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ORIGINAL

ADMINISTRATIVE LAW
GOVERNMENTAL LAW
PUBLIC UTILITY LAW

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RECORDS AND
REPORTING

April 30, 2001

VIA HAND DELIVERY

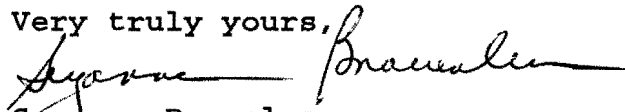
Blanca Bayo, Director
Division of Records and Reporting
Florida Public Service Comm.
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

RE: Dockets Nos. 990696-WS and 992040-WS
Application for certificates filed by Nocatee Utility
Corporation and Intercoastal Utilities, Inc.

Dear Ms. Bayo:

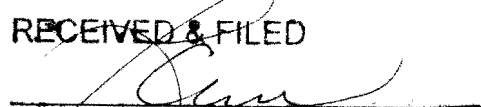
Attached please find the original and fifteen copies of the
St. Johns County, Florida's Motion for Continuance to be filed in
the above dockets. Also enclosed is a copy to be stamped and
returned to my office.

Thank you for your attention to this matter. Should you have
any questions or need any additional information, please contact
me.

Very truly yours,

Suzanne Brownless
Attorney for St. Johns County

APP
CAF
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OTH

cc: 3384
cc: Bill Young
Brian Armstrong, Esq.

RECEIVED & FILED

FPSC-BUREAU OF RECORDS

DOCUMENT NUMBER-DATE
05343 APR 30 01
FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

IN RE: Application by Nocatee Utility)
Corporation for original certificates) DOCKET NO. 990696-WS
for water and wastewater service in)
Duval and St. Johns Counties, Florida.)
_____)
IN RE: Application for certificates)
to operate a water and wastewater) DOCKET NO. 992040-WS
utility in Duval and St. Johns County)
by Intercoastal Utilities, Inc.)
_____)

ST. JOHNS COUNTY, FLORIDA'S
MOTION FOR CONTINUANCE

St. Johns County, Florida (County) by and through undersigned counsel, pursuant to Rule 28-106.204, F.A.C., files this Motion For Continuance and in support thereof states as follows:

1. On April 24, 2001, the Board of County Commissioners of St. Johns County (Board) enacted Resolution 2001-82 which classifies the Nocatee development area in St. Johns County as Exclusive Service Area (ESA) pursuant to County Ordinance 99-36, the St. Johns County Water and Wastewater Service Area Ordinance. Classification of the Nocatee development as an ESA obligates the County to provide water and wastewater services to the Nocatee development in a timely fashion. Simultaneous with the adoption of the resolution, the Board also adopted a plan of service for water, wastewater and reuse. This resolution is attached as Attachment A.

2. On April 24, 2001 the Board also voted to set the purchase of Intercoastal Utilities, Inc. (ICU), an applicant in this docket, for a Chapter 125, Fla. Stat., public hearing. This hearing will be held in the first week of June, 2001. At the Chapter 125 hearing the Board will vote on the terms and the

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FPSC-RECORDS/REPORTING

conditions associated with the ICU purchase. The agenda materials presented to the Board are attached as Attachment B.

3. Based on the April 26th Board vote, the County has also filed the testimony of William G. Young and Donald E. Maurer along with a motion to allow this testimony to be filed in this proceeding. The testimony of Mr. Young and Mr. Maurer discusses the County's plan of service for the St. Johns portion of the Nocatee development, the territory at issue in this docket.

4. Mr. Young has been deposed regarding the plan of service and the purchase of ICU and will be deposed again Monday, April 30, 2001. Mr. Maurer has not been deposed. However, the County will make every effort to make Mr. Maurer available prior to the hearing.

5. The County is fully aware that this case has already been continued two times at the request of the County in association with either JEA/NUC or ICU. Orders Nos. PSC-00-1462-PCO-WS (Order No. 00-1462) and PSC-01-0542-PCO-WS (Order No. 01-0542), issued on August 11, 2000 and March 7, 2001, respectively. The County is also aware that these continuances were granted, in part, because of the County's potential purchase of ICU, a purchase which has already been rejected by the Board at a Chapter 125 public hearing in August of 2001.

6. Notwithstanding those facts, however, all of the reasons to allow the County to complete this process on which the Commission based its decisions to continue twice before are still compelling. It is still true that if the Board approves the

purchase of ICU in the first week of June, 2001 "the positions of the parties in this case, and the parties themselves, could also be radically changed." Order No. 01-0542 at 3. It is still true that "if all the substantially affected governmental and private parties are able to reach a mutually satisfactory resolution concerning the provision of water and wastewater service to this large intercounty development, the need for further expenditures in this case, and possibly even the need for an administrative hearing before the Commission at all can be avoided." Id.

7. In addition to these continuing considerations, it has become more and more evident that JEA, not NUC, is the real party proposing to provide retail water and wastewater services to the Nocatee development in this docket. This opinion is commonly held throughout the St. Johns County community. The St Augustine Record sums it up succinctly: "The Nocatee Utility Corporation is seeking approval from the commission to serve the future development. JEA is expected to acquire the Nocatee utility if state approval is granted." ¹

8. The Commission does not have jurisdiction over JEA's ability to provide intercounty water and wastewater service under §367.171(7), Fla. Stat. In fact, the Commission does not have jurisdiction over JEA at all. §367.022(2), Fla. Stat.²

¹ St. Augustine Record, "County wants to provide Nocatee with water", April 25, 2001.

² Section 367.022(2), Fla. Stat., states: "The following are not subject to regulation by the commission as a utility nor are they subject to the provisions of this chapter, except as expressly

Commission's lack of jurisdiction: no jurisdiction over the real parties in interest to the docket, JEA and the County.

12. There is no question that the County has the legal authority to enact County Ordinance 99-36 and Resolution 2001-82. There have been no challenges made to the validity of either the ordinance or resolution by any party to this docket. There is no question that the County has acted to insure water and wastewater service to that portion of the Nocatee development located in St. Johns County. Nor, based on the deposition of Mr. Scott Kelly, is there any question that JEA has the authority to, and will, provide water and wastewater services to that portion of Nocatee located in Duval County in accord with City of Jacksonville Ordinance 2001-13-E, the development order passed by the City of Jacksonville regarding the Duval County section of the Nocatee development.

13. In short, there is no "need" for either certificate being requested in this docket. The Nocatee development will be provided with adequate and reliable water and wastewater services whether this Commission acts or not.

14. The undersigned counsel has contacted the counsel for the other parties to this docket regarding this motion. Counsels for IUC and Sawgrass Association were undecided on this issue. Counsels for NUC and JEA oppose the continuance.

WHEREFORE, St. Johns County, Florida requests that this Commission continue the hearing in this docket currently scheduled for May 7-9, 2001 for at least six (6) weeks.

Respectfully submitted this 30th day of April, 2001 by:

Suzanne Brownless

Suzanne Brownless, Esq.
Suzanne Brownless, P.A.
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Suite 201
Tallahassee, Florida 32301
Phone: (850) 877-5200
FAX: (850) 878-0090

RESOLUTION NO. 2001-82

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS, COUNTY, FLORIDA TRANSFERRING A PORTION OF THE COUNTY'S DESIGNATED (WATER AND WASTEWATER) SERVICE AREA TO THE COUNTY'S EXCLUSIVE (WATER AND WASTEWATER) SERVICE AREA IN ACCORD WITH THE PROVISIONS OF ORDINANCE 99-36.

WHEREAS, the Board of County Commissioners of St. Johns County, Florida, (County) has enacted the St. Johns County Water and Wastewater Service Area Ordinance, Ordinance 99-36; and

WHEREAS, Ordinance 99-36 creates an Exclusive Service Area in which St. Johns County is the sole provider of water and wastewater service to all persons and entities within that area and a Designated Service Area in which the County can either provide water and wastewater services or grant other providers the right to do so; and

WHEREAS, Ordinance 99-36 includes in the Designated Service Area an area of the County which is being developed by DDI, Inc. and its affiliate SONOC Company, LLC, comprising approximately 13,000 acres in northeast St. Johns County, commonly referred to as the Nocatee Development; and

WHEREAS, the County is charged with providing economic, adequate, reliable and safe water and wastewater services to its residents and has determined that this can be best accomplished through the development of a regional water and wastewater system; and

WHEREAS, the County Utility Department, working with engineering experts, has presented a viable plan of providing such services to the Nocatee Development in an economic, adequate, reliable and safe manner, which plan of service is attached hereto as Exhibit B; and

WHEREAS, Ordinance 99-36 authorizes the County to enlarge or reduce its Exclusive and Designated Service Areas by County resolution.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA (the Board) as follows:

Section 1. Transfer of service area. The area described in Exhibit A and incorporated into this resolution by reference, is hereby deleted from the County's Designated Service Area and is transferred and added to the County's Exclusive Service Area pursuant to Section 6 of Ordinance 99-36.

Section 2. Effective date. This Resolution shall take effect upon adoption by the Board of County Commissioners of St. Johns County, Florida.

PASSED AND ADOPTED by the Board of County Commissioners of St. Johns, County, Florida, this 24th day of April, 2001.

BOARD OF COUNTY COMMISSIONERS OF
ST. JOHNS COUNTY, FLORIDA

By: Mary F. Kohnke
Mary F. Kohnke, Chair

ATTEST: CHERYL STRICKLAND, CLERK

By: Patricia DeGrande
Deputy Clerk

c: 3231

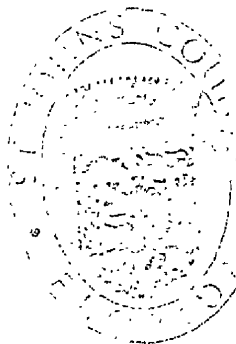


EXHIBIT "A"

Legal Description

NOCATEE
ST. JOHNS COUNTY, FLORIDA

TRACT "B"

Portions of Section 19, 20, 28, 29, 30, 31, 32, 49, 50, 51, 55, 65, 66, and 67 Township 4 South, Range 29 East, St. Johns County, Florida, being more particularly described as follows:

For Point of Beginning, commence at the Northwest corner of Section 30, said Township and Range and run North 88°39'56" East along the north line of said Section, a distance of 1650.0 feet; run thence North 62°02'54" East, a distance of 7000.0 feet; run thence South 66°36'10" East, a distance of 3133.65 feet; run thence South 17°06'55" East, a distance of 5068.75 feet to the Northeasterly corner of that certain parcel of land described in Official Records Volume 97, Page 151, Public Records of said County; run thence South 76°09'47" West, along the Northerly boundary of said parcel, a distance of 477.26 feet to the Northeasterly corner of that certain tract of land described in Official Records Book 673, Page 636 and 637, public records of said county; run thence South 88°13'50" West along the Northerly boundary of said tract a distance of 622.02 feet to the Northwest corner thereof; run thence South 07°59'59" East along the Westerly line of said tract and along the Westerly line of that parcel described in Official Records Book 368, page 550, a distance of 532.17 feet to a point on the line dividing Sections 28 and 55, Township and Range aforementioned; run thence South 86°48'25" West along Section line, a distance of 1.728.48 feet to the Northeast corner of that parcel identified as Parcel Six and described in documentation recorded in Official Records Volume 1084, Page 676, said public records, run thence South 11°08'51" East along the Easterly line of said Parcel Six, a distance of 600.76 feet to the Northwesterly right of way line of Palm Valley Road, County Road No. 210; run thence South 55°21'50" West along said right of way line, a distance of 11,438.24 feet to its point of intersection with the Westerly line of Section 31, Township and Range aforementioned; run thence North 00°54'07" West along said Westerly section line and along the Westerly line of Section 30, a distance of 10,614.31 feet to the Point of Beginning; less and except from the above described lands, the Northeast 1/4 of the Southeast 1/4 of Section 30, said Township and Range.

