

BEFORE THE PUBLIC SERVICE COMMISSION

ORIGINAL

In re: Application by Rampart)
Utilities, Inc. for amendment of)
Certificate No. 497-S in)
Charlotte County to extend)
territory to service San Antonio)
Catholic Church)

Docket No. 980887-SU

ANSWER AND AFFIRMATIVE DEFENSE TO OBJECTION OF
FLORIDA WATER SERVICE CORPORATION

RAMPART UTILITIES, INC., a Florida corporation, ("Rampart"),
by and through its undersigned attorneys and pursuant to Rule 28-
5.203, Florida Administrative Code, hereby files this Answer to the
Objection of Florida Water Service Corporation ("Florida Water") to
Rampart's application of Amendment of Certificate No. 497-S to
extend service territory in Charlotte County, Florida and states:

1. On or about July 8, 1998, pursuant to Rule 25-
30.036(3)(e), Florida Administrative Code, and Rule 25-30.030(2),
Florida Administrative Code, Rampart mailed its Notice containing
a description of the territory proposed to be served to government
agencies and local utilities. This description inadvertently also
contained the legal description for the territory already served by

Rampart under Certificate No. 497-S. A copy of this Notice is
attached hereto as Exhibit "A".

2. On or about August 6, 1998, Florida Water mailed its
objection mail to the subject Amendment, stating inter alia in
Paragraph 3, as follows:

"3. Florida Water received a copy of Rampart's
Notice, a copy of which is attached hereto and
marked as "Exhibit A" by U.S. Mail on July 8,

#294891.1

DOCUMENT NUMBER-DATE

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FF-80-RECORDS/REPORTING

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1998. The legal description in the notice is confusing, and it is unclear from the notice what territory is to be added. Therefore, Florida Water has filed its Objection to preserve its rights."

3. On or about August 7, 1998, Rampart, having realized the first Notice contained both the legal description for its certificated area and the proposed territory, mailed revised Notices to government agencies and to local utilities. A copy of this Notice is attached hereto as Exhibit "B".

4. The proposed extension of territory is located on along the southwest side of Rampart's certificated area which begins on the west side of I-75 and extends westerly. Florida Water's territory lies east of I-75.

5. Rampart believes Florida Water's Objection is based upon the above stated confusion as to the legal description in the first Notice for the reasons that:

a. Rampart's proposed extension of territory is not adjacent to or contiguous with Florida Water's territory; and

b. Florida Water does not have any wastewater lines in close proximity to and adjacent to the proposed extension of territory.

6. Alternatively, in the event Florida Water's Objection is not based upon the above stated confusion in the first Notice, Rampart answers Florida Water's Objection as follows:

a. Paragraph 1 is admitted.

b. Paragraph 2 is admitted.

c. Paragraph 3 is admitted.

- d. Paragraph 4 is denied.
- e. Paragraph 5.a. is answered in the affirmative.
- f. Paragraph 5.b. is answered in the affirmative.
- g. Paragraph 5.c. is answered in the affirmative.
- h. Paragraph 5.d. is denied.
- i. Paragraph 5.e. is answered in the affirmative.
- j. Paragraph 6.a. is denied.
- k. Paragraph 6.d. is denied.
- l. Paragraph 7 is denied.

AFFIRMATIVE DEFENSE

7. Florida Water is a successor in interest to Deep Creek Utilities, Inc. a Florida corporation, and is bound by the Substitute Water and Sewer Agreement dated October 7, 1988 between Deep Creek Utilities, Inc. and General Development Utilities, Inc., now Charlotte County Utilities (the "Agreement"). A copy of the Agreement is attached hereto as Exhibit "C".

8. Pursuant to the Agreement, Charlotte County provides sewerage service to Florida Water for a specific area of Charlotte County, which area does not include Rampart's proposed extension of territory.

9. In order for Florida Water to extend its service area in Charlotte County, Florida Water and Charlotte County must amend the Agreement to include the new service area. The Agreement has not been amended to extend Florida Water's service area.

10. Pursuant to the Agreement, Florida Water is not capable of serving Rampart's proposed extension of territory.

WHEREFORE, Rampart respectfully requests the Public Service Commission enter an Order granting the proposed amendment to Certificate No. 497-S.

Respectfully submitted,

ABEL, BAND, RUSSELL, COLLIER,
PITCHFORD & GORDON, CHARTERED
240 So. Pineapple Avenue
Post Office Box 49948
Sarasota, FL 34230-6948
Phone: (941) 366-6660
Fax: (941) 366-3999
Attorneys for Respondent,
Rampart Utilities, Inc.

By: 

Jeffrey S. Russell, Esq.
Florida Bar #194492
Barbara B. Levin, Esq.
Florida Bar #352579

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and accurate copy of the foregoing was furnished by prepaid U.S. Mail to Brian P. Armstrong, Esquire and Matthew J. Feil, Esquire, Florida Water Services Corporation, P.O. Box 609520, Orlando, FL 32860-9520, this 24th day of August, 1998.

By: 

Barbara B. Levin
Florida Bar #372579

THIS WAS THE FIRST NOTICE - A REVISED NOTICE WAS SENT LEGAL NOTICE

Notice is hereby given that on July 9, 1998, pursuant to Section 367.045(2)(a), Florida Statutes, Rampart Utilities, Inc. filed an Application for "Quick Take" Amendment to Certificate No. 497-S with the Florida Public Service Commission to provide wastewater service to the following described territory in Charlotte County, Florida.

Being a part of Sections 7, 8 and 18 of Township 40, South, Range 23 East, Charlotte County, Florida, more particularly described as follows:

Commencing at the southwest corner of said Section 7, Thence S 89°23'00" E., along the south line of said Section 7, 702.04 feet to a point on the easterly right-of-way line of Kings Highway and the POINT OF BEGINNING.

Thence N. 18°09'17" E., along said easterly right-of-way line bying 50 feet southeasterly of the centerline of said Kings Highway, 1,005.76 feet to the Point of Curvature of a circular curve concave northwesterly having a radius of 2,918.25 feet and a chord that bears N. 13°12'32" E., 486.26 feet; Thence N 08°35'48" E., along said easterly right-of-way line, 1,831.21 feet.

Thence in an easterly direction along the southerly boundary of the Port Charlotte Village Mobile Home Park, the following 12 courses:

1. S. 81°24'04" E., 870.02 feet;
 2. S. 08°06'33" E., 82.84 feet;
 3. S. 75°42'15" E., 502.57 feet;
 4. N. 08°32'48" E., 214.91 feet;
 5. S. 81°24'36" E., 381.67 feet;
 6. N. 18°04'06" E., 77.69 feet;
 7. S. 42°27'16" E., 285.03 feet;
 8. N. 78°44'13" E., 211.14 feet;
 9. S. 58°24'19" E., 468.66 feet;
 10. N. 67°20'59" E., 501.16 feet;
 11. S. 28°43'47" E., 206.51 feet;
 12. N. 62°17'50" E., 196.03 feet to a point of the southwesterly lineal access right-of-way line of 1-75;
- Thence southeasterly along said lineal access right-of-way line the following 3 courses:
1. S. 28°43'48" E., 1,691.15 feet to the Point of Curvature of a circular curve concave southwesterly having a radius of 22,277.61 feet and a chord that bears S. 27°04'03" E., 1,292.82 feet;
 2. Southeasterly along the arc of said curve to the right thru a central angle of 03°19'20" a distance of 1,292.82 feet to the Point of Tangency;
 3. S. 25°24'18" E., 218.20 feet to a point on the southerly right-of-way line of Rampart Boulevard;
- Thence westerly, along said northerly right-of-way line the following 4 courses:
1. N. 89°51'25" W., 403.66 feet;
 2. S. 84°16'55" W., 50.32 feet;
 3. S. 84°15'40" W., 437.19 feet;
 4. N. 89°23'00" W., 1,355.35 feet to a point at the intersection of said northerly right-of-way line with the northerly extension of the east line of Maple Leaf Estuary.

