

ORIGINAL

LAW OFFICES

ROSE, SUNDBSTROM & BENTLEY, LLP

2548 BLAIRSTONE PINES DRIVE  
TALLAHASSEE, FLORIDA 32301

(850) 877-6555

Fax (850) 656-4029

www.rsbattoorneys.com

CENTRAL FLORIDA OFFICE  
600 S. NORTH LAKE BLVD., SUITE 160  
ALTAMONTE SPRINGS, FLORIDA 32701  
(407) 830-6331  
FAX (407) 830-8522

CHRIS H. BENTLEY, P.A.  
ROBERT C. BRANNAN  
DAVID F. CHESTER  
F. MARSHALL DETERDING  
MARTIN S. FRIEDMAN, P.A.  
JOHN R. JENKINS, P.A.  
STEVEN T. MINDLIN, P.A.  
DAREN L. SHIPPY  
WILLIAM E. SUNDBSTROM, P.A.  
DIANE D. TREMOR, P.A.  
JOHN L. WHARTON

ROBERT M. C. ROSE, OF COUNSEL  
WAYNE L. SCHIEFELBEIN, OF COUNSEL  
VALERIE L. LORD, OF COUNSEL  
(LICENSED IN TEXAS ONLY)

February 18, 2003

VIA HAND DELIVERY

Ms. Patti Daniel  
Chief Bureau of Certification  
Division of Regulatory Oversight  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

Re: IRD Osprey, LLC d/b/a Aquarina Utilities; PSC Docket No. 020091-WS  
Application for Transfer of Service  
Our File No. 36082.01

Dear Patti:

First of all, I would like to thank you for your patience and your further clarifications of the issues of the questions you had previously submitted to me, as they are now outlined in your letter of January 30, 2003. I restated each of your questions below, with an answer as accumulated by myself and other representatives of the Utility.

1. **Closing Date.** Your August 27<sup>th</sup> response indicated that, after consultation with you, the buyers moved forward with the acquisition of the utility before final approval by the Commission with the understanding that they will be required to unwind the transaction if approval is not received. Section 367.07 1 (1), Florida Statutes, provides that the transfer may occur prior to Commission approval if the contract for sale, assignment, or transfer is made contingent upon commission approval. (Emphasis added.)

By letter dated October 2, 2002, an Indemnification In Event of Licensure Denial (indemnification) was filed. Unfortunately, the indemnification was not in the form of an amendment to the Agreement for Sale and Purchase (contract) nor was it signed by any of the parties to that contract. Please provide either an amendment to the contract signed by all parties to the contract that the sale is contingent upon Commission approval or an explanation of any mitigating circumstances as to why the seller should not be required to show cause in writing why it should not be fined for violation of Section 367.07 1(1), Florida Statutes.

AUS \_\_\_\_\_  
CAF \_\_\_\_\_  
CMP \_\_\_\_\_  
COM \_\_\_\_\_  
CTR \_\_\_\_\_  
ECR \_\_\_\_\_  
GCL \_\_\_\_\_  
OPC \_\_\_\_\_  
MMS \_\_\_\_\_  
SEC   I    
OTH \_\_\_\_\_

DOCUMENT NUMBER-DATE

01664 FEB 18 8

FPSC-COMMISSION CLERK

Response - As a result of a mixup between myself and other representatives of the Utility, I have not yet received this executed document. However, I have attached hereto and discussed with Pat Brady of your staff, the proposed language for such an agreement whereby the transaction will be "unwound" if needed. I have provided to Pat the language of this agreement and she has agreed that it is appropriate. As of today's date, this should be executed by the buyer and it is being sent by overnight to the seller in order to get their signature, and then it will be returned to me. I should have it by Thursday or Friday of this week at the latest in order to submit it to you. As soon as I have a faxed version, I will have it hand delivered to you.

2. **Financial Ability.** The August 27, 2002 response, addressed a number of staff's concerns with regard to inadequate showing of financial ability. Of particular interest, was the statement that Indian River No. 1 Developers, LLC (Developer), had recently entered into an agreement which it intended to close within two weeks of the August 27, 2002 response. In the agreement, the Developer was selling assets valued at \$4 million to retire the majority of the outstanding mortgage debt reflected in the financial statements, of \$4.9 million. Please rewrite a copy of the mortgage payoff as verification that this matter was consummated as indicated.

Response - A portion of the property originally proposed for sale was cancelled by the proposed purchaser. As such, not as much debt as originally envisioned was able to be retired. However, I am attaching hereto copies of two closing statements showing the amount of net proceeds applied to the \$4.9 million mortgage as a result of two sales (both of which occurred in December of 2002), and the payment of all such net proceeds to the bank to retire the great majority of the \$4.9 million mortgage loan outstanding. I am also attaching hereto a copy of the Callaway & Price, Inc. appraisal of the remaining property showing that while there is an outstanding mortgage of approximately \$1.1 million on the property, the appraised value of that remaining property is \$29,767,250. I trust that this responds to that question.

3. **Name Change.** Your August 27<sup>th</sup> response indicated that the final sale transaction was a stock transfer rather than an asset purchase, as originally filed, and that SMS was subsequently dissolved at the end of May. As you are probably aware, the name of the utility is changed in an asset purchase to reflect the fact that the assets have transferred to another corporation. On the other hand, the name of the utility generally remains as certificated in a stock transfer to reflect the fact that the assets have not transferred. The exception would be if the request for approval of the stock transfer was also accompanied by a request for a name change.
  - a. If the parties intend for the name of the utility to change as a result of the stock transfer, please refer to Rule 25-30.039, Florida Administrative Code, for the

**additional information that needs to be filed. In addition, please provide a copy of a recorded warranty deed in the new name of the utility.**

- b. If the parties intend for the name of the utility to remain as currently certificated, please refile the proposed tariff pages to change the utility name back to SMS while still reflecting the change in majority control owner.**

Response - Based upon erroneous information, my previous statement that Service Management Systems, Inc. was dissolved in May was inaccurate. The acquisition of the Utility was accomplished through a Transfer of Majority Organizational Control of the stock in Service Management Systems, Inc. That entity still exists and still owns the Utility assets.

I have attached hereto revised tariff sheets reflecting the change in address, but retaining the name "Service Management Systems, Inc." and updated for the tariff changes that have occurred during the pendency of this transfer case.

- 4. Proposed Tariffs. In a recent phone conversation, you indicated that the utility is providing reuse service at a zero rate. As you are aware, all rates and charges, including a zero-rate, must be approved by the Commission.**

- a. In addition to furnishing the appropriate rate sheets(s) for inclusion of the reuse service in the utility's tariffs, please provide justification for a zero rate. At a minimum, the justification should describe the reuse facilities, including capacity explain when the retrofit was constructed and why identify all users including their capacity provide copies of any reuse agreements.**
- b. In addition, please ensure that the proposed tariffs are updated to include all tariff changes that have been approved since the application for transfer was filed.**

Response - There is apparently a misunderstanding on the part of the staff with regard to the services provided by the Utility. The Utility provides non-potable irrigation service and charges each and every customer for such service. However, no "reuse" service is provided. The Utility is not currently permitted to provide reuse service from its treated sewage effluent to the public or to any area for irrigation, through the wastewater treatment system was designed to ultimately be a reuse system. All treated sewage effluent is currently disposed of by use of a drain field under permit from the FDEP.

The Utility does provide irrigation water through separate wells and through a separate irrigation system. All such irrigation service is either metered or subject to a flat rate charge under tariffs approved by the Public Service Commission previously.

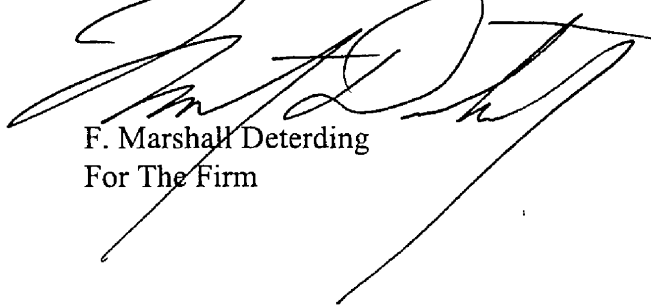
Ms. Patti Daniel  
February 18, 2003  
Page 4

I trust that the above information responds to each of the questions of inquiries that you posed. If there is anything further you need, or if you have any questions concerning the above information, please do not hesitate to contact me so that we can finalize this case as quickly as possible.

I should have the final document as discussed in Paragraph 1 above, to you by the end of this week.

Sincerely,

ROSE, SUNDSTROM & BENTLEY, LLP

A large, stylized handwritten signature in black ink, appearing to read 'F. Marshall Deterding', is written over the typed name and firm name.

F. Marshall Deterding  
For The Firm

FMD/tms

cc: Ms. Pat Brady  
Blanca S. Bayo  
Adrienne Vining, Esq.  
Richard Redemann, P.E.  
James Bates  
Marty Sadkin  
Robert Frazier, Esquire

indian\2daniel.ltr

Agreement to Unwind Transaction

IRD Osprey, LLC d/b/a Aquarina Utilities (“Buyer”) purchased the outstanding and issued shares of Service Management Systems, Inc. on or about April 16, 2002 from Petrus Group, L.P. (“Seller”).

The parties hereby agree that should the Florida Public Service Commission ultimately not allow the transfer of the stock in the Utility for any reason, they will agree to completely unwind the transaction and return all interest in Service Management Systems, Inc. to its original owner. The agreement for purchase of the stock of Service Management Systems, Inc. and any and all other agreements related to the acquisition of the Utility by IRD Osprey, LLC d/b/a Aquarina Utilities are hereby amended to incorporate that unwind agreement.

IRD OSPREY, LLC D/B/A  
AQUARINA UTILITIES

\_\_\_\_\_  
Martin Sadkin, Buyer

PETRUS GROUP, L.P.