TRACT "C"

All of Sections 58 and 64 and portions of sections 29, 31, 32, 55, 57, 59, 60, 61, and 63, Township 4 South, Range 29 East, St. Johns County, Florida, being more particularly described as follows:

For Point of Beginning, commence at the Southwest corner of Section 32, Township 4 South, Range 29 East, and run South $89^{\circ}27'34''$ West, along the Southerly line of said Township, a distance of 5,245.88 feet to its point of intersection with the Southeasterly right of way line of Palm Valley Road, County Road No. 210; run thence Northeasterly, along said right of way line, as follows: first course, North $55^{\circ}21'50''$ East, a distance of 11,609.31 feet to a point of curvature; second course, along the arc of a curve concave Southeasterly with a radius of 943.73 feet, an arc distance of 392.05 feet to the point of tangency of said curve, said arc being subtended by a chord bearing North $67^{\circ}15'54''$ East and distance of 389.23 feet; third course, North $79^{\circ}09'57''$ East, a distance of 1439.56 feet to the extreme Westerly corner of that certain tract described in deed recorded in Official Records 664, Page 1159, Public Records of said County; run thence South $18^{\circ}09'43''$ East, departing said right of way line, a distance of 2633.45 feet; run thence South $82^{\circ}53'46''$ East, a distance of 711.15 feet; run thence South $08^{\circ}41'05''$ East, a distance of 4351.59 feet to a point on aforesaid Southerly line of Township 4 South, Range 29 East; run thence South $89^{\circ}27'34''$ West, along said Township line, a distance of 8263.12 feet to the Point of Beginning.

LESS AND EXCEPT: Those lands described in instrument recorded in Official Records Book 1097, Page 1072 and Official Records Book 1443, Page 1680, Public Records of said County being more particularly described as follows:

For Point of Reference, commence at the Southwest corner of Section 32, Township 4 South, Range 29 East, and run North $89^{\circ}27'34''$ East, along the Southerly line of said Township, a distance of 3,363.65 feet; run thence North $00^{\circ}32'26''$ West, departing said Township line, a distance of 233.82 feet to the Point of Beginning of the exception parcel.

From the Point of Beginning thus described, run along the boundary of aforesaid lands described in Official Records Book 1097, Page 1072 and Official Records Book 1443, Page 1680 as follows: first course, North $14^{\circ}07'52''$ West, a distance of 3,916.31 feet; second course, North $55^{\circ}20'25''$ East, a distance of 2,950.56 feet; third course, South $75^{\circ}52'33''$ East, a distance of 1,145.75 feet; fourth course, South $38^{\circ}30'32''$ East, a distance of 824.85 feet; fifth course, South $62^{\circ}03'30''$ West, a distance of 629.87 feet; sixth course, South $12^{\circ}24'56''$ East, a distance of 2,308.87 feet; seventh course, South $80^{\circ}12'24''$ West, a distance of 300.48 feet to a point of curvature; eighth course, Southwesterly, along the arc of a curve concave Southeasterly with a radius of 200.00 feet, an arc distance of 195.24 feet to the point of tangency of said curve, said arc being subtended by a chord bearing South $52^{\circ}14'27''$ West, a distance of 187.58 feet; ninth course, South

24°16'29" West, a distance of 151.93 feet to a point of curvature; tenth course, Southwesterly along the arc of a curve concave Northwesterly with a radius of 900.00 feet, an arc distance of 715.22 feet to the point of tangency of said curve, said arc being subtended by a chord bearing South 47°02'27" West and distance of 696.55 feet; eleventh course, South 69°48'25" West, a distance of 243.38 feet; twelfth course, South 14°07'52" East, a distance of 843.73 feet; thirteenth course, South 80°54'41" West, a distance of 2021.82 feet to the Point of Beginning.

TRACT "D"

Portions of Sections 57 and unsurveyed Section 34, Township 4 South, Range 29 East, St. Johns County, Florida being more particularly described as follows:

For Point of Reference, commence at the Southwest corner of section 32, Township 4 South, Range 29 East, and run North 89°27'34" East, along the Southerly line of said Township, a distance of 14,134.03 feet to its point of intersection with the Westerly right of way line of Florida East Coast Canal (Intracoastal Waterway) as recorded in Map Book 4, Pages 68 through 78, Public Records of St. Johns County, Florida and the Point of Beginning.

From the Point of Beginning thus described, run North 25°46'44" West along said Westerly right of way line, a distance of 2,500.00 feet; run thence South 49°50'45" West, departing said line, a distance of 3,546.61 feet to a point on aforesaid Southerly Township line; run thence North 89°27'34" East, along said Township line, a distance of 3,798.13 feet to the Point of Beginning.

LESS AND EXCEPT any portion of the above described lands lying below the mean high water line of the Tolomato River.

TRACT "E"

Parcel 1

A part of Sections 1, 2, 3 and 11, all in Township 5 South, Range 28 East, St. Johns County, Florida, more particularly described as follows:

For a Point of Beginning, commence at the Northeast corner of said Section 2; thence South 89°37'49" West, along the North line of said Section 2 (the same being the North line of Township 5 South and being the line dividing Duval County from St. Johns County), a distance of 5349.29 feet to the Northeast corner of said Section 3; thence South 89°37'49" West, along the North line of said Section 3, and along said line dividing Duval County from St. Johns County, a distance of 225.00 feet to the Northeast corner of the lands described in Official Records 919, Page 0475 of the Public Records of said County; thence along the boundary line of said lands the following six courses: 1) South 29°37'49" West, a distance of 795.13 feet; 2) South 89°37'49" West, a distance of 235.03 feet; 3) North 30°22'11" West, a distance of 760.49 feet; 4) South 89°37'49" West, 30 feet Southerly of and parallel with

the aforementioned North line of Section 3, a distance of 1,833.24 feet; 5) South 75°36'44" West, a distance of 309.21 feet; 6) South 89°37'49" West, a distance of 107.20 feet to a point on the Northeasterly right of way line of U.S. Highway No. 1 (State Road No. 5); thence South 41°52'01" East, along said right of way line; a distance of 2,505.37 feet to an angle point in said right of way line; thence South 41°01'01" East continuing along said Northeasterly right of way line, a distance of 911.85 feet; thence North 89°16'00" East, along the Southerly line of the lands described in Deed Book 204, Page 330 of the aforementioned Public Records, a distance of 1,557.93 feet to a point on the Northeasterly right of way line of a 50 foot right of way known as "Old Dixie Highway"; thence South 23°06'04" East, along said Northeasterly right of way line, a distance of 409.90 feet to an angle point in said right of way line; thence South 23°53'04" East, continuing along said Northeasterly right of way line, a distance of 1,470.07 feet to an angle point in said right of way line; thence South 39°52'04" East, continuing along said Northeasterly right of way line, a distance of 1,680.82 feet to an intersection with the Northwesterly right of way line of Palm Valley Road, County Road No. 210, as now established as a 100 foot right of way; thence Northeasterly along said right of way line the following six courses: 1) North 41°36'00" East, a distance of 1,021.40 feet to a point of curvature of a curve concave Southeasterly, having a radius of 416.47 feet; 2) Northeasterly along the arc of said curve, a chord bearing of North 56°39'27" East, a chord distance of 216.39 feet, an arc distance of 218.90 feet to a point of tangency of said curve; 3) North 71°42'54" East, a distance of 746.02 feet to the point of curvature of a curve concave Northwesterly, having a radius of 809.92 feet; 4) Northeasterly along the arc of said curve, a chord bearing of North 63°32'22" East, a chord distance of 230.35 feet and an arc distance of 231.14 feet to the point of tangency of said curve; 5) North 55°21'50" East, a distance of 1,769.51 feet to an intersection with the East line of aforementioned Section 2; 6) continue North 55°21'50" East, a distance of 6,269.03 feet to an intersection with the North line of aforementioned Section 1; thence South 89°06'30" West, along said North line of Section 1 (the same being the North line of Township 5 South and being the line dividing Duval County from St. Johns County), a distance of 5,223.14 feet to the Northwest corner of said Section 1 and the Point of Beginning.

Containing 881.20 acres, more or less.

TRACT "E"
Parcel 2

A part of Section 2, Township 5 South, Range 28 East, St. Johns County, Florida more particularly described as follows:

For a Point of Beginning, commence at the intersection of the Northeasterly right of way line of U.S. Highway No. 1 (State Road No. 5) with the West line of said Section 2; thence North 00°59'33" West, along said West line of Section 2, a distance of 125.93 feet; thence North 89°16'57" East, along the North line of Tract 11 of an unrecorded subdivision known as Durbin Subdivision, a distance of 836.38 feet to the point on the Southwesterly right of way line of a 50 foot right of way known as "Old Dixie Highway"; thence South 23°53'04" East, along said Southwesterly right of way line, a distance of 388.35 feet to an angle point in said right of way line; thence South 39°52'04" East, continuing along said Southwesterly right of way line, a distance of 403.00 feet; thence South 89°17'26" West, along the South line of aforementioned Tract 11, a distance of 782.06 feet to a point on the aforementioned Northeasterly right of way line of U.S. Highway No. 1; thence North 41°01'01" West, along said Northeasterly right of way line, a distance of 712.66 feet to the Point of Beginning.

Containing 12.60 acres, more or less.

