

REQUEST TO ESTABLISH DOCKET (Please Type)			
Date	April 5, 2002	Docket No.	020318-WS
1. Division Name/Staff Name:		Division of Economic Regulation (Rendell)	
2. OPR:	Office of the General Counsel		
3. OCR:	Division of Economic Regulation (Rendell)		
4. Suggested Docket Title:		Complaint by Creative Choice Homes XI, Ltd. against Florida Water Services Corporation in Lee County regarding its service availability policy and charges.	
5. Suggested Docket Mailing List (attach separate sheet if necessary)			
A. Provide NAMES OR ACRONYMS ONLY if a regulated company.			
B. Provide COMPLETE NAME AND ADDRESS for all others. (Match representatives to companies.)			
1. Parties and their representatives (if any):			
Florida Water Service Corporation (FWSC)		Mr. Michael Donaldson, Esq. (attorney for Creative)	
		Carlton Fields	
Mr. Kenneth Hoffman, Esq.		P.O. Box 190	
Rutledge Ecenia Purnell & Hoffman		Tallahassee, FL 32302	
P.O. Box 551			
Tallahassee, FL 32302-0551			
2. Interested persons and their representatives (if any):			
Mr. Timothy Wheat			
Creative Homes XI, Ltd.			
4243-D Northlake Blvd.			
Palm Beach Gardens, FL 33410-6276			
6. Check one:			
<input checked="" type="checkbox"/>		Documentation is attached.	
<input type="checkbox"/>		Documentation will be provided with recommendation.	
<input type="checkbox"/>			

DOCUMENT NUMBER-DATE
03872 APR-5 2002
FPSC-COMMISSION CLERK

CARLTON FIELDS

ATTORNEYS AT LAW

215 SOUTH MONROE STREET, SUITE 500
TALLAHASSEE, FLORIDA 32301-1866
TEL (850) 224-1585 FAX (850) 222-0398

MAILING ADDRESS:
POST OFFICE DRAWER 190
TALLAHASSEE, FL 32302-0190

April 2, 2002

Mr. Troy Rendell
Division of Economic Regulation
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

VIA FACSIMILE & U.S. MAIL

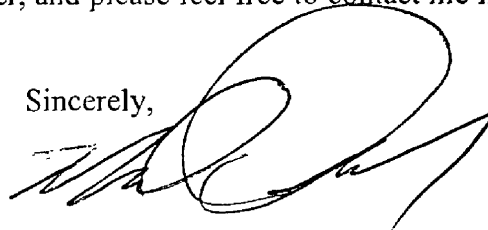
Re: Florida Water Services Corporation
Creative Choice Homes XI, Ltd.
Water and Wastewater Rate Issue

Dear Mr. Rendell:

The purpose of this letter is to ask your assistance in formally opening a docket to resolve the above-referenced customer complaint. Previously this afternoon, I sent the actual Complaint, but did not specifically request that a formal docket be opened. Additionally, given that you have assisted us with this matter previously and know the background, we would ask that the matter be assigned to you. We would also be amenable to meeting with you and representatives of Florida Water to perhaps resolve this matter through an informal conference.

Thank you for your attention in this matter, and please feel free to contact me if you have any questions.

Sincerely,



Michael P. Donaldson

MPD/ww

cc: Kenneth Hoffman, Esq.
Timothy Wheat, Creative Choice Homes

ECONOMIC REGULATION

02 APR --5 AM 11:19

FLORIDA PUBLIC SERVICE

CARLTON FIELDS

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April 2, 2002

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2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

VIA FACSIMILE & U.S. MAIL

Re: Florida Water Services Corporation
Creative Choice Homes XI, Ltd.
Water and Wastewater Rate Issue

02 APR -14 AM 10:34
ECONOMIC REGULATION
PUBLIC SERVICE

Dear Mr. Rendell:

As you will recall, this firm was retained by Creative Choice Homes XI, Ltd. ("Creative Choice). The purpose of this letter is to file a customer complaint against Florida Water Services, Inc. ("Florida Water"), which is a provider of water and wastewater services. As explained more fully below, Creative Choice believes that a requirement of Florida Water, related to the provision of water and wastewater services, is unfair and unreasonable. Accordingly, we request the Public Service Commission's assistance, pursuant to Rule 25-22.032, *Florida Administrative Code*, in resolving this matter.

In the way of background, Creative Choice is the developer of an apartment complex in Lee County, Florida, named Andros Isle. Andros Isle will primarily consist of one, two and three bedroom apartments offered as rent restricted affordable housing units pursuant to Chapter 420, *Florida Statutes*. Prior to occupancy, Creative Choice will need to obtain water and wastewater services. The initial five buildings in the development will be ready to connect to the water and wastewater system by next month.

During the site and engineering approval process for this development in late 2000, Creative Choice initially approached Florida Water regarding the provision of the necessary water and wastewater services. On June 18, 2001, Florida Water agreed to provide the requested services and forwarded an initial Developer and Meter Agreement ("Developer Agreement") for execution by Creative Choice (all documents referenced in this letter were previously sent to you on November 30, 2001). Included in the Developer Agreement was a fee for providing services in the amount of \$716,987.72 and an additional charge of \$339,571.49 for meters. The fee was called a Calculation Of Contribution In Aid Of Construction (CCIAC") and was calculated based on anticipated and estimated usage data, including plant capacity and estimated demand. According to Florida Water, a per unit usage of 268 gallons per day ("gpd") was the foundation for the initial fee calculation.

April 2, 2002
Page 2

On July 16, 2001, Creative Choice reluctantly executed the proposed Developer Agreement and paid an initial fee down payment in the amount of \$144,449.48. However, Creative Choice added a footnote to the Developer Agreement indicating that charges were subject to adjustment based on the provision of historic usage information which would better reflect actual usage. Unfortunately, given the timing and financial constraints, Creative Choice did not have the luxury of negotiating with Florida Water over a protracted period of time prior to executing the Developer Agreement. Creative Choice, however, did question the overall amount of the CCIAC and the data used by Florida Water to reach the amount. Creative Choice believed that the usage data used by Florida Water – specifically the 268 gpd -- did not accurately reflect the actual water and wastewater uses and need contemplated at Andros Isle. Indeed, Creative Choice offered to provide more accurate data based on its historic and documented usage in other completed affordable housing projects which Florida Water said they would accept and review in good faith. Florida Water stated they would reduce the CCIAC if appropriate. Based on this agreement, Creative Choice moved forward with construction of Andros Isle and collection of more accurate data.

On August 10, 2001, Creative Choice provided Florida Water with what was believed to be the more accurate data. The data was taken from two existing affordable housing apartment complexes which Creative Choice constructed in Central Florida. These other apartment complexes are comparable in design and size to Andros Isle. The data illustrated that the actual usage was substantially less than calculated by Florida Water. Indeed, the actual usage rate calculated and averaged out over the previous year was approximately 112 gpd per unit rather than the 268 gpd figure used by Florida Water. Notwithstanding this new data, on October 25, 2001, Florida Water inexplicably reversed their earlier position and declined to reduce the CCIAC. While not refuting the data, Florida Water indicated the data was not taken from apartment complexes or similar facilities within its actual service territory. Accordingly, Florida Water suggested that more appropriate data from its service area be provided.

In accordance with Florida Water's request, on November 29, 2001, Creative Choice provided additional data from the existing condominium development located next door to Andros Isle. The condominium uses are similar to that of Andros Isle and obviously the complex is within Florida Water's service area. Ironically, this new data showed that the anticipated usage at Andros Isle would be even less than the usage contemplated (75 gpd) by Creative Choice's earlier data.

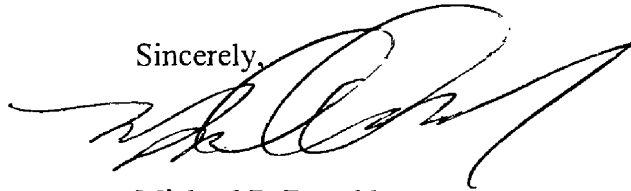
Over the next several months, Florida Water has reviewed and accepted Creative Choice's additional information. Most importantly, Florida Water has accepted that the baseline calculation is not 268 gpd but should at least start at 110 gpd. This acceptance, of course, has led to a reduction in the amount of the initial CCIAC significantly. Specifically, on January 14, 2002, Florida Water indicated that the CCIAC would be reduced by \$425,734.95. Both parties have agreed, however, that the actual gallon-per-day amount could fluctuate either up or down. Based on this possibility, Florida Water has demanded that Creative Choice provide some sort of security which can be levied against Creative Choice in the amount of any reduction. Florida Water has also agreed to further reduce the CCIAC if appropriate.

April 2, 2002
Page 3

In essence, Florida Water has requested Creative Choice to expend additional resources to obtain a letter of credit to cover the reduction in the CCIAC of \$425,734.95. The purpose of the letter of credit is presumably to make Florida Water more secure to the extent actual usage exceeds 110 gpd. Creative Choice has explained to Florida Water that it is unwilling to spend additional funds to obtain the requested letter of credit. As an alternative, Creative Choice has offered to enter into an amended Developer Agreement which could then be recorded. This agreement would make it binding on Creative Choice as a covenant running with the land to pay any obligation owed to Florida Water associated with the construction of the water and wastewater system. Creative Choice believes that demanding a letter of credit is unreasonable, especially given that Florida Water has refused to agree to obtain a comparable letter of credit should the calculation be less than the agreed upon 110 gpd. Creative Choice readily acknowledges that Florida Water has in good faith worked to resolve the vast majority of issues presented in this case. It is, however, unreasonable for Florida Water to demand a letter of credit. We would request that the Public Service Commission agree with Creative Choice in this matter or, in the alternative, require Florida Water to obtain a reciprocal letter of credit in the event a reduction below the base line assumption of 110 gpd is achieved.

Thank you for your assistance in this matter, and please feel free to call me should you have any questions or concerns.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael P. Donaldson', written in a cursive style.

Michael P. Donaldson

MPD/ww

cc: Kenneth Hoffman, Esq.
Timothy Wheat, Creative Choice Homes

CARLTON FIELDS

ATTORNEYS AT LAW

215 SOUTH MONROE STREET, SUITE 500
TALLAHASSEE, FLORIDA 32301-1866
TEL (850) 224-1585 FAX (850) 222-0398

MAILING ADDRESS:
POST OFFICE DRAWER 190
TALLAHASSEE, FL 32302-0190

April 2, 2002

Mr. Troy Rendell
Division of Economic Regulation
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

VIA FACSIMILE & U.S. MAIL

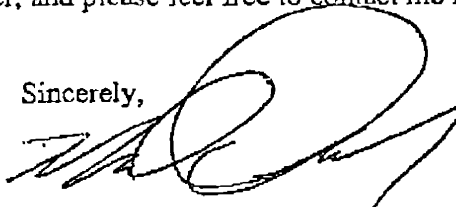
Re: Florida Water Services Corporation
Creative Choice Homes XI, Ltd.
Water and Wastewater Rate Issue

Dear Mr. Rendell:

The purpose of this letter is to ask your assistance in formally opening a docket to resolve the above-referenced customer complaint. Previously this afternoon, I sent the actual Complaint, but did not specifically request that a formal docket be opened. Additionally, given that you have assisted us with this matter previously and know the background, we would ask that the matter be assigned to you. We would also be amenable to meeting with you and representatives of Florida Water to perhaps resolve this matter through an informal conference.