Thence S. 00°18'20" W., along said east line, 2,721.54 feet; Thence S. 00°18'20" W., along said east line, 668.15 feet to a point on the southerly right-of-way line of Suncourt Boulevard; Thence N. 89°10'26" W., along said R.O.W. line, 700.89 feet to a point at the northeast corner of Lot 4 of County Chalm Estuary as recorded in Plat Book 16 on page 24 of the Public Records of Charlotte County, Florida; Thence S. 00°49'14" W., along the east line of Lot 3 and 4, 597.53 feet; Thence S. 89°10'26" E., 70.00 feet; Thence S. 00°15'31" W., 70.00 feet to a point on the south line of said County Chalm Estuary; Thence N. 89°10'26" W., along said south line, 692.71 feet; Thence S. 00°15'31" W., 1,333.71 feet to a point on the south line of said County Chalm Estuary; Thence N. 89°03'00" W., along said south line, 2,655.52 feet to the southwest corner of said Section 18; Thence N. 00°09'17" E., along the west line of said Section 18, 1,037.53 feet; Thence S. 89°06'46" E., departing said section line, 410.47 feet; Thence N. 00°09'17" E., along the west N. 89°10'26" W., 410.47 feet remaining to a point on said west section line; Thence N. 00°09'17" E., along said west line, 1,240.59 feet to a point on said southeasterly right-of-way line of Kings Highway; Thence N. 18°09'17" E., along said right-of-way line bying 25 feet southeast of the centerline of said Kings Highway, 2,186.94 feet to a point on the north line of said Section 18; Thence S. 89°23'00" E., along said north line 26.22 feet to the Point of Beginning, containing 718.3 acres, more or less.

The Application will extension the Utility's territory to provide wastewater service to the Pilgrim United Church of Christ. The following is the Legal Description of the proposed extension to the franchise:

Section 18, Township 40 S., Range 23E., TOWNSHIP 40 SOUTH, RANGE 23 EAST, CHARLOTTE COUNTY, FLORIDA.

Any objection to this application must be made in writing within thirty (30) days from this date to the Director, Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850. A copy of said objection should be mailed to the applicant whose address is:

Rampart Utilities, Inc.
400 Madison Drive, Suite #200
Sarasota, Florida 34236

REVISED LEGAL NOTICE

Notice is hereby given that on July 9, 1998, pursuant to Section 367.045(2)(a), Florida Statutes, Rampart Utilities, Inc. filed an Application for "Quick Take" Amendment to Certificate No. 497-S with the Florida Public Service Commission to provide wastewater service to the following described territory in Charlotte County, Florida. The application will extend the Utility's territory to provide wastewater service to the San Antonio Catholic Church.

Being a part of the Northeast One-Quarter of the Northeast One-Quarter of Section 18, Township 40 South, Range 23 East, Charlotte County, Florida, more particularly described as follows:

Commencing at the Northeast corner of said Section 18; thence North 89°22'53" West, along the north line of said Section 18, a distance of 1,332.41 feet to the Northwest Corner of the Northeast One-Quarter of the Northeast One-Quarter of said Section 18; thence South 00°19'18" West, along the West line of the Northeast One-Quarter of the Northeast One-Quarter of said Section 18, a distance of 50.00 feet; thence South 89°22'53" East, a distance of 330.00 feet to the POINT OF BEGINNING:

Thence continue South 89°22'53" East, a distance of 669.27 feet to a point on the West Line of the East One-Half of the East One-Half of the Northeast One-Quarter of the Northeast One-Quarter of said Section 18; thence South 00°21'49" West, along said West Line, a distance of 1,287.43 feet to the Southwest corner of the East One-Half of the East One-Half of the Northeast One-Quarter of the Northeast One-Quarter of said Section 18; thence North 89°18'00" West, along the South line of the Northeast One-Quarter of the Northeast One-Quarter of said Section 18, a distance of 332.78 feet to the Southwest corner of the East One-Half of the Northeast One-Quarter of the Northeast One-Quarter of said Section 18; thence North 00°20'58" East, along said West Line of the East One-Half of the East One-Half of the Northeast One-Quarter of the Northeast One-Quarter of said Section 18, a distance of 440.00 feet; thence North 89°18'00" West, a distance of 190.00 feet; thence South 00°20'58" West, a distance of 145.00 feet; thence South 50°36'14" West, a distance of 85.40 feet, thence North 89°18'00" West, a distance of 410.00 feet to a point on the West Line of the Northeast One-Quarter of the Northeast One-Quarter of said Section 18, thence North 00°19'18" East, along said West Line of the Northeast One-Quarter of the Northeast One-Quarter of said Section 18, a distance of 294.04 feet to a point 802.00 feet South 00°19'18" West, from the Northwest corner of said Northeast One-Quarter of the Northeast One-Quarter of said Section 18; thence South 89°22'53" East, parallel with the North Line of said Northeast One-Quarter, a distance of 330.00 feet; thence North 00°19'18" East, parallel with the West Line of said Northeast One-Quarter of said Northeast One-Quarter of said Section 18, a distance of 752.00 feet to the Point of Beginning. Said lands containing 19.226 Acres, more or less

Said lands subject to and including the use of a 50 foot wide private easement for ingress and egress, as recorded in O.R. Book 475 at Page 884 of the Public Records of Charlotte County, Florida, located 25 feet either side of the South line of said Northeast One-Quarter of the Northeast One-Quarter of said Section 18, being the most Southerly Line of this parcel.

Any objection to this application must be made in writing and filed within thirty (30) days from this date with the Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850. A copy of said objection should be mailed to the applicant whose address is:

Rampart Utilities, Inc.
6320 Tower Lane, Suite E
Sarasota, Florida 34240

EXHIBIT ^B

REVISED LEGAL NOTICE

Notice is hereby given that on July 9, 1998, pursuant to Section 367.045(2)(a), Florida Statutes, Rampart Utilities, Inc. filed an Application for "Quick Take" Amendment to Certificate No. 497-S with the Florida Public Service Commission to provide wastewater service to the following described territory in Charlotte County, Florida. The application will extend the Utility's territory to provide wastewater service to the Pilgrim United Church of Christ.

The East ½ of the East ½ of the Northeast 1/4 of the Northeast 1/4 of Section 18, Township 40 South, Range 23 East, Charlotte County, Florida: LESS AND EXCEPT the North fifty feet thereof.

Any objection to this application must be made in writing and filed within thirty (30) days from this date with the Division of Records and Reporting, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850. A copy of said objection should be mailed to the applicant whose address is:

**Rampart Utilities, Inc.
6320 Tower Lane, Suite E
Sarasota, Florida 34240**

Report

8/13/98

Quit-Take procedure - new -

well no ↑ ERC's by 25 or more. (std)

initial report

then 45 days, then follow up

- Aug 24th filing

Legal description + 4/5 pages:

→

muddy water

] →

notice to cust.