\_\_\_\_\_  
\_\_\_\_\_, Seller

**SELLER'S CLOSING STATEMENT**

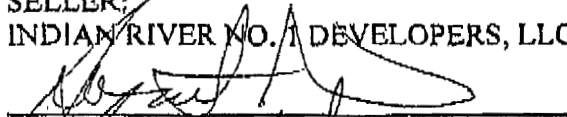
BUYER: CERTIFIED BUILDING CORP.  
 SELLER: INDIAN RIVER NO. 1 DEVELOPERS, LLC  
 PROPERTY: Aquarina - Lots 5 through 16 - Parcel H  
 DATE: December 2, 2002

\*\*\*\*\*

Item	Credit	Debit
Purchase Price	\$1,000,000.00	
2002 Tax Proration		\$5,577.60
Documentary stamps on Deed (split 50/50)		\$3,500.00
Express Mail		\$18.00
Title search fee		\$150.00
Title Insurance (promulgated)		\$5,075.00
Attorney's Fees		POC
Lender's Attorney's Fees and Costs (Piper Rudnick)		\$3,350.00
Survey		POC
Lien Payoff - Derrico Construction Corporation		\$41,865.67
Lien Payoff - Champion Contracting of Central Florida		\$86,954.14
Lien Payoff - Champion Contracting Bonding Costs		\$6,181.22
TOTALS	\$1,000,000.00	\$152,671.63
NET TO SELLER (Builders Bank)		\$847,328.37

The undersigned, in consideration of the closing described above, agree if requested by closing agent, Stewart B. Capps, to fully cooperate and revise or adjust for any clerical errors contained in any of the closing documents, or to execute any additional documents concerning said closing if deemed necessary or desirable in the discretion of closing agent, Stewart B. Capps. The ad valorem tax prorations are based on estimates and calculations, and the parties agree to adjust the tax proration at a later date if requested.

APPROVED AND ACCEPTED:  
 SELLER:  
 INDIAN RIVER NO. 1 DEVELOPERS, LLC

  
 \_\_\_\_\_  
 S. Martin Sadkin, Managing Member

**SELLER'S CLOSING STATEMENT**

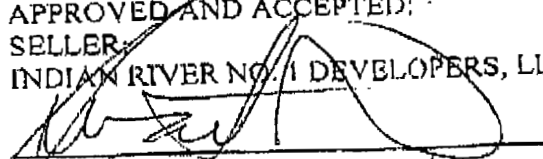
BUYER: CERTIFIED BUILDING CORP.  
 SELLER: INDIAN RIVER NO. 1 DEVELOPERS, LLC  
 PROPERTY: Aquarina - Parcel H, Less Lots 5 through 16; and Parcel F  
 DATE: December 19, 2002

\*\*\*\*\*

Item	Credit	Debit
Purchase Price	\$3,100,000.00	
Buyer's credit for prepayment of \$300,000.00		\$50,000.00
2002 Allocated Taxes (\$21,794.42) prorated		\$21,077.63
Documentary stamps on Deed (split 50/50)		\$5,215.00
Title search fee		\$150.00
Title Insurance (promulgated)		\$10,200.00
Attorney's Fees - Builder's Bank (Piper Rudnick)		\$1,656.00
Wire Transfer Fees		\$16.94
Record Release - Builder's Bank Mortgage (8 pages)		\$37.50
Filing Fee - UCC-3		\$33.00
Recording Fee - UCC-3		\$33.00
Examination/Attorney's fees to Frazier, Hotte		\$6,250.00
Costs to Frazier, Hotte		\$202.00
<b>TOTALS</b>	<b>\$3,100,000.00</b>	<b>\$94,871.07</b>
<b>NET TO SELLER (assigned to Builders Bank)</b>		<b>\$3,005,128.93</b>

The undersigned, in consideration of the closing described above, agree if requested by closing agent, Stewart B. Capps, to fully cooperate and revise or adjust for any clerical errors contained in any of the closing documents, or to execute any additional documents concerning said closing if deemed necessary or desirable in the discretion of closing agent, Stewart B. Capps. The ad valorem tax prorations are based on estimates and calculations, and the parties agree to adjust the tax proration at a later date if requested.

APPROVED AND ACCEPTED:  
 SELLER:  
 INDIAN RIVER NO. 1 DEVELOPERS, LLC



S. Martin Sadkin, Managing Member

## Callaway & Price, Inc.

51

### Total Gross Sellout - Conclusion

Utilizing prior sales activity within the Subject Property and comparable projects, we have estimated the end unit values for each of the various property types. It is our opinion that the estimated unit values are market oriented and would achieve the fastest absorption within the market. A list of the Subject Property's gross sellout is contained below.

GROSS SELLOUT					
UNIT/TRACT	\$/UNIT	ACRES	UNITS	DENSITY	GROSS
Seahawk Stg. 4 Tr. 6 & 7	\$230,000		4		\$920,000
Undeveloped Ocean Stg. 3 Tr. IV	\$230,000	3.76	13	3.46	\$2,990,000
Clubhouse/Restaurant Site	\$230,000	3.63	9	2.48	\$2,070,000
River Oaks	\$90,000		7		\$630,000
Osprey Villas at Aquarina	\$70,000		15		\$1,050,000
D - A1A Villas Stg 3 Tr II	\$70,000	4.04	22	5.45	\$1,540,000
E - See G Stg. 4 Tr. I		2.90			
F - Golf Villas Stg 4 Tr. IV	\$70,000	6.10	33	5.41	\$2,310,000
G - Golf Villas w/ E Stg 4 Tr. III	\$70,000	2.90	30	5.17	\$2,100,000
H - SF Stg. 4 Tr II	\$100,000	6.00	21	3.50	\$2,100,000
I - River MF Stg. 4 Tr. V	\$24,000	7.80	117	15.00	\$2,808,000
J - River MF Stg 4 Tr VIII	\$70,000	6.39	32	5.01	\$2,240,000
Marina Stg. 4 Tr. IX		1.50			\$327,000
Commercial Site Stg. 3 Tr. I Unit II	\$70,000	3.22	16	4.97	\$1,120,000
A-1; Hotel Site A1A Stg 5 Tr I	\$27,000	5.93	90	15.18	\$2,430,000
2 lots admin. bldg.		1.13	See River Oak		
Golf Course		95.43			\$2,400,000
Utility		2.37			\$1,390,000
RV Storage		1.00			
Recreation Site - Villas	\$65,000	4.13	21	5.00	\$1,342,250
Subtotals		158.23	430		\$29,767,250

### Absorption

The question of absorption is a critical part of the evaluation process, as it provides a timeline over which sales receipts will occur. This process is one of the most difficult estimates, since absorption rates for future sales are dependent upon external factors such as the national economy, local economy, recent actions of the stock market, availability of mortgage funds, and the supply of competitive units.



WASTEWATER TARIFF

SERVICE MANAGEMENT  
SYSTEMS, INC.  
NAME OF COMPANY

FILED WITH  
FLORIDA PUBLIC SERVICE COMMISSION

WASTEWATER TARIFF

SERVICE MANAGEMENT  
SYSTEMS, INC.  
NAME OF COMPANY

7860 Peters Road, Suite F-111

Plantation, Florida 33324  
(ADDRESS OF COMPANY)

(954) 370-7788  
(Business & Emergency Telephone Numbers)

FILED WITH  
FLORIDA PUBLIC SERVICE COMMISSION

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WASTEWATER TARIFF

TABLE OF CONTENTS

	Sheet Number
Communities Served Listing .....	4.0
Description of Territory Served .....	3.1
Index of	
Rates and Charges Schedules .....	11.0
Rules and Regulations .....	6.0
Service Availability Policy .....	22.0
Standard Forms .....	18.0
Technical Terms and Abbreviations .....	5.0
Territory Authority .....	3.0

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WASTEWATER TARIFF

TERRITORY AUTHORITYCERTIFICATE NUMBER - 450-SCOUNTY - BrevardCOMMISSION ORDER(s) APPROVING TERRITORY SERVED -

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
22075	10/19/89	880595-WS	Original Certificate
23059	06/11/90	900167-WS	Territory Amendment
PSC-92-0119-FOF-WS	03/30/92	911129-WS	Territory Amendment
PSC-97-0206-FOF-WS	02/21/97	960095-WS	Name Change
PSC-97-0206A-FOF-WS	03/05/97	960095-WS	Amendatory Order
PSC-97-0918-FOF-WS	08/04/97	970093-WS	Transfer Majority Control

(Continued to Sheet No. 3.1)

NATHAN KALICHMAN  
ISSUING OFFICERMANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

## WASTEWATER TARIFF

(Continued from Sheet No. 3.0)

DESCRIPTION OF TERRITORY SERVED

MORE OR LESS TO THE MEAN HIGH WATER LINE OF THE INDIAN RIVER; THENCE RUN NORTHWESTERLY ALONG SAID MEAN HIGH WATER LINE 5,700 FT. MORE OR LESS TO THE NORTH LINE OF GOVERNMENT LOT 4 OF SAID SECTION 36; THENCE RUN EASTERLY ALONG THE NORTH LINE OF GOVERNMENT LOTS 4, 5 & 6 OF SAID SECTION 36 A DISTANCE OF 3,300 FT. MORE OR LESS TO THE POINT OF BEGINNING.

LESS AND EXCEPT "THE HAMMOCK CONDOMINIUM I", BEING A PORTION OF GOVERNMENT LOTS 5 & 6 OF SAID SECTION 36, TOWNSHIP 29 SOUTH, RANGE 38 EAST, BEING DESCRIBED IN OFFICIAL RECORDS BOOK 2732, PAGE 1060 OF THE PUBLIC RECORDS OF BREVARD COUNTY, FLORIDA.

