motor, 3ph, cat #KM3454, spec 34-294-895, fr 560, ser-W884, 1/4 hp, rpm 1725 Wheels, 12" x 2" Gear casing Electric control box -18"b x 12"w x 8"d Starter, Cutler Hammer #A50BNO Starter, Cutler Hammer #A50BNO Starter, Cutler Hammer #E505A Electric conduit
Eye Wash Shower	EW5003	Safety Shower

**INVENTORY LIST FOR
SUNRAY / ST. JOHNS
WWTP (G601)**

Page 5

EQUIPMENT	EQUIP #	DESCRIPTION
Wash Down Water	WDW002 WDW002a WDW002b WDW002c	1" diameter rubber hose 1" pressure nozzle 2" galvanized pipe
Wet Well	WW0005 WW0005a WW0005b WW0005c WW0005d WW0005e WW0005f WW0005g WW0005h WW0005i WW0005j WW0005k WW0005l WW0005m WW0005n WW0005o WW0005p WW0005q WW0005r WW0005s WW0005t WW0005u WW0005v WW0005w WW0005x WW0005y WW0005z WW0005aa WW0005bb WW0005cc WW0005dd WW0005ee WW0005ff	7'4" x 4" thick x 8' deep (reuse) 10' x 3" galvanized spool 10' x 3" galvanized spool 3" galvanized 90° 3" galvanized 90° 3" x 12" galvanized nipple 3" x 12" galvanized nipple 3" check valve 3" check valve 3" check valve 3" x 6" galvanized nipple 3" x 6" galvanized nipple 3" gate valve 3" gate valve 3" x 18" galvanized nipple 3" x 18" galvanized nipple 3" galvanized tee 3" galvanized tee 3" x 24" galvanized nipple 3" x 24" galvanized nipple 3" x 4" galvanized nipple 3" x 4" galvanized nipple Float ball with cable Float ball with cable Float ball with cable Float ball with cable 3" male quick connect with cap 4" x 3" galvanized bushing 4" galvanized 90° with 4" galv drop pipe to force main grating and handrails Float ball Float ball Float ball Float ball
Yard Grounds	YRD007	Yard grounds
Chlorine Analyser	TCL001	Hach CL-17
Chlorine Analyser Pump	CAP001	3/4 HP Pool Pump

EQUIPMENT LIST FOR ST. JOHNS UTILITIES

STATION MASTER CODE	STATION NAME	EQUIPMENT CODE #	EQUIPMENT NAME	SIZE/HP CAP MAKE	EQUIPMENT LOCATION	DATE INSTAL'D	DATE LAST SERVICED OR REPAIRED
G201	ST. JOHNS FOREST WTP	ADT005	ADT ALARM SYSTEM		2740 J CR 210	1988	
G201	ST. JOHNS FOREST WTP	COM001	COMPUTER		2740 J CR 210	1988	
G201	ST. JOHNS FOREST WTP	DPW001	DEEP WELL #1 PUMP		WELL SITE #1	1988	
G201	ST. JOHNS FOREST WTP	DPW002	DEEP WELL #2 PUMP		WELL SITE #2	1988	
G201	ST. JOHNS FOREST WTP	DW0001	DEEP WELL #1		WELL SITE #1	1988	
G201	ST. JOHNS FOREST WTP	DW0002	DEEP WELL #2		WELL SITE #2	1988	
G201	ST. JOHNS FOREST WTP	DWM001	WELL FLOW METER		DEEP WELL #1	1988	
G201	ST. JOHNS FOREST WTP	DWM002	WELL FLOW METER		DEEP WELL #2	1988	
G201	ST. JOHNS FOREST WTP	PHN005	PHONE		INSIDE WELL SITE	1988	
G201	ST. JOHNS FOREST WTP	SHW001	SHALLOW WELL #1 PUMP		WELL SITE #1	1988	
G201	ST. JOHNS FOREST WTP	SHW002	SHALLOW WELL #2 PUMP		WELL SITE #2	1988	
G201	ST. JOHNS FOREST WTP	SW0001	SHALLOW WELL #1		WELL SITE #1	1988	
G201	ST. JOHNS FOREST WTP	SW0002	SHALLOW WELL #2		WELL SITE #2	1988	
G201	ST. JOHNS FOREST WTP	SWM001	WELL FLOW METER		SHALLOW WELL #1	1988	
G201	ST. JOHNS FOREST WTP	SWM002	WELL FLOW METER		SHALLOW WELL #2	1988	
G201	ST. JOHNS FOREST WTP	WED003	DEEP WELL #1 DISCONNECT		DEEP WELL #1	1988	
G201	ST. JOHNS FOREST WTP	WED004	DEEP WELL #2 DISCONNECT		DEEP WELL #2	1988	
G201	ST. JOHNS FOREST WTP	WED005	SHALLOW WELL #1 DISCONNECT		SHALLOW WELL #1	1988	
G201	ST. JOHNS FOREST WTP	WED006	SHALLOW WELL #2 DISCONNECT		SHALLOW WELL #2	1988	
G201	ST. JOHNS FOREST WTP	WPS003	WELL #1 PIPING SYSTEM		WELL SITE #1	1988	
G201	ST. JOHNS FOREST WTP	WPS004	WELL #2 PIPING SYSTEM		WELL SITE #2	1988	
G201	ST. JOHNS FOREST WTP	WSC001	WELL SITE CONTROL RM		2740 J CR 210	1988	
G201	ST. JOHNS FOREST WTP	WSP001	WELL CONTROL PANEL		2740 J CR 210	1988	
G201	ST. JOHNS FOREST WTP	YRD008	YARD GROUNDS			1988	

**INVENTORY LIST FOR
SUNRAY / ST. JOHNS
WELL SITE (G201)**

Page 1

EQUIPMENT	EQUIP #	DESCRIPTION
ADT Alarm System	ADT005	
Computer	COM001 COM001a COM001b COM001c COM001d COM001e COM001f	Sy Max-model 400 processor 1 Class 8030, type RRK-300 reg; Rack Assembly, serial A2, ID #30618-500-500 with 1 lithium battery Input modules Input modules Input modules Input modules Class 8030 type RO < 221, Serus DR, 120 VAC, 24/output, 16A/module, BO4L (2) power supply 120 VAC, 50/60 hz, 150 VA, Symax Class 8030 type PS-21 serial A - ID #297310 and 261445 with 3-D batteries each (1) PS422 isolator/protector class 8030, type CBP)
Deep Well #1	DW0001	8" diameter casing
Deep Well #2	DW0002	8" diameter casing
Deep Well #1 Disconnect	WED003	Square D, safety switch, cat #D&322RB, type 3R enclosure, amps 60 volts 240
Deep Well #2 Disconnect	WED004	Square D, safety switch, cat #DU322RB, type 3R enclosure, amps 60 volts 240
Deep Well #1 Meter	DWM001	Rockwell, model propeller with electronic output
Deep Well #2 Meter	DWM002	Rockwell, model propeller with electronic output
Deep Well #1 Pump	DPW001	Peerless, model 6HxB-1, 5 hp, 300 gpm @40' TDH w/40' setting, phase 3, volts 230
Deep Well #2 Pump	DPW002	Peerless, model 6HxB-1, 5 hp, 300 gpm @40' TDH w/40' setting, phase 3 volts 230
Phone	PHN005	
Shallow Well #1	SW0001	6" diameter casing
Shallow Well #2	SW0002	6" diameter casing
Shallow Well #1 Disconnect	WED005	Square D, safety switch, cat #DU322Rb, type 3R enclosure, amps 60, volts 240
Shallow Well #2 Disconnect	WED006	Square D, safety switch, cat #DU3w22RB, type 3R enclosure, amps 60 volts 240
Shallow Well #1 Meter	SWM001	Rockwell propeller with electronic output
Shallow Well #2 Meter	SWM002	Rockwell propeller with electronic output
Shallow Well #1 Pump	SHW001	Peerless, model 6HxB-1, 5 hp, 300 gpm @40' TDH w/40' setting, phase 3, volts 230
Shallow Well #2 Pump	SHW002	Peerless, model 6HxB-1, 5 hp, 300 gpm @40' TDH w/40' setting-ph3-230v

**INVENTORY LIST FOR
SUNRAY / ST. JOHNS
WELL SITE (G201)**

Page 2

EQUIPMENT	EQUIP #	DESCRIPTION
Well #1 Piping System	WPS003 WPS003a WPS003b WPS003c WPS003d WPS003e WPS003f WPS003g	3" c/w gate valve - flanged 3" c/w gate valve - flanged 3" MH check valve - flanged 3" MH check valve - flanged 20' of 3" ductile iron pipe 3" x 6" reducer - flanged 6" MH gate valve - flanged
Well #2 Piping System	WPS004 WPS004a WPS004b WPS003c WPS003d WPS003e WPS003f WPS003g	3" c/w gate valve - flanged 3" c/w gate valve - flanged 3" MH check valve - flanged 3" MH check valve - flanged 20' of 3" ductile iron pipe 3" x 6" reducer - flanged 6" MH gate valve - flanged
Well Site Control Panel	WSP001 WSP001a WSP001b WSP001c WSP001d WSP001e WSP001f WSP001g WSP001h	Hour clock - Hour clock - Hour clock - Hour clock - Hour clock - Hour clock - Hour clock - Hour clock - Hour clock - (manufactured by Syracuse Electronics, volts 120, 60 hz, 36 lamps, sy 120 mb, class 9001, type KM-38, 120v, ac/dc, 12 switches, class 9001, type KA-1, serial G, pilot duty ac/dc, 120-600V)
Well Site Control Room	WSC001	Size 8'w x 12' x 10'h, concrete block and wood
Yard Grounds	YRD008	Yard Grounds

**INVENTORY LIST FOR
SUNRAY / ST. JOHNS
LIFT STATION (G801)**

Page 1

EQUIPMENT	EQUIP #	DESCRIPTION
Chain Link Fence	FEN008	6 feet tall with 3 strands of barb wire for an additional 1 foot with a total length of 140' and 2 gates
Electric Panel	LSE004 LSE004a LSE004b LSE004c LSE004d LSE004e LSE004f LSE004g LSE004h LSE004i LSE004j LSE004k LSE004l LSE004m LSE004n LSE004o	48" x 36" x 12" steel enclosure Westinghouse main circuit breaker #Q63080 Westinghouse emergency circuit breaker #QC3080 Westinghouse GFI circuit breaker #AC1015 Westinghouse alarm circuit breaker #AC1015 Westinghouse thermostat circuit breaker #AC1015 Time delay, Syrelec 1-30 seconds Elapsed time meter, Engler, AC-200 10NL7 Fuse, MDX Fuse, MDX Fuse, MDX Westinghouse motor circuit breaker #QC3040 Westinghouse motor circuit breaker #QC3040 Starter, Square D, Nema Size 2, Class 8536, Type 5301, Form S-Series A with contacts class 9998, type SL-4 Starter, Square D, Nema Size 2, Class 8536, Type 5301, Form S-Series A with contacts class 9998, type SL-4
Flowmeter Chart Recorder Panel	FCP001 FCP001a FCP001b	60" x 36" x 12" stainless steel hoffman enclosure 5.5" x 18" x 12" stands
Piping	PLS004 PLS004a PLS004b PLS004c PLS004d PLS004e PLS004f PLS004g PLS004h PLS004i PLS004j PLS004k PLS004l PLS004m PLS004n PLS004o PLS004p PLS004q PLS004r PLS004s	Uniflange Uniflange Uniflange Uniflange Uniflange Uniflange Uniflange Check valve, flanged Check valve, flanged 2'x6" D.I. spool 2'x6" D.I. spool Helicoid series 410 pressure gauges and brass valves Helicoid series 410 pressure gauges and brass valves 6" R.S. gate valve flanged 6" R.S. gate valve flanged 8" x 6" D.I. reducing elbow 8" x 6" D.I. reducing elbow 8" x 8" D.I. cross 8" x 4" D.I. reducing elbow 4" quick female hose coupling #633 with 4" galvanized nipple and male plug

EQUIPMENT LIST FOR ST. JOHNS UTILITIES

STATION MASTER CODE	STATION NAME	EQUIPMENT CODE #	EQUIPMENT NAME	SIZE/HP CAP. MAKE	EQUIPMENT LOCATION	DATE INSTL'D	DATE LAST SERVICED OR REPAIRED
G101	ST. JOHNS FOREST WTP	AER003	AERATOR	10'x8'x3' 1000 gpm	TOP RESERVOIR #1	1988	
G101	ST. JOHNS FOREST WTP	ARC002	AIR COMPRESSOR	Dayton	INSIDE WTP	1988	
G101	ST. JOHNS FOREST WTP	CL0005	CHLORINATOR #1	Regal	CHLORINE ROOM	1988	
G101	ST. JOHNS FOREST WTP	CL0006	CHLORINATOR #2	Regal	CHLORINE ROOM	1988	
G101	ST. JOHNS FOREST WTP	CLP001	CHLORINATION PIPING		CHLORINE ROOM	1988	
G101	ST. JOHNS FOREST WTP	CR0003	CHLORINE ROOM	39'X6'	OUTSIDE PUMP ROOM	1988	
G101	ST. JOHNS FOREST WTP	DHP002	DISTRIBUTION HEADER PIPE		OUTSIDE WTP	1988	
G101	ST. JOHNS FOREST WTP	ECT002	ELECTRIC CONTROL PANEL		INSIDE WTP	1988	
G101	ST. JOHNS FOREST WTP	EFN004	EXHAUST FAN	Dayton	CHLORINE ROOM	1988	
G101	ST. JOHNS FOREST WTP	FFM002	FINAL FLOW METER	8"	OUTSIDE WTP	1988	
G101	ST. JOHNS FOREST WTP	HYD002	HYDRO TANK		INSIDE RESERVOIR #1	1988	
G101	ST. JOHNS FOREST WTP	PMP004	PUMP #1 PIPING		INSIDE WTP	1988	
G101	ST. JOHNS FOREST WTP	PMP005	PUMP #2 PIPING		INSIDE WTP	1988	
G101	ST. JOHNS FOREST WTP	PMP006	PUMP #3 PIPING		INSIDE WTP	1988	
G101	ST. JOHNS FOREST WTP	RES003	RESERVOIR TANK #1	29,359 gallons	OUTSIDE WTP	1988	
G101	ST. JOHNS FOREST WTP	RES004	RESERVOIR TANK #2	30,000 gallons	OUTSIDE WTP	1988	
G101	ST. JOHNS FOREST WTP	RES005	RESERVOIR TANK #3	14,000 gallons	OUTSIDE WTP	1988	
G101	ST. JOHNS FOREST WTP	SGB003	STORAGE BOX	Tuff		1988	
G101	ST. JOHNS FOREST WTP	SP0004	SERVICE PUMP #1	2 1/2x3x8	INSIDE WTP	1988	
G101	ST. JOHNS FOREST WTP	SP0005	SERVICE PUMP #2	2 1/2x3x8	INSIDE WTP	1988	
G101	ST. JOHNS FOREST WTP	SP0006	SERVICE PUMP #3	2 1/2x3x8	INSIDE WTP	1988	
G101	ST. JOHNS FOREST WTP	SP0007	SERVICE PUMP MOTOR #1	20 hp	ON PUMP #1	1988	
G101	ST. JOHNS FOREST WTP	SP0008	SERVICE PUMP MOTOR #2	20 hp	ON PUMP #2	1988	
G101	ST. JOHNS FOREST WTP	SP0009	SERVICE PUMP MOTOR #3	20 hp	ON PUMP #3	1988	
G101	ST. JOHNS FOREST WTP	YRD006	YARD GROUNDS			1988	

**INVENTORY LIST FOR
SUNRAY / ST. JOHNS
WTP (G101)**

Page 1

EQUIPMENT	EQUIP #	DESCRIPTION
Aerator	AER003 AER003a AER003b AER003c	10'x 8' - 1000 gpm Steel tray - 4' x 4' Steel tray - 5' x 5' Steel tray - 6' x 6'
Air Compressor	ARC002	Dayton motor, model #22869, serial #SKC43KG2618X, 1725 RPM, 200 ft @ 100 psi
Chlorinator #1	CL0005	Regal auto switchovers, serial #A023181, model #415
Chlorinator #2	CL0006	Regal auto switchovers, serial #A023182, model #415
Chlorination Piping System	CLP001 CLP001a CLP001b CLP001c CLP001d CLP001e CLP001f CLP001g CLP001h CLP001i CLP001j CLP001k CLP001l CLP001m CLP001n CLP001o CLP001p	Strainer - chlorine piping Strainer - chlorine piping Strainer - chlorine piping Rotameter Rotameter Rotameter 1" PVC ball valve - chlorine piping 1" PVC ball valve - chlorine piping 1" PVC ball valve - chlorine piping 1" PVC ball valve - chlorine piping 1" PVC ball valve - chlorine piping 1" PVC ball valve - chlorine piping 1" PVC ball valve - chlorine piping 2" ball valve - chlorine piping Injector Injector Injector
Chlorine Room	CR0003	Fiberglass - 39' sq x 6' tall
Distribution Header Pipe	DHP002 DHP002a DHP002b DHP002c DHP002d DHP002e DHP002f DHP002g DHP002h DHP002i DHP002j DHP002k DHP002l	6" pipe steel 6" x 8" reducer 6" 90° bend 6" MH gate valve - flanged 6" tee - flanged 6" wafer valve 10" pipe 6" spool - flanged 6" spool - flanged 6" spool - flanged 8" wafer valve 2" PVC ball valve

**INVENTORY LIST FOR
SUNRAY / ST. JOHNS
WTP (G101)**

Page 2

EQUIPMENT	EQUIP #	DESCRIPTION
Electric Control Panel	ECP004 ECP004a ECP004h ECP004c ECP004d ECP004e ECP004f ECP004g ECP004h ECP004i	Output processor, Sylmax, class 8030, type ROM 221 Input processor, Sylmax, class 8030, type 8030 Rim-101 Rack assembly, class 8030, type RRK-100 Transient voltage surge supressor, #58J4 Sq D, Sylmax, class 8030, type CBP-320, RS-422 isolator/protector HOA switch, class 9001, type KA-1, Ser. G HOA switch, class 9001, type KA-1, Ser. G HOA switch, class 9001, type KA-1, Ser. G HOA switch, class 9001, type KA-1, Ser. G
Electric Control Panel	ECP002	
Fan	EFN004	Davton 350 CFM, ref #F33HXJNK-3877, mfg. #M918
Final Flowmeter	FFM002	Rockwell, size 8" serial #1280919 model #3500 DR turbo w/electric output
Hydro Tank	HYD002 HYD002a HYD002b HYD002c HYD002d HYDO02e HYD002f HYD002g HYD002h	8" 90° bend 10' of 8" pipe 8" tee - flanged 8" tee - flanged 8" pipe - steel 8" waterous gate valve 8" 90° bend - flanged Site tube - glass
Pump #1 Piping	PMP004 PMP004a PMP004b PMP004c PMP004d PMP004e PMP004f	8" pipe 8" wafer valve 8" wafer duo check valve 8" x 2" reducer 1" rubber hose 3/4" gate valve
Pump #2 Piping	PMP005 PMP005a PMP005b PMP005c PMP005d PMP005e PMP005f	8" pipe 8" wafer valve 8" wafter duo check valve 8" x 2" reducer 1" rubber hose 3/4" gate valve
Pump #3 Piping	PMP006 PMP006a PMP006b PMP006c PMP006d PMP006e PMP006f	8" pipe 8" wafer valve 8" wafter duo check valve 8" x 2" reducer 1" rubber hose 3/4" gate valve

**INVENTORY LIST FOR
SUNRAY / ST. JOHNS
WTP (G101)**

Page 3

EQUIPMENT	EQUIP #	DESCRIPTION
Reservoir Tank #1	RES003 RES003a RES003b RES003c RES003d RES003e RES003f	10' diameter x 50' long - 30,000 g 8" flanged valve at inflow 8" flanged gate valve at outflow 3' x 3' manhole openings top of tank 3' x 3' manhole openings top of tank 4" curved vents & 5-10' curved steel saddle 4" curved vents & 5-10' curved steel saddle
Reservoir Tank #2	RES004 RES004a RES004b RES004c RES004d	10' diameter x 50' long - 30,000 g 8" flanged gate valve at outflow 3' x 3' manhole openings top of tank 3' x 3' manhole openings top of tank 4" curved vents & 5-10' curved steel saddle
Reservoir Tank #3 -	RES005 RES005a RES005b RES005c RES005d	10' diameter x 50' long - 14,000 g 3' x 3' manhole opening 3' x 3' manhole opening 4" curved vents & 5-10' curved steel saddle 4" curved vents & 5-10' curved steel saddle
Service Pump #1	SP0004 SP0004a	Peerless, model PES 2-1.2 x 3 x 8, mount spec #899873, impeller #V3372B, impeller diameter 7", serial #T10687 Motor, General Electric, 20 hp, rpm 3530, time rating, continuous, volts 230, amps 49/24.5, phase 3, hertz 60, frame 254 JP, amb 40°, ins class B, nema design B, type K, code G, model #5K254JN1205, shaft bearing 6309-2Z-J/C3, opp. end bearing 6206-2Z-J/C3
Service Pump #2	SP0005 SP0005a	Peerless, mode PES 2-1.2 x 3 x 8, serial T106873, impeller 7" diameter #V3372B Motor, General Electric, model 5K254JN1205, 20 hp, rpm 3530, shaft end bearing 50BC03, opp end bearing 35BC02, volts 230, amps 49/24.5, frame 254 JP, ins class B, nema design B
Service Pump #3	SP0006 SP0006a	Motor, U.S. Electrical, model 5K254JN1205, 20 hp, phase 3, volts 230/460, frame 254JP, nema design B, 48.8/24.1 amps
Storage Box	SGB003	Tuff - plastic
Yard Grounds	YRD006	Yard Grounds