[included entire parcel +] →

expansion

→ think parcel area

- pursued → (Notice) →] →

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DEEP CREEK &
GDU

SUBSTITUTE WATER AND SEWER AGREEMENT

THIS SUBSTITUTE AGREEMENT entered into this 7th day of October, 1988 by and between DEEP CREEK UTILITIES, INC., a Florida corporation (hereinafter "Deep Creek") and GENERAL DEVELOPMENT UTILITIES, INC., a Florida corporation (hereinafter referred to as "GDU").

W I T N E S S E T H:

WHEREAS, on or about July 7, 1982, Deep Creek and GDU entered into that certain Utility Agreement (hereinafter the "Sewer Agreement") whereby GDU agreed to provide Deep Creek with sewage treatment service for certain properties under certain terms and conditions that could, over a fifty year period, result in sewage demands for 10,000 residential units on the property described more particularly in Exhibit "A"; and

WHEREAS, the provision of sewer service provided for in the Sewer Agreement was based upon, among other things, Deep Creek's projections of sewer needs and the payment of reserve capacity charges; and

WHEREAS, on or about March 22, 1983, Deep Creek and GDU entered into that certain Water Purchase Agreement (hereinafter the "Water Agreement") whereby GDU agreed to provide Deep Creek with potable water to service the above-noted 10,000 residential units under certain terms and conditions; and

WHEREAS, the provision of water service was to be based upon a certain "forecast" of new connections to be made by Deep Creek and the payment to GDU of a reserve capacity charge; and

WHEREAS, said Water Agreement also provided for Deep Creek to sell to GDU a certain twelve (12) inch feeder water line (the "Line") more particularly shown on Exhibit "B" attached hereto and made a part hereof under certain terms and conditions; and

WHEREAS, by subsequent amendments to the Water and Sewer Agreements dated August 5, 1983 (First Amendment), January 10,

EXHIBIT

1984 (Second Amendment), October 1, 1984 (Third Amendment), May 22, 1985 (Fourth Amendment), August 6, 1985 (Sewer Purchase Agreement), October 2, 1985 (Fifth Amendment) and November 5, 1987 (Sixth Amendment) (hereinafter collectively referred to as the "Amended Agreements"), GDU agreed to further provide water and/or sewer services to properties not originally encompassed by the original Water and Sewer Agreements and those additional properties are more specifically described in Composite Exhibit "C", attached hereto and made a part hereof by reference; and

WHEREAS, Deep Creek's forecasts of required water and sewer capacities has, generally, been substantially below actual water and sewer connections experienced by Deep Creek based on substantial changes and fluctuations in market conditions within the geographic area; and

WHEREAS, on or about November 25, 1986, the Board of County Commissioners of Charlotte County approved a "Revised Pass Through Rate Adjustment" (hereinafter the "Pass-Through") to Deep Creek to allow it to collect a carrying cost recovery charge ("CCRC") and a reserve capacity charge from consumers in Deep Creek's certificated territory in order to compensate GDU for the costs of constructing and holding water and sewer capacity available to consumers within that territory; and

WHEREAS, the parties are presently in dispute regarding funds owed by Deep Creek to GDU for the cost of GDU providing water and sewer capacity guarantees under the terms of the Water and Sewer Agreements and Amended Agreements and wish to amicably settle these claims and provide a more realistic method for calculating future payments by Deep Creek to GDU consistent with Deep Creek's approved tariffs; and

WHEREAS the parties wish to further assure that the future provision of water and wastewater service to Deep Creek is clearly expressed in one comprehensive document in order to minimize future disputes and ambiguities.

NOW, THEREFORE, for and in consideration of the above promises and covenants each unto the other made and as hereinafter set forth, it is hereby agreed by and between the parties as follows:

1. The foregoing recitations are true and correct and are hereby incorporated by reference as if fully set forth herein.

2. The Water and Sewer Agreements and Amended Agreements noted above be and the same are hereby rescinded and superseded in toto by this Agreement and said Agreements and Amended Agreements shall be of no further force and effect.

3. GDU agrees:

A. Potable Water.

(1) To sell potable treated water to Deep Creek in order for it to provide service to the properties described in Exhibits "A" and "C" (hereinafter the "Properties") during the term of this contract or any renewal or extension hereof in accordance with standards of applicable federal, state and local regulatory agencies and subject to the terms of this Agreement. The amount of water capacity to be provided by GDU to Deep Creek shall be based on the daily rated water gallowage schedule identified in GDU's Approved Service Availability and Main Extension Policy (hereinafter "Service Policy"), as the same may be amended from time to time by the appropriate regulatory agency. A copy of GDU's present Service Policy is attached hereto and made a part hereof by reference as Exhibit "D".

(2) To furnish water at a reasonable constant normal pressure in accordance with public health requirements. Emergency failures of pressure or supply due to breaks in the main water supply line and/or power failure, flood, fire and use of water to fight fire, catastrophes and other matters beyond the control of GDU shall excuse GDU from the provisions hereof for such reasonable period of time as may be necessary to restore service to normal conditions.

(3) At all times, to operate and maintain its water treatment facilities in an efficient manner and will take such action as may be necessary to provide the capacities required. Any circumstances resulting in the temporary or partial failure to deliver water as required by this Agreement shall be remedied by GDU with all possible dispatch. In the event of an extended shortage of water, or the supply of water available to GDU for distribution to its consumers is otherwise diminished over an extended period of time for reasons beyond GDU's control, the supply of water to the Deep Creek's consumers shall be reduced or diminished in the same ratio or proportion as the supply to GDU's other consumers is reduced or diminished.

B. Sewage Service.

(1) To accept and provide to the Properties during the term of this contract or any renewal or extension hereof, treatment of sewage limited to domestic waste (as defined by Rule 17-6.038(22), Florida Administrative Code, as it may be amended from time to time) in accordance with applicable federal, state and local regulations and subject to the terms of this Agreement. The amount of sewage plant capacity to be provided by GDU to Deep Creek shall be based on the daily rated sewage gallonage schedule identified in the Service Policy, as the same may be amended from time to time by the appropriate regulatory agency.

(2) To be excused from the provisions hereof in case of the emergency failure of sewage force main equipment and/or collection system or treatment and disposal facilities beyond the control of GDU, and/or power failure, flood, fire, catastrophes and other matters beyond the control of GDU for such reasonable period of time as may be necessary to restore service to normal conditions.

(3) At all times, to operate and maintain its sewage treatment facilities in an efficient manner and to take such actions as may be necessary to provide the capacities

required hereby. Any circumstances resulting in the temporary or partial failure or inability to handle sewage as required by this Agreement shall be remedied by GDU with all possible dispatch.

4. Deep Creek Agrees.

A. To pay GDU the sum of Five Hundred Twenty Five Thousand Dollars (\$525,000) and to convey to GDU the Line at no cost and expense which represents a settlement of the difference between the amount paid by Deep Creek for capacity reservations previously granted by GDU and the amount of reserve capacity charges that were authorized to be collected by Deep Creek pursuant to its approved "Pass-Through" granted by the Board of County Commissioners of Charlotte County, in Docket No. 86-302-WS as of the effective date thereof, December 12, 1986 and to and through September 1, 1988. Payment by Deep Creek of the entire amount noted herein and transfer of the Line shall be in full and complete settlement of any and all claims or demands of GDU against Deep Creek and based upon amounts of monies for reserve capacity charges and CCRCs' to be collected by Deep Creek and paid to GDU through September 1, 1988 under the terms of the Water and Sewer Agreements and the Amended Agreements.

