

County-Wide Utility Co., Inc.

RECEIVED-FPS

August 24, 2006

06 AUG 25 AM 10: 5

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

COMMISSION
CLERK

RE: Docket No. 05-0862-WU; Application for Staff Assisted Rate Case for County-Wide Utility Co., Inc. – Response to Staff’s July 17th and July 27th Data Requests

Dear Ms. Bayo:

We are pleased to submit the following responses to Staff’s data requests dated July 17, 2006 and July 27, 2006:

1. *Billing rates and descriptions of work provided by all consultants for this docket are attached as Exhibit “1”.*
2. *Invoices for work provided by all consultants for this docket are attached as Exhibit “2”.*
3. *Invoices are broken down by hour as annotated on the invoices.*
4. *The estimates of costs to complete this case are attached as Exhibit “3”.*
5. *A copy of the SARSEP retirement plan is attached as Exhibit “4”. All employees receive contributions on behalf of the Utility. The amount contributed for each employee during the test year was:*
Dirk Leeward - \$840.84
Becca Chauncy – \$240.24
Jim Leeward – \$192.19

6. *Inactive accounts:*

- a. There are two types of inactive accounts:
 - i. Moved out recently – awaiting final payment
 - ii. On vacation.
- b. Moved out or notified us they are going on vacation.
- c. Accounts are removed from inactive when final payment is made, the account becomes uncollectible, or a customer returns from vacation.
- d. The number of inactive accounts shown on Schedule F by month were all residential service customers.
- e. The system does not have the capability to print out inactive accounts from prior periods.
- f. There are no revenues billed while the account is inactive. When a customer returns from vacation, the account is returned to active status and then the vacation rate is collected.
- g. See above.
- h. All differences are due to inactive account status.

CMP _____
 COM _____
 CTR _____
 ECR _____
 GCL _____
 OPC _____
 RCA _____
 SCR _____
 SGA _____
 SEC 1
 OTH _____

DOCUMENT NUMBER-DATE

07836 AUG 25 06

FPSC-COMMISSION CLERK

7. *The primary reason for County-Wide to take its existing wells off line and connect its distribution system to Ocala was to provide safe, reliable and cost effective service to the customers in our service territory.*

Our studies showed that, although we were not out of compliance, the existing system was deficient for our current customers in the following ways:

- a. Quantity of water produced from the wells, storage capacity, and chlorine contact time did not meet current standards during peak hours;
- b. The well site does not meet current well head protection standards and wells have recently tested positive for coliform bacteria;
- c. The unlined hydropneumatic tank was failing due to age;
- d. The system was incapable of providing fire flow service for fire hydrants.

In 1998, with 362 customers, we hired an engineer to perform a capacity analysis and look at alternatives to expand capacity and provide fire flow. We considered interconnecting with Windstream Utilities but they could not supply sewer and they would not give us assurance that they would have the fire flow capacity to meet ISO, NFPA, and Marion County requirements. We also considered constructing a new water plant, but County wellhead protection regulations would have required a well site in excess of ten acres at a land cost of over a half million dollars. The cost of drilling wells and installing pumps, treatment equipment, a water tower and extending a transmission main would have greatly exceeded the cost of interconnecting to the City.

Therefore, in early 2002 we started negotiations with the City of Ocala to interconnect our systems and purchase bulk water and sewer. During these negotiations, Windstream Utilities started construction of their water tower and we again tried to negotiate an agreement with them but they were reportedly having water quality problems, would not consider asking the FPSC for a discounted bulk rate, and still would not provide engineering data to support their fire flow claims. An agreement was reached with Ocala in late 2003.

Our latest engineering report consisting of approximately 135 pages of plans, data, and analysis (dated July 2004) and previously provided to staff during the audit (the "Engineering Report"), modeled the existing system and looked at three alternatives (with a few variations of each alternative) to determine the most prudent investment to best serve the current customers as well as provide sufficient capacity for future customers that we are required to serve within our current service territory.

As detailed in prior correspondence and discussions with staff, the existing Bahia Oaks water plant was constructed in 1972, almost 35 years ago. When retired, it consisted of two 6-inch wells with 20 H.P. pumps that each produce approximately 150 gallons per minute along with a 5,000 gallon unlined hydropneumatic tank.

Although most of the deficiencies do not need explanation beyond that provided above, the peak hour demand was modeled and the results are in Table 1 of the Engineering Report. The engineer determined that existing customers demand an estimated 267 gallons per minute at peak hour and, although not required when the system was built in 1972, current FDEP

standards require new or modified systems to maintain 20 psi at peak hour demand with the largest pump out of service. The system could not meet that standard.

Alternative 1 proposed running the transmission line parallel to the proposed wastewater line along SR 200 and tying into the existing system at only one location (SW 57th Ln, the entrance to Bahia Oaks) as a backup source of supply and providing fire protection to only a minority of the existing customers.

Alternative 2 (the one chosen) proposed running the transmission line through the existing development along SW 63rd St. as the sole source of supply and providing fire protection to the vast majority of existing customers that would make living in the Bahia Oak safer, make the water service much more reliable, and could reduce fire insurance rates substantially.

Alternative 3, the most expensive alternative, proposed running the transmission line along SW 60th Ave. but was found to be impossible to implement because of the proposed road construction, conflict with other utilities and lack of room in the right-of-way.

In the Engineering Report, the engineer estimated that Alternative 1 would be only \$50,000 less than Alternative 2. Not included in the cost of Alternative 1 was the cost to design and construct the interconnect valving and pressure regulators and to replace the hydropneumatic tank, all of which would have been needed to be done.

We also compared our current water production cost with the cost of water purchased from Ocala and found annual operating costs to be only about \$20,000 less than purchasing not including future capital improvements, pump and motor maintenance and replacements, and recurring permitting and compliance costs from EPA, FDEP and SWFWMD. The potential for future contamination of the well field was also considered since there are septic systems within 100 feet of the wells although the current regulations now require a 500 foot radius.

After considering the cost of the interconnect valving, pressure regulators, and the hydropneumatic tank, the lack of fire hydrants for a majority of the customers, the potential for future contamination, and the potential for future repair and replacement costs, we determined that Alternative 2 was the most prudent investment.

8. ***As described in the answer to question 7, the Utility interconnected with Ocala primarily to provide adequate water service to existing customers with the anticipation that the interconnect would also serve future customers located in Units 4 and 5 within the service territory.***
9. ***The Utility could have built the transmission main and purchased water to provide service to only its anticipated future customers and could have continued to provide water service to its existing customers from its wells but as described in the answer to question 7, the current customers would have been served from a less reliable system that had the potential for contamination, needed substantial and costly upgrades and repairs and could not provide fire protection.***

We determined it would be imprudent for the Utility to spend additional money to replace a tank in an antiquated system and also that such action would not comply with Policy 2.2 of the Marion County Comprehensive Plan “requiring existing water treatment plants to connect to a regional or sub-regional system when these system are available and are economically feasible.”

10. *As described in the answer to question 7, County-Wide performed a cost/benefit analysis regarding the continuation of the water treatment plant vs. purchasing water from Ocala as outlined above and in the Engineering Report previously provided.*
11. *All bids related to the interconnection with Ocala’s water system are attached as Exhibit “5”.*
12. *A copy of the executed contractual bulk service agreement between County-Wide and Ocala is attached as Exhibit “6”.*
13. *We have no record of any scheduled service interruptions from January 2005 to present.*
14. *Because of the short time water service would be unavailable, and the inability to predict the exact time when the contractor would be ready to switch current customers to the newly constructed water main, the current water customers were notified by newspaper notice (see attached Exhibit “7”) that their water service would be interrupted.*
15. *As detailed in response 14 above, there was not a service interruption notice sent to customers prior to switching to the new mains.*
16. *The service switchover occurred on October 26, 2005. An additional connection was made on October 28, 2005 because of a faulty valve.*
17. *The Utility published “Boil Water” notices for the service interruptions as a result of the switchover of existing customers by publishing them in the Ocala Star Banner as permitted by FDEP regulations and copies of our request and the published notices are attached as Exhibit “7”.*
18. *We have retired the water plant and plan to abandon the wells.*

At the time of FDEP permitting, the Utility was considering the option to use the old water plant for irrigation purposes which now does not look feasible due to the cost of construction new water lines for potable use. FDEP’s requirements for well [abandonment] are contained in Chapter 62-532 and SWFWMD requirements are in Chapter 40D-3.531. The Utility will meet all governmental requirements for abandoning the wells and needs to recover the cost to do so in its rates. Although we have received two bids for the work (attached as Exhibit “8”), there is no way to know how much grout will required to fill the wells and a total price cannot be estimated.

19. *Prior to the interconnection (the wells had not been abandoned yet), the Utility was in compliance with its Water Use Permit issued by SWFWMD.*

20. *At no time did the Utility ever tell any customers that the installation of the new water main would not affect them.*
21. *We are uncertain how "many customers" would know the condition of the water wells or plant and their capacity.*

As described in the answer to question 7, the antiquated water plant was operating in compliance with applicable regulations but the tank was in need of replacement, it did not have the capacity to serve existing customers with one well out of service, and had the potential for well contamination.

22. *Mr. Brady's water meter was misread in June and brought to the Utility's attention for the first time at the customer meeting.*

The gallon figures in the data request were meter readings and not usage amounts. The issue was resolved the next day by rereading the meter and giving him a credit of \$43.00.

23. *No, the Utility rarely has any such disputes and the Utility does not have any unresolved billing disputes currently.*
24. *County-Wide does not have a meter change out program, but would be very pleased to initiate one if the FPSC would include the cost of the program in our rates. The oldest meters in the system were installed in 1984.*

Based on best available data, our meters ages are as follows:

0-5 years – 197
6-10 years – 73
11-15 years – 63
16-22 years – 123

25. *All customers' meters are read on a monthly basis, usually during the last week of the month. Enviromasters normally reads the meters but there are substitute readers at times of low staffing or vacations.*
26. *We have never had a complaint of high water pressure.*

We are unaware of any requirement for pressure testing of the current distribution system. Since our system now operates at the same pressure as Ocala's system, we believe it to be in compliance with all applicable regulations and at an industry standard continuous pressure.

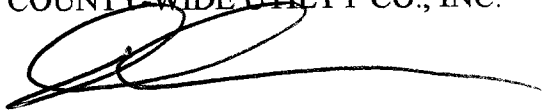
27. *We have not had any complaints of yellow and brown water.*
28. *The Utility removed Mrs. Lecuona's fence to install the transmission main and will be replacing it by the end of August.*

Prior to construction we received permission from Mrs. Lecuona to remove her fence. When we tried to contact her at the end of construction to discuss the location of the replacement fence, we were told she was in a nursing home in Miami, may not be coming back, and

therefore the fence wouldn't be needed. We asked her neighbor to call us when she returned. The first time we were aware that she had returned was when she spoke at the customer meeting.

If you require any additional information, please contact me.

Sincerely,
COUNTY WIDE UTILITY CO., INC.



Dirk J. Leeward, President
countywide@mfi.net

Enclosures:

- Exhibit "1" – Billing rates and description for consultants
- Exhibit "2" – Invoices from consultants
- Exhibit "3" – Estimated costs to complete rate case
- Exhibit "4" – SARSEP retirement plan
- Exhibit "5" – Interconnection Bids
- Exhibit "6" – Bulk Service Agreement
- Exhibit "7" – Boil Water notices
- Exhibit "8" – Well Abandonment Bids

EXHIBIT "1"

Billing rates and description for consultants

Cronin, Jackson, Nixon, Wilson (Certified Public Accountants)

Bob Nixon Rate \$180-\$185 per hour

Paul DeChario Rate \$120-\$130 per hour

Rose, Sundstrom & Bently (Legal)

Marty Deterding Rate \$260 per hour

EXHIBIT "2"
Invoices from consultants

Cronin, Jackson, Nixon & Wilson
CERTIFIED PUBLIC ACCOUNTANTS, P.A.

JAMES L. CARLSTEDT, C.P.A.
JOHN H. CRONIN, JR., C.P.A.
ROBERT H. JACKSON, C.P.A.
ROBERT C. NIXON, C.P.A.
JEANETTE SUNG, C.P.A.
HOLLY M. TOWNER, C.P.A.
REBECCA G. VOITLEIN, C.P.A.
JAMES L. WILSON, C.P.A.

2560 GULF-TO-BAY BOULEVARD
SUITE 200
CLEARWATER, FLORIDA 33765-4419
(727) 791-4020
FACSIMILE
(727) 797-3602
e-Mail
cpas@cinw.net

INVOICE

February 10, 2005

Countywide Utility Company, Inc.
6015 S.W. Highway 200
Suite 101
Ocala, Florida 34476

#975

For professional services rendered during January 2005, as follows:

Partial billing for work completed on the rate case feasibility
and service availability cases.

\$ 2,910.00

Rates:

Bob Nixon \$180/hr.
Paul DeChario \$120/hr

Cronin, Jackson, Nixon & Wilson
CERTIFIED PUBLIC ACCOUNTANTS, P.A.

JAMES L. CARLSTEDT, C.P.A.
JOHN H. CRONIN, JR., C.P.A.
PAUL E. DECHARIO, C.P.A.
ROBERT H. JACKSON, C.P.A.
ROBERT C. NIXON, C.P.A.
JEANETTE SUNG, C.P.A.
HOLLY M. TOWNER, C.P.A.
REBECCA G. VOITTEIN, C.P.A.
JAMES L. WILSON, C.P.A.

2560 GULF-TO-BAY BOULEVARD
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CLEARWATER, FLORIDA 33765-4419
(727) 791-4020
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e-Mail
cpas@cinw.net

INVOICE

March 8, 2005

Countywide Utility Company, Inc.
6015 S.W. Highway 200
Suite 101
Ocala, Florida 34476

#975

For professional services rendered during February 2005, as follows:

1. Final preparation and review of the rate case feasibility study.	\$ 529.25
2. Federal Express charges.	<u>8.73</u>
Total	<u>\$ 537.98</u>

Rates:

Bob Nixon \$185/hr
Paul DeChario \$120/hr

Cronin, Jackson, Nixon & Wilson
CERTIFIED PUBLIC ACCOUNTANTS, P.A.

JAMES L. CARLSTEDT, C.P.A.
JOHN H. CRONIN, JR., C.P.A.
PAUL E. DECHARIO, C.P.A.
ROBERT H. JACKSON, C.P.A.
ROBERT C. NIXON, C.P.A.
JEANETTE SUNG, C.P.A.
HOLLY M. TOWNER, C.P.A.
REBECCA G. VOITLEIN, C.P.A.
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e-Mail
cpas@cjnw.net

INVOICE

August 5, 2005

Countywide Utility Company, Inc.
P.O. Box 1476
Ocala, Florida 34478-1476

#975

For professional services rendered during July 2005, as follows:

- Revise Rate Case Feasibility Study for Changes in Capital Costs.

\$ 242.25

Rates:

Bob Nixon \$185/hr
Paul DeChario \$120/hr

Cronin, Jackson, Nixon & Wilson
CERTIFIED PUBLIC ACCOUNTANTS, P.A.

JAMES L. CARLSTEDT, C.P.A.
JOHN H. CRONIN, JR., C.P.A.
PAUL E. DECHARIO, C.P.A.
KATHERINE U. JACKSON, C.P.A.
ROBERT H. JACKSON, C.P.A.
ROBERT C. NIXON, C.P.A.
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e-mail
cpas@cinw.net

INVOICE

January 6, 2006

Countywide Utility Company, Inc.
P.O. Box 1476
Ocala, Florida 34478-1476

#975

For professional services rendered during December 2005, as follows:

- Conferences with client regarding Staff assisted rate case and interim rates.

\$ 115.60

Rates:

Bob Nixon \$185/hr
Paul Dechario \$130/hr

Cronin, Jackson, Nixon & Wilson
CERTIFIED PUBLIC ACCOUNTANTS, P.A.

JAMES L. CARLSTEDT, C.P.A.
JOHN H. CRONIN, JR., C.P.A.
PAUL E. DECHARIO, C.P.A.
KATHERINE U. JACKSON, C.P.A.
ROBERT H. JACKSON, C.P.A.
ROBERT C. NIXON, C.P.A.
JEANETTE SUNG, C.P.A.
HOLLY M. TOWNER, C.P.A.
REBECCA G. VOITLEIN, C.P.A.
JAMES L. WILSON, C.P.A.

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(727) 791-4020
FACSIMILE
(727) 797-3602
e-mail
cpas@cinw.net

INVOICE

February 10, 2006

Countywide Utility Company, Inc.
P.O. Box 1476
Ocala, Florida 34478-1476

#975

For professional services rendered during January 2006, as follows:

1. Client telephone conferences on January 26, 2006 and January 27, 2006 related to Staff assisted rate case.

\$ 260.00

Rates:

Bob Nixon \$185/hr
Paul DeChario \$130/hr

Cronin, Jackson, Nixon & Wilson
CERTIFIED PUBLIC ACCOUNTANTS, P.A.

JAMES L. CARLSTEDT, C.P.A.
JOHN H. CRONIN, JR., C.P.A.
PAUL E. DECHARIO, C.P.A.
KATHERINE U. JACKSON, C.P.A.
ROBERT H. JACKSON, C.P.A.
ROBERT C. NIXON, C.P.A.
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JAMES L. WILSON, C.P.A.

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CLEARWATER, FLORIDA 33765-4432
(727) 791-4020
FACSIMILE
(727) 797-3602
e-mail
cpas@cinw.net

INVOICE

March 9, 2006

Countywide Utility Company, Inc.
P.O. Box 1476
Ocala, Florida 34478-1476

#975

For professional services rendered during February 2006, as follows:

1. Conferences with client on February 14, 2006 and February 28, 2006; review rate case schedules prepared by client.	\$ 390.00
2. Telephone charges.	<u>27.00</u>
	<u>\$ 417.00</u>

Rates:
Bob Nixon \$185/hr
Paul DeChario \$130/hr

LAW OFFICES
ROSE, SUNDBROM & BENTLEY, LLP

P. O. BOX 1567
TALLAHASSEE, FLORIDA 32302-1567

(850) 877-6555

PLEASE REFER TO INVOICE NUMBER
WHEN REMITTING

F.E.I. # 59-2783536

COUNTY-WIDE UTILITY CO, INC
C/O DIRK LEEWARD, PRESIDENT
P.O. BOX 1476
OCALA, FL 34478-1476

INVOICE # 33345
JULY 24, 2006
FILE # 40097-0001

PAGE 1

MATTER APPLICATION FOR STAFF ASSISTED RATE CASE

06/07/06	REVIEW EMAIL FROM PSC EDWARDS AND PROVIDE IDEAS BY EMAIL TO LEEWARD.	0.40	
06/15/06	REVIEW DRAFT LETTER TO EDWARDS AND TELEPHONE CONFERENCE WITH LEEWARD RE: SAME.	0.30	
06/29/06	REVIEW NOTICE AND CUT AND PASTE; RESPOND TO EMAILS; TELEPHONE CONFERENCE WITH LEEWARD.	1.20	
		<u>1.90</u>	494.00
	TOTAL STATEMENT		\$494.00

PLEASE REFER TO INVOICE # WHEN REMITTING

260/du

LAW OFFICES
ROSE, SUNDBSTROM & BENTLEY, LLP

P. O. BOX 1567
TALLAHASSEE, FLORIDA 32302-1567

(850) 877-6555

PLEASE REFER TO INVOICE NUMBER
WHEN REMITTING

F.E.I. # 59-2783536

COUNTY-WIDE UTILITY CO, INC
C/O DIRK LEEWARD, PRESIDENT
P.O. BOX 1476
OCALA, FL 34478-1476

INVOICE # 33131
JUNE 26, 2006
FILE # 40097-0001

PAGE 1

MATTER APPLICATION FOR STAFF ASSISTED RATE CASE

05/04/06	REVIEW TARIFFS; TELEPHONE CONFERENCE WITH LEEWARD; REVISE AND SEND TARIFFS TO PSC WITH COVER LETTER.	1.00
05/05/06	TELEPHONE CONFERENCE WITH STAFF; SEND TARIFF ON STANDBY TO PSC STAFF MEMBER HUDSON.	0.30
05/08/06	TELEPHONE CONFERENCE WITH PSC CLERK AND REVIEW WEBSITE; LETTER TO CLIENT RE: NO RECONSIDERATION FILED BY DUE DATE.	0.70

2.00

520.00

TOTAL STATEMENT

\$520.00

PLEASE REFER TO INVOICE # WHEN REMITTING

26/06/06

LAW OFFICES

ROSE, SUNDBSTROM & BENTLEY, LLP

P. O. BOX 1567

TALLAHASSEE, FLORIDA 32302-1567

(850) 877-6555

PLEASE REFER TO INVOICE NUMBER
WHEN REMITTING

F.E.I. # 59-2783536

COUNTY-WIDE UTILITY CO, INC
C/O DIRK LEEWARD, PRESIDENT
P.O. BOX 1476
OCALA, FL 34478-1476

INVOICE # 32922
MAY 19, 2006
FILE # 40097-0001

PAGE 1

MATTER	APPLICATION FOR STAFF ASSISTED RATE CASE	
04/03/06	TELEPHONE CONFERENCE WITH CLIENT; TELEPHONE CONFERENCE WITH STAFF; TELEPHONE CONFERENCE WITH OPC RE: DELAY IN CONSIDERATION OF CASE; ATTEMPT TO CONTACT CLIENT RE: SAME.	1.90
04/04/06	PREPARE FOR AGENDA; REVIEW STAFF RECOMMENDATION ON EMERGENCY RATES AND GO TO PSC; CONFERENCES WITH PSC STAFF AND WITH OPC; RETURN; LETTER TO CLIENT RE: SAME.	2.10
04/05/06	REVIEW AND REVISE ESCROW AGREEMENT.	0.90
04/12/06	REVIEW ESCROW; REVIEW PREVIOUS ESCROW AGREEMENTS; REVIEW LEEWARD EMAILS; TELEPHONE CONFERENCE WITH LEEWARD RE: STAFF POSITION ON PROPOSAL FOR CONFIDENTIAL TREATMENT; TELEPHONE CONFERENCE WITH STAFF ATTORNEY RE: SAME	2.70
04/12/06	AND RE: DEALING WITH SAME.	0.00
04/13/06	REVIEW FINAL ESCROW AND SEND CUSTOMER NOTICE TO LEEWARD; REVIEW PRIOR ORDERS RE: CONFIDENTIAL TREATMENT LETTER TO LEEWARD RE: SAME AND DRAFT LETTER TO STAFF RE: PROPOSED RESOLUTION; TELEPHONE CONFERENCE WITH LEEWARD RE: SAME.	2.80
04/17/06	REVIEW CUSTOMER NOTICE AND MAKE CHANGES AND SEND IN LETTER TO CLIENT.	0.90
04/19/06	REVIEW CUSTOMER NOTICE, ESCROW AGREEMENT AND EMAILS FROM LEEWARD AND STAFF; WORK ON TARIFFS; REVIEW LETTER FROM GERVASI ON CLASSIFIED CONFIDENTIAL TREATMENT OF DOCUMENTS.	1.70
04/20/06	TELEPHONE CONFERENCE WITH LEEWARD RE: LETTER FROM GERVASI AND RESPOND TO SAME.	0.30
04/24/06	REVIEW CUSTOMER LETTER AND ESCROW REVISIONS; DRAFT LETTER TO STAFF RE:	2.70

Continue

LAW OFFICES
ROSE, SUNDSTROM & BENTLEY, LLP

P. O. BOX 1567
TALLAHASSEE, FLORIDA 32302-1567

(850) 877-6555

PLEASE REFER TO INVOICE NUMBER
WHEN REMITTING

F.E.I. # 59-2783536

COUNTY-WIDE UTILITY CO, INC

INVOICE # 32922
MAY 19, 2006
FILE # 40097-0001

PAGE 2

CONFIDENTIAL CLASSIFICATION AND
WITHDRAWAL; TELEPHONE CONFERENCE WITH
LEEWARD RE: SAME; REVISE, FINALIZE AND
FILE WITHDRAWAL WITH PSC.