ST. JOHNS FOREST

G501

<u>Equipment #</u>	<u>Description</u>	<u>Location</u>
Water Distribution System:		
DWV001	8" Gate Valve	Water Treatment Plant
DWV002	16" Butterfly Valve	CR210 & Limerock Road to WTP
DWV003	16" Butterfly Valve	CR210 & Limerock Road to WTP
DWV004	16" Butterfly Valve	CR210 & Limerock Road to WTP
DWV005	16" Butterfly Valve	CR210 & East of Cimmarone Fence
DWV006	16" Butterfly Valve	CR210 & Lift Station Road
DWV007	8" Gate Valve	CR210 & Lift Station Road
DWV008	8" Gate Valve	Master Meter - Cimarrone
DWV009	8" Gate Valve	Master Meter - Cimarrone
WLB001	Location Box	Limerock Rd Between CR210 & WTP
WLB002	Location Box	611' West of DWV005 on CR210
WLB003	Location Box	611' West of WLB002 on CR210
WLB004	Location Box	497' West of WLB003 on CR210
WLB005	Location Box	479' West of WLB004 on CR210
WLB006	Location Box	479' West of WLB005 on CR210
WLB007	Location Box	449' West of WLB006 on CR210
WLB008	Location Box	449' West of WLB007 on CR210
WLB009	Location Box	446' West of WLB008 on CR210
WLB010	Location Box	456' West of WLB009 on CR210
WLB011	Location Box	379' West of WLB010 on CR210
WLB012	Location Box	250' West of WLB011 on CR210
WLB013	Location Box	456' West of WLB012 on CR210
WLB014	Location Box	458' West of WLB013 on CR210
WLB015	Location Box	451' West of WLB014 on CR210
WLB016	Location Box	455' West of WLB015 on CR210
WLB017	Location Box	470' West of WLB016 on CR210
WLB018	Location Box	On Lift Station Rd North of CR210
WMM001	8" Rockwell Water Meter	Meter Pit Lift Station Area
WMM002	2" Rockwell Water Meter	Meter Pit Lift Station Area

<u>Equipment #</u>	<u>Description</u>	<u>Location</u>
Hvdrants:		
DFH034	Fire Hydrant	Southern Grove
DFH035	Fire Hydrant	Southern Grove
DFH001	Fire Hydrant	CR210 & Limerock Road to WTP
DFH002	Fire Hydrant	CR210 & East End of Cimarrone Fence
DFH003	Fire Hydrant	CR210 Lift Station Road
DFH004	Fire Hydrant	Inside Lift Station Fence
DFH036	Fire Hydrant	Southern Grove
DFH037	Fire Hydrant	Southern Grove
Hydrant Valves:		
HWV034	Fire Hydrant Valve	Attached to DFH034
HWV035	Fire Hydrant Valve	Attached to DFH035
HWV001	6" Gate Valve	Attached to DFH001
HWV002	6" Gate Valve	Attached to DFH002
HWV003	6" Gate Valve	Attached to DFH003
HWV004	6" Gate Valve	Attached to DFH004
HWV036	Fire Hydrant Valve	Attached to DFH036
HWV037	Fire Hydrant Valve	Attached to DFH037
Force Main System:		
FMV001	8" Gate Valve	At Wastewater Treatment Plant
FMV002	16" Butterfly Valve	
FMV003	12" Gate Valve	CR210 & Limerock Road to WTP
FMV004	12" Gate Valve	CR210 & Limerock Road to WTP
FMV005	12" Gate Valve	CR210 & Limerock Road to WTP
FMV006	12" Gate Valve	CR210 & East End of Fence to Cimarrone
FMV007	12" Gate Valve	CR210 & Limerock Road to Lift Station
FMV008	12" Gate Valve	CR210 & Limerock Road to Lift Station
Effluent Re-Use System:		
VRU001	8" Gate Valve	At Wastewater Treatment Plant
VRU002	12" Gate Valve	CR210 & Limerock Road Entrance WTP
VRU003	12" Gate Valve	CR210 & Limerock Road Entrance WTP
VRU004	12" Gate Valve	CR210 & Limerock Road Entrance WTP
VRU005	12" Gate Valve	CR210 East End of Fence to Cimarrone
VRU006	12" Gate Valve	CR210 & Limerock Road to Lift Station
VRU007	12" Gate Valve	CR210 & Limerock Road to Lift Station
VRU008	10" Gate Valve	Valve Pit to Cimarrone
VRU009	10" Gate Valve	Valve Pit to Cimarrone

EQUIPMENT LIST FOR ST. JOHNS UTILITIES

1/3

STATION MASTER CODE	STATION NAME	EQUIPMENT CODE #	EQUIPMENT NAME	SIZE/HP CAP. MAKE	EQUIPMENT LOCATION	DATE INSTALLED	DATE LAST SERVICED OR REPAIRED
G601	ST. JOHNS FOREST WWTP	AIR001	AIR TANK #1	26,493 gallons	WWTP	1988	
G601	ST. JOHNS FOREST WWTP	AIR002	AIR TANK #2	34,797 gallons	WWTP	1988	
G601	ST. JOHNS FOREST WWTP	AIR003	AIR TANK #3	15,025 gallons	WWTP	1988	
G601	ST. JOHNS FOREST WWTP	ARI002	AIR HEADER PIPE		WWTP	1988	
G601	ST. JOHNS FOREST WWTP	BEF001	BLOWER ELECTRIC PANEL #1		BLOWER ROOM	1988	
G601	ST. JOHNS FOREST WWTP	BLM003	BLOWER #1 MOTOR		BLOWER ROOM	1988	
G601	ST. JOHNS FOREST WWTP	BLM004	BLOWER #2 MOTOR		BLOWER ROOM	1988	
G601	ST. JOHNS FOREST WWTP	BLW003	BLOWER #1	Roots	BLOWER ROOM	1988	
G601	ST. JOHNS FOREST WWTP	BLW004	BLOWER #2	Roots	BLOWER ROOM	1988	
G601	ST. JOHNS FOREST WWTP	BRG002	BAR GRATING		WWTP	1988	
G601	ST. JOHNS FOREST WWTP	BRS001	BAR SCREEN	2'wX5'X2'h	WWTP	1988	
G601	ST. JOHNS FOREST WWTP	BWR002	BLOWER BUILDING	8'x12'x10'	2740 J CR 210	1988	
G601	ST. JOHNS FOREST WWTP	CCC002	CHLORINE CONTACT CHAMBER		WWTP	1988	
G601	ST. JOHNS FOREST WWTP	CL0007	CHLORINATOR #1	Regal	CHLORINE ROOM	1988	
G601	ST. JOHNS FOREST WWTP	CL0008	CHLORINATOR #2	Regal	CHLORINE ROOM	1988	
G601	ST. JOHNS FOREST WWTP	CLF002	CHLORINATION PIPING SYSTEM		2740 J CR 210	1988	
G601	ST. JOHNS FOREST WWTP	CLR001	CLAIRIFIER		2740 J CR 210	1988	
G601	ST. JOHNS FOREST WWTP	CLS004	CHLORINATION DUAL SCALE	150 lb	CHLORINE ROOM	1988	
G601	ST. JOHNS FOREST WWTP	CR0004	CHLORINE ROOM	39'x6'	2740 2 CR 210	1991	
G601	ST. JOHNS FOREST WWTP	DCC001	DECHLORINATION CHAMBER		OUTSIDE WWTP	1991	
G601	ST. JOHNS FOREST WWTP	DEI001	DECHLORINATOR #1		DECHLORINATION ROOM	1991	

EQUIPMENT LIST FOR SUNRAY ST. JOHNS UTILITIES

Page 2/3

STATION MASTER CODE	STATION NAME	EQUIPMENT CODE #	EQUIPMENT NAME	SIZE/HP CAP. MAKE	EQUIPMENT LOCATION	DATE INSTAL'D	DATE LAST SERVICED OR REPAIRED
G601	ST. JOHNS FOREST WWTP	DCL002	SULPHONATOR #2		DECHLORINATION RM	1991	
G601	ST. JOHNS FOREST WWTP	DCP001	DECHLORINATION PIPING SYSTEM		2740-2 CR 210	1991	
G601	ST. JOHNS FOREST WWTP	DCR001	DECHLORINATION ROOM	fiberglass 39'sq x 6'	2740-2 CR 210	1991	
G601	ST. JOHNS FOREST WWTP	DIG001	DIGESTOR		WWTP	1988	
G601	ST. JOHNS FOREST WWTP	EFL002	EFFLUENT LAUDER	Weir Plates	CLAIRIFIER	1988	
G601	ST. JOHNS FOREST WWTP	EFN006	EXHAUST FAN CHLORINE ROOM		2740-2 CR 210	1988	
G601	ST. JOHNS FOREST WWTP	EFN007	EXHAUST FAN DECHLORINATION		2740-2 CR 210	1988	
G601	ST. JOHNS FOREST WWTP	EFN002	EFFLUENT PIPE		CHLORINE CONTACT CHAMBER	1988	
G601	ST. JOHNS FOREST WWTP	FEN006	FENCE	6' chain link	WWTP - PERIMETER	1988	
G601	ST. JOHNS FOREST WWTP	FM002	FLOW METER CHART RECORDER		BLOWER ROOM	1991	
G601	ST. JOHNS FOREST WWTP	FM0002	FLOW METER		CHLORINE CONTACT CHAMBER	1991	
G601	ST. JOHNS FOREST WWTP	HDR002	HANDRAILS		WWTP (TOP)	1988	
G601	ST. JOHNS FOREST WWTP	INP002	INFLUENT PIPE		WWTP	1988	
G601	ST. JOHNS FOREST WWTP	PER005	PERCULATION POND #1		2740-2 CR 210	1988	
G601	ST. JOHNS FOREST WWTP	PER006	PERCULATION POND #2		2740-2 CR 210	1988	
G601	ST. JOHNS FOREST WWTP	RAS002	RETURN SLUDGE LINE	8" pipe	CLAIRIFIER	1988	
G601	ST. JOHNS FOREST WWTP	REP001	REUSE ELECTRIC PANEL		WWTP	1988	
G601	ST. JOHNS FOREST WWTP	RUP001	REUSE PIPING (INFLUENT)	8" pvc	WWTP	1988	

SUNRAY UTILITIES - ST. JOHNS, INC.

CALCULATION OF PURCHASE PRICE

ANNUAL REPORT PAGE CLOSING		AT 12/31/95	AT
F-5	Utility Plant in Service	\$2,671,214	
F-5	W&S Other Than Reporting Systems	- 0 - *	
F-5	Construction Work in Progress	included in utility plant in service	
F-5	W&S Other Than Reporting Systems-DEPR.	- 0 - *	
F-5	Accumulated Depreciation	(497,403)	
F-8	Contributions in Aid of Construction	(95,544)	
F-4	Advance for Construction	<u>(33,660)</u>	
	NET UTILITY PLANT	\$2,044,607	
F-4	Jobs in Progress & Inventory	<u>19,342</u>	
	NET BOOK VALUE	<u>\$2,063,949</u>	

* Not applicable in St. Johns County.

EXHIBIT "C"

SUNRAY-ST. JOHNS
CERTIFICATED TERRITORY

IN ST. JOHNS COUNTY, FLORIDA, THE FOLLOWING LANDS IN TOWNSHIP 5 SOUTH, RANGE 27 EAST:

ALL OF SECTION 1, LESS AND EXCEPT the North 1/2 of the NE 1/4 of said section.

ALL OF SECTION 2, LESS AND EXCEPT Northeast 1/4; further LESS AND EXCEPT the Southeast 1/4; and further LESS AND EXCEPT the Easterly 1/2 of the Northwest 1/4 of said section.

ALL OF SECTION 3.

ALL SECTION 4, LESS AND EXCEPT the Northerly 1/2 of said section; further LESS AND EXCEPT the Northerly 1/2 of the Southeast 1/4; and further LESS AND EXCEPT the Northerly 1/2 of the Southwest 1/4 of said section.

IN SECTION 5, ALL OF THE Southeasterly most 1/4 of the Southeast 1/4 of this fractional section.

ALL OF SECTIONS 9, 10, 11, 12, 13, 14 and 15.

ALL OF THE South 1/2 of the Northeast 1/4, together with the South 1/2 of the Southeast 1/4, of SECTION 16.

ALL OF SECTIONS 17 and 21.

ALL OF SECTION 22, LESS AND EXCEPT the South 1/2 of the Northeast 1/4; further LESS AND EXCEPT so much of the Southeast 1/4 as may lie Southerly of the Right of Way of State Road 210.

ALL OF SECTION 23, LESS AND EXCEPT so much of the Southwest 1/4 as may lie Southerly of State Road 210; further LESS AND EXCEPT the Southwest 1/4 of the Southeast 1/4.

ALL OF SECTION 24.

ALL OF SECTION 25, LESS AND EXCEPT the Southeast 1/4 of the Southeast 1/4 of the Southeast 1/4.

EXHIBIT "D"

(Cont'd: Township 5 South, Range 27 East)

ALL OF SECTIONS 26, 27, and 28.

ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND LYING IN THE Northerly most 1/4 of SECTION 32; together with the Southeast 1/4 of the Northeast 1/4, of said Section 32.

ALL OF SECTION 33, LESS AND EXCEPT the Easterly 1/2 of the Southeast 1/4 of the Northwest 1/4; further LESS AND EXCEPT the Easterly 1/2 of the Northeast 1/4 of the Southwest 1/4; further LESS AND EXCEPT the Southwest 1/4 of the Northeast 1/4 of the Southwest 1/4 of the Southwest 1/4; further LESS AND EXCEPT the South 1/2 of the Northwest 1/4 of the Southwest 1/4; further LESS AND EXCEPT the Southwest 1/4 of the Southwest 1/4; further LESS AND EXCEPT the Southeast 1/4 of the Southeast 1/4, of said section.

ALL OF SECTION 34, LESS AND EXCEPT the Southwest 1/4 of the Southwest 1/4 of said section.

ALL OF SECTION 35.

ALL OF SECTION 36, LESS AND EXCEPT THE Easterly 1/2 of the Southwest 1/4 of said section.

ALL OF SECTION 41.

IN ST. JOHNS COUNTY, FLORIDA, THE FOLLOWING LANDS IN TOWNSHIP 5 SOUTH, RANGE 28 EAST:

ALL OF SECTIONS 4, 5, and 6 lying South of Race Track Road.

ALL OF SECTION 7, LESS AND EXCEPT the Southwest 1/4 of the Southeast 1/4 of said section.

ALL OF SECTIONS 8, 9, 16 and 17.

ALL OF SECTION 18, LESS AND EXCEPT the Northeast 1/4 of the Southeast 1/4; further LESS AND EXCEPT to much of the Northeast 1/4 of the Northeast 1/4 of the Northeast 1/4 as may lie Northerly of the right of way of Russell Sampson Road (a 60' right of way in Section 18).

ALL OF SECTIONS 19, 20, 21, 28, 29, 30, 31, 32, 40, 41 and 46.

EXHIBIT E

Permitted Encumbrances

NONE

INDEMNIFICATION AND HOLD HARMLESS AGREEMENT

THIS INDEMNIFICATION AND HOLD HARMLESS AGREEMENT, made and executed this ____ day of August, 1996, by and between UNITED WATERWORKS INC., a corporation organized and existing under the laws of the State of Delaware, herein called the "Purchaser," UNITED WATER FLORIDA INC., a corporation organized and existing under the laws of the State of Florida, herein called the "Operator" and SUNRAY UTILITIES - ST. JOHNS, INC., a corporation organized and existing under the laws of the State of Delaware, herein called the "Seller."

W I T N E S S E T H:

1. For and in consideration of the agreement by the Purchaser to purchase the assets comprising the water and wastewater utility systems owned by the Seller and located in St. Johns County, Florida, pursuant to that certain Agreement of Purchase and Sale dated the ____ day of August, 1996, by and between the Seller and the Purchaser, herein called the "Sale Agreement," and the agreement by the Operator to operate such water and wastewater system pursuant to that certain Operations and Management Agreement dated the ____ day of August, 1996, herein called the "Operations Agreement," and other good and valuable considerations, the Seller does hereby agree to indemnify and hold harmless the Purchaser and the Operator for claims made within five (5) years from and after the Closing Date against and in respect to any damages, as herein defined, arising out of facts or

EXHIBIT "F"

circumstances occurring subsequent to the date of the execution of the Sale Agreement (the "Signing Date") as to paragraphs A, B and C below and prior to the Effective Date of the Operations Agreement (the "Takeover Date"), or subsequent to the Termination Date, if any, as to paragraphs D, E, F and G below. For purposes of this Agreement, "Termination Date" shall mean the date the Sale Agreement is terminated in accordance with the terms thereof by reason other than a sale of the Seller's utility system to the Purchaser, or the date the Operator ceases to operate such systems under the Operations Agreement if such sale does not occur, whichever is later. If neither of those events occur, there shall be no Termination Date for purposes of this Agreement. Damages, as used herein, shall include any claims, actions, demands, losses, costs, expenses, injunctions, suits, fines, liabilities, penalties and damages, including reasonable attorneys' fees, resulting to the Purchaser or the Operator from:

A. Any materially inaccurate representation made by the Seller in or under the Sale Agreement or Operations Agreement.

B. Breach of any of the warranties made by the Seller in or under the Sale Agreement or Operations Agreement.

C. Breach or default in the performance by the Seller of any of the covenants, duties or obligations to be performed by it under the Sale Agreement or Operations Agreement.

D. (1) Any debts, liabilities or obligations of the Seller, including Taxes, under any contract, easement, license, franchise, lease or service agreement which is not

assumed by the Purchaser or the Operator pursuant to the Sale Agreement or Operations Agreement; or (2) any debts, liabilities or obligations of the Seller to be paid by the Purchaser pursuant to paragraphs 4(i) or 14 of the Sale Agreement, or by the Operator pursuant to paragraph 4 of the Operations Agreement, to the extent accrued prior to the Takeover Date or subsequent to the Termination Date, if any.

E. Any obligation incurred in connection with the Seller's ownership and operation of the Purchased Assets as defined in the Sale Agreement within the area served by the Purchased Assets to the extent accrued prior to the Takeover Date or subsequent to the Termination Date, if any, including Taxes, and any obligations incurred by the Seller to construct, maintain, operate, repair, improve, remove and extend the water and wastewater utility systems which are a part of the Purchased Assets to the extent accrued prior to the Takeover Date or subsequent to the Termination Date, if any, unless such obligation arises as a result of the Operator's failure to construct, maintain, operate repair, improve, remove, and extend the water and wastewater utility systems pursuant to the Sale Agreement or the Operations Agreement after the Takeover Date and prior to the Termination Date, if any.

F. Any obligation incurred solely as a result of any water supply, treatment or distribution facilities or any wastewater collection or disposal facilities not being located

on, under or over property of the Seller transferred pursuant to the Sale Agreement, dedicated public rights-of-way or utility easements which fully permit the use thereof by the Purchaser or the Operator subsequent to the effective date of the Operations Agreement (as to the Operator) or the date of Closing (as to the Purchaser), or easements created by express grant to be transferred pursuant to the Sale Agreement.

G. Any obligation of the Purchaser or the Operator to connect any customer without such customer being obligated to pay to the Purchaser or the Operator the then current service availability fee, connection fee, meter fee or other charge or the Purchaser or the Operator being obligated to pay any such fee to such customer, because the Seller has theretofore collected such fees or any other fee from such customer and the Seller has not paid over such fees to the Purchaser or the Operator.

Notwithstanding anything herein to the contrary, the acts, matters and things herein indemnified against by the Seller in favor of the Purchaser or the Operator are not intended to and do not include such act, matter or thing caused by any acts of omission or commission of the Purchaser or the Operator, their officers, employees, and agents.

2. For and in consideration of the conveyance to the Purchaser of the assets comprising the water and wastewater utility systems owned by the Seller and located in St. Johns County, Florida, pursuant to the Sale Agreement, and the Seller's agreement

to permit the Operator to manage the Purchased Assets, and other good and valuable considerations, the Purchaser and the Operator hereby agree to indemnify and hold harmless the Seller for claims made within five (5) years from and after the Closing Date against and in respect to any damages, as herein defined, arising out of facts or circumstances occurring after the Signing Date as to paragraphs A, B and C below and after the Takeover Date as to paragraphs D, E and F below. Damages, as used herein, shall include any claims, actions, demands, losses, costs, expenses, injunctions, suits, fines, liabilities, penalties and damages, including reasonable attorneys' fees, resulting to the Seller from:

A. Any materially inaccurate representation made by the Purchaser or the Operator in or under the Sale Agreement or Operations Agreement.

B. Breach of any of the warranties made by the Purchaser or the Operator in or under the Sale Agreement or Operations Agreement.

C. Breach or default in the performance by the Purchaser or the Operator of any of the covenants, duties or obligations to be performed by either under the Sale Agreement or the Operations Agreement.

D. (1) Any debts, liabilities or obligations of the Purchaser or the Operator, including Taxes, under any contract, easement, license, franchise lease or service agreement which are to be assumed by the Purchaser pursuant to the Sale Agreement or Operations Agreement; or (2) any debts,

liabilities or obligations of the Seller to be paid by the Purchaser pursuant to paragraphs 4(i) or 14 of the Sale Agreement, or by the Operator pursuant to paragraph 4 of the Operations Agreement, to the extent accruing subsequent to the Takeover Date and prior to the Termination Date, if any.

E. Any obligation incurred in connection with the Purchaser's or the Operator's ownership or operation of the Purchased Assets as defined in the Sale Agreement within the area served by the Purchased Assets to the extent accruing subsequent to the Takeover Date and prior to the Termination Date, if any, including Taxes, and any obligations incurred by the Purchaser or the Operator to construct, maintain, operate, repair, improve, remove and extend the water and wastewater utility systems which are a part of the Purchased Assets to the extent accruing subsequent to the Takeover Date and prior to the Termination Date, if any, unless such obligation arises as a result of the Seller's failure to construct, maintain, operate repair, improve, remove, and extend the water and wastewater utility systems prior to the Takeover Date or subsequent to the Termination Date, if any.