Thank you for your attention in this matter, and please feel free to contact me if you have any questions.

Sincerely,



Michael P. Donaldson

MPD/ww

cc: Kenneth Hoffman, Esq.
Timothy Wheat, Creative Choice Homes



CREATIVE CHOICE

CREATIVE CHOICE HOMES XI, LTD.

January 28, 2002

via facsimile (941) 278-5090

Ron Welebny, Business Development
Manager
Florida Water Services Corporation
4110 Center Pointe Drive, Suite 204
Fort Myers, Florida 33916

**RE: Andros Isle Apartments – FWS Project #1422, Lehigh Acres, Lee County, Florida
Development Agreement CIAC and AFPI Restructuring**

Dear Mr. Welebny:

This is in response to your verbal counterproposal to my letter dated January 16, 2002. I will address each of the matters contained in my letter and your response in the order previously presented.


1. We are awaiting the calculation methodology to derive the new fee structure. You indicated FWS was willing to provide this information.
2. We are in agreement with the baseline calculation of 110 gallons per day per unit.
3. We are in agreement with the means of tracking historic usage after the development commences with operations (three specific buildings in the complex for one year).
4. We understand that FWS will not agree with our request that any extraordinary usage, such as a water line break, not be used to calculate the initial historic usage as set forth above. We strenuously object to your position on this matter, and are not willing to take such as great financial exposure due to a highly unusual but completely possible circumstance. However, we are willing to agree that such a circumstance would need to be independently verified by FWS for credibility, and FWS is responsible for developing a reasonable calculation (acceptable to both parties) for the deduction in the usage amount attributable to that unusual circumstance after verification.
5. We are willing to provide for the recording of the Amended Development Agreement, containing the applicable provision regarding the payment of additional fees if usage is

higher. We are under no circumstances willing to permit the recording of a lien against the property.

6. We offer as a counter-proposal in the spirit of compromise that a "floor" amount of usage be established in the event it is verified to be lower than 110 g.p.d. We propose that our "g.p.d. basis amount," once verified after one year, can be no lower than 100 g.p.d. regardless if usage is lower than that amount. FWS' current position is unreasonable, and considering we have no similar offer of reciprocal protection if usage is in fact higher, our offer is quite reasonable.

We continue to be encouraged by FWS' progress in resolving this matter. Yet, additional consideration and attention must be given to the matters addressed in this letter. Thanks, and we look forward to a speedy resolution.

Sincerely,



Timothy P. Wheat, V.P.
General Partner

cc: Jack Weir
Michael Donaldson, Esq.



CARLTON FIELDS

ATTORNEYS AT LAW

215 SOUTH MONROE STREET SUITE 500
TALLAHASSEE, FLORIDA 32301-1866
TEL (850) 224-1585 FAX (850) 222-0398

MAILING ADDRESS:
POST OFFICE DRAWER 190
TALLAHASSEE, FL 32302-0190

December 28, 2001

Mr. Troy Rendell
Division of Economic Regulation
Florida Public Service Commission
2540 Shumard Oak Blvd
Tallahassee, FL 32399-0850

VIA FACSIMILE & U.S. MAIL

Re: Florida Water Services Corporation
Creative Choice Homes XI, Ltd.
Water and Wastewater Rate Issue

Dear Mr. Rendell:

The purpose of this letter is to ask for your continued assistance in resolving a water and wastewater rate dispute between Florida Water Services, Inc. ("Florida Water") and Creative Choice Homes XI, Ltd. ("Creative Choice"). As you will remember from prior conversations, this firm represents Creative Choice. In essence, this letter reduces to writing concerns which we have previously raised with you.

In the way of background, Creative Choice is the developer of a 229-unit apartment complex in Lee County, Florida, named Andros Isle Apartments. The Andros Isle complex will primarily consist of two and three bedroom apartments offered as rent restricted affordable housing units pursuant to Chapter 420, Florida Statutes. Currently, construction of Andros Isle is on schedule and substantial completion will occur in November, 2002. With the completion, Creative Choice will necessarily need to obtain water and wastewater services. The initial five buildings in the development may be ready to connect to the water and wastewater system by early February, 2002.

During the site and engineering approval process for this development in late 2000, Creative Choice approached Florida Water regarding the provision of water and wastewater services to Andros Isle. On June 18, 2001, Florida Water agreed to provide the requested services and forward a Developer and Meter Agreement for execution by Creative Choice (all documents referenced in this letter were previously sent to you on November 30, 2001). Included in the Developer Agreement was a fee for providing services in the amount of \$716,987.72 and an additional charge of \$339,571.49 for meters. The fee was called a Calculation Of Contribution In Aid Of Construction (CCIAC") and was calculated based on anticipated and estimated usage data, including plant capacity and estimated demand. As best we can determine, a per unit usage of 268 gallons per day was the principal basis for the fee

01 DEC 31 11:10:09
ECONOMIC REGULATION

11/11/01

December 28, 2001

Page 2

calculation. It had been consistently represented to Creative Choice and its civil engineer that Florida Water would reduce the CCIAC based upon proven historic usage data.

On July 16, 2001, Creative Choice reluctantly executed the proposed agreements and forwarded a fee down payment in the amount of \$144,449.48. However, Creative Choice added a footnote to the agreement indicating that charges were subject to adjustment based on the provision of historic usage information. Unfortunately, given the timing and financial constraints, Creative Choice did not have the luxury of negotiating with Florida Water over a protracted period of time. Creative Choice, however, did question the overall amount of the CCIAC and the data used by Florida Water to reach the amount. Creative Choice believed that the usage data used by Florida Water did not accurately reflect the uses and need contemplated at Andros Isle. Indeed, Creative Choice offered to provide more accurate data. Based on the provision of this more accurate data, Creative Choice requested that Florida Water recalculate the CCIAC. Florida Water agreed to review the data and revise the water usage fees accordingly. Based on Florida Water's agreement, Creative Choice moved forward with construction of the project and collection of the data.

On August 10, 2001, Creative Choice provided Florida Water with what was believed to be the more accurate data. The data was taken from two existing affordable housing apartment complexes which Creative Choice previously constructed in Central Florida. These other apartment complexes are comparable to Andros Isle. The data illustrated that the actual usage was substantially less than calculated by Florida Water. Indeed, the usage rate was approximately 112 gallons per day per unit rather than the 268 gallons figure used by Florida Water. Notwithstanding this new data, on October 25, 2001, Florida Water inexplicably reversed their earlier position and declined to reduce the CCIAC. While not refuting the new data, Florida Water indicated the data was not taken from apartment complexes or similar facilities within its actual service territory. Accordingly, Florida Water suggested that more appropriate data be provided.

In accordance with Florida Water's request, on November 29, 2001, Creative Choice provided additional data from the existing condominium development located next door to Andros Isle. The condominium uses are similar to that of Andros Isle and obviously the complex is within Florida Water's service area. Ironically, this new data showed that the anticipated usage at Andros Isle would be even less than the usage contemplated (75 gallons per day on average) by Creative Choice's earlier data. Once again, Florida Water agreed to review the data and, if appropriate, reduce the CCIAC accordingly. In fact, Mr. Ronald Weleby, Business Development Manager, has indicated that the November 29, 2001, data was reasonable and a resolution to this matter was forthcoming in the near future. He promised to call Creative Choice on December 12, 2001 with a new calculation.

Despite Mr. Weleby's statement, Florida Water has now indicated that a decision will not be made until after January 2, 2001 (see attached letter). This revised date was obtained after a number of phone conversations with Florida Water employees, including Vice President, Tammy Jackson. Florida Water has taken this position despite the fact Creative Choice has indicated that

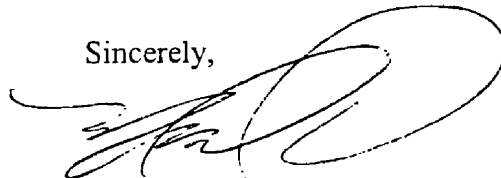
December 28, 2001

Page 3

time is of the essence and an expeditious resolution is needed. Indeed, Creative Choice has explained to Florida Water that the higher than typical costs of the current CCIAC is a strain on the ability to provide this quality and much needed affordable housing project. Despite these concerns, Florida Water appears to be unnecessarily delaying the inevitable conclusion that the CCIAC should be reduced.

In conclusion, Creative Choice is attempting to negotiate in good faith with Florida Water by providing the very documentation requested. Creative Choice in no way believes that a fee is not warranted in the instant case. Rather, Creative Choice believes that the CCIAC should be fair, just, reasonable, and actually based on the amount of usage for the proposed project. The basis upon which Florida Water's charge is levied, gallons per day usage, is totally without merit. Creative Choice has provided documented proof that usage will be less than one-third that claimed by Florida Water. In fact, Creative Choice has consistently provided documented proof, while Florida Water has provided none. Unfortunately, Florida Water, despite assurances to the contrary, is unwilling to resolve this matter in an expeditious manner. This leaves Creative Choice with no other alternative but to express these concerns and circumstances to the Public Service Commission. Any further assistance the you can provide would be greatly appreciated and hopefully will move this issue to resolution.

Sincerely,

A handwritten signature in black ink, appearing to read 'Michael P. Donaldson', with a large, stylized flourish at the end.

Michael P. Donaldson

MPD/ww

Enc.



December 20, 2001

Timothy P. Wheat
Creative Choice Homes XI, Ltd.
4243 Northlake Boulevard
Palm Beach Gardens, FL 33410

Re: Andros Isle Apartment Fees

Dear Mr. Wheat:

Please be advised that at this time Florida Water Services is researching your request to lower flow data and hope to have a decision on this matter after January 2, 2002.

If you have any questions, I can be reached at (941) 278-5050, extension 203

Sincerely,

A handwritten signature in cursive script that reads "Tammy Jackson".

Tammy Jackson
Developer Relations Coordinator

Cc: Darin Levi





CARLTON FIELDS

ATTORNEYS AT LAW

215 SOUTH MONROE STREET, SUITE 500
TALLAHASSEE, FLORIDA 32301-1866
TEL (850) 224-1585 FAX (850) 222-0398

MAILING ADDRESS:
POST OFFICE DRAWER 190
TALLAHASSEE, FL 32302-0190

November 30, 2001

Mr. Troy Rendell
Division of Economic Regulation
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

VIA HAND DELIVERY

Re: Water Issue/Florida Water Services

Dear Troy:

Please find enclosed the backup materials we discussed yesterday afternoon. These materials give you a better picture of the nature of the discussions Creative Choice Homes had with Florida Water.

