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July 29, 2005

Ms. Blanca Bayo, Director  
Commission Clerk and Administrative Services  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Tallahassee, FL 32399-0850

**HAND DELIVERY**

Re: Docket No. 000694-WU  
Water Management Services, Inc.'s Responses to Staff's Fourth Data Request dated  
July 22, 2005

Dear Ms. Bayo:

Enclosed for filing in the above-referenced docket on behalf of Water Management Services, Inc. ("WMSI") are an original and five copies of the information and documents requested by the Commission Staff in Staff's Fourth Data Request dated July 22, 2005.

Request No. 1.

Please provide the short-term borrowing agreements referenced on page two of your July 8, 2005 letter to Staff. This request includes any loan documents associated with the specific references, "...direct cash outlays that had to be funded by short term borrowing." and "These costs had to be funded by short-term loans that do not show up in the revenue requirement because they are capitalized and recovered over time. Nevertheless, they add some \$200,000 to WMSI's annual debt service cost."

**WMSI'S Response:** See documents enclosed herewith.

DOCUMENT NUMBER-DATE

07317 JUL 29 05

FPSC-COMMISSION CLERK

Page 2  
July 29, 2005

Request No. 2. Please provide the names and addresses of the six customers of record who were reclassified from residential to general service during the test year.

**WMSI's Response:** The account numbers and names were transmitted by e-mail to Jan Kyle of the Commission Staff on July 22, 2005. That information, including service addresses, is stated below:

The following accounts were changed from R1 to General Service:

<u>Acct</u>	<u>Account Name</u>	<u>Service Location</u>	<u>Description</u>
1049	Coastal Dev. Consultants	Bluff's Sprinkler System	Sprinkler System
1623	Franklin County	County Park #1	Boat Ramp
1192	SIG Limited	D Resort Village	Motel
1194	SIG Limited	G Resort Village	Motel
1274	SIG Limited	J Resort Village	Motel

The account below was changed from R2 (1") to R1(5/8") at customer request:

<u>Acct</u>	<u>Account Name</u>	<u>Service Location</u>	<u>Description</u>
1536	Tom Vieth	3/11/1E	Change from R2 (1") to R1 (5/8")

Request No. 3. The interim water billings during the test year indicate an approximate 2.6 million gallons reduction to test year gallons sold. Please provide revised billing analyses which incorporate the effects of these changes.

**WMSI's Response:** See enclosed billing analysis. All interim changes were to the R1 customers.

Page 3  
July 29, 2005

If you have any questions, please do not hesitate to give me a call.

Sincerely,

A handwritten signature in black ink, appearing to read "Kenneth A. Hoffman". The signature is fluid and cursive, with the first name "Kenneth" being more prominent and the last name "Hoffman" following in a similar style.

Kenneth A. Hoffman

KAH/rl

Enclosures

cc: Adrienne Vining, Esq., with enclosures  
Gene D. Brown, Esq., with enclosures  
Stephen C. Reilly, Esq., with enclosures

wmsi\bayoltr729

**DOCKET NO. 000694-WU**  
**RESPONSE TO STAFF DATA REQUEST NO. 4, ITEM 1**

LOAN NO.	LOAN NAME	ACCOUNT NO.	NOTE DATE	RATE	NOTE AMOUNT	MATURITY	INITIALS
10021196	WATER MANAGEMENT SER	10021196	09/20/00	PRIME+1 9.5%+1	\$1,900,000.00 Draw	09/20/20	RB

(For Bank Purpose Only-NO)

**PROMISSORY NOTE**  
(Business Purpose)  
THE CITIZENS BANK OF PERRY

1. **DATE AND PARTIES.** The date of this Promissory Note (Note) is September 20, 2000. This Note evidences a loan which includes all extensions, renewals, modifications and substitutions (Loan). The parties to this Note and Loan are:

**BORROWER:**  
WATER MANAGEMENT SERVICES, INC.  
a FLORIDA corporation  
3848 KILLBARN COURT  
TALLAHASSEE, FLORIDA 32308  
Tax I.D. # 59-3449317

**BANK:**  
THE CITIZENS BANK OF PERRY  
a FLORIDA banking corporation  
2000 SOUTH BYRON BUTLER PARKWAY  
P.O. Box 1247  
Perry, Florida 32348  
Tax I.D. # 59-0828474  
Branch No. 01

2. **PROMISE TO PAY.** For value received, Borrower promises to pay to Bank's order at its office at the above address, or such other place as Bank may designate, the sum of \$1,900,000.00 (Principal) or so much thereof as may, from time to time, be advanced to Borrower hereunder plus interest from the date of disbursement, on the unpaid principal balance at an annual rate equal to 1 percentage point above Bank's Prime Rate, as adjusted and announced from time to time until this Note matures or the obligation is accelerated. The Prime Rate, plus 1 percentage point, may also be referred to hereafter as the "Contract Rate".

The Citizens Bank of Perry Base Rate is defined as the average Prime Rate as stated in the Money Rates section of the Wall Street Journal. The Contract Rate is the sum of Bank's Prime Rate (9.5%) plus 1 percentage point. The effective Contract Rate today is 10.5%. Bank's Prime Rate today is not necessarily the lowest rate at which Bank lends its funds. The Prime Rate is only an index rate from which interest rates actually charged to customers may be measured. The use of the Prime Rate is for convenience only and does not constitute a commitment by Bank to lend money at a preferred rate of interest. The Prime Rate is a benchmark for pricing certain types of loans. Depending on the circumstances, such as the amount and term of the loan, the creditworthiness of the borrower or any guarantor, the presence and nature of collateral and other relationships between a borrower and Bank, loans may be priced at, above or below the Prime Rate.

The first adjustment to the Contract Rate will be made three months following the note date which is September 20, 2000, and all subsequent adjustments will be made once a quarter thereafter, assuming that the Prime Rate changes between the last preceding adjustment date and the scheduled adjustment date. Any increase to the Prime Rate may be carried over to a subsequent adjustment date without resulting in a waiver or forfeiture of such adjustment, provided an adjustment to the Contract Rate is made within one year from the date of such increase. Any change in the Contract Rate will take the form of different payment amounts. After maturity or acceleration, the unpaid balance shall bear interest at the rate specified in the paragraph in this Note entitled "DEFAULT RATE OF INTEREST" until paid in full. The Loan and this Note are limited to the maximum lawful amount of interest (Maximum Lawful Interest) permitted under federal and state laws. If the interest accrued and collected exceeds the Maximum Lawful Interest as of the time of collection, such excess shall be applied to reduce the principal amount outstanding, unless otherwise required by law. If or when no principal amount is outstanding, any excess interest shall be refunded to Borrower according to the actuarial method. Interest shall be computed on the basis of a 360-day year and the actual number of days elapsed.

This is a draw Note and all advances made in connection with this Loan shall be at the sole discretion of Bank. The total amount of all such advances shall not exceed the Principal regardless of any payments made by Borrower and credited to Principal. Interest shall accrue only on the amount of outstanding Principal that is drawn and unpaid.

SEE PROMISSORY NOTE AND ADDENDUM TO PROMISSORY NOTE, DATED 9-20-00, WHICH ARE INCORPORATED HEREIN BY REFERENCE, FOR TERMS OF REPAYMENT.

3. **INTEREST RATE PARTY.** The interest rate charged in this Note is authorized by Chapter 665 and Section 687.12 of the Florida Statutes and applicable federal law.
4. **EFFECT OF PREPAYMENT.** Borrower may prepay this Loan in full. However, no partial prepayment shall excuse or defer Borrower's subsequent payments or entitle Borrower to a release of any collateral. Interest will cease to accrue on the amounts prepaid on the day actually credited by Bank.
5. **PREPAYMENT PENALTY.** If Borrower pays off early, Borrower will not have to pay a penalty. Borrower may be entitled to a refund of a portion of any service, process or like fee.
6. **LATE CHARGE.** Borrower agrees to pay Bank a late charge equal to 5% of the unpaid installment, if payment is not made in full on or before 10 days after the scheduled due date.
7. **EVENTS OF DEFAULT.** Borrower shall be in default upon the occurrence of any of the following events, circumstances or conditions (Events of Default):
- Failure by any party obligated on this Note or any other obligations Borrower has with Bank to make payment when due; or
  - A default or breach by Borrower or any co-signer, endorser, surety, or guarantor under any of the terms of this Note, any construction loan agreement or other loan agreement, any security agreement, mortgage, deed to secure debt, deed of trust, trust deed, or any other document or instrument evidencing, guarantying, securing or otherwise relating to this Note or any other obligations Borrower has with Bank; or
  - The making or furnishing of any verbal or written representation, statement or warranty to Bank which is or becomes false or incorrect in any material respect by or on behalf of Borrower, or any co-signer, endorser, surety or guarantor of this Note or any other obligations Borrower has with Bank; or
  - Failure to obtain or maintain the insurance coverages required by Bank, or insurance as is customary and proper for any collateral (as herein defined); or
  - The death, dissolution or insolvency of, the appointment of a receiver by or on behalf of, the assignment for the benefit of creditors by or on behalf of, the voluntary or involuntary termination of existence by, or the commencement of any proceeding under any present or future federal or state insolvency, bankruptcy, reorganization, composition or debtor relief law by or against Borrower, or any co-signer, endorser, surety or guarantor of this Note or any other obligations Borrower has with Bank; or
  - A good faith belief by Bank at any time that Bank is insecure with respect to Borrower, or any co-signer, endorser, surety or guarantor, that the prospect of any payment is impaired or that any collateral (as herein defined) is impaired; or
  - Failure to pay or provide proof of payment of any tax, assessment, rent, insurance premium, escrow or escrow deficiency on or before its due date; or
  - A material adverse change in Borrower's business, including ownership, management, and financial conditions, which in Bank's opinion, impairs any collateral or repayment of the Obligations; or
  - A transfer of a substantial part of Borrower's money or property.
8. **DEFAULT RATE OF INTEREST.** If there is a default in this Note, the rate of interest, at Bank's option, shall immediately be increased by 18

PROMISSORY NOTE GENERATED BY WATER MANAGEMENT SERVICES, INC. ST. CLOUD, MN FL-34-06199-0, 94

WATER MANAGEMENT SERVICES, INC. ST. CLOUD, MN FL-34-06199-0, 94  
02-16-01 12:21 TO: WATER MANAGEMENT FROM:

Initials

P02

percentage points (floating with the prime rate) or to 18% per annum, whichever is higher, whether or not Bank accelerates the maturity, and interest shall accrue thereafter at the resulting rate until all obligations under this Note are paid in full. Unless Bank has accelerated the maturity, Bank shall, within 10 days following the effective date of such interest rate increase, notify Borrower of the fact that the interest rate has been increased pursuant to this provision.