B. To pay GDU Four Hundred Seventy Five Thousand Dollars (\$475,000) of the above-noted amount contemporaneously upon the execution hereof. The remaining Fifty Thousand Dollars (\$50,000) shall be paid to GDU no later than January 1, 1989.

C. Within ten (10) days of the date hereof, Deep Creek will convey the Line to GDU free and clear of all encumbrances by appropriate bill of sale along with a "No-Lien Affidavit"; appropriate releases of lien; a sealed set of reproducible "as-built" drawings of the installed Line; all easements or permissions necessary to own, use and maintain said Line; and a certification as to the original cost of the Line. Any documents submitted in these regards shall be in a form reasonably acceptable to GDU. In addition, Deep Creek shall provide GDU with the joinder of Loreda Development, Inc. in said bill of sale

and easement grants if required or adequate evidence that Loreda Development, Inc. does not presently possess any right, title or claim to said Line or easement areas. Upon satisfaction of the above requirements, GDU shall assume sole responsibility and duty to maintain the Line.

D. To pay GDU a one-time water and sewer plant capacity charge (connection fee), at the prevailing rates as approved by Charlotte County, or the appropriate rate regulatory agency, as each unit is connected. Payment for this item will be made upon submission of appropriate invoice by GDU. Said payments shall be based upon an assumed capacity demand for each unit as defined in GDU's Service Policy. Such capacity demand is subject to change upon approval from Charlotte County or the applicable rate regulatory agency.

E. To provide GDU with a monthly statement, no later than the 15th day of each month, indicating the number of units and their type connected during the previous month and identifying the units connected by lot and block and/or appropriate legal description.

F. Capacity Reservations.

(1) Deep Creek Projections. Attached hereto as Exhibit "E" is Deep Creek's Initial Five Year Projection (the "Initial Five Year Projection") of required guaranteed connection capacities that Deep Creek forecasts will be necessary in the next five (5) year period for development within the Property. On October 1, 1989, and on each anniversary thereof during the term of this Agreement, Deep Creek shall provide to GDU a further written projection (the "Annual Projection") of required guaranteed water and sewer connections for the five (5) year period commencing on the date of this later projection and broken down on a year by year basis. In the event Deep Creek's Annual Projections show an increase in any yearly demand over the Initial Five Year Projection, GDU's approval will be required

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pursuant to the provisions of this subparagraph. Once so approved by GDU pursuant to the terms hereof, said Annual Projection shall be known as the "Approved Five Year Projection".

GDU hereby agrees, subject to Deep Creek's compliance with the terms of this Agreement, that it will maintain, or provide when needed, sufficient water and sewer plant capacity to service the number of water and sewer connections set forth in the Initial Five Year Projection or the Approved Five Year Projection, in addition to any connections already in place on the date hereof (in the aggregate, the "Base Number of Connections"). If any of the Annual Projections provided to GDU after the Initial Five Year Projection specify a number of guaranteed water and sewer connections for any particular year which is greater than the number of connections specified in the Initial Five Year Projection or any prior Approved Five Year Projection, GDU will be obligated to provide water and sewer capacity to serve such excess connections only if GDU so elects, which election GDU shall make in writing within thirty days after delivery of any proposed projections containing such an increase. No such requested future projections shall be deemed to be approved by GDU's failure to act within said 30 day period.

(2) Reserve Capacity Charge. On the 10th day of each month during the term hereof, Deep Creek shall pay to GDU an amount equal to one-twelfth (1/12th) of the product of the per gallon reserve capacity charge in GDU's approved tariffs (as are initially set forth on Exhibit "D", Page 1) in effect on the date that the payment is due multiplied by: (a) the number of guaranteed connections specified by Deep Creek in its then current Initial, Annual or Approved Five Year Projection multiplied by; (b) the gallonage contained for each projected type of unit as set forth in GDU's Service Policy.

GDU acknowledges that as of September 1, 1988 Deep Creek has previously paid to GDU Two Hundred Eighty One Thousand Two Hundred Sixty Dollars (\$281,260.00) in reserve

capacity charges to be held for the future connections shown on Exhibit "F". Deep Creek shall, in addition, still be responsible for payment to GDU of additional monthly reserve capacity charges for said units which are shown on Exhibit "F" as "Amounts Due". Said "Amounts Due" shall be subject to change in the event of an increase in projected units for said years or an approved regulatory change in GDU's Service Policy. Said changes shall not be retroactively applied to Deep Creek unless authorized by the appropriate regulatory agency.

(3) Additional Connections. Any additional connections in excess of the Base Number of Connections ("Additional Connections") shall not be committed or allowed by Deep Creek without specific written approval by GDU and at the request of Deep Creek. Said approval or disapproval shall be given by GDU, in writing, within thirty (30) days after Deep Creek's written request for same. No such approval or disapproval shall be assumed by GDU's failure to act within said thirty (30) days. GDU shall use its best efforts to meet Deep Creek's requests for Additional Connections as long as the financial obligations set forth in this Agreement are met and GDU is able to meet said request considering the reasonable demands or need for services of other customers within GDU's approved certificated areas. For each such connection identified by Deep Creek for which GDU provides water or sewer utility service in excess of the Base Number of Connections, Deep Creek shall pay to GDU a one-time Carrying Cost Recovery Charge ("CCRC") equal to the CCRC contained within GDU's approved tariffs in effect at the time approval for the connection is sought by Deep Creek, or if GDU has no such charge in its approved tariffs at such time, the amount of Five Hundred and Seventy Two Dollars and 35/100ths (\$572.35) for each such water utility service connection and Six Hundred and Thirty Dollars and 42/100ths (\$630.42) for each such sewer utility service connection. All of the above charges are subject to modification based on changes in GDU's reserve

capacity charges as approved by the Charlotte County Commission or the appropriate rate regulatory agency. Such amounts shall be paid by Deep Creek to GDU on the 15th day of the first month after said connections have been made by the consumer.

(4) Changes in Projections. Deep Creek's Initial Five Year Projection and Approved Five Year Projection may only be increased pursuant to the terms hereof and may not be decreased below the number of units shown in the Initial Five Year Projection or such later Approved Five Year Projections as may be approved by GDU pursuant to the terms hereof. In the event that GDU elects to accept an increase in guaranteed water and/or sewer connections for any given year, Deep Creek shall, within 10 days of receiving written notice of GDU's election, pay to GDU the CCRC charge specified in subparagraph (3) for each of such Additional Connections and, thereafter, Deep Creek shall pay the reserve capacity charges, as set forth in subparagraph (2) for each such Additional Connection until connected. In no event is it to be construed or is it intended that Deep Creek shall be in any way responsible to pay GDU both the reserve capacity charges and the CCRC charges for the same water and/or sewer connection encompassing the same years of reserve capacity. If GDU's CCRC charge is revoked or suspended, accumulated and unpaid reserve capacity charges shall be paid as a condition precedent to GDU's approval of any request for increased connections over those shown in the Initial Five Year Projection and the Approved Five Year Projection and reserve capacity charges shall be paid thereafter. Said charges shall be computed in accordance with Exhibit "G" and are subject to modification if GDU changes its reserve capacity charges in the future.