TRACT "F"

A tract of land comprised of the East 1/2 of Section 12 and the Northeast 1/4 of Section 13, Township 5 South, Range 28 East, St. Johns County, Florida, less and except that portion lying within the boundary of the Subdivision of Hilden recorded in Map Book 3, Page 59, of the Public Records of said County, said tract being more particularly described as follows:

For Point of Beginning, commence at the Northeast corner of said Section 12, and run South 02°32'48" East, along the Easterly boundary of said Section, a distance of 5,331.05 feet to the Southeast corner of said Section; run thence South 01°38'27" East, along the Easterly boundary of said Section 13, a distance of 2,487.50 feet to the Southeast corner of the Northeast 1/4 of said Section; run thence South 87°23'00" West, along the Southerly line of said Northeast 1/4, a distance of 1,733.13 feet; run thence North 43°10'20" West, a distance of 1,268.24 feet; run thence North 50°05'18" East, a distance of 498.34 feet; run thence North 40°25'16" West, a distance of 766.09 feet to a point on aforesaid Westerly line of the Northeast 1/4 of Section 13; thence North 00°46'57" West, along said Westerly line and along the Westerly line of the East 1/2 of Section 12; run thence North 89°35'26" East, along the Northerly boundary of said Section 12, a distance of 2,488.06 feet to the Point of Beginning.

TRACT "G"

A portion of Section 37, Township 5 South, Range 28 East, St. Johns

County, Florida described in deed recorded in Official Records Book 675, Page 350, Public Records of said County and being more particularly described as follows:

For Point of Beginning, commence at the extreme Northerly corner of said Section 37 and run South 40°55'04" West, along the Northwesterly boundary of said Section, a distance of 269.22 feet; run thence South 37°41'20" East, a distance of 148.80 feet; run thence South 52°27'18" West, a distance of 240.00 feet to a point on the Northeasterly right of way line of U.S. Highway 1, State Road No. 5; run thence South 37°47'17" East, along said right of way line, a distance of 200.00 feet; run thence North 52°12'43" East, a distance of 240.00 feet; run thence South 37°47'17" East, a distance of 100.00 feet; thence South 52°12'43" West, a distance of 240.00 feet to said Northeasterly right of way line; run thence South 37°47'17" East, along said right of way line a distance of 300.00 feet; run thence North 52°12'43" East, a distance of 240.00 feet; run thence South 37°47'17" East, a distance of 50.00 feet; run thence South 52°12'43" West, a distance of 240.00 feet to aforesaid Northeasterly right of way line; run thence South 39°04'14" East, along said right of way line, a distance of 2,011.89 feet to its point of intersection with the Southwesterly line of said Section 37; run thence South 83°10'07" East, along said Section line, a distance of 383.30 feet to the extreme Southerly corner of said Section; run thence North 00°14'24" East, along said Section line, a distance of 1,126.79 feet; run thence North 56°19'41" West, continuing along said Section line, a distance of 1,301.59 feet; run thence North 43°06'02" West, along said Section line, a distance of 1,014.06 feet to the Point of Beginning.

TRACT "H"

A tract of land comprised of all or portions of surveyed and unsurveyed Sections 3, 10 and 15; all of Sections 4, 5, 7, 8, 9, 16, 17, 18, 20, 21, 39, 62, 63, 64, 65, 66, and portions of Sections 6, 19 and 61, Township 5 South, Range 29 East, St. Johns County, Florida, said tract being more particularly described as follows:

For Point of Beginning, commence at the Northeast corner of Section 6, Township 5 South, Range 29 East, and run South 89°27'34" West, along the Northerly line of said Section, a distance of 5245.88 feet to its point of intersection with the Southeasterly right of way of Palm Valley Road, County Road No. 210; run thence South 55°21'50" West, along said right of way line, a distance of 68.75 feet to a point on the Westerly boundary of said Section; run thence South 00°56'57" West, along said Section line, a distance of 5407.34 feet to the Southwest corner of said Section; run thence South 02°32'48" East, along the Westerly boundary of Section 7, said Township and Range, a distance of 5331.05 feet to the Southwest corner thereof; run thence South 01°38'27" East, along the Westerly line of Section 18, said Township and Range, a distance of 4909.80 feet to the Northwesterly corner of Section 40; run thence along the boundary of said Section 40 as follows: first course, South 55°40'59" East, a distance of 1887.09 feet; second course, South

79°34'02" East, a distance of 639.79 feet; third course, South 07°57'59" East, a distance of 1679.42 feet; fourth course, North 59°54'33" West, a distance of 2797.08 feet to the Southwesterly corner of said Section; run thence South 01°29'54" East, along the Westerly line of Section 19, aforesaid Township and Range, a distance of 395.62 feet to the Northeast right of way line U.S. Highway 1, State Road No. 5; run thence South 37°55'34" East, along said right of way line, a distance of 3131.90 feet to its point of intersection with the Northerly line of Section 41, said Township and Range and the Northerly boundary of Woodland Heights according to the plat recorded in Map Book 3, Page 78, Public Records of St. Johns County, Florida; run thence South 74°56'37" East, along said Section line and subdivision line, a distance of 1096.67 feet; run thence North 13°29'52" West, along said subdivision line, a distance of 183.21 feet; run thence North 02°39'45" East, along said subdivision line, a distance of 265.41 feet; run thence South 89°01'13" East, along said subdivision line and its Easterly projection, a distance of 574.74 feet to the Easterly right of way line of Old Dixie Highway lying on the Westerly line of Official Records Book 1353, Page 1476, Public Records of said County; run thence South 15°19'35" East, along said line, a distance of 1354.50 feet to a point on the Southerly boundary of aforementioned Section 19; run thence North 88°50'30" East, along said Southerly boundary, a distance of 1401.68 feet to the Southeast corner of said Section; run thence North 89°10'44" East along the Southerly line of Sections 20 and 21, and its Easterly projection, a distance of 8762.95 feet, more or less to the center of the run of an unnamed creek (Sweetwater Creek); run thence Northeasterly along the center of said run following the meanderings of the same, to its point of intersection with the line dividing unsurveyed Sections 15 and 22, said point of intersection bearing North 28°40'40" East and distance 5998.15 feet from last said point; run thence North 89°17'02" East, along said Section line, a distance of 2378.54 feet to a point on the Westerly right of way line of the Intracoastal Waterway, per Deed Book 193, Page 387, Public Records of said County; run thence in a Northerly direction along the West edge of the waters of the Tolomato River to a point on the North boundary of said Township 5 South, Range 29 East, said waters edge being traversed as follows: first course, North 07°25'34" West, along said Westerly right of way line of the Intracoastal Waterway, a distance of 1870.17 feet; second course, North 36°44'53" East continuing along said right of way line, a distance of 202.90 feet; third course, North 14°22'06" East, a distance of 8564.35 feet to a point on said Westerly right of way line of the Intracoastal Waterway; fourth course, North 07°59'12" West along said right of way line, a distance of 740.00 feet; fifth course, North 21°43'09" West along said right of way line, a distance of 3362.70 feet; sixth course, North 25°49'03" West, along said right of way line, a distance of 1899.59 feet to the point of termination of said transverse on the Northerly boundary of said Township; run thence South 89°27'34" West, along said Township line, a distance of 14134.03 feet to the Point of Beginning.

LESS AND EXCEPT any portion of the above described lands lying below the mean high water line of the Tolomato River.

c: 3233

Nocatee Plan of Service

Camp Dresser & McKee Inc. has provided the St. Johns County Utility Department with an analysis of North-Central Area development and utility service requirements. The purpose of this Plan of Service is to describe the recommended plan of service for the Nocatee service area only. This report provides a focused plan of service to allow for the projected growth to be sustained throughout the planning horizon. Costs for potable water, wastewater transmission, reclaimed water supply, and wastewater treatment are provided herein.

1. Plan of Service

The SJCUD plan of service to the portion of the Nocatee service area located in St. Johns County is based on capital improvements for water and wastewater transmission along International Golf Parkway that are already included in the FY 2002 capital improvement program. These improvements consist of approximately 24,000 linear feet of 16-inch water main and 12-inch wastewater force main. Table 1 summarizes additional costs associated with providing utility services to Nocatee from wholly owned and operated SJCUD facilities.

Table 1 Utility System Costs and Staging (Years 2001-2020)

Year	Potable Water	Wastewater Transmission	Reclaimed Water	Wastewater Treatment	Total Costs
2002-2005 (Phase I)	\$7,027,200	\$4,941,000	\$3,336,700		\$15,304,900*
2006	\$750,000				\$750,000
2007		\$5,823,060	\$8,816,940	\$6,250,000	\$20,890,000
2011	\$375,000				\$375,000
2013				\$7,500,000	\$7,500,000
2014	\$937,500				\$937,500
2017				\$5,000,000	\$5,000,000
Totals	\$9,089,700	\$10,764,060	\$12,153,640	\$18,750,000	\$50,757,400

*Includes the \$1.3 million capital improvements already in the FY 2002 budget discussed above and \$683,200 associated with land acquisition for proposed facilities.

The itemized cost estimates for facilities improvements to serve Phase I of Nocatee are provided in Table 2. The estimated costs of improvements to serve future phases of the Nocatee service area are included in Table 3. The proposed improvements are illustrated on Figures 1 and 2.

1.1 Potable Water

To meet the anticipated demands in the development of Phase I of Nocatee, SJCUD must make improvements to the NW WTP consisting of the addition of one new well and high service pump station modifications. The ambient groundwater quality in the vicinity of the NW WTP, however, may necessitate the implementation of an aquifer management program. Under such a program, it will be more conservative to construct two lower yielding wells instead of one high producing well. The construction of two smaller wells, however, will not exceed the estimated costs associated with the construction of the larger well.

In addition, it is recommended that additional system storage be provided in the vicinity of Marshall Creek. To provide potable water to Nocatee, SJCUD should extend a 20-inch water main from Marshall Creek to County Road 210 and a 12-inch water main eastward to the intersection of the Nocatee East-West Parkway. These costs are estimated to be \$7,027,200. This cost estimate includes the acquisition of 4 acres of land for the ground storage and booster pumping station (at \$40,000 per acre). The SJCUD FY 2002 capital improvements plan includes a portion of these water transmission improvements. In addition to these improvements, it is recommended that SJCUD make the following improvements for service to future phases of the Nocatee development:

- Year 2006 NW WTP improvements \$750,000
- Year 2011 NW WTP improvements \$375,000
- Year 2014 NW WTP improvements \$937,500

With these improvements, SJCUD will have sufficient water production, transmission, and distribution system infrastructure to serve the Nocatee development through build-out. The timing of these improvements will be dependent on customer growth and whether it is to be realized in a manner consistent with the projections for the development. This system will utilize the NW WTP as a regional water treatment plant.

1.2 Wastewater System

It is recommended that SJCUD initiate improvements consisting of wastewater pumping and transmission facilities to transfer wastewater from Nocatee to the State Road 16 WWTP. These improvements, estimated at \$4,941,000, consist of a 12-inch wastewater force main along County Road 210 from the Nocatee East-West Parkway

to Walden Chase; a new wastewater pump station at Walden Chase; 12-inch wastewater force main from Walden Chase to Marshall Creek; a new wastewater pump station at Marshall Creek; and a 16-inch force main from Marshall Creek to the NW WTP in lieu of the proposed 12-inch force main. A portion of these costs is included in the FY 2002 capital improvements plan. In addition to these immediate improvements, it is anticipated that SJCUD will need to make additional improvements to serve additional phases of Nocatee. These improvements are as follows:

- Year 2007 U.S. 1/State Road 312 transmission system \$5,823,060

With these improvements, SJCUD utilizes the regional treatment facilities at State Road 16. It should be understood that the improvements provided for herein allow SJCUD to handle the build-out capacity of the Walden Chase, Marshall Creek and Nocatee developments.