9. **REMEDIES ON DEFAULT.** On or after the occurrence of an Event of Default, at the option of Bank, all or any part of the Principal and accrued interest on this Note, the Loan and all other obligations which Borrower owes Bank shall become immediately due and payable without notice or demand. Bank may exercise all rights and remedies provided by law, equity, this Note, any mortgage, deed of trust or similar instrument and any other security, loan, guaranty or surety agreements pertaining to this Note and all other obligations of Borrower to Bank. Bank is entitled to all rights and remedies provided at law or equity whether or not expressly stated in this Note. By choosing any remedy, Bank does not waive its right to an immediate use of any other remedy if the event of default continues or occurs again.
10. **SET-OFF.** Borrower agrees that Bank may exercise Bank's right of set-off to pay any or all of the outstanding Principal and accrued interest, costs and expenses, attorneys' fees, and advances due and owing on this Note against any obligation Bank may have, now or hereafter, to pay money, securities or other property to Borrower. This includes, without limitation:
  - A. any deposit account balance, securities account balance or certificate of deposit balance Borrower has with Bank whether general, special, time, savings or checking;
  - B. any money owing to Borrower on an item presented to Bank or in Bank's possession for collection or exchange; and
  - C. any repurchase agreement or any other non-deposit obligation or credit in Borrower's favor.

If any such money, securities or other property is also owned by some other person who has not agreed to pay this Note (such as another depositor on a joint account) Bank's right of set-off will extend to the amount which could be withdrawn or paid directly to Borrower on Borrower's request, endorsement or instruction alone. In addition, where Borrower may obtain payment from Bank only with the endorsement or consent of someone who has not agreed to pay this Note, Bank's right of set-off will extend to Borrower's interest in the obligation. Bank's right of set-off will not apply to an account or other obligation if it clearly appears that Borrower's rights in the obligation are solely as a fiduciary for another, or to an account, which by its nature and applicable law (for example an IRA or other tax-deferred retirement account), must be exempt from the claims of creditors. Borrower hereby appoints Bank as Borrower's attorney-in-fact and authorizes Bank to redeem or obtain payment on any certificate of deposit in which Borrower has an interest in order to exercise Bank's right of set-off. Such authorization applies to any certificate of deposit even if not matured. Borrower further authorizes Bank to withhold any early withdrawal penalty without liability in the event such penalty is applicable as a result of Bank's set-off against a certificate of deposit prior to its maturity.

Bank's right of set-off may be exercised:

- A. without prior demand or notice;
- B. without regard to the existence or value of any Collateral securing this Note; and
- C. without regard to the number or creditworthiness of any other persons who have agreed to pay this Note.

Bank will not be liable for dishonor of a check or other request for payment where there are insufficient funds in the account (or other obligation) to pay such request because of Bank's exercise of Bank's right of set-off. Borrower agrees to indemnify and hold Bank harmless from any person's claims and the costs and expenses, including without limitation, attorneys' fees and paralegal fees, incurred as a result of such claims or arising as the result of Bank's exercise of Bank's right of set-off.

11. **COLLECTION EXPENSES.** On or after an Event of Default, Bank may recover from Borrower and all guarantors or any of them, all fees and expenses in collecting, enforcing and protecting liabilities and reasonable expenses in realizing on any security incurred by Bank, plus expenses of collecting and enforcing this Note. Such fees and expenses shall include, but are not limited to, filing fees, publication expenses, deposition fees, stenographer fees, witness fees and any other court costs. Any such fees and expenses shall be added to the Principal of this Note and shall accrue interest at the same rate as provided for in this Note.
12. **ATTORNEYS' FEES.** Upon default of this Note, Bank may recover from Borrower and all guarantors or any of them, reasonable attorneys' fees incurred by Bank. Such reasonable attorneys' fees shall include, without limitation, paralegal fees. Any such reasonable attorneys' fees shall be added to the principal amount of this Note and shall accrue interest at the same rate as this Note. Borrower agrees that reasonable attorneys' fees shall be construed to mean 10% of the total of the unpaid balance at the time of default plus all accrued interest or such larger amount as may be reasonable and just, incurred in all legal actions, including those incurred in appellate proceedings. Such recovery will be to the extent not prohibited by law.
13. **YEAR 2000 COMPLIANCE.** As of the date of this Note, Borrower has assessed the risk of Year 2000 noncompliance and has formulated, approved, and implemented a comprehensive business plan (Year 2000 Plan) to meet "Year 2000 requirements." "Year 2000 requirements" include analyzing, programming, and testing all of Borrower's information technology systems to accurately process date and time data, including, but not limited to, calculating, comparing, and sequencing functions. "Year 2000 requirements" apply to all systems or processes that directly or indirectly affect Borrower's business, such as accounting and processing procedures, as well as basic electronic devices that are necessary to facility management, such as security systems, elevators, and telephones. Borrower's Year 2000 Plan includes an allocation of resources toward meeting Year 2000 requirements, an inventory of all affected systems, processes to assess and prepare for the interaction of Borrower's systems with external systems, periodic testing and evaluation of progress under Borrower's Year 2000 Plan, and contingency arrangements for Year 2000 failure, either by Borrower or Borrower's partners, affiliates, vendors, or customers.

Borrower will take all measures necessary to fulfill the requirements of Borrower's Year 2000 Plan and meet all Year 2000 requirements as specified above. Borrower agrees to make Borrower's Year 2000 Plan available to Bank, if requested, and will keep Bank informed of progress made under Borrower's Year 2000 Plan. Borrower will immediately notify Bank of any actual or anticipated delays in meeting dates designated in Borrower's Year 2000 Plan or failure to accomplish any objectives of Borrower's Year 2000 Plan. Borrower will allow Bank, or a third party Bank designate, reasonable access to Borrower's information technology systems for the purpose of determining progress made under Borrower's Year 2000 Plan. Borrower agrees that Bank has no responsibility for managing, advising, or executing any of Borrower's efforts to comply with Year 2000 requirements or Borrower's Year 2000 Plan.

14. **NO DUTY BY BANK.** Bank is under no duty to preserve or protect any Collateral until Bank is in actual, or constructive, possession of the Collateral. For purposes of this paragraph, Bank shall only be considered to be in "actual" possession of the Collateral when Bank has physical, immediate and exclusive control over the Collateral and has affirmatively accepted such control. Bank shall only be considered to be in "constructive" possession of the Collateral when Bank has both the power and the intent to exercise control over the Collateral.
15. **WAIVER AND CONSENT BY BORROWER AND OTHER SIGNERS.** Regarding this Note, to the extent not prohibited by law, Borrower and any other signers:
  - A. waive protest, presentment for payment, demand, notice of acceleration, notice of intent to accelerate and notice of dishonor.
  - B. consent to any renewals and extensions for payment on this Note, regardless of the number of such renewals or extensions.
  - C. consent to Bank's release of any borrower, endorser, guarantor, surety, accommodation maker or any other co-signer.
  - D. consent to the release, substitution or impairment of any collateral.
  - E. consent that Borrower is authorized to modify the terms of this Note or any instrument securing, guarantying or relating to this Note.
  - F. consent to Bank's right of set-off as well as any right of set-off of any bank participating in the Loan.
  - G. consent to any and all sales, repurchases and participations of this Note to any person in any amounts and waive notice of such sales, repurchases or participations of this Note.

16. **SECURITY.** This Note is secured by the following type(s) (or items) of property (Collateral):
  - Securities
  - Real Estate

which includes (but is not limited to) the following described property:  
 SEE ATTACHED "EXHIBIT A, B, AND C."

The real property portion of the Collateral includes the following described property (Property) situated in FRANKLIN County, FLORIDA, to-wit:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

The term "Collateral" further includes, but is not limited to, the following property, whether now owned or hereafter acquired, and whether or not held by a trustee for the benefit of the Owner or owners, all: accessions, accessories, additions, fittings, increases, insurance benefits and proceeds, parts, products, profits, renewals, rents, replacements, special tools and substitutions, together with all books and records pertaining to the Collateral and

access to the equipment containing such books and records including computer stored information and all software relating thereto, plus all cash and non-cash proceeds and all proceeds of proceeds arising from the type(s) (items) of property listed above.

This Note is secured by the following described real estate documents: MORTGAGE DEED DATED OF EVEN DATE.

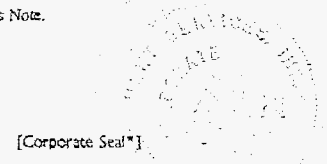
Additionally, a security interest is granted in the Collateral by the following described security agreements: SECURITY AGREEMENT DATED OF EVEN DATE.

