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February 21, 2006

VIA HAND DELIVERY

MARTIN S. FRIEDMAN, P.A.
VALERIE L. LORD
BRIAN J. STREET

Ms. Blanca Bayo, Director
Division of the Commission Clerk
And Administrative Services
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850

RE: Docket No. 060028
C.F.A.T. H20, Inc.

Dear Ms. Bayo:

Enclosed on behalf of C.F.A.T. H20, Inc. for filing in the above-referenced docket are four copies of:

1. Stock Purchase Agreement (1/20/00) between Messrs. Tamburo and deMenzes and associated documents;
2. Stock Purchase Agreement (8/22/05) between Messrs. Fannon and deMenzes;
3. Mr. Wingerhoff's Power of Attorney;
4. Financial Statements of the Buyers; and
5. Utilities Agreements with Mr. McKnight.

In further response to Commission Staff's 2/8/06 letter, please be advised that the ownership of corporate stock is now 50/50 between Mr. deMenzes and the Segarras. The Segarras purchased 50% and Mr. deMenzes purchased 26% from Mr. Chase.

Finally, the Company will submit the tariffs reflecting the change in ownership. Work is underway on that matter.

Please acknowledge receipt by date stamping the extra copy provided.

Sincerely,



Wayne L. Schiefelbein
Of Counsel

WLS/dcr
Enclosures
G:\CFAT H20\Bayo ltr.wpd

DOCUMENT NUMBER DATE

01504 FEB 21 06

FPSC-COMMISSION CLERK

**Stock Purchase
Agreement**

This agreement between Joan Tamburo, hereinafter known as "Seller" and Charles deMenzes, hereinafter known as "Buyer" stipulates that the Seller is willing to sell and the Buyer is willing to buy the seller's interest in the Corporation known as C.F.A.T. H2o, Inc., a Florida corporation.


Seller represents that said interest in the corporation equals twenty four and one-half (24½%) percent of the corporation and that Seller has the right to sell said interest.

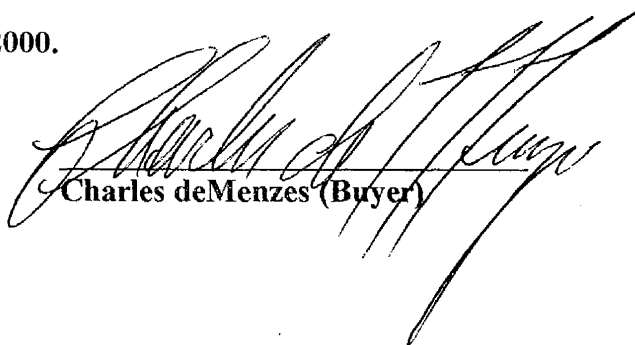
Purchase price for said interest is Twenty Five Thousand Dollars (\$25,000.00) payable in cash within 30 days of the signing of this agreement.

Effective date of purchase shall be January 1, 2000.

Seller shall sign and transfer said stock certificate representing Seller's interest and tender said certificate to buyer upon payment of purchase price by Buyer.

Agreed to this 20 day of January 2000.


Joan Tamburo (Seller)


Charles deMenzes (Buyer)

IN THE CIRCUIT COURT FOR
MARION COUNTY, FLORIDA

PROBATE DIVISION

IN RE: ESTATE OF
PETER A. TAMBURO,
Deceased.

File Number: 99-881
Division:

FILED
99 AUG 27 PM 4:24
DAVID R. ELLSPERHANN
CLERK CIRCUIT COURT
MARION COUNTY, FL

LETTERS OF ADMINISTRATION

TO ALL WHOM IT MAY CONCERN:

WHEREAS, Peter A. Tamburo, a resident of Marion County, Florida, died on July 18, 1999, owning assets in the State of Florida; and

WHEREAS, Joan F. Tamburo has been appointed personal representative of the estate of the decedent and has performed all acts prerequisite to issuance of Letters of Administration in the estate;

NOW, THEREFORE, I, the undersigned Circuit Judge, declare Joan F. Tamburo duly qualified under the laws of the State of Florida to act as personal representative of this estate, with full power to administer the estate according to law; to ask, demand, sue for, recover and receive the property of the decedent; to pay the debts of the decedent as far as the assets of the estate will permit and law directs; and to make distribution of the estate according to law.

WITNESS my hand and the seal of this court this 27th day of August, 1999.