(5) Deep Creek will, within one (1) year of the effective date hereof, file with Charlotte County or the appropriate regulatory agency revised water and sewer Tariffs to reflect the provisions and charges set forth in this Agreement.

(6) GDU shall have the right to inspect and/or audit Deep Creek's books, records and accounts to determine compliance with the terms of this Paragraph.

5. All rates and charges made by GDU to Deep Creek, and to future customers who will be serviced by GDU, shall be made in accordance with the then current tariffs filed by GDU with Charlotte County or the appropriate rate regulatory agency, as may be from time to time adopted, amended and approved by said agency in accordance with its regulatory authority contained in applicable statutes, ordinances, rules and regulations.

6. The provisions of this Agreement shall not be construed as establishing a precedent as to the amount or basis of contributions to be made by Deep Creek or other customers, or the acceptance thereof on the part of GDU, for other utility system extensions that may be required hereinafter by Deep Creek and which are not presently covered by this Agreement and shall not be construed as a commitment to serve or to reserve capacity beyond the terms of this Agreement. /IK

7. Deep Creek ^{Agents} to pay GDU within (30) days after statement is rendered by GDU, all sums due and payable as set forth in such statement. Upon the failure or refusal of Deep Creek, to pay the amounts due on statements as rendered for monthly water and/or sewer services actually provided to connected Deep Creek customers, GDU may, upon thirty (30) days written notice being given to Deep Creek and Charlotte County of GDU's intent to terminate water and/or sewer service to Deep Creek, terminate said service until said charges are paid. Upon failure or refusal of Deep Creek to remit amounts due in such timely fashion for reserve capacity, CCRC or plant connection charges, GDU may, upon thirty (30) days written notice to Deep Creek, notify any and all affected regulatory agencies that no further water and/or sewer connections should be honored or permitted with the Properties and, thereafter, cease said connections until said charges are paid. PPK

8. Except for those contemplated above, no-tie ins or hookups to the water or sewer system serving the Properties shall be made without the express consent of GDU and Deep Creek. GDU shall not utilize Deep Creek's distribution and collection systems to supply water and/or accept sewage from the customers other than those of Deep Creek and of Loreda Development, Inc., or within the Properties without the prior written consent of Deep Creek. Both GDU and Deep Creek acknowledge that in the event either party breaches the covenant contained herein it would be difficult, if not impossible, to reasonably assess the resulting damages and consequently, it is agreed that this covenant may be enforced by injunctive relief in a court of competent jurisdictions.

9. Deep Creek's Facilities and Meters:

A. Sewer System.

Deep Creek shall construct, own, operate and maintain all force mains, lift stations, collection systems and flow meter with totalizer within the Properties to the point of connection, at Deep Creek's sole cost and expense. Deep Creek shall maintain collection systems in such condition as to avoid excessive infiltration. GDU shall have the right to: inspect Deep Creek's facilities, after proper notification to Deep Creek; to read and calibrate the meter at GDU's discretion; and to check for illegal tie-ins, hook-ups or any other possible sources of contamination to ensure the system is functioning properly and not subject to excessive infiltration. Deep Creek agrees to correct, without delay, hazards to the system at its own expense. Excessive infiltration shall mean a determination by GDU that the flow through the sewage flow meter exceeds 15% of the flow through the master potable water meter as determined by the readings. Upon a determination by GDU that excessive infiltration exists, GDU shall notify Deep Creek to correct said infiltration without delay and in no event later than forty-five (45) days from receipt of notification. Failure to correct said

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excessive infiltration within said forty-five (45) day period, or such longer period as may be agreed upon by GDU for good cause shown by Deep Creek, shall result in immediate cessation of connections within the Properties to the sewer system and in GDU correcting the excessive infiltration at Deep Creek's sole cost and expense. Resumption of connections shall occur upon the correction of the excessive infiltration.

B. Water System.

(1) Deep Creek hereby agrees to construct any necessary water distribution systems, pump stations or water mains within the Properties in order to provide water service to customers therein. Deep Creek shall own, operate and maintain all water mains, pump stations and water distribution facilities within the Properties. Deep Creek shall maintain the distribution system in such condition as to avoid excessive exfiltration.

In addition, Deep Creek has installed a water meter, at its expense and as specified and approved by GDU's engineer. In addition, Deep Creek installed, at its expense, a back flow control device, as specified by GDU. GDU acknowledges the water meter, meter pit, and back flow control device have been properly installed and complies with GDU's specifications and are accepted for use. GDU shall have the right to inspect Deep Creek's water facilities at any time to check for cross connections, any other possible sources of contamination or sources of excessive exfiltration. Deep Creek agrees to correct, without delay, all such hazards to the system at its own expense. All construction, corrections and connections shall be in accordance with the approved plans by GDU's engineer.

(2) Deep Creek agrees that it shall provide to GDU, through its Chief Operator at the Peace River Water Treatment Plant, a record of the pumpage as reflected on the master meter on the last day of each and every month during the term of this agreement.

(3) Deep Creek agrees to construct and install a storage tank and high service pumps when the existing twelve (12") inch water main serving the Properties reaches its hydraulic capacity. This hydraulic capacity shall not exceed 1,600 gallons per minute, on a combined use by Deep Creek, Loreda Development, Inc. and other customers within the Properties.

10. This Agreement shall be governed by applicable rules, laws and regulations of any governmental body, federal, state, or local, including departments and agencies having jurisdiction in Charlotte County. The parties agree to be bound by such increase or decrease in gallonage amounts and rates which may be prescribed, from time to time, by said body or other agency having jurisdiction thereof.

11. This Agreement shall be binding on the parties, successors and assigns and may be freely assignable by either party hereto. Nothing contained herein shall be construed to preclude or constitute a waiver of GDU's rights to appear, comment or object to any such proposed transfer, assignment or sale of Deep Creek pursuant to applicable statutes, rules or ordinances of the appropriate regulatory agencies. Within ten (10) days of the effective date of any such assignment, sale or transfer, Deep Creek and the transferee shall submit a formal assignment and assumption of this Agreement to GDU in a form reasonably acceptable to GDU.

12. Any notice required to be given pursuant to the terms of this Agreement shall be deemed properly given when sent by United States Certified Mail, Return Receipt Requested, to the respective parties hereto, at the last known address of the parties and to such governmental bodies or agencies as may be required by law, regulation, or ordinance.

13. It is further mutually agreed and understood by GDU and Deep Creek that the commitment to accept and provide water and/or sewer service may be limited in the event that GDU is prohibited, limited or restricted from accepting further connec-

tions by local, state or federal government agencies having jurisdiction over such matters until such time as said prohibition, limitation or restriction is revoked, altered or amended, thus allowing GDU to again render service. GDU shall give Deep Creek notice of such action as soon as possible when such agencies have taken such action. In such event, GDU and Deep Creek agree that GDU shall not be liable or in any way responsible for the provision of water and/or sewer capacity except for those units for which plant capacity fees have been collected by GDU and which have been already connected to the system.

14. This Agreement shall be for an initial period of five (5) years from the date of this Agreement and shall be automatically renewed annually for additional five (5) year terms unless a breach of contract occurs by either party and/or written termination notice is given as required in Paragraph 12 twenty-four (24) months prior to termination. Both parties acknowledge that this Agreement, its terms and provisions are subject to regulation, prohibition, limitation and restriction by local, regional, state and federal agencies, (including but not limited to Charlotte County, the South West Florida Management District and the Florida Department of Environmental Regulation.