- 17. PAYMENTS APPLIED. All payments, including but not limited to regular payments or prepayments, received by Bank shall be applied first to costs and then in an appropriate manner as determined by Bank in its sole discretion except as otherwise required by law.
- 18. LOAN PURPOSE. Borrower represents and warrants that the proceeds of this Note shall only be used for business purposes.
- 19. JOINT AND SEVERAL. Borrower or any other signers shall be jointly and severally liable under this Note.
- 20. FINANCIAL STATEMENTS. Until this Note is paid in full, Borrower shall furnish Bank upon Bank's request and in the event of no request, at least annually a current financial statement which is certified by Borrower and Borrower's accountant to be true, complete and accurate.
- 21. GENERAL PROVISIONS.
  - A. TIME IS OF THE ESSENCE. Time is of the essence in Borrower's performance of all duties and obligations imposed by this Note.
  - B. NO WAIVER BY BANK. Bank's course of dealing, or Bank's forbearance from, or delay in, the exercise of any of Bank's rights, remedies, privileges or right to insist upon Borrower's strict performance of any provisions contained in this Note, or other loan documents, shall not be construed as a waiver by Bank, unless any such waiver is in writing and is signed by Bank.
  - C. AMENDMENT. The provisions contained in this Note may not be amended, except through a written amendment which is signed by Borrower and Bank.
  - D. INTEGRATION CLAUSE. This written Note and all documents executed concurrently herewith, represent the entire understanding between the parties as to the Obligations and may not be contradicted by evidence of prior, contemporaneous, or subsequent oral agreements of the parties.
  - E. FURTHER ASSURANCES. Borrower agrees, upon request of Bank and within the time Bank specifies, to provide any information, and to execute, acknowledge, deliver and record or file such further instruments or documents as may be required by Bank to secure this Note or confirm any lien.
  - F. GOVERNING LAW. This Note shall be governed by the laws of the State of FLORIDA, provided that such laws are not otherwise preempted by federal laws and regulations.
  - G. FORUM AND VENUE. In the event of litigation pertaining to this Note, the exclusive forum, venue and place of jurisdiction shall be in the State of FLORIDA in the state courts for the county, or the federal court of the United States Federal District, where the principal office of Bank is located (as applicable), unless otherwise designated in writing by Bank or otherwise required by law.
  - H. SUCCESSORS. This Note shall inure to the benefit of and bind the heirs, personal representatives, successors and assigns of the parties; provided however, that Borrower may not assign, transfer or delegate any of the rights or obligations under this Note.
  - I. NUMBER AND GENDER. Whenever used, the singular shall include the plural, the plural the singular, and the use of any gender shall be applicable to all genders.
  - J. DEFINITIONS. The terms used in this Note, if not defined herein, shall have their meanings as defined in the other documents executed contemporaneously, or in conjunction, with this Note.
  - K. PARAGRAPH HEADINGS. The headings at the beginning of any paragraph, or any subparagraph, in this Note are for convenience only and shall not be dispositive in interpreting or construing this Note.
  - L. IF HELD UNENFORCEABLE. If any provision of this Note shall be held unenforceable or void, then such provision to the extent not otherwise limited by law shall be severable from the remaining provisions and shall in no way affect the enforceability of the remaining provisions nor the validity of this Note.
  - M. CHANGE IN APPLICATION. Borrower will notify Bank in writing prior to any change in Borrower's name, address, or other application information.
  - N. NOTICE. All notices under this Note must be in writing. Any notice given by Bank to Borrower hereunder will be effective upon personal delivery or 24 hours after mailing by first class United States mail, postage prepaid, addressed to Borrower at the address indicated below. Borrower's name on page one of this Note. Any notice given by Borrower to Bank hereunder will be effective upon receipt by Bank at the address indicated below Bank's name on page one of this Note. Such addresses may be changed by written notice to the other party.
  - O. HOLDER. The term "Bank" shall include any transferee and assignee of Bank or other holder of this Note.
  - P. BORROWER DEFINED. The term "Borrower" includes each and every person signing this Note as a Borrower and any co-signers.
- 22. WAIVER OF JURY TRIAL. To the extent permitted by law, Borrower and Bank hereby waive the right, which either party may have, to a trial by jury in respect to any litigation arising from this Note or any other agreement executed in conjunction with this Loan. Borrower and Bank each acknowledge that this paragraph has either been brought to the attention of each party's legal counsel or that each party had the opportunity to do so.
- 23. RECEIPT OF COPY. By signing below, Borrower acknowledges that Borrower has read and received a copy of this Note.

BORROWER:

WATER MANAGEMENT SERVICES, INC.  
a FLORIDA corporation

By: [Signature]  
GREG D. BROWN, PRESIDENT



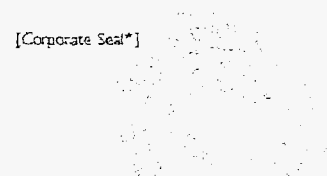
[Corporate Seal\*]

(\*Corporate seal may be affixed, but failure to affix shall not affect validity or enforceability.)

BANK:

THE CITIZENS BANK OF PERRY  
a FLORIDA banking corporation

By: [Signature]  
ROGER BROOKS, PRESIDENT



[Corporate Seal\*]

(\*Corporate seal may be affixed, but failure to affix shall not affect validity or enforceability.)

State of Florida's Documentary Stamp Tax is not required on this Note.

THIS IS THE LAST PAGE OF A 3 PAGE DOCUMENT. EXHIBITS AND/OR ADDENDA MAY FOLLOW.

**BORROWER:**  
WATER MANAGEMENT SERVICES, INC.  
a Florida corporation  
3848 Killlearn Court  
Tallahassee, Florida 32308  
Tax I.D. # 59-3449317

**BANK:**  
THE CITIZENS BANK OF PERRY  
a Florida banking corporation  
2000 Byron Butler Parkway  
P.O. Box 1247  
Perry, Florida 32348  
Tax I.D. # 59-0828474  
Branch No. 01

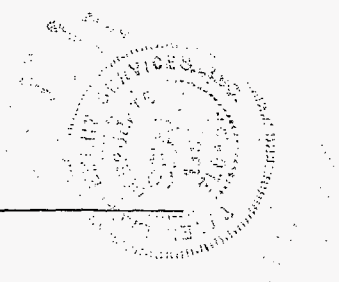
"ADDENDUM" TO THE PROMISSORY NOTE

Commencing October 20, 2000, and continuing on the 20<sup>th</sup> day of each and every month through and including March 20, 2001, Borrower will pay Bank interest only. Beginning on April 20, 2001, and continuing on the 20<sup>th</sup> day of each and every month thereafter, Borrower will pay to Bank the principal and interest in monthly installments. Borrower will make these payments every month until all of the principal and interest and any other charges under this Note have been paid in full. Monthly payments will be applied to interest before principal. If on September 20, 2020, Borrower still owes amounts under this Note, Borrower will pay amounts in full on that date.

The monthly payments of principal and interest, at the Contract Rate effective on the date of this Note, would be \$19,312.61. In the event the interest rate changes on any Scheduled Adjustment Date, Bank will then determine the amount of the monthly payment that will be sufficient to repay the unpaid principal balance of this Note on the Scheduled Adjustment Date in full on September 20, 2020, at the new interest rate in substantially equal monthly payments. The result of this calculation will be the new amount of the monthly payments. The new interest rate will become effective on each scheduled adjustment Date. Borrower will pay the amount of the new monthly payment beginning on the first payment date after the Schedule Adjustment Date until the amount of the monthly payment changes again.

**BORROWER:**  
WATER MANAGEMENT SERVICES, INC.  
a Florida corporation

By:   
Gene D. Brown



**BANK:**  
THE CITIZENS BANK OF PERRY  
a Florida banking corporation

By:   
Roger Brooks, President





LOAN CLOSING STATEMENT

LENDER: THE CITIZENS BANK OF PERRY  
 BORROWER: WATER MANAGEMENT SERVICES, INC.  
 PROPERTY: SEE "EXHIBIT A" ATTACHED HERETO  
 LOAN AMOUNT: \$1,900,000.00  
 CLOSING DATE: SEPTEMBER 20, 2000

LOAN AMOUNT	\$1,900,000.00	
Expenses and Loan Payoffs:		
Documentary tax on note	\$6,650.00	
Intangible tax on mortgage	3,800.00	3800
Recording Mortgage	42.00	
Recording Assignment of Rents	19.50	
Recording Subordination Agreement	21.50	
Filing Notice of Lien	28.75	
Good Standing Certificates	52.50	
Recording UCC-1	33.00	
Recording UCC-3's	18.00	
Filing UCC-1's	136.00	
Filing UCC-3's	15.00	
Title Certificate	290.00	
Title checkdowns (2)	50.00	
Mortgagee Title Insurance	6,780.00	
Lender's counsel's fees and document preparation	2,800.00	
Payoff of Loan to Transamerica Small Business Capital, Inc., f/k/a/ Emergent Business Capital (1363.61 - Late Fees)	1,269,832.04	
Payoff of Loan to National Loan Investors	47,509.48	
Payoff of Mortgage Loan to Gulf State Community Bank - Water Well Loan	101,089.41	
Payoff of Loan #0500763856 to Gulf State Comm. Bank	52,726.60	
Payoff of Loan #0500763859 to Gulf State Comm. Bank	20,262.10	
Recording Satisfaction of Mortgages	24.00	
Federal Express Fees (Payoffs)	37.13	
USDA Guaranty Fee (1% of 80%)	30,400.00	30,400
Processing Fee to Deane Financial	22,250.00	22,250
Bank Fee (1%)	19,000.00	
Appraisal	POC	
<hr/> Total Expenses and Payoffs:	<hr/> \$1,583,867.01	<hr/> 56,450

## SUMMARY

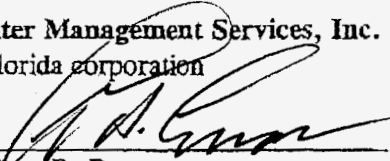
LOAN AMOUNT	1,900,000.00
LESS EXPENSES AND PAYOFFS	1,583,867.01
LESS AMOUNT FOR CONSTRUCTION (L.I.P.)	208,347.70
	<hr/>
NET AMOUNT DUE TO BORROWER	\$107,785.29

## DISBURSEMENTS

Clerk of the Court	\$10,608.00
Secretary of State	151.00
Williams & Gautier, P.A.	10,009.63
John F. Chafin Tax Collector	28.75
The Citizens Bank of Perry	19,000.00
Deane Financial	22,250.00
USDA	30,400.00
Gulf State Community Bank	174,078.11
National Loan Investors, L.P.	47,509.48
Transamerica Small Business Capital, Inc. f/k/a Emergent Business Capital	1,269,832.04
Water Management Services, Inc.	107,785.29
	<hr/>
TOTAL:	\$1,691,652.30

The undersigned has received a true copy of this closing statement and hereby approves the same and certify that it is correct.

Water Management Services, Inc.  
a Florida corporation

By:   
Gene D. Brown  
Its: President

(CORPORATE SEAL)

WATER MANAGEMENT SERVICES, INC. GENE D. BROWN 3848 KILLEARN COURT ST GEORGE ISLAND, FL 32328	GULF STATE COMMUNITY BANK 73 AVENUE E P O BOX 488 APALACHICOLA, FL 32329-0488	Loan Number <u>0500763863</u> Date <u>03-07-2001</u> Maturity Date <u>03-07-2002</u> Loan Amount \$ <u>343,893.88</u> Renewal Of LOJLP 59-3559317 (BOARD/MMM)
<b>BORROWER'S NAME AND ADDRESS</b> "I" includes each borrower above, joint and severally.	<b>LENDER'S NAME AND ADDRESS</b> "You" means the lender, its successors and assigns.	