16.00

4,160.0

LONG DISTANCE CALLS

1.25

TOTAL COSTS ADVANCED

1.2

TOTAL STATEMENT

\$4,161.2

PLEASE REFER TO INVOICE # WHEN REMITTING



ROSE CASE

260/hrs.

LAW OFFICES
ROSE, SUNDBSTROM & BENTLEY, LLP

P. O. BOX 1567
TALLAHASSEE, FLORIDA 32302-1567
(850) 877-6555

PLEASE REFER TO INVOICE NUMBER
WHEN REMITTING

F.E.I. # 59-2783536

COUNTY-WIDE UTILITY CO, INC
C/O DIRK LEEWARD, PRESIDENT
P.O. BOX 1476
OCALA, FL 34478-1476

INVOICE # 32764
APRIL 24, 2006
FILE # 40097-0001

PAGE 1

MATTER	APPLICATION FOR STAFF ASSISTED RATE CASE		
03/01/06	TELEPHONE CONFERENCE WITH LEEWARD RE: EMERGENCY PETITION AND 60 DAY EXTENSION; PREPARE AND FILE EXTENSION LETTER.	0.80	
03/08/06	WORK ON CONFIDENTIAL TREATMENT REQUEST; REVIEW ITEMS AND RULE.	0.90	
03/10/06	WORK ON CONFIDENTIAL TREATMENT REQUEST; FINALIZE AND FILE SAME.	3.10	
03/14/06	PREPARE CUSTOMER NOTICE AND COVER LETTER.	0.40	
03/23/06	REVIEW LETTER FROM PSC RE: CONFIDENTIAL REQUEST AND FORWARD.	0.70	
		<u>5.90</u>	1,534.00
	LONG DISTANCE CALLS	1.00	
	TOTAL COSTS ADVANCED		1.00
	TOTAL STATEMENT		\$1,535.00

PLEASE REFER TO INVOICE # WHEN REMITTING

260/ku

LAW OFFICES
ROSE, SUNDBSTROM & BENTLEY, LLP

P. O. BOX 1567
TALLAHASSEE, FLORIDA 32302-1567

(850) 877-6555

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WHEN REMITTING

F.E.I. # 59-2783536

COUNTY-WIDE UTILITY CO, INC
C/O DIRK LEEWARD, PRESIDENT
P.O. BOX 1476
OCALA, FL 34478-1476

INVOICE # 32571
MARCH 23, 2006
FILE # 40097-0001

PAGE 1

MATTER APPLICATION FOR STAFF ASSISTED RATE CASE

02/09/06	BEGIN WORK ON SCHEDULES AND COSTS RELATED TO INTERCONNECT; TELEPHONE CONFERENCE RE: SAME.	1.40
02/13/06	BEGIN REVIEW OF SCHEDULES FOR EMERGENCY RATES.	1.50
02/14/06	REVIEW DRAFT SCHEDULES AND MAKE CHANGES TO SAME.	0.70
02/15/06	WORK ON DRAFT APPLICATION; SEND QUESTIONS TO LEEWARD.	0.90
02/16/06	DRAFT APPLICATION FOR EMERGENCY RATES; REVISE AND SEND DRAFT PLEADING TO LEEWARD; PREPARE REVISED SCHEDULES.	3.10
02/17/06	WORK ON REVISED SCHEDULE TO EMERGENCY PETITION; WORK ON DRAFT PLEADING; REVIEW AND REVISE SCHEDULES.	1.80
02/20/06	REVIEW LEEWARD RESPONSES TO QUESTIONS ON RATES AND CAUSES OF INTERCONNECTION; REVIEW BULK AGREEMENT; REVIEW PRIOR CORRESPONDENCE RE: SAME.	0.80
02/23/06	REVIEW REVISED EMERGENCY PLEADING; REVIEW PSC RULES AND INFORMATION FROM LEEWARD; TELEPHONE CONFERENCE WITH RENDELL RE: NEEDED DELAY; SEND TO LEEWARD WITH COVER LETTER.	2.10
02/27/06	REVIEW EMAILS RE: REVISIONS TO EMERGENCY PLEADING AND MAKE REVISIONS TO SAME AND SCHEDULES AND TARIFFS AND PREPARE TO FILE.	2.30
02/28/06	REVISE TARIFFS AND SEND TO LEEWARD; REVIEW REVISED SCHEDULES AND PLEADING AND ORGANIZE ALL FOR FILING AND FILE SAME WITH PSC.	2.60

17.20

4,472.00

LAW OFFICES
ROSE, SUNDSTROM & BENTLEY, LLP

P. O. BOX 1567
TALLAHASSEE, FLORIDA 32302-1567

(850) 877-6555

PLEASE REFER TO INVOICE NUMBER
WHEN REMITTING

F.E.I. # 59-2783536

COUNTY-WIDE UTILITY CO, INC

INVOICE # 32571
MARCH 23, 2006
FILE # 40097-0001

PAGE 2

LONG DISTANCE CALLS

2.75

TOTAL COSTS ADVANCED

2.75

TOTAL STATEMENT

\$4,474.75

PLEASE REFER TO INVOICE # WHEN REMITTING

260/line

EXHIBIT "3"

Estimated costs to complete rate case

COUNTY-WIDE UTILITY CO., INC.

PSC Docket No. 050862-WU

Estimate of Attorney's Fees and Costs From July 1, 2006 to Completion of Case

Review staff initial report re: issues related to rate case; telephone conferences with Leeward; assist in preparing letter to staff; provide final information; organize information to respond to issues; assist in preparation of response to data request letters; prepare rate case expense information

8 hours at \$260/hour = \$2,080.00

Obtain and review staff recommendation for final decision on Staff Assisted Rate Case; telephone conferences w/Leeward; organize additional information and prepare additional documents to provide to staff or present to Commission

5 hours at \$260/hour = \$1,300.00

Prepare for and attend agenda conference on rate investigation; telephone conferences and meetings with clients and accountants in preparation for same; draft letter to client as to outcome and Commission decision

5 hours at \$260/hour = \$1,300.00

Review Final Order; review file and compare to staff recommendation; work with client in preparation of final customer notice and tariffs and compliance with Order requirements

4.0 hours at \$260/hour = \$1,040.00

Costs - Fed Ex, copying, telephone - \$200

<u>Fees</u>	<u>Costs</u>	<u>Total</u>
\$5,720.00	\$200	\$5,920.00
Total Estimated to Complete:	\$5,920.00	

COUNTY-WIDE UTILITY CO., INC.
 Docket No. 050862-WU
 SCHEDULE OF ACTUAL AND ESTIMATED RATE CASE EXPENSE
 03/2006 - 06/2006

Actual Fees and Costs

<u>Invoice Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Costs</u>	<u>Total</u>
03/06	17.20	\$ 4,472.00	\$ 2.75	\$ 4,474.75
04/06	5.90	1,534.00	1.00	1,535.00
05/06	16.00	4,160.00	1.25	4,161.25
06/06	2.00	520.00	0.00	520.00
08/06	<u>3.20</u>	<u>832.00</u>	<u>0.00</u>	<u>832.00</u>
Total	<u>44.30</u>	<u>\$11,518.00</u>	<u>\$ 5.00</u>	<u>\$11,523.00</u>

Estimated Fees and Costs to Complete

7/06 - 10/06	<u>\$ 5,980.00</u>	<u>\$ 200.00</u>	<u>\$ 6,180.00</u>
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Total Rate Case Expense: \$16,871.00

COUNTY-WIDE UTILITY CO., INC.

PSC Docket No. 050862-WU

Estimate of Attorney's Fees and Costs From July 1, 2006 to Completion of Case

Review staff initial report re: issues related to rate case; telephone conferences with Leeward; assist in preparing letter to staff; provide final information; organize information to respond to issues; assist in preparation of response to data request letters; prepare rate case expense information

8 hours at \$260/hour = \$2,080.00

Obtain and review staff recommendation for final decision on Staff Assisted Rate Case; telephone conferences w/Leeward; organize additional information and prepare additional documents to provide to staff or present to Commission

5 hours at \$260/hour = \$1,300.00

Prepare for and attend agenda conference on rate investigation; telephone conferences and meetings with clients and accountants in preparation for same; draft letter to client as to outcome and Commission decision

5 hours at \$260/hour = \$1,300.00

Review Final Order; review file and compare to staff recommendation; work with client in preparation of final customer notice and tariffs and compliance with Order requirements

4.0 hours at \$260/hour = \$1,040.00

Costs - Fed Ex, copying, telephone - \$200

<u>Fees</u>	<u>Costs</u>	<u>Total</u>
\$5,720.00	\$200	\$5,920.00
Total Estimated to Complete:	\$5,920.00	

COUNTY-WIDE UTILITY CO., INC.
 Docket No. 050862-WU
 SCHEDULE OF ACTUAL AND ESTIMATED RATE CASE EXPENSE
 03/2006 - 06/2006

Actual Fees and Costs

<u>Invoice Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Costs</u>	<u>Total</u>
03/06	17.20	\$ 4,472.00	\$ 2.75	\$ 4,474.75
04/06	5.90	1,534.00	1.00	1,535.00
05/06	16.00	4,160.00	1.25	4,161.25
06/06	2.00	520.00	0.00	520.00
08/06	<u>3.20</u>	<u>832.00</u>	<u>0.00</u>	<u>832.00</u>
Total	<u>44.30</u>	<u>\$11,518.00</u>	<u>\$ 5.00</u>	<u>\$11,523.00</u>

Estimated Fees and Costs to Complete

7/06 - 10/06	<u>\$ 5,980.00</u>	<u>\$ 200.00</u>	<u>\$ 6,180.00</u>
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Total Rate Case Expense: \$16,871.00

COUNTY-WIDE UTILITY CO., INC.

PSC Docket No. 050862-WU

Estimate of Attorney's Fees and Costs From July 1, 2006 to Completion of Case

Review staff initial report re: issues related to rate case; telephone conferences with Leeward; prepare letter to staff; provide final information; organize information to respond to issues; prepare rate case expense information and submit all

8 hours at \$260/hour = \$2,080.00

Telephone conferences with client in preparation for and after customer meeting; discuss issues relative to same

1 hour at \$260/hour = \$260.00

Obtain and review staff recommendation for final decision on Staff Assisted Rate Case; telephone conferences w/Leeward; organize additional information and prepare additional documents to provide to staff or present to Commission

5 hours at \$260/hour = \$1,300.00

Prepare for and attend agenda conference on rate investigation; telephone conferences and meetings with clients and accountants in preparation for same; draft letter to client as to outcome and Commission decision

5 hours at \$260/hour = \$1,300.00

Review Final Order; review file and compare to staff recommendation; work with client in preparation of final customer notice and tariffs and compliance with Order requirements

4.0 hours at \$260/hour = \$1,040.00

Costs - Fed Ex, copying, telephone - \$200

<u>Fees</u>	<u>Costs</u>	<u>Total</u>
\$5,980.00	\$200	\$6,180.00
Total Estimated to Complete:	\$6,180.00	

COUNTY-WIDE UTILITY CO., INC.
 Docket No. 050862-WU
 SCHEDULE OF ACTUAL AND ESTIMATED RATE CASE EXPENSE
 03/2006 - 06/2006

Actual Fees and Costs

<u>Invoice Date</u>	<u>Hours</u>	<u>Fees</u>	<u>Costs</u>	<u>Total</u>
03/06	17.20	\$ 4,472.00	\$ 2.75	\$ 4,474.75
04/06	5.90	1,534.00	1.00	1,535.00
05/06	16.00	4,160.00	1.25	4,161.25
06/06	<u>2.00</u>	<u>520.00</u>	<u>0.00</u>	<u>520.00</u>
Total	<u>41.10</u>	<u>\$10,686.00</u>	<u>\$ 5.00</u>	<u>\$10,691.00</u>

Estimated Fees and Costs to Complete

7/06 - 10/06	<u>\$ 5,980.00</u>	<u>\$ 200.00</u>	<u>\$ 6,180.00</u>
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Total Rate Case Expense: \$16,871.00

EXHIBIT "4"
SARSEP retirement plan

As Amended August 19, 2000

MORGAN STANLEY DEAN WITTER
SALARY REDUCTION SIMPLIFIED
EMPLOYEE PENSION PLAN

This document may only be used for an amendment or restatement
of an existing plan established before 1997.

RAF Group 45, LLC (the "Employer") whose
(Name of Employer)
principal place of business is at 6015 SW Hwy 200,
(Address of Employer)
Suite 101, Ocala FL 34474

hereby adopts this Morgan Stanley Dean Witter Salary Reduction
Simplified Employee Pension Plan (the "Morgan Stanley Dean Witter
SAR-SEP") under the terms and conditions set forth below.

The Employer may be a corporation, partnership, association or sole
proprietorship. Self-employed individuals and owners who receive
earned income from their business may also adopt and participate in the
plan. However, the following employers may not adopt this Morgan
Stanley Dean Witter SAR-SEP:

1. Employers who maintain or have ever maintained a defined
benefit plan, even if now terminated, may not use this plan as a
prototype. Such an employer may, however, use this document
as an individually designed plan but may not rely upon the
favorable opinion letter given by the Internal Revenue Service
("IRS") to Morgan Stanley Dean Witter. Employers using this
document as an individually designed plan must request their
own opinion letters from the IRS.
2. Employers who have any leased employees described in section
414(n)(2) of the Internal Revenue Code (the "Code") who must be
treated as employees of the employer.
3. Employers who regularly employ more than twenty-five (25)
eligible employees.
4. Employers who are state or local governments or subdivisions
or agencies of state or local governments.
5. Employers who are tax exempt organizations.

RELATED EMPLOYERS: For purposes of administering this plan, the
Employer must take into account all employees of "Related Employers."
A "Related Employer" is a trade, business or corporation under
common control or ownership with the Employer or which is part of an
affiliated service group with the Employer as described in Code sections
414(b), (c) and (m). Under the Code, employees of Related Employers
who meet the eligibility rules of PART II below must be treated as
Eligible Employees under this plan. However, Related Employers may
not make contributions on behalf of their employees, nor may such
employees make elective deferrals, unless the Related Employers adopt
this plan or another SAR-SEP.

PART I. Plan Year

For purposes of determining whether an employee is eligible to
participate in the plan, the Employer shall define a "Plan Year" as:

1. the calendar year.
2. the taxable or fiscal year of the Employer, which ends on

[NOTE] If the Employer already maintains a SAR-SEP and desires to
change to a different Plan Year, the plan will, as a result of the change,
have a short Plan Year measured from the last day of the former Plan Year

to the first day of the new Plan Year. An employee who has any service
during the short year must be given credit for that service in determining
the employee's eligibility under Part II(A) below. Such an employee must
also be permitted to participate for the short Plan Year if the employee
would have been entitled to participate in the Plan Year in which the short
year begins had there been no change.

PART II. Eligibility

A. All employees of the Employer, all employees of Related Employers
and all other employees who are required to be aggregated with
employees of the Employer under Code section 414(o), shall be
eligible to participate in this Morgan Stanley Dean Witter SAR-SEP
if they meet all of the following conditions and are not excluded
under PART II(C) below:

1. The employee has attained age 21
(not more than 21)
2. The employee has performed service for the Employer (or any
Related Employer) in at least 3
(0-3) of the
immediately preceding five (5) Plan Years.
3. During the current Plan Year the employee has or will receive
Compensation of at least \$300, adjusted annually by the
Treasury.
4. An IRA account approved by the IRS under Code section 408
(such as the Morgan Stanley Dean Witter IRA-2000®) has been
established for the benefit of the employee.

B. For purposes of determining an employee's years of service, service
rendered by the employee to a predecessor employer:

1. will not be considered.
2. will be considered. If box "2" is checked, list the predecessor
employer(s) and the date the predecessor(s) were established:

C. The following employees shall be excluded from this plan
regardless of whether they satisfy the eligibility requirements set
forth in PART II(A) above (check box 1 or boxes 2 and/or 3):

1. no exclusions.
2. employees whose retirement benefits have been the subject of
good faith collective bargaining with the Employer.
3. non-resident alien employees who have received no earned
income from the Employer which constitutes earned income
from sources within the United States.

D. Employees who meet the eligibility requirements of this PART II
are referred to throughout this Morgan Stanley Dean Witter SAR-
SEP as "Eligible Employees".

PART III. Compensation

As used in this plan, "Compensation" shall mean as follows:

1. For any self-employed individual covered by the plan, "Compensation" means earned income actually paid or made available to the self-employed individual during the Plan Year.
2. For all other employees, "Compensation" means wages as defined by Code section 3401(a) and all other payments to the employee by the employer in the course of the employer's trade or business which are required by Code sections 6041 and 6051 to be reported as "Wages, Tips and Other Compensation" on IRS Form W-2. Compensation, for plan purposes, must be determined without regard to any rules under Section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Section 3401(a)(2)).
3. "Compensation" shall include/exclude any amount which is contributed on behalf of the employee by the employer pursuant to a salary reduction agreement (known as an "elective deferral") and which is not includible in the employee's gross income under Code sections 125 [cafeteria plans], 402(e)(3) [401(k) plans], 402(h) [SEP's and SAR-SEP's] or 403(b) [tax exempt organization plans].
4. "Compensation" taken into account for an employee for any Plan Year shall not exceed the limit set forth in Code section 401(a)(17) and regulations promulgated thereunder (the "Section 401(a)(17) Limit"), adjusted annually by the Treasury, in accordance with Code section 408(k)(8), in effect for the calendar year in which the Plan Year begins. For Plan Years beginning on or after January 1, 1989, the Section 401(a)(17) Limit shall be \$200,000, as adjusted annually by the Treasury. For Plan Years beginning on or after January 1, 1994, the Section 401(a)(17) Limit shall be \$150,000, subject to adjustment by the Treasury. In the event of a short Plan Year (less than twelve (12) months), the annual compensation limit will be the limit for the calendar year in which the short Plan Year begins multiplied by the ratio obtained by dividing the number of full months in the short Plan Year by twelve (12).
5. For purposes of the \$300 threshold used to determine whether an employee is eligible to make elective deferrals, "Compensation" shall have the meaning given to it in Code section 414(q)(7).

PART IV. Employee Elective Deferrals

An Eligible Employee who completes the salary reduction agreement set forth in APPENDIX B may reduce said employee's future Compensation by a stated percentage or dollar amount (an "elective deferral"). The Employer, in turn, must make timely contributions to the Eligible Employee's IRA account in an amount equal to the elective deferral. This PART IV sets forth the plan's rules governing elective deferrals.

A. General Requirements. The Employer may not permit elective deferrals to be made by any employee for a Plan Year (whether or not the employee has signed a salary reduction agreement unless all of the following requirements are met:

1. All Eligible Employees are given the opportunity to elect to make elective deferrals.

2. The Employer has provided the following documents to every Eligible Employee:

- a) The "Notice to Employees" set forth in APPENDIX A;
- b) A copy of this Adoption Agreement as completed by the Employer; and,
- c) If completed by the Eligible Employee, a copy of the employee's salary reduction agreement.

3. There were no more than 25 Eligible Employees at any time during the prior Plan Year. (New Employers meet this limit if they had 25 or fewer employees during their first 30 days of existence.)

4. Not less than 50% of Eligible Employees must make elective deferrals for a Plan Year. In the event that this 50% requirement is not satisfied as of the last day of a Plan Year, all elective deferrals made for that Plan Year must be considered "disallowed deferrals", and are subject to the notice, withdrawal and tax penalty rules described in PART V and APPENDIX C below.

5. An Eligible Employee may elect to have elective deferrals made either as a single-sum or continuing contributions, or both.