F. Any obligation of the Seller after the Termination Date, if any, to connect any customer without such customer being obligated to pay to the Seller the then current service availability fee, connection fee, meter fee or other charge or the Seller being obligated to pay any such fee to such customer, because the Purchaser or the Operator has

theretofore collected such fees or any other fee from such customer and the Purchaser or the Operator has not paid over such fees to the Seller.

Notwithstanding anything herein to the contrary, the acts, matters and things herein indemnified against by the Purchaser or the Operator in favor of the Seller are not intended to and do not include such act, matter or thing caused by any acts of omission or commission of the Seller, its officers, employees, and agents.

3. The parties further agree that, promptly upon receipt by either party of notice of any demand, assertion, claim, action or proceeding, judicial or otherwise, with respect to any matter as to which the Seller or the Purchaser or the Operator has agreed to indemnify the other party under the provisions hereof, such party shall give prompt notice thereof in writing to the other, together with a statement of such information respecting such demand, assertion, claim, action or proceeding as the notifying party shall then have. The indemnifying party reserves the right to contest and defend by all appropriate legal or other proceedings any demand, assertion, claim, action or proceeding with respect to which it has been called upon to indemnify the other party under the provisions hereof; provided, however, that:

A. Notice of the intention to contest shall be delivered to the indemnified party within twenty (20) calendar days from the date of receipt by the indemnifying party of notice of the assertion, of such demand, assertion, claim, action or proceeding.

B. The indemnifying party shall pay all costs and expenses of such contest, including all attorneys' fees and the cost of any bond required by law to be posted in connection with such contest.

C. Such contest shall be conducted by reputable attorneys employed by the indemnifying party at its cost and expense, but the indemnified party shall have the right to participate in such proceedings and to be represented by attorneys of its own choosing, at its own cost and expense.

D. If after being apprised of such opportunity, the indemnified party does not elect to participate, or does not participate in any such proceedings, then it shall be bound by the results obtained by the indemnifying party, including without limitation any out of court settlement or compromise.

4. If the indemnifying party elects to contest any demand, assertion or claim, it shall not be obligated to make any payments to the indemnified party with respect thereto until the legal remedies available to the Seller, the Purchaser or the Operator, as the case may be, with respect to such demand, assertion or claim, shall have been exhausted.

5. If requested by the indemnifying party, the indemnified party agrees to cooperate in contesting any demand, assertion or claim which the indemnifying party elects to contest, or if appropriate, in the making of any counterclaim or demand against the person asserting such demand, assertion or claim or any cross-complaint against any person; and the indemnifying party

shall reimburse the indemnified party for any expenses incurred by it in so cooperating with the indemnifying party. If such counterclaim or cross-complaint results in the receipt by the indemnified party of amounts in excess of the amount which is subject to any such demand, assertion or claim such excess shall be retained by the indemnified party.

6. Nothing contained herein shall serve to impose, reimpose, create, recreate or renew any covenant, condition, liability or obligation of the Seller, the Purchaser or the Operator (a) which has been heretofore nullified, voided, invalidated, extinguished, modified, amended, revised, superseded or rendered unenforceable by any law, statute, rule, regulation, ordinance, passage of time or by any other means whatsoever, or (b) which has not been otherwise imposed by the Sale Agreement or Operations Agreement.

7. For purposes of this Agreement, "Tax" and "Taxes" shall mean any tax, charge, fee, levy, fine or other assessment including, without limitation, income, excise, property, payroll, sales, motor fuel, license, tag, registration,, stamp, road and franchise "tax," imposed by the United States or any state, county, local or foreign government or subdivision or agency thereof, and including any interest, penalties or additions attributable thereto.

IN WITNESS WHEREOF, the parties hereto have executed this Indemnification and Hold Harmless Agreement in duplicate originals on the date first above written.

Signed, sealed and delivered in the presence of:

SUNRAY UTILITIES-ST. JOHNS, INC.

Print _____

By: _____

Print _____

Its: _____

Print _____

P.O. Box 728
Fernandina Beach, FL 32035-0728

"SELLER"

UNITED WATER FLORIDA INC.

Print _____

By: _____

Print _____

Its: _____

Print _____

Post Office Box 8004
Jacksonville, FL 32225

"OPERATOR"

UNITED WATERWORKS INC.

Print _____

By: _____

Print _____

Its: _____

Print _____

200 Old Hook Road
Harrington Park, NJ 07640

"PURCHASER"

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1996, by _____, as _____ of SUNRAY UTILITIES - ST. JOHNS, INC., a Delaware corporation, on behalf of the corporation. He/she () is personally known to me or () produced a _____ Driver's License as identification _____ and did take an oath.

Print _____
Notary Public
Commission Number: _____
My commission expires: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1996, by _____, as _____ of UNITED WATER FLORIDA INC., a Florida corporation, on behalf of the corporation. He/she () is personally known to me or () produced a _____ Driver's License as identification _____ and did take an oath.

Print _____
Notary Public
Commission Number: _____
My commission expires: _____

STATE OF _____
COUNTY OF _____

The foregoing instrument was acknowledged before me this _____ day of _____, 1996, by _____, as _____ of UNITED WATERWORKS INC., a Delaware corporation, on behalf of the corporation. He/she () is personally known to me or () produced a _____ Driver's License as identification _____ and did take an oath.

Print _____
Notary Public
Commission Number: _____
My commission expires: _____

**SUNRAY-ST. JOHNS
LIST OF
UTILITY SERVICE AGREEMENTS**

12-31-91	St. Johns County	St. Johns County Fire Station #17
03-19-95	Cimarrone Property Owners Assoc.	Swimming Pool/ Club House Facility
03-30-94	Southern Grove I, Ltd.	Southern Grove (Silverfield Dev.)
10-13-95	National Auto/Truckstops, Inc.	G&M Auto Truck Stop
pending	Johns Glen Ltd.	Johns Glen (Charles Atkerson)
pending	Southern Grove II	Southern Grove II (Charles Atkerson)

OPERATIONS AND MANAGEMENT AGREEMENT

between

SUNRAY UTILITIES-ST. JOHNS, INC.

and

UNITED WATER FLORIDA INC.

OPERATIONS AND MANAGEMENT AGREEMENT

THIS OPERATIONS AND MANAGEMENT AGREEMENT (hereinafter sometimes referred to as "Agreement") is made and entered into as of the 21st day of August, 1996, by and between SUNRAY UTILITIES - ST. JOHNS, INC., a Delaware corporation (hereinafter sometimes referred to as "Utility"), and UNITED WATER FLORIDA INC., a Florida corporation (hereinafter sometimes referred to as "Operator").

W I T N E S S E T H :

WHEREAS, Utility owns and operates water and wastewater utility systems (the "Utility System") within St. Johns County, Florida under Franchise Certificates issued by the Board of County Commissioners of St. Johns County ("Board"); and

WHEREAS, the sale by Utility of all of the operating assets of the Utility System to United Waterworks Inc. ("Purchaser"), of which Operator is a wholly-owned subsidiary, is both contemplated and imminent; and

WHEREAS, the parties to such sale, and the parties to this Agreement, desire that the Utility System should be operated by Operator pursuant to the terms of this Agreement during the interim period which shall fall between the Effective Date (for purposes of this Agreement, the term "Effective Date" shall mean the date of the expiration of the management agreement between Utility and its existing management agent, which date shall be not less than four weeks after Utility notifies Operator thereof in writing) and the date of closing of the purchase and sale of the operating assets of the Utility System under the Agreement of Purchase and Sale dated

as of the 21st day of August, 1996, between Purchaser and Utility (hereinafter referred to as the "Sale Agreement"); and

WHEREAS, Utility requires reliable, professional, and experienced administration and management of the Utility System during the above referenced interim period; and

WHEREAS, Operator is fully able and capable of providing the same.

NOW, THEREFORE, in consideration of the premises, the mutual covenants contained herein and other good and valuable consideration, receipt of which is hereby acknowledged, it is hereby agreed as follows:

1. PREMISES

The foregoing statements are true and correct and incorporated herein by reference.

2. APPOINTMENT OF OPERATOR

In order to provide for centralized management and operation of the Utility System, the parties hereto acknowledge and agree that Operator shall act as, and is hereby appointed by Utility as, the sole and exclusive management agent of Utility to operate the Utility System in accordance with the terms and provisions of this Agreement. Operator hereby accepts the appointment to act as sole and exclusive management agent of Utility for such purpose in accordance with the terms and provisions hereof.

3. DUTIES AND RESPONSIBILITIES

Operator shall manage the affairs of the Utility System in accordance with sound business and financial practices and shall

use its discretion in discharging the duties described herein. Operator shall have the sole authority to deal with developers who receive, or desire to receive, service from the Utility System, provided that all contracts and amendments to contracts with such developers shall require the prior consent of the Utility, such consent not to be unreasonably withheld. Operator shall have sole responsibility during the term hereof for the operation and maintenance of the operating assets of the Utility System. Operator, at its election, shall make, without the prior approval of Utility, such capital improvements to the Utility System as are necessary to prevent the interruption of services to Utility's customers, and other capital improvements with estimated costs of less than \$5,000.00 each; provided, however, that Operator shall not make, without the prior approval of Utility, capital improvements with estimated costs of \$5,000.00 or more each which Operator deems desirable but not necessary to prevent such interruption. During all periods pertinent hereto, Operator, at its own expense, shall operate and maintain the Utility System in a normal and usual manner to the end that the value of the same will not be diminished or depleted other than by normal wear and tear. Furthermore, Operator shall cause the Utility System to be insured during the term hereof with such coverage as is required by the Sale Agreement. Operator shall have sole responsibility to provide service to Utility's customers in accordance with the provisions of Utility's tariffs and in conformity with all permits, licenses, laws, rules, regulations, orders and requirements of the

applicable governmental authorities having jurisdiction over the operations of the Utility System and in conformity with all contracts and agreements to which Utility is a party and which have been disclosed by Utility to Operator. Nothing contained in this Agreement shall be construed to make Operator liable for non-performance of its obligations hereunder as a result of the unanticipated failure or breakdown of pumping, distribution, transmission, collection, disposal or other facilities of the Utility System so long as Operator promptly and diligently proceeds to repair and restore the same to service. During the term hereof, Operator shall not have the authority, and shall not hold itself out as having authority, to execute contracts binding, or otherwise bind, Utility without the express written consent of Utility. Such consent will not be unreasonably withheld.

4. REVENUES AND EXPENSES

Operator shall retain all revenues and pay all expenses from the operation of the Utility System during the term hereof; provided however, that Utility will continue to book its depreciation and will pay its property taxes to the date of closing of the Sale Agreement. Further, the proceeds of contributions in aid of construction and other funds received from developers that properly apply to existing plant of the Utility System shall be paid to Utility and will reduce the Net Book Value of the Purchased Assets dollar for dollar. Otherwise, the Purchase Price (as defined in the Sale Agreement) will not be increased or reduced as a result of operating gains or losses during the term hereof.

5. ACCOUNTS RECEIVABLE AND UNBILLED REVENUES

Operator will commence collecting accounts receivable and unbilled revenues effective as of the Effective Date. All accounts receivable outstanding and all revenues for unbilled services at the Effective Date shall be prorated as of such date between Operator and Utility, and as of the Termination Date in the event of the termination hereof for any of the reasons set forth in clauses (ii), (iii) or (iv) of paragraph 7 hereof. Utility shall be responsible for billing all customers for the billing cycle ending 10 days or more prior to the Effective Date.

6. RECORDS AND BILLING

Utility will make available to Operator such of Utility's books, records, permits and applications pertaining to the Utility System as are reasonably necessary to enable Operator to carry out its duties hereunder, including the Utility's billing files, and the Utility's lists of accounts receivable and accounts payable, and Operator shall maintain and safeguard all books and records of Utility coming into the possession of Operator during the term hereof. Operator agrees not to disclose and to keep confidential all information regarding Utility and its operations obtained by Operator during the term of this Agreement. Operator shall be responsible to pay capital expenditures as herein provided and operating expenses incurred during the term hereof. Accounts payable for operating expenses (excluding real estate taxes, and excluding current principal or interest on any mortgage on the Utility System) of Utility shall be prorated as of the Effective

Date, and as of the Termination Date in the event of the termination hereof for any of the reasons set forth in clauses (ii), (iii) or (iv) of paragraph 7 hereof. Utility shall be responsible to prepare and file returns for income tax liability which it owes to governmental authorities. To the extent that Operator has collected CIAC tax impact fees that have been paid to Utility and are available to be used to pay the Utility's income tax liability, Operator shall pay such amounts to Utility. Operator will make available at reasonable times to Utility Operator's books and records pertaining to the Utility System as are reasonably necessary to enable Utility to compute its income tax liability.

7. TERM OF THIS AGREEMENT

The provisions of this Agreement shall become effective on the Effective Date, and shall continue in full force and effect until the earlier to occur of: (i) transfer of the assets and facilities of Utility to the Purchaser, as contemplated by the Sale Agreement; (ii) termination of the Sale Agreement; (iii) termination of this Agreement by mutual agreement of the parties hereto; or (iv) abandonment of this Agreement by the mutual agreement of the parties in writing. In the event of termination for the reasons set forth in clauses (ii), (iii) or (iv) above, (herein sometimes referred to as "Termination") the Utility shall within thirty (30) days reimburse to Operator the undepreciated amount of its expenditures incurred for capital improvements during the term of this Agreement and in accordance with the terms hereof; provided, however, that Operator at its sole election, may continue to manage

Utility until all funds owed to Operator by Utility under this Agreement have been paid in full. At the election of Utility, Operator shall continue to manage the affairs of Utility for a reasonable period of time not to exceed sixty (60) days beyond the date of Termination or the date that all funds owed to Operator have been paid in full in order to allow an orderly transfer of the management of the Utility System back to the personnel of Utility. Upon termination, Operator shall return all of the Purchased Assets (as that term is defined in the Sale Agreement) of the Utility System in good operating condition, and shall return all information provided to Operator or Purchaser as provided in the Sale Agreement.

8. INDEMNIFICATION

The indemnification rights and obligations of the parties hereto shall be set forth and governed by a separate Indemnification and Hold Harmless Agreement dated of even date herewith.

9. AMENDMENTS

This Agreement may not be amended, modified, altered or changed in any respect whatsoever except by further agreement in writing duly executed by the parties hereto.

10. CAPTIONS

The captions of this Agreement are for convenience and reference only and in no way define, describe, extend or limit the scope or intent of this Agreement or the intent of any provision hereof.

11. FURTHER ASSURANCES

The parties hereto agree to execute any and all further instruments and documents and to take all such action as reasonably may be required by either party to effectuate the terms and provisions of this Agreement and the transactions contemplated herein. Further, Utility shall cooperate with and will not adversely impede Operator in the discharge of its duties as provided herein.

12. GOVERNING LAW

This Agreement shall be governed in its enforcement, construction and interpretation by the laws of the State of Florida.

13. TIME

Time is of the essence with respect to all matters contained herein.

14. WAIVER

Failure to insist upon strict compliance with any of the terms, covenants, or conditions hereof shall not be deemed a waiver of such terms, covenants or conditions nor shall any waiver or relinquishment of any right or power hereunder at any time or times be deemed a waiver or relinquishment of such right or power at any other time or times.

15. SEVERABILITY

The invalidity or unenforceability of any provision hereof, shall in no way affect the validity or enforceability of any other provision.

16. FORCE MAJEURE

In the event that performance of this Agreement by any party is prevented or interrupted as a result of any cause beyond the control of said party including but not limited to Acts of God or of the public enemy; war; national emergency; allocation of resources or other governmental restriction upon the use or availability of labor or materials; rationing; civil insurrection; riot; racial or civil disorder or demonstration; strike; embargo; flood; tidal wave; fire; explosion; bomb detonation; nuclear fallout; windstorm; hurricane; earthquake or other casualty or disaster or catastrophe; exercise of the power of Eminent Domain; governmental rules, act, orders, restriction, or requirements; act or action of any government or public or governmental authority, commission, board, agency, agent, official or officer; enactment, passage or adoption heretofore or hereafter or the enforcement of any statute or resolution, decree, judgement, restraining order, or injunction of any court, said party shall not be liable for such non-performance.

17. EXECUTION OF AGREEMENTS

This Agreement is being executed simultaneously with the Sale Agreement.

18. TERMINATION

In the event that the transaction contemplated by the Sale Agreement is not consummated in accordance with the terms and provisions thereof, this Agreement shall terminate in accordance with paragraph 7 above (subject to Operator's and Utility's

performance of their obligations under paragraph 7 above) and all cash and other property, real, personal or mixed, tangible or intangible, that has been transferred pursuant to this Agreement or the Sale Agreement shall be returned to Utility by Operator.

19. ENTIRE AGREEMENT

This Agreement and the agreements referenced herein contain the entire agreement and understandings between the parties to this Agreement and there are no other agreements or understandings, oral or written, with reference to the subject matter hereof that are not either referenced herein or superseded hereby.

20. COUNTERPARTS

This Agreement may be executed in each of several counterparts, each of which shall be considered an original.

21. ATTORNEYS' FEES

In the event of any arbitration or litigation arising out of this Agreement or any document executed in connection herewith or pursuant hereto, each party shall bear its own costs of such litigation, including reasonable attorneys' fees and expenses, whether incurred at or before trial or on appeal.

IN WITNESS WHEREOF, the parties have hereto caused this Agreement to be executed this 21st day of AUGUST, 1996.

Signed, sealed and delivered
in the presence of:

[Signature]
Print JAMES E. SHERIDAN

[Signature]
Print MARY J. BERGER

SUNRAY UTILITIES-ST. JOHNS, INC.

By: W. D. Erickson
Print W. D. Erickson
Its: [Signature]
P.O. Box 728
Fernandina Beach, FL 32035-0728

"UTILITY"

[Signature]
Print Susan E. Conghlin
[Signature]
Print Jasmine De Simone

UNITED WATER FLORIDA INC.


By: [Signature]
Print Richard Hensch
Its: President
Post Office Box 8004
Jacksonville, FL 32225

"OPERATOR"

STATE OF FLORIDA
COUNTY OF ALACHUA

The foregoing instrument was acknowledged before me this 21st
day of August, 1996, by W D ERICKSON as
PRESIDENT of SUNRAY UTILITIES - ST. JOHNS, INC., a
Delaware corporation, on behalf of the corporation. He/she (X) is
personally known to me or () produced a _____ Driver's
License as identification _____ and did take an oath.


[Signature]
Print JAMES L SHROADS
Notary Public
Commission Number: _____
My commission expires: _____



STATE OF New Jersey
COUNTY OF Bergen

The foregoing instrument was acknowledged before me this 15th
day of July, 1996, by Richard Hensch as
President of UNITED WATER FLORIDA INC., a Florida
corporation, on behalf of the corporation. He/she (X) is
personally known to me or () produced a _____ Driver's
License as identification _____ and did take an oath.

[Signature]
Print _____
Notary Public
Commission Number: _____
My commission expires: _____



IN St. JOHNS COUNTY, FLORIDA, THE FOLLOWING LANDS IN
TOWNSHIP 5 SOUTH, RANGE 27 EAST:

All of Section 1, LESS AND EXCEPT, the North 1/2 of the NE 1/4 of
said section.

ALL OF SECTION 2, LESS AND EXCEPT Northeast 1/4; further
LESS AND EXCEPT the Southeast 1/4; and further LESS AND
EXCEPT the Easterly 1/2 of the Northwest 1/4 of said section.

ALL OF SECTION 3.

ALL OF SECTION 4, LESS AND EXCEPT the Northerly 1/2 of said
section; further LESS AND EXCEPT the Northerly 1/2 of the
Southeast 1/4; and further LESS AND EXCEPT the Northerly 1/2 of
the Southwest 1/4 of said section.

IN SECTION 5, ALL OF THE Southeasterly most 1/4 of the Southeast
1/4 of this fractional section.

ALL OF SECTIONS 9, 10, 11, 12, 13, 14, and 15.

ALL OF THE South 1/2 of the Northeast 1/4, together with the South 1/2 of
the Southeast 1/4, of SECTION 16.

ALL OF SECTIONS 17 AND 21.

ALL OF SECTION 22, LESS AND EXCEPT the South 1/2 of the
Northeast 1/4; further LESS AND EXCEPT so much of the Southeast
1/4 as may lie Southerly of the Right of Way of State Road 210.

ALL OF SECTION 23, LESS AND EXCEPT so much of the Southwest
1/4 that may lie Southerly of State Road 210; further LESS AND
EXCEPT the Southwest 1/4 of the Southeast 1/4.

ALL OF SECTION 24.

ALL OF SECTION 25, LESS AND EXCEPT the Southeast 1/4 of the
Southeast 1/4 of the Southeast 1/4.

ALL OF SECTIONS 26, 27 AND 28.

ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND LYING IN
THE Northerlymost 1/4 of SECTION 32; together with the Southeast
1/4 of the Northeast 1/4, of said Section 32.

(Cont'd: Township 5 South, Range 27 East)

ALL OF SECTION 33, LESS AND EXCEPT the Easterly 1/2 of the Southeast 1/4 of the Northwest 1/4; further LESS AND EXCEPT the Easterly 1/2 of the Northeast 1/4 of the Southwest 1/4; further LESS AND EXCEPT the Southwest 1/4 of the Northeast 1/4 of the Southwest 1/4 of the Southwest 1/4; further LESS AND EXCEPT the South 1/2 of the Northwest 1/4 of the Southwest 1/4; further LESS AND EXCEPT the Southwest 1/4 of the Southwest 1/4; further LESS AND EXCEPT the Southeast 1/4 of the Southeast 1/4, of said section.

ALL OF SECTION 34, LESS AND EXCEPT the Southwest 1/4 of the Southwest 1/4 of said section.

ALL OF SECTION 35.

ALL OF SECTION 36, LESS AND EXCEPT THE EASTERLY 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION.

ALL OF SECTION 41.

IN ST. JOHNS COUNTY, FLORIDA, THE FOLLOWING LANDS IN TOWNSHIP 5 SOUTH, RANGE 28 EAST:

ALL OF SECTIONS 4, 5, and 6 lying South of Race Track Road.