For value received, I promise to pay to you, or your order, at your address listed above the **PRINCIPAL** sum of THREE HUNDRED FORTY THREE THOUSAND EIGHT HUNDRED NINETY THREE AND 88/100 Dollars \$ 343,893.88

**Single Advance:** I will receive all of this principal sum on \_\_\_\_\_ No additional advances are contemplated under this note.

**Multiple Advance:** The principal sum shown above is the maximum amount of principal I can borrow under this note. On 03-07-2001 I will receive the amount of \$ 7,822.25 and future principal advances are contemplated.

Conditions: The conditions for future advances are BY MY WRITTEN OR VERBAL REQUEST, OR AT THE BANK'S DISCRETION TO CLEAR CHECKS PRESENTED FOR PAYMENT ON MY ACCOUNT AGAINST UNCOLLECTED OR INSUFFICIENT FUNDS

**Open End Credit:** You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on \_\_\_\_\_

**Closed End Credit:** You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).

**INTEREST:** I agree to pay interest on the outstanding principal balance from 03-07-2001 at the rate of 9.500 % per year until 03-02-2001

**Variable Rate:** This rate may then change as stated below.

**Index Rate:** The future rate will be \_\_\_\_\_ the following index rate: \_\_\_\_\_

**No Index:** The future rate will not be subject to any internal or external index. It will be entirely in your control.

**Frequency and Timing:** The rate on this note may change as often as EVERY DAY BEGINNING 03-02-2001  
A change in the interest rate will take effect ON THE SAME DAY

**Limitations:** During the term of this loan, the applicable annual interest rate will not be more than 17.750 % or less than 6.000 %. The rate may not change more than \_\_\_\_\_ % each \_\_\_\_\_

**Effect of Variable Rate:** A change in the interest rate will have the following effect on the payments:

The amount of each scheduled payment will change.  The amount of the final payment will change.

**ACCUAL METHOD:** Interest will be calculated on a ACTUAL/360 basis.

**POST MATURITY RATE:** I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:

on the same fixed or variable rate basis in effect before maturity (as indicated above).

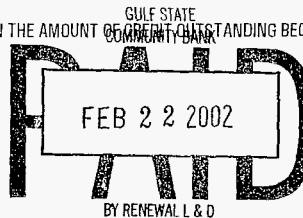
at a rate equal to THE MAXIMUM LEGAL RATE

**LATE CHARGE:** If a payment is made more than 10 days after it is due, I agree to pay a late charge of 5.000 % OF THE LATE AMOUNT WITH A MAX OF \$100.00

**ADDITIONAL CHARGES:** In addition to interest, I agree to pay the following charges which  are  are not included in the principal amount above: SEE DISBURSEMENT AUTHORIZATION

**PAYMENTS:** I agree to pay this note as follows:

MONTHLY PAYMENTS OF ACCRUED INTEREST CALCULATED ON THE AMOUNT OF CURRENTLY OUTSTANDING BEGINNING ON 04-07-2001 AND PRINCIPAL DUE ON 03-07-2002.



**ADDITIONAL TERMS:** REAL ESTATE MORTGAGE DATED THIS DATE TOGETHER WITH ALL IMPROVEMENTS LOCATED THEREON, FRANKLIN COUNTY, FLORIDA.

PER SECURITY AGREEMENTS DATED THIS DATE: WELL #1, 2, 3, 4, ELEVATED TANK, GROUND STORAGE TANK AND ISLAND OFFICE: TEN PERCENT (10%) PARTNERSHIP INTEREST IN ST. GEORGE ISLAND UTILITY COMPANY, LTD.; 85,000 SHARES OF THE OUTSTANDING STOCK OF WATER MANAGEMENT SERVICES, INC., A FLORIDA CORPORATION; FORTY-NINE AND ONE-HALF PERCENT (49 1/2 %) PARTNERSHIP INTEREST IN ST. GEORGE ISLAND UTILITY COMPANY, LTD.

**SECURITY:** This note is separately secured by (describe separate document by type and date):

(This section is for your internal use. Failure to list a separate security document does not mean the agreement will not secure this note.)

Signature for Lender

**PURPOSE:** The purpose of this loan is CONSTRUCT WATERLINE

**SIGNATURES:** I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

WATER MANAGEMENT SERVICES, INC. GENE D. BROWN

Gene D. Brown  
GENE D. BROWN, PRESIDENT

Gene D. Brown  
GENE D. BROWN, INDIVIDUALLY



WATER MANAGEMENT SERVICES, INC. & GENE D. BROWN 3848 KILLEARN COURT TALLAHASSEE, FL 32308	GULF STATE COMMUNITY BANK 73 AVENUE E P O BOX 488 APALACHICOLA, FL 32329-0488	TIN: 59-3559317 Loan Number <u>0500763884 66</u> Date <u>02-22-2002</u> Maturity Date <u>02-22-2005</u> Loan Amount \$ <u>203,943.61</u> Renewal Of <u>P/O LOAN #63</u> LO/LP BOARD/M MORON
<b>BORROWER'S NAME AND ADDRESS</b> "I" includes each borrower above, joint and severally.		<b>LENDER'S NAME AND ADDRESS</b> "You" means the lender, its successors and assigns.

For value received, I promise to pay to you, or your order, at your address listed above the **PRINCIPAL** sum of TWO HUNDRED THREE THOUSAND NINE HUNDRED FORTY THREE AND 61/100 Dollars \$ 203,943.61

**Single Advance:** I will receive all of this principal sum on 02-22-2002. No additional advances are contemplated under this note.  
 **Multiple Advance:** The principal sum shown above is the maximum amount of principal I can borrow under this note. On \_\_\_\_\_ I will receive the amount of \$ \_\_\_\_\_ and future principal advances are contemplated.  
 Conditions: The conditions for future advances are \_\_\_\_\_

**Open End Credit:** You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on \_\_\_\_\_  
 **Closed End Credit:** You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).

**INTEREST:** I agree to pay interest on the outstanding principal balance from 02-22-2002 at the rate of 7.500 % per year until 02-23-2002

**Variable Rate:** This rate may then change as stated below.  
 **Index Rate:** The future rate will be \_\_\_\_\_ the following index rate: \_\_\_\_\_

**No Index:** The future rate will not be subject to any internal or external index. It will be entirely in your control.  
 **Frequency and Timing:** The rate on this note may change as often as EVERY DAY BEGINNING 02-23-2002.  
 A change in the interest rate will take effect ON THE SAME DAY  
 **Limitations:** During the term of this loan, the applicable annual interest rate will not be more than 17.750 % or less than 0.000 %. The rate may not change more than \_\_\_\_\_ % each \_\_\_\_\_

**Effect of Variable Rate:** A change in the interest rate will have the following effect on the payments:  
 The amount of each scheduled payment will change.  The amount of the final payment will change.  
 \_\_\_\_\_

**ACCRUAL METHOD:** Interest will be calculated on a ACTUAL/360 basis.

**POST MATURITY RATE:** I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:  
 on the same fixed or variable rate basis in effect before maturity (as indicated above).  
 at a rate equal to THE MAXIMUM LEGAL RATE

**LATE CHARGE:** If a payment is made more than 10 days after it is due, I agree to pay a late charge of 5.000% OF THE LATE AMOUNT WITH A MAX OF \$100.00

**ADDITIONAL CHARGES:** In addition to interest, I agree to pay the following charges which  are  are not included in the principal amount above: SEE DISBURSEMENT AUTHORIZATION

**PAYMENTS:** I agree to pay this note as follows:  
35 MONTHLY PAYMENTS OF \$2,510.71 BEGINNING 03-22-2002 AND 1 BALLOON PAYMENT OF \$157,370.49 ON 02-22-2005. THIS IS A VARIABLE RATE LOAN AND THE PAYMENT AMOUNTS MAY CHANGE AFTER THE 1ST PAYMENT AND EVERY PAYMENT THEREAFTER.

**ADDITIONAL TERMS:** REAL ESTATE MORTGAGE DATED THIS DATE TOGETHER WITH ALL IMPROVEMENTS LOCATED THEREON, FRANKLIN COUNTY, FLORIDA.

PER SECURITY AGREEMENT DATED THIS DATE: WELL 1, 2, 3, 4, ELEVATED TANK, GROUND STORAGE TANK AND ISLAND OFFICE: TEN PERCENT (10%) PARTNERSHIP INTEREST IN ST. GEORGE ISLAND UTILITY COMPANY, LTD: 85,000 SHARES OF THE OUTSTANDING STOCK OF WATER MANAGEMENT SERVICES, INC., A FLORIDA CORPORATION: FORTY-NINE AND ONE-HALF PERCENT (49 1/2%) PARTNERSHIP INTEREST IN ST. GEORGE ISLAND UTILITY COMPANY, LTD.

GULF STATE  
COMMUNITY BANK

**PAID**

NOV 04 2003

BY RENEWAL L & D

**SECURITY:** This note is separately secured by (describe separately document by type and date) \_\_\_\_\_

(This section is for your internal use. Failure to list separately secured documents does not mean the agreement will not secure this note.)