A PORTION OF LOT 1, SUNNYLAND GROVES SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 9, PAGE 42, PUBLIC RECORDS OF BREVARD COUNTY, FLORIDA, BEING A PORTION OF GOVERNMENT LOTS 5 AND 6, SECTION 36, TOWNSHIP 29 SOUTH, RANGE 37 EAST, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

FROM THE NORTHWEST CORNER OF SAID SECTION 36 RUN EASTERLY ALONG THE NORTH LINE OF SAID SECTION 36 A DISTANCE OF 2905 FEET MORE OR LESS TO THE CENTERLINE OF S.R. A-1-A; THENCE RUN SOUTHEASTERLY ALONG THE CENTERLINE OF S.R. A-1-A 1035 FEET MORE OR LESS; THENCE RUN S60 33'54"W, ALONG THE EASTERLY EXTENSION OF THE SOUTHERLY LINE OF SAID LOT 1 AND THE SOUTHERLY LINE OF SAID LOT 1, 968.19 FEET TO THE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED PARCEL; THENCE CONTINUE S60 33'54"W A DISTANCE OF 224.55 FEET; THENCE RUN N26 09'57"W A DISTANCE OF 233.60 FEET; THENCE RUN N63 50'03"E A DISTANCE OF 127.03 FEET TO A POINT OF CURVATURE OF A CIRCULAR CURVE, CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 110.0 FEET; THENCE RUN NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 06 31'42" AN ARC DISTANCE OF 13.44 FEET TO A POINT OF TANGENCY; THENCE RUN N 70 21'45"E A DISTANCE OF 110.59 FEET; THENCE RUN S19 38'15"E A DISTANCE OF 240.42 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.31 ACRES, MORE OR LESS, AND LESS ANY RESERVATIONS, DEDICATIONS, OR EASEMENTS OF RECORD.

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

## WASTEWATER TARIFF

(Continued from Sheet No. 3.1)

DESCRIPTION OF TERRITORY SERVED

Service to the following lands in Brevard County, Florida:

Phase I of the Hammock Condominium lying in Township 29, Range 38, Section 36, Subdivision .01, 1.01 through 1.27, also known as units 101 through 309 Hammock Condominium Phase I; AND

Aquarina Planned Unit Development- Government Lot 4 and 5, Section 25, Township 29 South, Range 38 East, Brevard County, Florida, less the right of way for State Road A1A; and Government Lot 1, Section 35, Township 29 South, Range 38 East, Brevard County, Florida; and Government Lots 1, 2, and 3, Section 36, Township 29 South, Range 38 East, Brevard County, Florida, less the right of way for State Road A1A, the South 50.00 feet of said Government Lots 1, 2, and 3 lying West of State Road A1A, and that portion of said Government Lot 1 parallel with and adjacent to the existing West right of way line of State Road A1A to a depth of 20.00 feet. (196.9 acres +)

Also described as:

In Township 29 South, Range 38 East, Section 25, 35, and 36 in Brevard County.

From the NW corner of Section 36 Township 29 South, Range 38 East, Brevard County also known as the point of beginning, run due North along the west line of the Southwest quarter of Section 25 a distance of 1600 feet more or less. From said point run due East along the North line of Government Lots 4 and 5 less the right of way for State Road A1A a distance of 3300 feet more or less to a point located on the West Bank of the Atlantic Ocean. From said point run Southeasterly along the bank of the Atlantic Ocean a distance of 4000 feet more or less to a point being the Southeast corner of Government Lot 1. From said point run due West along the South line of Government Lots 1; 2, and 3 less the right of way for State Road A1A a distance of 4500 feet more or less to a point on the East bank of the Indian River. From said point run Northwesterly parallel with the East bank of the Indian River to a point located on the North line of Section 35, Township 29 South, Range 38 East in Brevard County. From said point run due East along the North line of Section 35 a distance of 400 feet more or less to the Point of Beginning.

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

## WASTEWATER TARIFF

COMMUNITIES SERVED LISTING

<u>County Name</u>	<u>Development Name</u>	<u>Rate Schedule(s) Available</u>	<u>Sheet No.</u>
Brevard	Auarina I	GS	12.0
		RS, MS, IR	13.0
		RSS	14.0
Brevard	Auarina II	GS	12.0
		RS, MS, IR	13.0
		RSS	14.0
Brevard	St. Andrews	GS	12.0
		RS, MS, IR	13.0
		RSS	14.0

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

## WASTEWATER TARIFF

TECHNICAL TERMS AND ABBREVIATIONS

- 1.0 "BFC" - The abbreviation for "Base Facility Charge" which is the minimum amount the Company may charge its Customers and is separate from the amount the Company bills its Customers for wastewater consumption.
- 2.0 "CERTIFICATE" - A document issued by the Commission authorizing the Company to provide wastewater service in a specific territory.
- 3.0 "COMMISSION" - The shortened name for the Florida Public Service Commission.
- 4.0 "COMMUNITIES SERVED" - The group of Customers who receive wastewater service from the Company and whose service location is within a specific area or locality that is uniquely separate from another.
- 5.0 "COMPANY" - The shortened name for the full name of the Company which is *Service Management Systems, Inc.*
- 6.0 "CUSTOMER" - Any person, firm or corporation who has entered into an agreement to receive wastewater service from the Company and who is liable for the payment of that wastewater service.
- 7.0 "CUSTOMER'S INSTALLATION" - All pipes, shut-offs, valves, fixtures and appliances or apparatus of every kind and nature used in connection with or forming a part of the installation for disposing of wastewater located on the Customer's side of the Service Connection whether such installation is owned by the Customer or used by the Customer under lease or other agreement.
- 8.0 "MAIN" - A pipe, conduit, or other facility used to convey wastewater service from individual service lines or through other mains.
- 9.0 "RATE" - Amount which the Company may charge for wastewater service which is applied to the Customer's water consumption.
- 10.0 "RATE SCHEDULE" - The rate(s) or charge(s) for a particular classification of service plus the several provisions necessary for billing, including all special terms and conditions under which service shall be furnished at such rate or charge.

(Continued to Sheet No. 5.1)

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE



NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

## WASTEWATER TARIFF

(Continued from Sheet No. 5.0)

- 11.0 "SERVICE" - As mentioned in this tariff and in agreement with Customers, "service" shall be construed to include, in addition to all wastewater service required by the Customer, the readiness and ability on the part of the Company to furnish wastewater service to the Customer. Service shall conform to the standards set forth in Section 367.111 of the Florida Statutes.
- 12.0 "SERVICE CONNECTION" - The point where the Company's pipes or meters are connected with the pipes of the Customer.
- 13.0 "SERVICE LINES" - The pipe between the Company's Mains and the Service Connection and which includes all of the pipes, fittings and valves necessary to make the connection to the Customer's premises, excluding the meter.
- 14.0 "TERRITORY" - The geographical area described, if necessary, by metes and bounds but, in all cases, with township, range and section in a Certificate, which may be within or without the boundaries of an incorporated municipality and may include areas in more than one county.

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WASTEWATER TARIFF

INDEX OF RULES AND REGULATIONS

	<u>Sheet Number:</u>	<u>Rule Number:</u>
Access to Premises .....	9.0	13.0
Adjustment of Bills .....	10.0	20.0
Applications .....	7.0	3.0
Applications by Agents .....	7.0	4.0
Change of Customer's Installation .....	8.0	10.0
Continuity of Service .....	8.0	8.0
Customer Billing .....	9.0	15.0
Delinquent Bills .....	9.0	16.0
Evidence of Consumption .....	10.0	22.0
Extensions .....	7.0	6.0
Filing of Contracts .....	10.0	21.0
General Information .....	7.0	1.0
Inspection of Customer's Installation .....	8.0	11.0
Limitation of Use .....	7.0	7.0
Payment of Water and Wastewater Service Bills Concurrently .....	9.0	17.0
Policy Dispute .....	7.0	2.0
Protection of Company's Property .....	9.0	12.0
Refusal or Discontinuance of Service .....	7.0	5.0
(Continued to Sheet No. 6.1)		

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WASTEWATER TARIFF

(Continued from Sheet No. 6.0)

	<u>Sheet Number:</u>	<u>Rule Number:</u>
Right-of-way or Easements .....	9.0	14.0
Termination of Service .....	10.0	18.0
Type and Maintenance .....	8.0	9.0
Unauthorized Connections - Wastewater .....	10.0	19.0

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

## WASTEWATER TARIFF

RULES AND REGULATIONS

- 1.0 GENERAL INFORMATION - These Rules and Regulations are a part of the rate schedules and applications and contracts of the Company and, in the absence of specific written agreement to the contrary, apply without modifications or change to each and every Customer to whom the Company renders wastewater service.

The Company shall provide wastewater service to all Customers requiring such service within its Certificated territory pursuant to Chapter 25-30, Florida Administrative Code and Chapter 367, Florida Statutes.

- 2.0 POLICY DISPUTE - Any dispute between the Company and the Customer or prospective Customer regarding the meaning or application of any provision of this tariff shall upon written request by either party be resolved by the Florida Public Service Commission.
- 3.0 APPLICATION - In accordance with Rule 25-30.310, Florida Administrative Code, a signed application is required prior to the initiation of service. The Company shall provide each applicant with a copy of the brochure entitled "Your Water and Wastewater Service," prepared by the Florida Public Service Commission.
- 4.0 APPLICATIONS BY AGENTS - Applications for wastewater service requested by firms, partnerships, associations, corporations, and others shall be rendered only by duly authorized parties or agents.
- 5.0 REFUSAL OR DISCONTINUANCE OF SERVICE - The Company may refuse or discontinue wastewater service rendered under application made by any member or agent of a household, organization, or business in accordance with Rule 25-30.320, Florida Administrative Code.
- 6.0 EXTENSIONS - Extensions will be made to the Company's facilities in compliance with Commission Rules and Orders and the Company's tariff.
- 7.0 TYPE AND MAINTENANCE - In accordance with Rule 25-30.545, Florida Administrative Code, the Customer's pipes, apparatus and equipment shall be selected, installed, used and maintained in accordance with standard practice and shall conform with the Rules and Regulations of the Company and shall comply with all Laws and Governmental Regulations applicable to same. The Company shall not be responsible for the maintenance and operation of the Customer's pipes and facilities. The Customer expressly agrees not to utilize any appliance or device which is not properly constructed, controlled and protected or which may adversely affect the wastewater service. The Company reserves the right to discontinue or withhold wastewater service to such apparatus or device.