15. This Agreement supersedes all previous agreements or representations, either verbal or written, heretofore in effect between Deep Creek and GDU, made with respect to the matters contained herein when duly executed constitutes the complete Agreement between Deep Creek and GDU.

16. This Agreement is to be signed, initially, in duplicate counterparts with each party thereafter obligated to execute a final Agreement signed by both parties. This Agreement, when executed in counterparts, shall become effective as of September 1, 1988.

Signed, sealed and delivered
in the presence of:

Carol R. K...
Juan M. ...

GENERAL DEVELOPMENT UTILITIES,
INC., a Florida corporation

By: Gregory Kisela
Assistant Vice President

[CORPORATE SEAL]

ATTEST: Nancy H. Roen, Secretary

UTILITIES
DEEP CREEK, INC., a Florida
corporation

By: Paula F. McQueen
Paula McQueen, Senior Vice-
President

Doris M. ...
Daisy R. ...

ATTEST: Geoffrey J. ...
Geoffrey J. ..., Secretary

[CORPORATE SEAL]

WATER

Punta Corda Isles Section 20, Plat Book 11, Pages 2-A through 2-2-42, of the Public Records of Charlotte County, Florida.

and

Punta Corda Isles Section 23, Plat Book 12, Pages 2-A through 2-2-41, of the Public Records of Charlotte County, Florida.

SEWER

Punta Corda Isles Section 20, Plat Book 11, Pages 2-A through 2-2-42, of the Public Records of Charlotte County, Florida.

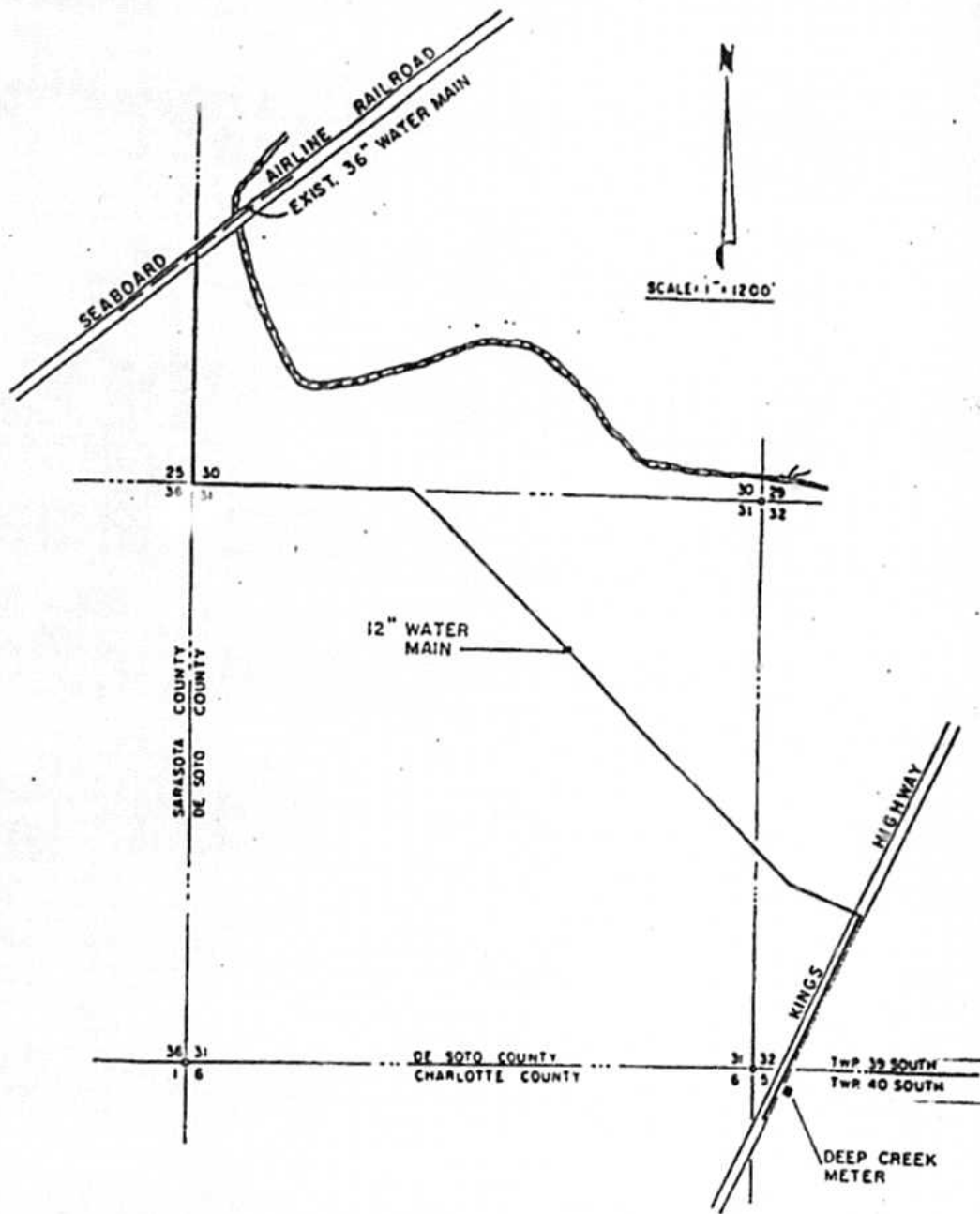
and

Punta Corda Isles Section 23, Plat Book 12, Pages 2-A through 2-2-41, of the Public Records of Charlotte County, Florida.

and

All of Blocks 26, 27, 28, 29 and 30 Harbor Heights Subdivision Section 8, Plat Book 3, page 84 of the Public Records of Charlotte County, Florida and Lots 71 through 107 of Block 21 Harbor Heights Subdivision, Plat Book 3, Page 22 of the Public Records of Charlotte County, Florida.

EXHIBIT "A".



**12" WATER MAIN SERVING
LAKE SUZY & DEEP CREEK**

Approximately 13,000 Linear Feet of twelve (12") inch PVC water main lying along certain easement granted by Loreda Development, Inc. in DeSoto County in land sections 30, 31 and 32, Township 30 South, Range 23 East and running Southwesterly along the Kings Highway Right of Way, into Charlotte County.

EXHIBIT "B"

ADDITIONAL SERVICE AREAS
WATER AND SEWER

- (1) LAKE VIEW NURSING HOME (120 beds; 35,140 square feet)
LAND IN CHARLOTTE COUNTY, FLORIDA, DESCRIBED AS:

A parcel of land in Section 17, Township 40 South, Range 23 East, Charlotte County, Florida, being more specifically described as follows:

The Southerly 660 feet along with the Westerly 40 feet of the West 1/2 of the East 1/2 of the Northwest 1/4 of Section 17, Township 40 South, Range 23 East, less and except the Northerly 50 feet and the Southerly 25 feet thereof for roadway purposes.

- (2) LAKESHORE - POVIA-BALLANTINE CORPORATION (64 units)
LAND IN CHARLOTTE COUNTY, FLORIDA, DESCRIBED AS:

All of the West 1/2 of the West 1/2 of the Northwest 1/4, along with that part of the East 1/2 of the Northeast 1/4 of the Northwest 1/4 lying Northerly and Easterly of Interstate I-75, less taking for Rampart Boulevard.