Signature for Lender \_\_\_\_\_

**PURPOSE:** The purpose of this loan is P/O LOAN #63

**SIGNATURES:** I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

WATER MANAGEMENT SERVICES, INC. & GENE D. BROWN

  
 GENE D. BROWN, PRESIDENT

  
 GENE D. BROWN, INDIVIDUALLY

WATER MANAGEMENT SERVICES, INC. & GENE D. BROWN 3848 KILLEARN COURT TALLAHASSEE, FL 32308  <b>BORROWER'S NAME AND ADDRESS</b> <small>"I" includes each borrower above, jointly and severally.</small>	GULF STATE COMMUNITY BANK 73 AVENUE E P O BOX 488 APALACHICOLA, FL 32329-0488  <b>LENDER'S NAME AND ADDRESS</b> <small>You" means the lender, its successors and assigns.</small>	TIN: 59-3559317 Loan Number <u>0500763864</u> Date <u>02-22-2002</u> Mat. Date <u>02-22-2005</u> Loan Amount \$ <u>203,943.61</u> Renewal Of # <u>63</u>  LOI/LP BOARD/M MORON
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**DISBURSEMENT AUTHORIZATION**

I hereby authorize and request the following disbursement from the loan referenced above:

- a. Amount given to me directly \$ \_\_\_\_\_ o. \_\_\_\_\_ \$ \_\_\_\_\_
- b. Amount paid on my account (# \_\_\_\_\_) \$ 200,000.00 p. \_\_\_\_\_ \$ \_\_\_\_\_
- c. To Lender \$ 1,019.72 q. \_\_\_\_\_ \$ \_\_\_\_\_
- Amounts paid to others on my behalf: r. \_\_\_\_\_ \$ \_\_\_\_\_
- d. Insurance Companies \$ \_\_\_\_\_ s. \_\_\_\_\_ \$ \_\_\_\_\_
- e. Public Officials \$ 175.00 t. \_\_\_\_\_ \$ \_\_\_\_\_
- f. GULF STATE COMMUNITY BANK \$ 300.00 u. \_\_\_\_\_ \$ \_\_\_\_\_
- g. WILLIAMS, GAUTIER, GWYNN & DELOACH, P.A. \$ 1,300.00 v. \_\_\_\_\_ \$ \_\_\_\_\_
- h. GULF STATE COMMUNITY BANK \$ 27.00 w. \_\_\_\_\_ \$ \_\_\_\_\_
- i. DOCUMENTARY STAMP TAX \$ 714.00 x. \_\_\_\_\_ \$ \_\_\_\_\_
- j. INTANGIBLE TAX \$ 407.89 y. \_\_\_\_\_ \$ \_\_\_\_\_
- k. \_\_\_\_\_ \$ \_\_\_\_\_ z. \_\_\_\_\_ \$ \_\_\_\_\_
- l. \_\_\_\_\_ \$ \_\_\_\_\_ aa. \_\_\_\_\_ \$ \_\_\_\_\_
- m. \_\_\_\_\_ \$ \_\_\_\_\_ bb. \_\_\_\_\_ \$ \_\_\_\_\_
- n. \_\_\_\_\_ \$ \_\_\_\_\_ cc. \_\_\_\_\_ \$ \_\_\_\_\_

Comments:

X \_\_\_\_\_ X \_\_\_\_\_  
 X \_\_\_\_\_ X \_\_\_\_\_  
 X \_\_\_\_\_ X \_\_\_\_\_

Loan Officer: \_\_\_\_\_

WATER MANAGEMENT SERVICES, INC. & GENE D. BROWN 3848 KILLEARN COURT TALLAHASSEE, FL 32308  <b>BORROWER'S NAME AND ADDRESS</b> <small>"I" includes each borrower above, jointly and severally.</small>	GULF STATE COMMUNITY BANK 73 AVENUE E P O BOX 488 APALACHICOLA, FL 32329-0488  <b>LENDER'S NAME AND ADDRESS</b> <small>"You" means the lender, its successors and assigns.</small>	TIN: 59-3559317 Loan Number <u>500763871</u> Date <u>10-30-2003</u> Maturity Date <u>10-01-2010</u> Loan Amount \$ <u>322,675.03</u> Renewal Of _____ LO/LP _____ BOARD/MMM _____
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For value received, I promise to pay to you, or your order, at your address listed above the **PRINCIPAL** sum of THREE HUNDRED TWENTY TWO THOUSAND SIX HUNDRED SEVENTY FIVE AND 03/100 Dollars \$ 322,675.03

**Single Advance:** I will receive all of this principal sum on 10-30-2003. No additional advances are contemplated under this note.  
 **Multiple Advance:** The principal sum shown above is the maximum amount of principal I can borrow under this note. On \_\_\_\_\_ I will receive the amount of \$ \_\_\_\_\_ and future principal advances are contemplated.  
**Conditions:** The conditions for future advances are \_\_\_\_\_

**Open End Credit:** You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on \_\_\_\_\_  
 **Closed End Credit:** You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).

**INTEREST:** I agree to pay interest on the outstanding principal balance from 10-30-2003 at the rate of 7.250 % per year until 10-31-2003

**Variable Rate:** This rate may then change as stated below.  
 **Index Rate:** The future rate will be \_\_\_\_\_ the following index rate: \_\_\_\_\_

**No Index:** The future rate will not be subject to any internal or external index. It will be entirely in your control.  
 **Frequency and Timing:** The rate on this note may change as often as EVERY DAY BEGINNING 10-31-2003  
 A change in the interest rate will take effect ON THE SAME DAY

**Limitations:** During the term of this loan, the applicable annual interest rate will not be more than 17.750 % or less than 6.000 %. The rate may not change more than \_\_\_\_\_ % each \_\_\_\_\_

**Effect of Variable Rate:** A change in the interest rate will have the following effect on the payments:  
 The amount of each scheduled payment will change.  The amount of the final payment will change.

**ACCRUAL METHOD:** Interest will be calculated on a ACTUAL/360 basis.  
**POST MATURITY RATE:** I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:  
 on the same fixed or variable rate basis in effect before maturity (as indicated above).  
 at a rate equal to THE MAXIMUM LEGAL RATE

**LATE CHARGE:** If a payment is made more than 10 days after it is due, I agree to pay a late charge of 5.000% OF THE LATE AMOUNT WITH A MAX OF \$100.00

**ADDITIONAL CHARGES:** In addition to interest, I agree to pay the following charges which  are  are not included in the principal amount above: SEE DISBURSEMENT AUTHORIZATION

**PAYMENTS:** I agree to pay this note as follows:  
82 MONTHLY PAYMENTS OF \$5,000.00 BEGINNING 12-01-2003 AND 1 BALLOON PAYMENT OF \$2,154.88 ON 10-01-2010. THIS IS A VARIABLE RATE LOAN AND THE PAYMENT AMOUNTS MAY CHANGE AFTER THE 1ST PAYMENT AND EVERY PAYMENT THEREAFTER.

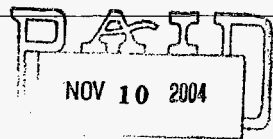
**ADDITIONAL TERMS:** REAL ESTATE MORTGAGE DATED FEBRUARY 22, 2002 AS RECORDED IN OFFICIAL RECORDS BOOK 691 PAGE 540 TOGETHER WITH ALL IMPROVEMENTS LOCATED THEREON FRANKLIN COUNTY, FLORIDA PER SECURITY AGREEMENT DATED THIS DATE AND SECURITY AGREEMENT DATED FEBRUARY 22, 2002: WELL 1, 2, 3, 4, ELEVATED TANK, GROUND STORAGE TANK AND ISLAND OFFICE: TEN PERCENT (10%) PARTNERSHIP INTEREST IN ST. GEORGE ISLAND UTILITY COMPANY, LTD: 85,000 SHARES OF THE OUTSTANDING STOCK OF WATER MANAGEMENT SERVICES, INC., A FLORIDA CORPORATION: FORTY-NINE AND ONE-HALF PERCENT (49 1/2%) PARTNERSHIP INTEREST IN ST. GEORGE ISLAND UTILITY COMPANY, LTD.

**SECURITY:** This note is separately secured by (describe separate document by type and date):  
(This section is for your internal use. Failure to list a separate security document does not mean the agreement will not secure this note.)

**PURPOSE:** The purpose of this loan is ESTABLISH ESCROW ACCOUNT

**SIGNATURES:** I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

Signature for Lender



Gulf State Community Bank  
 BOARD OF DIRECTORS  
 Renewal L&D

WATER MANAGEMENT SERVICES, INC. & GENE D. BROWN

*[Handwritten Signature]*  
 GENE D. BROWN, PRESIDENT

*[Handwritten Signature]*  
 GENE D. BROWN, INDIVIDUALLY

WATER MANAGEMENT SERVICES, INC. & GENE D. BROWN 3848 KILLEARN COURT TALLAHASSEE, FL 32308  <b>BORROWER'S NAME AND ADDRESS</b> <small>"I" includes each borrower above, jointly and severally.</small>	GULF STATE COMMUNITY BANK 73 AVENUE E P O BOX 488 APALACHICOLA, FL 32329-0488  <b>LENDER'S NAME AND ADDRESS</b> <small>"You" means the lender, its successors and assigns.</small>	TIN: 59-3559317 Loan Number <u>500763871</u> Date <u>10-30-2003</u> Mat. Date <u>10-01-2010</u> Loan Amount \$ <u>322,675.03</u> Renewal Of _____ LO/LP BOARD/MMM
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**DISBURSEMENT AUTHORIZATION**

I hereby authorize and request the following disbursement from the loan referenced above:

a. Amount given to me directly	\$ <u>141,788.50</u>	o. _____	\$ _____
b. Amount paid on my account (# _____)	\$ _____	p. _____	\$ _____
c. To Lender	\$ <u>1,450.00</u>	q. _____	\$ _____
Amounts paid to others on my behalf:		r. _____	\$ _____
d. Insurance Companies	\$ _____	s. _____	\$ _____
e. Public Officials	\$ <u>6.00</u>	t. _____	\$ _____
f. <u>WILLIAMS, GAUTIER, GWYNN &amp; DELOACH, P.A.</u>	\$ <u>958.00</u>	u. _____	\$ _____
g. <u>DOCUMENTARY STAMP TAX</u>	\$ <u>507.50</u>	v. _____	\$ _____
h. <u>INTANGIBLE TAX</u>	\$ <u>290.00</u>	w. _____	\$ _____
i. <u>GSCB #66</u>	\$ <u>177,675.03</u>	x. _____	\$ _____
j. _____	\$ _____	y. _____	\$ _____
k. _____	\$ _____	z. _____	\$ _____
l. _____	\$ _____	aa. _____	\$ _____
m. _____	\$ _____	bb. _____	\$ _____
n. _____	\$ _____	cc. _____	\$ _____

Comments:

WATER MANAGEMENT SERVICES, INC. & GENE D. BROWN

X \_\_\_\_\_  
 GENE D. BROWN, PRESIDENT

X \_\_\_\_\_

X \_\_\_\_\_

X \_\_\_\_\_  
 GENE D. BROWN, INDIVIDUALLY

X \_\_\_\_\_

X \_\_\_\_\_

Loan Officer: BOARD OF DIRECTORS

<b>WATER MANAGEMENT SERVICES, INC &amp; GENE D BROWN</b> 3848 KILLEARN COURT TALLAHASSEE, FL 32308  <b>BORROWER'S NAME AND ADDRESS</b> "I" includes each borrower above, jointly and severally.	<b>GULF STATE COMMUNITY BANK</b> 73 AVENUE E P O BOX 488 APALACHICOLA, FL 32329-0488  <b>LENDER'S NAME AND ADDRESS</b> "You" means the lender, its successors and assigns.	Loan Number <u>500763873</u> Date <u>11-10-2004</u> Maturity Date <u>08-10-2010</u> Loan Amount \$ <u>391,503.69</u> Renewal Of <u>500763871</u> LOJ/LP <u>58-3589817-BOARD/CPC</u> <u>59-3449317</u>
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For value received, I promise to pay to you, or your order, at your address listed above the **PRINCIPAL** sum of THREE HUNDRED NINETY ONE THOUSAND FIVE HUNDRED THREE AND 89/100 Dollars \$ 391,503.69

**Single Advance:** I will receive all of this principal sum on 11-10-2004. No additional advances are contemplated under this note.