(Continued on Sheet No. 8.0)

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

(Continued from Sheet No. 7.0)

- 8.0 CONTINUITY OF SERVICE - In accordance with Rule 25-30.250, Florida Administrative Code, the Company will at all times use reasonable diligence to provide continuous wastewater service and, having used reasonable diligence, shall not be liable to the Customer for failure or interruption of continuous wastewater service.

If at any time the Company shall interrupt or discontinue its service, all Customers affected by said interruption or discontinuance shall be given not less than 24 hours written notice.

- 9.0 LIMITATION OF USE - Wastewater service purchased from the Company shall be used by the Customer only for the purposes specified in the application for wastewater service. Wastewater service shall be rendered to the Customer for the Customer's own use and shall be collected directly into the Company's main wastewater lines.

In no case shall a Customer, except with the written consent of the Company, extend his lines across a street, alley, lane, court, property line, avenue, or other way in order to furnish wastewater service to the adjacent property even though such adjacent property may be owned by him. In case of such unauthorized extension, sale, or disposition of service, the Customer's wastewater service will be subject to discontinuance until such unauthorized extension, remetering, sale or disposition of service is discontinued and full payment is made to the Company for wastewater service rendered by the Company (calculated on proper classification and rate schedules) and until reimbursement in full is made in full to the Company for all extra expenses incurred for clerical work, testing, and inspections. (This shall not be construed as prohibiting a Customer from remetering.)

- 10.0 CHANGE OF CUSTOMER'S INSTALLATION - No changes or increases in the Customer's installation, which will materially affect the proper operation of the pipes, mains, or stations of the Company, shall be made without written consent of the Company. The Customer shall be liable for any change resulting from a violation of this Rule.

- 11.0 INSPECTION OF CUSTOMER'S INSTALLATION - All Customer's wastewater service installations or changes shall be inspected upon completion by a competent authority to ensure that the Customer's piping, equipment, and devices have been installed in accordance with accepted standard practice and local laws and governmental regulations. Where municipal or other governmental inspection is required by local rules and ordinances, the Company cannot render wastewater service until such inspection has been made and a formal notice of approval from the inspecting authority has been received by the Company.

Notwithstanding the above, the Company reserves the right to inspect the Customer's installation prior to rendering wastewater service, and from time to time thereafter, but assumes no responsibility whatsoever for any portion thereof.

(Continued on Sheet No. 9.0)

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WASTEWATER TARIFF

(Continued from Sheet No. 8.0)

- 12.0 ACCESS TO PREMISES - In accordance with Rule 25-30.320(2)(f), Florida Administrative Code, the Customer shall provide the duly authorized agents of the Company access at all reasonable hours to its property. If reasonable access is not provided, service may be discontinued pursuant to the above rule.
- 13.0 PROTECTION OF COMPANY'S PROPERTY - The Customer shall exercise reasonable diligence to protect the Company's property. If the Customer is found to have tampered with any Company property or refuses to correct any problems reported by the Company, service may be discontinued in accordance with Rule 25-30.320, Florida Administrative Code. In the event of any loss or damage to property of the Company caused by or arising out of carelessness, neglect, or misuse by the Customer, the cost of making good such loss or repairing such damage shall be paid by the Customer.
- 14.0 RIGHT-OF-WAY OR EASEMENTS - The Customer shall grant or cause to be granted to the Company, and without cost to the Company, all rights, easements, permits, and privileges which are necessary for the rendering of wastewater service.
- 15.0 CUSTOMER BILLING - Bills for wastewater service will be rendered - Monthly, Bimonthly, or Quarterly - as stated in the rate schedule.

In accordance with Rule 25-30.335, Florida Administrative Code, the Company may not consider a Customer delinquent in paying his or her bill until the twenty-first day after the Company has mailed or presented the bill for payment.

A municipal or county franchise tax levied upon a water or wastewater public utility shall not be incorporated into the rate for water or wastewater service but shall be shown as a separate item on the Company's bills to its Customers in such municipality or county.

If a utility utilizes the base facility and usage charge rate structure and does not have a Commission authorized vacation rate, the Company shall bill the Customer the base facility charge regardless of whether there is any usage.

- 16.0 PAYMENT OF WATER AND WASTEWATER SERVICE BILLS CONCURRENTLY - In accordance with Rule 25-30.320(2)(g), Florida Administrative Code, when both water and wastewater service are provided by the Company, payment of any wastewater service bill rendered by the Company to a Customer shall not be accepted by the Company without the simultaneous or concurrent payment of any water service bill rendered by the Company.

(Continued on Sheet No. 10.0)

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

## WASTEWATER TARIFF

(Continued from Sheet No. 9.0)

- 17.0 DELINQUENT BILLS - When it has been determined that a Customer is delinquent in paying any bill, wastewater service may be discontinued after the Company has mailed or presented a written notice to the Customer in accordance with Rule 25-30.320, Florida Administrative Code.
- 18.0 TERMINATION OF SERVICE - When a Customer wishes to terminate service on any premises where wastewater service is supplied by the Company with wastewater service, the Company may require reasonable notice to the Company in accordance with Rule 25-30.325, Florida Administrative Code.
- 19.0 UNAUTHORIZED CONNECTIONS - WASTEWATER - Any unauthorized connections to the Customer's wastewater service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
- 20.0 ADJUSTMENT OF BILLS - When a Customer has been undercharged as a result of incorrect application of the rate schedule or, if wastewater service is measured by water consumption and a meter error is determined, the amount may be credited or billed to the Customer as the case may be, pursuant to Rules 25-30.340 and 25-30.350, Florida Administrative Code.
- 21.0 FILING OF CONTRACTS - Whenever a Developer Agreement or Contract, Guaranteed Revenue Contract, or Special Contract or Agreement is entered into by the Company for the sale of its product or services in a manner not specifically covered by its Rules and Regulations or approved Rate Schedules, a copy of such contracts or agreements shall be filed with the Commission prior to its execution in accordance with Rule 25-9.034 and Rule 25-30.550, Florida Administrative Code. If such contracts or agreements are approved by the Commission, a conformed copy shall be placed on file with the Commission within 30 days of execution.
- 22.0 EVIDENCE OF CONSUMPTION - The initiation or continuation or resumption of water service to the Customer's premises shall constitute the initiation or continuation or resumption of wastewater service to the Customer's premises regardless of occupancy.

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

WASTEWATER TARIFF

INDEX OF RATES AND CHARGES SCHEDULES

	<u>Sheet Number</u>
Customer Deposits .....	15.0
General Service, GS .....	12.0
Miscellaneous Service Charges .....	16.0
Residential Service, RS, MS & IR .....	13.0
Residential Service - Sewer Only, RSS .....	14.0
Service Availability Fees and Charges .....	17.0

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE



GENERAL SERVICE  
RATE SCHEDULE GS

AVAILABILITY - Available throughout the area served by the Company.

APPLICABILITY - For wastewater service to all customers for which no other schedule applies.

LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD - Monthly

RATE -

<u>Meter Size</u>	<u>Base Facility Charge</u>
5/8" x 3/4"	\$ 14.87
3/4"	22.30
1"	37.17
1-1/2"	74.33
2"	118.95
3"	237.88
4"	371.68
6"	743.38

Charge per 1,000 gallons: \$ 4.62  
(residential - 10,000 maximum per month)

TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice, service may then be discontinued.

EFFECTIVE DATE - October 12, 2002

James Bates  
ISSUING OFFICER

TYPE OF FILING - 2002 Index

President  
TITLE

RESIDENTIAL SERVICE  
RATE SCHEDULE RS

AVAILABILITY - Available throughout the area served by the Company.

APPLICABILITY - For wastewater service for all purposes in private residences and individually metered apartment units.

LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD - Monthly

RATE -

<u>Meter Size</u>	<u>Base Facility Charge</u>
5/8" x 3/4"	\$ 14.87
3/4"	22.30
1"	37.17
1-1/2"	74.33
2"	118.95
3"	237.88
4"	371.68
6"	743.38

Charge per 1,000 gallons: \$ 4.62  
(residential - 10,000 maximum per month)

TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice, service may then be discontinued.

EFFECTIVE DATE - October 12, 2002

James Bates  
ISSUING OFFICER

TYPE OF FILING - 2002 Index

President  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WASTEWATER TARIFF

RESIDENTIAL - SEWER ONLY

RATE SCHEDULE RSS

AVAILABILITY - Available throughout the area served by the Company.

APPLICABILITY - For sewer only residential service, where water is not provided by the Company.

LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

SEWER ONLY RATES -

<u>Meter Size</u>	<u>Monthly Charge Per Unit</u>
All Meter Sizes	\$37.06 Flat Rate
No Gallonage Rate	

TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING - New Class of Service

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

## WASTEWATER TARIFF

CUSTOMER DEPOSITS  
(Not Applicable)

ESTABLISHMENT OF CREDIT - Before rendering wastewater service, the Company may require an Applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the Customer from complying with the Company's rules for prompt payment. Credit will be deemed so established if the Customer complies with the requirements of Rule 25-30.311, Florida Administrative Code.