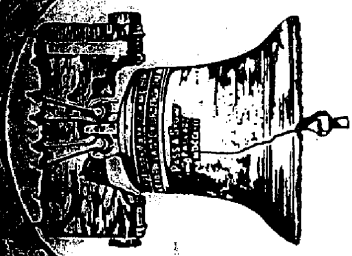
[Signature]
Circuit Judge

Conformed copy to:
Robert S. Bernstein, Esq.
Foley & Lardner
200 Laura Street
Jacksonville, FL 32202

STATE OF FLORIDA
COUNTY OF MARION
I, THE UNDERSIGNED, Clerk of the Circuit Court, Marion County, Florida DO HEREBY CERTIFY the within and foregoing is a true and correct copy of the original as it appears on record and the same is in full force and effect.
WITNESS my hand and seal of the Circuit Court at Marion County, Florida, this 27th day of August A.D. 1999.

David R. Ellspermann,
Clerk Circuit Court
By: [Signature]
Deputy Clerk

SUBJECT TO THE TERMS ON THE REVERSE SIDE



NUMBER 2

SHARES 48

INCORPORATED UNDER THE LAWS OF THE STATE OF FLORIDA

C.F.A.T. H2O, INC.

500 SHARES AT \$1.00 PAR VALUE

PETER A. TAMBURO

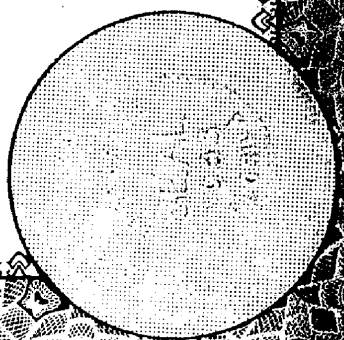
This Certificate

is hereby issued ----- FORTY EIGHT ----- shares fully paid and transferable only on the books of the Corporation by the holder hereof in person or by an authorized attorney upon surrender of this Certificate properly endorsed.

In Witness Whereof, the said Corporation has caused this Certificate to be signed by its duly authorized officers and its Corporate Seal to be hereunto affixed this 29th day of November A.D. 19 93

Ronald S. Chase
SECRETARY RONALD S. CHASE

Ronald S. Chase
PRESIDENT RONALD S. CHASE



THE SHARES REPRESENTED BY THIS CERTIFICATE HAVE BEEN ACQUIRED DIRECTLY OR INDIRECTLY FROM THE ISSUER WITHOUT BEING REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), OR ANY OTHER APPLICABLE SECURITIES LAWS, AND ARE RESTRICTED SECURITIES AS THAT TERM IS DEFINED UNDER RULE 144 PROMULGATED UNDER THE ACT. THESE SHARES MAY NOT BE SOLD, PLEDGED, TRANSFERRED, DISTRIBUTED OR OTHERWISE DISPOSED OF IN ANY MANNER ("TRANSFER") UNLESS THEY ARE REGISTERED UNDER THE ACT AND ANY OTHER APPLICABLE SECURITIES LAWS, OR UNLESS THE REQUEST FOR TRANSFER IS ACCOMPANIED BY A FAVORABLE OPINION OF COUNSEL, REASONABLY SATISFACTORY TO THE ISSUER, STATING THAT THE TRANSFER WILL NOT RESULT IN A VIOLATION OF THE ACT OR ANY OTHER APPLICABLE SECURITIES LAWS.

THE CORPORATION SHALL FURNISH THE HOLDER OF THIS CERTIFICATE UPON REQUEST AND WITHOUT CHARGE A FULL STATEMENT OF THE VARIATIONS IN RIGHTS, PREFERENCES, AND LIMITATIONS DETERMINED FOR EACH SERIES OF COMMON STOCK THAT THE CORPORATION IS AUTHORIZED TO ISSUE AND THE AUTHORITY OF THE BOARD OF DIRECTORS TO DETERMINE VARIATIONS FOR FUTURE SERIES.

For Value Received, I hereby sell, assign and transfer unto CHARLES DE MENCES
48 Shares of the Capital Stock represented by the within Certificate, and do hereby irrevocably constitute and appoint RONALD S. CHASE Attorney to transfer the said Stock on the books of the within named Corporation with full power of substitution in the premises.

Dated JAN 20 2000 19

In presence of

[Signature] [Signature]

**Stock Purchase
Agreement**

This agreement between John Fannon, hereinafter known as "Seller" and Charles deMenzes, hereinafter known as "Buyer" stipulates that the Seller is willing to sell and the Buyer is willing to buy the seller's interest in the Corporation known as C.F.A.T. H2o, Inc., a Florida corporation.

Seller represents that said interest in the corporation equals forty-eight (48) shares of stock, representing twenty-four (24%) percent of the corporation, and that Seller has the right to sell said interest which Seller warrants that the Stock is free of any and all liens or encumbrances.