Please review these materials and let's talk Monday about any additional information you may need.

Sincerely,

Michael P. Donaldson

MPD/ww

Enc.

Darin Levi
Troy Isaacs

01 NOV 30 PM 2:03
ECONOMIC REGULATION



CREATIVE CHOICE

CREATIVE CHOICE HOMES XI, LTD.

November 29, 2001

Tammy Jackson, Development
Relations Coordinator
Florida Water Services Corporation
4110 Center Pointe Drive, Suite 204
Fort Myers, Florida 33916

RE: "Andros Isle Apartments" - FWS Project #1422, Lehigh Acres, Lee County, Florida

Dear Ms. Jackson:

We are responding to your letter dated October 25, 2001. We are extremely dismayed and displeased with the position taken by Florida Water Service in your letter.

The water usage data contained in your Development Agreement is not accurate or supported by any logical data for multi-family rental facilities inside or outside of your service territory. Moreover, the claim by Darwin Levy of your firm to our counsel that this information came from us is also totally inaccurate - our project engineer was instructed to use the FWS handbook calculations in the preparations of their plans, which contained these numbers.

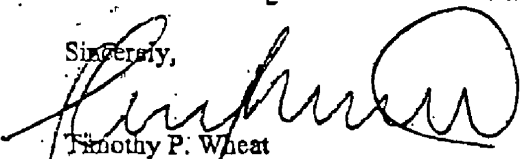
FWS has misrepresented itself with respect to reviewing historical data as a means of determining the connection fees to your system. We would not have executed this agreement without the understanding (contained in our footnote in Exhibit B and referenced in prior correspondence between us) that historical usage information would be fairly used and considered.

As further proof of FWS' unreasonable assumptions, we have collected sample data for our neighboring property, the Beacon Square condominium. Like Andros Isle, they consist of primarily two-bedroom and three-bedroom units, and utilize wells for irrigation. These units in Beacon Square are occupied year-round. We have discovered, as per the attached information, that the usage for a sampling of eight units averages *75 gallons per day*.

If anything, the "one to one comparison of facilities in (your) service territory" are *lower* than the historical data we previously provided you. Perhaps your senior management are not aware that the housing at Andros Isle are designed to be rent-restricted and affordable, and are being produced in the public interest with the full support of the county and state government.

Please inform your senior management and general counsel that we are reviewing all potential courses of action to dispute this matter. We urge FWS to reconsider its position, which is in the best interests of both Andros Isle and FWS.

Sincerely,


Timothy P. Wheat
Vice President

Enclosures

cc: Commissioner John Albion
Charles B. Edwards, Esq.
Michael Donaldson, Esq.
Joe Lewis, AIM Engineering

Beacon Square Water Usage*

<i>Address</i>	<i>Gal. Per Day</i>
10512 SE Newberry Court	118
10514 SE Newberry Court	46
10506 SE Newberry Court	67
10524 SE Newberry Court	64
10438 Lakeport Court	76
10430 Lakeport Court	71
10444 Lakeport Court	80
10428 Lakeport Court	76
<hr/>	
AVERAGE USAGE	75

* all bills for period 10/6/01 through 11/2/01, except 10428 Lakeport Court, which is 9/6/01 through 10/5/01.



FLORIDA WATER SERVICES
P.O. BOX 009520
ORLANDO, FL 32800-9520
Call Toll Free 1-800-432-4501

CUSTOMER NUMBER
000195065-8

SERVICE ADDRESS
10512 SE NEWBURY CT

MUFNAGEL, CARL
10512 SE NEWBURY CT
LEHIGH FL 33936-7241

CURRENT CHARGES
DUE BY
11/29/01

TOTAL AMOUNT DUE
\$ 55.89

Bill Date 11/09/01 Plant 2901
Location Number 2901331140

WATER Rate Code-LRW
Billing Period 10/06/01 TO 11/02/01
Days in Billing Period 27
Meter Readings:
Present Previous Usage
187380 184180 3180 Gal
Meter Size: 3/4" x 1/2"
Meter Number 63731825 1
Connect 7/11/91

SEWER Rate Code-LRW
Connect 7/11/91

PREVIOUS BALANCE 29.82
PAYMENT RECEIVED ON 10/26/01 THANK YOU 29.82CR

WATER			
BASE FACILITY CHARGE		9.78	
GALLONAGE CHARGE	3180 Gal @ \$.003690	11.73	
TOTAL WATER			21.49
SEWER			
BASE FACILITY CHARGE		18.62	
GALLONAGE CHARGE	3180 Gal @ \$.005590	17.78	
TOTAL SEWER			34.40

TOTAL CURRENT CHARGES DUE BY 11/29/01 65.89
TOTAL AMOUNT PAID THROUGH CONSERVE-A-CHECK \$ 55.89

* EMERGENCIES CALL 1-800-432-4501

* Thank you for using our Conserve-A-Check program. The TOTAL AMOUNT PAID THROUGH CONSERVE-A-CHECK listed above will automatically be subtracted from your account at the financial institution you have selected on 11/24/01 or the next business day.

For additional information about Florida Water Services, Corp. and water conservation tips please visit our WEB site www.florida-water.com

----- WATER USE -----
Daily Average Water Use:
Current Month 118 Gal/Day
Same Month Last Yr 81 Gal/Day
Daily Average Water Cost: \$.80



FLORIDA WATER SERVICES
P.O. BOX 808520
ORLANDO, FL 32880-8520
Call Toll Free 1-800-432-4501

CUSTOMER NUMBER
000105075-7

SERVICE ADDRESS
10514 SE NEWBURY CT

DONALDSON, ROBERT
10514 NEWBERRY CT
LEHIGH ACRES FL 33636

CURRENT CHARGES
DUE BY
11/29/01

TOTAL AMOUNT DUE
\$ 37.80

Bill Date 11/09/01 Plant 2901
Location Number 2901331180
WATER Rate Code-LRW
Billing Period 10/06/01 TO 11/02/01
Days in Billing Period 27
Meter Readings:
Present Previous Usage
82850 81420 1230 Gal
Meter Size: 3/4" x 3/4"
Meter Number 85972712
Connect 7/11/81

SEWER Rate Code-LRW
Connect 7/11/81

PREVIOUS BALANCE		34.18
PAYMENT RECEIVED ON 10/23/01 THANK YOU		34.18 CR
		<u>.00</u>
WATER		
BASE FACILITY CHARGE		9.78
GALLONAGE CHARGE 1230 Gal @ \$.003690		4.54
TOTAL WATER		<u>14.30</u>
SEWER		
BASE FACILITY CHARGE		16.62
GALLONAGE CHARGE 1230 Gal @ \$.005500		6.88
TOTAL SEWER		<u>23.50</u>
TOTAL CURRENT CHARGES DUE BY 11/29/01		<u>37.80</u>
TOTAL AMOUNT DUE		<u>\$ 37.80</u>

*Mail Pd
ch # 3757
11/17/01*

* EMERGENCIES CALL 1-800-432-4501

For additional information about Florida Water Services, Corp. and water conservation tips please visit our WEB site www.florida-water.com

----- WATER USE -----
Daily Average Water Use:
Current Month 48 Gal/Day
Same Month Last Yr 60 Gal/Day
Daily Average Water Cost: \$.83

Please bring entire bill when paying in person

Make checks payable to FLORIDA WATER SERVICES



FLORIDA WATER SERVICES
P.O. BOX 806820
ORLANDO, FL 32860-8820
Call Toll Free 1-800-432-4801

CUSTOMER NUMBER
001147505-0

SERVICE ADDRESS
10506 SE NEWBURY CT

SHARP, ROY H
10506 SE NEWBURY CT
LEHIGH ACERS FL 32936-7241

CURRENT CHARGES
DUE BY
11/29/01

TOTAL AMOUNT DUE
\$ 43.27

Bill Date 11/09/01 Plant 2901
Location Number 2901231130

PREVIOUS BALANCE 26.38
PAYMENT RECEIVED ON 10/26/01 THANK YOU 26.38CR

WATER Rate Code-LRW
Billing Period 10/06/01 TO 11/02/01
Days in Billing Period: 27
Meter Readings:
Present Previous Usage
1830 10 1820 Gal
Meter Size: 3/4" x 3/4"
Meter Number 74543239 1
Connect 7/15/98

WATER
BASE FACILITY CHARGE 9.76
GALLONAGE CHARGE 1820 Gal @ \$.003690 6.72
TOTAL WATER 16.48

SEWER Rate Code-LRW
Connect 7/15/98

SEWER
BASE FACILITY CHARGE 18.52
GALLONAGE CHARGE 1820 Gal @ \$.005690 10.17
TOTAL SEWER 28.79

TOTAL CURRENT CHARGES DUE BY 11/29/01 43.27
TOTAL AMOUNT PAID THROUGH CONSERVE-A-CHECK \$ 43.27

* EMERGENCIES CALL 1-800-432-4801

* Thank you for using our Conserve-A-Check program. The TOTAL AMOUNT PAID THROUGH CONSERVE-A-CHECK listed above will automatically be subtracted from your account at the financial institution you have selected on 11/24/01 or the next business day.

For additional information about Florida Water Services, Corp. and water conservation tips please visit our WEB site www.florida-water.com

----- WATER USE -----
Daily Average Water Use:
Current Month 67 Gal/Day

Daily Average Water Cost: \$.61



FLORIDA WATER SERVICES
 P.O. BOX 609620
 ORLANDO, FL 32869-9520
 Call Toll Free 1-800-432-4601

CUSTOMER NUMBER
 000195185-4

SERVICE ADDRESS
 10524 SE NEWBURY CT

LAMBERT, RONALD
 10624 NEWBERRY CT
 LEHIGH ACRES FL 33936

CURRENT CHARGES
 DUE BY
 11/29/01

TOTAL AMOUNT DUE
 \$ 42.34

Bill Date 11/09/01 Plant 2901
 Location Number 2901331210

WATER Rate Code-LRW
 Billing Period 10/06/01 TO 11/02/01
 Days in Billing Period: 27
 Meter Readings:
 Present Previous Usage
 306690 304870 1720 Gal
 Meter Size: 3/4" x 3/4"
 Meter Number 86280668 1
 Connect 7/11/81

SEWER Rate Code-LRW
 Connect 7/11/81

PREVIOUS BALANCE		53.20
PAYMENT RECEIVED ON 10/16/01 THANK YOU		53.20CR
		<u>.00</u>
WATER		
BASE FACILITY CHARGE		9.76
GALLONAGE CHARGE	1720 Gal @ \$.003690	6.35
		<u>15.11</u>
SEWER		
BASE FACILITY CHARGE		16.62
GALLONAGE CHARGE	1720 Gal @ \$.005580	9.81
		<u>26.23</u>
TOTAL CURRENT CHARGES DUE BY 11/29/01		42.34
TOTAL AMOUNT DUE		\$ 42.34