6. An Eligible Employee may elect to have said employee's Compensation reduced by any amount up to the following percentage or dollar amount per pay period or for a specified pay period or periods:

(check one and complete blanks as needed.)

- a) An amount not in excess of the lesser of 15% of the Eligible Employee's Compensation or the limit on elective deferrals described in Code section 402(g).
- b) An amount not in excess of _____ % of the Eligible Employee's Compensation (not to exceed 15%).
- c) An amount not in excess of \$ _____ (not to exceed the current Code section 402(g) limit).
- d) All Eligible Employees may defer an amount not in excess of _____ % of Compensation (the "Basic Elective Deferral"). In addition, Eligible Employees who are Non-highly Compensated Employees (as defined in PART IV(C)(4)(b) below) making the maximum Basic Elective Deferral may defer an additional amount not in excess of _____ % (the "Supplemental Elective Deferral"). The total of an Eligible Employee's Basic and Supplemental Elective Deferrals may not exceed the lesser of 15% of Compensation or the Code section 402(g) limit.

[NOTE] An Eligible Employee's elective deferrals for a Plan Year may not exceed the lesser of 15% of Compensation or \$7,000, adjusted annually by the Treasury under Code section 402(g). The 15% deferral limit must be computed by using the following formula: Compensation (before subtracting elective deferrals to this Plan) x 13.0435%. In addition, the Employer may have to limit elective deferrals below the amounts selected above to satisfy Code section 415 limitations described in PART VIII(A) below or, for Highly Compensated Employees, the Deferral Percentage Limit test described in (C) below. The Employer may select an elective deferral limit which automatically adjusts to match the Code limits, select a fixed percentage or dollar limit or, in Option (d), reduce the likelihood that the plan will fail the Deferral Percentage Limitation test by allowing Non-highly Compensated Employees to defer a larger percentage of their Compensation than Highly Compensated Employees.

B. Cash Bonus Option. In addition to permitting elective deferrals for a specified pay period or periods the Employer may permit eligible employees to base elective deferrals on cash bonuses, if any, paid during the year. Check here if such elective deferrals may be made under this plan.

C. Deferral Percentage Limit.

1. For any Plan Year, no Highly Compensated Employee may make elective deferrals which, when expressed as a percentage of the Highly Compensated Employee's Compensation, exceed the average percentage of Compensation deferred by all Non-highly Compensated Employees (the "average deferral percentage") by more than 125% (1.25). Any Eligible Non-highly Compensated Employee who does not make elective deferrals for a Plan Year must be counted when calculating the average deferral percentage of all Non-highly Compensated Employees as having deferred 0% of such employee's Compensation.

2. The determination of the deferral percentage of any Eligible Employee and the Deferral Percentage Limit of each Highly Compensated Employee shall be made in accordance with Code section 408(k)(6) and such other requirements as may be provided by the Secretary of the Treasury.

3. Amounts deferred in excess of the deferral percentage limit will be deemed excess SEP contributions made on behalf of the affected Highly Compensated Employee(s). The Employer must give such employee(s) the notice described in PART V and APPENDIX C below.

4. For purposes of this PART IV(C), the following definitions shall apply:

a) "Highly Compensated Employee" means an Eligible Employee who:

- (i) was a 5% owner as defined in Code section 416(i)(1), during the current or preceding Plan Year; or
- (ii) received Compensation in excess of \$80,000, during the preceding Plan Year; or
- (iii) if elected by the employer, received Compensation in excess of \$80,000, and was among the top paid 20% of all eligible employees during the preceding Plan Year.

b) "Non-highly Compensated Employee" means an Eligible Employee who is not a Highly Compensated Employee.

D. Timing of Elective Deferrals. No deferral election may be based on Compensation an Eligible Employee received, or had a right to receive, before the employee signed a salary reduction agreement.

PART V. Notice to Employees of Disallowed Deferrals and Excess SEP Contributions

A. The Employer must determine whether, as of the last day of the Plan Year: (1) the plan has failed to satisfy the 50% participation test described in PART IV(A)(4) above; or, (2) any Highly Compensated Employees have exceeded the deferral percentage limit described in PART IV(C) above. If the 50% test is failed or the deferral percentage limit is exceeded, the Employer must, within 2½ months of the end of the Plan Year, give every affected employee a written notice using the form set forth in APPENDIX C below.

B. If the Employer fails to give the required notice within 2½ months of the end of a Plan Year, the Employer becomes liable to pay a tax equal to 10% of the excess SEP contributions resulting from deferrals in excess of the deferral percentage limit. If the Employer fails to give the required notice by the end of the Plan Year following the Plan Year in which excess SEP contributions were made, this SAR-SEP will no longer be deemed to meet the requirements of Code section 408(k)(6). If this occurs, any contributions to employees' IRA accounts will be subject to the normal limits on IRA contributions (i.e., \$2,000 per year) and may be considered excess IRA contributions. If this occurs, the employee will be liable for both ordinary income taxes on the excess IRA contributions and, if the excess is not timely withdrawn from the IRA, the 6% (excess IRA contribution) and 10% (premature distribution) penalty taxes.

PART VI. Top-Heavy Requirements

Under this PART VI, the Employer establishes the top-heavy rules for this plan. The top-heavy rules of Code section 416 are designed to prevent an excessive percentage of benefits from going to Key Employees (i.e., owners, officers and highly-paid employees — see definition below). The top-heavy rules apply to all qualified plans of the Employer and Related Employers including this SAR-SEP. The Employer may choose to deem this plan to be top-heavy in all Plan Years or to test the plan every year to determine whether it has become top-heavy. If the plan is deemed to be or becomes a top-heavy plan, then the Employer must make a minimum required contribution on behalf of all Non-key Employees. The minimum required contribution is an amount that is in addition to any elective deferrals the Non-key Employee may have made and must be made on behalf of each Non-key Employee regardless of whether the employee participates in this SAR-SEP. The Employer may elect to make the minimum required contribution to an account established under this plan or any other plan in which the Non-key Employee is eligible to participate.

The Employer must be careful to coordinate the top-heavy rules of this plan with the top-heavy rules of any other plans of the Employer and Related Employers.

Elective deferrals made by employees to this SAR-SEP or to any other qualified plan of the Employer or a Related Employer are treated as employer contributions for the purpose of determining whether the plan is top-heavy. As noted above, employee elective deferrals to this SAR-SEP or any other qualified plan maintained by the Employer or a Related Employer may not be counted as part of the top-heavy minimum required contribution. However, employer contributions to a qualified defined contribution plan or SEP maintained by the Employer or a Related Employer on behalf of Non-key Employees may be counted as part of the top-heavy minimum required contribution for those employees.

A. For purposes of complying with the top-heavy rules of Code section 416, the plan: will be deemed to be top-heavy in every Plan Year.

1. will be deemed to be top-heavy in every Plan Year.

2. will not be deemed to be top-heavy but will be tested for top heaviness in every Plan Year. (Employer must also complete PART VI(D)(1) below.)

B. If the Employer and any Related Employers maintain more than one qualified, defined contribution plan (i.e., SEP, SAR-SEP, 401(k), profit sharing, money purchase or stock bonus plan), the plan which will be used to satisfy the minimum contribution requirement of the top-heavy rules will be:

1. this plan.

2. (fill in name of other Employer-sponsored plan) Dean Witten SEP. (If a Non-key Employee is not eligible to participate in the designated plan, the minimum required contribution for that Non-key Employee must be made to this plan.)

C. Minimum Required Contribution. The minimum required contribution is an amount equal to the lesser of 3% of the Non-key Employee's Compensation for the Plan Year or the highest percentage contributed on behalf of a Key Employee for the Plan Year.

D. Definitions for Top-heavy Requirements. [Employers who checked box (A)(2) above, must complete this section.]

For purposes of this PART VI:

1. The plan is "top-heavy" if, as of the Determination Date, [select one]

a) the aggregate amount of elective deferrals and Employer contributions made to the accounts of Key Employees for all Plan Years exceeds 60% of the aggregate amount of elective deferrals and Employer contributions made to the accounts of all Eligible Employees for all Plan Years.

b) the aggregate value of the SEP-IRA accounts of Key Employees exceeds 60% of the aggregate value of the accounts of all Eligible Employees. (The aggregate value of an account is the account value of the SEP-IRA on the Determination Date plus the amount of all distributions and transfers from the account made during the five years ending on the Determination Date, but, excluding any rollover contributions made by the employee after 1983. For purposes of this test, the accounts of Non-key employees who were Key Employees in a prior year and of employees who performed no services for the Employer during the five years ending on the Determination Date, shall not be taken into account.)

2. "Determination Date" means the last day of the preceding Plan Year or, in the case of the plan's first Plan Year, the last day of such Plan Year.

3. "Key Employee" means an Eligible Employee who, at any time during the Plan Year or any of the four (4) preceding Plan Years is:

a) one of the three highest paid officers of the Employer having annual Compensation greater than \$45,000, adjusted annually by the Treasury;

b) one (1) of the ten (10) employees having annual Compensation of more than \$30,000, subject to annual adjustment by the Treasury, and owning (within the meaning of Code section 318) the largest interests in the Employer;

c) a five percent owner, as defined in Code section 416(i)(1)(B)(i); or,

d) a one percent owner, as defined in Code section 416(i)(1)(B)(ii), having annual Compensation in excess of \$150,000.

4. "Non-key Employee" means any Eligible Employee who is not a Key Employee.

5. For purposes of the top-heavy rules, the terms "Eligible Employee" and "Key Employee" include the beneficiaries of such employees' accounts following the death of such employees.

E. Aggregation with other Employer Plans.

For purposes of the top-heavy rules, if the Employer or any Related Employer maintains any other plan described in Code sections 401(a) (i.e., pension, profit sharing, stock bonus), 401(k) or 408(k) (SEP or SAR-SEP) or maintained such a plan but terminated it during the five years ending on the Determination Date, the following aggregation rules apply.

1. Required Aggregation. The Employer is required to aggregate each plan of the Employer or a Related Employer in which a Key Employee is a participant and every other plan used to enable such plans to pass the nondiscrimination and participation tests of Code sections 401(a)(4) and 410 into a "Required Aggregation Group." The definition of a top-heavy plan described in (D)(1) above, must be applied to the Required Aggregation Group as a whole.

2. Permissive Aggregation. The Employer may treat any plan of the Employer or a Related Employer not required to be aggregated under (1) above as being part of the Required Aggregation Group if the group would continue to meet the requirements of Code sections 401(a)(4) and 410 with such plan being taken into account.

PART VII. Tax Treatment of Contributions

A. For Federal income tax purposes, the Employer may deduct contributions made to the plan from its income subject to the applicable limits of Code section 404. Contributions attributable to elective deferrals are deductible for the taxable year with or within which the deferral is made. Employer contributions made for a particular taxable year and contributed by the due date of the Employer's Federal income tax return, including extensions, are deemed made as of the last day of the taxable year.

B. For Federal tax purposes, participating employees may exclude from income contributions made on their behalf, subject to the limitations of Code sections 219, 402 and 408.

PART VIII. Coordination with Other Plans

A. Code Section 415 Limits. Code section 415 limits the amount which may be added annually to an employee's accounts in all of the employer's defined contribution plans. The total of employer contributions, employee contributions and forfeiture allocations to all such accounts may not exceed 25% of the employee's Compensation or \$30,000, subject to adjustment by the Treasury.

B. Coordination of Code Section 404 Limits. When calculating the deduction limit of 15% of Compensation or \$30,000 per employee, subject to adjustment by the Treasury, the Employer must aggregate elective deferrals and employer contributions to all SEP, SAR-SEP, profit sharing, stock bonus and 401(k) plans maintained by the Employer and Related Employers.

Morgan Stanley

PART IX. EXECUTION OF ADOPTION AGREEMENT NO. 002

This document may only be used for an amendment or restatement of an existing plan established before 1997.

A. **Adoption by Employer.** This Morgan Stanley Dean Witter SAR-SEP shall be effective upon adoption by the Employer. No elective deferrals may be made by an Eligible Employee on the basis of Compensation the Eligible Employee received or had a right to receive before the date on which this adoption agreement is signed by the Employer *and* the date on which the Eligible Employee signs a salary reduction agreement.

The Employer hereby adopts the Morgan Stanley Dean Witter SAR-SEP.

Employer RAF Group 45, LLC
Print or type name

By:  S.P.
Signature of Authorized Officer, Partner or Sole Proprietor

Date _____

B. **Adoption by Related Employer.** A Related Employer may not contribute and its employees may not make elective deferrals under this plan unless the Related Employer executes this Adoption Agreement.

The undersigned Related Employer(s) hereby agree(s) to participate in the Morgan Stanley Dean Witter SAR-SEP adopted by the Employer.

Name of Related Employer

Authorized Signature

Date

Bahia Oaks, Inc

By: 

Deerwood Investment, Corp

By: 

County Wide Utility Co., Inc

By: 

(Attach Additional Sheets if Necessary.)

PART X. Additional Information

To obtain more information about the rules governing this Morgan Stanley Dean Witter SAR-SEP, please contact your Financial Advisor at the Morgan Stanley Dean Witter branch servicing your account.

Dean Witter Reynolds Inc.
Salary Reduction Simplified
Employee Pension Plan

AS AMENDED
1/1/98

This document may only be used for new plans established prior to 1/1/97 or as an amendment or restatement of an existing plan.

Squadron 567 Corp (the "Employer") whose
(Name of Employer)

principal place of business is at 7801 SE 58th Ave
(Address of Employer)

Ocala FL 34480

hereby adopts this Dean Witter Reynolds Inc. Salary Reduction Simplified Employee Pension Plan (the "Dean Witter SAR-SEP") under the terms and conditions set forth below.

The Employer may be a corporation, partnership, association or sole proprietorship. Self-employed individuals and owners who receive earned income from their business may also adopt and participate in the plan. However, the following employers may not adopt this Dean Witter SAR-SEP:

1. Employers who maintain or have ever maintained a defined benefit plan, even if now terminated, may not use this plan as a prototype. Such an employer may, however, use this document as an individually designed plan but may not rely upon the favorable opinion letter given by the Internal Revenue Service ("IRS") to Dean Witter. Employers using this document as an individually designed plan must request their own opinion letters from the IRS.
2. Employers who have any leased employees described in section 414(n)(2) of the Internal Revenue Code (the "Code") who must be treated as employees of the employer.
3. Employers who regularly employ more than twenty-five (25) eligible employees.
4. Employers who are state or local governments or subdivisions or agencies of state or local governments.
5. Employers who are tax exempt organizations.

RELATED EMPLOYERS: For purposes of administering this plan, the Employer must take into account all employees of "Related Employers." A "Related Employer" is a trade, business or corporation under common control or ownership with the Employer or which is part of an affiliated service group with the Employer as described in Code sections 414(b), (c) and (m). Under the Code, employees of Related Employers who meet the eligibility rules of PART II below must be treated as Eligible Employees under this plan. However, Related Employers may not make contributions on behalf of their employees, nor may such employees make elective deferrals, unless the Related Employers adopt this plan or another SAR-SEP.

PART I. Plan Year

For purposes of determining whether an employee is eligible to participate in the plan, the Employer shall define a "Plan Year" as:

1. the calendar year.
2. the taxable or fiscal year of the Employer, which ends on _____.

[NOTE] If the Employer already maintains a SAR-SEP and desires to change to a different Plan Year, the plan will, as a result of the change, have a short Plan Year measured from the last day of the former Plan Year to the first day of the new Plan Year. An employee who has any service during the short year must be given credit for that service in determining the employee's eligibility under

Part II(A) below. Such an employee must also be permitted to participate for the short Plan Year if the employee would have been entitled to participate in the Plan Year in which the short year begins had there been no change.

PART II. Eligibility

A. All employees of the Employer, all employees of Related Employers and all other employees who are required to be aggregated with employees of the Employer under Code section 414(o), shall be eligible to participate in this Dean Witter SAR-SEP if they meet all of the following conditions and are not excluded under PART II(C) below:

1. The employee has attained age 21
(not more than 21)
2. The employee has performed service for the Employer (or any Related Employer) in at least 20 mos. of
(0-3)
the immediately preceding five (5) Plan Years.
3. During the current Plan Year the employee has or will receive Compensation of at least \$300, adjusted annually by the Treasury.
4. An IRA account approved by the IRS under Code section 408 (such as the Dean Witter IRA-2000) has been established for the benefit of the employee.

B. For purposes of determining an employee's years of service, service rendered by the employee to a predecessor employer:

1. will not be considered.
2. will be considered. If box "2" is checked, list the predecessor employer(s) and the date the predecessor(s) were established:

C. The following employees shall be excluded from this plan regardless of whether they satisfy the eligibility requirements set forth in PART II(A) above (check box 1 or boxes 2 and/or 3):

1. no exclusions.
2. employees whose retirement benefits have been the subject of good faith collective bargaining with the Employer.
3. non-resident alien employees who have received no earned income from the Employer which constitutes earned income from sources within the United States.

D. Employees who meet the eligibility requirements of this PART II are referred to throughout this Dean Witter SAR-SEP as "Eligible Employees".

PART III. Compensation

As used in this plan, "Compensation" shall mean as follows:

1. For any self-employed individual covered by the plan, "Compensation" means earned income actually paid or made available to the self-employed individual during the Plan Year.

2. For all other employees, "Compensation" means wages as defined by Code section 3401(a) and all other payments to the employee by the employer in the course of the employer's trade or business which are required by Code sections 6041 and 6051 to be reported as "Wages, Tips and Other Compensation" on IRS Form W-2. Compensation, for plan purposes, must be determined without regard to any rules under Section 3401(a) that limit the remuneration included in wages based on the nature or location of the employment or the services performed (such as the exception for agricultural labor in Section 3401(a)(2)).
3. "Compensation" shall include/exclude any amount which is contributed on behalf of the employee by the employer pursuant to a salary reduction agreement (known as an "elective deferral") and which is not includible in the employee's gross income under Code sections 125 [cafeteria plans], 402(a)(8) [401(k) plans], 402(h) [SEP's and SAR-SEP's] or 403(b) [tax exempt organization plans].
4. "Compensation" taken into account for an employee for any Plan Year shall not exceed the limit set forth in Code section 401(a)(17) and regulations promulgated thereunder (the "Section 401(a)(17) Limit"), adjusted annually by the Treasury, in accordance with Code section 408(k)(8), in effect for the calendar year in which the Plan Year begins. For Plan Years beginning on or after January 1, 1989, the Section 401(a)(17) Limit shall be \$200,000, as adjusted annually by the Treasury. For Plan Years beginning on or after January 1, 1994, the Section 401(a)(17) Limit shall be \$150,000, subject to adjustment by the Treasury. In the event of a short Plan Year (less than twelve (12) months), the annual compensation limit will be the limit for the calendar year in which the short Plan Year begins multiplied by the ratio obtained by dividing the number of full months in the short Plan Year by twelve (12).
5. For purposes of the \$300 threshold used to determine whether an employee is eligible to make elective deferrals, "Compensation" shall have the meaning given to it in Code section 414(q)(7).

PART IV. Employee Elective Deferrals

An Eligible Employee who completes the salary reduction agreement set forth in APPENDIX B may reduce said employee's future Compensation by a stated percentage or dollar amount (an "elective deferral"). The Employer, in turn, must make timely contributions to the Eligible Employee's IRA account in an amount equal to the elective deferral. This PART IV sets forth the plan's rules governing elective deferrals.

- A. General Requirements. The Employer may not permit elective deferrals to be made by any employee for a Plan Year (whether or not the employee has signed a salary reduction agreement unless all of the following requirements are met:
 1. All Eligible Employees are given the opportunity to elect to make elective deferrals.
 2. The Employer has provided the following documents to every Eligible Employee:
 - a) The "Notice to Employees" set forth in APPENDIX A;
 - b) A copy of this Adoption Agreement as completed by the Employer; and,
 - c) If completed by the Eligible Employee, a copy of the employee's salary reduction agreement.
 3. There were no more than 25 Eligible Employees at any time

during the prior Plan Year. (New Employers meet this limit if they had 25 or fewer employees during their first 30 days of existence.)

4. Not less than 50% of Eligible Employees must make elective deferrals for a Plan Year. In the event that this 50% requirement is not satisfied as of the last day of a Plan Year, all elective deferrals made for that Plan Year must be considered "disallowed deferrals", and are subject to the notice, withdrawal and tax penalty rules described in PART V and APPENDIX C below.
5. An Eligible Employee may elect to have elective deferrals made either as a single-sum or continuing contributions, or both.
6. An Eligible Employee may elect to have said employee's Compensation reduced by any amount up to the following percentage or dollar amount per pay period or for a specified pay period or periods:

(check one and complete blanks as needed.)

 - a) An amount not in excess of the lesser of 15% of the Eligible Employee's Compensation or the limit on elective deferrals described in Code section 402(g).
 - b) An amount not in excess of _____ % of the Eligible Employee's Compensation (not to exceed 15%).
 - c) An amount not in excess of \$_____ (not to exceed the current Code section 402(g) limit).
 - d) All Eligible Employees may defer an amount not in excess of _____ % of Compensation (the "Basic Elective Deferral"). In addition, Eligible Employees who are Non-highly Compensated Employees (as defined in PART IV(D)(4)(b) below) making the maximum Basic Elective Deferral may defer an additional amount not in excess of _____ % (the "Supplemental Elective Deferral"). The total of an Eligible Employee's Basic and Supplemental Elective Deferrals may not exceed the lesser of 15% of Compensation or the Code section 402(g) limit.