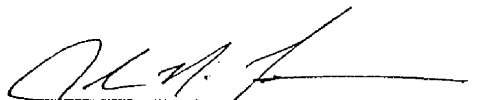
Purchase price for said shares of stock is Sixty Five Thousand Dollars (\$65,000.00) payable in cash within 30 days of the signing of this agreement.

Effective date of purchase shall be August 31st, 2005.


Seller shall sign and transfer said stock certificate representing Seller's interest and tender said certificate to buyer upon payment of purchase price by Buyer. Because the Corporate Book and Stock Certificates are not available, Seller agrees to sign any additional documents necessary to effectuate the stock transfer as required by buyer's attorney.

In addition, John Fannon hereby resigns as Vice President of C.F.A.T. H2o, Inc. effective immediately and transfers Amsouth Bank signatory rights to Buyer.

Agreed to this 22 day of August 2005.




John Fannon (Seller)




Charles deMenzes (Buyer)



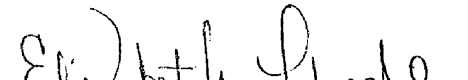
Witness



Witness



Witness



Witness



SID WINGERHOFF
14101 Dickens St
Sherman Oaks, CA 91423

818 990-7768

UNIFORM STATUTORY FORM POWER OF ATTORNEY

(California Probate Code Section 4401)

NOTICE: THE POWERS GRANTED BY THIS DOCUMENT ARE BROAD AND SWEEPING. THEY ARE EXPLAINED IN THE UNIFORM STATUTORY FORM POWER OF ATTORNEY ACT (CALIFORNIA PROBATE CODE SECTIONS 4400-4465). IF YOU HAVE ANY QUESTIONS ABOUT THESE POWERS, OBTAIN COMPETENT LEGAL ADVICE. THIS DOCUMENT DOES NOT AUTHORIZE ANYONE TO MAKE MEDICAL OR OTHER HEALTH-CARE DECISIONS FOR YOU. YOU MAY REVOKE THIS POWER OF ATTORNEY IF YOU LATER WISH TO DO SO.

I, RONALD CHASE 10 GOLF VILLAGE, KEY LARDE, FLORIDA
33037

(YOUR NAME AND ADDRESS)

appoint SIDNEY WINGERHOFF 14101 DICKENS ST. SHERMAN OAKS, CA 91423
GLEN CHASE, PO BOX 73 MOSS LANDING, CA 95039
10963 POTRERO RD.

(NAME AND ADDRESS OF THE PERSON APPOINTED, OR OF EACH PERSON APPOINTED IF YOU WANT TO DESIGNATE MORE THAN ONE)

as my agent (attorney-in-fact) to act for me in any lawful way with respect to the following initialed subjects:
TO GRANT ALL OF THE FOLLOWING POWERS, INITIAL THE LINE IN FRONT OF (N) AND IGNORE THE LINES IN FRONT OF THE OTHER POWERS.
TO GRANT ONE OR MORE, BUT FEWER THAN ALL, OF THE FOLLOWING POWERS, INITIAL THE LINE IN FRONT OF EACH POWER YOU ARE GRANTING.
TO WITHHOLD A POWER, DO NOT INITIAL THE LINE IN FRONT OF IT. YOU MAY, BUT NEED NOT, CROSS OUT EACH POWER WITHHELD.

INITIAL

- (A) Real property transactions.
- (B) Tangible personal property transactions.
- (C) Stock and bond transactions.
- (D) Commodity and option transactions.
- (E) Banking and other financial institution transactions.
- (F) Business operating transactions.
- (G) Insurance and annuity transactions.
- (H) Estate, trust, and other beneficiary transactions.

INITIAL

- (I) Claims and litigation.
- (J) Personal and family maintenance.
- (K) Benefits from social security, medicare, medicaid, or other governmental programs, or civil or military service.
- (L) Retirement plan transactions.
- (M) Tax matters.
- (N) ALL OF THE POWERS LISTED ABOVE.

YOU NEED NOT INITIAL ANY OTHER LINES IF YOU INITIAL LINE (N).

SPECIAL INSTRUCTIONS:

ON THE FOLLOWING LINES YOU MAY GIVE SPECIAL INSTRUCTIONS LIMITING OR EXTENDING THE POWERS GRANTED TO YOUR AGENT.

UNLESS YOU DIRECT OTHERWISE ABOVE, THIS POWER OF ATTORNEY IS EFFECTIVE IMMEDIATELY AND WILL CONTINUE UNTIL IT IS REVOKED.

This power of attorney will continue to be effective even though I become incapacitated.