ALL OF SECTION 7, LESS AND EXCEPT the Southwest 1/4 of the Southeast 1/4 of said section.

ALL OF SECTIONS 8, 9, 16, AND 17.

ALL OF SECTION 18, LESS AND EXCEPT the Northeast 1/4 of the Southeast 1/4; further LESS AND EXCEPT to much of the Northeast 1/4 of the Northeast 1/4 of the Northeast 1/4 as may lie Northerly of the right of way of Russell Sampson Road (a 60' right of way in Section 18).

ALL OF SECTIONS 19, 20, 21, 28, 29, 30, 31, 32, 40, 41 AND 46.

MAPS

One set of maps, Exhibits A-5, A-6, and A-7, were submitted with the original Application.

EXHIBITS A-5, A-6, and A-7

SUNRAY'S WATER FACILITIES

- (1) Source of water supply: Florida Aquifer (Groundwater)
- (2) Number of wells 4 total capacity 777,620 gallons per day
- (3) The design capacity of the water treatment plant

	<u>Existing</u>	<u>Proposed</u>
Treatment Plants	(4) <u>0.160 MGD</u>	<u>N/A MGD</u>

- (4) The type of treatment: (i) Aeration for odor removal, and (ii) detention and chlorination
- (5) The average number of gallons presently pumped per day to distribution system and the method of measurement:

16,880 Gallons measured through a flow meter

- | | <u>Existing</u> | <u>Proposed</u> |
|--|-----------------|-----------------|
| (6) The design capacity of the distribution system | <u>N/A</u> | <u>N/A</u> |

- (7) Number of customers estimated as of December 31, 1996

Residential	16
Commercial	2
Other	0

- (8) Present plans for improving or increasing capacity of present facilities are as follows (included estimated completion date): United Water Florida is preparing a utility master plan which will include the Sunray service area and utility facilities. The plan is scheduled to be completed in May, 1997. Construction will be based on the plan.
- (9) Serial numbers and dates of FDER approvals of treatment facilities are as follows:

CUP No 2-109-0027 NRM

SUNRAY'S WASTEWATER FACILITIES

- (1) The design capacity of the wastewater treatment plant

	<u>Existing</u>	<u>Proposed</u>
Treatment Plant	<u>0.070 MGD</u>	<u>N/A</u>
Disposal Facilities	<u>MGD</u>	<u>N/A</u>

- (2) Type and make of present treatment facilities:

Enviroguard System

- (3) The type of treatment and disposal Extended Aeration with reclaimed water applied to evaporation/percolation cells; provision for gulf course spray irrigation

- (4) The average number of gallons presently treated per day and the method of measurement:

22,000 gallons per day measured through a flow meter

- | | <u>Existing</u> | <u>Proposed</u> |
|--|-----------------|-----------------|
| (5) The design capacity of the collection system | <u>N/A</u> | <u>N/A</u> |

- (6) Number of customers estimated as of December 31, 1996

Residential	16
Commercial	2
Other	0

- (7) Present plans for improving or increasing capacity of facilities are as follows (included estimated completion date): United Water Florida is preparing a utility master plan which will include the Sunray service area and utility facilities. The plan is scheduled to be completed in May, 1997. Construction will be based on the plan.

- (8) Permit numbers and dates of FDER approvals of treatment facilities are as follows:

Permit No. D055-245214 - expires 4/25/99

OPERATING PERMITS (Florida Department of Environmental Protection)

1. Nassau WWTP Permit No. D-45-239673 I.D. No. 3145P01228
Date of Issue: November, 24, 1993
Date of Expiration: November 24, 1998

(See letter dated 1-17-95 from DEP granting waiver from reclaimed water analysis for 1995 (Domestic Waste Monitoring Requirements-Nassau).

2. St. Johns WWTP Permit No. D055-245214 ID No. 3155P02141
Date of Issue: April 25, 1994
Date of Expiration: April 25, 1999

GENERAL PERMITS

1. St. Johns WWTP Permit No. CS55-265783
Cimarrone Golf & Country Club Date of Issue: March 16, 1995
Date of Expiration: March 16, 2000
2. St. Johns WTP Permit No. DS55-265784
Cimarrone Golf Date of Issue: February 28, 1995
Clubhouse & Storage Bldg Date of Expiration: February 28, 2000
3. Nassau WTP Permit No. DS45-262048
(Otter Run) Tradeplex Date of Issue: December 29, 1994
Date of Expiration: December 29, 1999
4. Nassau WWTP Permit No. CS45-262050
Tradeplex (Nassau Co Date of Issue: December 29, 1994
Ocean Hwy & Port Auth. Date of Expiration: December 29, 1999
5. St. Johns WWTP Permit No. CS55-272676
SR 210 Force Main Date of Issue: July 11, 1995
Date of Expiration: July 11, 2000
6. Nassau WWTP Permit No. DS45-233831
Water Main to Date of Issue: July 12, 1993
WWTP Date of Expiration: July 12, 1998
7. St. Johns WTP Permit No. DS55-259043
Southern Grove, Date of Issue: October 24, 1994
Phase I Date of Expiration: October 24, 1999
8. St. Johns WWTP Permit No. CS55-259067
Southern Grove Date of Issue: October 25, 1994
Phase I Date of Expiration: October 25, 1999

- | | | |
|-----|--|---|
| 9. | St. Johns WWTP
Lift Station & Sampson
Fire Station | Permit No. CS55-209933
Date of Issue: March 13, 1992
Date of Expiration: March 13, 1997 |
| 10. | St. Johns WWTP
G&M Auto/Truck Plaza | Permit No. CS55-278876
Date of Issue: November 28, 1995
Date of Expiration: November 28, 2000 |
| 11. | St. Johns WTP
Cimarrone Pool/Tennis
Facility | Permit No. DS55-229052
Date of Issue: April 14, 1993
Date of Expiration: April 14, 1998 |
| 12. | St. Johns WWTP
Cimarrone Pool/Tennis
Facility | Permit No. CS55-229051
Date of Issue: May 3, 1993
Date of Expiration: May 3, 1998 |
| 13. | St. Johns WTP
Fire Station #17
WM Ext. | Permit No. DS55-207668
Date of Issue: February 14, 1992
Date of Expiration: February 14, 1997 |
| 14. | St. Johns WWTP
Fire Station #17
Forcemain | Permit No. CS55-207749
Date of Issue: February 14, 1992
Date of Expiration: February 14, 1997 |
| 15. | St. Johns WTP
Southern Grove
Phase II | Permit No. DS55-288349
Date of Issue: May 3, 1996
Date of Expiration: May 3, 2001 |
| 16. | St. Johns WWTP
Indian Creek &
Cimarrone Golf &
Country Club | Permit No. CS55-289128
Date of Issue: May 31, 1996
Date of Expiration: May 31, 2001 |
| 17. | St. Johns WWTP
Southern Grove
Phase II | Permit No. CS55-291119
Date of Issue: July 17, 1996
Date of Expiration: July 17, 2001 |
| 18. | St. Johns WTP
Indian Creek @
Cimarrone Golf & CC | Permit No. DS55-289144
Date of Issue: May 22, 1996
Date of Expiration: |
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OPERATING PERMITS (Florida Department of Environmental Protection)

1. Nassau WWTP Permit No. D-45-239673 I.D. No. 3145P01228
Date of Issue: November, 24, 1993
Date of Expiration: November 24, 1998

(See letter dated 1-17-95 from DEP granting waiver from reclaimed water analysis for 1995 (Domestic Waste Monitoring Requirements-Nassau).

2. St. Johns WWTP Permit No. D055-245214 ID No. 3155P02141
Date of Issue: April 25, 1994
Date of Expiration: April 25, 1999

GENERAL PERMITS

1. St. Johns WWTP Permit No. CS55-265783
Cimarrone Golf & Country Club Date of Issue: March 16, 1995
Date of Expiration: March 16, 2000
2. St. Johns WTP Permit No. DS55-265784
Cimarrone Golf Date of Issue: February 28, 1995
Clubhouse & Storage Bldg Date of Expiration: February 28, 2000
3. Nassau WTP Permit No. DS45-262048
(Otter Run) Tradeplex Date of Issue: December 29, 1994
Date of Expiration: December 29, 1999
4. Nassau WWTP Permit No. CS45-262050
Tradeplex (Nassau Co Date of Issue: December 29, 1994
Ocean Hwy & Port Auth. Date of Expiration: December 29, 1999
5. St. Johns WWTP Permit No. CS55-272676
SR 210 Force Main Date of Issue: July 11, 1995
Date of Expiration: July 11, 2000
6. Nassau WWTP Permit No. DS45-233831
Water Main to Date of Issue: July 12, 1993
WWTP Date of Expiration: July 12, 1998
7. St. Johns WTP Permit No. DS55-259043
Southern Grove, Date of Issue: October 24, 1994
Phase I Date of Expiration: October 24, 1999
8. St. Johns WWTP Permit No. CS55-259067
Southern Grove Date of Issue: October 25, 1994
Phase I Date of Expiration: October 25, 1999

- | | | |
|-----|--|---|
| 9. | St. Johns WWTP
Lift Station & Sampson
Fire Station | Permit No. CS55-209933
Date of Issue: March 13, 1992
Date of Expiration: March 13, 1997 |
| 10. | St. Johns WWTP
G&M Auto/Truck Plaza | Permit No. CS55-278876
Date of Issue: November 28, 1995
Date of Expiration: November 28, 2000 |
| 11. | St. Johns WTP
Cimarrone Pool/Tennis
Facility | Permit No. DS55-229052
Date of Issue: April 14, 1993
Date of Expiration: April 14, 1998 |
| 12. | St. Johns WWTP
Cimarrone Pool/Tennis
Facility | Permit No. CS55-229051
Date of Issue: May 3, 1993
Date of Expiration: May 3, 1998 |
| 13. | St. Johns WTP
Fire Station #17
WM Ext. | Permit No. DS55-207668
Date of Issue: February 14, 1992
Date of Expiration: February 14, 1997 |
| 14. | St. Johns WWTP
Fire Station #17
Forcemain | Permit No. CS55-207749
Date of Issue: February 14, 1992
Date of Expiration: February 14, 1997 |
| 15. | St. Johns WTP
Southern Grove
Phase II | Permit No. DS55-288349
Date of Issue: May 3, 1996
Date of Expiration: May 3, 2001 |
| 16. | St. Johns WWTP
Indian Creek &
Cimarrone Golf &
Country Club | Permit No. CS55-289128
Date of Issue: May 31, 1996
Date of Expiration: May 31, 2001 |
| 17. | St. Johns WWTP
Southern Grove
Phase II | Permit No. CS55-291119
Date of Issue: July 17, 1996
Date of Expiration: July 17, 2001 |
| 18. | St. Johns WTP
Indian Creek @
Cimarrone Golf & CC | Permit No. DS55-289144
Date of Issue: May 22, 1996
Date of Expiration: |

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AFFIDAVIT

STATE OF FLORIDA
COUNTY OF DUVAL

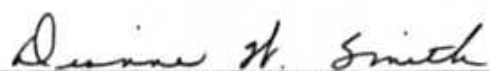
BEFORE ME, the undersigned authority, personally appeared MUNIPALLI SAMBAMURTHI, who being by me first duly sworn, deposes and says:

1. He is Vice President of United Water Florida Inc.
2. In his capacity as Vice President of United Water Florida Inc., he has actual knowledge of the facts and representations set forth in this Affidavit.
3. United Water Florida Inc. has filed tariffs and annual reports with the Florida Public Service Commission.

FURTHER AFFIANT SAYETH NOT.


MUNIPALLI SAMBAMURTHI

Sworn to and subscribed before me
this 7th day of February, 1997.
Affiant is personally know to me.


Notary Public, State of Florida
Print Dianne W. Smith

My commission expires:
Commission No.:

DIANNE W. SMITH
COMMISSION # CC448381 EXPIRES
March 20, 1999
BOND: THE TROY FARM INSURANCE, INC.

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
UTILITY PLANT				
101-106	Utility Plant	F-4	125,371,042	115,091,147
108-110	Less: Accumulated Depreciation and Amortization	F-6	25,122,306	23,170,872
	Net Plant		100,248,736	91,920,275
114-115	Utility Plant Acquisition			
	Adjustments (Net)	F-5	2,069,556	2,073,894
116	Other Utility Plant Adj.		0	0
	Total Net Utility Plant		102,318,332	93,994,169
OTHER PROPERTY AND INVESTMENTS				
121	Nonutility Property	F-4	377,785	377,725
122	Less: Accumulated Depreciation and Amortization		0	0
	Net Nonutility Property		377,785	377,725
123	Investment in Associated Companies	F-7	0	0
124	Utility Investments	F-7	0	0
125	Other Investments	F-7	0	0
126-127	Special Funds	F-7	(28,402)	(27,088)
	Total Other Property & Investments		(28,402)	(27,088)
CURRENT AND ACCRUED ASSETS				
131	Cash		213,181	246,022
132	Special Deposits		0	0
133	Other Special Deposits		0	0
134	Working Funds		700	700
135	Temporary Cash Investments		0	0
141-144	Accounts and Notes Receivable, Less Accumulated Provision for Uncollectible Accounts	F-8	1,911,595	1,937,734
145	Accounts Receivable from Associated Companies	F-9	0	0
146	Notes Receivable from Associated Companies	F-9	0	0
151-153	Material and Supplies		56,134	61,042
161	Stores Expense		0	0
162	Prepayments	F-10	164,395	304,798
171	Accrued Interest and Dividends Receivable		0	0
172	Rents Receivable		0	0
173	Accrued Utility Revenues		1,625,436	1,630,842
174	Misc. Current and Accrued Assets			
	Total Current and Accrued Assets		3,971,441	4,181,138

COMPARATIVE BALANCE SHEET - ASSETS AND OTHER DEBITS

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
DEFERRED DEBITS				
181	Unamortized Debt Discount & Expense	F-11	0	0
182	Extraordinary Property Losses	F-11	0	0
183	Preliminary Survey & Investigation Chgs		685,872	181,085
	FAS 109 Regulatory Assets		4,772,561	5,272,406
184	Clearing Accounts		0	0
185	Temporary Facilities		0	0
186	Misc. Deferred Debits	F-10	1,771,187	1,110,665
187	Research & Development Expenditures		0	0
190	Accumulated Deferred Income Taxes		0	0
	Total Deferred Debits		7,229,620	6,564,156
	TOTAL ASSETS AND OTHER DEBITS		113,868,777	105,090,160

NOTES TO THE BALANCE SHEET

The space below is provided for important notes regarding the balance sheet.

F-1(b)

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
EQUITY CAPITAL				
201	Common Stock Issued	F-13	50,000	50,000
204	Preferred Stock Issued	F-13	0	0
202,205	Capital Stock Subscribed		0	0
203,206	Capital Stock Liability for Conversion		0	0
207	Premium on Capital Stock		0	0
209	Reduction in Par or Stated Value of Capital Stock		0	0
210	Gain on Resale or Cancellation of Reacquired Capital Stock		0	0
211	Other Paid-in Capital		43,133,822	37,053,822
212	Discount on Capital Stock		0	0
213	Capital Stock Expense		0	0
214-215	Retained Earnings	F-14	22,060,284	20,726,597
216	Reacquired Capital Stock		0	0
218	Proprietary Capital (Proprietorship and Partnership Only)		0	0
	Total Equity Capital		65,244,107	57,830,419
LONG-TERM DEBT				
221	Bonds	F-15	0	0
222	Reacquired Bonds		0	0
223	Advances from Associated Companies	F-15	0	0
224	Other Long-Term Debt	F-13	0	0
	Total Long-Term Debt		0	0
CURRENT AND ACCRUED LIABILITIES				
231	Accounts Payable		1,135,811	1,478,301
232	Notes Payable	F-12	0	0
233	Accounts Payable to Associated Co.	F-12	0	45,395
234	Notes Payable to Associated Co.	F-12	0	0
235	Customer Deposits		9,258	10,100
236	Accrued Taxes	F-16	156,100	252,460
237	Accrued Interest	F-17	0	0
238	Accrued Dividends		0	0
239	Matured Long-Term Debt		0	0
240	Matured Interest		0	0
241	Miscellaneous Current and Accrued Liabilities	F-20	2,064,363	848,094
	Total Current and Accrued Liabilities		3,365,532	2,534,350

F-2(a)

COMPARATIVE BALANCE SHEET - EQUITY CAPITAL AND LIABILITIES

ACCT. NO. (a)	ACCOUNT NAME (b)	REF. PAGE (c)	CURRENT YEAR (d)	PREVIOUS YEAR (e)
DEFERRED CREDITS				
251	Unamortized Premium on Debt -----	F-11	0	0
252	Advances for Construction -----	F-18	152,370	152,370
253	Other Deferred Credits -----		1,173,575	1,345,453
255	Accumulated Deferred Investment Tax Credits -----		1,246,518	1,281,553
	FAS 109 Regulatory Liability -----		762,355	764,624
	Total Deferred Credits -----		3,334,818	3,544,010
OPERATING RESERVES				
261	Property Insurance Reserve -----		0	0
262	Injuries and Damages Reserve -----		0	0
263	Pensions and Benefits Reserve -----		0	0
265	Miscellaneous Operating Reserves -----		0	0
	Total Operating Reserves -----		0	0
CONTRIBUTIONS IN AID OF CONSTRUCTION				
271	Contributions In Aid of Construction -----	F-19	54,295,639	51,911,723
272	Accumulated Amortization of Contributions In Aid of Construction -----	F-20	(14,697,659)	(13,473,051)
	Total Net C.I.A.C. -----		39,597,980	38,438,672
ACCUMULATED DEFERRED INCOME TAXES				
281	Accumulated Deferred Income Taxes - Accelerated Depreciation -----		0	0
282	Accumulated Deferred Income Taxes - Liberalized Depreciation -----		0	0
283	Accumulated Deferred Income Taxes - Other -----		2,326,340	2,542,709
	Total Accum. Deferred Income Taxes -----		2,326,340	2,542,709
	TOTAL EQUITY CAPITAL AND LIABILITIES -----		113,868,777	105,090,160

UTILITY IMAE UNITED WATER FLORIDA
 COMPARATIVE OPERATING STATEMENT

YEAR OF REPORT
 DECEMBER 31, 1995

ACCT NO (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (c)	REF. PAGE (c)	CURRENT YEAR (d)	REF. PAGE (d)	WATER (e)	REF. PAGE (e)	WASTEWATER (f)	OTHER (g)	
UTILITY OPERATING INCOME										
400	Operating Revenues	10,581,666	F-204	20,402,270	W-2	8,882,816	S-2	13,639,705	0	
401	Operating Expenses	9,660,256	F-204	10,405,185	W-9	3,488,847	S-9	6,917,128	0	
402	Depreciation Expense	1,558,473	F-8	1,538,378	W-604	617,333	S-604	1,020,645	0	
406	Amortization of Utility Plant	72,223		26,160		12,352		13,408	0	
407	Amortization Expenses	0		0		0		0	0	
408 1	Taxes (Other Than Income Taxes)	2,218,052	F-18	2,427,850	F-6	781,334	F-6	1,666,525	0	
408 2	Income Taxes	431,129	F-18	287,278	F-18	178,376	F-18	31,801	0	
410 10	Included Federal Income Taxes	608,530		0		258,335		655,750	0	
410 11	Included State Income Taxes	118,817		129,739		28,414		184,325	0	
411 10	Provision for Deferred Income Taxes - Credit	0		0		0		0	0	
412 10	Provisional Tax Credits Deferred to F.d. or Furbills	0		0		0		0	0	
412 11	Provisional Tax Credits Restored to Operating Income	(15,940)		0		0		0	0	
	Utility Operating Expenses	15,941,240		15,649,685		8,229,802		19,409,692	0	
	Utility Operating Income	4,540,326		4,842,535	W-2	1,207,743	S-2	2,410,184	0	
413	Income From Utility Plant Leased to Others	0		0		0		0	0	
414	Gains (Losses) From Disposition of Utility Property	0		0		0		0	0	
	Total Utility Operating Income	4,540,326		4,842,535		1,207,743		2,410,184	0	

F-204

F-204

UTILITY NAME: UNITED WATER FLORIDA

ACCT. NO. (a)	ACCOUNT NAME (b)	PREVIOUS YEAR (d)	REF. PAGE (c)	CURRENT YEAR (e)
	Total Utility Operating Income (From Page F-3(a))	4,540,326		4,842,535
	OTHER INCOME AND DEDUCTIONS			
415	Revenues From Merchandising, Jobbing and Contract Deductions	7,518		13,906
416	Costs and Expenses of Merchandising, Jobbing and Contract Work	(10,614)		(20,517)
419	Interest and Dividend Income	0		0
420	Allowance for Funds Used During Construction	5,872		330,619
421	Nonutility Income	163,264		7,305
426	Miscellaneous Nonutility Expense	0		(39,836)
	Total Other Income and Deductions	166,040		291,477
	TAXES APPLICABLE TO OTHER INCOME			
408.20	Taxes Other Than Income	0	F-16	0
409.20	Income Taxes	0	F-16	0
410.20	Provision for Deferred Income Taxes	0		0
411.20	Provision for Deferred Income Taxes - Credit	0		0
412.20	Investment Tax Credits - Net	0		0
412.30	Investment Tax Credits Restored to Operating Income	0		0
	Total Taxes Applicable To Other Income	0		0
	Interest Expense			
427	Interest Expense	2,526,405	F-17	2,720,326
428	Amortization of Debt Discount & Expense	0	F-11	0
429	Amortization of Premium on Debt	0	F-11	0
	Total Interest Expense	2,526,405		2,720,326
	Extraordinary Items			
433	Extraordinary Income	0		0
434	Extraordinary Deductions	0		0
409.30	Income Taxes, Extraordinary Items	0	F-17	0
	Total Extraordinary Items	0		0
	NET INCOME	2,179,961		2,413,686

F-3(c)

UNITED WATERWORKS INC. AND SUBSIDIARIES
(A wholly-owned Subsidiary of United Water Resources Inc.)
Statement of Consolidated Income

<i>(thousands of dollars)</i>	Year ended 12/31/95*	Nine months ended 12/31/94*	Three months ended 3/31/94
			<i>(Unaudited)</i> <u>Predecessor</u>
Operating revenues	\$136,999	\$105,936	\$ 28,962
Operating expenses:			
Operation and maintenance	64,727	48,627	15,677
Depreciation and amortization	14,255	10,564	3,052
General taxes	<u>14,895</u>	<u>10,967</u>	<u>3,807</u>
Total operating expenses	<u>93,877</u>	<u>70,158</u>	<u>22,536</u>
Operating income	43,122	35,778	6,426
Interest and other expenses:			
Interest expense	19,819	13,598	4,462
Allowance for funds used during construction	(1,441)	(786)	(392)
Other income, net	<u>(2,928)</u>	<u>1</u>	<u>(130)</u>
Total interest and other expenses	<u>15,450</u>	<u>12,813</u>	<u>3,940</u>
Income before income taxes	27,672	22,965	2,486
Provision for income taxes	<u>10,694</u>	<u>8,735</u>	<u>896</u>
Net income applicable to common stock	<u>\$ 16,978</u>	<u>\$ 14,230</u>	<u>\$ 1,590</u>
Retained earnings at beginning of period	\$129,598	\$122,742	\$121,152
Net income applicable to common stock	16,978	14,230	1,590
Dividends to parent	<u>(7,000)</u>	<u>(7,374)</u>	<u>-</u>
Retained earnings at end of period	<u>\$139,576</u>	<u>\$129,598</u>	<u>\$122,742</u>

The accompanying notes are an integral part of these consolidated financial statements.