[NOTE] An Eligible Employee's elective deferrals for a Plan Year may not exceed the lesser of 15% of Compensation or \$7,000, adjusted annually by the Treasury under Code section 402(g). The 15% deferral limit must be computed by using the following formula: Compensation (before subtracting elective deferrals to this Plan) x 13.0435%. In addition, the Employer may have to limit elective deferrals below the amounts selected above to satisfy Code section 415 limitations described in PART VIII(A) below or, for Highly Compensated Employees, the Deferral Percentage Limit test described in (C) below. The Employer may select an elective deferral limit which automatically adjusts to match the Code limits, select a fixed percentage or dollar limit or, in Option (d), reduce the likelihood that the plan will fail the Deferral Percentage Limitation test by allowing Non-highly Compensated Employees to defer a larger percentage of their Compensation than Highly Compensated Employees.

- B. Cash Bonus Option. In addition to permitting elective deferrals for a specified pay period or periods the Employer may permit eligible employees to base elective deferrals on cash bonuses, if any, paid during the year. Check here if such elective deferrals may be made under this plan.
- C. Deferral Percentage Limit.
 1. For any Plan Year, no Highly Compensated Employee may make elective deferrals which, when expressed as a per-

centage of the Highly Compensated Employee's Compensation, exceed the average percentage of Compensation deferred by all Non-highly Compensated Employees (the "average deferral percentage") by more than 125% (1.25). Any Eligible Non-highly Compensated Employee who does not make elective deferrals for a Plan Year must be counted when calculating the average deferral percentage of all Non-highly Compensated Employees as having deferred 0% of such employee's Compensation.

2. The determination of the deferral percentage of any Eligible Employee and the Deferral Percentage Limit of each Highly Compensated Employee shall be made in accordance with Code section 408(k)(6) and such other requirements as may be provided by the Secretary of the Treasury. For purposes of determining the deferral percentage of a Highly Compensated Employee who is also either a 5% owner of the Employer or one of the ten highest paid Highly Compensated Employees, the elective deferrals and Compensation of such a Highly Compensated Employee must also include the elective deferrals and Compensation of any family member. (See definition in (C)(4) below.) The elective deferrals and Compensation of family members used in this rule do not count in computing the average deferral percentage of Non-highly Compensated Employees.

3. Amounts deferred in excess of the deferral percentage limit will be deemed excess SEP contributions made on behalf of the affected Highly Compensated Employee(s). The Employer must give such employee(s) the notice described in **PART V** and **APPENDIX C** below.

4. For purposes of this **PART IV(C)**, the following definitions shall apply:

a) "Highly Compensated Employee" means an Eligible Employee who, during the current or preceding Plan Year:

(i) was a 5% owner as defined in Code section 416(i)(1)(B)(i);

(ii) received Compensation in excess of \$50,000, (adjusted annually by the Treasury) and was among the top-paid 20% of all Eligible Employees;

(iii) received Compensation in excess of \$75,000, (adjusted annually by the Treasury); or,

(iv) was an officer and received Compensation in excess of \$45,000 (adjusted annually by the Treasury), provided that no more than three (3) employees are treated as officers under this rule but at least one officer, the highest-paid officer if no one else meets this test, must be taken into account.

b) "Non-highly Compensated Employee" means an Eligible Employee who is not a Highly Compensated Employee.

c) "Family member" means a spouse, lineal ascendant (e.g., parent or grandparent), lineal descendant (e.g., child or grandchild) or the spouse of a lineal ascendant or descendant, in accordance with Code section 414(q) and the regulations thereunder.

D. Timing of Elective Deferrals. No deferral election may be based on Compensation an Eligible Employee received, or had a right to receive, before the employee signed a salary reduction agreement.

PART V. Notice to Employees of Disallowed Deferrals and Excess SEP Contributions

A. The Employer must determine whether, as of the last day of the Plan Year: (1) the plan has failed to satisfy the 50% participation test described in **PART IV(A)(4)** above; or, (2) any Highly Compensated Employees have exceeded the deferral percentage limit described in **PART IV(C)** above. If the 50% test is failed or the deferral percentage limit is exceeded, the Employer must, within 2½ months of the end of the Plan Year, give every affected employee a written notice using the form set forth in **APPENDIX C** below.

B. If the Employer fails to give the required notice within 2½ months of the end of a Plan Year, the Employer becomes liable to pay a tax equal to 10% of the excess SEP contributions resulting from deferrals in excess of the deferral percentage limit. If the Employer fails to give the required notice by the end of the Plan Year following the Plan Year in which excess SEP contributions were made, this SAR-SEP will no longer be deemed to meet the requirements of Code section 408(k)(6). If this occurs, any contributions to employees' IRA accounts will be subject to the normal limits on IRA contributions (i.e., \$2,000 per year) and may be considered excess IRA contributions. If this occurs, the employee will be liable for both ordinary income taxes on the excess IRA contributions and, if the excess is not timely withdrawn from the IRA, the 6% (excess IRA contribution) and 10% (premature distribution) penalty taxes.

PART VI. Top-Heavy Requirements

Under this **PART VI**, the Employer establishes the top-heavy rules for this plan. The top-heavy rules of Code section 416 are designed to prevent an excessive percentage of benefits from going to Key Employees (i.e., owners, officers and highly-paid employees — see definition below). The top-heavy rules apply to all qualified plans of the Employer and Related Employers including this SAR-SEP. The Employer may choose to deem this plan to be top-heavy in all Plan Years or to test the plan every year to determine whether it has become top-heavy. If the plan is deemed to be or becomes a top-heavy plan, then the Employer must make a minimum required contribution on behalf of all Non-key Employees. The minimum required contribution is an amount that is in addition to any elective deferrals the Non-key Employee may have made and must be made on behalf of each Non-key Employee regardless of whether the employee participates in this SAR-SEP. The Employer may elect to make the minimum required contribution to an account established under this plan or any other plan in which the Non-key Employee is eligible to participate.

The Employer must be careful to coordinate the top-heavy rules of this plan with the top-heavy rules of any other plans of the Employer and Related Employers.

Elective deferrals made by employees to this SAR-SEP or to any other qualified plan of the Employer or a Related Employer are treated as employer contributions for the purpose of determining whether the plan is top-heavy. As noted above, employee elective deferrals to this SAR-SEP or any other qualified plan maintained by the Employer or a Related Employer may not be counted as part of the top-heavy minimum required contribution. However, employer contributions to a qualified defined contribution plan or SEP maintained by the Employer or a Related Employer on behalf of Non-key Employees may be counted as part of the top-heavy minimum required contribution for those employees.

A. For purposes of complying with the top-heavy rules of Code section 416, the plan: [check one]

1. will be deemed to be top-heavy in every Plan Year.

2. will not be deemed to be top-heavy but will be tested for top heaviness in every Plan Year. (Employer must also complete **PART VI(D)(1)** below.)

B. If the Employer and any Related Employers maintain more than one qualified, defined contribution plan (i.e., SEP, SAR-SEP, 401(k), profit sharing, money purchase or stock bonus plan), the plan which will be used to satisfy the minimum contribution requirement of the top-heavy rules will be:

1. this plan.

2. (fill in name of other Employer-sponsored plan) _____ . (If a Non-key Employee is not eligible to participate in the designated plan, the minimum required contribution for that Non-key Employee must be made to this plan.)

C. Minimum Required Contribution. The minimum required contribution is an amount equal to the lesser of 3% of the Non-key Employee's Compensation for the Plan Year or the highest percentage contributed on behalf of a Key Employee for the Plan Year.

D. Definitions for Top-heavy Requirements. [Employers who checked box (A)(2) above, must complete this section.]

For purposes of this **PART VI**:

1. The plan is "top-heavy" if, as of the Determination Date, [select one]

a) the aggregate amount of elective deferrals and Employer contributions made to the accounts of Key Employees for all Plan Years exceeds 60% of the aggregate amount of elective deferrals and Employer contributions made to the accounts of all Eligible Employees for all Plan Years.

b) the aggregate value of the SEP-IRA accounts of Key Employees exceeds 60% of the aggregate value of the accounts of all Eligible Employees. (The aggregate value of an account is the account value of the SEP-IRA on the Determination Date plus the amount of all distributions and transfers from the account made during the five years ending on the Determination Date, but, excluding any rollover contributions made by the employee after 1983. For purposes of this test, the accounts of Non-key employees who were Key Employees in a prior year and of employees who performed no services for the Employer during the five years ending on the Determination Date, shall not be taken into account.)

2. "Determination Date" means the last day of the preceding Plan Year or, in the case of the plan's first Plan Year, the last day of such Plan Year.

3. "Key Employee" means an Eligible Employee who, at any time during the Plan Year or any of the four (4) preceding Plan Years is:

a) one of the three highest paid officers of the Employer having annual Compensation greater than \$45,000, adjusted annually by the Treasury;

b) one (1) of the ten (10) employees having annual Compensation of more than \$30,000, subject to annual adjustment by the Treasury, and owning (within the meaning of Code section 318) the largest interests in the Employer;

c) a five percent owner, as defined in Code section 416(i)(1)(B)(i); or,

d) a one percent owner, as defined in Code section 416(i)(1)(B)(ii), having annual Compensation in excess of \$150,000.

4. "Non-key Employee" means any Eligible Employee who is not a Key Employee.

5. For purposes of the top-heavy rules, the terms "Eligible Employee" and "Key Employee" include the beneficiaries of such employees' accounts following the death of such employees.

E. Aggregation with other Employer Plans.

For purposes of the top-heavy rules, if the Employer or any Related Employer maintains any other plan described in Code sections 401(a) (i.e., pension, profit sharing, stock bonus), 401(k) or 408(k) (SEP or SAR-SEP) or maintained such a plan but terminated it during the five years ending on the Determination Date, the following aggregation rules apply.

1. Required Aggregation. The Employer is required to aggregate each plan of the Employer or a Related Employer in which a Key Employee is a participant and every other plan used to enable such plans to pass the nondiscrimination and participation tests of Code sections 401(a)(4) and 410 into a "Required Aggregation Group." The definition of a top-heavy plan described in (D)(1) above, must be applied to the Required Aggregation Group as a whole.

2. Permissive Aggregation. The Employer may treat any plan of the Employer or a Related Employer not required to be aggregated under (1) above as being part of the Required Aggregation Group if the group would continue to meet the requirements of Code sections 401(a)(4) and 410 with such plan being taken into account.

PART VII. Tax Treatment of Contributions

A. For Federal income tax purposes, the Employer may deduct contributions made to the plan from its income subject to the applicable limits of Code section 404. Contributions attributable to elective deferrals are deductible for the taxable year with or within which the deferral is made. Employer contributions made for a particular taxable year and contributed by the due date of the Employer's Federal income tax return, including extensions, are deemed made as of the last day of the taxable year.

B. For Federal tax purposes, participating employees may exclude from income contributions made on their behalf, subject to the limitations of Code sections 219, 402 and 408.

PART VIII. Coordination with Other Plans

A. Code Section 415 Limits. Code section 415 limits the amount which may be added annually to an employee's accounts in all of the employer's defined contribution plans. The total of employer contributions, employee contributions and forfeiture allocations to all such accounts may not exceed 25% of the employee's Compensation or \$30,000, subject to adjustment by the Treasury.

B. Coordination of Code Section 404 Limits. When calculating the deduction limit of 15% of Compensation or \$30,000 per employee, subject to adjustment by the Treasury, the Employer must aggregate elective deferrals and employer contributions to all SEP, SAR-SEP, profit sharing, stock bonus and 401(k) plans maintained by the Employer and Related Employers.


PART IX. Execution of Adoption Agreement No. 002

This document may only be used for new plans established prior to 1/1/97 or as an amendment or restatement of an existing plan.

A. Adoption by Employer. This Dean Witter SAR-SEP shall be effective upon adoption by the Employer. No elective deferrals may be made by an Eligible Employee on the basis of Compensation the Eligible Employee received or had a right to receive before the date on which this adoption agreement is signed by the Employer *and* the date on which the Eligible Employee signs a salary reduction agreement.

The Employer hereby adopts the Dean Witter SAR-SEP.

Employer SQUADRON 567 CORP
Print or type name

By  V.P.
Signature of Authorized Officer, Partner or Sole Proprietor

Date 12/13/96

B. Adoption by Related Employer. A Related Employer may not contribute and its employees may not make elective deferrals under this plan unless the Related Employer executes this Adoption Agreement.

The undersigned Related Employer(s) hereby agree(s) to participate in the Dean Witter SAR-SEP adopted by the Employer.

Name of Related Employer

Authorized Signature

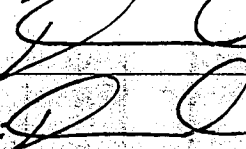
Date

BKHA OAKS, INC.

BY:  V.P.

12/13/96

DEERWOOD INVESTMENT CORP.

BY:  V.P.

12/13/96

COUNTY-WIDE UTILITY CO. INC.

BY:  PRES

12/13/96

(Attach Additional Sheets if Necessary.)

PART X. Additional Information

To obtain more information about the rules governing this Dean Witter SAR-SEP, please contact your Account Executive at the Dean Witter branch servicing your account.

EXHIBIT "5"
Interconnection Bids

HAMLET CONSTRUCTION CO.

4260 N.E. 35th Street OCALA, FL 34479 PHONE (352) 236-3355 FAX (352)236-0038

ATTN: Dirk Leeward
 County-Wide Utility Co.
 P.O. Box 1476
 Ocala, FL 34478

May 17, 2005

FAX: (352) 245-1144

RE: Potable Water Main Expansion for County-Wide Utility Co.

WE PROPOSE THE FOLLOWING:

DESCRIPTION	QUANTITY	UNITS	UNIT PRICE	TOTAL
WATER				
8" PVC Water Main - DR18	754	LF	13.00	9,802.00
12" PVC Water Main - DR18	37	LF	24.00	888.00
16" PVC Water Main - DR18	5405	LF	37.00	199,985.00
2" Gate Valve and Box	1	EA	360.00	360.00
4" Gate Valve and Box	3	EA	480.00	1,440.00
6" Gate Valve and Box	2	EA	540.00	1,080.00
8" Gate Valve and Box	2	EA	760.00	1,520.00
12" Butterfly Valve and Box	1	EA	1500.00	1,500.00
16" Butterfly Valve and Box	11	EA	3300.00	36,300.00
8" x 90° M.J.D.I. Bend	1	EA	200.00	200.00
12" x 90° M.J.D.I. Bend	2	EA	300.00	600.00
16" M.J.D.I. Sleeve	4	EA	500.00	2,000.00
16" x 11.25° M.J.D.I. Bend	2	EA	600.00	1,200.00
16" x 22.5° M.J.D.I. Bend	3	EA	600.00	1,800.00
16" x 45° M.J.D.I. Bend	13	EA	600.00	7,800.00
16" x 90° M.J.D.I. Bend	5	EA	675.00	3,375.00
16" x 16" x 8" M.J.D.I. Tee	3	EA	800.00	2,400.00
16" x 16" x 8" M.J.D.I. Tee	1	EA	850.00	850.00
16" x 16" x 16" M.J.D.I. Tee	2	EA	950.00	1,900.00
16" x 16" x 16" x 16" M.J.D.I. Cross	2	EA	1500.00	3,000.00
6" x 4" M.J.D.I. Reducer	3	EA	150.00	450.00
16" x 6" M.J.D.I. Reducer	2	EA	400.00	800.00
16" x 8" M.J.D.I. Reducer	2	EA	400.00	800.00
16" x 12" M.J.D.I. Reducer	1	EA	450.00	450.00
4" x 2" M.J.D.I. Tapped Cap	1	EA	70.00	70.00
6" x 2" M.J.D.I. Tapped Cap	1	EA	90.00	90.00
8" x 2" M.J.D.I. Tapped Cap	1	EA	100.00	100.00
16" x 2" M.J.D.I. Tapped Cap	4	EA	400.00	1,600.00
Fire Hydrant Assembly	7	EA	2600.00	18,200.00
2" Blow-off Assembly	8	EA	350.00	2,800.00
12" Double Detector Check Assy. Above Ground	1	EA	14500.00	14,500.00
12" AQUA Master Elec. Meter (Battery Powered)	1	EA	22150.00	22,150.00
2" PVC Electrical Conduit (remote meter)	85	LF	10.00	850.00
16" HDPE Directional Bore	190	LF	120.00	22,800.00
Bore & Jack 30" Casing - 16" Carrier	160	LF	265.00	42,400.00
30" Steel Sleeve (for open cut)	52	LF	90.00	4,680.00
Abandon 4" Water Main	1	LS	200.00	200.00

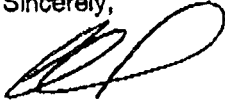
DESCRIPTION	QUANTITY	UNITS	UNIT PRICE	TOTAL
Abandon 6" Water Main	1	LS	300.00	300.00
4" Water Main bypass	1	EA	2500.00	2,500.00
6" Water Main bypass	1	EA	3000.00	3,000.00
Remove Existing 6" Watermain	578	LF	5.00	2,890.00
Temporary Jumper Connection	1	EA	900.00	900.00
Connect to Existing	7	EA	500.00	3,500.00
Connect to Existing (2" Service to Kangaroo)	1	EA	350.00	350.00
Hydrostatic Pressure Testing	1	LS	1500.00	1,500.00
Bacteriological & Disinfection	1	LS	700.00	700.00
			Total	426,580.00
WATER - WALGREEN'S SITE				
2" PVC Water Main - SDR 21	50	LF	5.50	275.00
6" PVC Water Main - DR18	246	LF	8.00	1,968.00
8" PVC Water Main - DR18	78	LF	13.00	1,014.00
2" Gate Valve and Box	2	EA	360.00	720.00
6" Gate Valve and Box	2	EA	540.00	1,080.00
6" x 90° M.J.D.I. Bend	1	EA	170.00	170.00
8" x 8" x 8" M.J.D.I. Tee	1	EA	270.00	270.00
8" x 6" M.J.D.I. Reducer	2	EA	140.00	280.00
Fire Hydrant Assembly	1	EA	2550.00	2,550.00
2" Meter Assembly w/ Backflow Preventer	2	EA	1500.00	3,000.00
6" Double Detector Check Assy. Above Ground	1	EA	4400.00	4,400.00
Hydrostatic Pressure Testing	1	LS	100.00	100.00
Bacteriological & Disinfection	1	LS	100.00	100.00
			Total	15,927.00
SEWER - FORCEMAIN				
6" PVC Force Main DR 25	1196	LF	12.00	14,352.00
6" M.J.D.I. 45° Bend - Epoxy	5	EA	220.00	1,100.00
6" M.J.D.I. 90° Bend - Epoxy	2	EA	220.00	440.00
6" M.J.D.I. Cap - Epoxy	2	EA	90.00	180.00
Hydrostatic Pressure Testing (FM)	1	LS	300.00	300.00
Core 12" Hole and Connect to Existing	1	LS	1000.00	1,000.00
			Total	17,372.00
MISCELLANEOUS				
Density Testing	1	LS	4500.00	4,500.00
Erosion Control	1	LS	1500.00	1,500.00
Mobilization	1	LS	5000.00	5,000.00
Permit - Right of Way	1	LS	250.00	250.00
Permit - FDOT Utility	1	LS	1500.00	1,500.00
Permit - Fireline	1	LS	150.00	150.00
Remove & Replace Chain Link Fence	65	LF	22.00	1,430.00
Remove & Replace Concrete Sidewalk	6363	SF	5.50	34,996.50
Remove & Replace Concrete driveway	4338	SF	6.00	26,028.00
Remove & Replace Conc.Lift Station Driveway	37	SY	65.00	2,405.00
Remove & Replace Misc. Irrigation Piping	1	LS	2000.00	2,000.00
Remove & Replace Misc. Landscaping	1	LS	1500.00	1,500.00
Remove & Replace Mailbox	14	EA	50.00	700.00
Repaint Concrete Driveway	3	EA	500.00	1,500.00
Seed & Mulch	3533	SY	0.70	2,473.10
Silt Fence	1200	LF	2.25	2,700.00
SOD - Bahia	2325	SY	2.25	5,231.25
SOD - St. Augustine	8054	SY	3.00	24,162.00

DESCRIPTION	QUANTITY	UNITS	UNIT PRICE	TOTAL
Surveying - Construction Layout	1	LS	8000.00	8,000.00
Surveying - Certified Asbuilts	1	LS	6000.00	6,000.00
Traffic Control	10	DAY	500.00	5,000.00
Trench width Pavement Replacement	22	SY	60.00	1,320.00
			Total	138,345.85

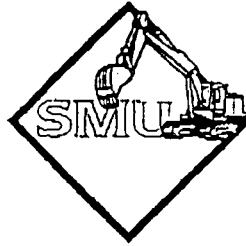
TOTAL PROPOSAL:**\$ 598,224.85****NOTES:**

- 1) Restoration of 20' Utility easements behind residences includes resodding only.
- 2) 12" Aqua Meter price does not include bypass or bypass valves (need detail to provide accurate price).
- 3) Sod, Seed & Mulch on Walgreen's Site By others.
- 4) Electrical Service to 6" DDC assembly by others
- 5) All lines to Walgreen's to stop 5' from building, connections by others.
- 6) FDOT portion of work based on closure of outside traffic lane.
- 7) Resetting of Existing Property Lot Corners not included.
- 8) Sheeting (if required for bore and jack tie-in) to be negotiated.

Sincerely,



Charles D. Bell, P.E.
HAMLET CONSTRUCTION, INC.



South Marion Underground, Inc.
PO Box 190
Anthony, FL 32617
352-351-2412 Fax 352-351-2430

Proposal and Contract

To: Leeward Offices

Job: Potable Water Main Expansion

Location: Ocala, Florida

Date: 5/13/05

Gentlemen:

We propose to furnish labor, materials and equipment for the items described below for the sum of \$see attached.

This proposal includes only those items listed: SEE ATTACHED BID SHEET.

Notes: Material price changes will be passed on to project.
Electrical supply to Flowmeter Register by others.
No bond cost is included in the quote.