* EMERGENCIES CALL 1-800-432-4601

For additional information about Florida Water Services, Corp. and water conservation tips please visit our WEB site www.florida-water.com

Pd. 11/14/2001
CR. 1926

----- WATER USE -----
 Daily Average Water Use:
 Current Month 64 Gal/Day
 Same Month Last Yr 86 Gal/Day
 Daily Average Water Cost: \$.60

Please bring entire bill when paying in person

Make checks payable to FLORIDA WATER SERVICES

SERVICE ADDRESS
1496 LAKEPORT CT

MARIK, WALTER
10438 LAKEPORT CT
LEHIGH ACRES FL 32836-7242

CURRENT CHARGES
DUE BY
11/29/01

TOTAL AMOUNT DUE
\$ 45.87

Bill Date 11/09/01 Plant 2901
Account Number 2901332440

WATER Rate Code-LRW
Billing Period 10/06/01 TO 11/02/01
Days in Billing Period: 27
Meter Readings:
Present Previous Usage
308270 308170 2100 Gal
Meter Size: 5/8" x 3/4"
Meter Number 28948717 1
Connect 7/11/91

SEWER Rate Code-LRW
Connect 7/11/91

PREVIOUS BALANCE 41.80
PAYMENT RECEIVED ON 10/26/01 THANK YOU 41.80CR

.00

WATER
BASE FACILITY CHARGE 9.76
GALLONAGE CHARGE 2100 Gal @ \$.003690 7.75

TOTAL WATER 17.51

SEWER
BASE FACILITY CHARGE 16.62
GALLONAGE CHARGE 2100 Gal @ \$.005590 11.74

TOTAL SEWER 28.96

TOTAL CURRENT CHARGES DUE BY 11/28/01 45.87
TOTAL AMOUNT PAID THROUGH CONSERVE-A-CHECK \$ 45.87

* EMERGENCIES CALL 1-800-432-4501

* Thank you for using our Conserve-A-Check program. The TOTAL AMOUNT PAID THROUGH CONSERVE-A-CHECK listed above will automatically be subtracted from your account at the financial institution you have selected on 11/24/01 or the next business day.

For additional information about Florida Water Services, Corp. and water conservation tips please visit our WEB site www.florida-water.com

----- WATER USE -----
Daily Average Water Use:
Current Month 78 Gal/Day
Same Month Last Yr 26 Gal/Day

Daily Average Water Cost: \$.68



This is a Conserve-A-Check account. Please do not send payment.

Bill Date 11/09/01

TO CHANGE MAILING ADDRESS, CHECK BOX AND ENTER ON THE BACK

Call Toll Free 1-800-432-4501

CURRENT CHARGES DUE BY 11/29/01

TOTAL AMOUNT DUE \$.00

CUSTOMER NUMBER 000196755-3

FLORIDA WATER SERVICES
P.O. BOX 911044
ORLANDO, FL 32891-1044

MARIK, WALTER
10438 LAKEPORT CT
LEHIGH ACRES FL 32836-7242



5837

000196755-3

WS



FLORIDA WATER SERVICES
 P.O. BOX 609520
 ORLANDO, FL 32860-9520
 Call Toll Free 1-800-432-4501

CUSTOMER NUMBER
 000196735-5

SERVICE ADDRESS
 10430 LAKEPORT CT

EAGAN, THOMAS
 10430 LAKEPORT CT
 LEHIGH ACRES FL 33636-7242

CURRENT CHARGES DUE BY 11/29/01
 TOTAL AMOUNT DUE \$ 44.11

Bill Date 11/09/01 Plant 2901
 Location Number 2901332420

PREVIOUS BALANCE 44.48
 PAYMENT RECEIVED ON 10/17/01 THANK YOU 44.48CR

WATER Rate Code-LRW
 Billing Period 10/06/01 TO 11/02/01
 Days in Billing Period: 27
 Meter Readings:
 Present Previous Usage
 256280 254370 1910 Gal
 Meter Size: 1/2" x 1/2"
 Meter Number 87749852 1
 Connect 7/11/91

Paid 11/13/01 with # 2545

WATER
 BASE FACILITY CHARGE 8.76
 GALLONAGE CHARGE 1910 Gal @ \$.003690 7.05
 TOTAL WATER 16.81

SEWER Rate Code-LRW
 Connect 7/11/91

SEWER
 BASE FACILITY CHARGE 16.62
 GALLONAGE CHARGE 1910 Gal @ \$.005590 10.68
 TOTAL SEWER 27.30

TOTAL CURRENT CHARGES DUE BY 11/29/01 44.11

TOTAL AMOUNT DUE \$ 44.11

* EMERGENCIES CALL 1-800-432-4501

For additional information about Florida Water Services, Corp. and water conservation tips please visit our WEB site www.florida-water.com

..... WATER USE

Daily Average Water Use:	
Current Month	71 Gal/Day
Same Month Last Yr	75 Gal/Day
Daily Average Water Cost: \$.62

Please bring entire bill when paying in person

Make checks payable to FLORIDA WATER SERVICE



FLORIDA WATER SERVICES
 P.O. BOX 608520
 ORLANDO, FL 32660-8520
 Call Toll Free 1-800-432-4501

CUSTOMER NUMBER
 000196785-0

SERVICE ADDRESS
 10444 LAKEPORT CT

LOVEJOY, ROBERT
 780 E 400 N
 NEPHI UT 84648

CURRENT CHARGES
DUE BY
 11/29/01

TOTAL AMOUNT DUE
 \$ 46.52

Bill Date 11/09/01 Plant 2901
 Location Number 2901322470

PREVIOUS BALANCE 26.38
 PAYMENT RECEIVED ON 10/29/01 THANK YOU 26.38CR

WATER Rate Code-LRW
 Billing Period 10/08/01 TO 11/02/01
 Days in Billing Period: 27
 Meter Readings:
 Present Previous Usage
 404740 402570 2170 Gal
 Meter Size: 5/8" x 3/4"
 Meter Number 90825985 1
 Connect 7/11/01

WATER
 BASE FACILITY CHARGE 9.76
 GALLONAGE CHARGE 2170 Gal @ \$.005890 9.01
 TOTAL WATER 17.77

SEWER Rate Code-LRW
 Connect 7/11/01

SEWER
 BASE FACILITY CHARGE 18.62
 GALLONAGE CHARGE 2170 Gal @ \$.005590 12.13
 TOTAL SEWER 28.75

TOTAL CURRENT CHARGES DUE BY 11/29/01 46.52
TOTAL AMOUNT DUE \$ 46.52

* EMERGENCIES CALL 1-800-432-4501

For additional information about Florida Water Services, Corp. and water conservation tips please visit our WEB site: www.florida-water.com

----- WATER USE -----
 Daily Average Water Use:
 Current Month 80 Gal/Day
 Same Month Last Yr 114 Gal/Day
 Daily Average Water Cost: \$.68

Please bring entire bill when paying in person. Make checks payable to FLORIDA WATER SERVICES



Please return this portion with payment

TO CHANGE MAILING ADDRESS, CHECK BOX AND ENTER ON THE BACK

Call Toll Free 1-800-432-4501

MAIL PAYMENTS TO:

FLORIDA WATER SERVICES
 P.O. BOX 911044
 ORLANDO, FL 32891-1044

PLEASE SHOW AMOUNT OF PAYMENT

Bill Date 11/09/01

CURRENT CHARGES
DUE BY
 11/29/01

TOTAL AMOUNT DUE
 \$ 46.52

DUE UPON RECEIPT

CUSTOMER NUMBER 000196785-0

LOVEJOY, ROBERT
 780 E 400 N
 NEPHI UT 84648



FLORIDA WATER SERVICES
P.O. BOX 699520
ORLANDO, FL 32860-9520
Call Toll Free 1-800-432-4501

CUSTOMER NUMBER 000196725-6

SERVICE ADDRESS
10428 LAKEPORT CT

O'BRIEN, MADELINE V
10428 LAKEPORT CT
LEHIGH ACRES FL 33536-7242

CURRENT CHARGES
DUE BY
10/31/01

TOTAL AMOUNT DUE
\$ 47.63

Bill Date: 10/11/01 Plant 2901
Location Number 2901332410

WATER Rate Code-LRW
Billing Period 9/08/01 TO 10/05/01
Days in Billing Period: 30
Meter Readings:
Present Previous Usage
370020 367730 2290 Gal
Meter Size: 3/4" x 3/4"
Meter Number 87749653 1
Contract 7/11/81

SEWER Rate Code-LRW
Contract 7/11/81

PREVIOUS BALANCE		48.06
PAYMENT RECEIVED ON 9/17/01 THANK YOU		48.06CR
		<u>.00</u>
WATER		
BASE FACILITY CHARGE		9.78
GALLONAGE CHARGE 2290 Gal @ \$.003690		8.45
TOTAL WATER		<u>18.21</u>
SEWER		
BASE FACILITY CHARGE		16.62
GALLONAGE CHARGE 2290 Gal @ \$.005890		12.80
TOTAL SEWER		<u>29.42</u>
TOTAL CURRENT CHARGES DUE BY 10/31/01		<u>47.63</u>
TOTAL AMOUNT DUE		\$ 47.63

*C105
10-15-01
47.63*

* EMERGENCIES CALL 1-800-432-4501

For additional information about Florida Water Services, Corp. and water conservation tips please visit our WEB site www.florida-water.com

----- WATER USE -----
Daily Average Water Use:
Current Month 75 Gal/Day
Same Month Last Yr 80 Gal/Day
11/11/01 11:17:01



October 25, 2001

Timothy P. Wheat
Creative Choice Homes XI, Ltd.
4243 Northlake Boulevard
Palm Beach Gardens, FL 33410

Re: Andros Isle Apartment

Dear Mr. Wheat:

This letter is to advise you that, after reviewing the historical water usage data you provided to Florida Water Service (FWS), we are unable, at this time, to make an adjustment to the fees that will need to be paid to connect to our system. FWS feels that the usage data that was provided to us was not a one-to-one comparison of facilities in our service territory.

FWS has decided that once you have fully constructed one (1) building and it is fully occupied for a minimum period of 6-months, FWS will then analyze the usage for that building.

If, by our analysis the usage proves to be lower than estimated and permitted by your engineer, then we will adjust your connection fees as necessary. If the usage analyzed is not lower, then no adjustment to your connection fees will be made.

If you have any questions, I can be reached at (941) 278-5050, extension 203.

Sincerely,

A handwritten signature in black ink that reads "Tammy Jackson". The signature is written in a cursive style with a large, sweeping initial "T".

Tammy Jackson

Developer Relations Coordinator

Cc: Darin Levi

AN ALLETE COMPANY



CREATIVE CHOICE

CREATIVE CHOICE HOMES XI, LTD.

August 10, 2001

Tammy Jackson, Development
Relations Coordinator
Florida Water Services Corporation
4110 Center Pointe Drive, Suite 204
Fort Myers, Florida 33916

RE: "Andros Isle Apartments" – FWS Project #1422, Lehigh Acres, Lee County, Florida

Dear Ms. Jackson:

I have provided comparable utility data for two of our properties – Mystic Woods Apartments and Douglass Square Apartments.