1.3 Reclaimed Water System

SJCUD can most easily accommodate irrigation demands of the Nocatee development by implementing an interim stormwater treatment system to meet Phase I demands. It is recommended that SJCUD implement the stormwater treatment system and eventually migrate to reclaimed water when wastewater flows are sufficient to meet demand. The immediate improvements, which include a stormwater treatment system, are estimated to cost \$3,336,700. In addition, SJCUD will need to plan for the following capital improvements to expand the reclaimed water production and transmission capacity:

- Year 2007 SR 16 WWTP expansion and reclaimed water main \$15,066,940
- Year 2013 SR 16 WWTP expansion \$7,500,000
- Year 2017 SR 16 WWTP expansion \$5,000,000

The timing of the SR 16 WWTP expansion will be dependent on customer growth and whether it is to be realized consistent with the projections for the development.

1.4 Acquisition of the JEA Facilities

St. Johns County will acquire the facilities that have been constructed under the bulk service agreement with JEA with unit connection fees collected from customers in the Walden Chase and Marshall Creek developments. The cost of the facilities is \$5,226,000. Should customer growth take place as projected by developers in these areas, this cost is expected to be paid during 2005 and ownership transferred to St. Johns County at that time. This investment allows the County to utilize the facilities to serve future phases of the Nocatee development.

2. ERC and Unit Connection Fee Revenue Projections

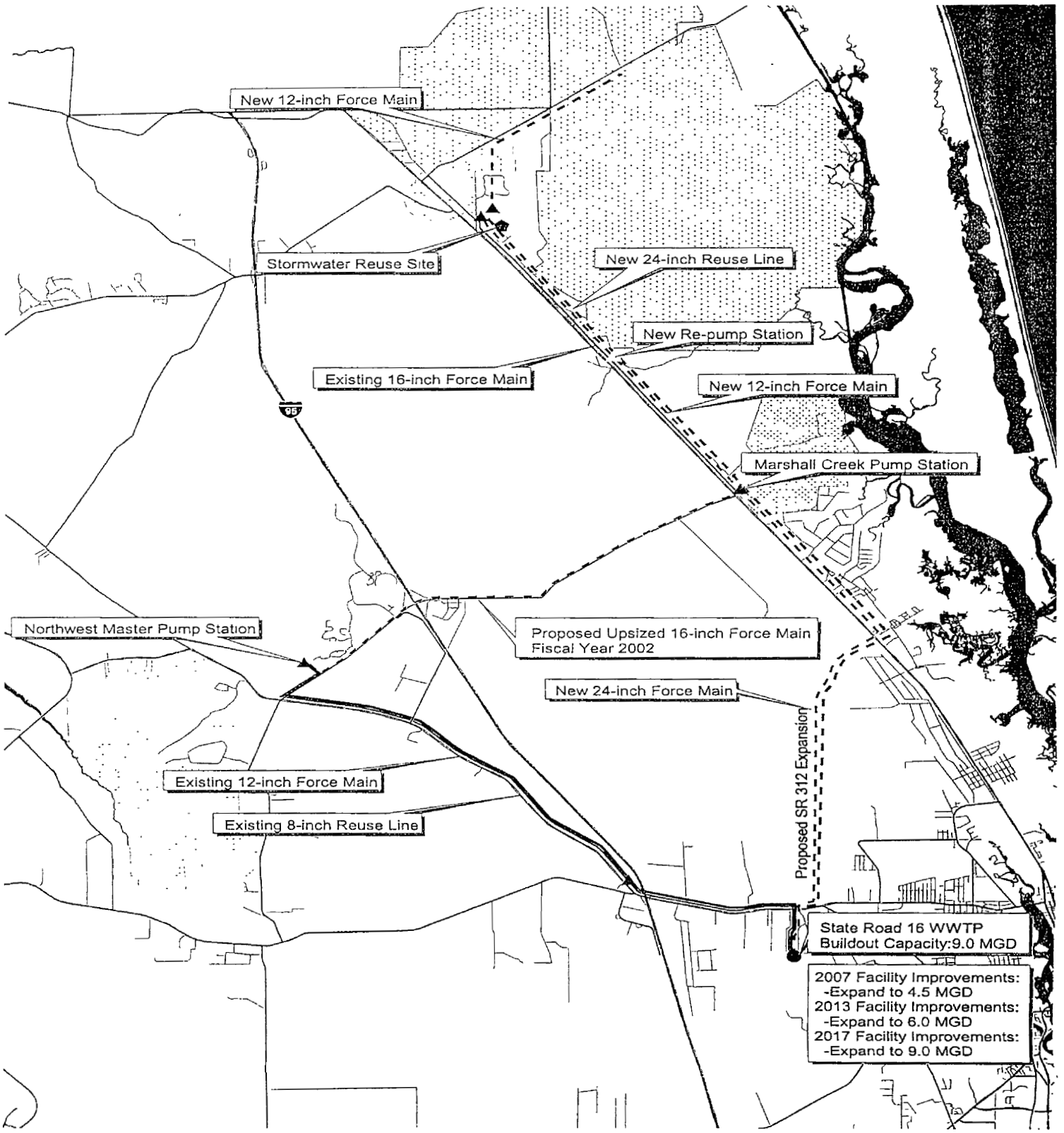
Based on the unit build-out projections, Table 4 was prepared, which compiles the projected ERCs for each development and provides the total projected ERCs in each calendar year during the study period. Using the projected ERCs in Table 4 as a base and assuming St. Johns County's standard ERC connection fees of \$1,800 per wastewater ERC and \$1,400 per water ERC, the total and cumulative connection fee revenue by development can be calculated for the service area. In Table 5, the projected revenue resulting from the collection of unit connection fees for each of the developments is presented. On Figure 3, the projected unit connection fee revenue is compared to anticipated costs of system improvements necessary to serve the Nocatee development. As indicated, the initial capital cost of approximately \$15,300,000 must be expended by SJCUD before any revenue from Nocatee customers can be realized. It is anticipated that a significant capital expenditure would be made around the year 2007 if growth in the development occurs according to the developers' projections, which, given the current status of the project, may be unrealistic. Beyond that, however, Table 5 and Figure 3 illustrate that unit connection fee revenue through build-out could be substantial. With the majority of the anticipated costs of improvements to the system expected to be made prior to the build-out of phase 2, it is apparent that the unit connection fee trust fund will be replenished in the latter phases of the Nocatee development build-out. This additional unit connection fee revenue, realized through the customer growth projected in the developments, could be used for further expansions and capital improvements to the system to accommodate an increasing number of customers served by the SJCUD.

Table 2 Initial Costs to Serve Nocatee (Stand Alone Option)

Item No.	Description	Units	Quantity	Unit Cost	Total Cost
Immediate Improvements Wastewater Transmission					
1.0	12" PVC FM from Nocatee to Walden Chase PS	LF	17000	\$ 40	\$ 680,000
2.0	New Walden Chase PS	LS	1	\$ 250,000	\$ 250,000
3.0	12" PVC FM from Walden Chase to Marshall Creek	LF	30000	\$ 45	\$ 1,350,000
4.0	16" PVC FM from Marshall Creek to NW WTP	LF	24000	\$ 55	\$ 1,320,000
5.0	Upsize 12" to 16" PVC FM from MC to NW WTP	LS	1	\$ -	\$ -
	Jack & Bore US 1 & I-95	LS	1	\$ 150,000	\$ 150,000
6.0	New pump station at Marshall Creek	LS	1	\$ 300,000	\$ 300,000
	Subtotal				\$ 4,050,000
	Miscellaneous				\$ -
	Contingency (10%)				\$ 405,000
	Engineering (12%)				\$ 486,000
	Total - Immediate Improvements				\$ 4,941,000
Immediate Improvements Water Transmission					
1.0	12" PVC WM from US 1 to Nocatee	LF	17000	\$ 40	\$ 680,000
2.0	12" PVC WM Marshall Creek to CR 210	LF	30000	\$ 65	\$ 1,950,000
3.0	0.5 MG ground storage tank and HS PS at MC	LS	1	\$ 1,200,000	\$ 1,200,000
4.0	16" PVC WM from Marshall Creek to NW WTP	LF	24000	\$ 55	\$ 1,320,000
5.0	Land acquisition - storage tank site	AC	4	\$ 40,000	\$ 160,000
	Subtotal				\$ 5,310,000
	Miscellaneous				\$ -
	Contingency (10%)				\$ 531,000
	Engineering (12%)				\$ 637,200
	Total - Immediate Improvements				\$ 6,478,200
Immediate Improvements NW WTP					
1.0	1 1500 gpm well	LS	1	\$ 200,000	\$ 200,000
2.0	High service pump station upgrade	LS	1	\$ 250,000	\$ 250,000
	Subtotal				\$ 450,000
	Miscellaneous				\$ -
	Contingency (10%)				\$ 45,000
	Engineering (12%)				\$ 54,000
	Total - Immediate Improvements				\$ 549,000
Immediate Improvements Reuse					
1.0	Reclaimed water pump station	LS	3	\$ 100,000	\$ 300,000
2.0	1.0 mgd screening, grit removal, and filtration	LS	1	\$ 375,000	\$ 375,000
3.0	2.0 MG storage tank	LS	1	\$ 560,000	\$ 560,000
4.0	Disinfection facilities	LS	1	\$ 25,000	\$ 25,000
5.0	High service pumps	LS	1	\$ 125,000	\$ 125,000
6.0	8" PVC RWM for raw water	LF	15000	\$ 16	\$ 240,000
7.0	1500 GPM back-up supply well at Nease WTP	EA	1	\$ 200,000	\$ 200,000
8.0	12" PVC well header	LF	17000	\$ 30	\$ 510,000
9.0	Land acquisition - treatment facility site	Ac	10	\$ 40,000	\$ 400,000
	Subtotal				\$ 2,735,000
	Miscellaneous				\$ -
	Contingency (10%)				\$ 273,500
	Engineering (12%)				\$ 328,200
	Total - Immediate Improvements				\$ 3,336,700

Table 3 Utility System Build-Out Improvement Costs (Stand Alone Option)