THE FOLLOWING CHECKED ITEMS ARE NOT INCLUDED IN THIS BID:

- | | |
|--|---|
| <input type="checkbox"/> SURVEY & STAKING | <input type="checkbox"/> SOD |
| <input type="checkbox"/> PERMITS | <input type="checkbox"/> CLEARING & GRUBBING |
| <input checked="" type="checkbox"/> SEED & MULCH | <input type="checkbox"/> SILT FENCING |
| <input type="checkbox"/> DENSIFY TEST | <input checked="" type="checkbox"/> DEWATERING |
| <input type="checkbox"/> AS-BUILTS SURVEY | <input checked="" type="checkbox"/> ROCK REMOVAL |
| <input type="checkbox"/> ASPHALT REPAIR | <input checked="" type="checkbox"/> BOND |
| <input checked="" type="checkbox"/> WATER METERS | <input type="checkbox"/> CONCRETE REPAIR |
| <input checked="" type="checkbox"/> NPDES PERMIT | <input type="checkbox"/> MAINTENANCE OF TRAFFIC |
| <input checked="" type="checkbox"/> ADDITIONAL INSURANCE REQUIREMENTS | <input checked="" type="checkbox"/> VIDEO (SITE AND PIPE) |
| <input checked="" type="checkbox"/> REMOVAL & REPLACEMENT OF UNSUITABLE MATERIAL | |

This bid expires 30 days from date hereon.
Thanks for the opportunity to quote.

ACCEPTED

By: _____

Date: _____

SOUTH MARION UNDERGROUND INC.

By: 

Date: 5/13/05



South Marion Underground, Inc.

Post Office Box 190

Anthony, FL 32617

(352) 351-2412

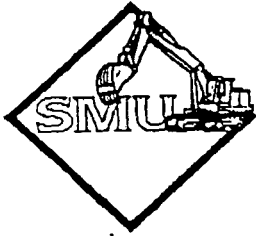
Fax (352) 351-2430

JOB Potable Water Main Expansion

DATE

5/13/2005

ITEM NO.	DESCRIPTION	QTY	UNITS	PRICE	TOTAL
1	Mobilization, permits, Etc.	1	LS	\$ 40,380.00	\$ 40,380.00
2	30" Jack and Bore	128	LF	\$ 448.20	\$ 57,369.60
3	30" Sleeve	1	LS	\$ 15,600.00	\$ 15,600.00
4	16" Directional Drill	187	LF	\$ 134.20	\$ 25,095.40
5	16" DR18 Water Main	5640	LF	\$ 61.50	\$ 346,860.00
6	12" DR18 Water Main	50	LF	\$ 36.60	\$ 1,830.00
7	8" DR18 Water Main	840	LF	\$ 39.65	\$ 33,306.00
8	6" DR18 Water Main	180	LF	\$ 26.25	\$ 4,725.00
9	16" Cross	2	EA	\$ 2,261.05	\$ 4,522.10
10	16" Tee	3	EA	\$ 1,592.25	\$ 4,776.75
11	16" 90 Bend	5	EA	\$ 1,132.55	\$ 5,662.75
12	16" 45 Bend	9	EA	\$ 1,050.05	\$ 9,450.45
13	16" 22.5 Bend	4	EA	\$ 1,050.05	\$ 4,200.20
14	16" 11.25 Bend	2	EA	\$ 1,050.05	\$ 2,100.10
15	16" Cap	2	EA	\$ 493.05	\$ 986.10
16	16" x 12" Reducer	1	EA	\$ 810.30	\$ 810.30
17	16" x 8" Tee	1	EA	\$ 1,336.75	\$ 1,336.75
18	16" x 8" Reducer	1	EA	\$ 714.00	\$ 714.00
19	16" x 6" Tee	3	EA	\$ 1,246.55	\$ 3,739.65
20	16" X 6" Reducer	1	EA	\$ 682.20	\$ 682.20
21	16" x 4" Reducer	2	EA	\$ 668.20	\$ 1,336.40
22	12" 90 Bend	2	EA	\$ 522.30	\$ 1,044.60
23	8" 90 Bend	1	EA	\$ 335.65	\$ 335.65
24	8" Plug	1	EA	\$ 184.70	\$ 184.70
25	8" Tee	1	EA	\$ 470.60	\$ 470.60
26	8" x 6" Reducer	2	EA	\$ 281.45	\$ 562.90
27	6" 90 Bend	1	EA	\$ 250.20	\$ 250.20
28	6" Cap	1	EA	\$ 138.80	\$ 138.80
29	6" x 4" Reducer	1	EA	\$ 211.90	\$ 211.90
30	16" Water Gate Valve	13	EA	\$ 3,581.35	\$ 46,557.55
31	12" Water Gate Valve	1	EA	\$ 1,541.40	\$ 1,541.40
32	8" Water Gate Valve	2	EA	\$ 837.75	\$ 1,675.50
33	6" Water Gate Valve	4	EA	\$ 560.80	\$ 2,243.20



South Marion Underground, Inc.

Post Office Box 190

Anthony, FL 32617

(352) 351-2412

Fax (352) 351-2430

JOB Potable Water Main Expansion

DATE

5/13/2005

ITEM NO.	DESCRIPTION	QTY	UNITS	PRICE	TOTAL
34	4" Water Gate Valve	3	EA	\$ 488.55	\$ 1,465.65
35	Fire Hydrant Assembly	8	EA	\$ 2,872.40	\$ 22,979.20
36	Blow Off Assembly	9	EA	\$ 578.20	\$ 5,203.80
37	Jumper Assembly	2	EA	\$ 646.55	\$ 1,293.10
38	12" DDCBFP	1	EA	\$ 14,912.20	\$ 14,912.20
39	12" Flow Meter	1	EA	\$ 16,611.40	\$ 16,611.40
40	6" DDCBFP	1	EA	\$ 6,492.00	\$ 6,492.00
41	2" Water Service with RPZBFP	2	EA	\$ 1,796.05	\$ 3,592.10
42	Connect to 2" Water Main	1	EA	\$ 264.40	\$ 264.40
43	Connect to 4" Water Main	3	EA	\$ 207.75	\$ 623.25
44	Abandon 6" Water Main	1255	LF	\$ 7.00	\$ 8,785.00
45	2" PVC Conduit	85	LF	\$ 5.85	\$ 497.25
46	6" DR18 Force Main	1175	LF	\$ 37.25	\$ 43,768.75
47	6" 45 Bend	5	EA	\$ 303.00	\$ 1,515.00
48	6" Cap	1	EA	\$ 118.80	\$ 118.80
49	Open Cut Restoration	440	SY	\$ 58.45	\$ 25,718.00
50	Sod Replacement	14950	SY	\$ 2.40	\$ 35,880.00
51	Remove & Replace 6' Chain Link	38	LF	\$ 42.00	\$ 1,596.00
	TOTAL BASE BID				\$ 812,016.65
	ALTERNATE BID (Add the Following)				
1	Maintenance of Traffic	1	LS	\$ 4,400.00	\$ 4,400.00
2	Roadway Reconstruction	1	LS	\$ 2,210.00	\$ 2,210.00
3	16" DR18 Water Main	31	LF	\$ 44.95	\$ 1,393.45
4	16" 45 Bend	2	EA	\$ 1,050.05	\$ 2,100.10
	TOTAL ALTERNATE BID				\$ 10,103.55

POSPIECH CONTRACTING INC.
 201 SOUTH APOPKA AVENUE, INVERNESS, FL 34450
 Telephone: (352) 726-3940 * Facsimile: (352) 726-5250

CONTRACT PROPOSAL

PROPOSAL SUBMITTED TO: Dirk Leeward	PHONE: (352) 873-8686	DATE: 05/18/05
	FAX:	
NAME: County Wide Utility Co., Inc.	JOB NAME: Potable Water System Expansion	
STREET: P.O. Box 1476	STREET: SR 200 & SW 60th Avenue	
CITY: Ocala	CITY: Ocala	STATE: FL
STATE: FL 34478		

Construct Water System as per plans by Ginn Engineering, Inc. dated 2/2/05. Scope of work includes 16" main, 8" main and services to Walgreen's site, road crossings, directional bores and jack and bores as shown on plans, installation of DCV backflow preventer along SR 200, installation of 6" force main (dry line), restoration to original conditions, layout and testing of our work.

16" Water Main and 6" Force Main -	\$ 625,300.00
8" Water Main and service to Walgreen's Site to within 5' of building -	\$ 25,700.00
Add Alternate for alternate location of SR 200 crossing -	\$ 4,820.00

Bid Notes:

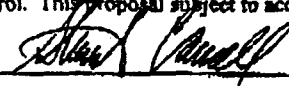
No removal/replacement of unsuitable soils is included in these prices.

If soil replacement is necessary, it will be billed at \$14.00 per cubic yard truck measure based on loads removed.

We hereby propose to furnish labor and materials - complete in accordance with the above specifications, for the sum of: _____ dollars with the payment to be made as follows:

All materials is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from above specifications involving extra costs, will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon strikes, accidents or delays beyond our control. This proposal subject to acceptance within 30 days and is void thereafter at the option of the undersigned.

Authorized Signature



ACCEPTANCE OF PROPOSAL

The above prices, specifications and conditions are hereby accepted. You are authorized to do the work as specified. Payment will be made as outlined above.

ACCEPTED:

Date: _____

Signature: _____

ITEM #	ITEM	QUANTITY	UNIT PRICE	TOTAL
	MOBILIZATION	1 LS	\$8,000.00	\$8,000.00
	LAYOUT	1 LS	\$10,000.00	\$10,000.00
	COMPACTION TESTING	1 LS	\$4,000.00	\$4,000.00
	MOT	1 LS	\$4,200.00	\$4,200.00
	CLEARING	1 LS	\$5,700.00	\$5,700.00
	16" WATER MAIN	5,515 LF	\$39.00	\$215,085.00
	16" DIRECTIONAL BORES	180 LF	\$175.00	\$31,500.00
	12" WATER MAIN	53 LF	\$30.00	\$1,590.00
	6" PVC FORCE MAIN	1,184 LF	\$15.00	\$17,760.00
	30" JACK & BORE CASING	128 LF	\$290.00	\$37,120.00
	30" PVC DIRECT BURY CASING	52 LF	\$120.00	\$6,240.00
	16" CROSS	2 EA	\$2,800.00	\$5,600.00
	16" TEE	3 EA	\$2,000.00	\$6,000.00
	16" X 8" TEE	1 EA	\$1,590.00	\$1,590.00
	16" X 6" TEE	1 EA	\$1,530.00	\$1,530.00
	16" X 12" REDUCER	1 EA	\$1,000.00	\$1,000.00
	16" X 8" REDUCER	1 EA	\$990.00	\$990.00
	16" X 6" REDUCER	1 EA	\$935.00	\$935.00
	16" X 4" REDUCER	2 EA	\$1,000.00	\$2,000.00
	16" 90 BEND	5 EA	\$1,375.00	\$6,875.00
	16" 45 BEND	11 EA	\$1,246.50	\$13,711.50
	16" 22.5 BEND	3 EA	\$1,235.00	\$3,705.00
	16" 11.25 BEND	2 EA	\$1,235.00	\$2,470.00
	16" PLUG	1 EA	\$635.00	\$635.00
	12" 90 BEND	2 EA	\$700.00	\$1,400.00
	6" X 4" REDUCER	1 EA	\$320.00	\$320.00
	6" 45 BEND FORCE MAIN	4 EA	\$420.00	\$1,680.00
	6" 90 BEND FORCE MAIN	3 EA	\$440.00	\$1,320.00
	6" CAP FORCE MAIN	1 EA	\$240.00	\$240.00
	6" PLUG FORCE MAIN	1 EA	\$200.00	\$200.00
	16" GATE VALVES	13 EA	\$5,100.00	\$66,300.00
	12" GATE VALVE	1 EA	\$2,160.00	\$2,160.00
	8" GATE VALVE	1 EA	\$1,370.00	\$1,370.00
	6" GATE VALVE	1 EA	\$1,000.00	\$1,000.00
	4" GATE VALVE	3 EA	\$925.00	\$2,775.00
	6" JUMPER CONNECTION	1 EA	\$935.00	\$935.00
	4" JUMPER CONNECTION	1 EA	\$935.00	\$935.00
	TEMPORARY BLOWOFF ASSEMBLIES	4 EA	\$630.00	\$2,520.00
	FIRE HYDRANTS	7 EA	\$3,550.00	\$24,850.00
	12" DDCV BACKFLOW PREVENTER	1 EA	\$19,505.00	\$19,505.00
	12" METER ASSEMBLY	1 EA	\$21,090.00	\$21,090.00
	THRUST BLOCKS	52 CY	\$260.00	\$13,520.00
	ABANDON 6" WATER MAIN	160 LF	\$7.00	\$1,120.00
	SODDING	15,000 SY	\$2.65	\$39,750.00
	PATCHING	400 SY	\$63.00	\$25,200.00
	PRESSURE TESTING	1 LS	\$10,873.50	\$10,873.50
				\$625,300.00
	ADD FOR ALTERNATE LOCATION			
	16" WATER MAIN	43 LF	\$39.00	\$1,677.00
	16" 45 BENDS	2 EA	\$1,246.50	\$2,493.00
	THRUST BLOCKS	2.5 CY	\$260.00	\$650.00
				\$4,820.00
	WALGREEN'S SITE BEHIND			
	8" PVC WATER	77 LF	\$19.00	\$1,463.00
	6" PVC WATER	215 LF	\$16.00	\$3,440.00
	2" PVC WATER	55 LF	\$6.00	\$330.00
	8" TEE	1 EA	\$600.00	\$600.00
	8" X 6" REDUCER	2 EA	\$365.00	\$730.00
	6" 90 BEND	1 EA	\$375.00	\$375.00
	2" WATER SERVICES	2 EA	\$1,560.00	\$3,120.00
	6" GATE VALVE	2 EA	\$1,000.00	\$2,000.00
	6" DDCV BACKFLOW	1 EA	\$4,577.00	\$4,577.00
	FIRE HYDRANT	1 EA	\$3,540.00	\$3,540.00
	2" RPZ BACKFLOWS	2 EA	\$1,000.00	\$2,000.00
	THRUST BLOCKS	2.5 CY	\$260.00	\$650.00
	PRESSURE TESTING	1 LS	\$2,875.00	\$2,875.00
				\$25,700.00

EXHIBIT "6"
Bulk Service Agreement

BULK WATER AND WASTEWATER AGREEMENT

THIS AGREEMENT is entered into effective September 5, 2003, by and between City of Ocala, a Florida municipal corporation ("City"), and County-Wide Utility Co., Inc., a Florida corporation ("Buyer").

WHEREAS:

- A. City owns and operates a water producing and distribution utility and a wastewater collection and treatment utility.
- B. Buyer is a water or wastewater regulated utility under Chapter 367, Florida Statutes.
- C. Pursuant to Section 70-6 of the Code of Ordinances of the City of Ocala, Florida, City is authorized to provide bulk water or wastewater service to persons or entities such as Buyer.
- D. Buyer desires to obtain bulk water and wastewater service from City.
- E. City is willing to provide bulk water and wastewater service to Buyer, pursuant to the terms and conditions hereof.
- F. City's provision of bulk water and wastewater service is in the public interest and will promote the health, safety and welfare of City, the residents of Marion County, Florida, and others.

NOW THEREFORE, in consideration of the matters set forth above (which are incorporated herein by reference), the exchange of the mutual promises set forth herein, and other good and valuable consideration, the parties hereto agree as follows:

Generally

- 1. **Definitions.** As used in this Agreement, the following terms have the following meanings:
 - 1.1. **Actual Daily Flow (ADF)** - The gallons of Water used (or Wastewater delivered) on a calendar day.
 - 1.2. **Actual Monthly Average Daily Flow (Actual MADF)** - The gallons of Water used (or Wastewater delivered) between the monthly Master Meter readings used for billing purposes divided by the number of days in the billing period.
 - 1.3. **Average Retail Water Rate** - Net revenue generated by the City's Water system from City customers other than Bulk Purchasers divided by the number of gallons sold to City customers other than Bulk Purchasers.
 - 1.4. **Average Retail Wastewater Rate** - Net revenue generated by the City's Wastewater system from City customers other than Bulk Purchasers divided by the number of gallons treated for City customers other than Bulk Purchasers.
 - 1.5. **Bulk Purchasers** - Purchasers of City Water or Wastewater services pursuant to Section 70-6 of the City Code.

- 1.6. Bulk Water or Wastewater Costs – The costs to City of providing Water or Wastewater service to bulk customers:
 - 1.6.1. Including the costs of: Water production, treatment and transmission; Wastewater transmission, treatment, and disposal; and debt service on the foregoing; and
 - 1.6.2. Excluding the costs of collection, distribution, customer service, billing, meter reading, and other retail related costs.
- 1.7. Buyer's Wastewater System - The Wastewater system owned, operated and maintained by Buyer, together with all extensions and expansions thereof and replacements thereto that is connected to City Wastewater System. The term shall include the Wastewater collection system, force mains, pumping stations, and all other related facilities required for the proper operation, maintenance, extension and expansion of Buyer's Wastewater System.
- 1.8. Buyer's Water System - The Water system owned, operated and maintained by the Buyer, together with all extensions and expansions thereof and replacements thereto that is connected to City Water System. It shall include the Water distribution system, storage facilities, pumping stations, elevated tanks and all other related facilities required for the proper operation, maintenance, extension and expansion of Buyer's Water System.
- 1.9. Charges – All amounts to be paid by Buyer hereunder including, without limitation, the Reserved Water Capacity Charge, any surcharges for exceeding the Reserved Water Capacity Charge, the Water Consumption Charge, the Reserved Wastewater Capacity Charge, any surcharges for exceeding the Reserved Wastewater Capacity Charge, the Volumetric Charge, and the Compliance Monitoring Charge, all as defined or described elsewhere in this Agreement.
- 1.10. City Code - The Code of Ordinances of the City of Ocala, Florida.
- 1.11. City Standards – The standards established by City (including the Department) to govern the construction, maintenance and operation of the City's Wastewater and Water Systems.
- 1.12. City Wastewater System - The Wastewater system owned, operated and maintained by City, together with all extensions and expansions thereof and replacements thereto. The term shall include the Wastewater collection system, force mains, pumping stations, treatment plants, effluent disposal facilities and all other related facilities required for the proper operation, maintenance, extension and expansion of City's Wastewater System.
- 1.13. City Water System - The Water system owned, operated and maintained by City, together with all extensions and expansions thereof and replacements thereto. It shall include the Water distribution system, supply wells, treatment plants, storage facilities, pumping stations, elevated tanks and all other related facilities required for the proper operation, maintenance, extension and expansion of City's Water System.
- 1.14. Customers – All customers of Buyer's Water or Wastewater Systems.
- 1.15. Department – City's Department of Water and Sewer.

- 1.16. ERU – Equivalent Residential Unit.
 - 1.17. Master Meters – The master Water and Wastewater meters to be installed pursuant to this Agreement, but not any separate Water or Wastewater meters installed at Customer’s facilities.
 - 1.18. Point of Delivery - The point where City delivers Water to Buyer and Buyer delivers Wastewater to City, determined as set forth elsewhere in this Agreement.
 - 1.19. PSC – The Florida Public Service Commission or its successor.
 - 1.20. PSC Certificate – The document issued by the PSC authorizing Buyer to provide utility service within Buyer’s Service Area.
 - 1.21. Rates – Amounts charged to Buyer per unit of service detailed in this Agreement, determined by the Rate Study and this Agreement, and itemized on Exhibit “D”.
 - 1.22. Rate Study – A Water or Wastewater rate study utilizing an industry-standard or industry-accepted methodology for municipal utilities, obtained or to be obtained by City to assist City in determining rates to charge users of the City’s Water and Wastewater Systems.
 - 1.23. Regulations – All applicable federal, state or local laws, regulations or ordinances concerning Water or Wastewater service or quality.
 - 1.24. Reserved Monthly Average Daily Flow (Reserved MADF) – The amount of Water or Wastewater capacity reserved for a billing period expressed as an average daily amount in gallons.
 - 1.25. Reserved Wastewater Capacity - That portion of the capacity in City’s Wastewater treatment plant reserved for Buyer’s use.
 - 1.26. Reserved Water Capacity - That portion of the capacity in City’s Water treatment plant reserved for Buyer’s use.
 - 1.27. Service Area – The geographic area Buyer is permitted to provide Water or Wastewater service to pursuant to its PSC Certificate, as amended from time to time, and as described in the attached Exhibit “A.”
 - 1.28. Wastewater - The combination of liquid and water-carried pollutants from residences, commercial buildings, industrial plants, and institutions together with any groundwater, surface runoff or leachate that may be present.
 - 1.29. Water – Potable water.
 - 1.30. Water Management District – The water management district with jurisdiction over water resources in the Service Area pursuant to Chapter 373, Florida Statutes.
2. **Provision and Use of Service.**
- 2.1. Provision.