These properties are very similar in terms of resident profile, amenities, unit sizes and other factors. I have provided memos describing each property for your convenience, along with a spreadsheet of each property's usage during the billing span.

If you have any questions, please do not hesitate to call me. We look forward to a positive response concerning our request to lower the CLAC changes based upon historical usage. Thank you as always for your cooperation and assistance.

Sincerely,

Timothy P. Wheat
Vice President

Enclosures



CREATIVE CHOICE MEMORANDUM

DATE: August 9, 2001

TO: Tammy Jackson
Florida Water Services

FROM: Timothy P. Wheat
Creative Choice Homes XI, Ltd.

RE: **Comparable Utility Usage – Andros Isle Apartments**

We have provided utility usage for a property we own and operate called Douglass Square. It is a small complex containing 52 total units in Key West, Florida. The utility authority is the Key West Aquaduct Authority.

This project has a units mix as follows:

- 1 bedroom, 1 bath – 12 units
- 2 bedroom, 2 bath – 26 units
- 3 bedroom, 2 baths – 14 units

The property is individually metered. We have provided usage data for 42 units plus four different owned-controlled meters. The utility recently converted their computer system and information for all meters was not available.

The average usage for the period from October, 1999 through June, 2001 for all units tracked is **112.57 gallons per day**.

The property is a reasonable comparable to Andros Isle in terms of units mix, size and bathrooms.

Attachment

Douglass Square Apartments
Key West, Florida

Utility Usage Analysis
21 Months — 10/99 through 6/01
Key West Aquaduct Authority

Apartment #	Usage	Usage x100	Average GPD
311	1,129.00	112,900.00	179.21
312	788.00	78,800.00	125.08
313	634.00	63,400.00	100.63
314	279.00	27,900.00	44.29
315	905.00	90,500.00	143.65
316	1,395.00	139,500.00	221.43
317	95.00	9,500.00	15.08
321	413.00	41,300.00	65.56
322	698.00	69,800.00	110.79
323	652.00	65,200.00	103.49
324	561.00	56,100.00	89.05
325	974.00	97,400.00	154.60
326	956.00	95,600.00	151.75
327	243.00	24,300.00	38.57
411	384.00	38,400.00	60.95
412	686.00	68,600.00	108.89
413	956.00	95,600.00	151.75
414	983.00	98,300.00	156.03
415	511.00	51,100.00	81.11
416	864.00	86,400.00	137.14
417	441.00	44,100.00	70.00
421	358.00	35,800.00	56.83
422	879.00	87,900.00	139.52
423	906.00	90,600.00	143.81
424	285.00	28,500.00	45.24
425	559.00	55,900.00	88.73
426	260.00	26,000.00	41.27
427	359.00	35,900.00	56.98
126	1,001.00	100,100.00	158.89
131	670.00	67,000.00	106.35
132	776.00	77,600.00	123.17
211	313.00	31,300.00	49.68
212	1,469.00	146,800.00	233.17
213	1,331.00	133,100.00	211.27
214	446.00	44,600.00	70.79
215	444.00	44,400.00	70.48
216	233.00	23,300.00	36.98
221	134.00	13,400.00	21.27
222	1,104.00	110,400.00	175.24
223	943.00	94,300.00	149.68
224	825.00	82,500.00	130.96
225	503.00	50,300.00	79.84
226	541.00	54,100.00	85.87
Master Meter 1	802.00	80,200.00	127.30
Master Meter 2	2,035.00	203,500.00	323.02
Community	65.00	6,500.00	10.32
Gym	1,543.00	154,300.00	244.92
AVERAGE	709.17	70,917.02	112.57



CREATIVE CHOICE MEMORANDUM

DATE: August 9, 2001

TO: Tammy Jackson
Florida Water Services

FROM: Timothy P. Wheat
Creative Choice Homes XI, Ltd.

RE: Utility Usage – Andros Isle Apartments

Attached are summary spreadsheets and billing information obtained from Riviera Beach Utilities for Phases I and II of Mystic Woods apartments. This complex is similar to Andros Isle in design and features except that, unlike Andros Isle, there are no one bedroom units. The unit mix is as follows:

- 2 bedroom, 1.5 baths – Phase I, 28 units; Phase II, 36 units 28.5
- 2 bedroom, 2 baths – Phase I, 16 units; Phase II, 24 units
- 3 bedroom, 2 baths – Phase ^I 26 units; Phase II ³² 32 units
70 72

With 56 one bedroom, one bath units in Andros Isle, you can expect to see significantly lower usage than that generated at Mystic Woods.

As you can see, the average usage over the past two years is 128.77 gallons per day at Mystic Woods I and 124.74 gallons per day at Mystic Woods II. However, this usage is not comparable to Andros Isle because Mystic Woods has more average bathroom per unit. The following is a chart of the average bathrooms per unit for each development.

Development	Avg. Bath/Unit
Mystic Woods, Phase I	1.800
Mystic Woods, Phase II	1.804
Andros Isle	1.755

This would lower typical usage at Andros Isle to approximately 110 gallons per day. Thank you.

**Mystic Woods I
Riviera Beach, Florida**

Total Units

70

Month	Usage (Gal.)	Gal. Of Usage x 1,000	Usage Per Apt. Per Day
April-01	342	342,000	162.86
March-01	306	306,000	145.71
February-01	285	285,000	135.71
January-01	320	320,000	152.38
December-00	261	261,000	124.29
November-00	311	311,000	148.10
October-00	255	255,000	121.43
September-00	216	216,000	102.86
August-00	292	292,000	139.05
July-00	426	426,000	202.86
June-00	363	363,000	172.86
May-00	237	237,000	112.86
April-00	282	282,000	134.29
March-00	205	205,000	97.62
February-00	229	229,000	109.05
January-00	242	242,000	115.24
December-99	202	202,000	96.19
November-99	225	225,000	107.14
October-99	200	200,000	95.24
September-99	276	276,000	131.43
August-99	247	247,000	117.62
July-99	285	285,000	135.71
June-99	259	259,000	123.33
May-99	251	251,000	119.62
April-99	322	322,000	153.33
March-99	192	192,000	91.43
AVERAGES	270.42	270,423.08	128.77

**Mystic Woods II
Riviera Beach, Florida**

Total Units

92

Month	Usage (Gal.)	Gal. Of Usage x 1,000	Usage Per Apt. Per Day
April-01	410	410,000	148.55
March-01	337	337,000	122.10
February-01	345	345,000	125.00
January-01	415	415,000	150.36
December-00	340	340,000	123.19
November-00	373	373,000	135.14
October-00	339	339,000	122.83
September-00	340	340,000	123.19
August-00	449	449,000	162.66
July-00	335	335,000	121.36
June-00	369	369,000	133.70
May-00	321	321,000	116.30
April-00	390	390,000	141.30
March-00	288	288,000	104.35
February-00	344	344,000	124.64
January-00	378	378,000	136.23
December-99	305	305,000	110.51
November-99	326	326,000	118.12
October-99	292	292,000	105.80
September-99	355	355,000	128.62
August-99	298	298,000	107.25
July-99	319	319,000	115.56
June-99	314	314,000	113.77
May-99	333	333,000	120.65
April-99	354	354,000	128.26
March-99	288	288,000	103.62
AVERAGES	344.27	344,269.23	124.74



CREATIVE CHOICE

CREATIVE CHOICE HOMES XI, LTD.

July 16, 2001

Tammy Jackson, Development
Relations Coordinator
Florida Water Services Corporation
4110 Center Pointe Drive, Suite 204
Fort Myers, Florida 33916

RE: "Andros Isle Apartments" - FWS Project #1422, Lehigh Acres, Lee County, Florida

Dear Ms. Jackson:

Please find attached the executed Developer and Meter Agreements, along with a check for the down payment of the CIAC charges in the amount of \$144,449.48.

As we have discussed, we are in the process of assembling usage data from other utility companies for similar developments which will demonstrate that the anticipated usage assumptions and charges will be significantly lower than you have projected. We have understood that you will accept this data and adjust these charges based upon prior demonstrated usage. After forwarding this data, we anticipate Florida Water's good faith and cooperation in adjusting the charges accordingly. We apologize for the delay in sending this data to you as it has taken longer than anticipated to obtain it.

Furthermore, we are respectfully requesting that we be permitted to finance the balance of our CIAC charges (once determined based upon historic usage data) over a period of five (5) years from the date of connection of the last completed building in the development. We ask this because our development will be fulfilling the public purpose of providing much-needed affordable rental housing in the Lehigh area. We have received support for this effort through the issuance of bonds by the Lee County Housing Finance Authority. In return for issuing these bonds, we have agreed to restrict our rents. The higher than typical costs of impact and utility connection fees in this area are a drain on our development resources and have strained our ability to provide quality affordable housing. We ask you route our request to the appropriate authority at Florida Water Services for a final determination. We can provide more information about our development, including rent structure, upon request.

Thank you for your consideration and cooperation, and please advise if additional information is required.

Sincerely,

Timothy P. Wheat
Vice President

Enclosures

cc: Paul Pokorny, AIM Engineering

*This instrument was prepared
under the supervision of:
John L. Tillman, Senior Vice President,
Business Development
Florida Water Services Corporation
P.O. Box 609526
Orlando, Florida 32860-9526*

FLORIDA WATER SERVICES CORPORATION DEVELOPER AGREEMENT

FWS Project # 1422

Florida Water Services Corporation (UTILITY) and Creative Choice Homes, XI, LTD (DEVELOPER) agree as follows:

1. DEVELOPER desires to make water and wastewater service available to the property known as the Andros Isle Apartments(Property) described on Exhibit A attached hereto and incorporated by reference herein for the benefit in perpetuity of DEVELOPER, its successors, administrators and assigns.
2. UTILITY agrees to make water and wastewater service available to the Property for the benefit of DEVELOPER, its successors, administrators, and assigns, subject to the terms and conditions as set forth below.
3. The obligations incurred by DEVELOPER as a result of this agreement shall constitute an encumbrance on the Property. This Agreement is made subordinate to mortgage liens on the Property and property which may follow, except that such subordination is only to subordinate UTILITY's interest to the mortgage lien and in no way waives or releases UTILITY's rights arising from this Agreement.
4. DEVELOPER desires and UTILITY agrees to make private fire protection service available to the Property, pursuant to the rate schedule in the UTILITY's approved Tariff. All on site water mains installed by the DEVELOPER shall be sized in order to meet the fire flow requirements of the governing governmental authority. UTILITY assumes no responsibility whatsoever for the adequacy in regard to fire flow of DEVELOPER's on site water mains.
5. The Contribution-In-Aid-of-Construction (CIAC) required by UTILITY to provide water and wastewater service is estimated to be \$716,987.72. A breakdown of the CIAC estimate is provided in Exhibit B. This amount must be paid to UTILITY, upon execution of this agreement or as stipulated in Exhibit C, and before water and wastewater service is provided. Additional charges, such as meter installation, tap and Allowance for Funds Prudently Invested (AFPI), shall be paid at time of connection, or as otherwise provided in UTILITY's tariff.