STRIKE THE PRECEDING SENTENCE IF YOU DO NOT WANT THIS POWER OF ATTORNEY TO CONTINUE IF YOU BECOME INCAPACITATED.

EXERCISE OF POWER OF ATTORNEY WHERE MORE THAN ONE AGENT DESIGNATED

If I have designated more than one agent, the agents are to act SEPARATELY.
IF YOU APPOINTED MORE THAN ONE AGENT AND YOU WANT EACH AGENT TO BE ABLE TO ACT ALONE WITHOUT THE OTHER AGENT JOINING, WRITE THE WORD "SEPARATELY" IN THE BLANK SPACE ABOVE. IF YOU DO NOT INSERT ANY WORD IN THE BLANK SPACE, OR IF YOU INSERT THE WORD "JOINTLY", THEN ALL OF YOUR AGENTS MUST ACT OR SIGN TOGETHER.

I agree that any third party who receives a copy of this document may act under it. Revocation of the power of attorney is not effective as to a third party until the third party has actual knowledge of the revocation. I agree to indemnify the third party for any claims that arise against the third party because of reliance on this power of attorney.

REDACTED

Signed this 1 day of MAY 2003

Ronald Chase

(YOUR SIGNATURE)

(YOUR SOCIAL SECURITY NUMBER)

State of Calif

County of Los Angeles

BY ACCEPTING OR ACTING UNDER THE APPOINTMENT, THE AGENT ASSUMES THE FIDUCIARY AND OTHER LEGAL RESPONSIBILITIES OF AN AGENT.

CERTIFICATE OF ACKNOWLEDGEMENT OF NOTARY PUBLIC

STATE OF Calif

COUNTY OF Los Angeles

On 5-1-03 before me, LINDA HERZ NOTARY PUBLIC
(NAME, TITLE OF OFFICER-I.E. "JANE DOE, NOTARY PUBLIC")

personally appeared Ronald Chase

~~personally known to me~~ (or proved to me on the basis of satisfactory evidence) to be the person(s) whose name(s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/his/their authorized capacity(ies), and that by his/his/their signature(s) on the instrument the person(s), or the entity upon behalf of which the person(s) acted, executed the instrument.

WITNESS MY HAND AND OFFICIAL SEAL.

Linda Herz
(Signature)



Personal Financial Statement

as of February 15, 2006

for

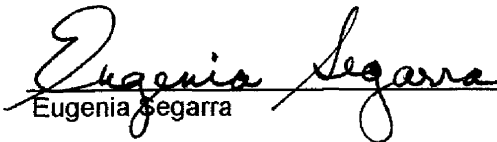
Floyd & Eugenia Segarra

Assets

Cash in Banks	25,000.00	
Scudder Investments	138,630.00	
Fidelity IRA	168,230.00	Floyd
Fidelity IRA	286,709.00	Eugenia
Notes Receivable	425,000.00	
Residence	200,000.00	
Vehicles:	22,000.00	
Furn/Fixt	15,000.00	

Liabilities

Corporate Holdings Net Worth		% Owner	
C.F.A.T. H2o, Inc.	250,000.00	50%	Sub S Corp
			Tot Liab -
Total Assets	1,530,569.00		Net Worth 1,530,569.00


Eugenia Segarra

Personal Financial Statement

as of February 14, 2006

for

Charles de Menzes

Assets		Liabilities		Mo Pmts
Cash in Banks	50,000.00	215,000.00	BB&T	2,500.00
Residence	950,000.00	100,000.00	AmSouth Bank	325.00
Barn & Lot	175,000.00	23,800.00	Bank of America	500.00
IRA's	15,000.00	101,800.00	02 Allegro Coach	1,006.00
Accounts Receivable	49,500.00	17,000.00	Acura MDX	728.00
Vehicles:		27,900.00	Honda Financial	629.00
2002 Acura MDX	40,000.00			
02 Allegro Phateon	110,000.00			
2004 Chev Truck	18,000.00			
2006 Honda RT	28,000.00			

Contingent Liabilities (Co-Signer)
68,000.00 Leader Mortgage (Son)

Corporate Holdings Net Worth		% Owner
Tradewinds Utilities, Inc	4,000,000.00	100%
Res Water Systems, Inc	2,000,000.00	100%
MIRA International, Inc	400,000.00	100%
Alternative Phone, Inc.	350,000.00	51%
CFAT H2o, Inc.	250,000.00	50%
BFF Corp	250,000.00	49%
Source 1 Medical, Inc.	100,000.00	17%

PSC Franchised Private Water/Wastewater Utility
PSC Franchised Private Water Utility
Management Company
PSC Franchised Statewide Local Phone Service
PSC Franchised Private Water/Wastewater Utility
PSC Franchised Private Wastewater Utility
Medical Supply Business

Tot Liab	485,500.00	Mo Pmt	5,688.00
Net Worth	8,300,000.00		

Total Assets **8,785,500.00**



 Charles deMenzes



Kimley-Horn
and Associates, Inc.