**Represents new basis of accounting effective April 1, 1994 and therefore these amounts are not comparable to the three months ended 3/31/94 (See Note 1).*

UNITED WATERWORKS INC. AND SUBSIDIARIES
 (A wholly-owned Subsidiary of United Water Resources Inc.)
 Consolidated Balance Sheet

<i>(thousands of dollars)</i>	December 31,	
	1995	1994
Assets		
Utility plant, including \$10,868 and \$17,892 under construction	\$ 693,461	\$ 648,251
Less accumulated depreciation	<u>128,267</u>	<u>121,099</u>
	565,194	527,152
Utility plant acquisition adjustments, Less accumulated amortization of \$3,221 and \$1,433	74,196	75,782
Real estate and other investments	1,305	721
Current assets:		
Cash and cash equivalents	173	3,705
Restricted cash	2,895	2,269
Accounts receivable and unbilled revenues, less allowance of \$125 and \$125	24,068	22,435
Note receivable from affiliated companies	23,500	-
Prepaid and other current assets	<u>3,826</u>	<u>3,710</u>
	54,462	32,119
Deferred charges and other assets:		
Regulatory assets	29,422	32,276
Prepaid employee benefits	2,144	3,479
Unamortized debt expense	8,675	7,188
Other deferred charges and assets	<u>4,230</u>	<u>3,118</u>
	44,471	46,061
	<u>\$ 739,628</u>	<u>\$ 681,835</u>
Capitalization and Liabilities		
Capitalization:		
Common stock and retained earnings	\$ 249,489	\$ 239,046
Preferred stock with mandatory redemption	797	819
Long-term debt	<u>214,370</u>	<u>195,232</u>
	464,656	435,097
Current liabilities:		
Notes payable	-	13,700
Long-term debt due within one year	11,308	4,839
Accounts payable and other accruals	11,173	16,760
Due to affiliated companies	9,246	7,346
Accrued taxes	2,497	5,977
Accrued interest and other current liabilities	<u>4,813</u>	<u>3,817</u>
	39,037	52,439
Deferred credits and other liabilities:		
Deferred income taxes and investment tax credits	46,564	51,638
Customer advances for construction	19,841	22,404
Contributions in aid of construction	124,398	110,289
Other deferred credits and liabilities	<u>45,132</u>	<u>9,968</u>
	235,935	194,299
Commitments and contingencies (Note 8)	<u>\$ 739,628</u>	<u>\$ 681,835</u>

The accompanying notes are an integral part of these consolidated financial statements.

89 10-151

O. R. 810 PG 1270

SPECIAL WARRANTY DEED

THIS WARRANTY DEED, made upon March 17, 1989, is between ITT RAYONIER INCORPORATED, a Delaware corporation authorized for and doing business within Florida, hereinafter called the Grantor, and SUNRAY UTILITIES INC., a Delaware corporation, whose mailing address is P. O. Box 1708, Fernandina Beach, Florida 32034, hereinafter called the Grantee.

WITNESSETH

That the Grantor, for and in consideration of the sum of TEN DOLLARS (\$10.00) and other good and valuable considerations, receipt of which is hereby acknowledged, has granted, bargained and sold to the Grantee, its successors and assigns forever, the following described land:

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

SUBJECT TO:

- (a) The lien of accrued but unpaid ad valorem property taxes, if any, for the year of the grant.
- (b) Restrictions, reservations and covenants of record, and easements and rights of way of record or apparent from an inspection of the land.
- (c) Existing zoning classification, if any.

together with all the tenements, hereditaments and appurtenances thereto belonging or in any wise appertaining, to have and to hold in fee simple forever;

And the Grantor does hereby warrant to the Grantee that it will warrant and defend the premises herein conveyed against the lawful claims and demands of all persons claiming by, through or under it, but against none others.

IN WITNESS WHEREOF the Grantor has caused this instrument to be executed in its name by its properly and duly authorized corporate officers, upon the date above given.

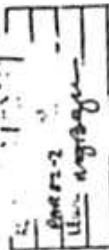
This instrument was recorded by MARY J. BECKER SOUTHEAST LEGAL SERVICE ITT RAYONIER P. O. BOX 723 FERNANDINA BEACH, FL 32034

ITT RAYONIER INCORPORATED

WITNESSES:

John J. Conroy
John Longo

By: William S. Boyce
Vice President
Attest: John W. [Signature]
Secretary



STATE OF Connecticut
COUNTY OF Hartford

The foregoing instrument was acknowledged before me this date, March 17, 1989 by William S. Boyce and John W. [Signature] as Vice President and Secretary, respectively, of ITT RAYONIER INCORPORATED, a Delaware corporation, on behalf of the corporation.

William S. Boyce
NOTARY PUBLIC

My Commission Expires: 3/31/89

Documentary Tax Pd. \$ 50.30
Intangible Tax Pd. \$ 0
Carl "Bud" Harkel, Clerk St. Johns
County By: AP 111 D.C.

A portion of Section 18, Township 5 South, Range 28 East, St. John's County, Florida, being more particularly described as follows: COMMENCE at the intersection with the Easterly right-of-way of that certain 150 foot wide J.E.A. powerline easement, as described in Official Records Volume 2176, Page 27 of the Current Public Records of said County (also being the same as the Westerly line of that certain 30 foot wide easement for ingress and egress, as recorded in Official Records Book 170, Pages 1729 through 1733 of the Current Public Records) with the Northerly right-of-way line of State Road No. 210 (a 100 foot right-of-way as now established); thence North 09°17'06" West along said Easterly right-of-way line of that certain 150 foot wide J.E.A. powerline easement, 1569.99 feet to the Northwestern corner of said 30 foot wide easement for ingress and egress, for the POINT OF BEGINNING; thence North 09°17'06" West along said Westerly right-of-way line, 1524.00 feet; thence North 00°42'54" East perpendicular to last mentioned line, 50.00 feet; thence South 00°17'06" East parallel to said Easterly right-of-way line, 1524.00 feet to the Northerly right-of-way line of said 30 foot easement for ingress and egress; thence South 00°42'54" West along last mentioned Northerly line, 50.00 feet to the POINT OF BEGINNING.

CONTAINING 1.75 ACRES ±



FILED APR 28 11:11 AM '22
CLERK OF DISTRICT COURT

09 APR 28 11:11:22

CLERK OF DISTRICT COURT

SPECIAL WARRANTY DEED

THIS WARRANTY DEED, made upon July 13th, 1988, is between ITT RAYONIER INCORPORATED, a Delaware corporation authorized for and doing business within Florida, hereinafter called the Grantor, and SUNRAY UTILITIES, INC., a Delaware corporation, whose mailing address is P.O. Box 1708, Fernandina Beach, Florida 32034, hereinafter called the Grantee.

WITNESSETH

That the Grantor, for and in consideration of the sum of TEN DOLLARS (\$10.00) and other good and valuable considerations, receipt of which is hereby acknowledged, has granted, bargained and sold to the Grantee, its heirs, successors and assigns forever, the following described land:

ALL OF THAT CERTAIN TRACT, OR PARCEL OF LAND, CONTAINING 4 ACRES, MORE OR LESS, AND LYING AND BEING IN SECTION 18, TOWNSHIP 3 SOUTH, RANGE 28 EAST, ST. JOHNS COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED IN AND BY EXHIBIT A, ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE.

SUBJECT TO:

- (a) The lien of accrued but unpaid ad valorem property taxes, if any, for the year of the grant.
- (b) Restrictions, reservations and covenants of record, and assessments and rights of way of record or apparent from an inspection of the land.
- (c) Existing zoning classification, if any.

Together with all the tenements, hereditaments and appurtenances thereto belonging or in any wise appertaining, to have and to hold in fee simple forever;

And the Grantor does hereby warrant to the Grantee that it will warrant and defend the premises herein conveyed against the lawful claims and demands of all persons claiming by, through or under it, but against none others.

IN WITNESS WHEREOF the Grantor has caused this instrument to be executed in its name by its properly and duly authorized corporate officers, upon the date above given.

ITT RAYONIER INCORPORATED

By: William S. Barry
Senior Vice President
Attest: Roger H. Watta
Assistant Secretary



WITNESSES:

Dorinda Little
Elaine H. Hallman

STATE OF CONNECTICUT
COUNTY OF FAIRFIELD

The foregoing instrument was acknowledged before me this date, July 13, 1988 by William S. Barry and Roger H. Watta, as Sr. Vice President and Secretary, respectively, of ITT RAYONIER INCORPORATED, a Delaware corporation, on behalf of the corporation.



Robert E. Kelly
NOTARY PUBLIC

My Commission Expires 7/31/89

Documentary Tax Pd. \$ 158.75
Intangible Tax Pd. \$ 00
Carl "Bud" Markel, Clerk St. Johns
County By: C.P.M. D.C.

MARY J. BERGER
SOUTHEAST LEGAL OFFICE
ITT RAYONIER
P. O. BOX 723
FERNANDINA BEACH, FL 32034

R/T

LEGAL DESCRIPTION
"4-ACRE PARCEL"
PARCEL "B"

A PARCEL OF LAND LOCATED IN SECTION 18, TOWNSHIP 5 SOUTH, RANGE 28 EAST, ST. JOHNS COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: FOR A POINT OF REFERENCE COMMENCE AT THE NORTHWEST CORNER OF SECTION 19, TOWNSHIP 5 SOUTH, RANGE 28 EAST OF SAID COUNTY; THENCE SOUTH 02°41'25" EAST ALONG THE WESTERLY LINE OF SAID SECTION 19, A DISTANCE OF 491.17 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF STATE ROAD 210 (A 100.00 FOOT RIGHT-OF-WAY AS NOW ESTABLISHED); THENCE NORTH 73°27'36" EAST ALONG SAID NORTHERLY RIGHT-OF-WAY LINE A DISTANCE OF 1462.51 FEET TO A POINT OF CURVE OF A CURVE CONCAVE TO THE SOUTH, SAID CURVE BEING ON SAID RIGHT-OF-WAY LINE AND HAVING A RADIUS OF 1196.67 FEET; THENCE ALONG THE ARC OF SAID CURVE A DISTANCE OF 337.47 FEET, THROUGH A CENTRAL ANGLE OF 16°09'24" (HAVING A CHORD BEARING NORTH 81°32'18" EAST AND A CHORD DISTANCE OF 336.33 FEET); THENCE NORTH 89°37'00" EAST ALONG SAID RIGHT-OF-WAY LINE A DISTANCE OF 152.93 FEET TO THE INTERSECTION OF SAID RIGHT-OF-WAY LINE AND THE EASTERLY RIGHT-OF-WAY LINE OF A 150.00 FOOT J.E.A. POWER LINE RIGHT-OF-WAY AS RECORDED IN OFFICIAL RECORDS VOLUME 2176, PAGE 27 OF THE CURRENT PUBLIC RECORDS OF DUVAL COUNTY, FLORIDA; THENCE NORTH 09°20'30" WEST ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 1569.99 FEET; THENCE SOUTH 80°39'30" EAST FOR A DISTANCE OF 484.60 FEET; THENCE SOUTH 03°05'50" WEST A DISTANCE OF 30.72 FEET TO THE POINT OF BEGINNING; THENCE SOUTH 81°01'33" EAST A DISTANCE OF 781.69 FEET; THENCE SOUTH 08°58'27" WEST A DISTANCE OF 250.00 FEET; THENCE NORTH 81°01'33" WEST A DISTANCE OF 400.00 FEET; THENCE NORTH 65°38'34" WEST A DISTANCE OF 379.94 FEET; THENCE NORTH 03°05'50" EAST A DISTANCE OF 150.00 FEET TO THE POINT OF BEGINNING, CONTAINING 4.00 ACRES, MORE OR LESS.

RECORD VERIFIED
JML

CLERK OF CIRCUIT COURT IN
PUBLIC OFFICES OF
ST. JOHNS COUNTY, FLA

88 JUL 14 PM 3:30

Paul V. Mank
CLERK OF CIRCUIT COURT

EXHIBIT A
Page 1 of 1
to Special Warranty Deed
between ITT Ropeler
and Seaway Utilities

THIS WARRANTY DEED, made upon August 24, 1957, is between ITT RAYONIER INCORPORATED, a Delaware corporation authorized for and doing business within Florida, hereinafter called the Grantor, and SUNDAY UTILITIES, INC., a Delaware corporation, whose mailing address is P.O. Box 1708, Fernandina Beach, Florida 32034, hereinafter called the Grantee.

WITNESSETH

That the Grantor, for and in consideration of the sum of TEN DOLLARS (\$10.00) and other good and valuable considerations, receipt of which is hereby acknowledged, has granted, bargained and sold to the Grantee, its heirs, successors and assigns forever, the following described land:

ALL OF THAT CERTAIN TRACT, OR PARCEL OF LAND, CONTAINING 10.0 ACRES, MORE OR LESS, AND LYING AND BEING IN ST. JOHNS COUNTY, FLORIDA, MORE PARTICULARLY DESCRIBED IN AND BY EXHIBIT A, ATTACHED HERETO AND INCORPORATED HEREIN BY THIS REFERENCE.

SUBJECT TO:

- (a) The lien of accrued but unpaid ad valorem property taxes, if any, for the year of the grant.
- (b) Restrictions, reservations and covenants of record, and easements and rights of way of record or apparent from an inspection of the land.
- (c) Existing zoning classification, if any.

Together with all the tenements, hereditaments and appurtenances thereto belonging or in any wise appertaining, to have and to hold in fee simple forever;

And the Grantor does hereby warrant to the Grantee that it will warrant and defend the promises herein conveyed against the lawful claims and demands of all persons claiming by, through or under it, but against none others.

IN WITNESS WHEREOF the Grantor has caused this instrument to be executed in its name by its properly and duly authorized corporate officers, upon the date above given.

ITT RAYONIER INCORPORATED

WITNESSES:
Janet E. McGray
Regina Little

By: *William S. Buse*
Secretary
Attest: *John H. ...*
Secretary



STATE OF Connecticut
COUNTY OF Hartford

The foregoing instrument was acknowledged before me this date, August 24, 1957 by William S. Buse and John H. ... respectively, of ITT RAYONIER INCORPORATED, a Delaware corporation, on behalf of the corporation.

My Commission Expires:
Janet E. McGray
NOTARY PUBLIC
My Commission Expires March 31, 1960

Janet E. McGray
NOTARY PUBLIC

Documentary Tax Pd. \$ 357.50
Intangible Tax Pd. \$ 0
Carl "Bud" Markel, Clerk St. Johns

LEGAL DESCRIPTION

10-ACRE PARCEL

A PARCEL OF LAND LOCATED IN SECTION 18, TOWNSHIP 5 SOUTH, RANGE 28 EAST, ST. JOHNS COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS: FOR A POINT OF REFERENCE COMMENCE AT THE NORTHWEST CORNER OF SECTION 19, TOWNSHIP 5 SOUTH, RANGE 28 EAST OF SAID COUNTY; THENCE SOUTH 02°41'25" EAST ALONG THE WESTERLY LINE OF SAID SECTION 19, A DISTANCE OF 491.17 FEET TO A POINT ON THE NORTHERLY RIGHT-OF-WAY LINE OF STATE ROAD 210 (A 100.00 FOOT RIGHT-OF-WAY AS NOW ESTABLISHED); THENCE NORTH 73°27'36" EAST ALONG SAID NORTHERLY RIGHT-OF-WAY LINE A DISTANCE OF 1462.51 FEET TO A POINT OF CURVE OF A CURVE CONCAVE TO THE SOUTH, SAID CURVE BEING ON SAID RIGHT-OF-WAY LINE AND HAVING A RADIUS OF 1196.67 FEET; THENCE ALONG THE ARC OF SAID CURVE A DISTANCE OF 337.47 FEET, THROUGH A CENTRAL ANGLE OF 16°09'24" (HAVING A CHORD BEARING NORTH 81°32'18" EAST AND A CHORD DISTANCE OF 336.33 FEET); THENCE NORTH 89°37'00" EAST ALONG SAID RIGHT-OF-WAY LINE A DISTANCE OF 152.93 FEET TO THE INTERSECTION OF SAID RIGHT-OF-WAY LINE AND THE EASTERLY RIGHT-OF-WAY LINE OF A 150.00 FEET J.E.A. POWERLINE RIGHT-OF-WAY AS RECORDED IN OFFICIAL RECORDS VOLUME 2176 PAGE 27 OF THE CURRENT PUBLIC RECORDS OF DUVAL COUNTY, FLORIDA; THENCE NORTH 09°20'30" WEST ALONG SAID EASTERLY RIGHT-OF-WAY LINE, A DISTANCE OF 1569.99 FEET; THENCE NORTH 80°39'30" EAST FOR A DISTANCE OF 484.60 FEET TO THE POINT OF BEGINNING; THENCE NORTH 03°05'50" EAST, A DISTANCE OF 67.89 FEET; THENCE NORTH 50°03'12" EAST, A DISTANCE OF 699.00 FEET; THENCE SOUTH 89°12'29" EAST, A DISTANCE OF 170.54 FEET; THENCE SOUTH 88°13'25" EAST, A DISTANCE OF 180.28 FEET; THENCE SOUTH 21°45'18" EAST, A DISTANCE OF 184.71 FEET; THENCE SOUTH 08°02'36" WEST, A DISTANCE OF 189.08 FEET; THENCE SOUTH 13°25'19" WEST, A DISTANCE OF 134.60 FEET; THENCE SOUTH 39°10'43" WEST, A DISTANCE OF 81.20 FEET; THENCE SOUTH 34°06'19" WEST, A DISTANCE OF 781.69 FEET; THENCE NORTH 81°01'33" WEST, A DISTANCE OF 30.72 FEET TO THE POINT OF BEGINNING. SAID PARCEL CONTAINING 10.000 ACRES, MORE OR LESS.

EXHIBIT A
 Page 1 of 1
 to Special Warranty Deed
 between ITT Rayonier
 and Sunray Utilities

RECORD VERIFIED
[Signature]

FILED IN PUBLIC RECORDS
 JAN 19 1980

1980 JAN 19 PM 2:36

[Signature]
 CLERK OF DISTRICT COURT

This Instrument was Prepared by
 JAMES L. SMITH
 SOUTHEAST LEGAL OF. PC
 111 HAYWARD
 P. O. BOX 723
 FERNANDINA BEACH, FL 32031

Recorded in Public Records St. Johns County, FL
Clerk # 94015713 O.H. 1052 PG 76 09:59AM 05-05-94
Recording 9.00 Surcharge 1.50 Doc Stamp 5.60
SPECIAL WARRANTY DEED

Pub- 1052 P. 76a



THIS SPECIAL WARRANTY DEED, made upon May 3, 1994, is between RAYLAND COMPANY, INC., a Delaware corporation authorized for and doing business within Florida, whose mailing address is 501 Centre Street (P.O. Box 1188) Fernandina Beach, Florida 32034, hereinafter called the Grantor, and SUNNAY UTILITIES-ST. JOHNS, INC., whose mailing address is 501 Centre Street (P.O. Box 1708) Fernandina Beach, Florida 32034, hereinafter called the Grantee.

WITNESSETH

THAT THE GRANTOR, for and in consideration of the sum of Ten Dollars, (\$10.00) and other good and valuable considerations, receipt of which is hereby acknowledged, has granted, bargained and sold to the Grantee, its successors and assigns forever, the following described land:

SEE EXHIBIT A, attached hereto and by reference is made a part hereof.

SUBJECT TO:

- a) The lien of accrued but unpaid ad valorem property taxes, if any, for the year of the grant.
- b) Restrictions, reservations and covenants of record, and easements and rights of way of record or apparent from an inspection of the land.
- c) Existing zoning classification.

TOGETHER WITH all the tenements, hereditaments and appurtenances thereto belonging or in any wise appertaining, to have and to hold in fee simple forever:

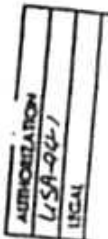
AND THE GRANTOR does hereby warrant to the Grantee that it will warrant and defend the premises herein conveyed against the lawful claims and demands of all persons claiming by, through or under it, but against none others.

IN WITNESS WHEREOF the Grantor has caused this instrument to be executed in its name by its properly and duly authorized corporate officers, upon the date given above.