**Multiple Advance:** The principal sum shown above is the maximum amount of principal I can borrow under this note. On \_\_\_\_\_ I will receive the amount of \$ \_\_\_\_\_ and future principal advances are contemplated.

**Conditions:** The conditions for future advances are \_\_\_\_\_

**Open End Credit:** You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on \_\_\_\_\_.

**Closed End Credit:** You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).

**INTEREST:** I agree to pay interest on the outstanding principal balance from 11-10-2004 at the rate of 7.750 % per year until 11-11-2004.

**Variable Rate:** This rate may then change as stated below.

**Index Rate:** The future rate will be \_\_\_\_\_ the following index rate: \_\_\_\_\_

**No Index:** The future rate will not be subject to any internal or external index. It will be entirely in your control.

**Frequency and Timing:** The rate on this note may change as often as EVERY DAY BEGINNING 11-11-2004. A change in the interest rate will take effect ON THE SAME DAY.

**Limitations:** During the term of this loan, the applicable annual interest rate will not be more than 17.750% or less than 6.000 %. The rate may not change more than \_\_\_\_\_ % each \_\_\_\_\_.

**Effect of Variable Rate:** A change in the interest rate will have the following effect on the payments:

The amount of each scheduled payment will change.  The amount of the final payment will change.

\_\_\_\_\_

**ACCRUAL METHOD:** Interest will be calculated on a ACTUAL/360 basis.

**POST MATURITY RATE:** I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:

on the same fixed or variable rate basis in effect before maturity (as indicated above).

at a rate equal to THE MAXIMUM LEGAL RATE

**LATE CHARGE:** If a payment is made more than 10 days after it is due, I agree to pay a late charge of 5.000% OF THE LATE AMOUNT WITH A MAX OF \$100.00

**ADDITIONAL CHARGES:** In addition to interest, I agree to pay the following charges which  are  are not included in the principal amount above: SEE DISBURSEMENT AUTHORIZATION

**PAYMENTS:** I agree to pay this note as follows:

69 MONTHLY PAYMENTS OF \$7,089.80 BEGINNING 12-10-2004. THIS IS A VARIABLE RATE LOAN AND THE PAYMENT AMOUNTS MAY CHANGE.

**ADDITIONAL TERMS:** REAL ESTATE MORTGAGE DATED FEBRUARY 22, 2002 AS RECORDED IN OFFICIAL RECORDS BOOK 691 PAGE 540 TOGETHER WITH ALL IMPROVEMENTS LOCATED THEREON FRANKLIN COUNTY, FLORIDA. PER SECURITY AGREEMENT DATED OCTOBER 30, 2003 AND SECURITY AGREEMENT DATED FEBRUARY 22, 2002: WELL 1,2,3,4, ELEVATED TANK, GROUND STORAGE TANK AND ISLAND OFFICE: TEN PERCENT (10%) PARTNERSHIP INTEREST IN ST GEORGE ISLAND UTILITY COMPANY, LTD: 85,000 SHARES OF THE OUTSTANDING STOCK OF WATER MANAGEMENT SERVICES, INC., A FLORIDA CORPORATION: FORTY-NINE AND ONE-HALF PERCENT (49 1/2%) PARTNERSHIP INTEREST IN ST GEORGE ISLAND UTILITY COMPANY, LTD. PER SECURITY AGREEMENT DATED THIS DATE: ASSIGNMENT OF COMMUNICATION SITE LEASE AGREEMENT #FL186P-B/ST GEORGE ISLAND BETWEEN NEXTEL PARTNERS INC & WATER MANAGEMENT SERVICES, INC.

**SECURITY:** This note is separately secured by (describe separate document by type and date): \_\_\_\_\_

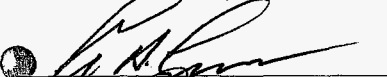
(This section is for your internal use. Failure to list a separate security document does not mean the agreement will not secure this note.)

Signature for Lender

**PURPOSE:** The purpose of this loan is OPERATING CAPITAL FOR PLANT IMPROVEMENTS

**SIGNATURES:** I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

WATER MANAGEMENT SERVICES, INC & GENE D BROWN

  
 GENE D. BROWN, PRESIDENT

  
 GENE D. BROWN, INDIVIDUALLY



<b>MANAGEMENT SERVICES, INC &amp; GENE D BROWN</b> 1 KILLEARN COURT AHASSEE, FL 32308  <b>BORROWER'S NAME AND ADDRESS</b> includes each borrower above, jointly and severally.	<b>GULF STATE COMMUNITY BANK</b> 73 AVENUE E P O BOX 488 APALACHICOLA, FL 32329-0488  <b>LENDER'S NAME AND ADDRESS</b> "You" means the lender, its successors and assigns.	Loan Number <u>500763873</u> Date <u>11-10-2004</u> Mat. Date <u>08-10-2010</u> Loan Amount \$ <u>391,503.69</u> Renewal Of _____ LO/LP <u>59-3559317 (BOARD/CPC)</u>
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**DISBURSEMENT AUTHORIZATION**

I authorize and request the following disbursement from the loan referenced above:

Amount given to me directly	\$ <u>100,000.00</u>	o. <u>INTANGIBLE TAX</u>	\$ <u>205.84</u>
Amount paid on my account (# _____)	\$ <u>288,582.35</u>	p. _____	\$ _____
Lender	\$ _____	q. _____	\$ _____
Amounts paid to others on my behalf:		r. _____	\$ _____
Finance Companies	\$ _____	s. _____	\$ _____
Public Officials	\$ _____	t. _____	\$ _____
<u>LIAMS, GAUTIER, GWYNN &amp; DELOACH, PA</u>	\$ <u>800.00</u>	u. _____	\$ _____
<u>GULF STATE COMMUNITY BANK</u>	\$ <u>100.00</u>	v. _____	\$ _____
<u>GULF STATE COMMUNITY BANK</u>	\$ <u>50.00</u>	w. _____	\$ _____
<u>GULF STATE COMMUNITY BANK</u>	\$ <u>150.00</u>	x. _____	\$ _____
<u>GULF STATE COMMUNITY BANK</u>	\$ <u>1,200.00</u>	y. _____	\$ _____
<u>SECRETARY OF STATE</u>	\$ <u>25.00</u>	z. _____	\$ _____
<u>CLERK OF COURT</u>	\$ <u>20.00</u>	aa. _____	\$ _____
<u>CLERK OF COURT</u>	\$ <u>10.00</u>	bb. _____	\$ _____
<u>DOCUMENTARY STAMP TAX</u>	\$ <u>360.50</u>	cc. _____	\$ _____

Comments:

**MANAGEMENT SERVICES, INC & GENE D BROWN**

\_\_\_\_\_  
 GENE D. BROWN, PRESIDENT  
 \_\_\_\_\_  
 \_\_\_\_\_

X \_\_\_\_\_  
 GENE D. BROWN, INDIVIDUALLY  
 X \_\_\_\_\_  
 X \_\_\_\_\_

Officer: \_\_\_\_\_

WATER MANAGEMENT SERVICES, INC & GENE D BROWN 3848 KILLEARN COURT TALLAHASSEE, FL 32308	GULF STATE COMMUNITY BANK 73 AVENUE E P O BOX 488 APALACHICOLA, FL 32329-0488	TIN: 59-3559317 Loan Number <u>500763874</u> Date <u>05-13-2005</u> Maturity Date <u>11-13-2005</u> Loan Amount \$ <u>202,782.63</u> Renewal Of _____ LO/LP BOARD/MMM
<b>BORROWER'S NAME AND ADDRESS</b> "I" includes each borrower above, jointly and severally.	<b>LENDER'S NAME AND ADDRESS</b> You means the lender, its successors and assigns.	

COPY

For value received, I promise to pay to you, or your order, at your address listed above the **PRINCIPAL** sum of TWO HUNDRED TWO THOUSAND SEVEN HUNDRED EIGHTY TWO AND 63/100 Dollars \$ 202,782.63

**Single Advance:** I will receive all of this principal sum on \_\_\_\_\_. No additional advances are contemplated under this note.

**Multiple Advance:** The principal sum shown above is the maximum amount of principal I can borrow under this note. On 05-13-2005 I will receive the amount of \$ 2,782.63 and future principal advances are contemplated.

**Conditions:** The conditions for future advances are AS STATED IN SEPERATE LINE OF CREDIT AGREEMENTS EXECUTED FROM TIME TO TIME

**Open End Credit:** You and I agree that I may borrow up to the maximum amount of principal more than one time. This feature is subject to all other conditions and expires on \_\_\_\_\_.

**Closed End Credit:** You and I agree that I may borrow up to the maximum only one time (and subject to all other conditions).

**INTEREST:** I agree to pay interest on the outstanding principal balance from 05-13-2005 at the rate of 8.000 % per year until 05-14-2005.

**Variable Rate:** This rate may then change as stated below.

**Index Rate:** The future rate will be \_\_\_\_\_ the following index rate: \_\_\_\_\_

**No Index:** The future rate will not be subject to any internal or external index. It will be entirely in your control.

**Frequency and Timing:** The rate on this note may change as often as EVERY DAY BEGINNING 05-14-2005. A change in the interest rate will take effect ON THE SAME DAY.

**Limitations:** During the term of this loan, the applicable annual interest rate will not be more than 17.750 % or less than 6.000 %. The rate may not change more than \_\_\_\_\_ % each \_\_\_\_\_.