- 2.1.1. Buyer agrees to obtain Water from City, and City agrees to provide Water to Buyer, pursuant to the terms and conditions hereof.
 - 2.1.2. Buyer agrees to deliver Wastewater to City, and City agrees to accept Wastewater from Buyer, pursuant to the terms and conditions hereof.
 - 2.2. Use. Buyer agrees that the Water and the Wastewater service from City shall be used only for retail consumption or use by Buyer's Customer's within Buyer's Service Area, except upon the written consent of the City, which may be withheld by City in its sole discretion.
3. **Term of Agreement.**
 - 3.1. This Agreement is for a term of ten years, commencing September 5, 2003.
 - 3.2. This Agreement shall automatically renew for thirty (30) consecutive one (1) year terms. All provisions of this Agreement shall apply to any renewal term.
 - 3.3. Buyer may terminate this Agreement, without cause, by giving City at least 90-days written notice of termination specifying the date of termination.
 - 3.4. Buyer may terminate this Agreement as to either Water or Wastewater service by providing City with written notice, within 12 months of the Effective Date, specifying as to which service this Agreement is being terminated. Such termination shall be effective to delete (or render unenforceable or inapplicable) the provisions of this Agreement concerning the terminated service but shall not affect the provisions of this Agreement concerning the service that is not terminated.
4. **Rates and Charges.**
 - 4.1. Buyer shall pay all Charges arising hereunder and all non-City applicable taxes, except taxes imposed under the City Code in effect at the time commencement of the initial term of this Agreement, imposed on such Charges.
 - 4.2. Buyer shall establish, at the commencement of service under this Agreement, the day of the month when the Master Meters shall be read (the "Read Date"), and thereafter the Master Meters shall be read on or about the same day of each month for purposes of determining the Charges and the Actual MADF. Not more than once a calendar year, Buyer may change the Read Date by providing at least 30 days notice to City.
 - 4.3. The Charges are due and shall be paid by Buyer within thirty (30) days after billing by City, commencing with the second full month following the completion of construction and initiation of service under paragraph 5 of this Agreement. Charges not paid within ten (10) days of when due shall accrue interest at the statutory rate.
 - 4.4. Rates will be evaluated periodically (but no more frequently than once every five (5) years) by the City in connection with its periodic Rate Studies and may be increased or decreased by City in connection therewith.

- 4.4.1. City shall give Buyer notice of any public meeting concerning Rate Studies or evaluation at least 45 days prior to such meeting. Buyer shall be permitted to participate in any such meeting.
- 4.4.2. City shall not increase Rates without substantial competent evidence that such an increase is reasonably necessary to accurately reflect actual increases in the Bulk Water or Wastewater Costs. Rates shall not exceed the limits as set forth in this Agreement.
- 4.4.3. Any increase made to Rates shall not be effective until 60 days after the later of:
 - a). The adoption, by City, of new Rates based upon a new Rate Study;
 - b). The effective date of the pass-through rate adjustment, or a rate case under paragraph 10.4, to reflect such increase to Buyer as finally determined by the PSC, but in no event more than six months after the City's adoption of the new Rates; or
 - c). As specified in paragraph 4.4.5.
- 4.4.4. Within 10 days after adoption of new Rates, City shall deliver to Buyer a certification or other notice of the new Rates. Upon request of either party, the parties shall execute an amendment to this Agreement documenting the new Rates.
- 4.4.5. For purposes of the provision set forth in paragraph 4.4 above, limiting the City's evaluation of Rates to no more frequently than once every five (5) years:
 - a). As to the initial five-year period, City and Buyer agree that: (a) the initial period shall be deemed to have commenced on May 25, 2001; (b) City may conduct another Rate study, and adopt new Rates, before the initial five-year period expires; and (c) such new Rates shall not, however, be effective as to Buyer before May 25, 2006; and
 - b). Subsequent five-year periods shall commence on the date that any revised Rates are effective as to Buyer, and shall continue through the date five years thereafter, such that new Rates adopted by City may not be effective as to Buyer until the expiration of such period.

5. Facilities.

- 5.1. Buyer shall, at its expense design, construct and install Water service, force main and Wastewater collection lines, and all necessary appurtenances thereto to connect to City's Water or Wastewater Systems within twelve (12) months from effective date or either party may terminate this Agreement upon notice to the other party. All such facilities and improvements up to the Buyer's side of the Point of Delivery shall be built to City Standards including those for backflow prevention. Buyer shall provide plans and specifications of the facilities and improvements up to the Buyer's side of the Point of Delivery from City periodically during the design and permitting process. If City does not notify Buyer of any objections within 15 days of receipt of same, City shall be deemed to have accepted such plans and specifications.

5.2. Construction and Oversizing.

5.2.1. Upon request of City, Buyer will oversize the facilities and improvements on the City's side of the Point of Delivery being built hereunder to accommodate additional use thereof by City.

5.2.2. City shall pay to Buyer the difference between the costs of such oversizing and the costs that would have been incurred by Buyer without the oversizing, as draws become due in Buyer's contract with its contractor performing the work.

5.2.3. If Buyer constructs facilities on the City's side of the Point of Delivery, the respective cost borne by Buyer expressed as a percentage of the total cost of the construction (the "Construction and Installation Percentage") shall determine the percentage of front foot charges Buyer shall receive under paragraph 5.3.

5.3. City shall pay to Buyer an amount equal to the Construction and Installation Percentage multiplied by the Water and Wastewater front foot connection charges due from City or third parties under the City Code who connect to the Water and Wastewater lines constructed by Buyer pursuant to this Agreement, at the rates specified in the City Code for such connection charges.

5.3.1. City will pay amounts due hereunder within 30 days of its receipt of payments from such other parties, but not later than the date of commencement of utility services to the third party.

5.3.2. City's obligation to pay such amounts shall terminate upon the earlier of: (a) 20 years from the date of completion of construction of such improvements; or (b) the expiration or termination of this Agreement.

6. Master Meters.

6.1. City shall select and install Master Water Meters and, if required by paragraph 6.6, Master Wastewater Meters at points mutually agreed upon by City and Buyer. Buyer shall pay for the Master Meters and the City's installation thereof.

6.2. City shall own and maintain the Master Meters. In the event of termination of this Agreement and at the option of Buyer, City shall transfer the Master Meters to Buyer by appropriate Bill of Sale at no cost to Buyer, and Buyer shall remove the Master Meters at its expense.

6.3. All Water supplied to Buyer by City shall be metered through a Water Master Meter. Water Master Meter(s) shall be of standard make and type, comply with City Standards and be installed in a readily accessible location with checking or calibration devices.

6.4. The Master Water Meter(s) shall be capable of being remotely read by the City and Buyer.

6.5. In lieu of a Master Wastewater Meter, Buyer shall instead furnish the meter readings from its Customers' Water meters to City within three days of the Read Date if all of the following conditions are met:

- 6.5.1. Buyer bills each Wastewater Customer discharging into Buyer's Wastewater System using such Customer's Water meter reading or individual Wastewater meter; and
- 6.5.2. No Customer uses the Buyer's Wastewater System for processes that would normally cause Buyer's Actual Daily Flow to exceed 1.5 times its MADF.
- 6.6. If City determines, in the exercise of its reasonable discretion, that Buyer has Customers that use the Buyer's Wastewater System for processes that, under normal circumstances, could cause Buyer's Actual Daily Flow to exceed 1.5 times its Reserved MADF, City may require Buyer to install a master Wastewater Meter capable of being remotely read by the City and Buyer.
- 6.7. The Master Meter(s) shall indicate flow with an error not to exceed plus or minus three percent of full-scale reading. City shall test the accuracy of the Master Meters, using certified vendors at least once a year (the "Annual Test"). Either party may have a Master Meter tested at additional intervals at its own expense. If the Master Meter is found to be in error exceeding the tolerance established for the Master Meter by its manufacturer:
 - 6.7.1. The Master Meter(s) shall be recalibrated at the expense of City; and
 - 6.7.2. City's statement of Charges to Buyer for the next period following the prior Master Meter accuracy check shall be adjusted to reflect the quantity of over-read or under-read exceeding three percent. In calculating such billing adjustment, it will be assumed that the Master Meter inaccuracy existed for one-half of the entire time interval between Master Meter accuracy checks, not to exceed twelve (12) months.

7. Points of Delivery.

- 7.1. The Water Point(s) of Delivery shall be established by the parties no later than the date of City's approval of Buyer's proposed facilities and improvements pursuant to paragraph 5.1, and shall be indicated on the plans for such facilities and improvements as approved pursuant to such paragraph. Without the mutual consent of the parties, a Point of Delivery shall not be downstream of the intersection of the facilities and improvements with Buyer's Service Area.
 - 7.1.1. All portions of the Water system downstream from a Water Point of Delivery shall be deemed to be Buyer's Water System for which Buyer shall be responsible for the operation, repairs and maintenance.
 - 7.1.2. The Master Meters and all portions of the Water system upstream from a Water Point of Delivery shall be deemed to be City's Water System for which City shall be responsible for the operation, repairs and maintenance. Buyer will be responsible for annual maintenance and certification of any required backflow prevention devices pursuant to the City Code.
- 7.2. The Wastewater Point(s) of Delivery shall be established by the parties no later than the date of City's approval of Buyer's proposed facilities and improvements pursuant to paragraph 5.1, and shall be indicated on the plans for such facilities and improvements as approved pursuant to such paragraph. Without the mutual consent of the parties, a Point

of Delivery shall not be upstream of the intersection of the facilities and improvements with Buyer's Service Area.

- 7.2.1. All portions of the Wastewater system upstream from a Wastewater Point of Delivery shall be deemed Buyer's Wastewater System for which Buyer shall be responsible for the operation, repairs and maintenance.
- 7.2.2. The Master Meters and all portions of the Wastewater system downstream from a Wastewater Point of Delivery shall be deemed City's Wastewater System for which City shall be responsible for the operation, repairs and maintenance.
- 7.3. Buyer shall, prior to start of construction:
 - 7.3.1. Convey or dedicate to the City appropriate easements to permit City to fulfill its obligations hereunder; and
 - 7.3.2. Convey to City, by appropriate Bill of Sale, any portions of the system that are intended to become part of the City's system.
- 7.4. City shall, prior to start of construction:
 - 7.4.1. Convey or dedicate to the Buyer appropriate easements to permit Buyer to fulfill its obligations hereunder; and
 - 7.4.2. Convey to Buyer, by appropriate Bill of Sale, any portions of the Buyer's system that are intended to become part of the Buyer's system.

Bulk Water Service

8. Level of Service.

- 8.1. The initial reserved Water capacity, flow rates and pressures at the Point of Delivery on the Buyer's side of the Master Water Meter shall be mutually agreed upon between Buyer and City's Director of Water and Sewer after Buyer completes its preliminary engineering and the result shall be attached to this Agreement as Exhibit "B", but City shall in any case permit the reservation of up to 300,000 gallons MADF at no less than 2,000 GPM at 65 PSI and 40 PSI residual at 4,000 GPM.
- 8.2. City does not bind itself during periods of Water shortage resulting from an emergency condition to do more than deliver Water in such quantities and pressure as are available throughout the City's municipal limits. In the event it should become necessary for City to adopt regulations for conservation of Water during such time of emergency, Buyer agrees that it will adopt and use reasonable efforts to enforce in the Service Area the same regulations for conservation of Water mandated by either the Water Management District or, in the case of a facilities emergency, the City during time of such emergency. Under all circumstances, Buyer will be treated similarly with regard to Water conservation measures as other like users of City's system.
- 8.3. City shall not be responsible for water hammer in any of the pipelines of Buyer nor shall City be responsible for meeting any demands for Water other than that required by the terms of this Agreement. It shall be the obligation and duty of Buyer to carry the Water at

its own expense from the Water Point Of Delivery to the place or places of ultimate use and, in so doing, to supply and impart to the Water adequate pressure as may be necessary to provide adequate pressure at all points beyond such Point Of Delivery, in consequence whereof City shall not be responsible for insufficient pressure, nor be required to correct any fluctuation in pressure, occurring beyond any such Point Of Delivery.

9. **Quality.**

- 9.1. Water sold to Buyer hereunder will be supplied from City's Water System and will be of the same quality as the Water furnished by City to its customers within the municipal limits of City.
- 9.2. All Water delivered by City shall be clean, potable Water, meeting all Regulations in effect for City at the time of delivery. Failure of City to provide Water of the quality required by this paragraph shall be deemed a breach of this Agreement, however, an allegation of failure to meet any such Regulations which is challenged by City, shall not be deemed a breach of the Agreement unless there is a final determination by the agency authorized to enforce such regulations that there has, in fact, been noncompliance with such Regulations.

10. **Bulk Water Rates and Charges.**

- 10.1. Bulk Water Charges are comprised of two components: the Reserved Water Capacity Charge and the Consumption Charge.
 - 10.1.1. Reserved Water Capacity Rate and Charge.
 - 10.1.2. The Reserved Water Capacity Rate shall initially be as shown on Exhibit "D." During the term of this Agreement, the Reserved Water Capacity Rate shall not increase by a percentage any greater than, nor decrease by a percentage less than, the percentage increase or decrease in the Average Retail Water Rate.
- 10.2. The Reserved Water Capacity Charge is based on the Reserved Water MADF during the term of this Agreement. The Reserved Water Capacity Charge is calculated by multiplying the current Reserved Water Capacity Rate times the Reserved Water MADF. Example: Reserved Water MADF equals 100,000 gallons. The monthly Reserved Water Capacity Charge would be \$0.0058 times 100,000 gallons = \$580.00.
- 10.3. If Buyer's Actual MADF, adjusted to take into account unusual events such as a fire, water line break, or temporary shutdown of Buyer's water plant, exceeds its Reserved MADF for two consecutive months during any 12-month period, a 25 per cent (25%) surcharge will be added to the Reserved Water Capacity Charge for the excess flow during the months in which the excesses occurred and any remaining months of the calendar year in which the Reserved MADF is exceeded.
 - 10.3.1. Example: Reserved MADF is 100,000 gallons. Actual MADF for July is 110,000 gallons and August is 115,000 gallons. Since the reserved MADF was exceeded for two consecutive months, a surcharge will be due. July's excess is 10,000 gallons and August's excess is 15,000 gallons for a sum of 25,000 gallons times \$0.0058 times 0.25 equals a surcharge of \$36.25 for the two months.

- 10.3.2. The 25% surcharge set forth above shall increase to 50% after the Actual MADF exceeds the Reserved MADF on six occasions in any during any 12-month period. (For purposes of this Agreement, consecutive days in which Actual MADF exceeds Reserved MADF shall count as a single "occasion").
- 10.4. In addition, if Buyer is regulated by the PSC, and Buyer's Actual Daily Flow (adjusted as set forth in paragraph 10.3) exceeds two times its Reserved MADF on three or more occasions during any 12-month period, and if, as a result thereof, City exceeds seventy five percent (75%) of its DEP-permitted plant capacity, Buyer shall file a petition with the PSC seeking to establish conservation rates pursuant to which Buyer's residential and irrigation customers would be charged higher amounts for using excessive quantities of Water.
- 10.5. Buyer may request an increase or decrease in Reserved Water Capacity in increments of no less than the greater of: (a) 10,000 gallons; or (b) ten percent of its Reserved Water Capacity in effect at such time. If City determines that the increase in Reserved Water Capacity will not negatively impact the City's Water System it may grant the increase effective on the next meter reading date. Unless Buyer is regulated by the PSC, before any increase in Reserved Water Capacity is granted, Buyer must have a Water conservation block rate structure with block increases similar to percentage increase used in City's Water conservation rate structure. This determination is solely at the discretion of City.
- 10.6. Consumption Rate and Charge.
- 10.6.1. The Consumption Rate shall initially be that as shown on Exhibit "D." During the term of this Agreement, the Consumption Rate shall not increase by a percentage any greater than, nor decrease by a percentage less than, the percentage increase or decrease in the Average Retail Water Rate.
- 10.6.2. The Consumption Charge is based on actual monthly volume of Water used by Buyer. The charge is calculated by multiplying the then-current Consumption Rate times the volume of Water used during the preceding month. Example: 1,000,000 gallons of Water is used during the preceding month. The Consumption Charge for that month would be \$0.52 divided by 1,000 gallons times 1,000,000 gallons = \$520.00.

Bulk Wastewater Service

11. **Level of Service.** The initial reserved Wastewater capacity and flow rates at the Point of Delivery on the City's side of the Point of Delivery shall be mutually agreed upon between Buyer and City's Director of Water and Sewer after Buyer completes its preliminary engineering and the result shall be attached to this Agreement as Exhibit "C", but City shall in any case permit the reservation of up to 200,000 MADF at no less than 500 GPM.
12. **Quality.** Buyer shall take reasonable steps to have its Customers comply with discharge standards contained in City Codes. Buyer's service agreements with its Customers shall require that the customer meet the requirements of the City Code, and shall provide that such Customer is subject to all remedies that would be applicable, as if such Customer was a customer of City. Buyer hereby assigns all enforcement rights to City for the enforcement of the City Code upon the

Customer. City may bill such Customers for any additional charges (e.g., CVWS) imposed pursuant to City Code

13. Bulk Wastewater Rates and Charges.

13.1. The bulk Wastewater Charges are comprised of two components: the Reserved Wastewater Capacity Charge and the Volumetric Charge.

13.2. Reserved Wastewater Capacity Rate and Charge.

13.2.1. The Reserved Wastewater Capacity Rate shall be that as shown on Exhibit "D." During the term of this Agreement, the Reserved Wastewater Capacity Rate shall not increase by a percentage any greater than, nor decrease by a percentage less than that of the Average Retail Wastewater Rate.

13.2.2. The Reserved Wastewater Capacity Charge is based on the Reserved Wastewater MADF during the term of this Agreement. The Reserved Wastewater Capacity Charge is calculated by multiplying the current Reserved Wastewater Capacity Rate times the Reserved Wastewater MADF. Example: Reserved Wastewater MADF equals 100,000 gallons. The monthly Reserved Wastewater Capacity Charge would be \$0.065 times 100,000 gallons = \$6,500.00.

13.2.3. If Buyer's Actual MADF exceeds its Reserved MADF for two consecutive months during any 12-month period, a 25 per cent (25%) surcharge will be added to the Reserved Wastewater Capacity Charge for the excess flow during the months in which the excesses occurred and any remaining months of the calendar year in which the Reserved MADF is exceeded.

a). Example: Reserved MADF is 100,000 gallons. Actual MADF for July is 110,000 gallons and August is 115,000 gallons. Since the reserved MADF was exceeded for two consecutive months, a surcharge will be due. July's excess is 10,000 gallons and August's excess is 15,000 gallons for a sum of 25,000 gallons times \$0.065 times 0.25 equals a surcharge of \$406.25 for the two months.

b). The 25% surcharge set forth above shall increase to 50% after the Actual MADF exceeds the Reserved MADF on six occasions in any calendar year. (For purposes of this Agreement, consecutive days in which Actual MADF exceeds Reserved MADF shall count as a single "occasion"). Buyer may request an increase or decrease in Reserved Wastewater Capacity in increments of no less than the greater of: (a) 10,000 gallons; or (b) ten percent of its Reserved Wastewater Capacity in effect at such time. If City determines that the increase in Reserved Wastewater Capacity will not negatively impact the City's Wastewater System, it may grant the increase effective on the next meter reading date. This determination is solely at the discretion of City.

13.3. Volumetric Rate and Charge.

13.3.1. The Volumetric Rate shall be that as shown on Exhibit "D." During the term of this Agreement, the Volumetric Rate shall not increase by a percentage any

greater than nor decrease by a percentage less than that of the Average Retail Wastewater Rate.

13.3.2. The Volumetric Charge is based on actual monthly volume of Wastewater discharged to City's system by Buyer. The charge shall be calculated in one of two ways:

a). If a Master Wastewater Meter has been installed, the Charge shall be calculated by multiplying the Wastewater Volumetric Rate times the number of gallons discharged during the preceding month. Example: 1,000,000 gallons of Wastewater is used during the preceding month. The volumetric charge for that month would be \$1.47 divided by 1000 gallons times 1,000,000 gallons = \$1,470.

b). If a Master Wastewater Meter has not been installed, the gallons discharged shall be estimated based on the amount of Water consumed by Wastewater Customers as determined from Water meter readings furnished under paragraph 6.5 multiplied by an adjustment factor of 92%. This factor is derived from the difference between the Water ERU of 300 gallons and the Wastewater ERU of 275 gallons.

13.4. Commercial Wastewater Volumetric Surcharge.

13.4.1. For each commercial Customer, Buyer shall pay City 100% of the Compliance Monitoring Charge that other customers of the City pay for monitoring commercial discharges, which amount includes the costs for sample collection and laboratory analyses by the Department's Compliance Monitoring Division.

13.4.2. The Commercial Wastewater Volumetric Surcharge (CWVS) is based on the actual monthly volume of Water used and strength of discharge by the Customer. Buyer shall furnish commercial Wastewater Customer Water meter readings to City within three days of the Read Date.

13.4.3. The CWVS is calculated by multiplying \$1.47/1000 gallons discharged times the volume of Water Customer used during the preceding month times (the excessive strength factor (ESF) minus one). ESF factors shall be calculated pursuant to the City Code. Example: 1,000,000 gallons of Water is used during the preceding month. If the discharge had an ESF of less than or equal to one, the CWVS for that Customer for that month would be zero. If the discharge had an ESF of 1.5, then the charge would be \$1.45 divided by 1,000 times 1,000,000 times 0.5 = \$725.00.

13.4.4. All commercial Customers must have an independent Water or Wastewater meter and an accessible sampling location for the Wastewater discharge leaving the structure and before entering Buyer's Wastewater System. City shall have the right to monitor the commercial discharges at such sampling locations.

14. **Recycling.** City may, at its discretion, recycle, re-use and supply treated Water effluent. Any income derived from sales of reclaimed Water shall be accounted for in future rate studies.