Item No.	Description	Quantity	Unit Cost	Total Cost
2007 Improvements Wastewater Transmission				
1.0	24" PVC FM from Marshall Creek to SR 16 WWTP	44700	\$ 90	\$ 4,023,000
2.0	Upgrade Marshall Creek pump station	1	\$ 500,000	\$ 500,000
3.0	Intermediate pump station	1	\$ 250,000	\$ 250,000
	<i>Subtotal</i>			\$ 4,773,000
	<i>Miscellaneous</i>			\$ -
	<i>Contingency (10%)</i>			\$ 477,300
	<i>Engineering (12%)</i>			\$ 572,760
	Total - 2007 Improvements			\$ 5,823,060
2006 Improvements Water NW WTP				
1.0	1.0 MG ground storage tank w/ aerator	1	\$ 450,000	\$ 450,000
2.0	1 1500 gpm well	1	\$ 150,000	\$ 150,000
	<i>Subtotal</i>			\$ 600,000
	<i>Miscellaneous</i>			\$ -
	<i>Contingency (10%)</i>			\$ 60,000
	<i>Engineering (15%)</i>			\$ 90,000
	Total - 2006 Improvements			\$ 750,000
2011 Improvements Water NW WTP				
1.0	2 1500 gpm wells	2	\$ 150,000	\$ 300,000
	<i>Subtotal</i>			\$ 300,000
	<i>Miscellaneous</i>			\$ -
	<i>Contingency (10%)</i>			\$ 30,000
	<i>Engineering (15%)</i>			\$ 45,000
	Total - 2011 Improvements			\$ 375,000
2014 Improvements Water				
1.0	1.0 MG storage tank w/ aerator NW WTP	1	\$ 450,000	\$ 450,000
2.0	2 1500 gpm wells	2	\$ 150,000	\$ 300,000
	<i>Subtotal</i>			\$ 750,000
	<i>Miscellaneous</i>			\$ -
	<i>Contingency (10%)</i>			\$ 75,000
	<i>Engineering (15%)</i>			\$ 112,500
	Total - 2014 Improvements			\$ 937,500
2007 Improvements Reuse				
1.0	24" PVC FM from SR 16 WWTP to Nocatee	80300	\$ 90	\$ 7,227,000
	<i>Subtotal</i>			\$ 7,227,000
	<i>Miscellaneous</i>			\$ -
	<i>Contingency (10%)</i>			\$ 722,700
	<i>Engineering (12%)</i>			\$ 867,240
	Total - 2007 Improvements			\$ 8,816,940
2007 Improvements Wastewater Treatment				
1.0	Expand SR 16 WWTP to 4.5 mgd	1	\$ 5,000,000	\$ 5,000,000
	<i>Subtotal</i>			\$ 5,000,000
	<i>Miscellaneous</i>			\$ -
	<i>Contingency (10%)</i>			\$ 500,000
	<i>Engineering (15%)</i>			\$ 750,000
	Total - 2007 Improvements			\$ 6,250,000
2013 Improvements Wastewater Treatment				
1.0	Expand SR 16 WWTP to 6.0 mgd	1	\$ 6,000,000	\$ 6,000,000
	<i>Subtotal</i>			\$ 6,000,000
	<i>Miscellaneous</i>			\$ -
	<i>Contingency (10%)</i>			\$ 600,000
	<i>Engineering (15%)</i>			\$ 900,000
	Total - 2013 Improvements			\$ 7,500,000
2017 Improvements Wastewater Treatment				
1.0	Expand SR 16 WWTP to 9.0 mgd	1	\$ 4,000,000	\$ 4,000,000
	<i>Subtotal</i>			\$ 4,000,000
	<i>Miscellaneous</i>			\$ -
	<i>Contingency (10%)</i>			\$ 400,000
	<i>Engineering (15%)</i>			\$ 600,000
	Total - 2017 Improvements			\$ 5,000,000



State Road 16 WWTP
Buildout Capacity: 9.0 MGD

2007 Facility Improvements:
-Expand to 4.5 MGD

2013 Facility Improvements:
-Expand to 6.0 MGD

2017 Facility Improvements:
-Expand to 9.0 MGD

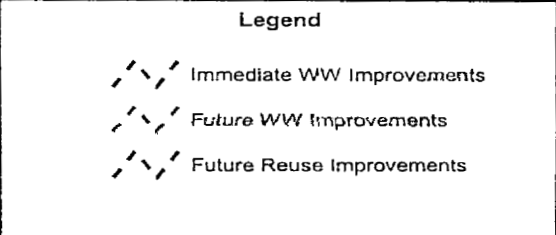
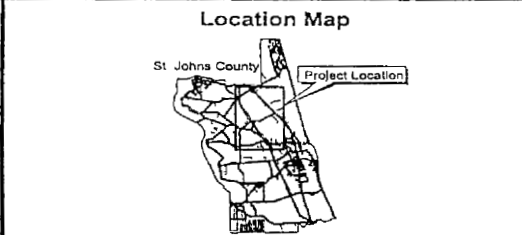
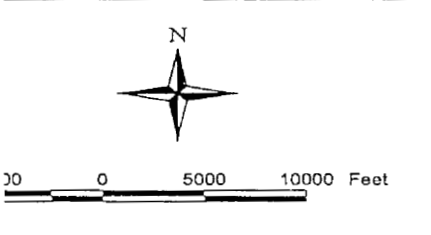
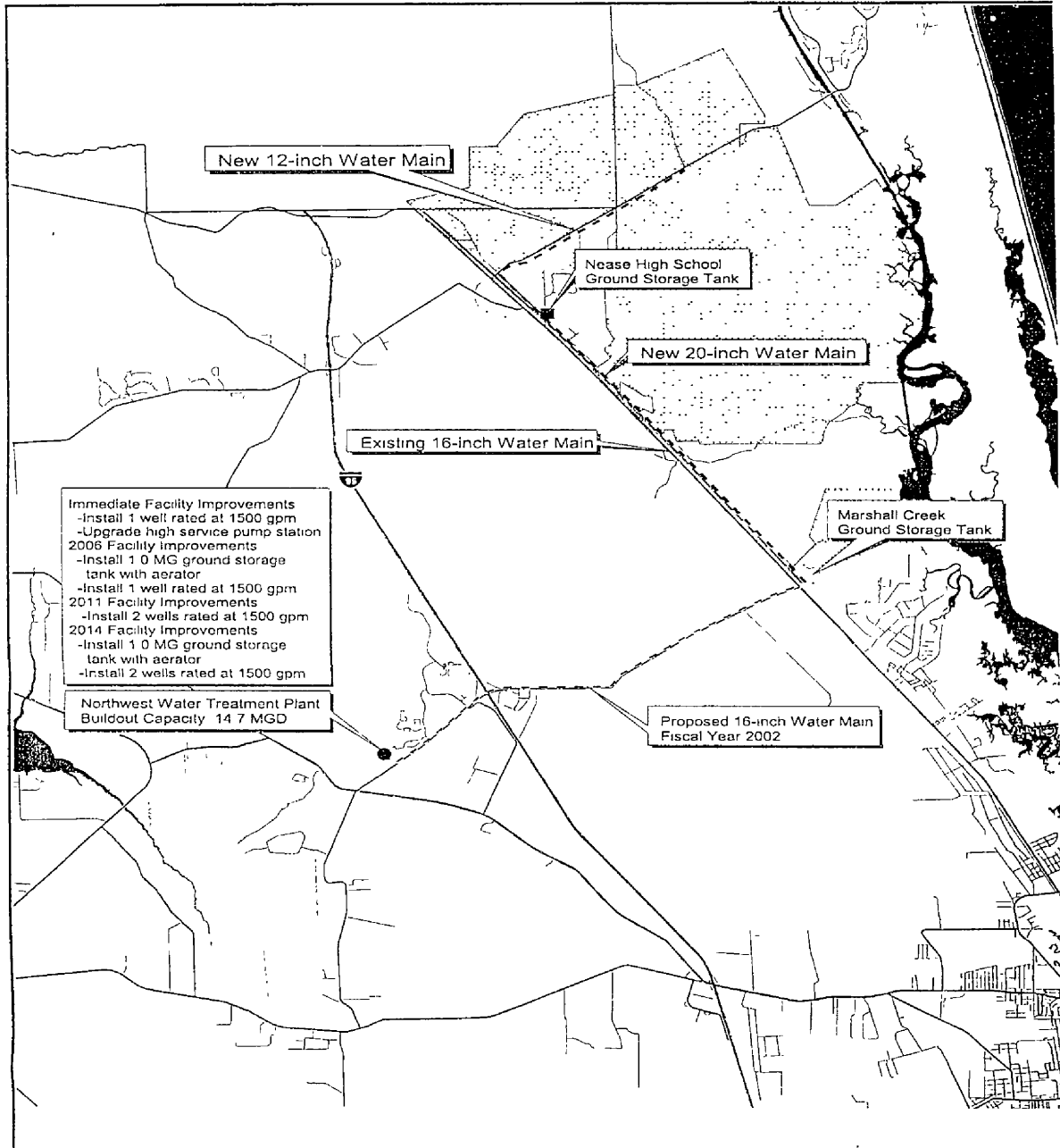


Figure No. 2
Facility Improvements - Wastewater
St. Johns County
Conceptual Master Plan



<p>5000 0 5000 10000 Feet</p>	<p>Location Map</p> <p>St. Johns County Project Location</p>	<p>Legend</p> <ul style="list-style-type: none"> Immediate Improvements Proposed Water Main Existing Water Main Future Improvements
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Figure
Facility Improvements
St. Johns
Conceptual Map

Table 4 ERC Projections for Walden Chase, Marshall Creek, Saint Johns, and Nocatee