AMOUNT OF DEPOSIT - The amount of initial deposit shall be the following according to meter size:

	<u>Residential</u>	<u>General Service</u>
5/8" x 3/4"	<u>N/A</u>	<u>N/A</u>
1"	<u>N/A</u>	<u>N/A</u>
1 1/2"	<u>N/A</u>	<u>N/A</u>
Over 2"	<u>N/A</u>	<u>N/A</u>

ADDITIONAL DEPOSIT - Under Rule 25-30.311(7), Florida Administrative Code, the Company may require a new deposit, where previously waived or returned, or an additional deposit in order to secure payment of current bills provided.

INTEREST ON DEPOSIT - The Company shall pay interest on Customer deposits pursuant to Rule 25-30.311(4) and (4a). The Company will pay or credit accrued interest to the Customers account during the month of \_\_\_\_\_ each year.

REFUND OF DEPOSIT - After a residential Customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the Company shall refund the Customer's deposit provided the Customer has met the requirements of Rule 25-30.311(5), Florida Administrative Code. The Company may hold the deposit of a non-residential Customer after a continuous service period of 23 months and shall pay interest on the non-residential Customer's deposit pursuant to Rule 25-30.311(4) and (5), Florida Administrative Code.

Nothing in this rule shall prohibit the Company from refunding a Customer's deposit in less than 23 months.

EFFECTIVE DATE -

TYPE OF FILING -

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

## WASTEWATER TARIFF

MISCELLANEOUS SERVICE CHARGES

The Company may charge the following miscellaneous service charges in accordance with the terms stated herein. If both water and wastewater services are provided, only a single charge is appropriate unless circumstances beyond the control of the Company requires multiple actions.

INITIAL CONNECTION - This charge may be levied for service initiation at a location where service did not exist previously.

NORMAL RECONNECTION - This charge may be levied for transfer of service to a new Customer account at a previously served location or reconnection of service subsequent to a Customer requested disconnection.

VIOLATION RECONNECTION - This charge may be levied prior to reconnection of an existing Customer after disconnection of service for cause according to Rule 25-30.320(2), Florida Administrative Code, including a delinquency in bill payment.

PREMISES VISIT CHARGE (IN LIEU OF DISCONNECTION) - This charge may be levied when a service representative visits a premises for the purpose of discontinuing service for nonpayment of a due and collectible bill and does not discontinue service because the Customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

Schedule of Miscellaneous Service Charges

Initial Connection Fee	\$ <u>15.00</u>
Normal Reconnection Fee	\$ <u>15.00</u>
Violation Reconnection Fee	\$ <u>Actual Cost (1)</u>
Premises Visit Fee (in lieu of disconnection)	\$ <u>10.00</u>

(1) Actual Cost is equal to the total cost incurred for services.

EFFECTIVE DATETYPE OF FILING - Transfer of Certificate

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WASTEWATER TARIFF

SERVICE AVAILABILITY FEES AND CHARGES

<u>DESCRIPTION</u>	<u>REFER TO SERVICE AVAIL. POLICY AMOUNT</u>	<u>SHEET NO./RULE NO.</u>
<u>Customer Connection (Tap-in) Charge</u>		
5/8" x 3/4" metered service .....	\$	
1" metered service .....	\$	
1 1/2" metered service .....	\$	
2" metered service .....	\$	
Over 2" metered service .....	\$Actual Cost <sup>1</sup>	
<u>Guaranteed Revenue Charge</u>		
With Prepayment of Service Availability Charges:		
Residential-per ERC/month ( )GPD .....	\$	
All others-per gallon/month .....	\$	
Without Prepayment of Service Availability Charges:		
Residential-per ERC/month ( )GPD .....	\$	
All others-per gallon/month .....	\$	
Inspection Fee .....	\$Actual Cost <sup>1</sup>	
<u>Main Extension Charge</u>		
Residential-per ERC (280 GPD) .....	\$365.00	
All others-per gallon .....	\$ 1.30	
or		
Residential-per lot ( )foot frontage) .....	\$	
All others-per front foot .....	\$	
Plan Review Charge .....	\$Actual Cost <sup>1</sup>	
<u>Plant Capacity Charge</u>		
Residential-per ERC (280 GPD) .....	\$560.00	
All others-per gallon .....	\$ 2.00	
<u>System Capacity Charge</u>		
Residential-per ERC ( )GPD) .....	\$	
All others-per gallon .....	\$	

<sup>1</sup>Actual Cost is equal to the total cost incurred for services rendered by a Customer.

EFFECTIVE DATE -  
TYPE OF FILING - Transfer of Certificate

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WASTEWATER TARIFF

INDEX OF STANDARD FORMS

Sheet No.

APPLICATION FOR WASTEWATER SERVICE .....	20.0
COPY OF CUSTOMER'S BILL .....	21.0
CUSTOMER'S GUARANTEE DEPOSIT RECEIPT .....	19.0

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WASTEWATER TARIFF

CUSTOMER'S GUARANTEE DEPOSIT RECEIPT

N/A

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE



NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

## WASTEWATER TARIFF

APPLICATION FOR WASTEWATER SERVICE

Name \_\_\_\_\_

Telephone Number \_\_\_\_\_

Billing Address \_\_\_\_\_

City

State

Zip

Service Address \_\_\_\_\_

City

State

Zip

Date service should begin \_\_\_\_\_

Service requested:

Water \_\_\_\_ Wastewater \_\_\_\_ Both \_\_\_\_

By signing this agreement, the Customer agrees to the following:

1. The Company shall not be responsible for the maintenance and operation of the Customer's pipes and facilities. The Customer agrees not to utilize any appliance or device which is not properly constructed, controlled and protected or which may adversely affect the wastewater service; the Company reserves the right to discontinue or withhold wastewater service to such apparatus or device.
2. The Company may refuse or discontinue wastewater service rendered under application made by any member or agent of a household, organization, or business for any of the reasons contained in Rule 25-30.320, Florida Administrative Code. Any unauthorized connections to the Customer's wastewater service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
3. The Customer agrees to abide by all existing Company Rules and Regulations as contained in the tariff. In addition, the Customer has received from the Company a copy of the brochure "Your Water and Wastewater Service" produced by the Florida Public Service Commission.
4. Bills for wastewater service will be rendered - Monthly, Bimonthly, or Quarterly - as stated in the rate schedule. Bills must be paid within 20 days of mailing bills. If payment is not made after five working days written notice, service may be discontinued.
5. When a Customer wishes to terminate service on any premises where water and/or wastewater service is supplied by the Company, the Company may require written notice within 20 days prior to the date the Customer desires to terminate service.

\_\_\_\_\_  
Signature\_\_\_\_\_  
DateNATHAN KALICHMAN  
ISSUING OFFICERMANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WASTEWATER TARIFF

COPY OF CUSTOMER'S BILL

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WASTEWATER TARIFF

INDEX OF SERVICE AVAILABILITY POLICY

	<u>Sheet Number</u>
Schedule of Fees and Charges .....	Go to Sheet No. 17.0
Service Availability Policy .....	23.0

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WASTEWATER TARIFF

SERVICE AVAILABILITY POLICY

There shall be a main extension charge of \$365.00 per ERC (280 gallons per day) and a plant capacity charge of \$560.00 per ERC charged to new Customers of the system. These charges shall not apply to Customers who are currently connected to the system. These charges are to be assessed on new Customers only.

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

WATER TARIFF

SERVICE MANAGEMENT  
SYSTEMS, INC.  
NAME OF COMPANY

FILED WITH  
FLORIDA PUBLIC SERVICE COMMISSION

WATER TARIFF

SERVICE MANAGEMENT  
SYSTEMS, INC.  
NAME OF COMPANY

7860 Peters Road, Suite F-111

Plantation, Florida 33324  
(ADDRESS OF COMPANY)

(954) 370-7788  
(Business & Emergency Telephone Numbers)

FILED WITH  
FLORIDA PUBLIC SERVICE COMMISSION

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

TABLE OF CONTENTS

	Sheet Number
Communities Served Listing .....	4.0
Description of Territory Served .....	3.1
Index of	
Rates and Charges Schedules .....	11.0
Rules and Regulations .....	6.0
Service Availability Policy .....	24.0
Standard Forms .....	18.0
Technical Terms and Abbreviations .....	5.0
Territory Authority .....	3.0

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

TERRITORY AUTHORITY

CERTIFICATE NUMBER - 517-W

COUNTY - Brevard

COMMISSION ORDER(s) APPROVING TERRITORY SERVED -

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
22075	10/19/89	880595-WS	Original Certificate
23059	06/11/90	900167-WS	Territory Amendment
PSC-0119-FOF-WS	03/30/92	911129-WS	Territory Amendment
PSC-97-0206-FOF-WS	02/21/97	960095-WS	Name Change
PSC-97-0206A-FOF-WS	03/05/97	960095-WS	Amendatory Order
PSC-97-0918-FOF-WS	08/04/97	970093-WS	Transfer Majority Control

(Continued to Sheet No. 3.1)

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE



NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

(Continued from Sheet No. 3.0)

DESCRIPTION OF TERRITORY SERVED

FROM THE NORTHWEST CORNER OF SAID SECTION 36 RUN EASTERLY ALONG THE NORTH LINE OF SAID SECTION 36 A DISTANCE OF 2985 FEET MORE OR LESS TO THE CENTERLINE OF S.R. A-1-A; THENCE RUN SOUTHEASTERLY ALONG THE CENTERLINE OF S.R. A-1-A 1035 FEET MORE OR LESS; THENCE RUN S68 33'54"W, ALONG THE EASTERLY EXTENSION OF THE SOUTHERLY LINE OF SAID LOT 1 AND THE SOUTHERLY LINE OF SAID LOT 1, 968.19 FEET TO THE POINT OF BEGINNING OF THE FOLLOWING DESCRIBED PARCEL; THENCE CONTINUE S68 33'54"W A DISTANCE OF 224.55 FEET; THENCE RUN N26 09'57"W A DISTANCE OF 233.68 FEET; THENCE RUN N63 50'03"E A DISTANCE OF 127.03 FEET TO A POINT OF CURVATURE OF A CIRCULAR CURVE, CONCAVE TO THE SOUTHEAST AND HAVING A RADIUS OF 118.0 FEET; THENCE RUN NORTHEASTERLY ALONG THE ARC OF SAID CURVE THROUGH A CENTRAL ANGLE OF 06 31'42" AN ARC DISTANCE OF 13.44 FEET TO A POINT OF TANGENCY; THENCE RUN N70 21'45"E A DISTANCE OF 110.59 FEET; THENCE RUN S19 30' 15"E A DISTANCE OF 240.12 FEET TO THE POINT OF BEGINNING.