**Effect of Variable Rate:** A change in the interest rate will have the following effect on the payments:

The amount of each scheduled payment will change.  The amount of the final payment will change.

\_\_\_\_\_

**ACCRUAL METHOD:** Interest will be calculated on a ACTUAL/360 basis.

**POST MATURITY RATE:** I agree to pay interest on the unpaid balance of this note owing after maturity, and until paid in full, as stated below:

on the same fixed or variable rate basis in effect before maturity (as indicated above).

at a rate equal to THE MAXIMUM LEGAL RATE

**LATE CHARGE:** If a payment is made more than 10 days after it is due, I agree to pay a late charge of 5.000% OF THE LATE AMOUNT WITH A MAX OF \$100.00

**ADDITIONAL CHARGES:** In addition to interest, I agree to pay the following charges which  are  are not included in the principal amount above: SEE DISBURSEMENT AUTHORIZATION

**PAYMENTS:** I agree to pay this note as follows:

**INTEREST ON THE AMOUNT OF CREDIT OUTSTANDING DUE AT MATURITY AND PRINCIPAL DUE ON 11-13-2005.**

**ADDITIONAL TERMS:** PER SECURITY AGREEMENT DATED THIS DATE: ASSIGNMENT OF WATER REVENUE FROM WATER MANAGEMENT SERVICES, INC.

ADDITIONALLY SECURED BY REAL ESTATE MORTGAGE DATED FEBRUARY 22, 2002 AS RECORDED IN OFFICIAL RECORDS BOOK 691 PAGE 540 TOGETHER WITH ALL IMPROVEMENTS LOCATED THEREON FRANKLIN COUNTY, FLORIDA.

PER SECURITY AGREEMENT DATED OCTOBER 30, 2003 AND SECURITY AGREEMENT DATED FEBRUARY 22, 2002: WELL 1,2,3,4, ELEVATED TANK, GROUND STORAGE TANK AND ISLAND OFFICE: TEN PERCENT (10%) PARTNERSHIP INTEREST IN ST GEORGE ISLAND UTILITY COMPANY, LTD: 85,000 SHARES OF THE OUTSTANDING STOIC OF WATER MANAGEMENT SERVICES, INC., A FLORIDA CORPORATION: FORTY-NINE AND ONE-HALF PERCENT (49 1/2%) PARTNERSHIP INTEREST IN ST GEORGE ISLAND UTILITY COMPANY, LTD.

PER SECURITY AGREEMENT DATED THIS DATE: ASSIGNMENT OF COMMUNICATION SITE LEASE AGREEMENT #FL186P-B/ST GEORGE ISLAND BETWEEN NEXTEL PARTNERS INC & WATE

**SECURITY:** This note is separately secured by (describe separate document by type and date):

(This section is for your internal use. Failure to list a separate security document does not mean the agreement will not secure this note.)

**PURPOSE:** The purpose of this loan is SEMI ANNUAL PAYMENT TO DEP

**SIGNATURES:** I AGREE TO THE TERMS OF THIS NOTE (INCLUDING THOSE ON PAGE 2). I have received a copy on today's date.

WATER MANAGEMENT SERVICES, INC & GENE D BROWN

\_\_\_\_\_  
 GENE D. BROWN, PRESIDENT

\_\_\_\_\_  
 GENE D. BROWN, INDIVIDUALLY

\_\_\_\_\_  
 Signature for Lender

<b>WATER MANAGEMENT SERVICES, INC &amp; GENE D BROWN</b> 3848 KILLEARN COURT TALLAHASSEE, FL 32308  <b>BORROWER'S NAME AND ADDRESS</b> "I" includes each borrower above, jointly and severally.	<b>GULF STATE COMMUNITY BANK</b> 73 AVENUE E P O BOX 488 APALACHICOLA, FL 32329-0488  <b>LENDER'S NAME AND ADDRESS</b> "You" means the lender, its successors and assigns.	TIN:59-3559317 Loan Number <u>500763874</u> Date <u>05-13-2005</u> Mat. Date <u>11-13-2005</u> Loan Amount \$ <u>202,782.63</u> Renewal Of _____ LO/LP                      BOARD/MMM
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COPY

**DISBURSEMENT AUTHORIZATION**

I hereby authorize and request the following disbursement from the loan referenced above:

a. Amount given to me directly	\$ _____	o. _____	\$ _____	
b. Amount paid on my account (# _____)	\$ _____	p. _____	\$ _____	
c. To Lender	\$ <u>2,027.83</u>	q. _____	\$ _____	
Amounts paid to others on my behalf:		r. _____	\$ _____	
d. Insurance Companies	\$ _____	s. _____	\$ _____	
e. Public Officials	\$ <u>45.00</u>	t. _____	\$ _____	
f. <u>DOCUMENTARY STAMP TAX</u>	\$ <u>709.80</u>	u. _____	\$ _____	
g. <u>WATER MANAGEMENT SERVICES, INC.</u>	\$ <u>200,000.00</u>	v. _____	\$ _____	
h. _____	\$ _____	w. _____	\$ _____	
i. _____	\$ _____	x. _____	\$ _____	
j. _____	\$ _____	y. _____	\$ _____	
k. _____	\$ _____	z. _____	\$ _____	
l. _____	\$ _____	aa. _____	\$ _____	
m. _____	\$ _____	bb. _____	\$ _____	
n. _____	\$ _____	cc. _____	\$ _____	

Comments:

**WATER MANAGEMENT SERVICES, INC & GENE D BROWN**

X \_\_\_\_\_  
 GENE D. BROWN, PRESIDENT  
 X \_\_\_\_\_  
 X \_\_\_\_\_

X \_\_\_\_\_  
 GENE D. BROWN, INDIVIDUALLY  
 X \_\_\_\_\_  
 X \_\_\_\_\_

Loan Officer: \_\_\_\_\_

**DOCKET NO. 000694-WU**  
**RESPONSE TO STAFF DATA REQUEST NO. 4, ITEM 3**

Docket No. 000694-WU

Billing Analysis - Response to Staff's Data Request No. 4, Item No. 3

Incorporates Interim Billing Adjustments and Reclassifies 1 Customer from R2 to R1

Test Year Ended: December 31, 2004

Water  of Sewer

Meter Size

R1 - 5/8"

Test Period

Jul -03 to Jun-04

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Consumpt. Level	Number of Bills	Cumulative Bills	Gallons Consumed (1)x(2)	Cumulative Gallons	Reversed Bills	Consolidated Factor [(1)x(6)]+(5)	Percentage of Total
0	3,695	3,695	0	0	16,243	0	0.00%
1	2,302	5,997	2,302	2,302	13,941	16,243	11.09%
2	2,033	8,030	4,066	6,368	11,908	30,184	20.61%
3	1,871	9,901	5,613	11,901	10,037	42,092	28.74%
4	1,556	11,459	6,232	18,213	8,479	52,129	35.59%
5	1,301	12,760	6,505	24,718	7,178	60,608	41.38%
6	980	13,740	5,880	30,598	6,198	67,786	46.28%
7	738	14,478	5,166	35,764	5,460	73,984	50.52%
8	676	15,154	5,408	41,172	4,784	79,444	54.24%
9	543	15,697	4,887	46,059	4,241	84,228	57.51%
10	434	16,131	4,340	50,399	3,807	88,469	60.41%
11	363	16,494	3,993	54,392	3,444	92,276	63.01%
12	328	16,822	3,936	58,328	3,116	95,720	65.36%
13	273	17,095	3,549	61,877	2,843	98,836	67.49%
14	230	17,325	3,220	65,097	2,613	101,679	69.43%
15	209	17,534	3,135	68,232	2,404	104,292	71.21%
16	201	17,735	3,216	71,448	2,203	106,696	72.85%
17	173	17,908	2,941	74,389	2,030	108,899	74.36%
18	158	18,066	2,844	77,233	1,872	110,929	75.74%
19	133	18,199	2,527	79,760	1,739	112,801	77.02%
20	139	18,338	2,780	82,540	1,600	114,540	78.21%
21	119	18,457	2,499	85,039	1,481	116,140	79.30%
22	104	18,561	2,288	87,327	1,377	117,621	80.31%
23	98	18,659	2,254	89,581	1,279	118,998	81.25%
24	88	18,747	2,112	91,693	1,191	120,277	82.13%
25	76	18,823	1,900	93,593	1,115	121,468	82.94%
26	62	18,885	1,612	95,205	1,053	122,583	83.70%
27	69	18,954	1,863	97,068	984	123,636	84.42%
28	63	19,017	1,764	98,832	921	124,620	85.09%
29	68	19,085	1,972	100,804	853	125,541	85.72%
30	50	19,135	1,500	102,304	803	126,394	86.30%
31	43	19,178	1,333	103,637	760	127,197	86.85%
32	32	19,210	1,024	104,661	728	127,957	87.37%
33	30	19,240	990	105,651	698	128,685	87.87%
34	36	19,276	1,224	106,875	662	129,383	88.34%
35	35	19,311	1,225	108,100	627	130,046	88.79%
36	34	19,345	1,224	109,324	593	130,672	89.22%
37	30	19,375	1,110	110,434	563	131,265	89.63%

Test Year Ended: December 31, 2004

Water  of Sewer

Meter Size

R1 - 5/8"