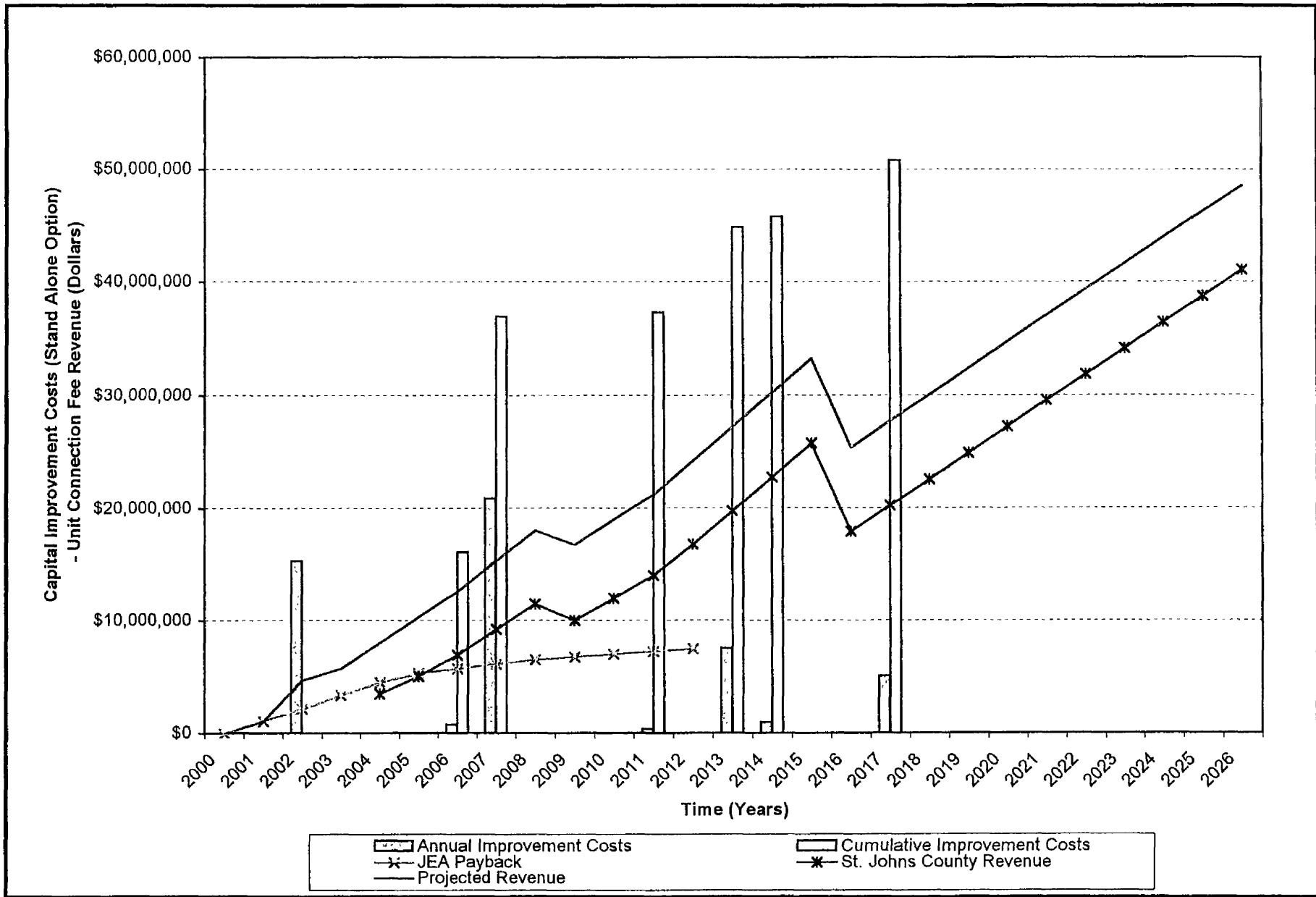
Development	Year	Pre-Development		Phase 1					Phase 2					Phase 3					Phase 4					Phase 5				
		2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	
Walden Chase	Water	0	141	282	423	564	706	847	988	1129	1129	1129	1129	1129	1129	1129	1129	1129	1129	1129	1129	1129	1129	1129	1129	1129	1129	
	Wastewater	0	136	271	407	543	678	814	950	1085	1085	1085	1085	1085	1085	1085	1085	1085	1085	1085	1085	1085	1085	1085	1085	1085	1085	1085
	Re-use	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Marshall Creek	Water	0	218	436	654	873	1091	1309	1527	1745	1963	2181	2399	2618	2836	3054	3272	3272	3272	3272	3272	3272	3272	3272	3272	3272	3272	3272
	Wastewater	0	208	416	623	831	1039	1247	1454	1662	1870	2078	2285	2493	2701	2909	3117	3117	3117	3117	3117	3117	3117	3117	3117	3117	3117	3117
	Re-use	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
St Johns	Water	0	596	1192	1788	2384	2980	3576	4172	4768	5364	5960	6556	7152	7748	8344	8940	9536	10132	10728	11324	11920	11920	11920	11920	11920	11920	11920
	Wastewater	0	572	1145	1717	2290	2862	3435	4007	4580	5152	5725	6297	6869	7442	8014	8587	9159	9732	10304	10877	11449	11449	11449	11449	11449	11449	11449
	Re-use	1914	1914	1914	1914	1914	1914	1914	1914	1914	1914	1914	1914	1914	1914	1914	1914	1914	1914	1914	1914	1914	1914	1914	1914	1914	1914	1914
Nocatee	Water	0	0	356	713	1069	1425	1781	2254	2727	3200	3674	4147	4837	5528	6218	6909	7600	8295	8990	9685	10379	11074	11763	12451	13139	13827	
	Wastewater	0	0	382	763	1145	1526	1908	2416	2924	3432	3940	4448	5205	5962	6718	7475	8231	8987	9743	10498	11254	12009	12750	13490	14230	14970	
	Re-use	0	0	3146	3804	4462	5121	5779	6332	6886	7439	7992	8546	11799	12564	13330	14095	14860	18113	18879	19644	20409	21175	21930	22684	23439	24194	
Total	Water	0	955	2267	3578	4890	6201	7513	8941	10369	11657	12944	14231	15736	17240	18745	20250	21536	22827	24118	25409	26700	27395	28083	28771	29459	30148	
	Wastewater	0	916	2213	3511	4808	6106	7403	8827	10251	11539	12828	14116	15653	17190	18727	20263	21593	22921	24249	25577	26905	27660	28401	29141	29881	30621	
	Re-use	1914	1914	5059	5718	6376	7034	7692	8246	8799	9352	9906	10459	13712	14478	15243	16008	16774	20027	20792	21556	22323	23088	23843	24598	25352	26107	

^a ERCs based on 270 gpd/ERC

^b ERCs based on 229.5 gpd/ERC

^c ERCs based on 261.3 gpd/ERC

^d ERCs based on developer projections of 350 gpd/ERC



STATE OF FLORIDA

COUNTY OF ST. JOHNS

I, CHERYL STRICKLAND, CLERK OF THE CIRCUIT COURT, Ex-officio, Clerk of the Board of County Commissioners of St. Johns County, Florida,

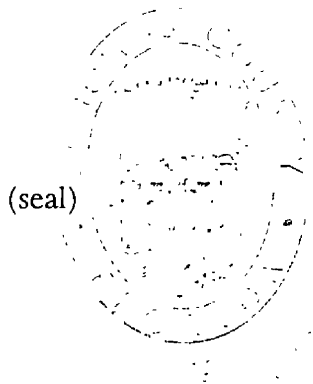
DO HEREBY CERTIFY that the foregoing is a true and correct copy of the following:

RESOLUTION NO. 2001-82

Adopted by the Board of County Commissioners of St. Johns County, Florida, at a meeting of said Board held April 24, 2001

as the same appears of record in the office of the Clerk of the Circuit Court of St. Johns County, Florida, of the public records of St. Johns County, Florida.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal of office this 27th day of April, 2001.



CHERYL STRICKLAND,
CLERK OF THE CIRCUIT COURT
Ex-officio Clerk of the Board of County
Commissioners of St. Johns County, Florida
By: Patricia DeGrande
Patricia DeGrande, Deputy Clerk

8

AGENDA ITEM
ST. JOHNS COUNTY BOARD OF COUNTY COMMISSIONERS

Deadline for Submission - Monday 9 a.m. - One Week Prior to BCC Meeting

April 24, 2001

BCC MEETING DATE

TO: Ben W. Adams, Jr., County Administrator

DATE: April 16, 2001

FROM: William G. Young, Director of Utilities

SUBJECT OR TITLE: Intercoastal Utility Acquisition

<input checked="" type="checkbox"/> BUSINESS ITEM	<input type="checkbox"/> BONDS	<input type="checkbox"/> ORDINANCE	<input type="checkbox"/> PUBLIC HEARING
<input type="checkbox"/> CONSENT AGENDA	<input type="checkbox"/> APPOINTMENTS	<input type="checkbox"/> RESOLUTION	<input type="checkbox"/> BID AWARD
<input type="checkbox"/> WORKSHOP	<input type="checkbox"/> REPORT	<input type="checkbox"/> CONTRACT	<input type="checkbox"/> EX PARTE COMMUNICATIONS

BACKGROUND INFORMATION: (Attach additional pages if necessary)

The purpose of this report is to present details related to the county's potential acquisition of Intercoastal Utilities.

Attached are details concerning purchase price, comparative rates, and cash flows resulting from county acquisition.


Should the Board decide to consider the acquisition of Intercoastal Utilities, Inc., pursuant to Florida Statutes Chapter 125, a public hearing must be held.

IF FUNDING IS REQUIRED, INDICATE THE SOURCE OF FUNDS & IF BUDGETED YES x NO

Source:

SUGGESTED MOTION/RECOMMENDATION/ACTION:

None.

Administration:  **Initials**

FORWARDED TO BCC **SUPPORTING MATERIAL ATTACHED**

PURCHASE PRICE

Cash: \$20 million

- Futures:
- \$1,000 per water ERC connected in existing service area only
 - \$1,000 per wastewater ERC connected in existing service area only
 - Futures paid for connections within 7 years of closing
 - Estimated maximum payout for futures: \$2,920,000

St. Johns County Utility Department
Neighboring Utilities Rate Comparison
Combined Water and Wastewater Systems

	Gallons Used Per Month				
	3,000	5,000	7,000	10,000	15,000
St. Johns County					
Existing	\$ 36.15	\$ 49.17	\$ 63.21	\$ 87.03	\$ 113.63
Neighboring Utilities					
Clay County Utility Authority (Kingsley)	\$ 24.58	\$ 29.48	\$ 34.38	\$ 41.73	\$ 45.78
Jacksonville Electric Authority	29.25	36.21	46.65	60.57	85.83
Intercoastal Utilities, Inc. (proposed)****	32.38	40.68	48.98	61.43	82.18
Clay County Utility Authority (Mid-Clay)	34.04	41.60	49.16	60.50	66.25
Clay County Utility Authority (West Clay)	33.89	41.71	49.53	61.26	66.66
St. Johns Service Co.*	35.47	43.40	51.33	63.23	83.07
City of Jacksonville Beach	29.19	40.96	54.24	74.16	107.36
United Water***	38.11	49.73	61.35	74.50	82.13
Intercoastal Utilities, Inc. (existing)*	43.16	54.17	65.18	81.89	86.25
City of St. Augustine (Inside City)	32.37	49.31	66.25	91.66	110.26
Palm Coast Utilities**	41.86	54.53	67.20	80.42	97.64
North Beach Utilities*	61.20	64.81	68.42	73.83	82.85
City of St. Augustine (Outside City)	40.52	61.70	82.88	114.65	137.90
Neighboring Utilities' Average	\$ 36.62	\$ 46.79	\$ 57.35	\$ 72.28	\$ 87.24