6. The estimated CIAC of \$716,987.72 is further based upon a charge of \$750.00 plan and specification review as well as inspection efforts related to the construction of facilities described in Section 9. UTILITY reserves the right to modify construction design that may become necessary to accommodate field conditions, without the consent of the DEVELOPER.
7. The estimated CIAC of \$716,987.72 is further based upon an estimate of \$500.00 administrative and legal fees and \$65.00 for recording fees associated with this agreement.
8. DEVELOPER will install at its expense, in accordance with UTILITY-approved plans, the necessary water and wastewater main extension to serve 241.78 and 246.40 Equivalent Residential Connections (ERCs), respectively, for Andros Isle Apartments and connect the entire system to UTILITY's existing water and wastewater system. Plans and specifications will be designed, produced and submitted by a Florida registered professional engineer to the UTILITY for review and approval in accordance with the UTILITY's specifications and standards. Acceptance of the DEVELOPER's completed water and wastewater system extension will be subject to review and approval by UTILITY. As a condition precedent to acceptance of the completed water and wastewater system extension by UTILITY and prior to receiving service, the items listed in Exhibit D shall be submitted and accepted by the UTILITY. Acceptance will not unreasonably be withheld. Once accepted, UTILITY will be responsible for all subsequent maintenance of the water and wastewater system extension not related to warranties.
9. UTILITY reserves the right and the DEVELOPER agrees to allow the UTILITY to inspect and/or test the on-site water distribution and wastewater collection systems prior to rendering service and from time to time thereafter, but UTILITY assumes no responsibility for the system. Any identified deficiencies shall be corrected by DEVELOPER immediately.
10. DEVELOPER shall be responsible for assuring that all work is done in accordance with applicable rules and regulations including, but not limited to, those promulgated by EPA, FDEP and OSHA; and the presence of a UTILITY representative on the construction site shall in no way transfer responsibility to UTILITY for any actions of the DEVELOPER, his employees and/or his contractors.
11. Backflow prevention is required for all on-site water service. DEVELOPER agrees to install backflow prevention devices as deemed necessary by the UTILITY to protect the water supply.
12. UTILITY accepts only domestic wastewater to its wastewater collection system. DEVELOPER agrees to install and maintain a pretreatment device for removal of (oil/grease, industrial chemicals, etc) between the DEVELOPER's on-site system and the UTILITY's wastewater system to prevent the entrance of objectionable wastes into the UTILITY's wastewater collection system. UTILITY reserves the right to inspect DEVELOPER's devices, if any, prior to rendering wastewater service and from time to time thereafter but assumes no responsibility for DEVELOPER's devices.

13. Subject to the DEVELOPER's compliance with the terms and conditions of this agreement and the UTILITY's tariff, the UTILITY hereby agrees to allocate and reserve 61,655 gpd of water service capacity and 42,134 gpd of wastewater service capacity to the DEVELOPER for use by the DEVELOPER with its improvements to Andros Isle Apartments. If the actual average daily water and/or wastewater consumption over any consecutive six month period, as determined by UTILITY, should exceed the above reserved capacity an additional charge based on the prevailing CIAC will be due and payable to Utility upon 30 days written notice. Any such water and wastewater service which is not connected or used by the DEVELOPER within five (5) years from the date of execution of this Agreement shall revert back to the UTILITY, and in such an event, the UTILITY shall not be obligated to refund these charges paid by the DEVELOPER.
14. The providing of water and wastewater service is subject to prevailing rates, fees, and charges of UTILITY, as set forth in UTILITY's approved tariff. These rates, fees and charges are subject to change as approved by the appropriate governmental authority. The DEVELOPER agrees to comply with all Rules and Regulations of UTILITY as set forth in the tariff. These Rules and Regulations are subject to change as approved by the appropriate governmental authority and are available upon request.
15. DEVELOPER shall provide written notice to UTILITY, at least 72 hours prior to start of construction, that construction of contributed facilities or a connection to the UTILITY's existing system is about to commence. UTILITY shall not be required to accept contributed facilities which were constructed without prior notification. If the DEVELOPER fails to give said written notice, the UTILITY may require DEVELOPER to uncover and expose said connections or contributed facilities for inspection, at the sole cost of DEVELOPER or the UTILITY may disconnect DEVELOPER installations from the UTILITY's system at the DEVELOPER's expense.
16. Except as expressly provided herein, the DEVELOPER agrees not to assign or transfer all or any portion of this Agreement. The allocation of water and wastewater service capacity granted to DEVELOPER may be assigned or transferred of is and only if: a) the developer has obtained the prior written consent of the UTILITY to such an assignment, sale or disposition; b) the assignment is in direct connection with a bona fide sale of the DEVELOPER's property or a portion thereof to which the water and wastewater service capacity reserve relates, and the UTILITY is notified in writing of such an assignment; and c) the assignee pays all of the UTILITY's legal and administrative costs incurred in connection with such assignment and assumes all of the duties and obligations of the assignor under this Agreement. The UTILITY shall have the right to assign or transfer this Agreement or the rights and responsibilities contained herein to any properly authorized commission, authority, corporation, or other public or private person, firm or entity without the consent of the DEVELOPER.
17. It is estimated that the above noted UTILITY services can be made available within approximately 30 days after UTILITY acceptance of the above mentioned contributed

facilities. Such time period is subject to change for inclement weather, strikes, acts of God, material shortage, acts of government and other delaying conditions beyond the control or responsibility of UTILITY.

18. The parties agree that the following mutual protections are included in this Agreement:
- a. This document is the entire agreement between the parties and supercedes all previous agreements between the parties;
 - b. Amendments to and waivers of the provisions contained in this Agreement may be made only by the parties in writing by formal amendment;
 - c. This Agreement is subject to the laws of the State of Florida and the DEVELOPER agrees to pay for recording this document;
 - d. This Agreement is intended to benefit only the parties who sign it and their authorized assigns and does not create any rights for other persons or entities;
 - e. The UTILITY has the exclusive right to provide water and wastewater service to the Property; and,
 - f. This Agreement is binding on both parties and each has the power and authority to bind themselves by signing below.

THE REST OF THIS PAGE IS LEFT INTENTIONALLY BLANK

(Corporate Seal)

[Handwritten Signature]

Attest:

Printed Name: YASH PATEL
Address: 4243-A Northlake Blvd
Palm Beach Gardens, FL 33410

In Witness, Creative Choice Homes, XI, LTD. has caused these presents to be executed in its name, and its corporate seal to be hereunto affixed, by its proper officers thereunto duly authorized, this 29th day of June A.D. 2001.

By: *[Handwritten Signature]*
Title: V.P. of General Partner

Printed Name: Timothy P. Wheat
Printed Address: 4243 Northlake Blvd.
Palm Beach Gardens FL 33410

Signed, Sealed, and Delivered in the Presence of:

- 1. Marisa V. Cortes
Printed Name: Marisa V Cortes
- 2. Justin Gilman
Printed Name: Justin Gilman

State of Florida County of Palm Beach
I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared Timothy P. Wheat and Yash Patel well known to me to be the Vice Pres and Secretary respectively of the corporation named as Customer in the foregoing agreement, and that they severally acknowledged executing the same in the presence of two subscribing witnesses freely and voluntarily under authority duly vested in them by said corporation and that the seal affixed thereto is the true corporate seal of said corporation.

Witness my hand and official seal in the County and State last aforesaid this 11 day of July A.D. 2001.

[Handwritten Signature: Patricia G. Laine]
Notary Public



(Corporate Seal)

Attest: _____
Secretary
Printed Name: _____
Printed Address: _____

In Witness, FLORIDA WATER SERVICES CORPORATION has caused these presents to be executed in its name, and its corporate seal to be hereunto affixed, by its proper officers thereunto duly authorized, this _____ day of _____ A.D. 2_____.

By: _____
Title: Senior Vice President, Business Development
Printed Name: John L. Tillman, Jr.
Printed Address: P.O. Box 609520, Orlando Florida 32860-9520

Signed, Sealed, and Delivered in the Presence of:

- 1. _____
Printed Name: _____
- 2. _____
Printed Name: _____

State of _____, County of _____
I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared _____ and _____ well known to me to be the _____ and _____ respectively of the corporation named as UTILITY in the foregoing agreement, and that they severally acknowledged executing the same in the presence of two subscribing witnesses freely and voluntarily under authority duly vested in them by said corporation and that the seal affixed thereto is the true corporate seal of said corporation.

Witness my hand and official seal in the County and State last aforesaid this _____ day of _____ A.D. 2_____.

Notary Public

EXHIBIT "A"

A tract of land in the Northwest Quarter of Section 5, Township 45 South, Range 27 East, Lee County, Florida, being more particularly described as follows:

Commencing at the West Quarter corner of said Section 5; thence North 89 degrees 09 minutes 35 seconds East, a distance of 61.97 feet, to the Southeasterly right of way line of Spur "A" Canal, and the POINT OF BEGINNING of a tract of land herein described; thence North 35 degrees 32 minutes 51 seconds East, along the Southeasterly right of way line of Spur "A" canal, a distance of 1,611.60 feet to the Southwesterly right of way line of Palm Boulevard; thence South 54 degrees 27 minutes 34 seconds East, along the Southwesterly right of way line of Palm Boulevard, a distance of 845.86 feet, to the point of curvature of a curve to the right having a radius of 250.00 feet and a delta angle of 90 degrees 00 minutes 56 seconds; thence along said curve an arc distance of 392.77 feet, to the point of tangency; thence South 35 degrees 33 minutes 22 seconds West, along Palm Boulevard, a distance of 221.35 feet; thence North 59 degrees 08 minutes 47 seconds West, a distance of 278.07 feet; thence North 43 degrees 11 minutes 37 seconds West, a distance of 300.00 feet; thence South 36 degrees 12 minutes 30 seconds West, a distance of 694.64 feet; thence South 40 degrees 59 minutes 04 seconds West, a distance of 105.62 feet; thence South 89 degrees 09 minutes 35 seconds West, a distance of 629.15 feet, to the Southeasterly right of way line of Spur "A" canal and the POINT OF BEGINNING.