- (3) LAKESHORE CONDOMINIUMS - POVIA-BALLANTINE CORPORATION
SIXTY-EIGHT (68) UNITS -- PHASE III & IV
LAND IN CHARLOTTE COUNTY, FLORIDA, DESCRIBED AS:

All of the West 1/2 of the West 1/2 of the Northwest 1/4, along with that part of the East 1/2 of the Northeast 1/4 of the Northwest 1/4, lying Northerly and Easterly of Interstate I-75, less taking for Rampart Boulevard.

- (4) LAKESIDE CONDOMINIUMS

PHASE I

A parcel of land lying in Section 17, Township 40 South, Range 23 East, Charlotte County, Florida, and being more particularly described as follows:

run N89 47'49"W along the North line of said Section 17, a distance of 2,339.79 feet to the Northwest corner of the East 1/2 of the West 1/2 of the Northwest 1/4 of the Northeast 1/4 of said Section 17; thence S00 35'44"W along the West line of said East 1/2 a distance of 50.00 feet to the Southerly Right-of-Way line of Rampart Boulevard and the Point of Beginning of the lands herein described; thence continue S00 35'44"W along said Fractional Section line a distance of 449.00 feet; thence S89 24'16"E a distance of 148.00 feet; thence N00 35'44"E a distance of 62.00 feet; thence S89 24'16"E a distance of 93.00 feet; thence S00 35'44"W a distance of 45.00 feet; thence S89 24'16"E a distance of 93.10 feet; thence N00 36'48"E a distance of 434.29 feet to the Southerly Right-of-Way line of Rampart Boulevard; thence N89 47'49"W along said Southerly Right-of-Way line a distance of 334.24 feet to the Point of Beginning.

Said lands containing 3.284 acres, more or less.

Said lands situate, lying and being in Charlotte County, Florida.

PHASE II

A parcel of land lying in Section 17, Township 40 South, Range 23 East, Charlotte County, Florida, and being more particularly described as follows:

From the Northeast corner of said Section 17, run N89 47'49"W along the North line of said Section 17 a distance of 2,339.79 feet to the Northwest corner of the East 1/2 of the West 1/2 of the Northwest 1/4 of the Northeast 1/4 of said Section 17; thence S00 35'44"W along the West line of said East 1/2 a distance of 50.00 feet to the Southerly Right-of-Way line of Rampart Boulevard; thence continue S00 35'44"W along said Fractional Section line a distance of 449.00 feet to the Point of Beginning of the lands herein described; thence continuing S00 35'44"W along said Fractional Section line a distance of 238.00 feet; thence S89 24'16"E a distance of 93.00 feet; thence S00 35'44"W a distance of 35.00 feet; thence S89 24'16"E a distance of 241.01 feet; thence N00 36'48"E a distance of 290.00 feet; thence N89 24'16"W a distance of 93.10 feet; thence N00 35'44"E a distance of 45.00 feet; thence N89 24'16"W a distance of 93.00 feet; thence S00 35'44"W a distance of 62.00 feet; thence N89 24'16"W a distance of 148.00 feet to the Point of Beginning.

Said lands containing 2.188 acres, more or less.

Said lands situate, lying and being in Charlotte County, Florida.

A parcel of land lying in Section 17, Township 40 South, Range 23 East, Charlotte County, Florida, and being more particularly described as follows:

From the Northeast corner of said Section 17, run N89°47'49"W along the North line of said Section 17 a distance of 2,339.79 feet to the Northwest corner of the East 1/2 of the West 1/2 of the Northwest 1/4 of the Northeast 1/4 of said Section 17; thence S00°35'44"W along the West line of said East 1/2 a distance of 50.00 feet to the Southerly Right-of-Way line of Rampart Boulevard; thence continue S00°35'44"W along said Fractional Section line a distance of 687.00 feet to the Point of Beginning of the lands herein described; thence continuing S00°35'44"W along said Fractional Section line a distance of 239.00 feet; thence S89°24'16"W a distance of 148.00 feet; thence N00°35'44"E a distance of 15.00 feet; thence S89°24'16"E a distance of 185.95 feet; thence N00°36'48"E a distance of 189.00 feet; thence N89°24'16"W a distance of 241.01 feet; thence N00°35'44"E a distance of 35.00 feet; thence N89°24'16"W a distance of 93.00 feet to the Point of Beginning.

Said lands containing 1.575 acres, more or less.

Said lands situate, lying and being in Charlotte County, Florida.

PHASE IV

A parcel of land lying in Section 17, Township 40 South, Range 23 East, Charlotte County, Florida, and being more particularly described as follows:

From the Northeast corner of said Section 17, run N89°47'49"W along the North line of said Section 17 a distance of 2,339.79 feet to the Northwest corner of the East 1/2 of the West 1/2 of the Northwest 1/4 of the Northeast 1/4 of said Section 17; thence S00°35'44"W along the West line of said East 1/2 a distance of 50.00 feet to the Southerly Right-of-Way line of Rampart Boulevard; thence continue S00°35'44"W along said Section line a distance of 926.00 feet to the Point of Beginning of the lands herein described; thence continuing S00°35'44"W along said Fractional Section line a distance of 343.56 feet to a point on the Northerly Right-of-Way line of Tangelo Avenue; thence S89°40'24"E along said Right-of-Way line a distance of 333.84 feet; thence N00°36'48"E a distance of 356.99 feet; thence S00°35'44"W a distance of 15.00 feet; thence N89°24'16"W a distance of 148.00 feet to the Point of Beginning.

Said lands containing 2.691 acres, more or less.

Said lands situate, lying and being in Charlotte County, Florida.

Tract 3
Kings Crossing
DeSoto County, Florida

(6) CLUBSIDE CONDOMINIUMS

Tract 1, Block A
Kings Crossing
DeSoto County, Florida

19.0 GUARANTEED REVENUE AGREEMENT.

If authorized by the Commission pursuant to Order and under such terms and conditions as may be authorized under said Commission Order, Utility may establish a policy of requiring, as a condition precedent to service, that the contributor (Developer) enter into a guaranteed revenue agreement.

20.0 RESERVE CAPACITY CHARGE

If contributor wishes to reserve treatment plant capacity to insure that there will be available sufficient capacity at various planned stages of development, and if Utility agrees to reserve such capacity for contributor, the contributor will be required to begin paying its proportionate part of the cost associated with the investment that has been committed. The reserve capacity rates are based on an allocation of the cost of money, depreciation, property taxes and related income and revenue taxes necessary to support the cost of the proportionate investment in plant.

The following rates per gallon average daily demand are payable for each year for which capacity is reserved.

Reserve Capacity Charge

Water	\$0.46
Sever	\$0.60

At the option of the contributor, the contributor may pay connection (plant capacity) charges under Paragraph 3.0 of this Policy at the time the plant capacity is reserved, rather than at the time the connections are made. However, contributor will still be responsible for paying, at the time of connection, any difference in plant capacity charges between the time plant capacity is initially reserved and the approved plant capacity charge amounts at the time connections are made. If this option is selected, the reserve capacity charge shall be payable at the following rates per gallon average daily demand for each year for which capacity is reserved.