Witnesses:

William J. Watson (Sign)
WILLIAM J. WATSON (Print)
James L. Shroads (Sign)
JAMES L. SHROADS (Print)

RAYLAND COMPANY, INC.
(P.O. Box 1188, Fernandina, Fla. 32034)
By: Arnold K. Tomassetti (Sign)
ARNOLD K. TOMASSETTI (Print)
As Its: Chief Executive Officer (Title)
ATTEST: James L. Shroads (Sign)
JAMES L. SHROADS (Print)
As Its: Notary Public (Title)



STATE OF FLORIDA
COUNTY OF ST. JOHNS

that the undersigned authority personally appeared Arnold K. Tomassetti and James L. Shroads as Vice President and Secretary, respectively, of RAYLAND COMPANY, INC., a Delaware corporation, who acknowledged before me the execution of this instrument by authority and on behalf of said corporation. Both are personally known to me.

IN WITNESS WHEREOF I have set my hand and seal upon this 3 day of May, 1994.

2-Rec
900
150
Doc
5.100

at: Debra B. Goode
This instrument was Prepared by:
JAMES L. SHROADS
Law Department
RAYONIER

James L. Shroads (Sign)
JAMES L. SHROADS (Print)
NOTARY PUBLIC
state of _____
Commission No. _____ **DEBBIE B. GOODE**
Commission Expires _____ Notary-Public-State of Florida

O.R. 1052 PG 0077

That certain piece, parcel or tract of land located in Sections 18 and 19, Township 5 South, Range 28 East, St. Johns County, Florida, being more particularly described as follows:

Commence at a lighter wood post marking the Northwest corner of Section 19, Township 5 South, Range 28 East; thence South 02° 43' 25" East along the West line of said Section 19, a distance of 491.10 feet to a concrete monument, said point also being the Northerly right of way line of State Road No. 210; (a 100 foot right of way as shown on State of Florida right of way map, Section No. 7851-250 F.A.P. 5-301 St. Johns County, Florida) said road also known as County Road No. 210; thence North 73° 30' 43" East along said right of way line, a distance of 803.64 feet; thence North 09° 58' 00" West, a distance of 50.33 feet; thence North 73° 30' 43" East, parallel with and 50 feet Northerly of the North right of way line of said State Road No. 210, a distance of 851.98 feet to the Point of Curvature of a curve, to the right, said curve concave Southerly and having a radius of 1,245.92 feet, thence along and around said curve, through a central angle of 15° 50' 01", an arc distance of 344.31 feet, said arc subtended by a chord bearing and distance of North 81° 25' 43" East, 343.21 feet, to its intersection with the Westerly right of way line of a 150.00 foot wide electric transmission and distribution right of way, as conveyed in instrument recorded in Official Records Volume 2178 Page 27 of the current public records of Duval County, Florida, said point also being a concrete monument; thence North 09° 22' 30" West along said West line, 1,994.37 feet to the POINT OF BEGINNING; thence South 80° 37' 30" West, 892.80'; thence North 15° 28' 48" West, 87.05'; thence North 14° 12' 30" East, 183.79'; thence North 80° 37' 30" East, 628.53' to its intersection with the aforementioned Westerly right of way line of said 150.00 foot wide electric transmission and distribution right of way; thence South 09° 22' 30" East, along said line, 255.00' to the POINT OF BEGINNING. Containing 3.958 acres, (172,432 sq. ft.) more or less.

91 1405

QUIT CLAIM DEED

THIS QUITCLAIM DEED is executed this 26th of December, 1970, by SUNRAY UTILITIES, INC., (hereinafter referred to as first party) to SUNRAY UTILITIES, INC. - BY JOHN, whose mailing address is P.O. Box 1708, Fernandina Beach, Florida 32034 (hereinafter referred to as second party).

Corrected by OR 885-1109 ✓
WITNESSETH

That the said first party, for and in consideration of the sum of TEN (\$10.00) DOLLARS and other good and valuable considerations, does hereby release, remise and quitclaim unto the second party, its successors and assigns forever, all the right, title, interest, claim and demand which the first party has in and to the following described real property situate, lying and being in St. Johns County, Florida:

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

To have and to hold forever the same together with all and singular the appurtenances thereunto belonging or in any wise appertaining, and all the estate, right, title, interest, lien, equity and claim whatsoever existing, in law or equity, of the first party.

IN WITNESS WHEREOF, the first party has caused this instrument to be executed in its name, upon the date above given.

SUNRAY UTILITIES, INC.

WITNESSES:

Raymond L. Latta
R. L. Williams

By: William J. Benz
President
Attest: James A. Searles
Secretary



STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing instrument was acknowledged before me this date, December 26, 1970, by William J. Benz and James A. Searles, as President and Secretary, respectively, of SUNRAY UTILITIES, INC., by authority and on behalf of the corporation.

Walter A. Searles
NOTARY PUBLIC



My Commission Expires:
NOTARY PUBLIC, STATE OF FLORIDA
My Commission Expires Jan. 31, 1972

Documentary Tax \$ 3274.70
County Tax \$
Carl "Doc" Harlow, Notary Public,
County Tax

This instrument was prepared by
JAMES A. SEARLES
SOLICITOR
111 HAYTOWNE 4
P. O. BOX 713
FERNANDINA BEACH, FL 32034

EXHIBIT A TO QUITCLAIM DEED
SUNRAY UTILITIES, INC. TO SUNRAY UTILITIES, INC. - ST. JOHN'SSUNRAY UTILITIES, INC.
ST. JOHN'S COUNTY, FL.

All right, title and interest of Sunray Utilities, Inc. in, under or existing by reason of the documents listed below, all of which appear of record in the Official Public Records of St. Johns County, Florida.

BOOK	PAGE	DATE*	GRANTOR	GRANTEE
770	1734	08/24/87	RAYONIER	SUNRAY
770	1729	09/28/87	RAYONIER	SUNRAY
789	194	07/13/88	JAYONIER	SUNRAY
806	8	11/20/88	CORDELE	SUNRAY
818	1266	03/17/89	RAYONIER/CORDELE	SUNRAY
818	482	03/28/89	CHTY. COMM.	SUNRAY
821	968	04/26/89	RAYONIER	SUNRAY
821	972	04/26/89	RAYONIER	SUNRAY
821	976	05/26/89	RAYONIER	SUNRAY
818	173	03/23/89	RAYONIER	SUNRAY
818	1270	03/17/89	RAYONIER	JEA
823	99	04/18/89	RAYONIER	JEA
823	108	04/25/89	RAYONIER	JEA
823	111	04/25/89	RAYONIER	JEA
823	102	04/18/89	SUNRAY	JEA
823	105	04/25/89	SUNRAY	JEA
823	105	05/29/89	JEA	RAYONIER/SUNRAY
NA	NA	03/28/89	CORDELE	SUNRAY
817	889	03/28/89	RAYLANO	SUNRAY
880	1486	06/21/90	RAYLANO	SUNRAY
880	1490	06/21/90	RAYLANO	SUNRAY

*Date document executed. NA=NOT APPLICABLE.

J. ED AND M. CORDELE JR.
PUBLIC RECORDS OF
ST. JOHN'S COUNTY, FLA.

91 JAN 18 AM 10:27

3-2-89
CLERK OF COUNTY COURT

91 4383

CORRECTIVE AND CONFIRMATORY QUITCLAIM DEED

THIS CORRECTIVE AND CONFIRMATORY QUITCLAIM DEED made on 14th day of February, 1991, by SUNRAY UTILITIES INC., (hereinafter referred to as Grantor) to SUNRAY UTILITIES-ST. JOHNS, INC.; whose mailing address is P.O. Box 1708, Fernandina Beach, Florida 32034 (hereinafter referred to as Grantee).

RECITALS

- A. Grantor conveyed lands and interests to Grantee by Quit Claim Deed dated December 26, 1990, and recorded at Official Records Book 882, Page 70, in the Public Records of St. Johns County, Florida, which deed, as recorded, is adopted and incorporated herein as fully and to the same effect as if set forth in this instrument in its entirety.
- B. In the Quit Claim Deed dated December 26, 1990, an error occurred in the name of the Grantee. Instead of "Sunray Utilities, Inc. - St. Johns" the name of the Grantee should have read "Sunray Utilities-St. Johns, Inc." which was in fact intended by the parties and which would adequately express the proper name of the Grantee.
- C. To prevent difficulties hereinafter, and to permit recordation of a deed that reflects the proper and correct name of the Grantee, the parties have entered into this instrument, the sole purpose of which is to reflect the correct corporate name of the Grantee.

CONFIRMATION OF CONVEYANCE

THEREFORE, Grantor, in consideration of ONE DOLLAR (\$1.00) and other good and valuable consideration, the receipt of which acknowledged, gives, grants, bargains, sells conveys, ratifies, confirms and forever quitclaims to Grantee, its successors and assigns forever, those parcels of real property located in St. Johns County, Florida, as described at Exhibit A attached to said Quit Claim Deed dated December 26, 1990

IN WITNESS whereof, grantor has caused this instrument to be executed in its name, upon the date above given.

SUNRAY UTILITIES, INC.

WITNESSES:

Charlotte M. Keefer
John T. Palmer

By: *William S. Berry*
President
Attest: *James L. Shroads*
Assistant Secretary

RECORDED
INDEXED

STATE OF Florida
COUNTY OF NAVASA

The foregoing instrument was acknowledged before me this date, February 14, 1991, by William S. Berry and James L. Shroads, as President and Assistant Secretary, respectively, of SUNRAY UTILITIES, INC., by authority and on behalf of the corporation.

Debra B. Spore
NOTARY PUBLIC

My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA
My Commission Expires Sept. 18, 1991

Documentary Tax Pd. \$ 55
\$ 50 Intangible Tax
Carl "Bud" Herbst, Clerk St. Johns



This instrument was prepared by:
JAMES L. SHROADS
SUNRAY UTILITIES
1177 W. PALM BEACH BLVD.
P.O. BOX 1722
FERNANDINA BEACH, FL 32034

91 1405

QUIT CLAIM DEED

THIS QUITCLAIM DEED is executed this 26th of December, 1970, by
SUNRAY UTILITIES, INC., (hereinafter referred to as first party) to SUNRAY
UTILITIES, INC. - ST. JOHNS, whose mailing address is P.O. Box 1708,
Fernandina Beach, Florida 32034 (hereinafter referred to as second party).

WITNESSETH:

That the said first party, for and in consideration of the sum of TEN
(\$10.00) DOLLARS and other good and valuable considerations, does hereby
release, remise and quitclaim unto the second party, its successors and
assigns forever, all the right, title, interest, claim and demand which the
first party has in and to the following described real property situate, lying
and being in St. Johns County, Florida:

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

To have and to hold forever the same together with all and singular the
appurtenances thereunto belonging or in any wise appertaining, and all the
estate, right, title, interest, lien, equity and claim whatsoever existing, in
law or equity, of the first party.

IN WITNESS WHEREOF, the first party has caused this instrument to be
executed in its name, upon the date above given.

SUNRAY UTILITIES, INC.

WITNESSES:

Myrta Lillis
Cherie H. Williams

By: William S. Berry
President
Attest: James L. Williams
Secretary



STATE OF FLORIDA
COUNTY OF NAVASU

The foregoing instrument was acknowledged before me this date,
December 26, 1970, by WILLIAM S. BERRY and
JAMES L. WILLIAMS, as President and Assistant - Secretary,
respectively, of SUNRAY UTILITIES, INC., by authority and on behalf of the
corporation.

Vicki A. Dostal
NOTARY PUBLIC



My Commission Expires:
NOTARY PUBLIC, STATE OF FLORIDA
My Commission Expires Jan. 21, 1982

Documentary Tax Pd. \$ 3274.70
\$ 00 Intangible Tax Pd.
Carl "Bud" Markel, Clerk St. Johns
County By: CDM P.C.

This instrument was prepared by:
JAMES L. WILLIAMS
SUNRAY UTILITIES, INC.
P.O. BOX 1708
FERNANDINA BEACH, FL 32034

EXHIBIT A TO QUITCLAIM DEED
SUNRAY UTILITIES, INC. TO SUNRAY UTILITIES, INC. - ST. JOHNSUNRAY UTILITIES, INC.
ST. JOHN COUNTY, FL.

All right, title and interest of Sunray Utilities, Inc. in, under or existing by reason of the documents listed below, all of which appear of record in the Official Public Records of St. Johns County, Florida.

BOOK	PAGE	DATE*	GRANTOR	GRANTEE
770	1734	08/24/87	RAYONIER	SUNRAY
770	1729	08/28/87	RAYONIER	SUNRAY
789	194	07/13/88	RAYONIER	SUNRAY
806	9	11/30/88	CORDELE	SUNRAY
818	1266	03/17/89	RAYONIER/CORDELE	SUNRAY
818	482	03/28/89	CITY, COGN.	SUNRAY
821	968	04/26/89	RAYONIER	SUNRAY
821	972	04/26/89	RAYONIER	SUNRAY
821	976	05/26/89	RAYONIER	SUNRAY
818	173	03/23/89	RAYONIER	SUNRAY
818	1270	03/17/89	RAYONIER	SUNRAY
823	99	04/18/89	RAYONIER	JEA
823	108	04/25/89	RAYONIER	JEA
823	111	04/25/89	RAYONIER	JEA
823	102	04/18/89	SUNRAY	JEA
823	105	04/25/89	SUNRAY	JEA
8A	8A	04/23/89	JEA	RAYONIER/SUNRAY
817	669	03/28/89	CORDELE	SUNRAY
880	1486	06/21/90	RAYLAND	SUNRAY
880	1490	06/21/90	RAYLAND	SUNRAY

*Date document executed. N/A not Applicable.

PUBLIC RECORDS OF
ST. JOHN COUNTY, FLA.

91 JAN 19 AM 10:27

B-2-11-11
CLEAR W/ COPIES

SUNRAY SERVICE AVAILABILITY
FEES AND CHARGES TO BE RETAINED

Plant Capacity Charge

Water

Residential - Per ERC (350 GPD)	\$410.00
All others - per gallon	\$1.17

Wastewater

Residential - Per ERC (280 GPD)	\$250.00
All others - per gallon	\$0.89

Guaranteed Revenue Charge

Water

With Prepayment of Service Availability Charges	
Residential - per ERC/month (350 GPD)	\$14.08
All others - per gallon/month	\$0.04

Wastewater

With Prepayment of Service Availability Charges	
Residential - per ERC/month (280 GPD)	\$18.19
All others - per gallon/month	\$0.07

WATER TARIFF

(Con't. from Sheet No. 3.1.1)

COMMISSION ORDER(S) APPROVING TERRITORY SERVICED - (Con't.)

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
PSC-94-0159-FOF-WS	02/09/94	931022-WS	Amendment of the Ponte Vedra Terri- To Include the Fountains Asso- ciation, Inc.
PSC-94-0433-FOF-WS	04/11/94	940022-WS	Correction of Legal Description of Ponte Vedra Territory
			Transfer of Sunray Utilities-Nassau, Inc.
			Amendment to Include Service Territory of Sunray Utilities- Jt. Johns, Inc.

Effective

Munipalli Sambamurthi
Vice President

WATER TARIFF

(Con't. from Sheet No. 3.88)

DOCKET: _____ ORDER: _____ DATED: _____ (con't.)

IN ST. JOHNS COUNTY, FLORIDA, THE FOLLOWING
LANDS IN TOWNSHIP 5 SOUTH, RANGE 27 EAST:

All of Section 1, LESS AND EXCEPT, the North $\frac{1}{4}$
of the NE $\frac{1}{4}$ of said section.

ALL OF SECTION 2, LESS AND EXCEPT Northeast $\frac{1}{4}$; further
LESS AND EXCEPT the Southeast $\frac{1}{4}$; and further LESS AND
EXCEPT the Easterly $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of said section.

ALL OF SECTION 3.

ALL OF SECTION 4, LESS AND EXCEPT the Northerly $\frac{1}{4}$ of said
section; further LESS AND EXCEPT the Northerly $\frac{1}{4}$ of the
Southeast $\frac{1}{4}$; and further LESS AND EXCEPT the Northerly $\frac{1}{4}$
of the Southwest $\frac{1}{4}$ of said section:

IN SECTION 5, ALL OF THE Southeasterly most $\frac{1}{4}$ of the
Southeast $\frac{1}{4}$ of this fractional section.

ALL OF SECTIONS 9, 10, 11, 12, 13, 14, and 15.

ALL OF THE South $\frac{1}{4}$ of the Northeast $\frac{1}{4}$, together with the
South $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, of SECTION 16.

ALL OF SECTIONS 17 AND 21.

ALL OF SECTION 22, LESS AND EXCEPT the South $\frac{1}{4}$
of the Northeast $\frac{1}{4}$; further LESS AND EXCEPT
so much of the Southeast $\frac{1}{4}$ as may lie

(Con't. to Sheet No. 3.90)

Munipalli Sambamurthi
Vice President

WATER TARIFF

(Con't. from Sheet No. 3.89)

DOCKET: _____ ORDER: _____ DATED: _____ (con't.)

Southerly of the Right of Way of State Road 210.

ALL OF SECTION 23, LESS AND EXCEPT so much of the Southwest 1/4 as may lie Southerly of State Road 210; further LESS AND EXCEPT the Southwest 1/4 of the Southeast 1/4.

ALL OF SECTION 24.

ALL OF SECTION 25, LESS AND EXCEPT the Southeast 1/4 of the Southeast 1/4 of the Southeast 1/4.

ALL OF SECTIONS 26, 27 AND 28.

ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND LYING IN THE Northerly most 1/4 of SECTION 32; together with the Southeast 1/4 of the Northeast 1/4, of said Section 32.

ALL OF SECTION 33, LESS AND EXCEPT the Easterly 1/4 of the Southeast 1/4 of the Northwest 1/4; further LESS AND EXCEPT the Easterly 1/4 of the Northeast 1/4 of the Southwest 1/4; further LESS AND EXCEPT the Southwest 1/4 of the Northeast 1/4 of the Southwest 1/4 of the Southwest 1/4; further LESS AND EXCEPT the South 1/4 of the Northwest 1/4 of the Southwest 1/4; further LESS AND EXCEPT the Southwest 1/4 of the Southwest 1/4; further LESS AND EXCEPT the Southeast 1/4 of the Southeast 1/4, of said section.

(Con't. to Sheet No. 3.91)

Munipalli Sambamurthi
Vice President

WATER TARIFF

(Con't. from Sheet No. 3.90)

DOCKET: _____ ORDER: _____ DATED: _____ (con't.)

ALL OF SECTION 34, LESS AND EXCEPT the Southwest 1/4 of the Southwest 1/4 of said section.

ALL OF SECTION 35.

ALL OF SECTION 36, LESS AND EXCEPT THE EASTERLY 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION.

ALL OF SECTION 41.

IN ST. JOHNS COUNTY, FLORIDA, THE FOLLOWING LANDS IN TOWNSHIP 5 SOUTH, RANGE 28 EAST:

ALL OF SECTIONS 4, 5, and 6 lying South of Race Track Road.

ALL OF SECTION 7, LESS AND EXCEPT the Southwest 1/4 of the Southeast 1/4 of said section.

ALL OF SECTIONS 8, 9, 16, AND 17.

ALL OF SECTION 18, LESS AND EXCEPT the Northeast 1/4 of the Southeast 1/4; further LESS AND EXCEPT to much of the Northeast 1/4 of the Northeast 1/4 of the Northeast 1/4 as may lie Northerly of the right of way of Russell Sampson Road (a 60' right of way in Section 18).

ALL OF SECTIONS 19, 20, 21, 28, 29, 30, 31, 32, 40, 41 AND 46.

Munipalli Sambamurthi
Vice President

WATER TARIFF

SUNRAY-ST. JOHNS COUNTY AREA
SERVICE AVAILABILITY SCHEDULE OF FEES AND CHARGES

REFER TO SERVICE
 AVAILABILITY POLICY
SHEET NO./RULE NO.

<u>Administrative Fee</u>	A percentage of the costs of Construction	Rule Nos. A8 & C2
<u>Back-Flow Preventor Installation Fee</u> All sizes.....	Actual Cost	Rule Nos. A8 & C6
<u>Customer Connection (Tap-In) Charge</u> 1" metered service (Shortside)..	Actual Cost	Rule Nos. B7 & C11
1" metered service (Longside)...	Actual Cost	
2" and over metered service.....	Actual Cost	
<u>Guaranteed Revenue Charge</u> With Prepayment of Service Availability Charges Residential - per ERC/.....	\$14.08	
Month (350 GPD)		
All others - per gallon/month.....	\$ 0.04	
<u>Inspection Fees</u>	Actual Cost	Rule No. C10
<u>Legal Fees</u>	Actual Cost	Rule No.C2
<u>Main Extension Charge - Off Site</u> Residential-per ERC (350 GPD)....	Actual Cost	Rule Nos. B2,B3,B7, C6, C7,C8 & C11
All others-per gallon.....	Actual Cost	
<u>Main Extension Charge-On Site</u> Residential-per ERC (350 GPD)....	Actual Cost	Rule Nos. B2, B3, B7, C6 & C11
All others-per gallon.....	Actual Cost	
<u>Meter Installation Fee</u> 5/8" x 3/4".....	\$ 70.00	Rule No. C4
3/4".....	\$ 125.00	
1"pA.....	\$ 150.00	
1 1/2".....	\$ 235.00	
2".....	\$ 357.00	
3"and Above.....	Actual Cost	
<u>Plan Review Charge</u>	A Percentage of the Costs of Construction	Rule Nos. A8 & C2
<u>Plant Capacity Charge</u> Residential-per ERC(350 GPD).....	\$ 410.00	Rule Nos. B1 & C1
All others-per gallon.....	\$ 1.17	

Actual Cost is equal to the total cost incurred for services rendered to a customer.

Effective
 Type of Filing: Transfer and Amendment
 of Certificate

Munipalli Sambamurthi
 Vice President

UNITED WATER FLORIDA INC.

CANCELS _____

REVISED SHEET NO. 3.1.2
REVISED SHEET NO. 3.1.2

WASTEWATER TARIFF

(Con't. from Sheet No. 3.1.1)

COMMISSION ORDER(S) APPROVING TERRITORY SERVICES - (Con't.)