* Includes Regulatory Assessment Fee of 2.5%

** Includes Regulatory Assessment Fee of 1%

*** Includes Regulatory Assessment Fee of 4.5%

**** Assumes purchase by SJC, existing water rates and pre-1998 rate case wastewater rates and no cap on wastewater.

**Typical Single-family Bill Comparison
Selected Utilities
Combined Water and Wastewater Systems**

50% of Intercoastal Customers use more than 7,000 gallons

Average Intercoastal Consumption

	Gallons Used Per Month								
	3,000	5,000	7,000	8,000	10,000	11,000	12,000	13,000	15,000
St. Johns County	\$ 36.15	\$ 49.17	\$ 63.21	\$ 70.23	\$ 87.03	\$ 92.35	\$ 97.67	\$ 102.90	\$ 113.63
Existing Intercoastal Utilities, Inc.*	\$ 43.16	\$ 54.17	\$ 65.18	\$ 70.68	\$ 81.69	\$ 82.60	\$ 83.61	\$ 84.43	\$ 86.25
Proposed Intercoastal Utilities, Inc.**	\$ 32.38	\$ 40.68	\$ 48.98	\$ 53.13	\$ 61.43	\$ 65.58	\$ 69.73	\$ 73.88	\$ 82.18
JEA	\$ 29.25	\$ 36.21	\$ 46.65	\$ 50.13	\$ 60.57	\$ 64.05	\$ 71.31	\$ 74.94	\$ 85.83

*Includes 2.6% Regulatory Assessment Fee

**Assumes purchase by SJC, existing water rates and pre-1998 rate case wastewater rates and no cap on wastewater.

**Typical Single-family Bill Comparison
Selected Utilities
Wastewater System**

	Gallons Used Per Month								
	3,000	5,000	7,000	8,000	10,000	11,000	12,000	13,000	15,000
St. Johns County	\$ 18.21	\$ 24.37	\$ 30.53	\$ 33.81	\$ 39.77	\$ 39.77	\$ 39.77	\$ 39.77	\$ 39.77
Existing Intercoastal Utilities, Inc.*	33.34	42.52	51.71	56.30	65.48	65.48	65.48	65.48	65.48
Proposed Intercoastal Utilities, Inc.**	\$ 22.80	\$ 29.32	\$ 35.84	\$ 39.10	\$ 45.62	\$ 48.88	\$ 52.14	\$ 55.40	\$ 61.92
JEA	\$ 17.90	\$ 23.70	\$ 32.40	\$ 35.30	\$ 44.00	\$ 48.90	\$ 52.70	\$ 55.80	\$ 64.30

*Includes 2.5% Regulatory Assessment Fee

**Assumes purchase by SJC, existing water rates and pre-1998 rate case wastewater rates and no cap on wastewater.

**Typical Single-family Bill Comparison
Selected Utilities
Water System**

	Gallons Used Per Month								
	3,000	5,000	7,000	8,000	10,000	11,000	12,000	13,000	15,000
St. Johns County	\$ 17.94	\$ 24.80	\$ 32.68	\$ 36.62	\$ 47.26	\$ 52.58	\$ 57.90	\$ 63.22	\$ 73.86
Existing Intercoastal Utilities, Inc.*	9.82	11.64	13.47	14.38	16.21	17.12	18.03	18.94	20.77
Proposed Intercoastal Utilities, Inc.**	\$ 9.68	\$ 11.36	\$ 13.14	\$ 14.03	\$ 15.81	\$ 16.70	\$ 17.59	\$ 18.48	\$ 20.26
JEA	\$ 11.35	\$ 12.51	\$ 14.25	\$ 14.83	\$ 16.57	\$ 17.15	\$ 18.61	\$ 19.34	\$ 21.53

*Includes 2.5% Regulatory Assessment Fee

**Assumes purchase by SJC, existing water rates and pre-1998 rate case wastewater rates and no cap on wastewater.

ST. JOHNS COUNTY, FLORIDA
ACQUISITION FEASIBILITY STUDY OF INTERCOASTAL UTILITIES, INC.
ESTIMATE OF CASH FLOWS *

Assumptions: o Purchase Price = \$20 Million.

o 100% Reduction in Wastewater Rate Increase

o Based on Fiscal Year 2002 Revenue and Expenses, Using Actual Year 2000 Revenue

o 25-Year Term Wrapped Debt Service without Principal Repayment in Fiscal Year 2002

Line No.	Item	Last 4 Mos. of Fiscal Year 2001	Fiscal Year Ending September 30				
			2002	2003	2004	2005	2006
Operating Revenues with 2% Annual Inflation Adjustment:							
1	Water System Sales Revenue (a)	\$378,811	\$1,217,703	\$1,296,069	\$1,364,060	\$1,420,867	\$1,460,888
2	Wastewater System Sales Revenue (b)	582,481	1,898,184	1,879,827	2,085,854	2,185,863	2,257,483
3	Total Sales Revenue	\$961,292	\$3,063,667	\$3,274,696	\$3,449,914	\$3,616,510	\$3,718,361
4	Total Other Revenues (c)	367	1,100	1,100	1,100	1,100	1,100
5	Total System Operating Revenues	\$968,758	\$3,084,967	\$3,276,796	\$3,461,014	\$3,617,610	\$3,719,451
6	Total Operating Expenses (d)	\$424,333	\$1,340,000	\$1,406,000	\$1,487,000	\$1,624,000	\$1,576,000
7	Annual Net Revenue Available for Debt Service Payment (e)	\$535,425	\$1,744,967	\$1,870,796	\$1,984,014	\$2,093,610	\$2,144,451
8	Estimated Debt Service Payment (f)	396,858	1,127,240	1,181,268	1,183,231	1,183,278	1,181,441
9	Net Revenue Available for All Purposes Incl. Debt Coverage (g)	\$168,567	\$617,727	\$689,528	\$800,783	\$910,334	\$963,019
10	R&R Fund Deposits (h)	\$45,552	\$143,964	\$164,248	\$163,790	\$172,551	\$180,880
Net Revenue Available for Other Purposes:							
11	Annual (Line 9 - Line 10) (i)	\$123,015	\$473,764	\$535,289	\$636,993	\$737,783	\$782,129
12	Cumulative (j)	\$123,015	\$696,778	\$1,132,068	\$1,769,061	\$2,506,844	\$3,288,973
Impact Fees:							
13	Receipts (k)	\$287,545	\$848,021	\$718,084	\$582,037	\$468,672	\$184,834
14	Payments for Futures (l)	(183,007)	(634,799)	(480,073)	(370,514)	(303,797)	(102,000)
15	Annual Net Available Impact Fees (Line 13 - Line 14) (m)	\$104,538	\$311,222	\$238,011	\$221,523	\$164,875	\$82,834
16	Cumulative Net Available Impact Fees (n)	\$104,538	\$415,760	\$651,781	\$803,274	\$1,068,349	\$1,189,283
Total Net Available Funds:							
17	Annual (Line 11 + Line 15) (o)	\$227,554	\$784,986	\$801,280	\$858,516	\$930,869	\$845,063
18	Cumulative (p)	\$227,554	\$1,012,839	\$1,819,819	\$2,672,335	\$3,603,103	\$4,448,266
19	Cumulative Including R&R Fund Deposit (q)	\$273,106	\$1,202,058	\$2,187,583	\$3,179,588	\$4,283,257	\$5,309,211

*Footnotes on following page.

ST. JOHNS COUNTY, FLORIDA
ACQUISITION FEASIBILITY STUDY OF INTERCOASTAL UTILITIES, INC.
ESTIMATE OF CASH FLOWS *

Assumptions: o Purchase Price = \$20 Million.
o 100% Reduction in Wastewater Rate Increase
o Based on Fiscal Year 2002 Revenue and Expenses, Using Actual Year 2000 Revenue
o 20-Year Term Level Debt Service without Principal Repayment in Fiscal Year 2002

Line No.	Item	Last 4 Mos. of Fiscal Year 2001	Fiscal Year Ending September 30				
			2002	2003	2004	2005	2006
Operating Revenue with 2% Annual Inflation Adjustment:							
1	Water System Sales Revenue (a)	\$378,911	\$1,217,703	\$1,295,069	\$1,364,060	\$1,420,857	\$1,480,868
2	Wastewater System Sales Revenue (b)	582,481	1,866,164	1,979,627	2,085,854	2,195,663	2,267,463
3	Total Sales Revenue	\$961,392	\$3,083,867	\$3,274,696	\$3,449,914	\$3,616,510	\$3,748,331
4	Total Other Revenue (c)	367	1,100	1,100	1,100	1,100	1,100
5	Total System Operating Revenue	\$958,758	\$3,084,967	\$3,275,796	\$3,451,014	\$3,617,610	\$3,749,431
6	Total Operating Expenses (d)	\$424,333	\$1,340,000	\$1,405,000	\$1,467,000	\$1,624,000	\$1,676,000
7	Annual Net Revenue Available for Debt Service Payment (e)	\$536,426	\$1,744,967	\$1,870,796	\$1,984,014	\$2,093,610	\$2,144,451
8	Estimated Debt Service Payment (f)	378,357	1,257,405	1,514,349	1,514,891	1,516,191	1,518,118
9	Net Revenue Available for All Purposes Incl. Debt Coverage (g)	\$158,068	\$487,562	\$356,447	\$469,123	\$577,418	\$626,333
10	R&R Fund Deposits (h)	\$45,562	\$143,984	\$154,248	\$163,790	\$172,651	\$180,880
Net Revenue Available for Other Purposes:							
11	Annual (Line 9 - Line 10) (i)	\$113,518	\$343,599	\$202,199	\$305,333	\$404,868	\$445,452
12	Cumulative (j)	\$113,518	\$457,116	\$659,314	\$964,647	\$1,369,515	\$1,814,967
Impact Fees:							
13	Receipts (k)	\$287,545	\$848,021	\$716,084	\$592,037	\$498,872	\$164,934
14	Payments for Futures (l)	(183,007)	(534,788)	(460,073)	(370,514)	(303,797)	(102,000)
15	Annual Net Available Impact Fees (Line 13 - Line 14) (m)	\$104,538	\$311,222	\$256,991	\$221,523	\$193,075	\$62,934
16	Cumulative Net Available Impact Fee (n)	\$104,538	\$418,760	\$681,751	\$903,274	\$1,096,349	\$1,158,283
Total Net Available Funds:							
17	Annual (Line 11 + Line 15) (o)	\$218,055	\$654,821	\$468,190	\$526,856	\$597,943	\$508,386
18	Cumulative (p)	\$218,055	\$872,876	\$1,341,065	\$1,867,921	\$2,465,864	\$2,974,250
19	Cumulative Including R&R Fund Deposit (q)	\$263,608	\$1,062,381	\$1,884,828	\$2,375,474	\$3,148,808	\$3,635,233

*Footnotes on following page.