August 24, 2005
048853001.2700

William McKnight
APEC
1201 Oakfield Drive
Brandon, FL 33511

■
Suite 300
10117 Princess Palm Avenue
Tampa, Florida
33610-8300

**Re: Water and Sewer Utilities Agreement
APEC-Ocala Gas Station**

Dear Mr. McKnight:

Attached please find the Water and Sewer Utilities Agreement between Developer (APEC) and Utility Provider (C.F.A.T. H2O) for the APEC – Ocala Gas Station. The proposed sewer design will connect to an existing C.F.A.T. H2O manhole located in the western Jacksonville Road right-of-way approximately 1500 feet north of the proposed site. The connection to the existing manhole will be made via 1800 linear feet of 4" PVC force main from the Apec privately owned lift station located behind the proposed store. The water connection will be made via a 4" PVC water main connecting to an existing 6" C.F.A.T. H2O water main located in approximately the same vicinity as the manhole.

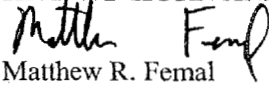
Kimley-Horn and Associates, Inc has reviewed the agreement, from an engineering standpoint in regards to proper sizing and connection location, and has no objection. Upon further review from your office, any correspondence should be handled directly with C.F.A.T H2O. The contact information for C.F.A.T. H2O can be found below. Please have this agreement reviewed and signed by September 8, 2005 so as to not cause any delays to the projected schedule. This agreement must be complete by both parties thirty (30) days prior to the start of construction.

Charles DeMenzes
President
C.F.A.T. H2O
1410 NE 8th Ave
Ocala, Fl 34470
352-622-4949

Thank you and if you have any questions please feel free to contact Alan Rayl or myself at the number below.

Sincerely,

KIMLEY-HORN AND ASSOCIATES, INC.


Matthew R. Femal
Project Analyst

H:\048853001 - APEC-Ocala\Correspondence\McKnight 082405.ltr.doc

WATER & SEWER UTILITIES AGREEMENT

THIS AGREEMENT, made and entered into this 26th day of AUG., 2005, by and between William D. McKnight (hereinafter referred to as "Developer") and C.F.A.T. H2o, Inc. (hereinafter referred to as "Utility"):

WITNESS:

IN CONSIDERATION of the mutual promises and covenants and other value flowing between the parties and intending to be legally bound, they agree as follows:

BACKGROUND

Developer is the owner of that certain real property described in Schedule A attached and made a part hereof on which Developer plans to construct a public commercial structure. Said property is located on the Northeast side of the intersection of SR 326 and Old Jacksonville Hwy, located in Marion County, Florida.

Utility is the owner and operator of a water & sewer utility system located at the general vicinity of the intersection of Northeast 77th Street and Old Jacksonville Hwy known as Landfair.

The parties desire that Developer's real property shall be brought within the franchise area covered by Utility's sewer system so that Developer's project can be served by Utility's water & sewer systems.

IT IS THEREFORE AGREED THAT:

1. **Applications.** Both parties will cooperate in the filing of all necessary applications by Utility to bring Developer's property within Utility's franchise area. Developer shall provide Utility with all required information produced by Developer's Engineers, agents and employees that is necessary for Utility to make such application. Utility shall promptly apply for and diligently pursue such application, and Utility shall bear the expense in connection with the application costs to the Florida Public Service Commission.
2. **Plans.** Developer shall have plans prepared by a qualified engineer for construction of sewer lines from Developer's project to connect with Utility's existing lines at approximately the intersection of Northeast SR 326 and Old Jacksonville Hwy or other agreed upon connection point. During the design phase and upon completion thereof, Utility shall periodically review said plans and shall give final approval to the same before any construction is commenced.
3. **Construction.** Upon final approval of the plans by Utility, Developer, at Developers cost and expense, shall construct the necessary water & sewer lines from Developer's project to connect with Utility's existing lift station. The exact location shall be agreed upon before commencement of construction. Developer shall not be responsible for sewer plant upgrades.