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
PSC-94-0433-POF-WS	04/11/94	940022-WS	Correction of Legal Description of Ponte Vedra Territory
PSC-95-0211-POF-SU	02/16/95	940729-SU	Amendment (San Jose)
PSC-95-0338-POF-SU	03/10/95	940979-SU	Amendment (San Jose)
PSC-95-0273-POF-SU	03/01/95	941019-SU	Amendment (Monterey)
PSC-95-0273A-POF-SU	03/13/95	941019-SU	Amendment (Monterey) (Corrective Order)
PSC-95-1367-POF-SU	11/03/95	950414-SU	Amendment (San Jose)

Transfer of Sunray
Utilities-Nassau,
Inc.

Amendment to Include
Service Territory of
Sunray Utilities-
St. Johns, Inc.

(Continued to Sheet No. 3.2)

Effective

Munipalli Sambamurti
Vice President

WASTEWATER TARIFF

(Con't. from Sheet No. 3.90)

DOCKET: _____ ORDER: _____ DATED: _____ (con't.)

IN ST. JOHNS COUNTY, FLORIDA, THE FOLLOWING
LANDS IN TOWNSHIP 5 SOUTH, RANGE 27 EAST:

All of Section 1, LESS AND EXCEPT, the North $\frac{1}{4}$
of the NE $\frac{1}{4}$ of said section.

ALL OF SECTION 2, LESS AND EXCEPT Northeast $\frac{1}{4}$; further
LESS AND EXCEPT the Southeast $\frac{1}{4}$; and further LESS AND
EXCEPT the Easterly $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of said section.

ALL OF SECTION 3.

ALL OF SECTION 4, LESS AND EXCEPT the Northerly $\frac{1}{4}$ of said
section; further LESS AND EXCEPT the Northerly $\frac{1}{4}$ of the
Southeast $\frac{1}{4}$; and further LESS AND EXCEPT the Northerly $\frac{1}{4}$
of the Southwest $\frac{1}{4}$ of said section.

IN SECTION 5, ALL OF THE Southeasterly most $\frac{1}{4}$ of the
Southeast $\frac{1}{4}$ of this fractional section.

ALL OF SECTIONS 9, 10, 11, 12, 13, 14, and 15.

ALL OF THE South $\frac{1}{4}$ of the Northeast $\frac{1}{4}$, together with the
South $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, of SECTION 16.

ALL OF SECTIONS 17 AND 21.

ALL OF SECTION 22, LESS AND EXCEPT the South $\frac{1}{4}$
of the Northeast $\frac{1}{4}$; further LESS AND EXCEPT
so much of the Southeast $\frac{1}{4}$ as may lie

(Con't. to Sheet No. 3.92)

Munipalli Sambamurthi
Vice President

WASTEWATER TARIFF

(Con't. from Sheet No. 3.91)

DOCKET: _____ ORDER: _____ DATED: _____ (con't.)

Southerly of the Right of Way of State Road 210.

ALL OF SECTION 23, LESS AND EXCEPT so much of the Southwest 1/4 as may lie Southerly of State Road 210; further LESS AND EXCEPT the Southwest 1/4 of the Southeast 1/4.

ALL OF SECTION 24.

ALL OF SECTION 25, LESS AND EXCEPT the Southeast 1/4 of the Southeast 1/4 of the Southeast 1/4.

ALL OF SECTIONS 26, 27 AND 28.

ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND LYING IN THE Northerly most 1/4 of SECTION 32; together with the Southeast 1/4 of the Northeast 1/4, of said Section 32.

ALL OF SECTION 33, LESS AND EXCEPT the Easterly 1/4 of the Southeast 1/4 of the Northwest 1/4; further LESS AND EXCEPT the Easterly 1/4 of the Northeast 1/4 of the Southwest 1/4; further LESS AND EXCEPT the Southwest 1/4 of the Northeast 1/4 of the Southwest 1/4 of the Southwest 1/4; further LESS AND EXCEPT the South 1/4 of the Northwest 1/4 of the Southwest 1/4; further LESS AND EXCEPT the Southwest 1/4 of the Southwest 1/4; further LESS AND EXCEPT the Southeast 1/4 of the Southeast 1/4, of said section.

(Con't. to Sheet No. 3.93)

Munipalli Sambamurthi
Vice President

WASTEWATER TARIFF

(Con't. from Sheet No. 3.92)

DOCKET: _____ ORDER: _____ DATED: _____ (con't.)

ALL OF SECTION 34, LESS AND EXCEPT the Southwest 1/4 of the Southwest 1/4 of said section.

ALL OF SECTION 35.

ALL OF SECTION 36, LESS AND EXCEPT THE EASTERLY 1/2 OF THE SOUTHWEST 1/4 OF SAID SECTION.

ALL OF SECTION 41.

IN ST. JOHNS COUNTY, FLORIDA, THE FOLLOWING LANDS IN TOWNSHIP 5 SOUTH, RANGE 28 EAST:

ALL OF SECTIONS 4, 5, and 6 lying South of Race Track Road.

ALL OF SECTION 7, LESS AND EXCEPT the Southwest 1/4 of the Southeast 1/4 of said section.

ALL OF SECTIONS 8, 9, 16, AND 17.

ALL OF SECTION 18, LESS AND EXCEPT the Northeast 1/4 of the Southeast 1/4; further LESS AND EXCEPT to much of the Northeast 1/4 of the Northeast 1/4 of the Northeast 1/4 as may lie Northerly of the right of way of Russell Sampson Road (a 60' right of way in Section 18).

ALL OF SECTIONS 19, 20, 21, 28, 29, 30, 31, 32, 40, 41 AND 46.

Munipalli Sambamurthi
Vice President

WASTEWATER TARIFF

SUNRAY - ST JOHNS COUNTY AREA

SERVICE AVAILABILITY SCHEDULE OF FEES AND CHARGES

<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFER TO SERVICE AVAILABILITY POLICY SHEET NO. /RULE NO.</u>
<u>Administrative Fee</u>	A percentage of the costs of construction	Rule No. A8 & C2
<u>Customer Connection (Tap-In) Charge</u>		
Residential service lateral.....	Actual Cost	Rule Nos. B7 & C11
All others.....	Actual Cost	
<u>Guaranteed Revenue Charge</u>		
With Prepayment of Service Availability		
Charges Residential - per		
ERC/month (350 GPD).....	\$ 18.19	
All others - per gallon/month.....	\$ 0.07	
<u>Inspection Fees</u>	Actual Cost	Rule No. C10
<u>Legal Fees</u>	Actual Cost	Rule No. C2
<u>Main Extension Charge - Off Site</u>		
Residential-per ERC (350 GPD).....	Actual Cost	Rule Nos. B2, B3, B7, C6, C7, C8 & C11
All others-per gallon.....	Actual Cost	
<u>Main Extension Charge - On Site</u>		
Residential-per ERC (350 GPD).....	Actual Cost	Rule Nos. B2, B3, B7, C6 & C11
All others-per gallon.....	Actual Cost	
<u>Meter Installation Fee</u>		
Wastewater Service Only		
All Meters.....	Actual Cost	Rule No. C4
<u>Plan Review Charge</u>	A Percentage of the Costs of Construction	Rule Nos. A8 & C2
<u>Plant Capacity Charge</u>		
Residential-per ERC 350 GPD).....	\$ 250.00	Rule Nos. B1 & C1
All others-per gallon.....	\$ 0.89	

Actual Cost is equal to the total cost incurred for service rendered to the customer.

Effective
Type of Filing: Transfer and Amendment
of Certificate

Munipalli Sambamurthi
Vice President



FLORIDA
Public Service Commission

CERTIFICATE NUMBER

236 - W

Upon consideration of the record it is hereby ORDERED
that authority be and is hereby granted to
UNITED WATER FLORIDA INC.

Whose principal address is

1400 Millico Road

Jacksonville, FL 32225 (Duval, Nassau, St. Johns Counties)

to provide water service in accordance with
the provisions of Chapter 367, Florida Statutes, the Rules,
Regulations and Orders of this Commission in the territory de-
scribed by the Orders of this Commission.

This Certificate shall remain in force and effect until sus-
pended, cancelled or revoked by Orders of this Commis-
sion.

ORDER <u>7023</u>	DOCKET <u>74453-W</u>
ORDER <u>7023-A</u>	DOCKET <u>74453-W</u>
ORDER <u>8323</u>	DOCKET <u>780319-WS</u>
ORDER <u>11151</u>	DOCKET <u>820328-WS</u>

BY ORDER OF THE
FLORIDA PUBLIC SERVICE COMMISSION

Thomas S. Davis

Director
Division of Records & Reporting



EXHIBIT A-19
(Page 1 of 9)



FLORIDA
Public Service Commission

CERTIFICATE NUMBER

236-W

ORDER <u>11872</u>	DOCKET <u>820312-W5</u>
ORDER <u>12454</u>	DOCKET <u>830210-W</u>
ORDER <u>12462</u>	DOCKET <u>820459-W</u>
ORDER <u>12463</u>	DOCKET <u>820310-W</u>
ORDER <u>13803</u>	DOCKET <u>840314-W5</u>
ORDER <u>14366</u>	DOCKET <u>840412-W5</u>
ORDER <u>15307</u>	DOCKET <u>850227-W5</u>
ORDER <u>16035</u>	DOCKET <u>860481-W5</u>
ORDER <u>16397</u>	DOCKET <u>860865-W5</u>
ORDER <u>16488</u>	DOCKET <u>861093-W5</u>
ORDER <u>16517</u>	DOCKET <u>850288-W5</u>
ORDER <u>16611</u>	DOCKET <u>860843-W5</u>

BY ORDER OF THE
FLORIDA PUBLIC SERVICE COMMISSION



EXHIBIT A-19
(Page 2 of 9)



FLORIDA
Public Service Commission

CERTIFICATE NUMBER

236-W

ORDER <u>16642</u>	DOCKET <u>860480-WS</u>
ORDER <u>19209</u>	DOCKET <u>871153-WS</u>
ORDER <u>19210</u>	DOCKET <u>871152-WS</u>
ORDER <u>19211</u>	DOCKET <u>870817-WS</u>
ORDER <u>20008</u>	DOCKET <u>880934-WS</u>
ORDER <u>20643</u>	DOCKET <u>880658-WS</u>
ORDER <u>20858</u>	DOCKET <u>881306-WS</u>
ORDER <u>22162</u>	DOCKET <u>891159-WS</u>
ORDER <u>22476</u>	DOCKET <u>891383-WS</u>
ORDER <u>23009</u>	DOCKET <u>900170-WS</u>
ORDER <u>25089</u>	DOCKET <u>910709-WU</u>
ORDER <u>PSC-92-0370-FOF-WS</u>	DOCKET <u>911095-WS</u>

BY ORDER OF THE
FLORIDA PUBLIC SERVICE COMMISSION

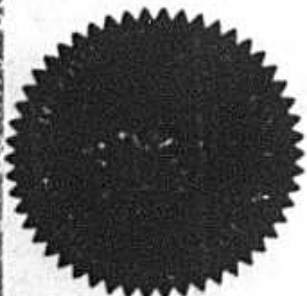


EXHIBIT A-19
(Page 3 of 9)



FLORIDA
Public Service Commission

CERTIFICATE NUMBER

236-W

ORDER <u>PSC-92-0370A-FOF-WS</u>	DOCKET <u>911092-WS</u>
ORDER <u>PSC-92-0895-FOF-WS</u>	DOCKET <u>920177-WS</u>
ORDER <u>PSC-93-0399-FOF-WS</u>	DOCKET <u>921111-WS</u>
ORDER <u>PSC-93-0201-FOF-WS</u>	DOCKET <u>920877-WS</u>
ORDER <u>PSC-93-1480-FOF-WS</u>	DOCKET <u>930204-WS</u>
ORDER <u>PSC-94-0159-FOF-WS</u>	DOCKET <u>931022-WS</u>
ORDER <u>PSC-94-0433-FOF-WS</u>	DOCKET <u>940022-WS</u>
ORDER <u>PSC-95-0604-FOF-WS</u>	DOCKET <u>950386-WS</u>
ORDER _____	DOCKET _____
ORDER _____	DOCKET _____
ORDER _____	DOCKET _____
ORDER _____	DOCKET _____

BY ORDER OF THE
FLORIDA PUBLIC SERVICE COMMISSION

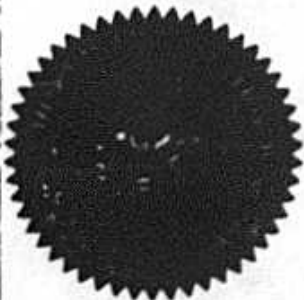


EXHIBIT A-19
(Page 4 of 9)



Public Service Commission

CERTIFICATE NUMBER

179 - S

Upon consideration of the record it is hereby ORDERED
that authority be and is hereby granted to
UNITED WATER FLORIDA INC.

Whose principal address is

1400 Millcoe Road

Jacksonville, FL 32225 (Duval, Nassau, St. Johns Counties)

to provide wastewater service in accordance with
the provisions of Chapter 367, Florida Statutes, the Rules,
Regulations and Orders of this Commission in the territory de-
scribed by the Orders of this Commission.

This Certificate shall remain in force and effect until sus-
pended, cancelled or revoked by Orders of this Commis-
sion.

ORDER <u>7023</u>	DOCKET <u>74452-S</u>
ORDER <u>7023-A</u>	DOCKET <u>74452-S</u>
ORDER <u>8323</u>	DOCKET <u>780319-WS</u>
ORDER <u>11151</u>	DOCKET <u>820328-WS</u>

BY ORDER OF THE
FLORIDA PUBLIC SERVICE COMMISSION

Laura S. Bayo
Director
Division of Records & Reporting



EXHIBIT A-19
(Page 5 of 9)



FLORIDA
Public Service Commission

CERTIFICATE NUMBER

179-B

ORDER <u>11872</u>	DOCKET <u>820512-WS</u>
ORDER <u>12463</u>	DOCKET <u>820511-S</u>
ORDER <u>13803</u>	DOCKET <u>840314-WS</u>
ORDER <u>14366</u>	DOCKET <u>840412-WS</u>
ORDER <u>13307</u>	DOCKET <u>830227-WS</u>
ORDER <u>16025</u>	DOCKET <u>860481-WS</u>
ORDER <u>16397</u>	DOCKET <u>860845-WS</u>
ORDER <u>16488</u>	DOCKET <u>861093-WS</u>
ORDER <u>16517</u>	DOCKET <u>850288-WS</u>
ORDER <u>16611</u>	DOCKET <u>860843-WS</u>
ORDER <u>16642</u>	DOCKET <u>860480-WS</u>
ORDER <u>16646</u>	DOCKET <u>860519-WS</u>

BY ORDER OF THE
FLORIDA PUBLIC SERVICE COMMISSION



EXHIBIT A-19
(Page 6 of 9)



Public Service Commission

CERTIFICATE NUMBER

179-8

ORDER <u>19209</u>	DOCKET <u>871153-WS</u>
ORDER <u>19210</u>	DOCKET <u>871152-WS</u>
ORDER <u>19211</u>	DOCKET <u>870817-WS</u>
ORDER <u>20008</u>	DOCKET <u>880934-WS</u>
ORDER <u>20643</u>	DOCKET <u>880658-WS</u>
ORDER <u>20858</u>	DOCKET <u>881306-WS</u>
ORDER <u>21220</u>	DOCKET <u>881596-SU</u>
ORDER <u>22162</u>	DOCKET <u>891159-WS</u>
ORDER <u>22476</u>	DOCKET <u>891383-WS</u>
ORDER <u>23009</u>	DOCKET <u>900170-WS</u>
ORDER <u>25793</u>	DOCKET <u>911090-SU</u>
ORDER <u>PSC-92-0370-FOF-WS</u>	DOCKET <u>911093-WS</u>

BY ORDER OF THE
FLORIDA PUBLIC SERVICE COMMISSION

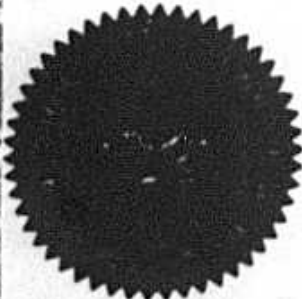


EXHIBIT A-19
(Page 7 of 9)



Public Service Commission

CERTIFICATE NUMBER

179-5

ORDER	<u>PSC-92-0370A-FOF-WS</u>	DOCKET	<u>911095-WS</u>
ORDER	<u>PSC-92-0895-FOF-WS</u>	DOCKET	<u>920177-WS</u>
ORDER	<u>PSC-92-1270-FOF-SU</u>	DOCKET	<u>920505-SU</u>
ORDER	<u>PSC-93-0399-FOF-WS</u>	DOCKET	<u>921111-WS</u>
ORDER	<u>PSC-93-0201-FOF-WS</u>	DOCKET	<u>920877-WS</u>
ORDER	<u>PSC-93-1480-FOF-WS</u>	DOCKET	<u>930204-WS</u>
ORDER	<u>PSC-94-0159-FOF-WS</u>	DOCKET	<u>931022-WS</u>
ORDER	<u>PSC-94-0433-FOF-WS</u>	DOCKET	<u>940022-WS</u>
ORDER	<u>PSC-95-0211-FOF-SU</u>	DOCKET	<u>940729-SU</u>
ORDER	<u>PSC-95-0338-FOF-SU</u>	DOCKET	<u>940979-SU</u>
ORDER	<u>PSC-95-0273-FOF-SU</u>	DOCKET	<u>941019-SU</u>
ORDER	<u>PSC-95-0273A-FOF-SU</u>	DOCKET	<u>941019-SU</u>

BY ORDER OF THE
FLORIDA PUBLIC SERVICE COMMISSION



EXHIBIT A-19
(Page 8 of 9)



Public Service Commission

CERTIFICATE NUMBER

179 - 6

ORDER PSC-95-0604-POP-MS DOCKET 950386-MS

ORDER PSC-95-1367-POP-SU DOCKET 950414-SU

ORDER _____ DOCKET _____

ORDER _____ DOCKET _____

ORDER _____ DOCKET _____

ORDER _____ DOCKET _____

ORDER _____ DOCKET _____

ORDER _____ DOCKET _____

ORDER _____ DOCKET _____

ORDER _____ DOCKET _____

ORDER _____ DOCKET _____

ORDER _____ DOCKET _____

BY ORDER OF THE
FLORIDA PUBLIC SERVICE COMMISSION



SUNRAY UTILITIES - ST. JOHNS, INC.
RATE BASE FOR TRANSFER PURPOSES AS OF DECEMBER 31, 1995 ¹

Annual Report Page	<u>Water</u>	<u>Wastewater</u>	<u>Total</u>
F1b/F-4 Utility Plant in Service	\$ 1,111,816 ²	\$1,368,228	\$2,480,044
Construction in Progress	35,404	155,766	\$ 191,170
F-1b/F-4 Accumulated Depreciation	<\$ 210,113> ²	<\$ 269,290>	<\$ 479,403> ^{2,3}
	_____	_____	_____
NET UTILITY PLANT	\$ 937,107	\$1,254,704	\$ 2,191,811
F-1d/F-4 Contributions in Aid of Construction	<\$ 63,610>	\$ 51,407>	<\$ 115,017>
F-1d/F-4 Less Accumulated Amortization	<u>\$ 11,664</u>	<u>\$ 7,809</u>	<u>\$ 19,473</u>
NET CONTRIBUTIONS IN AID OF CONSTRUCTION	<\$ 51,946>	\$ 43,598>	<\$ 95,544>
F-1c Advances for Construction	<u><\$20,910></u>	<u>\$ 12,750></u>	<u><\$ 33,660></u>
NET UTILITY PLANT	\$ 864,251	\$1,198,356	\$2,062,607
Jobs in Progress & Inventory	<u>\$ 1,469</u>	<u>\$ 17,873</u>	<u>\$ 19,342</u>
NET BOOK VALUE	\$ 865,720	\$1,216,229	\$ 2,081,949

¹ This schedule does not include a reduction for estimated nonused and useful plant or an addition for working capital allowance.

² Corrected from amount shown on Annual Report.

³ Error on Exhibit C to Purchase and Sale Agreement which impacts other numbers in the Total Column.

FOUR MILE RADIUS LIST
OF NEIGHBORING UTILITIES

SUNRAY UTILITIES, INC.

- 1) General Development Utilities
c/o Buddy Betschart
2055 Skyline Drive
Vero Beach, FL 32962
(407) 567-4889
- 2) St. Joe's Utilities, Inc.
P.O. Box 1380
Jacksonville, FL 32201
Attn: Daniel Brundige
(904) 396-6600
- 3) Remington Forest
c/o Matt Tyndall, SSU Services
1000 Color Place
Apopka, FL 32703
(407) 880-0058
- 4) Jax Suburban Utilities Corp.
M. Sambamurthi/Phil Heil
P.O. Box 8004
Jacksonville, FL 32239
(904) 721-4600
- 5) Fruit Cove Properties, Inc.
c/o M.L. Forrester, Jax Utilities
1300 Gulf Life Drive, 6th Floor
Jacksonville, FL 32207
(904) 399-8802
- 6) St. Johns County Utilities
Bobby L. Jones, Director
P.O. Drawer 3006
St. Augustine, FL 32085-3006
(904) 471-2161
- 7) Northwest Utilities
Bessent, Hammack & Ruckman
1900 Corporate Square Blvd.
Jacksonville, FL 32216
Attn: Gordon "Pat" King
(904) 721-2991

AWARDS

- 1992 Jacksonville Environmental Protection Board - Utilities Category
Jacksonville Suburban Utilities for having rendered outstanding efforts in the category of utilities for the wastewater treatment facility telemetry systems installed at the various JSUC facilities which constantly monitor the operations of facilities and greatly reduce the potential of adverse impacts from malfunctions at the various facilities. (Jacksonville-Heights WWTF)
- 1989/90 Jacksonville Environmental Protection Board - Utilities Category
Jacksonville Suburban Utilities for having rendered outstanding efforts in the category of utilities to improve our quality of life by environmental achievement. (Holly Oaks Bird Sanctuary)
- 1990 American Water Works Association Safety Award of Merit
To Management and Employees of Jacksonville Suburban Utilities for attaining a recordable incidence rate of one-half or less than the water utility industry average for the year of 1990.
- 1989 American Water Works Association Safety Award of Merit
To Management and Employees of Jacksonville Suburban Utilities for attaining a recordable incidence rate of one-half or less than the water utility industry average for the year 1989.
- 1988 Jacksonville Environmental Protection Board - Utilities Category
Jacksonville Suburban Utilities for having rendered outstanding efforts in the category of utilities to improve our quality of life by environmental achievement (using SCADA System and taking over troubled utilities).
- 1987 State of Florida Department of Environmental Regulation
Royal Lakes Wastewater Treatment Plant - In recognition of dedicated professionalism in the operation of the Best Private Wastewater Treatment Plant in the Northeast District of the Department in the year 1987.