Test Period

Jul -03 to Jun-04

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Consumpt. Level	Number of Bills	Cumulative Bills	Gallons		Reversed Bills	Consolidated Factor [(1)x(6)]+(5)	Percentage of Total
			Consumed (1)x(2)	Cumulative Gallons			
38	35	19,410	1,330	111,764	528	131,828	90.01%
39	38	19,448	1,482	113,246	490	132,356	90.37%
40	28	19,476	1,120	114,366	462	132,846	90.71%
41	21	19,497	861	115,227	441	133,308	91.02%
42	20	19,517	840	116,067	421	133,749	91.32%
43	22	19,539	946	117,013	399	134,170	91.61%
44	21	19,560	924	117,937	378	134,569	91.88%
45	18	19,578	810	118,747	360	134,947	92.14%
46	16	19,594	736	119,483	344	135,307	92.39%
47	17	19,611	799	120,282	327	135,651	92.62%
48	13	19,624	624	120,906	314	135,978	92.85%
49	19	19,643	931	121,837	295	136,292	93.06%
50	8	19,651	400	122,237	287	136,587	93.26%
51	11	19,662	561	122,798	276	136,874	93.46%
52	11	19,673	572	123,370	265	137,150	93.65%
53	9	19,682	477	123,847	256	137,415	93.83%
54	13	19,695	702	124,549	243	137,671	94.00%
55	10	19,705	550	125,099	233	137,914	94.17%
56	9	19,714	504	125,603	224	138,147	94.33%
57	10	19,724	570	126,173	214	138,371	94.48%
58	8	19,732	464	126,637	206	138,585	94.63%
59	11	19,743	649	127,286	195	138,791	94.77%
60	5	19,748	300	127,586	190	138,986	94.90%
61	12	19,760	732	128,318	178	139,176	95.03%
62	4	19,764	248	128,566	174	139,354	95.15%
63	7	19,771	441	129,007	167	139,528	95.27%
64	4	19,775	256	129,263	163	139,695	95.38%
65	7	19,782	455	129,718	156	139,858	95.49%
66	6	19,788	396	130,114	150	140,014	95.60%
67	1	19,789	67	130,181	149	140,164	95.70%
68	3	19,792	204	130,385	146	140,313	95.81%
69	7	19,799	483	130,868	139	140,459	95.91%
70	5	19,804	350	131,218	134	140,598	96.00%
71	9	19,813	639	131,857	125	140,732	96.09%
72	5	19,818	360	132,217	120	140,857	96.18%
73	2	19,820	146	132,363	118	140,977	96.26%
74	6	19,826	444	132,807	112	141,095	96.34%
75	5	19,831	375	133,182	107	141,207	96.42%
76	4	19,835	304	133,486	103	141,314	96.49%

Test Year Ended: December 31, 2004

Water  of Sewer

Meter Size

R1 - 5/8"

Test Period

Jul -03 to Jun-04

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Consumpt. Level	Number of Bills	Cumulative Bills	Gallons		Reversed Bills	Consolidated Factor [(1)x(6)]+(5)	Percentage of Total
			Consumed (1)x(2)	Cumulative Gallons			
77	7	19,842	539	134,025	96	141,417	96.56%
78	1	19,843	78	134,103	95	141,513	96.62%
79	10	19,853	790	134,893	85	141,608	96.69%
80	7	19,860	560	135,453	78	141,693	96.75%
81	1	19,861	81	135,534	77	141,771	96.80%
82	6	19,867	492	136,026	71	141,848	96.85%
83	3	19,870	249	136,275	68	141,919	96.90%
84	1	19,871	84	136,359	67	141,987	96.95%
85	2	19,873	170	136,529	65	142,054	96.99%
86	2	19,875	172	136,701	63	142,119	97.04%
87	2	19,877	174	136,875	61	142,182	97.08%
89	2	19,879	178	137,053	59	142,304	97.17%
90	1	19,880	90	137,143	58	142,363	97.21%
91	1	19,881	91	137,234	57	142,421	97.24%
93	1	19,882	93	137,327	56	142,535	97.32%
96	0	19,882	0	137,327	56	142,703	97.44%
97	1	19,883	97	137,424	55	142,759	97.48%
98	1	19,884	98	137,522	54	142,814	97.51%
99	3	19,887	297	137,819	51	142,868	97.55%
100	3	19,890	300	138,119	48	142,919	97.58%
102	1	19,891	102	138,221	47	143,015	97.65%
104	1	19,892	104	138,325	46	143,109	97.71%
105	2	19,894	210	138,535	44	143,155	97.75%
106	1	19,895	106	138,641	43	143,199	97.78%
107	2	19,897	214	138,855	41	143,242	97.81%
110	0	19,897	0	138,855	41	143,365	97.89%
111	0	19,897	0	138,855	41	143,406	97.92%
112	1	19,898	112	138,967	40	143,447	97.95%
113	1	19,899	113	139,080	39	143,487	97.97%
114	2	19,901	228	139,308	37	143,526	98.00%
115	1	19,902	115	139,423	36	145,378	99.26%
116	0	19,902	0	139,423	36	143,599	98.05%
117	1	19,903	117	139,540	35	143,635	98.07%
119	2	19,905	238	139,778	33	143,705	98.12%
120	2	19,907	240	140,018	31	143,738	98.14%
121	2	19,909	242	140,260	29	143,769	98.17%
123	1	19,910	123	140,383	28	143,827	98.20%
128	0	19,910	0	140,383	28	143,967	98.30%
130	2	19,912	260	140,643	26	144,023	98.34%

Test Year Ended: December 31, 2004

Water  of Sewer

Meter Size

R1 - 5/8"

Test Period

Jul -03 to Jun-04

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Consumpt. Level	Number of Bills	Cumulative Bills	Gallons Consumed (1)x(2)	Cumulative Gallons	Reversed Bills	Consolidated Factor [(1)x(6)]+(5)	Percentage of Total
134	1	19,913	134	140,777	25	144,127	98.41%
136	1	19,914	136	140,913	24	144,177	98.44%
139	1	19,915	139	141,052	23	144,249	98.49%
140	1	19,916	140	141,192	22	144,272	98.51%
142	1	19,917	142	141,334	21	144,316	98.54%
144	1	19,918	144	141,478	20	144,358	98.57%
146	1	19,919	146	141,624	19	144,398	98.59%
155	1	19,920	155	141,779	18	144,569	98.71%
156	0	19,920	0	141,779	18	144,587	98.72%
160	0	19,920	0	141,779	18	144,659	98.77%
162	0	19,920	0	141,779	18	144,695	98.80%
165	1	19,921	165	141,944	17	144,749	98.83%
169	1	19,922	169	142,113	16	144,817	98.88%
176	1	19,923	176	142,289	15	144,929	98.96%
177	2	19,925	354	142,643	13	144,944	98.97%
178	1	19,926	178	142,821	12	144,957	98.98%
181	2	19,928	362	143,183	10	144,993	99.00%
187	2	19,930	374	143,557	8	145,053	99.04%
220	1	19,931	220	143,777	7	145,317	99.22%
237	0	19,931	0	143,777	7	145,436	99.30%
252	2	19,933	504	144,281	6	146,541	99.38%
259	1	19,934	259	144,540	4	145,576	99.40%
322	0	19,934	0	144,540	4	145,828	99.57%
410	1	19,935	410	144,950	3	146,180	99.81%
431	1	19,936	431	145,381	2	146,243	99.85%
497	1	19,937	497	145,878	1	146,375	99.94%
556	0	19,937	0	145,878	1	146,434	99.98%
578	1	19,938	578	146,456	0	146,456	100.00%



Docket No. 000694-WU

Billing Analysis - Response to Staff's Data Request No. 4, Item No. 3

Restated to Remove 5 Customers Reclassified to GS and 1 Customer to R1

Test Year Ended: December 31, 2004

Water  of Sewer

Meter Size

R2 - 1"

Test Period

Jul -03 to Jun-04

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Consumpt. Level	Number of Bills	Cumulative Bills	Gallons Consumed (1)x(2)	Cumulative Gallons	Reversed Bills	Consolidated Factor [(1)x(6)]+(5)	Percentage of Total
0	42	42	0	0	274	0	0.00%
1	28	70	28	28	246	274	6.75%
2	19	89	38	66	227	520	12.80%
3	11	100	33	99	216	747	18.39%
4	17	117	68	167	199	963	23.71%
5	15	132	75	242	184	1,162	28.61%
6	13	145	78	320	171	1,346	33.14%
7	13	158	91	411	158	1,517	37.35%
8	11	169	88	499	147	1,675	41.24%
9	14	183	126	625	133	1,822	44.85%
10	11	194	110	735	122	1,955	48.13%
11	10	204	110	845	112	2,077	51.13%
12	10	214	120	965	102	2,189	53.89%
13	14	228	182	1,147	88	2,291	56.40%
14	2	230	28	1,175	86	2,379	58.57%
15	5	235	75	1,250	81	2,465	60.68%
16	14	249	224	1,474	67	2,546	62.68%
17	5	254	85	1,559	62	2,613	64.33%
18	6	260	108	1,667	56	2,675	65.85%
19	4	264	76	1,743	52	2,731	67.23%
20	5	269	100	1,843	47	2,783	68.51%
21	2	271	42	1,885	45	2,830	69.67%
22	2	273	44	1,929	43	2,875	70.78%
23	4	277	92	2,021	39	2,918	71.84%
24	1	278	24	2,045	38	2,957	72.80%
26	3	281	78	2,123	35	3,033	74.67%
27	1	282	27	2,150	34	3,068	75.53%
28	2	284	56	2,206	32	3,102	76.37%
29	1	285	29	2,235	31	3,134	77.15%
30	2	287	60	2,295	29	3,165	77.92%
32	1	288	32	2,327	28	3,223	79.35%
35	2	290	70	2,397	26	3,307	81.41%
36	2	292	72	2,469	24	3,333	82.05%
39	1	293	39	2,508	23	3,405	83.83%

Test Year Ended: December 31, 2004

Water  of Sewer

Meter Size

R2 - 1"

Test Period

Jul -03 to Jun-04

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Consumpt. Level	Number of Bills	Cumulative Bills	Gallons Consumed (1)x(2)	Cumulative Gallons	Reversed Bills	Consolidated Factor [(1)x(6)]+(5)	Percentage of Total
40	1	294	40	2,548	22	3,428	84.39%
44	1	295	44	2,592	21	3,616	86.56%
45	1	296	45	2,637	20	3,537	87.08%
46	2	298	92	2,729	18	3,557	87.57%
47	1	299	47	2,776	17	3,575	88.01%
48	2	301	96	2,872	15	3,592	88.43%
52	1	302	52	2,924	14	3,652	89.91%
63	1	303	63	2,987	13	3,806	93.70%
65	1	304	65	3,052	12	3,832	94.34%
67	1	305	67	3,119	11	3,856	94.93%
69	1	306	69	3,188	10	3,878	95.47%
70	1	307	70	3,258	9	3,888	95.72%
71	3	310	213	3,471	6	3,897	95.94%
80	1	311	80	3,551	5	3,951	97.27%
87	1	312	87	3,638	4	3,986	98.13%
88	3	315	264	3,902	1	3,990	98.23%
160	1	316	160	4,062	0	4,062	100.00%