Exhibit B

CALCULATION OF CONTRIBUTION IN AID OF CONSTRUCTION

Project Name: Andros Inn Apartments	Plant Name: Lehigh
VS Project # #1422	Date of Calculation: 6/19/04

	WATER	WASTEWATER	OTHER
Plant Capacity:			
Water Demand (GPD) 61,655	\$169,249.01		
Wastewater Demand (GPD) 42,134		\$320,317.01	
Main Extension:			
Water Demand (GPD) 61,655	\$107,835.80		
Wastewater Demand (GPD) 42,134		\$118,270.90	
Miscellaneous Fees			
Engineering Review and Inspection			\$750.00
Administrative and Legal			\$500.00
Recording Fees			\$65.00
Prepaid CIAC			
TOTAL CIAC.....	\$277,084.81	\$438,587.91	\$1,315.00
TOTAL DUE			\$716,987.72 *

- Fees due at time of connection
 - Allowance for Funds Prudently Invested (AFPI) - See Attachment B-2
 - Service Installation/Tap Charge - See Attachment B-1
 - Meter Installation Charge - See Attachment B-1
 - Backflow Prevention Charge - See Attachment B-1
 - Administrative Charge - \$15.00 per account
 - Deposits

* Subject to modification based upon usage data provided by Developer. flw

Exhibit B-1
STANDARD CHARGES SHEET

Project Name: Hydrolysis Apartments	Plant Name: 401 E. 1st St.
WS Project #: #1422	Date of Calculation: 6/18/06

WATER

Service Installation Charge

5/8" X 3/4" Meter:	\$ 143.00	1 1/2" Meter:	\$ 202.50
3/4" Meter:	\$ 143.00	2" Meter:	\$ 245.00
1" Meter:	\$ 154.00	Greater than 2" Meter:	Actual Cost

Meter Installation Charge

5/8" X 3/4" Meter:	\$ 90.00	1 1/2" Meter:	\$ 300.00
3/4" Meter:	\$ 110.00	2" Meter:	\$ 385.00
1" Meter:	\$ 140.00	Greater than 2" Meter:	Actual Cost

Meter with Built-in Backflow Prevention Device:

All Meter Sizes Actual Cost

Stand Alone Backflow Prevention Device:

1" Meter or less:	Actual Cost
1 1/2" Meter:	Actual Cost
2" Meter:	Actual Cost
Greater than 2" Meter:	Actual Cost

Deposits

5/8" X 3/4" Meter:	\$ 35.00	3" Meter:	\$ 210.00
3/4" Meter:	\$ 70.00	4" Meter:	\$ 245.00
1" Meter:	\$ 105.00	6" Meter:	\$ 280.00
1 1/2" Meter:	\$ 140.00	8" Meter:	\$ 315.00
2" Meter:	\$ 175.00		

WASTEWATER

Service Installation Charge

4" Lateral	
Unpaved	\$ 170.00
Paved	\$ 548.00
6" Lateral	
Unpaved	\$ 227.00
Paved	\$ 605.00

Sewer Lateral Inspection Charge (Palm Coast Only)

Lateral (ea.) \$ 25.00 #

Deposits

5/8" X 3/4" Meter:	\$ 50.00	3" Meter:	\$ 300.00
3/4" Meter:	\$ 100.00	4" Meter:	\$ 350.00
1" Meter:	\$ 150.00	6" Meter:	\$ 400.00
1 1/2" Meter:	\$ 200.00	8" Meter:	\$ 450.00
2" Meter:	\$ 250.00		

Exhibit B-2
 FLORIDA WATER SERVICES
 Attachment II

Project Number: 1422 Plant Number: 02901
 Project Name: Andros Isle Apartments

	<u>AFPI Water ERC's</u>	<u>AFPI WasteWater ERC's</u>
COMM	15.0231	19.1935
RES	229.0000	229.0000

Effective Date	W a t e r		W a s t e w a t e r	
	Treatment Plant	Transmission/ Distribution	Treatment and Disposal	Collection System
06/01/2001	86.43	577.00	91.65	624.24
07/01/2001	86.43	590.00	91.65	624.24
08/01/2001	86.43	602.00	91.65	624.24
09/01/2001	86.43	615.00	91.65	624.24
10/01/2001	86.43	628.00	91.65	624.24
11/01/2001	86.43	640.00	91.65	624.24
12/01/2001	86.43	653.00	91.65	624.24
01/01/2002	86.43	653.00	91.65	624.24
02/01/2002	86.43	653.00	91.65	624.24
03/01/2002	86.43	653.00	91.65	624.24
04/01/2002	86.43	653.00	91.65	624.24
05/01/2002	86.43	653.00	91.65	624.24

Exhibit C

FLORIDA WATER SERVICES

PAYMENT SCHEDULE

Project Number: 1422 Plant Number: 02901
 Project Name: Andros Isle Apartments
 Down Payment: 144,449.48 Effective Date: 06/18/2001

Due Date	Description	Amount
07/18/2001	Water Capacity	11,283.27
07/18/2001	Waste Water Capacity	21,354.47
07/18/2001	Water Main Extension	7,189.05
07/18/2001	Waste Water Main Extension	7,884.73
08/18/2001	Water Capacity	11,283.27
08/18/2001	Waste Water Capacity	21,354.47
08/18/2001	Water Main Extension	7,189.05
08/18/2001	Waste Water Main Extension	7,884.73
09/18/2001	Water Capacity	11,283.27
09/18/2001	Waste Water Capacity	21,354.47
09/18/2001	Water Main Extension	7,189.05
09/18/2001	Waste Water Main Extension	7,884.73
10/18/2001	Water Capacity	11,283.27
10/18/2001	Waste Water Capacity	21,354.47
10/18/2001	Water Main Extension	7,189.05
10/18/2001	Waste Water Main Extension	7,884.73
11/18/2001	Water Capacity	11,283.27
11/18/2001	Waste Water Capacity	21,354.47
11/18/2001	Water Main Extension	7,189.05
11/18/2001	Waste Water Main Extension	7,884.73
12/18/2001	Water Capacity	11,283.27
12/18/2001	Waste Water Capacity	21,354.47
12/18/2001	Water Main Extension	7,189.05
12/18/2001	Waste Water Main Extension	7,884.73
01/18/2002	Water Capacity	11,283.27
01/18/2002	Waste Water Capacity	21,354.47
01/18/2002	Water Main Extension	7,189.05
01/18/2002	Waste Water Main Extension	7,884.73
02/18/2002	Water Capacity	11,283.27

Exhibit C-1
FLORIDA WATER SERVICES

PAYMENT SCHEDULE

Plant Number: 02901

Project Number: 1422

Project Name: Andros Isle Apartments

Down Payment: 144,449.46

Effective Date: 06/18/2001

Due Date	Description	Amount
02/18/2002	Waste Water Capacity	21,354.47
02/18/2002	Water Main Extension	7,189.05
02/18/2002	Waste Water Main Extension	7,884.73
03/18/2002	Water Capacity	11,283.27
03/18/2002	Waste Water Capacity	21,354.47
03/18/2002	Water Main Extension	7,189.05
03/18/2002	Waste Water Main Extension	7,884.73
04/18/2002	Water Capacity	11,283.27
04/18/2002	Waste Water Capacity	21,354.47
04/18/2002	Water Main Extension	7,189.05
04/18/2002	Waste Water Main Extension	7,884.73
05/18/2002	Water Capacity	11,283.27
05/18/2002	Waste Water Capacity	21,354.47
05/18/2002	Water Main Extension	7,189.05
05/18/2002	Waste Water Main Extension	7,884.73
06/18/2002	Water Capacity	11,283.27
06/18/2002	Waste Water Capacity	21,354.47
06/18/2002	Water Main Extension	7,189.05
06/18/2002	Waste Water Main Extension	7,884.73
	Grand Total	572,538.24

Exhibit D

Documents Required Prior to Utility Acceptance of Developer Addition

1. Easements dedicated to Florida Water Services (Recorded with the County)
2. Final plat on disk (AutoCAD version 12 or later)
3. "Record" or "As-Built" drawings on disk (AutoCAD version 12 or later) and three (3) sets of hard copy record drawings
4. Contractor's Letter of Warranty for a one year period after Utility Acceptance (Signed and sealed by PE or Notarized)
5. Contractor's Waiver and Release of Lien (Recorded with County)
6. Engineer's Letter of Certification (Signed and sealed by Engineer)
7. Copies of all tests required by the Florida Department of Environmental Protection or governing State or local Health Department as well as any other tests deemed necessary by the UTILITY to ensure conformance with UTILITY standards and specifications
8. Applications for certification of completion required by the Florida Department of Environmental Protection or governing State or local Health Department
9. Bill of Sale for Water and Wastewater contributed property with accurate cost records establishing the construction cost of the completed additions (a copy of related construction contracts duly certified by a Notary of the State of Florida as true and correct copies of the originals required).



June 18, 2001

Mr. Timothy P. Wheat
Creative Choice Homes, XI, LTD
4243-D N. Lake Blvd.
Palm Beach Gardens, FL 33410

RE: Andros Isle Apartments, FWS Project # 1422, Lehigh, Lee County

Dear Mr. Wheat:

This letter and the attached agreements are in reply to your request for water and wastewater service from the Florida Water Services Corporation (FWS) for the property known as the Andros Isle Apartments as described on Exhibit A to the agreements.

The offer outlined in the agreements are valid through July 18, 2001, 30 days after issuance of this letter, and shall be considered withdrawn if not fully executed by that date. The amounts due to FWS, as outlined in the agreement are summarized as follows:

Water CIAC	\$277,084.81
Wastewater CIAC	\$438,587.91
Other	\$1,315.00

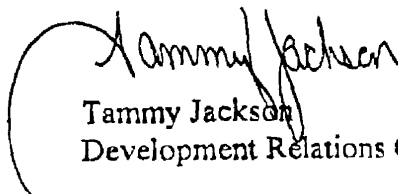
Total Amount Due	\$716,987.72

Florida Water Services understands that within one month Creative Homes may supply historical documentation of similar apartment complex water and wastewater usage. Florida Water Services will review the usage and make a decision at that time if water and wastewater usage and fees will be changed based on the information provided.

If the enclosed agreements are acceptable, please indicate by signing and returning all three copies of the developer and metering agreements to my attention. One fully executed copy will then be returned to you.

Please feel free to contact me at (941) 278-5050, extension 203, at your convenience, if you have any questions or if we may be of assistance.

Sincerely,


Tammy Jackson
Development Relations Coordinator

ALLETE COMPANY

METER AGREEMENT

This Agreement ("Agreement") is made and entered into this _____ day of _____, 2____, by and between FLORIDA WATER SERVICES CORPORATION, a Florida corporation (hereinafter "Florida Water"), and Creative Choice Homes, XI, LTD , 4243-D N. Lake Blvd., Palm Beach Gardens , FL 33410 ("Owner").

Creative Choice Homes, XI, LTD is the OWNER of that certain commercial property in {Lee} County, Florida, inclusive of any and all common elements, more particularly described on Exhibit A attached hereto ("Property") and made a part hereof and commonly known as Andros Isle Apartments, a apartment complex.

Florida Water desires that individual water meters for each dwelling unit and point of use on the Property be installed.

THEREFORE, in consideration of the mutual covenants and agreements herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Design and Installation.