- 1987 State of Florida Department of Environmental Regulation
Wheat Road Water Plant - In recognition of dedicated professionalism in the operation of a private water treatment plant receiving Honorable Mention in the Northeast District of the Department in the year 1987.
- 1986 State of Florida Department of Environmental Regulation
Wheat Road Water Plant - In recognition of dedicated professionalism to the operators as the most improved Private Water Treatment Plant in the Northeast District of this Department.
- 1985 State of Florida Department of Environmental Regulation
San Jose Wastewater Treatment Plant - In recognition of dedicated professionalism to the operators, as Best Private Wastewater Treatment Plant in the Northeast District of this Department.
- 1984 State of Florida Department of Environmental Regulation
San Jose Wastewater Treatment Plant - In recognition of the demonstrated abilities, dedication and continued efforts of the operators. Honorable Mention commendation for the excellent performance of the Water Treatment Plant in the Northeast District.
- 1983 State of Florida Department of Environmental Regulation
San Jose Wastewater Treatment Plant - Commendation for Achievement Toward Excellence in the Northeast District.
- 1979,
1978 &
1977 State of Florida Department of Environmental Regulation
Jacksonville Heights Wastewater Treatment Plant - Award in Recognition of Dedicated Professionalism to the Operators as Best Class "B" Plant in the St. Johns River Sub-District.
- 1980 Lee and Mimi Adams Environmental Award
Jacksonville Suburban Utilities and Southern Utilities Company.
- 1980 State of Florida Department of Environmental Regulation
San Jose Wastewater Treatment Plant - In recognition of dedicated professionalism to the operators, as the Best Class "B" Wastewater Treatment Plant in the St. Johns River Sub-District of this Department.

- 1980 Earle B. Phelps Award
To Southern Utilities - Jacksonville Heights Wastewater Treatment Plant for the Best Plant Operation in the State of Florida.
- 1979 Jacksonville Board of Realtors - Paul J. Gross Award
Southern Utilities San Jose Water Treatment Plant for Outstanding Plant Appearance and Superior Operational Procedures.
- 1978 Jacksonville Board of Realtors - Paul J. Gross Award
Southern Utilities San Jose Wastewater Treatment Plant.
- 1977 Jacksonville Environmental Protection Board
Jacksonville Suburban and Southern Utilities for having rendered outstanding efforts in the category of utilities to improve our quality of life by environmental achievement.
- 1977 Jacksonville Board of Realtors - Paul J. Gross Award
To Southern Utilities Jacksonville Heights Wastewater Treatment Plant.
- 1976 State of Florida Department of Environmental Regulation
Jacksonville Suburban Monterey Wastewater Treatment Plant.
- 1975 Jacksonville Board of Realtors - Paul J. Gross Award
Jacksonville Suburban Monterey Wastewater Treatment Plant.

Exhibit A-23 will be late filed after noticing has been completed.

EXHIBIT A-23

UNITED WATER FLORIDA INC.

CANCELS

REVISED SHEET NO.3.1.2

REVISED SHEET NO.3.1.2

WATER TARIFF

(Con't. from Sheet No. 3.1.1)

COMMISSION ORDER(S) APPROVING TERRITORY SERVICED - (Con't.)

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
PSC-94-0159-POF-WS	02/09/94	931022-WS	Amendment of the Ponte Vedra Terri- To Include the Fountains Asso- ciation, Inc.
PSC-94-0433-POF-WS	04/11/94	940022-WS	Correction of Legal Description of Ponte Vedra Territory Transfer of Sunray Utilities-Nassau, Inc. Amendment to Include Service Territory of Sunray Utilities- St. Johns, Inc.

Effective

Munipalli Sambamurthi
Vice President

1854-97(2)

WATER TARIFF

SUNRAY-ST. JOHNS COUNTY AREA
SERVICE AVAILABILITY SCHEDULE OF FEES AND CHARGES

REFER TO SERVICE
 AVAILABILITY POLICY
 SHEET NO./RULE NO.

<u>Administrative Fee</u>	A percentage of the costs of Construction	Rule Nos. A8 & C2
<u>Back-Flow Preventor Installation Fee</u> All sizes.....	Actual Cost	Rule Nos. A8 & C6
<u>Customer Connection (Tap-In) Charge</u> 1" metered service (Shortside)..	Actual Cost	Rule Nos. B7 & C11
1" metered service (Longside)...	Actual Cost	
2" and over metered service.....	Actual Cost	
<u>Guaranteed Revenue Charge</u> With Prepayment of Service Availability Charges Residential - per ERC/.....	\$14.08 Month (350 GPD)	
All others - per gallon/month.....	\$ 0.04	
<u>Inspection Fees</u>	Actual Cost	Rule No. C10
<u>Legal Fees</u>	Actual Cost	Rule No. C2
<u>Main Extension Charge - Off Site</u> Residential-per ERC (350 GPD)....	Actual Cost	Rule Nos. B2, B3, B7, C6, C7, C8 & C11
All others-per gallon.....	Actual Cost	
<u>Main Extension Charge-On Site</u> Residential-per ERC (350 GPD)....	Actual Cost	Rule Nos. B2, B3, B7, C6 & C11
All others-per gallon.....	Actual Cost	
<u>Meter Installation Fee</u> 5/8" x 3/4".....	\$ 70.00	Rule No. C4
3/4".....	\$ 125.00	
1"pA.....	\$ 150.00	
1 1/2".....	\$ 235.00	
2".....	\$ 357.00	
3"and Above.....	Actual Cost	
<u>Plan Review Charge</u>	A Percentage of the Costs of Construction	Rule Nos. A8 & C2
<u>Plant Capacity Charge</u> Residential-per ERC(350 GPD).....	\$ 410.00	Rule Nos. B1 & C1
All others-per gallon.....	\$ 1.17	

Actual Cost is equal to the total cost incurred for services rendered to a customer.

Effective
 Type of Filing: Transfer and Amendment
 of Certificate

Munipalli Sambamurthi
 Vice President

WATER TARIFF

(Con't. from Sheet No. 3.88)

DOCKET: _____ ORDER: _____ DATED: _____ (con't.)

IN ST. JOHNS COUNTY, FLORIDA, THE FOLLOWING
LANDS IN TOWNSHIP 5 SOUTH, RANGE 27 EAST:

All of Section 1, LESS AND EXCEPT, the North $\frac{1}{4}$
of the NE $\frac{1}{4}$ of said section.

ALL OF SECTION 2, LESS AND EXCEPT Northeast $\frac{1}{4}$; further
LESS AND EXCEPT the Southeast $\frac{1}{4}$; and further LESS AND
EXCEPT the Easterly $\frac{1}{4}$ of the Northwest $\frac{1}{4}$ of said section.

ALL OF SECTION 3.

ALL OF SECTION 4, LESS AND EXCEPT the Northerly $\frac{1}{4}$ of said
section; further LESS AND EXCEPT the Northerly $\frac{1}{4}$ of the
Southeast $\frac{1}{4}$; and further LESS AND EXCEPT the Northerly $\frac{1}{4}$
of the Southwest $\frac{1}{4}$ of said section.

IN SECTION 5, ALL OF THE Southeasterly most $\frac{1}{4}$ of the
Southeast $\frac{1}{4}$ of this fractional section.

ALL OF SECTIONS 9, 10, 11, 12, 13, 14, and 15.

ALL OF THE South $\frac{1}{4}$ of the Northeast $\frac{1}{4}$, together with the
South $\frac{1}{4}$ of the Southeast $\frac{1}{4}$, of SECTION 16.

ALL OF SECTIONS 17 AND 21.

ALL OF SECTION 22, LESS AND EXCEPT the South $\frac{1}{4}$
of the Northeast $\frac{1}{4}$; further LESS AND EXCEPT
so much of the Southeast $\frac{1}{4}$ as may lie

(Con't. to Sheet No. 3.90)

Munipalli Sambamurthi
Vice President

WATER TARIFF

(Con't. from Sheet No. 3.89)

DOCKET: _____ ORDER: _____ DATED: _____ (con't.)

Southerly of the Right of Way of State Road 210.

ALL OF SECTION 23, LESS AND EXCEPT so much of the Southwest 1/4 as may lie Southerly of State Road 210; further LESS AND EXCEPT the Southwest 1/4 of the Southeast 1/4.

ALL OF SECTION 24.

ALL OF SECTION 25, LESS AND EXCEPT the Southeast 1/4 of the Southeast 1/4 of the Southeast 1/4.

ALL OF SECTIONS 26, 27 AND 28.

ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND LYING IN THE Northerly most 1/4 of SECTION 32; together with the Southeast 1/4 of the Northeast 1/4, of said Section 32.

ALL OF SECTION 33, LESS AND EXCEPT the Easterly 1/2 of the Southeast 1/4 of the Northwest 1/4; further LESS AND EXCEPT the Easterly 1/2 of the Northeast 1/4 of the Southwest 1/4; further LESS AND EXCEPT the Southwest 1/4 of the Northeast 1/4 of the Southwest 1/4 of the Southwest 1/4; further LESS AND EXCEPT the South 1/2 of the Northwest 1/4 of the Southwest 1/4; further LESS AND EXCEPT the Southwest 1/4 of the Southwest 1/4; further LESS AND EXCEPT the Southeast 1/4 of the Southeast 1/4, of said section.

(Con't. to Sheet No. 3.91)

Munipalli Sambamurthi
Vice President

WATER TARIFF

(Con't. from Sheet No. 3.90)

DOCKET: _____ ORDER: _____ DATED: _____ (con't.)

ALL OF SECTION 34, LESS AND EXCEPT the Southwest 1/4 of the Southwest 1/4 of said section.

ALL OF SECTION 35.

ALL OF SECTION 36, LESS AND EXCEPT THE EASTERLY 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION.

ALL OF SECTION 41.

IN ST. JOHNS COUNTY, FLORIDA, THE FOLLOWING LANDS IN TOWNSHIP 5 SOUTH, RANGE 28 EAST:

ALL OF SECTIONS 4, 5, and 6 lying South of Race Track Road.

ALL OF SECTION 7, LESS AND EXCEPT the Southwest 1/4 of the Southeast 1/4 of said section.

ALL OF SECTIONS 8, 9, 16, AND 17.

ALL OF SECTION 18, LESS AND EXCEPT the Northeast 1/4 of the Southeast 1/4; further LESS AND EXCEPT to much of the Northeast 1/4 of the Northeast 1/4 of the Northeast 1/4 as may lie Northerly of the right of way of Russell Sampson Road (a 60' right of way in Section 18).

ALL OF SECTIONS 19, 20, 21, 28, 29, 30, 31, 32, 40, 41 AND 46.

Munipalli Sambamurthi
Vice President

UNITED WATER FLORIDA INC.

CANCELS _____

REVISED SHEET NO. 3.1.2

REVISED SHEET NO. 3.1.2

WASTEWATER TARIFF

(Con't. from Sheet No. 3.1.1)

COMMISSION ORDER(S) APPROVING TERRITORY SERVICED - (Con't.)

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
PSC-94-0433-POF-WS	04/11/94	940022-WS	Correction of Legal Description of Ponte Vedra Territory
PSC-95-0211-POF-SU	02/16/95	940729-SU	Amendment (San Jose)
PSC-95-0338-POF-SU	03/10/95	940979-SU	Amendment (San Jose)
PSC-95-0273-POF-SU	03/01/95	941019-SU	Amendment (Monterey)
PSC-95-0273A-POF-SU	03/13/95	941019-SU	Amendment (Monterey) (Corrective Order)
PSC-95-1367-POF-SU	11/03/95	950414-SU	Amendment (San Jose)

Transfer of Sunray Utilities-Nassau, Inc.

Amendment to Include Service Territory of Sunray Utilities-St. Johns, Inc.

(Continued to Sheet No. 3.2)

Effective

Munipalli Sambamurthi
Vice President

1814-97(3)

WASTEWATER TARIFF

(Con't. from Sheet No. 3.90)

DOCKET: _____ ORDER: _____ DATED: _____ (con't.)

IN ST. JOHNS COUNTY, FLORIDA, THE FOLLOWING
LANDS IN TOWNSHIP 5 SOUTH, RANGE 27 EAST:

All of Section 1, LESS AND EXCEPT, the North $\frac{1}{2}$
of the NE $\frac{1}{4}$ of said section.

ALL OF SECTION 2, LESS AND EXCEPT Northeast $\frac{1}{4}$; further
LESS AND EXCEPT the Southeast $\frac{1}{4}$; and further LESS AND
EXCEPT the Easterly $\frac{1}{2}$ of the Northwest $\frac{1}{4}$ of said section.

ALL OF SECTION 3.

ALL OF SECTION 4, LESS AND EXCEPT the Northerly $\frac{1}{2}$ of said
section; further LESS AND EXCEPT the Northerly $\frac{1}{2}$ of the
Southeast $\frac{1}{4}$; and further LESS AND EXCEPT the Northerly $\frac{1}{2}$
of the Southwest $\frac{1}{4}$ of said section.

IN SECTION 5, ALL OF THE Southeasterly most $\frac{1}{4}$ of the
Southeast $\frac{1}{4}$ of this fractional section.

ALL OF SECTIONS 9, 10, 11, 12, 13, 14, and 15.

ALL OF THE South $\frac{1}{2}$ of the Northeast $\frac{1}{4}$, together with the
South $\frac{1}{2}$ of the Southeast $\frac{1}{4}$, of SECTION 16.

ALL OF SECTIONS 17 AND 21.

ALL OF SECTION 22, LESS AND EXCEPT the South $\frac{1}{2}$
of the Northeast $\frac{1}{4}$; further LESS AND EXCEPT
so much of the Southeast $\frac{1}{4}$ as may lie

(Con't. to Sheet No. 3.92)

Munipalli Sambamurthi
Vice President

WASTEWATER TARIFF

(Con't. from Sheet No. 3.91)

DOCKET: _____ ORDER: _____ DATED: _____ (con't.)

Southerly of the Right of Way of State Road 210.

ALL OF SECTION 23, LESS AND EXCEPT so much of the Southwest 1/4 as may lie Southerly of State Road 210; further LESS AND EXCEPT the Southwest 1/4 of the Southeast 1/4.

ALL OF SECTION 24.

ALL OF SECTION 25, LESS AND EXCEPT the Southeast 1/4 of the Southeast 1/4 of the Southeast 1/4.

ALL OF SECTIONS 26, 27 AND 28.

ALL OF THAT CERTAIN TRACT OR PARCEL OF LAND LYING IN THE Northerly most 1/4 of SECTION 32; together with the Southeast 1/4 of the Northeast 1/4, of said Section 32.

ALL OF SECTION 33, LESS AND EXCEPT the Easterly 1/4 of the Southeast 1/4 of the Northwest 1/4; further LESS AND EXCEPT the Easterly 1/4 of the Northeast 1/4 of the Southwest 1/4; further LESS AND EXCEPT the Southwest 1/4 of the Northeast 1/4 of the Southwest 1/4 of the Southwest 1/4; further LESS AND EXCEPT the South 1/4 of the Northwest 1/4 of the Southwest 1/4; further LESS AND EXCEPT the Southwest 1/4 of the Southwest 1/4; further LESS AND EXCEPT the Southeast 1/4 of the Southeast 1/4, of said section.

(Con't. to Sheet No. 3.93)

Munipalli Sambamurthi
Vice President

WASTEWATER TARIFF

(Con't. from Sheet No. 3.92)

DOCKET: _____ ORDER: _____ DATED: _____ (con't.)

ALL OF SECTION 34, LESS AND EXCEPT the Southwest 1/4 of the Southwest 1/4 of said section.

ALL OF SECTION 35.

ALL OF SECTION 36, LESS AND EXCEPT THE EASTERLY 1/4 OF THE SOUTHWEST 1/4 OF SAID SECTION.

ALL OF SECTION 41.

IN ST. JOHNS COUNTY, FLORIDA, THE FOLLOWING LANDS IN TOWNSHIP 5 SOUTH, RANGE 28 EAST:

ALL OF SECTIONS 4, 5, and 6 lying South of Race Track Road.

ALL OF SECTION 7, LESS AND EXCEPT the Southwest 1/4 of the Southeast 1/4 of said section.

ALL OF SECTIONS 8, 9, 16, AND 17.

ALL OF SECTION 18, LESS AND EXCEPT the Northeast 1/4 of the Southeast 1/4; further LESS AND EXCEPT to much of the Northeast 1/4 of the Northeast 1/4 of the Northeast 1/4 as may lie Northerly of the right of way of Russell Sampson Road (a 60' right of way in Section 18).

ALL OF SECTIONS 19, 20, 21, 28, 29, 30, 31, 32, 40, 41 AND 46.

Munipalli Sambamurthi
Vice President

WASTEWATER TARIFF

SUNRAY - ST JOHNS COUNTY AREA

SERVICE AVAILABILITY SCHEDULE OF FEES AND CHARGES

<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFER TO SERVICE AVAILABILITY POLICY SHEET NO./RULE NO.</u>
<u>Administrative Fee</u>	A percentage of the costs of construction	Rule No. A8 & C2
<u>Customer Connection (Tap-In) Charge</u>		
Residential service lateral.....	Actual Cost	Rule Nos. B7 & C11
All others.....	Actual Cost	
<u>Guaranteed Revenue Charge</u>		
With Prepayment of Service Availability		
Charges Residential - per		
ERC/month (350 GPD).....	\$ 18.19	
All others - per gallon/month.....	\$ 0.07	
<u>Inspection Fees</u>	Actual Cost	Rule No. C10
<u>Legal Fees</u>	Actual Cost	Rule No. C2
<u>Main Extension Charge - Off Site</u>		
Residential-per ERC (350 GPD).....	Actual Cost	Rule Nos. B2, B3, B7, C6, C7, C8 & C11
All others-per gallon.....	Actual Cost	
<u>Main Extension Charge - On Site</u>		
Residential-per ERC (350 GPD).....	Actual Cost	Rule Nos. B2, B3, B7, C6 & C11
All others-per gallon.....	Actual Cost	
<u>Meter Installation Fee</u>		
Wastewater Service Only		
All Meters.....	Actual Cost	Rule No. C4
<u>Plan Review Charge</u>	A Percentage of the Costs of Construction	Rule Nos. A8 & C2
<u>Plant Capacity Charge</u>		
Residential-per ERC 350 GPD).....	\$ 250.00	Rule Nos. B1 & C1
All others-per gallon.....	\$ 0.89	

Actual Cost is equal to the total cost incurred for service rendered to the customer.

Effective
Type of Filing: Transfer and Amendment
of Certificate

Munipalli Sambamurthi
Vice President

LAW OFFICES

MARTIN ADE, BIRCHFIELD & MICKLER, P.A.

ONE INDEPENDENT DRIVE - SUITE 3000
JACKSONVILLE, FLORIDA 32202

MAILING ADDRESS:
POST OFFICE BOX 59
JACKSONVILLE, FLORIDA 32201

TELEPHONE (904) 354-2050
TELECOPIER (904) 354-5542

JAMES L. ADE
LYNDA R. AYCOCK
W. D. BIRCHFIELD
TIMOTHY A. BURLINGHAM
CHARLES L. CRANFORD
PHILLIP A. DELMONT
STEPHEN H. DURANT
T. WILLIAM GLOCKER
MICHAEL E. GOODREAD JR.
STEPHEN D. HALKER
SHARON ROBERTS HENDERSON

BARBARA CHRISTIE JOHNSTON
WILHELMINA F. FIGHTLINGER
MYRA LOUGHRAN
RALPH H. MARTIN
ROBERT D. MICKLER
JOHN D. MILTON JR.
DANIEL B. NURN JR.
SCOTT G. SCHILDBERG
MICHAEL D. WHALEN
GARY L. WILKINSON
L. PETER JOHNSON (1942-1988)

February 18, 1997

DEPOSIT TREAS. REC. DATE

FEDERAL EXPRESS

D464

FEB 19 '97

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

970210-WS

Re: Application for Affirmation and Exercise of Jurisdiction by the Florida Public Service Commission; Amendment of Certificate Nos. 236-W and 179-S; Establishment of Rate Base for Facilities Transferred; Approval of the Applicability of Rates, Charges, Classifications, Rules and Regulations, and Service Availability Policies; Confirmation of Inclusion of Land and Facilities in a Single Utility System; and Approval of a Limited Proceeding to Adjust Rates in St. Johns County, Florida

Applicant: United Water Florida Inc.
1400 Millcoke Road
Jacksonville, FL 32239

Persons to Contact: James L. Ade/Scott G. Schildberg

United Water

UNITED WATER FLORIDA
200 Old Hook Road
Harrington Park, New Jersey 07640-1738

MELLON BANK NA, PHILADELPHIA
Mellon Bank (DE) N.A.
Wilmington, DE

62-4/311

Check Number
00003392

Check Date
02/06/97

PAY Two thousand and 00/100 Dollars

FLORIDA PUBLIC SERVICE COMMISSION
2540 Shumard Oak Blvd
Tallahassee, FL 32399-0870

To the order of

\$2,000.00***