CONTAINING 1.31 ACRES, MORE OR LESS, AND LESS ANY RESERVATIONS, DEDICATIONS, OR EASEMENTS OF RECORD.

(Continued to Sheet No. 3.2)

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

(Continued from Sheet No. 3.1)

DESCRIPTION OF TERRITORY SERVED

A PORTION OF SECTION 36, TOWNSHIP 29 SOUTH, RANGE 38 EAST, SECTION 31, TOWNSHIP 29 SOUTH, RANGE 38 EAST AND SECTION 6, TOWNSHIP 30 SOUTH, RANGE 39 EAST, SECTION 1, TOWNSHIP 30 SOUTH, RANGE 39 EAST, BREVARD COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

FROM THE NORTHWEST CORNER OF SAID SECTION 36 RUN EASTERLY ALONG THE NORTH LINE OF SAID SECTION 36 A DISTANCE OF 2985 FEET MORE OR LESS TO THE CENTERLINE OF S.R. A-1-A; THENCE RUN SOUTHEASTERLY ALONG THE CENTERLINE OF S.R. A-1-A 1520 FEET MORE OR LESS TO THE INTERSECTION OF THE NORTH LINE OF GOVERNMENT LOT 6, SECTION 36, TOWNSHIP 29 SOUTH, RANGE 38 EAST, WITH THE CENTERLINE OF S.R. A-

1-A, BEING THE POINT OF BEGINNING OF THE HEREBY DESCRIBED PARCEL; THENCE RUN EASTERLY ALONG THE NORTH LINE OF SAID GOVERNMENT LOT 6 A DISTANCE OF 300 FT. MORE OR LESS TO THE MEAN HIGH WATER LINE OF THE ATLANTIC OCEAN; THENCE RUN SOUTHEASTERLY ALONG SAID MEAN HIGH WATER LINE THRU SAID SECTIONS 36, 31 AND 6 A DISTANCE OF 9,100 FT. MORE OR LESS TO THE SOUTH LINE OF GOVERNMENT LOT 3 OF SAID SECTION 6, TOWNSHIP 30 SOUTH, RANGE 39 EAST; THENCE DEPARTING SAID MEAN HIGH WATER LINE RUN WESTERLY ALONG THE SOUTH LINE OF SAID GOVERNMENT LOT 3 A DISTANCE OF 1,550 FT. MORE OR LESS TO THE MEAN HIGH WATER LINE OF THE INDIAN RIVER; THENCE RUN NORTHWESTERLY ALONG SAID MEAN HIGH WATER LINE 13,300 FT. MORE OR LESS TO THE NORTH LINE OF GOVERNMENT LOT 4, OF SAID SECTION 36, TOWNSHIP 29 SOUTH, RANGE 38 EAST; THENCE RUN EASTERLY ALONG THE NORTH LINES OF GOVERNMENT LOTS 4, 5 & 6 OF SAID SECTION 36 A DISTANCE OF 3,300 FT. MORE OR LESS TO THE POINT OF BEGINNING.

LESS AND EXCEPT THE HAMMOCK CONDITION 1, BEING A PORTION OF GOVERNMENT LOTS 5 & 6 OF SAID SECTION 36, TOWNSHIP 29 SOUTH, RANGE 38 EAST, BEING DESCRIBED IN OFFICIAL RECORDS BOOK 2732, PAGE 1060 OF THE PUBLIC RECORDS OF BREVARD COUNTY, FLORIDA;

A PORTION OF LOT 1, SUNNYLAMB GROVES SUBDIVISION, ACCORDING TO THE PLAT THEREOF AS RECORDED IN PLAT BOOK 9, PAGE 42, PUBLIC RECORDS OF BREVARD COUNTY, FLORIDA, BEING A PORTION OF GOVERNMENT LOTS 5 AND 6, SECTION 36, TOWNSHIP 29 SOUTH, RANGE 37 EAST; BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

COMMUNITIES SERVED LISTING

<u>County Name</u>	<u>Development Name</u>	<u>Rate Schedule(s) Available</u>	<u>Sheet No.</u>
Brevard	AQUARINA I	GS, RS, MS IR	12.0 13.0
Brevard	AQUARINA II	GS, RS, MS IR	12.0 13.0
Brevard	ST. ANDREWS	GS, RS, MS IR	12.0 13.0

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

TECHNICAL TERMS AND ABBREVIATIONS

- 1.0 "BFC" - The abbreviation for "Base Facility Charge" which is the minimum amount the Company may charge its Customers and is separate from the amount the Company bills its Customers for water consumption.
- 2.0 "CERTIFICATE" - A document issued by the Commission authorizing the Company to provide water service in a specific territory.
- 3.0 "COMMISSION" - The shortened name for the Florida Public Service Commission..
- 4.0 "COMMUNITIES SERVED" - The group of Customers who receive water service from the Company and whose service location is within a specific area or locality that is uniquely separate from another.
- 5.0 "COMPANY" - The shortened name for the full name of the utility which is *Service Management Systems, Inc.*
- 6.0 "CUSTOMER" - Any person, firm or corporation who has entered into an agreement to receive water service from the Company and who is liable for the payment of that water service.
- 7.0 "CUSTOMER'S INSTALLATION" - All pipes, shut-offs, valves, fixtures and appliances or apparatus of every kind and nature used in connection with or forming a part of the installation for rendering water service to the Customer's side of the Service Connection whether such installation is owned by the Customer or used by the Customer under lease or other agreement.
- 8.0 "MAIN" - A pipe, conduit, or other facility used to convey water service to individual service lines or through other mains.
- 9.0 "RATE" - Amount which the Company may charge for water service which is applied to the Customer's actual consumption.
- 10.0 "RATE SCHEDULE" - The rate(s) or charge(s) for a particular classification of service plus the several provisions necessary for billing, including all special terms and conditions under which service shall be furnished at such rate or charge.
- 11.0 "SERVICE" - As mentioned in this tariff and in agreement with Customers, "Service" shall be construed to include, in addition to all water service required by the Customer, the readiness and ability on the part of the Company to furnish water service to the Customer. Service shall conform to the standards set forth in Section 367.111 of the Florida Statutes.

(Continued to Sheet No. 5.1)

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

(Continued from Sheet No. 5.0)

- 12.0 "SERVICE CONNECTION" - The point where the Company's pipes or meters are connected with the pipes of the Customer.
- 13.0 "SERVICE LINES" - The pipes between the Company's Mains and the Service Connection and which includes all of the pipes, fittings and valves necessary to make the connection to the Customer's premises, excluding the meter.
- 14.0 "TERRITORY" - The geographical area described, if necessary, by metes and bounds but, in all cases, with township, range and section in a Certificate, which may be within or without the boundaries of an incorporated municipality and may include areas in more than one county.

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

INDEX OF RULES AND REGULATIONS

	<u>Sheet Number.</u>	<u>Rule Number.</u>
Access to Premises .....	9.0	13.0
Adjustment of Bills .....	10.0	22.0
Adjustment of Bills for Meter Error .....	10.0	23.0
All Water Through Meter .....	10.0	21.0
Application .....	7.0	3.0
Applications by Agents .....	7.0	4.0
Change of Customer's Installation .....	8.0	10.0
Continuity of Service .....	8.0	8.0
Customer Billing .....	9.0	15.0
Delinquent Bills .....	7.0	16.0
Extensions .....	7.0	6.0
Filing of Contracts .....	10.0	25.0
General Information .....	7.0	1.0
Inspection of Customer's Installation .....	9.0	11.0
Limitation of Use .....	8.0	7.0
Meter Accuracy Requirements .....	10.0	20.0
Meters .....	10.0	20.0
Payment of Water and Wastewater Service Bills Concurrently .....	10.0	17.0
(Continued to Sheet No. 6.1)		

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

(Continued from Sheet No. 6.0)

	<u>Sheet Number:</u>	<u>Rule Number:</u>
Policy Dispute .....	7.0	2.0
Protection of Company's Property .....	8.0	12.0
Refusal or Discontinuance of Service .....	7.0	5.0
Right-of-way or Easements .....	9.0	14.0
Termination of Service .....	9.0	18.0
Type and Maintenance .....	7.0	9.0
Unauthorized Connections - Water .....	10.0	19.0

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

RULES AND REGULATIONS

- 1.0 GENERAL INFORMATION - These Rules and Regulations are a part of the rate schedules and applications and contracts of the Company and, in the absence of specific written agreement to the contrary, apply without modifications or change to each and every Customer to whom the Company renders water service.
- The Company shall provide water service to all Customers requiring such service within its Certificated territory pursuant to Chapter 25-30, Florida Administrative Code and Chapter 367, Florida Statutes.
- 2.0 POLICY DISPUTE - Any dispute between the Company and the Customer or prospective Customer regarding the meaning or application of any provision of this tariff shall upon written request by either party be resolved by the Florida Public Service Commission.
- 3.0 APPLICATION - In accordance with Rule 25-30.310, Florida Administrative Code, a signed application is required prior to the initiation of service. The Company shall provide each Applicant with a copy of the brochure entitled "Your Water and Wastewater Service," prepared by the Florida Public Service Commission.
- 4.0 APPLICATIONS BY AGENTS - Applications for water service requested by firms, partnerships, associations, corporations, and others shall be rendered only by duly authorized parties or agents.
- 5.0 REFUSAL OR DISCONTINUANCE OF SERVICE - The Company may refuse or discontinue water service rendered under application made by any member or agent of a household, organization, or business in accordance with Rule 25-30.320, Florida Administrative Code.
- 6.0 EXTENSIONS - Extensions will be made to the Company's facilities in compliance with Commission Rules and Orders and the Company's tariff.
- 7.0 TYPE AND MAINTENANCE - In accordance with Rule 25-30.545, Florida Administrative Code, the Customer's pipes, apparatus and equipment shall be selected, installed, used and maintained in accordance with standard practice and shall conform with the Rules and Regulations of the Company and shall comply with all laws and governmental regulations applicable to same. The Company shall not be responsible for the maintenance and operation of the Customer's pipes and facilities. The Customer expressly agrees not to utilize any appliance or device which is not properly constructed, controlled and protected or which may adversely affect the water service. The Company reserves the right to discontinue or withhold water service to such apparatus or device.
- 8.0 DELINQUENT BILLS - When it has been determined that a Customer is delinquent in paying any bill, water service may be discontinued after the Company has mailed or presented a written notice to the Customer in accordance with Rule 25-30.320, Florida Administrative Code.