1.1 Meters. The OWNER shall provide all meters, including remote touch-read pads (collectively the "Water Meters") needed to install one Water Meter per dwelling unit and point of use within the Property. Florida Water shall own the Water Meters following the installation of said Water Meters. OWNER shall provide at its expense all wires and other appurtenant equipment (collectively the "OWNER Equipment") required for installation pursuant to the approved plans and specifications and shall convey same to Florida Water free and clear of liens and encumbrances upon Florida Water's acceptance of the work as provided below. The Water Meters and the OWNER Equipment shall hereinafter be collectively referred to as the "Meters".

1.2 Installation. OWNER shall install or cause to be installed ("Installation") at its expenses, the Meters in accordance with the plans and specifications.

1.3 Permits. OWNER shall be responsible for obtaining, at its expense, all permits required for the Installation.

1.4 Inspection. Florida Water reserves the right to inspect the Installation within thirty (30) days of written notification of the

completion of installation of Meters to determine compliance with the plans and specifications. OWNER shall grant Florida Water an easement for purposes of inspection as set forth in Section 5 below. Installation shall be complete thirty (30) days from the date of this Agreement. The completed Installation must be substantially in accordance with the plans and specifications and reasonably acceptable to Florida Water Services' personnel.

2. Indemnification.

2.1 OWNER. OWNER shall indemnify Florida Water, its respective agents and employees, from and against any and all claims, liability, demands, expenses, fees, fines, penalties, suits, proceedings, actions, and fees, including attorneys' fees, for injury (including death) to persons or damage to property or property rights that may derive from or be related to acts, errors or omissions of the OWNER, its agents, employees, contractors, servants, licensees or invitees or by any person under the control or direction of the OWNER, in any way relating to the Installation. The OWNER shall also indemnify Florida Water as aforesaid from all liability, claims and all other items above mentioned, arising or growing out of or connected with any default, breach, violation or nonperformance by the OWNER of any covenant, agreement or provision contained in this Agreement.

2.2 Florida Water. Florida Water shall indemnify OWNER, its respective agents and employees, from and against any and all claims, liability, demands, expenses, fees, fines, penalties, suits, proceedings, actions and fees, including attorney's fees, for injury (including death) to persons or damage to property or property rights that may derive from or be related to defects in or malfunctioning of the Water Meters.

3. Title to Lines

3.1 On-Site Lines. The Association or dwelling unit owners will retain title to all water transmission lines within the Property ("On-Site Lines") up to the Meters, including the valve between the On-Site Line and the Meters. The distinction between the lines owned by Association and the lines owned by the dwelling unit owners is subject to their determination.

3.2 Intent. Parties acknowledge and agree that the intent of this Agreement is that Florida Water's ownership of the water transmission lines stops at the Property line and that the Association and/or the dwelling unit owners own the remainder of the water transmission lines, as appropriate. The parties intend that Florida Water shall own no water

transmission lines or appurtenant facilities within the condominium, except for the Meters as provided herein.

4. Maintenance.

4.1 Meters. Florida Water, as owner of the Meters, shall be responsible for maintaining, repairing, and replacing the Meters.

4.2 On-Site Lines. Association or dwelling unit owner shall be responsible for maintaining, repairing and replacing all of the On-Site Lines. In no event shall Florida Water be responsible for maintaining, repairing or replacing any of the On-Site Lines.

5. Access. The OWNER hereby grants to Florida Water a perpetual, nonexclusive easement in gross ("Easement") on, over, under, across and through the paved roads and sidewalks, as now located or relocated in the future on the Property and on, over, across and through the paved roads and sidewalks, as now located or relocated in the future, on the land described on Exhibit B attached hereto and made a part hereof, for purposes of ingress and egress to inspect, operate, maintain, repair, replace and read the Meters and for such other purposes as are reasonably necessary to carry out the intent of this Agreement.

6. Customer Applications. OWNER represents and warrants that the Property contains 229 (Two Hundred Twenty Nine) dwelling units and 3 (Three) other point of use. Attached hereto and made a part of hereof as Exhibit C is a master list identifying each Unit number address. OWNER, unit buyer and each person responsible for points of use shall complete, sign and return to Florida Water the Florida Water forms regarding application for service and guarantee deposit and/or service change receipts, along with any applicable fees, prior to obtaining water service.

7. Limitation on Liability. Except as specifically set forth herein to the contrary, the parties acknowledge and agree that Florida Water is not responsible for any loss or claim relating to the Installation of the Meters or any loss or claim relating to the On-Site Lines. The OWNER shall indemnify Florida Water, its respective agents and employees, from and against any and all claims, liability, demands, expenses, fees, fines, penalties, suits, proceedings, actions and fees, including attorney's fees, for injury (including death) to persons or damage to property or property rights that may derive from or be related to acts, errors or omissions of the OWNER and the dwelling unit buyers, their agents, employees, contracts, servants, licensees or invitees or by any person under the control or direction of them in any way relating to the Installation of the Meters or to the ownership, operation or maintenance of the On-Site Lines. The Parties acknowledge and agree that Florida Water shall only incur liability to the

OWNER or any dwelling unit buyer which specifically relates to the inspection, operation, maintenance, repair, replacement or reading of the Meters.

8. Successors and Assigns. The provisions of this Agreement shall bind and insure to the benefit of the heirs, personal representatives, successors and assigns of the parties.

9. Governing Law. This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Florida.

10. Recordation. The parties hereby acknowledge and agree that Florida Water shall have the option, at Florida Water's expense, to record this Agreement together with all exhibits in the public records of the County where the Property is located.

11. Conditions Precedent. The obligations of Florida Water hereunder shall be absolutely conditioned upon the OWNER's and Association's/Dwelling Unit Owner's prior performance of and compliance with OWNER and Association's/Dwelling Unit Owner's obligations under this Agreement. Upon OWNER or Association's/Dwelling Unit Owner's failure to fulfill any of such obligations, the parties agree Florida Water shall have the right to bill Association/Dwelling Unit Owner for water and sewer through a Master Meter.

12. Compliance with Government Regulations. This Agreement may be subject to the approval of and compliance with the regulations of all applicable regulatory authorities and their respective successor agencies including but not limited to the Florida Public Service Commission, the South West Florida Water Management District, and the Florida Department of Environmental Protection.

13. Signatories and Association Authority. By signing this Agreement, the signatories warrant their authority to execute this Agreement on behalf of the respective parties. Association further warrants that neither entry nor any aspect of the performance of this Agreement violates Association's declaration, articles or by-laws.

14. Entire Agreement. This instrument constitutes the entire agreement between the parties and may not be modified except by instrument in writing executed by the parties...

IN WITNESS WHEREOF, the parties hereto have executed and delivered this Agreement as of the day and year first above written.

Signed, sealed and delivered in the presence of:

FLORIDA WATER SERVICES CORPORATION, a Florida Corporation

[Witness - Print or type name]

[Witness - Print or type name]

By: _____
Name: John L. Tillman
Title: Senior Vice President, Business Development
P.O. Box 609520
Orlando, Florida 32860-9520

Maria V. Coates

[Witness - Print or type name]
Jason Larson

[Witness - Print or type name]

OWNERS:
By: [Signature]
Name: Timothy P. Wheat
Title: V.P. of General Partner
Address: 4743 Northside Blvd., Ste. D Palm Beach Gardens FL 33410

ASSOCIATION: _____
a _____

[Witness - Print or type name]

[Witness - Print or type name]

By: _____
Name: _____
Title: _____
Address: _____

STATE OF _____
COUNTY OF _____

The foregoing was acknowledged before me, an officer duly authorized in the State and County aforesaid, to take acknowledgments, this ____ day of _____, 2__, by _____, as _____ of _____, a _____, on behalf of the corporation who: [] is personally known to me; or [] has produced _____ as identification; and who [] did or [] did not, take an oath.

NOTARY PUBLIC

(Print Name)

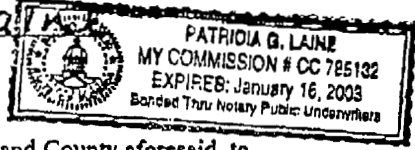
My Commission Expires: _____

STATE OF Florida
COUNTY OF Palm Beach

The foregoing was acknowledged before me, an officer duly authorized in the State and County aforesaid, to take acknowledgments, this 11 day of July, 2001 by Timothy P. Wheat, Vice Pres Creative Discretion XI, Ltd. on behalf of the corporation who: [X] is personally known to me; or [] has produced _____ as identification; and who [] did or [] did not, take an oath.

Patricia G. Laine
NOTARY PUBLIC
Patricia G. Laine
(Print Name)

My Commission Expires: 1-16-03



STATE OF FLORIDA
COUNTY OF ORANGE

The foregoing was acknowledged before me, an officer duly authorized in the State and County aforesaid, to take acknowledgments, this ____ day of _____, 2__, by John L. Tillman as Senior Vice President, Business Development of Florida Water Services Corporation, a Florida Corporation, on behalf of the corporation who: [] is personally known to me; or [] has produced _____ as identification; and who [] did or [] did not, take an oath.

NOTARY PUBLIC

(Print Name)

My Commission Expires: _____

EXHIBIT "A"

A tract of land in the Northwest Quarter of Section 5, Township 45 South, Range 27 East, Lee County, Florida, being more particularly described as follows:

Commencing at the West Quarter corner of said Section 5; thence North 89 degrees 09 minutes 35 seconds East, a distance of 61.97 feet, to the Southeasterly right of way line of Spur "A" Canal, and the POINT OF BEGINNING of a tract of land herein described; thence North 35 degrees 32 minutes 51 seconds East, along the Southeasterly right of way line of Spur "A" canal, a distance of 1,611.60 feet to the Southwesterly right of way line of Palm Boulevard; thence South 54 degrees 27 minutes 34 seconds East, along the Southwesterly right of way line of Palm Boulevard, a distance of 845.86 feet, to the point of curvature of a curve to the right having a radius of 250.00 feet and a delta angle of 90 degrees 00 minutes 56 seconds; thence along said curve an arc distance of 392.77 feet, to the point of tangency; thence South 35 degrees 33 minutes 22 seconds West, along Palm Boulevard, a distance of 221.35 feet; thence North 59 degrees 08 minutes 47 seconds West, a distance of 278.07 feet; thence North 43 degrees 11 minutes 37 seconds West, a distance of 300.00 feet; thence South 36 degrees 12 minutes 30 seconds West, a distance of 694.64 feet; thence South 40 degrees 59 minutes 04 seconds West, a distance of 105.62 feet; thence South 89 degrees 09 minutes 35 seconds West, a distance of 629.15 feet, to the Southeasterly right of way line of Spur "A" canal and the POINT OF BEGINNING.

Exhibit B to Agreement
between Florida Water Services Corporation and OWNER

Easement Parcel

See Attached.

Exhibit C to Agreement
Between Florida Water Services Corporation and OWNER

Unit Numbers and Addresses

<u>Unit Number</u>	<u>Unit Address</u>
101	10250 Stafford Creek Boulevard
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Meneger's Unit 10274 Stafford Creek Boulevard

Community Building 10276 Stafford Creek Boulevard

Pool 10278 Stafford Creek Boulevard

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