4. **On-Site Plans.** Developer will also have a qualified engineer design all portions of the sewer system on Developer's site, and Utility shall have the right to review and approve same. No on-site construction of such facility shall commence until Utility has given final approval thereof.
5. **Conveyance of Facilities.** Upon completion of construction of the sewer lines from Developer's site to Utility's existing lines, and approval of such lines as constructed, both by the Utility and all appropriate governmental regulatory bodies, then the Developer shall convey said facilities from Developer's property line to the point where they tie into Utility's existing system, free and clear of all encumbrances, to Utility.
6. **Work.** All work to be performed by Developer hereunder shall be done by qualified engineers and contractors, and shall be in accordance with plans and specifications approved by Utility and in conformity with the requirements of all governmental regulatory bodies.
7. **Sizing Facilities.** The facilities to be constructed by Developer from Developer's site to Utility's existing system shall be of such size (4") as will adequately serve Developer's development, as well as that reasonably to be expected from additional property owners in the area who may be expected to tie into such systems.
8. **Developer's Obligations.** All contributors and Developers shall furnish to the Utility accurate information with regard to matters of engineering, construction of buildings and dwellings and proposed densities. Developers who increase their density factors and/or consumption requirements are liable for an adjustment in their total Contribution-in-Aid-of-Construction applicable to Developer's project.
9. **Design and Construction of On-site Facilities.** Contributor shall design and/or construct the on-site facilities provided, however, such design, installation, and construction shall be subject to the prior approval of the Utility.
10. **Transfer of On-site Facilities.** Contributor shall also be responsible for financing of the on-site facilities in such a manner as to permit transfer of ownership and control of the facilities to Utility free and clear of any impediment to the continuous unfettered enjoyment by the Utility. All transfers of the on-site facilities shall be a form reasonably satisfactory to the Utility and shall be accompanied by a satisfactory evidence of ownership free and clear of any liens and encumbrances.
11. **Design by Independent Engineers.** Utility shall recognize the design of sewer facilities prepared by a professional engineer registered in the State of Florida regularly engaged in the field of engineering, covering the design of developer's on-site sewer distribution system. Provided, however, that each such design shall be fully subject to the approval of Utility and shall conform in all respects to the criteria of Utility governing the installation of utility facilities ultimately to be accepted by Utility for ownership, operation and maintenance. Utility reserves the right to charge a fee, the actual cost to Utility, for reviewing such engineering plans and furnishing to Developer's engineer, various information regarding location and criteria.

All designs of water distribution facilities are at all times subject to the approval of other agencies having jurisdiction over such design. Provided, however, that the Utility will establish specifications based upon good engineering and utility construction practices, and shall provide such specifications to developers or their representative. Any such specifications shall be incorporated into the on-site system design and construction of the on-site distribution systems.

In the event that such specifications are not incorporated into the on-site system design and construction, the Utility reserves the right to order suspension of further design or construction pending correction of the deficiencies.

12. **Construction of Distribution System.** At such time Developer decides to construct and install or have constructed and installed, the distribution systems, the Developer shall, not less than thirty (30) days prior to commencing construction, furnish the Utility with a complete copy of the plans and specifications of the proposed on-site distribution system, and a list of proposed underground utility contractors. The Utility shall have twenty (20) days in which to determine the acceptability of the design, plans and specifications furnished to it by the Developer. If the Utility shall object to the design, plans and specifications or any part thereof, construction shall not commence pending the resolution of the Utility's objection.
13. **Qualified Contractors.** It is further provided that the Utility may issue, revise or amend a list of construction contractors who are qualified to construct and install sewer systems and facilities to the level desired by the Utility. The Utility further reserves the right to reject any construction contractor who the Utility believes or has reason to believe does not perform, construct, or install facilities in accordance with good engineering practices and generally accepted construction practices as practiced by the Utility.
14. **Repairs and Maintenance Prior to Acceptance.** Developer shall be responsible for and make any repairs or replacements as a result of any breakage, vandalism or other damage caused to Developer's proposed on-site distribution system, until final acceptance of Developer's on-site distribution system by Utility. After final acceptance of on-site distribution system, Developer shall indemnify and hold Utility harmless for the cost of any repairs for any breakage or other damage to distribution system from time of completion of said distribution system until completion of all roads, paving, drainage and other construction on Developer's property necessary to complete the development. If, within ten (10) days of the receipt of Utility's notice of such breakage or any other damage, developer fails to make timely repairs and corrections, Utility shall have the option to make such repairs or replacements at Developer's cost.
15. **Hold Harmless.** Utility shall not be liable or responsible to Developer as a result of injury to property or persons, which said injury was created by "Force Majure" as employed herein shall be acts of God, strikes, lockouts, or other industrial disturbances, acts of public enemy, wars, blockades, riots, acts or Armed Forces, epidemics, delays by carriers, inability to obtain materials or right-of-way on reasonable terms, acts of public authorities, acts of vandals or other third parties, or any other causes whether or not of the same kind as enumerated herein. Further, in no event shall the Utility be liable to Developer or any customer for any inconsequential, incidental, or punitive damages as a result of injury to property or person, regardless whether said injury was the result of acts of or within the control of Utility or others.
16. **Conveyance without Encumbrance.** Developer shall, in accordance with the terms of this agreement, cause to be constructed and conveyed to utility, free and clear of all encumbrances and at no cost to Utility, the extension of the sewer distribution system. Developer shall submit to Utility, engineering plans and specifications for the Developer's extension prepared by Developer's engineer, which plans and specifications shall be approved in writing by Utility prior to Developer's undertaking any construction. All construction of Developer's extension shall be done by contractors approved in advance by Utility as competent to perform such