Reserve Capacity Charge (Prepaid Connection Charge Option):

Water	\$0.05
Sever	\$0.09

Gordon J. Pfersich
Senior Vice President

SCHEDULE OF DAILY RATED GALLONAGE
FOR VARIOUS OCCUPANCIES

Types of Building Usage

Apartments. . . . .	.155 gpd(1)
Bars and Cocktail Lounges . . . . .	.5 gpd/seat
Boarding Schools (students and staff) . . . . .	.75 gpd(2)
Bowling Alleys (toilet wastes only, per lane) . . . . .	.100 gpd
Country Clubs (per member). . . . .	.25 gpcd
Day Schools (students and staff). . . . .	.10 gpcd
Drive-in Theatres (per car space) . . . . .	.5 gpd
Factories (with showers). . . . .	.30 gpcd
Factories (without showers) . . . . .	.10 gpd/100 sq. ft
Hospitals (with laundry). . . . .	.250 gpd/bed
Hospitals (without laundry) . . . . .	.200 gpd/bed
Hotels and Motels (no restaurants or laundry)*. . . . .	.150 gpd/ra or unit
Laundromats . . . . .	.225 gpd/washer
Mobile Home Parks . . . . .	.185 gpd/trailer
Movie Theatres, Auditoriums, Churches (per seat). . . . .	.3 gpd
Nursing Homes . . . . .	.100 gpd/bed
Office Buildings. . . . .	.10 gpd/100 sq ft
Public Institutions (other than those listed herein). . . . .	.75 gpd
Restaurants (per seat). . . . .	.50 gpd/seat
Restaurants (fast food) (per seat). . . . .	.30 gpd/seat
Single-Family Residence	
Water: 5/8 x 3/4" meter. . . . .	.225 gpd
1" meter. . . . .	.315 gpd
1 1/2" meter . . . . .	.410 gpd
Sewer . . . . .	.190 gpd
Townhouse Residences (3). . . . .	.155 gpd
Stadiums, Frontons, Ball Parks, etc (per seat). . . . .	.3 gpd
Stores (without kitchen wastes) . . . . .	.5 gpd/100 sq ft
Speculative Buildings . . . . .	.30 gpd plus
	10 gpd/100 sq ft
Warehouses. . . . .	.30 gpd plus 10
	gpd/1000 sq ft

- (1) gpd - gallons per day
 (2) gpcd - gallons per capita per day
 (3) Condominiums shall be rated in accordance with the type
 (apartments, townhouses, etc.)

NOTE: Sewage gallonage refers to sanitary sewage flow on a
 unit basis for average daily flow in gallons per day.

* Motels and Hotels with other facilities to be qualified as per
 schedule (i.e., with laundry add 50 gpd, with restaurant add 50 gpd per
 seat.)

Gordon J. Pfersich
 Senior Vice President

<u>YEAR</u>	<u>NEW CONNECTIONS</u>	<u>FIVE YEAR FLOATING PROJECTION</u>
1988 & PRIOR	2,049	
1989	140	800
1990	150	850
1991	160	900
1992	170	950
1993	180	1,000
1994	190	1,050
1995	200	1,100
1996	210	1,150
1997	220	1,190
1998	230	1,220
1999	240	1,240
2000	250	1,250
2001	250	1,250
2002	250	1,250
2003	250	1,250
2004	250	1,250
2005	250	1,250
2006	250	1,250
2007	250	1,250
2008	250	1,230
2009	250	1,210
2010	250	1,190
2011	250	1,170
2012	250	1,150
2013	230	1,150
2014	230	1,150
2015	230	1,150
2016	230	1,150
2017	230	1,150
2018	230	1,120
2019	230	1,090
2020	230	1,060
2021	200	1,041
2022	200	1,111
2023	200	911
2024	211	711
2025	300	511
	10,300	300

EXHIBIT "E"

DEEP CREEK UTILITIES, INC.
 RESERVE CAPACITY CHARGES PAID
 FOR FUTURE UNITS
 AS OF SEPTEMBER 1, 1988

YEAR	UNITS	YEARS PAID	AMOUNT PAID		AMOUNT DUE (1)	
			WATER	SEWER	WATER	SEWER
1988	120					
1989	140	3 2/3	\$ 53,130	\$ 58,520	\$ 4,140	\$ 4,560
1990	150	2 2/3	41,400	45,600	\$ 19,320	\$ 21,280
1991	160	1 2/3	27,600	30,400	36,225	39,900
1992	170	2/3	<u>11,730</u>	<u>12,920</u>	55,200	60,800
Subtotal			\$133,860	\$147,440	<u>76,245</u>	<u>83,980</u>
Total					\$191,130	\$210,520
				<u>\$281,300</u>		<u>\$401,630</u>

(1) Amount Due is determined by reference to current forecast of connections as shown in Exhibit "D" and reserve capacity charges per General Development Utilities, Inc. approved Service Availability and Main Extension Policy. Changes in either the forecast of connections or approved reserve capacity charges will change the amounts due.

Amount Due is calculated as follows:

of units reserved
 x # of years remaining to be reserved
 x reserve capacity charge per unit

Accounts Payable

EXHIBIT "F"

COMPOUNDED RESERVE CAPACITY CHARGE

MONTH	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
COMPOUNDED RESERVE CAPACITY CHARGE	\$103.20	\$207.00	\$310.50	\$414.00	\$517.50
CHARGING COST PER YEAR 1	10.00	19.97	29.94	39.91	49.88
TOTAL TO BE RECOVERED PER CONNECTION	\$113.20	\$226.97	\$340.44	\$453.91	\$567.38

SEWER

MONTH	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
COMPOUNDED RESERVE CAPACITY CHARGE	\$114.00	\$228.00	\$342.00	\$456.00	\$570.00
CHARGING COST PER YEAR 1	10.00	20.00	30.00	40.00	50.00
TOTAL TO BE RECOVERED PER CONNECTION	\$124.00	\$248.00	\$372.00	\$496.00	\$620.00

YEAR 1 YEAR 2 YEAR 3 YEAR 4 YEAR 5

MONTH	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
JANUARY	89.34	178.68	268.02	357.36	446.70
FEBRUARY	19.00	38.00	57.00	76.00	95.00
MARCH	20.47	40.94	61.41	81.88	102.35
APRIL	30.36	60.72	91.08	121.44	151.80
MAY	47.70	95.40	143.10	190.80	238.50
JUNE	57.24	114.48	171.72	228.96	286.20
JULY	66.77	133.54	200.31	267.08	333.85
AUGUST	76.31	152.62	219.39	286.16	353.23
SEPTEMBER	85.85	171.70	238.47	305.24	374.32
OCTOBER	95.39	190.78	257.55	324.33	393.41
NOVEMBER	104.93	209.86	276.63	343.41	412.50
DECEMBER	114.47	228.94	295.71	362.50	431.59

YEAR 1 YEAR 2 YEAR 3 YEAR 4 YEAR 5

MONTH	YEAR 1	YEAR 2	YEAR 3	YEAR 4	YEAR 5
JANUARY	120.51	241.02	361.53	482.04	602.55
FEBRUARY	21.01	42.02	63.03	84.04	105.05
MARCH	31.52	63.04	94.56	126.08	157.60
APRIL	42.03	84.06	126.09	168.12	210.15
MAY	52.54	105.08	157.62	210.16	262.69
JUNE	63.05	126.10	188.65	241.20	293.75
JULY	73.56	147.12	210.18	271.24	322.80
AUGUST	84.07	168.14	241.21	302.28	353.85
SEPTEMBER	94.58	189.16	271.24	333.32	384.90
OCTOBER	105.09	210.18	302.28	364.36	415.95
NOVEMBER	115.60	231.20	333.33	395.40	447.00
DECEMBER	126.11	252.22	364.35	426.44	478.05