(Continued on Sheet No. 8.0)

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE



NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

(Continued from Sheet No. 7.0)

9.0 CONTINUITY OF SERVICE - In accordance with Rule 25-30.250, Florida Administrative Code, the Company will at all times use reasonable diligence to provide continuous water service and, having used reasonable diligence, shall not be liable to the Customer for failure or interruption of continuous water service.

If at any time the Company shall interrupt or discontinue its service, all Customers affected by said interruption or discontinuance shall be given not less than 24 hours written notice.

10.0 LIMITATION OF USE - Water service purchased from the Company shall be used by the Customer only for the purposes specified in the application for water service. Water service shall be rendered to the Customer for the Customer's own use and shall not sell or otherwise dispose of such water service supplied by the Company.

In no case shall a Customer, except with the written consent of the Company, extend his lines across a street, alley, lane, court, property line, avenue, or other way in order to furnish water service to the adjacent property through one meter even though such adjacent property may be owned by him. In case of such unauthorized extension, sale, or disposition of service, the Customer's water service will be subject to discontinuance until such unauthorized extension, remetering, sale or disposition of service is discontinued and full payment is made to the Company for water service rendered by the Company (calculated on proper classification and rate schedules) and until reimbursement is made in full to the Company for all extra expenses incurred for clerical work, testing, and inspections. (This shall not be construed as prohibiting a Customer from remetering.)

11.0 CHANGE OF CUSTOMER'S INSTALLATION - No changes or increases in the Customer's installation, which will materially affect the proper operation of the pipes, mains, or stations of the Company, shall be made without written consent of the Company. The Customer shall be liable for any charge resulting from a violation of this Rule.

12.0 PROTECTION OF COMPANY'S PROPERTY - The Customer shall exercise reasonable diligence to protect the Company's property. If the Customer is found to have tampered with any Company property or refuses to correct any problems reported by the Company, service may be discontinued in accordance with Rule 25-30.320, Florida Administrative Code. In the event of any loss or damage to property of the Company caused by or arising out of carelessness, neglect, or misuse by the Customer, the cost of making good such loss or repairing such damage shall be paid by the Customer.

(Continued on Sheet No. 9.0)

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

(Continued from Sheet No. 8.0)

13.0 INSPECTION OF CUSTOMER'S INSTALLATION - All Customer's water service installations or changes shall be inspected upon completion by a competent authority to ensure that the Customer's piping, equipment, and devices have been installed in accordance with accepted standard practice and local laws and governmental regulations. Where municipal or other governmental inspection is required by local rules and ordinances, the Company cannot render water service until such inspection has been made and a formal notice of approval from the inspecting authority has been received by the Company.

Notwithstanding the above, the Company reserves the right to inspect the Customer's installation prior to rendering water service, and from time to time thereafter, but assumes no responsibility whatsoever for any portion thereof.

14.0 ACCESS TO PREMISES - In accordance with Rule 25-30.320(2)(f), Florida Administrative Code, the Customer shall provide the duly authorized agents of the Company access at all reasonable hours to its property. If reasonable access is not provided, service may be discontinued pursuant to the above rule.

15.0 RIGHT-OF-WAY OR EASEMENTS - The Customer shall grant or cause to be granted to the Company, and without cost to the Company, all rights, easements, permits, and privileges which are necessary for the rendering of water service.

16.0 CUSTOMER BILLING - Bills for water service will be rendered - Monthly, Bimonthly, or Quarterly - as stated in the rate schedule.

In accordance with Rule 25-30.335, Florida Administrative Code, the Company may not consider a Customer delinquent in paying his or her bill until the twenty-first day after the Company has mailed or presented the bill for payment.

A municipal or county franchise tax levied upon a water or wastewater public Company shall not be incorporated into the rate for water or wastewater service but shall be shown as a separate item on the Company's bills to its Customers in such municipality or county.

If a Company utilizes the base facility and usage charge rate structure and does not have a Commission authorized vacation rate, the Company shall bill the Customer the base facility charge regardless of whether there is any usage.

17.0 TERMINATION OF SERVICE - When a Customer wishes to terminate service on any premises where water service is supplied by the Company, the Company may require reasonable notice in accordance with Rule 25-30.325, Florida Administrative Code.

(Continued on Sheet No. 10.0)

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

(Continued from Sheet No. 9.0)

- 18.0 PAYMENT OF WATER AND WASTEWATER SERVICE BILLS CONCURRENTLY - In accordance with Rule 25-30.320(2)(g), Florida Administrative Code, when both water and wastewater service are provided by the Company, payment of any water service bill rendered by the Company to a Customer shall not be accepted by the Company without the simultaneous or concurrent payment of any wastewater service bill rendered by the Company.
- 19.0 UNAUTHORIZED CONNECTIONS - WATER - Any unauthorized connections to the Customer's water service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
- 20.0 METERS - All water meters shall be furnished by and remain the property of the Company and shall be accessible and subject to its control, in accordance with Rule 25-30.230, Florida Administrative Code.
- 21.0 ALL WATER THROUGH METER - That portion of the Customer's installation for water service shall be so arranged to ensure that all water service shall pass through the meter. No temporary pipes, nipples or spaces are permitted and under no circumstances are connections allowed which may permit water to by-pass the meter or metering equipment.
- 22.0 ADJUSTMENT OF BILLS - When a Customer has been undercharged as a result of incorrect application of the rate schedule, incorrect reading of the meter, incorrect connection of the meter, or other similar reasons, the amount may be billed to the Customer as the case may be pursuant to Rule 25-30.350, Florida Administrative Code.
- 23.0 ADJUSTMENT OF BILLS FOR METER ERROR - When meter tests are made by the Commission or by the Company, the accuracy of registration of the meter and its performance shall conform with Rule 25-30.262, Florida Administrative Code and any adjustment of a bill due to a meter found to be in error as a result of any meter test performed whether for unauthorized use or for a meter found to be fast, slow, non-registering, or partially registering, shall conform with Rule 25-30.340, Florida Administrative Code.
- 24.0 METER ACCURACY REQUIREMENTS - All meters used by the Company should conform to the provisions of Rule 25-30.262, Florida Administrative Code.
- 25.0 FILING OF CONTRACTS - Whenever a Developer Agreement or Contract, Guaranteed Revenue Contract, or Special Contract or Agreement is entered into by the Company for the sale of its product or services in a manner not specifically covered by its Rules and Regulations or approved Rate Schedules, a copy of such contracts or agreements shall be filed with the Commission prior to its execution in accordance with Rule 25-9.034 and Rule 25-30.550, Florida Administrative Code. If such contracts or agreements are approved by the Commission, a conformed copy shall be placed on file with the Commission within 30 days of execution.

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

INDEX OF RATES AND CHARGES SCHEDULES

	<u>Sheet Number</u>
Customer Deposits .....	14.0
General Service, GS .....	12.0
Irrigation Service, IR .....	13.0
Meter Test Deposits .....	15.0
Miscellaneous Service Charges .....	16.0
Multi-Residential Service, MS .....	12.0
Residential Service, RS .....	12.0
Service Availability Fees and Charges - Irrigation Service .....	17.0

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

RESIDENTIAL, MULTI-RESIDENTIAL, GENERAL SERVICE  
RATE SCHEDULE

AVAILABILITY - Available throughout the area served by the Company.

APPLICABILITY - For water service to all customers for which no other schedule applies.

LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.

BILLING PERIOD - Monthly

RATE -

<u>Meter Size</u>	<u>Base Facility Charge</u>
5/8" x 3/4"	\$ 16.88
3/4"	25.31
1"	42.21
1-1/2"	84.41
2"	135.05
3"	270.09
4"	422.02
6"	844.04

Charge per 1,000 gallons: \$ 5.24

NON-POTABLE WATER CHARGE .56  
Gallonge Charge per 1,000 gallons

TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty (20) days. After five (5) working days written notice, service may then be discontinued.

EFFECTIVE DATE - October 12, 2002

James Bates  
ISSUING OFFICER

TYPE OF FILING - 2002 Index

President  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

IRRIGATION SERVICE

RATE SCHEDULE IR

AVAILABILITY - Available throughout the area served by the Company.

APPLICABILITY - For non-potable water service for irrigation and fire protection.

LIMITATIONS - Subject to all of the Rules and Regulations of this tariff and General Rules and Regulations of the Commission.