Miscellaneous

15. **Default.**

- 15.1. Events of Default. Upon the happening of one or more of the events set forth below (any of which is referred to hereinafter as an "Event of Default"), the non-defaulting party shall have any and all rights and remedies hereinafter set forth:
- 15.1.1. If Buyer should fail to pay any Charge when it becomes due and such failure continues for ten days after City provides Buyer with written notice of such failure.
 - 15.1.2. If Buyer should fail to pay any Charge within ten days of when it becomes due more than three (3) times during any of twelve (12) consecutive months (notwithstanding City's acceptance of any Charge payment from Buyer)
 - 15.1.3. If either party violates any other term, condition or covenant herein on the part of the party to be performed and such failure continues for thirty days after the non-defaulting party provides the defaulting party with written notice of such failure; provided, however, if the default is one which cannot be cured within thirty days, the defaulting party will have such additional time as maybe required so long as the defaulting party diligently pursues the remedy.
 - 15.1.4. If either party, after having violated this Agreement in a manner that threatens the health of the customers of the other party, or exposes such other party to risk of serious and imminent sanctions, penalties, litigation or administrative proceedings by applicable governmental authorities within the preceding twelve months, again violates this Agreement in substantially the same manner.
- 15.2. Non-Defaulting Party May Cure Defaulting Party's Defaults. If either party shall default in the performing of any covenant or condition of this Agreement, the non-defaulting party may, at its sole discretion, perform the same for the account of the defaulting party and the defaulting party shall reimburse the non-defaulting party for any expense incurred therefore together with interest thereon at the statutory rate. This provision imposes no duty on the non-defaulting party nor waives any right of the non-defaulting party otherwise provided in this Agreement.
- 15.3. Remedies upon Buyer's Default.
- 15.3.1. If any Event of Default occurs by Buyer and there is no Event of Default by City, City shall have the right, at the option of City, to pursue one or more of the following remedies, in addition to all other remedies available at law or equity:
 - a). Terminate this Agreement by providing written notice of termination, in addition to all other remedies available at law or equity. In that event, this Agreement shall terminate upon the date specified in the notice, which shall be no less than 90 days from the date of the notice, unless Buyer has meanwhile cured the default to the satisfaction of City;
 - b). Suspend Water or Wastewater service to Buyer during the period of the default; or

- c). Seek the appointment of a receiver of the Buyer's Water and Wastewater Systems as a matter of right to assume operation thereof, including the collection of revenue and payment of debt.
- 15.3.2. If City exercises either remedy specified in subparagraphs 15.3.1.a). or 15.3.1.b)., and the default is a monetary default:
- a). Buyer shall have the right to cure the default by providing City with a security deposit or other collateral (in form acceptable to City in the exercise of its reasonable discretion) sufficient to cure the default and to provide City with adequate assurance of payment for services the City has provided and is continuing to provide.
 - b). If Buyer is unable to cure the default, Buyer may apply to the Circuit Court of Marion County for appointment of a receiver of the Buyer's Water and Wastewater Systems as a matter of right to assume operation thereof, including the collection of revenue and payment of debt, for such period as is necessary to avoid disruption of Water and Wastewater service to Buyer's Customers. If Buyer fails to make such application or to agree to termination of this Agreement within thirty (30) days of the City's exercise of a remedy under subparagraphs 15.3.1.a). or 15.3.1.b), City may make such application. Upon appointment of a receiver, the termination or suspension of the Agreement shall be abated for such reasonable period as the Court determines to avoid interruption of service to Buyer's Customers.
- 15.3.3. Buyer acknowledges that, in the event either party seeks the appointment of a receiver, the City may be uniquely qualified to serve as the receiver by virtue of its operation of its own Water and Wastewater Systems. Thus, if a court of competent jurisdiction appoints a receiver, Buyer consents to the appointment of the City as receiver, (or, if only individuals are qualified to serve as receivers, Buyer consents to the appointment of the City Manager, an Assistant City Manager, the director of the City Finance Department, or the director of the City Water and Sewer Department as receiver) notwithstanding that the City may be a party to the receivership proceedings. City shall not, if appointed receiver, pay to itself any amounts alleged to be due hereunder unless such payments are consented to by Buyer or approved by the court.
- 15.4. Remedies upon City's Default. If any Event of Default occurs by City and there is no Event of Default by Buyer, Buyer shall have the right, at the option of Buyer, to pursue one or more of the following remedies, in addition to all other remedies available at law or equity:
- 15.4.1. Cure the default and deduct the cost thereof from any Charge subsequently becoming due hereunder, or
 - 15.4.2. Terminate this Agreement by providing written notice of termination. In that event, this Agreement shall terminate upon the date specified in the notice, unless City has meanwhile cured the default to the satisfaction of Buyer.

- 15.5. Specific Performance. Upon the occurrence of an Event of Default, the non-defaulting party may seek specific performance of this Agreement, in addition to any other remedy available hereunder.
16. **Force Majeure.**
- 16.1. Any temporary or continuing cessation of or reduction in the service by City caused by an Act of God, fire, strike, casualty, necessary maintenance work, breakdown of or injuries to machinery, pumps or pipelines, civil or military authority, insurrection, riot, or any other causes, whether or not of the same kind as enumerated herein, shall not constitute a breach of the Agreement on the part of City, and City shall not be liable to Buyer for any damage resulting from such cessation of service if City uses due diligence to restore service as soon as possible. City shall use due diligence in the operation and maintenance of its Water and Wastewater facilities; however, City shall not be responsible to Buyer for any interruption of service due to causes beyond City's control not due to the negligence of City.
- 16.2. During such temporary or continuing cessation or reduction of services, including a declared Water shortage, Buyer may seek alternative means to replace the lost or diminished Water and Wastewater services.
17. **Indemnity.**
- 17.1. Buyer shall, indemnify City and its elected officials, employees and volunteers against, and hold City and its elected officials, employees and volunteers harmless from any and all liability, damages, penalties, claims, liens, costs, charges, losses, and expenses (including, without limitation, reasonable fees and expenses of attorney, expert witnesses and consultants), which may be imposed upon, incurred by or be asserted against City solely by reason of any act or omission of Buyer, its personnel, employees, agents, contractors, or subcontractors, which arise out of performance of this Agreement and result in bodily injury, sickness, disease, or death to any person or damage to, loss of or destruction of tangible or intangible property, or failure to comply with any federal, state, or local statute, ordinance or regulation in performance of this Agreement, including, without limitation, harm or personal injury to Buyer or third persons during the term of this Agreement, provided Buyer shall not be obligated to indemnify City to the extent that acts or omissions of City, its elected officials, employees or volunteers, or of a third party or parties, contributed to such injury, sickness, disease, or death to any person or damage to, loss of, or destruction of tangible or intangible property.
- 17.2. To the extent allowed by law, and subject to the limitations imposed by Section 768.28, Florida Statutes, and other relevant law, City agrees to indemnify Buyer, its successors and assigns, against liability for torts for money damages which may be imposed against Buyer for injury or loss of property, personal injury, or death caused by the negligent or wrongful act or omission of City or any employee, agent, contractor or subcontractor of City while acting within the scope of his office or employment under circumstances in which City, if a private person, would be liable to the claimant, in accordance with the general laws of this state.

18. Insurance.

- 18.1. Each party is responsible for obtaining and maintaining its own insurances including, without limitation, public and products liability, professional indemnity, directors and officers, liability, workers Compensation, and insurances for assets and works in the amounts it deems necessary.
- 18.2. Insurance obtained by each party for public and products liability and professional indemnity must be obtained with reputable insurers and include terms and conditions that provide adequate coverage.

19. Safety and the Environment.

- 19.1. In performing their respective obligations under this Agreement, each of the parties must comply with all applicable Regulations, including, without limitation, those relating to occupational health and safety, Water conservation, the protection of the environment, dangerous goods, hazardous substances and the giving of notices. Only violations that threaten the health of the customers of the other party, or exposes such other party to risk of sanctions, penalties, litigation or administrative proceedings by applicable governmental authorities shall be cause for default.
- 19.2. Each of the parties shall use its reasonable efforts to identify all material risks to the safety of persons and damage to the environment which may arise in relation to: (a) their respective activities performed under this Agreement; and (b) the performance of their respective obligations under this Agreement, and must inform the other party of the risks identified by it and practices relating to them and, if requested to do so, provide information and training to the other party on the systems, measures, precautions and practices implemented by it to mitigate those risks.

20. **Annexation Requirement.** Buyer agrees to execute a petition for annexation, in such form as City shall reasonably request, agreeing to annex all real property owned by Buyer within the Service Area upon such property becoming eligible for annexation.

21. **Non-Competition.** Buyer agrees that, throughout the term of the Agreement, Buyer shall not compete with City for any Water or Wastewater Customers requesting service for locations inside the "OCALA Territorial Area" designated by the City and Marion County in County Contract 96-2 dated September 24, 1996.

22. Sale of Systems by Buyer.

22.1. Termination upon Sale to a Governmental Entity. Upon Buyer's Sale of its Water or Wastewater Systems or its PSC Certificate to a Governmental Entity, City may terminate this Agreement, without cause, as set forth in this paragraph.

22.1.1. For purposes of this paragraph, the following terms have the following meanings:

a). Sale - Either:

- 1). A sale, gift, transfer, assignment or other disposition of Buyer's Water or Wastewater System or its PSC Certificate to a Governmental Entity; or

2). A sale, gift, transfer, assignment or other disposition of stock or other ownership interest, or other action, to a Governmental Entity so as to constitute a "change in majority organizational control" of Buyer pursuant to statutes concerning Water or Wastewater utilities, or rules or decisions of the PSC (e.g., Section 367.071, Florida Statutes, or Rule 25-30.037, FAC).

b). Governmental Entity - Any of the following:

1). A unit of state, county or municipal government;

2). A state agency or subdivision (as defined in Section 768.28, Florida Statutes or its successor statute);

3). A corporation, partnership or other entity or association:

(a). Of which any of the foregoing units, agencies or subdivisions is a shareholder, member, partner, or other owner (directly or indirectly); or

(b). That was created by statute, ordinance, resolution, interlocal agreement or similar action; or

(c). That is controlled by any of the foregoing units, agencies or subdivisions (except the Florida Public Service Commission or its successor).

22.1.2. Upon the earlier of: (1) 10 days after entering into a contract for a Sale; or (2) 30 days prior to closing any Sale (including closing the transaction that results in a "change in majority organizational control"), Buyer shall provide written notice to City of Buyer's intent or contract to sell its Water or Wastewater System or PSC Certificate. If Buyer fails to provide City with notice as required by this paragraph, City may (for purposes of the 30-day time period for City Council to adopt a resolution under subparagraph 22.1.3), provide written notice to Buyer designating a date by which the notice shall be deemed to have been given and received by City; such date shall be no less than 10 days from the date the City's notice is delivered to Buyer.

22.1.3. This Agreement shall terminate as to any System sold (but not as to any System not sold) unless City, by resolution adopted by the City Council within 30 days following City's receipt of the written notice provided pursuant to paragraph 22.1.2, elects not to terminate this Agreement.

a). City shall provide Buyer with at least three business days' notice prior to the City Council meeting at which such a resolution will be considered.

b). The termination shall be effective upon the 180th day following City's receipt of the notice pursuant to paragraph 22.1.2.

c). In the event of termination, Buyer shall cooperate with City to disconnect such System sold from City's System prior to termination date.

22.1.4. If City does not terminate this Agreement pursuant to the preceding paragraph 22.1.3, this paragraph 22 shall apply to any subsequent Sale of Buyer's Water or Wastewater System.

22.2. Full Right of First Refusal

22.2.1. For the term of this Agreement, Buyer hereby gives City the exclusive right and option to purchase Buyer's Water and Wastewater Systems, at the same price and upon the same terms and conditions, as contained in any good faith written offer from a third party, containing the price and all terms and conditions of the proposed purchase, which is accepted and executed by Buyer. For purposes of this paragraph 22.2, a sale of Buyer's PSC Certificate shall be deemed to be a Sale of Buyer's Water and Wastewater Systems.

22.2.2. If Buyer agrees to a Sale (as such term is defined in paragraph 22.1.1) of Buyer's Water or Wastewater System, Buyer shall give written notice to City of such intention, together with a fully executed, complete legible copy of the Proposed Sale Agreement (the "Proposed Sale Agreement") governing such Sale. City shall have 15 days from receipt of such written notice and Proposed Sale Agreement to exercise its right of first refusal. If City elects to exercise its right of refusal, City shall, within such 15 day period, deliver written notice thereof to Buyer.

22.2.3. If City elects to purchase, City shall, following expiration of the Inspection Period set forth below:

- a). Be obligated and bound to enter into a contract with Buyer incorporating the Proposed Sale Agreement;
- b). Pay all deposits required under the Proposed Sale Agreement; and
- c). Fully perform its terms.

22.2.4. If City fails to timely serve notice of exercise or waives exercise of its right of first refusal within 15 days after receipt from Buyer of the Proposed Sale Agreement, City shall be deemed to have rejected the Proposed Sale Agreement, and Buyer may sell to such third party on the terms set forth in the Proposed Sale Agreement.

22.2.5. Notwithstanding City's service of its notice to exercise its right of first refusal, City shall have a period (the "Inspection Period") of 90 days following such service to rescind its exercise of its right of first refusal pursuant to the following provisions.

- a). During the Inspection Period, City and City's engineers, consultants, and other agents may undertake such physical inspections and other investigations of, and inquiries concerning, the Water or Wastewater System being sold as may be necessary for City to evaluate the physical characteristics of the System, as well as such other matters as may be deemed by City reasonably necessary to generally evaluate the System and determine the feasibility and advisability of City's purchase of the System.

b). City's inspections may include, without limitation:

- 1). Independent investigations and inquiries concerning all applicable permits, codes, ordinances, statutes, rules and regulations affecting the Water or Wastewater System being sold and its use; and
 - 2). The conduct, by appropriately licensed and insured professionals, of any surveys and structural, environmental, or engineering tests.
- c). Buyer shall, during the Inspection Period, make available to City all of Buyer's books, accounts, and records as to the Water or Wastewater System being sold that: (1) Buyer provided or made available to the purchaser under the Proposed Sale Agreement; or (2) are public records. City may make copies of such books, accounts, and records, provided that City shall not disclose the contents of them, except as may be required under the Florida Public Records Act (or similar law) to anyone other than City's advisors or consultants.
- d). For purposes of undertaking physical inspections and investigations of the Water or Wastewater System being sold, Buyer hereby grants to City and its agents full right of entry upon its property and access to the Water or Wastewater System being sold during the Inspection Period, provided that neither City nor any of City's agents unreasonably disturb any of the activities being conducted on such property or the Water or Wastewater System.
- e). If the result of such inspections, investigations, and inquiries are, in City's sole opinion and within City's sole discretion, unacceptable to City, and City provides notice to Buyer to that effect before the end of the Inspection Period, then, at City's option, City may rescind its exercise of its right of first refusal.
- f). If Buyer does not receive notice of termination from City by the end of the Inspection Period, City's right to rescind its exercise of its right of first refusal shall be deemed waived.
- g). Notwithstanding any provision of the Proposed Sale Agreement to the contrary, City shall not be required to make any deposit or other security, or take any other action, required under the Proposed Sale Agreement, until the expiration of the Inspection Period.

22.2.6. Closing with City shall occur 30 days following expiration of the Inspection Period.

22.2.7. If City does not exercise or if City rescinds its right of first refusal but no Sale is made by Buyer to the third party pursuant to the terms and conditions of the Proposed Sale Agreement, this Agreement shall apply to each and all future proposed Sales of Buyer's Water or Wastewater System.

22.2.8. Any Sale of Buyer's Water or Wastewater System that does not comply with the terms and conditions of this Agreement shall be void. Any sale of Buyer's Water or Wastewater System shall be subject to the terms, conditions and stipulations of this Agreement.

- 22.2.9. In the event of a gift, devise, bequest or other gratuitous transfer or disposition of all or part of Buyer's Water or Wastewater System by Buyer, this Agreement shall run with Buyer's Water and Wastewater Systems, and shall be binding upon those persons or entities receiving or obtaining an interest thereby in Buyer's Water or Wastewater System.
- 22.2.10. In the event of a sale of all or part of Buyer's Water or Wastewater System by Buyer, this Agreement shall run with Buyer's Water or Wastewater System, and shall be binding upon those persons or entities receiving or obtaining an interest thereby in Buyer's Water or Wastewater System.
- 22.2.11. If Buyer's Water or Wastewater System is sold at a mortgage foreclosure sale, City right of first refusal shall nonetheless apply, subject however to following provisions:
- a). The "good faith written offer from a third party" for purposes of paragraph 22.2.1, shall be deemed to be the amount paid by the successful bidder (the "Bidder") at the foreclosure sale.
 - b). The Bidder shall not transfer or convey (or engage in any other activity that would constitute a Sale of Buyer's Water or Wastewater System), until the expiration of the time periods for the City to exercise and pursue its rights hereunder (including the time for City to exercise its right of first refusal).
 - c). The time period for City to exercise its right of first refusal shall commence upon the issuance of a certificate of title to the Bidder. Notwithstanding the foregoing, upon the written agreement of City and the Bidder, and notwithstanding any objection from Buyer, the time period for City to exercise its right of first refusal may commence upon the issuance of a certificate of sale to the Bidder (to permit the Bidder to forego issuance of a certificate of title, and the resulting obligation to pay documentary stamps, pending the City's exercise of its rights hereunder).
 - d). City shall have no Inspection Period following its exercise of its right of first refusal.
 - e). If City exercises its right of first refusal:
 - 1). The closing shall occur 15 days after City exercises its right of first refusal.
 - 2). At the closing:
 - (a). City shall pay the Bidder the amount of the Bidder's successful bid at the foreclosure sale;
 - (b). The Bidder shall convey the Buyer's Water or Wastewater System to City by deed, a bill of sale and other documents or action appropriate to transfer the System being conveyed to City.

(c). Such deed and bill of sale shall warrant title to the Buyer's Water or Wastewater System free and clear of all claims by, through, under or against Bidder but no others.

(d). City shall pay all documentary stamps imposed on the transfer from the Bidder.

3). Buyer and Bidder shall cooperate with City in effecting a smooth and efficient transfer of Buyer's Water or Wastewater System to City.

4). City shall be entitled to all amounts paid by Buyer's Customers, following the closing, for service under the Water or Wastewater System acquired by City regardless of when a Customer's obligation for such payment arose.

22.2.12. Upon a foreclosure sale to a Governmental Entity, City, in addition to the right of first refusal hereunder, shall have the right to terminate this Agreement pursuant to paragraph 22.1, without cause. In such event, the Agreement shall terminate as to any System sold at the foreclosure sale (but not as to any System not so sold) unless City, by resolution adopted by the City Council within 30 days following the issuance of a certificate of title to the Bidder, elects not to terminate this Agreement or elects to exercise its right of first refusal hereunder. The provisions of paragraph 22.1.3 shall apply to such resolution, except that the provisions of such paragraph referring to "Buyer" shall also apply to the Governmental Entity that purchased at the foreclosure sale.

22.3. Upon request of City, Buyer agrees to execute, acknowledge and deliver without charge a memorandum of this agreement in recordable form, containing a confirmation that City has the right to terminate and the right of first refusal set forth herein.

23. **Enforcement.** All of the terms and provisions of this Agreement, whether so expressed or not, shall be binding upon, inure to the benefit of, and be enforceable by the parties and their respective legal representatives, heirs, estates, successors and permitted assigns.

24. **Exclusive Venue.** The parties agree that the exclusive venue for any litigation, suit, action, counterclaim, or proceeding, whether at law or in equity, which arises out of concerns, or relates to this Agreement, any and all transactions contemplated hereunder, the performance hereof, or the relationship created hereby, whether sounding in contract, tort, strict liability, or otherwise, shall be in Marion County, Florida.

25. **Notices.**

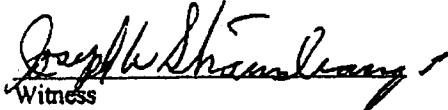
25.1. All notices, requests, consents and other communications required or permitted under this Agreement shall be in writing (including faxed communication) and shall be (as elected by the person giving such notice) hand delivered by messenger or courier service, faxed, or mailed by Registered or Certified Mail (postage pre-paid), Return Receipt Requested, addressed to the following or to such other addresses as any party may designate by notice complying with the terms of this paragraph:

25.1.1. If to City: Director of City's Department of Water and Sewer, P.O. Box 1270, Ocala, Florida 34478-1270; fax: 352-351-6718.

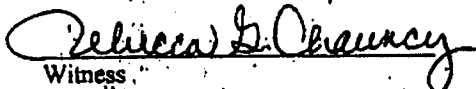
- 25.1.2. If to Buyer: County-Wide Utility Co., Inc., P. O. Box 1476, Ocala, FL 34478; fax: 352-245-1144.
- 25.2. Each such notice shall be deemed delivered:
- 25.2.1. On the date delivered if by personal delivery;
- 25.2.2. On the date faxed if by fax if the fax is received prior to 4:30 p.m. or on the following day if received after 4:30 p.m.; and
- 25.2.3. On the date upon which the Return Receipt is signed or delivery is refused or the notice is designated by the postal authorities as not delivered, as the case may be, if mailed.
26. **Governing Laws.** This Agreement and all transactions contemplated by this Agreement shall be governed by, and construed and enforced in accordance with, the laws of the State of Florida without regard to principles of conflicts of laws.
27. **Attorney's Fees.** If any legal action or other proceeding by one party against the other (including, without limitation, appeals or bankruptcy proceedings) whether at law or in equity, which: arises out of the performance hereof, or the relationship created hereby; or is brought for the enforcement of this Agreement, or because of an alleged dispute, breach, default or misrepresentation in connection with any provisions of this Agreement, the successful or prevailing party or parties shall be entitled to recover reasonable attorney's fees, court costs and all expenses even if not taxable as court costs, incurred in that action or proceeding, in addition to any other relief to which such party or parties may be entitled.
28. **Counterparts.** This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.
29. **Remedies.** No remedy herein conferred upon any party is intended to be exclusive of any other remedy, and each and every such remedy shall be cumulative and shall be in addition to every other remedy given hereunder or now or hereafter existing at law or in equity or by statute or otherwise available to both parties. No single or partial exercise by any party of any right, power or remedy hereunder shall preclude any other or further exercise thereof.
30. **Severability Clause.** Provisions contained in this Agreement that are contrary to, prohibited by, or invalid under, applicable laws or regulations shall, if such invalidity does not materially and substantially impair performance by the parties or substantially increase the burden of performance by or reduce the benefit of this Agreement to a party, be deemed omitted from this document and shall not invalidate the remaining provisions thereof.
31. **Waiver.** A failure to assert any rights or remedies available to a party under the terms of this Agreement, or a waiver of the right to remedies available to a party by a course of dealing or otherwise shall not be deemed to be a waiver of any other right or remedy under this Agreement, unless such waiver of such right or remedy is contained in a writing signed by the party alleged to have waived his other rights or remedies.
32. **Entire Understanding.** This Agreement represents the entire understanding and agreement between the parties with respect to the subject matter hereof, and supersedes all other negotiations (if any) made by and between the parties.