ST. JOHNS COUNTY, FLORIDA
ACQUISITION FEASIBILITY STUDY OF INTERCOASTAL UTILITIES, INC.
ESTIMATE OF CASH FLOWS *

Assumptions: o Purchase Price = \$20 Million.
o 100% Reduction in Wastewater Rate Increase
o Based on Fiscal Year 2002 Revenues and Expenses, Using Actual Year 2000 Revenues + Additional A&G Expenses
o 30-Year Term Level Debt Service without Principal Repayment in Fiscal Year 2002

Line No.	Item	Last 4 Mths. of Fiscal Year 2001	Fiscal Year Ending September 30				
			2002	2003	2004	2005	2006
Operating Revenues with 2% Annual Inflation Adjustment:							
1	Water System Sales Revenues (a)	\$376,911	\$1,217,703	\$1,285,069	\$1,364,060	\$1,420,857	\$1,460,868
2	Wastewater System Sales Revenues (b)	562,481	1,868,164	1,979,827	2,085,854	2,195,853	2,257,483
3	Total Sales Revenues	\$939,392	\$3,085,867	\$3,274,696	\$3,449,914	\$3,616,610	\$3,718,351
4	Total Other Revenues (c)	367	1,100	1,100	1,100	1,100	1,100
5	Total System Operating Revenues	\$959,758	\$3,084,967	\$3,275,796	\$3,451,014	\$3,617,610	\$3,719,451
6	Total Operating Expenses + Additional A&G Expenses (d)	\$511,000	\$1,607,800	\$1,680,834	\$1,761,109	\$1,818,832	\$1,878,411
7	Annual Net Revenues Available for Debt Service Payment (e)	\$448,758	\$1,477,167	\$1,594,962	\$1,689,905	\$1,800,978	\$1,843,040
8	Estimated Debt Service Payment (f)	378,357	1,257,405	1,514,349	1,614,891	1,818,191	1,518,118
9	Net Revenues Available for All Purposes Incl. Debt Coverage (g)	\$72,401	\$219,762	\$80,613	\$165,014	\$284,787	\$324,922
10	R&R Fund Deposits (h)	\$45,552	\$143,964	\$154,248	\$163,790	\$172,551	\$180,880
Net Revenue Available for Other Purposes:							
11	Annual (Line 9 - Line 10) (i)	\$26,850	\$76,798	(\$73,635)	\$21,224	\$112,236	\$144,041
12	Cumulative (j)	\$26,850	\$102,648	\$29,013	\$50,237	\$162,473	\$306,515
Impact Fees:							
13	Receipts (k)	\$287,545	\$848,021	\$716,064	\$592,037	\$498,872	\$164,834
14	Payments for Futures (l)	(183,007)	(634,799)	(450,073)	(370,514)	(303,797)	(102,000)
15	Annual Net Available Impact Fees (Line 13 - Line 14) (m)	\$104,538	\$311,222	\$265,991	\$221,523	\$195,075	\$62,834
16	Cumulative Net Available Impact Fees (n)	\$104,538	\$415,760	\$681,751	\$903,274	\$1,098,349	\$1,169,283
Total Net Available Funds:							
17	Annual (Line 11 + Line 15) (o)	\$131,388	\$387,021	\$182,356	\$242,747	\$305,311	\$206,875
18	Cumulative (p)	\$131,388	\$518,408	\$710,764	\$953,511	\$1,258,822	\$1,465,707
19	Cumulative including R&R Fund Deposit (q)	\$176,940	\$707,824	\$1,054,528	\$1,481,066	\$1,938,028	\$2,328,782

*Footnotes on following page.

ST. JOHNS COUNTY, FLORIDA
ACQUISITION FEASIBILITY STUDY OF INTERCOASTAL UTILITIES, INC.
ESTIMATE OF CASH FLOWS *

Assumptions: o Purchase Price = \$20 Million.
o 100% Reduction in Wastewater Rate Increase
o Based on Fiscal Year 2002 Revenues and Expenses, Using Actual Year 2000 Revenues + Additional A&G Expenses
o 25-Year Term Wrapped Debt Service without Principal Repayment in Fiscal Year 2002

Line No.	Item	Last 4 Mos. of Fiscal Year 2001	Fiscal Year Ending September 30				
			2002	2003	2004	2005	2006
Operating Revenues with 2% Annual Inflation Adjustment:							
1	Water System Sales Revenues (a)	\$378,811	\$1,217,703	\$1,285,068	\$1,384,060	\$1,420,857	\$1,460,888
2	Wastewater System Sales Revenues (b)	682,481	1,868,184	1,978,827	2,086,864	2,185,653	2,257,483
3	Total Sales Revenues	\$669,382	\$3,083,887	\$3,274,895	\$3,449,914	\$3,618,610	\$3,718,351
4	Total Other Revenues (c)	867	1,100	1,100	1,100	1,100	1,100
5	Total System Operating Revenues	\$658,768	\$3,084,887	\$3,275,798	\$3,481,014	\$3,617,610	\$3,719,451
6	Total Operating Expenses + Additional A&G Expenses (d)	\$511,000	\$1,607,800	\$1,840,834	\$1,751,109	\$1,818,832	\$1,878,411
7	Annual Net Revenues Available for Debt Service Payment (e)	\$448,788	\$1,477,187	\$1,594,902	\$1,699,905	\$1,800,978	\$1,843,040
8	Estimated Debt Service Payment (f)	388,858	1,127,240	1,181,259	1,183,231	1,183,278	1,181,441
9	Net Revenues Available for All Purposes incl. Debt Coverage (g)	\$81,900	\$349,927	\$413,703	\$518,674	\$617,702	\$661,599
10	R&R Fund Deposits (h)	\$45,552	\$143,984	\$154,248	\$163,790	\$172,551	\$180,880
Net Revenue Available for Other Purposes:							
11	Annual (Line 9 - Line 10) (i)	\$36,349	\$205,964	\$259,455	\$352,884	\$445,151	\$480,718
12	Cumulative (j)	\$36,349	\$242,312	\$501,767	\$854,651	\$1,299,802	\$1,780,621
Impact Fees:							
13	Receipts (k)	\$287,548	\$848,021	\$718,084	\$592,037	\$498,872	\$184,934
14	Payments for Futures (l)	(183,007)	(534,789)	(450,078)	(370,514)	(303,797)	(102,000)
15	Annual Net Available Impact Fees (Line 13 - Line 14) (m)	\$104,538	\$311,222	\$268,001	\$221,523	\$193,075	\$82,934
16	Cumulative Net Available Impact Fees (n)	\$104,538	\$416,760	\$681,761	\$903,274	\$1,098,349	\$1,159,283
Total Net Available Funds:							
17	Annual (Line 11 + Line 15) (o)	\$140,887	\$517,186	\$525,448	\$574,407	\$638,228	\$543,652
18	Cumulative (p)	\$140,887	\$858,078	\$1,183,518	\$1,767,928	\$2,398,151	\$2,839,803
19	Cumulative Including R&R Fund Deposit (q)	\$186,439	\$847,858	\$1,627,282	\$2,288,479	\$3,076,255	\$3,800,788

*Footnotes on following page.



Camp Dresser & McKee Inc.

consulting
engineering
construction
operations

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Jacksonville, Florida 32216
Tel: 904 281-0170 Fax: 904 281-0323

April 13, 2001

Mr. William G. Young, Director
St. Johns County Utility Department
P. O. Drawer 3006
St. Augustine, FL 32085

Subject: RCNLD Valuation - Intercoastal Utilities Inc.

Dear Mr. Young:

Camp Dresser & McKee Inc. (CDM) is pleased to provide you with this ^{DRM 4/13/01} draft letter report regarding our evaluation of the assets of Intercoastal Utilities Inc. (IUI). In an effort to determine the feasibility of acquisition of the IUI assets by the St. Johns County Utility Department, CDM was authorized to conduct an inspection of facilities at the Plantation water treatment plant and at the Sawgrass water and wastewater treatment plants. In addition, CDM conducted site inspections of a limited number of wastewater pumping stations and other facilities in the IUI system. CDM has also compiled an inventory of system facilities from a set of water and wastewater system maps obtained from IUI. As a result, CDM has approximated the value of fixed assets for consideration during the acquisition evaluation.

Project Approach

CDM was initially authorized on May 8, 2000 to conduct facilities inspections and an evaluation of the service area of IUI. The inspections were intended to assess the condition of facilities that were readily observable. The inspections were performed on May 23 and June 5, 2000. The report of the inspections and the analysis of the IUI service area were summarized in a technical memorandum published on July 5, 2000.

In addition to the field inspections and assessment of facilities, CDM was requested to estimate the value of fixed assets in the IUI system. In order to do this, CDM obtained copies of water and wastewater system maps available from IUI. CDM then compiled an inventory of existing facilities within the existing water distribution and wastewater collection systems. This inventory consisted of major elements of the water and wastewater systems. CDM also obtained from IUI a schedule of subdivisions identifying the year construction of facilities was completed.

On the basis of this information, CDM then estimated the value of the major elements of the utility systems. The value of the assets was approximated using the Replacement Cost New Less Depreciation (RCNLD) approach. Under this approach, it is generally

Mr. William G. Young
April 13, 2001
Page 2

more desirable to have information regarding the original cost of system improvements, and complete records of annual reports providing information regarding system additions. This information, however, was not available at the time of evaluation of the systems in January 2001. The replacement cost new, therefore, was determined utilizing the inventory of major elements of the water and wastewater systems compiled from the system maps, and current unit pricing information for the construction of those facilities. Accumulated depreciation of the listed assets was determined using the useful life criteria for small utility (Class C) provided in Chapter 25-30.140 F.A.C. and the number of years in service from the furnished installation year. Straightline depreciation was utilized.

Asset Valuation

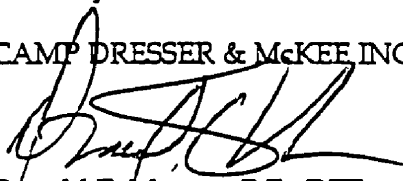
The RCNLD value is determined by deducting the estimated amount of accumulated depreciation from the estimated current replacement cost. For the purposes of this asset valuation, the value of land, non-construction costs associated with facilities improvements, office or field equipment, supplies and equipment inventories were not included. It also does not include minor facilities that were not sufficiently detailed on the system maps used to compile the asset inventory. Generally, it is believed that the approach is conservative and estimates a lower RCNLD value than would be calculated considering a higher level of detail in listing the fixed assets.

The RCNLD value as of March 2001 is estimated to be \$23,013,000 for the water and wastewater facilities of Intercoastal Utilities Inc.

Camp Dresser & McKee is pleased to provide the St. Johns County Utility Department with this analysis and valuation of the water and wastewater systems of IUI. If we can provide additional information regarding the IUI facilities, please call me.

Sincerely,

CAMP DRESSER & MCKEE INC.



Donald E. Maurer, P.E., DEE
Associate

CERTIFICATE OF SERVICE

I **HEREBY CERTIFY** that a true and correct copy of the foregoing was furnished by Hand Delivery (*) or regular U.S. Mail and facsimile to the following on this 30 th day of April, 2001:

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