work, which said approval should not be arbitrarily withheld. Following conveyance by Developer, developer's extension, additions, repairs and replacements thereto shall at all times remain the sole, complete and exclusive property of the Utility, and the Developer shall have no right or claim in and to the Developer's extension, but the Developer's extension shall be used for providing service to development.

17. **Refusal of Service.** Utility shall have the right to refuse to provide service to the Developer, the right to terminate service to any lot or building within Developer's property, in the event Developer defaults or fails to comply with any of the terms and conditions contained herein in a timely manner, and fails to cure such default or fails to comply within ten (10) days following receipt by Developer of Utility's notice of such default or failure to comply.
18. **Final Conveyance.** Wherein the Utility agrees to accept systems built by others, each contributor (developer, builder, etc.) who has constructed portions of a water distribution system shall convey such component parts of the water distribution system to Utility by bill of sale, in form satisfactory to Utility's attorney, together with such evidence as may be required by Utility that the water system proposed to be transferred to Utility are free and clear of all liens and encumbrances.

PROVIDED, HOWEVER, THAT AT ALL TIMES:

19. **Customer Installation.** Any facilities physically located within the customer's property lines shall not be transferred to Utility and shall remain the property of individual customers, their successors or assigns.
20. **Acceptance of Lines.** Utility shall not be required to accept title to any component part of the sewer distribution system until Utility has approved the construction of said lines.
21. **Cost Records.** Contributor shall maintain accurate records establishing the construction costs of all utility facilities constructed by the contributor. Such costs information shall be furnished to Utility concurrently with the bill of sale, and such cost information shall be a prerequisite for acceptance by Utility of the portion of the sewer distribution system constructed by the contributor.
22. **As Built Plans.** Contributor shall also supply to the Utility a complete copy of "as built" plans signed by the engineer responsible for construction, and the supplying of such plans will be a prerequisite for the acceptance by the Utility of the portion of the sewer distribution system constructed.
23. **Acceptance of Facilities.** Prior to Utility accepting facilities constructed by Developer, Developer shall comply with all terms of this agreement and shall:
 - Provide to Utility an accounting of the actual cost of the on-site distribution system together with copies of all paid bills and releases of liens received by the Developer, or his agent, in connection with the construction of the on-site water and sewer distribution systems;
 - Furnish Utility with a mylar sepia copy of the "as built" drawings of the Developer's construction of on-site distribution system;
 - Furnish, in form and substance acceptable to Utility, all of the following relating to the Developer's on-site distribution system:

- a. All permits and governmental approvals obtained by Developer, it's Contractors or agents;
- b. Engineer's Certifications;
- c. Bill of Sale with warranties of title;
- d. Easements pursuant to Paragraph 27;
- e. As Built drawings certified by Developer's engineer;
- f. Contractors warranty of workmanship and materials for a period of 2 years following acceptance of facilities by Utility.

24. **Right to Refuse Connection and Service.** Utility reserves the right to refuse connection and to deny the commencement of service to any customer seeking to be connected to portions of the sewer distribution system until such time as the provisions of this section have been fully met.

25. **Easements and Rights-of-Way.** As a prerequisite to the construction of any water and distribution system proposed to be connected to the facilities by Utility, Contributors shall be responsible for obtaining all easements or rights-of-way necessary in connection with the installation of the proposed facilities and the master plan of Utility. All grants or conveyances shall be free and clear of all liens and encumbrances and in form proper for recording and satisfactory to Utility's Attorney. Utility reserves the right to require such easement of right-of-way to the point at which meter is proposed to be installed being the point at which the Utility's facilities join with customer's installation.

26. **Inspections.** The Utility shall have, at all times during the construction, the right to inspect the construction of the sewer facilities being built by the contributor, or his agents or employees, as set forth in this agreement.