BILLING PERIOD - Monthly

RATE -

All Meter Sizes

\$.055 per 1,000 gallons

MINIMUM CHARGE - Not Applicable

TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

EFFECTIVE DATE -  
TYPE OF FILING - Transfer of Certificate

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

CUSTOMER DEPOSITS  
(NOT APPLICABLE)

ESTABLISHMENT OF CREDIT - Before rendering water service, the Company may require an Applicant for service to satisfactorily establish credit, but such establishment of credit shall not relieve the Customer from complying with the Company's rules for prompt payment. Credit will be deemed so established if the Customer complies with the requirements of Rule 25-30.311, Florida Administrative Code.

AMOUNT OF DEPOSIT - The amount of initial deposit shall be the following according to meter size:

	<u>Residential</u>	<u>General Service</u>
5/8" x 3/4"	<u>N/A</u>	<u>N/A</u>
1"	<u>N/A</u>	<u>N/A</u>
1 1/2"	<u>N/A</u>	<u>N/A</u>
Over 2"	<u>N/A</u>	<u>N/A</u>

ADDITIONAL DEPOSIT - Under Rule 25-30.311(7), Florida Administrative Code, the Company may require a new deposit, where previously waived or returned, or an additional deposit in order to secure payment of current bills provided.

INTEREST ON DEPOSIT - The Company shall pay interest on Customer deposits pursuant to Rules 25-30.311(4) and (4a). The Company will pay or credit accrued interest to the Customers account during the month of \_\_\_\_\_ each year.

REFUND OF DEPOSIT - After a residential Customer has established a satisfactory payment record and has had continuous service for a period of 23 months, the Company shall refund the Customer's deposit provided the Customer has met the requirements of Rule 25-30.311(5), Florida Administrative Code. The Company may hold the deposit of a non-residential Customer after a continuous service period of 23 months and shall pay interest on the non-residential Customer's deposit pursuant to Rules 25-30.311(4) and (5), Florida Administrative Code.

Nothing in this rule shall prohibit the Company from refunding a Customer's deposit in less than 23 months.

EFFECTIVE DATE -

TYPE OF FILING -

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

METER TEST DEPOSITS

METER BENCH TEST REQUEST - If any Customer requests a bench test of his or her water meter, in accordance with Rule 25-30.266, Florida Administrative Code, the Company may require a deposit to defray the cost of testing; such deposit shall not exceed the schedule of fees found in Rule 25-30.266, Florida Administrative Code.

<u>METER SIZE</u>	<u>FEE</u>
5/8" x 3/4"	\$20.00
1" and 1 1/2"	\$25.00
2" and over	Actual Cost

REFUND OF METER BENCH TEST DEPOSIT - The Company may refund the meter bench test deposit in accordance with Rule 25-30.266, Florida Administrative Code.

METER FIELD TEST REQUEST - A Customer may request a no-charge field test of the accuracy of a meter in accordance with Rule 25-30.266, Florida Administrative Code.

EFFECTIVE DATE -

TYPE OF FILING - Transfer of Certificate

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE



NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

MISCELLANEOUS SERVICE CHARGES

The Company may charge the following miscellaneous service charges in accordance with the terms stated herein. If both water and wastewater services are provided, only a single charge is appropriate unless circumstances beyond the control of the Company requires multiple actions.

INITIAL CONNECTION - This charge may be levied for service initiation at a location where service did not exist previously.

NORMAL RECONNECTION - This charge may be levied for transfer of service to a new Customer account at a previously served location or reconnection of service subsequent to a Customer requested disconnection.

VIOLATION RECONNECTION - This charge may be levied prior to reconnection of an existing Customer after disconnection of service for cause according to Rule 25-30.320(2), Florida Administrative Code, including a delinquency in bill payment.

PREMISES VISIT CHARGE (IN LIEU OF DISCONNECTION) - This charge may be levied when a service representative visits a premises for the purpose of discontinuing service for nonpayment of a due and collectible bill and does not discontinue service because the Customer pays the service representative or otherwise makes satisfactory arrangements to pay the bill.

Schedule of Miscellaneous Service Charges

Initial Connection Fee	\$ <u>15.00</u>
Normal Reconnection Fee	\$ <u>15.00</u>
Violation Reconnection Fee	\$ <u>15.00</u>
Premises Visit Fee (in lieu of disconnection)	\$ <u>10.00</u>

EFFECTIVE DATE -

TYPE OF FILING - Transfer of Certificate

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

SERVICE AVAILABILITY FEES AND CHARGES - IRRIGATION SERVICE

<u>Description</u>	<u>Amount</u>	<u>Refer to Service Availability Policy Sheet No./Rule No.</u>
<u>Back-Flow Preventor Installation Fee</u>		
5/8" x 3/4" .....	\$	
1" .....	\$	
1 1/2" .....	\$	
2" .....	\$	
Over 2" .....	\$Actual Cost <sup>1</sup>	
<u>Customer Connection (Tap-in) Charge</u>		
5/8" x 3/4" metered service .....	\$	
1" metered service .....	\$	
1 1/2" metered service .....	\$	
2" metered service .....	\$	
Over 2" metered service .....	\$Actual Cost <sup>1</sup>	
<u>Guaranteed Revenue Charge</u>		
With Prepayment of Service Availability Charges:		
Residential-per ERC/month (350GPD) .....	\$	
All others-per gallon/month .....	\$	
Without Prepayment of Service Availability Charges:		
Residential-per ERC/month (___GPD) .....	\$	
All others-per gallon/month .....	\$	
Inspection Fee .....	\$Actual Cost <sup>1</sup>	
<u>Main Extension Charge</u>		
Residential-per ERC (350GPD) .....	\$50.00	
All others-per gallon .....	\$ .14	
or		
Residential-per lot (___foot frontage) .....	\$	
All others-per front foot .....	\$	
<u>Meter Installation Fee</u>		
5/8" x 3/4" .....	\$150.00	
3/4" .....	\$Actual Cost	
1" .....	\$Actual Cost	
1 1/2" .....	\$Actual Cost	
2" .....	\$Actual Cost	
Over 2" .....	\$Actual Cost <sup>1</sup>	
Plan Review Charge .....	\$Actual Cost <sup>1</sup>	
<u>Plant Capacity Charge</u>		
Residential-per ERC (350_GPD) .....	\$250.00	
All others-per gallon .....	\$ .71	
<u>System Capacity Charge</u>		
Residential-per ERC (___GPD) .....	\$	
All others-per gallon .....	\$	

<sup>1</sup>Actual Cost is equal to the total cost incurred for services rendered by a Customer.

EFFECTIVE DATE -

TYPE OF FILING - Transfer of Certificate

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

INDEX OF STANDARD FORMS

<u>Description</u>	<u>Sheet No.</u>
APPLICATION FOR METER INSTALLATION .....	21.0
APPLICATION FOR WATER SERVICE .....	20.0
COPY OF CUSTOMER'S BILL .....	22.0
CUSTOMER'S GUARANTEE DEPOSIT RECEIPT .....	19.0

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

CUSTOMER'S GUARANTEE DEPOSIT RECEIPT

NOT APPLICABLE

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

APPLICATION FOR WATER SERVICE

Name \_\_\_\_\_ Telephone Number \_\_\_\_\_

Billing Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Service Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip \_\_\_\_\_

Date service should begin \_\_\_\_\_

Service requested: Water \_\_\_ Wastewater \_\_\_ Both \_\_\_

By signing this agreement, the Customer agrees to the following:

1. The Company shall not be responsible for the maintenance and operation of the Customer's pipes and facilities. The Customer agrees not to utilize any appliance or device which is not properly constructed, controlled and protected or which may adversely affect the water service; the Company reserves the right to discontinue or withhold water service to such apparatus or device.
2. The Company may refuse or discontinue water service rendered under application made by any member or agent of a household, organization, or business for any of the reasons contained in Rule 25-30.320, Florida Administrative Code. Any unauthorized connections to the Customer's water service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
3. The Customer agrees to abide by all existing Company Rules and Regulations as contained in the tariff.
4. Bills for water service will be rendered - Monthly, Bimonthly, or Quarterly - as stated in the rate schedule. Bills must be paid within 20 days of mailing bills. If payment is not made after five working days written notice, service may be discontinued.
5. When a Customer wishes to terminate service on any premises where water and/or wastewater service is supplied by the Company, the Company may require written notice within 20 days prior to the date the Customer desires to terminate service.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

WATER TARIFF

APPLICATION FOR METER INSTALLATION

SEE APPLICATION FOR WATER SERVICE, SHEET No. 20.0

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

COPY OF CUSTOMER'S BILL

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE

NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

INDEX OF SERVICE AVAILABILITY

<u>Description</u>	<u>Sheet Number</u>
Schedule of Fees and Charges .....	Go to Sheet No. 17.0
Service Availability Policy .....	24.0

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE



NAME OF COMPANY: SERVICE MANAGEMENT SYSTEMS, INC.

WATER TARIFF

SERVICE AVAILABILITY POLICY

There shall be a main extension charge of \$75.00 per ERC (350 gallons per day) and a plant capacity charge of \$835.00 per ERC for potable water. There shall be a main extension charge of \$50.00 per ERC and a plant capacity charge of \$250.00 per ERC for non-potable (irrigation) water. Meter installation fees for potable and non-potable water are as follows:

<u>Meter Size</u>	<u>Potable Charge</u>	<u>Non-Potable Charge</u>
5/8" x 3/4"	\$150.00	\$150.00
3/4"	Actual Cost	Actual Cost
1"	Actual Cost	Actual Cost
1 1/2"	Actual Cost	Actual Cost
2"	Actual Cost	Actual Cost
Over 2"	Actual Cost	Actual Cost

These charges shall apply only to new Customers who connect to the system. Customers who are currently connected to the system are not subject to these charges.

NATHAN KALICHMAN  
ISSUING OFFICER

MANAGING MEMBER  
TITLE