Such inspection is designed to assure Utility that sewer lines are installed in accordance with approved designs and are further consistent with the criteria and specifications governing the kind and quality of such installation. Utility further reserves the right to be present at tests of component parts of sewer distribution systems for the purpose of determining that the system, as constructed, conforms to Utility criteria for exfiltration, infiltration, pressure testing, line and grade. Such tests will be performed by the Developer or Developer's contractor, but only under the direct supervision of Utility's authorized inspector.

27. **Inspection Fees.** Construction of facilities by a contributor (developer), which are to become a part of Utility's system, will be subject to inspection by the Utility. For this service, the Utility may charge an inspection fee, not to exceed \$500.00, based upon the actual cost to the Utility of inspection of facilities constructed by contributor's independent contractors for connection with the facilities of the Utility. Such inspection fee shall be paid by the contributor in addition to all other charges above stated, as a condition precedent to service. A copy of the engineer's statement for inspections will be furnished to contributor upon request.

28. **Extensions outside Certified Territory.** Owners, builders or developers being potential consumers whose property lies outside the Utility's certificated area, may apply to the Utility for the extension of sewer distribution mains to said property.

Property service outside the Utility's territory involves formal notice and formal procedures before Florida Public Service Commission (Chapter 367.061, Florida Statutes), and, therefore,

entails engineering, administrative, and legal expenses in addition to costs incurred by the Utility in providing service within its territory. The Utility will further make such extensions outside the territory only if the extension and treatment plant reservation or expansion to serve such extensions is economically feasible as determined by a competent engineering study.

The Utility will not extend its facilities in situations where the extensions will result in the service to existing customers to suffer either as a result of reduction of capacity to provide its service to customers, or reduction of economic capability of the Utility to meet its financial commitments.

29. **Developer and Utility Rate Schedules.** The Developer and Utility agree that the wastewater rates will be based on the current tariff rates on file with the Florida Public Service Commission. There are currently no impact or hookup fees in the company Tariff. Developer shall have the right to contact other possible wastewater users with permission from the Utility. Other users shall be required to sign a Developers agreement as required by the Utility.

30. **General Provisions:**

- a. **Litigation.** In the event of any litigation arising out of this Agreement the prevailing party shall be entitled to recover all reasonable costs incurred, including reasonable attorneys' fees, which shall include all reasonable costs and attorneys' fees incurred with respect to any appellate, bankruptcy, or post-judgement proceeding related thereto.
- b. **Binding Effect.** The parties to this Agreement represent to each other that each party fully understands the facts surrounding this Agreement and each is signing this Agreement fully and voluntarily, intending to be bound by it. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their respective spouses, heirs, executors, administrators and assigns. There are no representations or warranties other than those set forth herein.
- c. **Headings.** The headings contained within this Agreement are for identification purposes only, and shall not be construed to amend, modify, or alter the terms of the Agreement.
- d. **Severability.** In the event any provision or section of this Agreement is determined to be invalid or unenforceable, such determination shall not affect the enforceability or the validity of the remaining provisions of this Agreement.
- e. **Survival of Representations and Warranties.** All representations and warranties contained herein are made in writing by the parties in connection herewith shall survive the execution and delivery of this Agreement.
- f. **Successors and Assigns.** All covenants and agreements in this Agreement made by or on behalf of any parties hereto shall bind and inure to the benefit of the respective successors and assigns of the parties hereto, whether so expressed or not.
- g. **Applicable Law.** This Agreement is being delivered in the State of Florida, and shall be construed and enforced in accordance with the laws of the State of Florida. The venue for any legal proceeding arising out of this Agreement shall be Marion County, Florida.
- h. **Counterparts.** This Agreement may be executed simultaneously in several counterparts, each of whom shall be deemed an original, and it shall not be necessary in making proof of this Agreement to produce or account for more than one such counterpart.

- i. **Entire Agreement.** This Agreement shall constitute the entire agreement of the parties hereto; all prior agreements between the parties, whether written or oral, are merged herein and shall be of no force or effect. This Agreement cannot be changed, modified or released orally, but only by an agreement in writing signed by the parties against whom enforcement of said change, modification or discharge is sought.
- j. **Gender.** As used in this Agreement, the masculine shall include the feminine and neuter, the singular shall include the plural, and the plural shall include the singular as the context may require.

31. **Approval by PSC.** This agreement shall not become effective until the Florida Public Service Commission has approved it.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement the day and year first above stated.

Signed, sealed and delivered
In our presence as witnesses:

Denise N. DeValle As to Developer
Wm. Knight President

Charles de Menzes
As to Utility

C.F.A.T. H2o, Inc.

By Charles de Menzes
Manager