33. **Amendments.** The provisions of this Agreement may not be amended, supplemented, waived, or changed orally, but only by a writing making specific reference to this Agreement and signed by the party against whom enforcement of any such amendment, supplement, waiver or modification is sought.

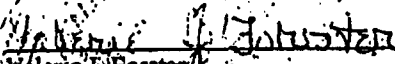
IN WITNESS WHEREOF, the parties have executed this Agreement on the day and year first written above.


Witness

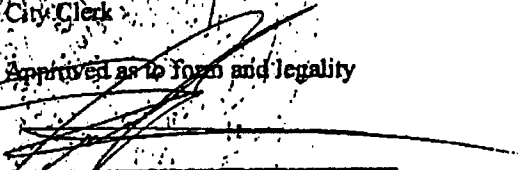
Joseph W. Strausbaugh
Print Witness Name


Witness

Rebecca G. Chauncy
Print Witness Name


Valerie J. Forster
City Clerk

Approved as to form and legality


Patrick G. Gilligan
City Attorney

County-Wide Utility Co., Inc., a Florida corporation

By: 
Dirk J. Leeward,
President

CITY OF OCALA

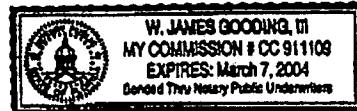
By: 
Reuben Kent Guinn
President, Ocala City Council

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged before me this 23 day of September, 2003, by Dirk J. Leeward, as President of County-Wide Utility Co., Inc., a Florida corporation, on behalf of the corporation.

W. James Gooding, III
Notary Public, State of Florida
Name: W. James Gooding, III
(Please print or type)

Commission Number:
Commission Expires:



Notary: Check one of the following:

Personally known OR Produced Identification (if this box is checked, fill in blanks below).

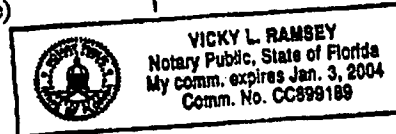
Type of Identification Produced: _____

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged before me this 29th day of September, 2003, by R. Kent Guinn, as President of Ocala City Council, on behalf of the City of Ocala, a Florida municipal corporation.

Vicky L. Ramsey
Notary Public, State of Florida
Name: VICKY L. RAMSEY
(Please print or type)

Commission Number:
Commission Expires:



Notary: Check one of the following:

Personally known OR Produced Identification (if this box is checked, fill in blanks below).

Type of Identification Produced: _____

EXHIBIT A

DESCRIPTION OF TERRITORY SERVED

ORDER NO. PSC-97-0578-POP-WU

Township 16 South, Range 21 East, Marion County, Florida

Section 5

The East 3/4 of the South 1/2 of the Southeast 1/4

Section 8

That portion of the Northeast 1/4 lying North and west of State Road 200. Except: Beginning at the intersection of the South boundary of the Northeast 1/4 and the Northerly right-of-way of State Road 200; thence North 89°53'23" West a distance of 1,498.52 feet; thence North 0°00'34" East a distance of 665.08 feet; thence North 89°53'23" East a distance of 1,326.73 feet; thence South 69°21'33" East a distance of 557.40 feet; thence Southwesterly along the Northwestern right-of-way line of State Road 200 to the POINT OF BEGINNING.

ORDER NO. PSC-97-0578-POP-WU - ORDER NO. 11868 (CORRECTED)

Township 16 South, Range 21 East, Marion County, Florida

Section 4

The Southwest 1/4

Less and except that portion of the Northeast 1/4 of said Southwest 1/4 of said Section 4 lying North and West of State Road 200

and Less and except that portion of the Northeast 1/4 of said Southeast 1/4 of the Southwest 1/4 of said Section 4 lying North and West of State Road 200.

Section 9

That portion of the Northwest 1/4, lying North and West of State Road 200.

EXHIBIT B

EXHIBIT C

EXHIBIT D

Bulk Water Rates

Reserved Water Capacity Rate: \$0.0058 per gallon per month

Consumption Rate: \$0.66 per 1,000 gallons

Bulk Wastewater Rates

Reserved Wastewater Capacity Rate: \$0.065 per gallon per month

Volumetric Rate: \$1.47 per 1,000 gallons

E:\CITYWATER\Bulk Sales\Contract\Finals\Bulk W WW Agreement 9-18-03.doc

AMENDMENT TO BULK WATER AND WASTEWATER AGREEMENT

THIS AGREEMENT is entered into effective August 24, 2004, by and between City of Ocala, a Florida municipal corporation ("City"), and County-Wide Utility Co., Inc., a Florida corporation ("Buyer").

WHEREAS:

- A. On or about September 5, 2003, City and Buyer entered into a Bulk Water and Wastewater Agreement (the "Original Agreement") pursuant to which the City agreed to provide Bulk Water and Wastewater service to Buyer pursuant to the terms and conditions thereof.
- B. Pursuant to paragraph 5.1 of the Original Agreement, Buyer agreed to design, construct and install certain facilities within a year of the Effective Date¹ of the Original Agreement.
- C. City and Buyer wish to extend the time for Buyer to terminate this Agreement as to either Water or Wastewater service referenced in paragraph 3.4 of the Original Agreement and to design, construct and install the facilities referenced in paragraph 5.1 of the Original Agreement, both pursuant to the terms and provisions hereof.

NOW THEREFORE, in consideration of the matters set forth above (which are incorporated herein by reference), the exchange of the mutual promises set forth herein, and other good and valuable consideration, the parties hereto agree as follows:

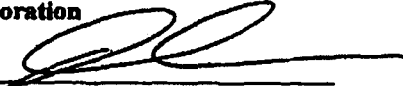
1. **Extension of Time.** Paragraphs 3.4 and 5.1 of the Original Agreement are amended to read as follows:
 - 3.4 Buyer may terminate this Agreement as to either Water or Wastewater service by providing City with written notice on or before September 5, 2005, specifying as to which service this Agreement is being terminated. Such termination shall be effective to delete (or render unenforceable or inapplicable) the provisions of this Agreement concerning the terminated service but shall not affect the provisions of this Agreement concerning the service that is not terminated.
 - 5.1. Buyer shall, at its expense design, construct and install Water service, force main and Wastewater collection lines, and all necessary appurtenances thereto to connect to City's Water or Wastewater Systems on or before September 5, 2005, or either party may terminate this Agreement upon notice to the other party. All such facilities and improvements up to the Buyer's side of the Point of Delivery shall be built to City Standards including those for backflow prevention. Buyer shall provide plans and specifications of the facilities and improvements up to the Buyer's side of the Point of Delivery from City periodically during the design and permitting process. If City does not notify Buyer of any objections within 15 days of receipt of same, City shall be deemed to have accepted such plans and specifications.
2. **Effect on Original Agreement.** Except as expressly set forth herein, the Original Agreement is not further amended or modified. All references in the Original Agreement to "this Agreement"

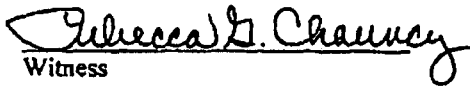
¹ All terms capitalized herein and not otherwise defined herein have the same meaning herein as in the Original Agreement.

or similar terms shall be deemed to refer to the Original Agreement as amended hereby. The parties ratify and reaffirm the Original Agreement as amended hereby.

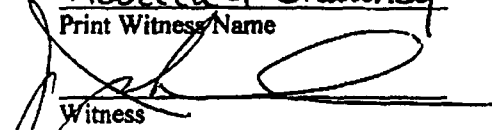
IN WITNESS WHEREOF, the parties have executed this Agreement effective the day and year first written above.

County-Wide Utility Co., Inc., a Florida corporation

By: 
Dirk J. Leeward, as President

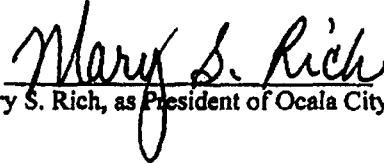

Witness


Rebecca G. Chauncy
Print Witness Name


Witness

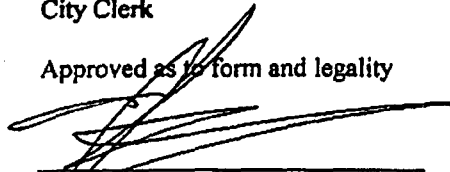
JAMES K. LEeward
Print Witness Name

CITY OF OCALA


By: 
Mary S. Rich, as President of Ocala City Council


Valerie J. Forster
City Clerk

Approved as to form and legality


Patrick G. Gilligan
City Attorney



ACCEPTED BY CITY COUNCIL

DATE August 24, 2004
OFFICE OF THE CITY CLERK

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged before me this 10th day of September, 2004, by Dirk J. Leeward, as President of County-Wide Utility Co., Inc., a Florida corporation, on behalf of the corporation.



Rebecca G. Chauncy
Notary Public, State of Florida
Name: Rebecca G. Chauncy
(Please print or type)

Commission Number:
Commission Expires:

Notary: Check one of the following:

Personally known OR Produced Identification (if this box is checked, fill in blanks below).

Type of Identification Produced: _____

STATE OF FLORIDA
COUNTY OF MARION

The foregoing instrument was acknowledged before me this 24 day of September, 2004, by Mary S. Rich, as President of Ocala City Council, on behalf of the City of Ocala, a Florida municipal corporation.

Roseann J. Fusco
Notary Public, State of Florida
Name: Roseann J. Fusco
(Please print or type)

Commission Number:
Commission Expires:



ROSEANN J. FUSCO
Notary Public, State of Florida
My Comm. expires July 30, 2007
Comm. No. DD236362

Notary: Check one of the following:

Personally known OR Produced Identification (if this box is checked, fill in blanks below).

Type of Identification Produced: _____

EXHIBIT "7"
Boil Water Notices

Subject : Boil Water Notice
Date : Wed, 26 Oct 2005 20:40:00 -0500
Linked to : Frank Stanfield
From : Becca Chauncy <Becca@LeewardAirRanch.com>
To : Frank Stanfield <Frank.Stanfield@starbanner.com>

Frank: Please publish the following notice on October 27 and 28th, 2005

PRECAUTIONARY BOIL WATER NOTICE

On Wednesday, homes in Bahia Oaks, Oak Creek Village and West Wind Trails were transferred from the old water plant to the new water line. Because of the change of water flow patterns, customers may see some sediment in their water supply. The water supply in the new water lines was tested and cleared by the Florida Department of Environmental Regulation before being put into service and the sediment is not harmful.

Because of a faulty valve in the old water system, County-Wide Utility Co., Inc. will be forced to turn off the water supply to homes in Bahia Oaks in order to continue the transfer to the new water line. Water will be turned off on Friday, October 28, 2005, starting at 9 a.m. and should be complete by late morning. Customers in Oak Creek Village and West Wind Trails will not be affected by this shut down. Residents are advised that all water used for drinking or cooking be boiled. A rolling boil of one minute is sufficient. As an alternative, bottled water may be used.

The "Precautionary Boil Water Notice" issued on Wednesday will remain in effect for Oaks Creek Village and West Wind Trails until bacteriological surveys show that the water is safe to drink. Unless additional notice is published, water will be safe to drink on Saturday, October 29th. The "Precautionary Boil Water Notice" for Bahia Oaks is extended to Tuesday, November 1st unless additional notice is published.

Additional information can be obtained by calling County-Wide Utility Co., Inc. at 351-1338.

Steve Moore
City Editor
867-4134
steve.moore@starbanner.com

Local & State

NEIGHBORS
Eighty-one-year-old
artist keeps young
by painting. 5B

STAR-BANNER

FRIDAY, OCTOBER 28, 2005

SECTION B

...and produce. I only realized
the eerie connection months later.

Many of you know I have an Amateur Radio license, but what you probably don't know is that Dearly Beloved has one of those FCC certificates as well. And her government-assigned call sign? KD4DBG. There's that DB again. Then of course, there's the Daughter of Dearly Beloved — DDB.

I don't guess there's really much of a point to all this, except to say once you start thinking about odd things in your life there seems to be no end to all the coincidences.

Or are they *really* coincidences? Hmm...? Whaddya think? Write and let us know!

GAS PRICES

The question was "Do you think we'll ever see \$2 per gallon gasoline again?" K.R. Clarke wrote: "Two-dollar per gallon gas will only happen after the general public loans the funds to build three big refineries themselves. Gas will stay at \$2.49 per gallon from here on in."

GETTIN' CARDED

Steve Mosley, Ocala, wrote: "I don't want to upset your wife about the ID checking thing, but in my early years, when our rock music band played the club scene, bartenders and servers ALWAYS carded *any* female, even if she looked 40-ish. They said it guaranteed a good tip! Sometimes they laid it on really heavy with something like 'This must be a fake ID, there's no WAY you're 39 years old!' *Ka-ching* went the tip jar."

Gee, Steve, thanks for clearing that one up for me. I knew there had to be a reason why they carded Dearly Beloved and not me!

Steve also is a thinking person, as is clearly evidenced by one of his questions about the ominous Thermos® bottle mystery: "You put something *hot* in a Thermos® bottle, and it stays *hot*. You put something *cold* into it, and it stays *COLD*. HOW does it *know*?"

Finally Steve notes that "All of us who have been printed in your column actually do a LOT of your work for you, y'know."

Yes, Steve, I know, I KNOW! And thank you, thank you, THANK YOU — because I'M the one who actually gets the PAYCHECK!

Ahhhhh... life is soooooo SWEET at times!

Send comments to BITS@ocala.com and include your FULL name and town. This column appears each



ALAN YOUNGBLOOD/STAR-BANNER

Thoroughbreds enjoy breakfast as the sun rises on a cool misty morning at Glen Hill Farm in Ocala on Thursday. Cooler temperatures this week provide beautiful and unique pastoral scenes for motorists traveling through horse country during early morning hours. Mild weather is expected through the weekend, with highs in the low 80s back on Monday. For more weather, see page 6B, or visit ocala.com.

Inmate injured in suicide attempt

STAFF REPORT

OCALA — A 53-year-old Marion County Jail inmate who tried to commit suicide early Thursday morning was flown to Shands Hospital with internal injuries due to a fall caused by the attempt, a Sheriff's Office report said.

Reportedly in despair over not being able to talk to his family, John Lawrence Welch took some bedsheets, tied them together and wrapped one loop around his neck. He then tied the other end of the sheet over a second-floor balcony at the jail. When he jumped over the edge, the sheets gave way and he fell to the floor.

A Marion County Sheriff's Office report said Welch suffered a broken ankle, minor spleen and liver damage, and back pain. The injuries are not life threatening. He was at the jail on a misdemeanor domestic violence battery charge.

Nine inmates were questioned. Most said Welch was depressed because no one in his family would take his calls, and he feared that his wife would leave him.

A spokesperson for Shands Hospital in Gainesville said at 3 p.m. Thursday that Welch was not a patient there.

Phone rate raise starts Tuesday

Gov. Bush supports the \$344 million local service rate increase.

By BILL KACZOR
ASSOCIATED PRESS WRITER

TALLAHASSEE — Surrounded by such props as a phone-clutching grim reaper, tombstones, a bat and a rat, consumer advocates decried the state's largest telephone rate increase that will go into effect Tuesday, a day after Halloween.

They said Thursday they will push for repeal or modification of a new law that allowed for "The Nightmare on Phone Street" and urged residents to vote against lawmakers who passed the legislation. Gov. Jeb Bush and other supporters say the \$344 million local service increase will result in more competition that will reduce long-distance rates.

PLEASE SEE CONSUMER ON 6B



PHIL COALE/THE ASSOCIATED PRESS

Walter Dartland, executive director of the Consumer Federation of the Southeast and state chair of Common Cause Florida, calls the rate increase "The Nightmare on Phone Street."

ESSENTIALS

DAYBOOK

TODAY

JAYCEES HAUNTED HOUSE.

Jaycees 33rd Annual Haunted House, 558 N.E. Watula Ave. in Ocala, is open from 7:30 — 10:30 p.m. Cost is \$5. For more information, call (352) 843-9494.

Gas price spotter

If you spot a low gas price, e-mail us or leave a message with the gas station name, price and address: ocalagasprice@starbanner.com or leave a message at 867-4140



LEESBURG

Authorities: Leesburg man kidnapped, abused girlfriend

A Leesburg man has been charged with kidnapping, aggravated assault and other charges after, police say, he held his girlfriend against her will for three days in several locations, including places in Marion County.

Dawayne J. Darisaw, 21, is charged with taking Twanika Bell on a forced trip from Leesburg to Belleview, to Ocala and to Orlando. In Ocala, he ordered her to bring the two children they had together.

Sometimes he involved his parents, who urged her not to call police, according to police reports. He was

drum and chipped a tooth.

He accused her of seeing someone else and reportedly told her that he "loved her enough to kill her."

Once, while in Belleview, he shoved her to the floorboard so she would not signal a patrol car, the report states.

He reportedly forced her to drive him to work and made her promise not to call police. He threw out her cell phone, but she found his phone, called her sister and then went to the Leesburg Police Department.

He is charged with kidnapping, tampering with a victim, violation of probation, two counts of aggravated domestic battery and three counts of domestic battery. He was on

MARION COUNTY

Bahia Oaks water service to shut down at 9 a.m. today

Utility workers this morning will be shutting off water to homes in Bahia Oaks to continue the transfer to a new water line. It will be turned off at about 9 a.m., and should be back on by midmorning.

Customers in Oak Creek Village and West Wind Trails will not be affected by this shutdown. Residents are advised that all water used for drinking or cooking be boiled.

Additional information can be obtained by calling County-Wide Utility Co., Inc. at 351-1338.

Local & State

SOUND OF MU

Lake County's first professional orchestra makes its debut. Story, 4B.

Steve Moore
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STAR-BANNER

THURSDAY, OCTOBER 27, 2005

SECTION

ESSENTIALS

OCALA Human case of West Nile confirmed in Marion County

The Florida Department of Health has issued a medical alert for Marion County, following the confirmation Wednesday that a 61-year-old man has contracted West Nile virus.

The press release from Marion County Health Director Dr. Nathan Grossman said symptoms may include headache, fever, fatigue, dizziness, weakness and confusion.

Physicians should contact their county health department if they suspect an individual may meet the case definition for a mosquito-borne illness.

DOH laboratories advise the public to remain diligent in their mosquito protection, including using repellent with DEET.

OCALA Flu shots available to public at several county locations

Maxim Health Systems and the Marion County Health Department are offering flu shots at the following times and locations:

- Ocala Health Department, 1801 S.E. 32nd Ave., Ocala, today, 8 a.m.-3 p.m.
- Community Tech (ages 9 and up), 1014 S.W. Seventh Road, Ocala, Saturday, 9 a.m.-1 p.m.
- Dunnellon Health Department, 2041 The Granada, Dunnellon, Tuesday, 9 a.m.-3 p.m.
- Belleview Health Department, 7055 S.E. 110th St. Road, Belleview, Wednesday, 9 a.m.-3 p.m.
- Forest Community Center, 770 S. County Road 314A, Silver Springs, Nov. 8, 9 a.m.-1 p.m.
- Reddick Health Department, 4500 N.W. 152nd Lane, Reddick, Nov. 10, 9 a.m.-3 p.m.

OCALA Utility extends boil-water notice for Bahia Oaks area

The precautionary boil-water notice issued Wednesday for Bahia Oaks has been extended until Tuesday.

A boil-water notice remains in effect for Oaks Creek Village and West Wind Trails until bacteriological surveys show the water is safe to drink. Unless additional notice is published, water will be safe to drink Saturday.

Residents are urged to boil water used for drinking or cooking. A rolling boil for one minute is sufficient, or bottled water can be used as an alternative.

Additional information can be obtained by calling County-Wide Utility Co., Inc. at 351-1338.

OCALA Attorneys admitted to practice at federal court

A group of local attorneys were admitted to practice law at the U.S. Middle District Courthouse in Ocala on Wednesday.

The attorneys were sworn in by U.S. Magistrate Judge Gary Jones. They were: Peter C. Blinn, Donald W. Bradshaw, Laura Church, Christopher C. Coleman, Kristin M. Davis, William A. Harris, Kevin D. Jurecko, David M. Lopez, Randall Nordlund, Theresa A. Reth, Amy, Reed, Michael D. Sechrest, Sabina Tomshinsky and D. Marc Warner.

LEESBURG Lake-Sumter planning board will hold summit today

The Lake-Sumter Metropolitan Planning Board will meet today.

Men speak out on domestic violence

Support group holds first meeting

By MABEL PEREZ
STAFF WRITER

OCALA — If you want to curb domestic violence, men need to be more responsible. That's the message that one newly formed domestic violence support group has in mind.

"Ideally, what I would like to see is to have men holding each other accountable," said James Walker, assistant executive director of the Ocala/Marion County Domestic Violence/Sexual Assault Center.

Walker and other community members gathered at the Hampton Center



Walker

on Wednesday morning to talk about forming a group called Men Against Violence Against Women. Walker, president of the Ocala chapter, modeled the volunteer group after a Jacksonville organization by the same name.

Domestic violence is a problem in Ocala and Marion County. Between 2000 and 2001, the domestic violence/sexual assault center assisted 5,976 victims. During the same months, from 2004 to 2005, the center helped 8,076 victims of abuse.

PLEASE SEE GROUP ON 2B



Calvin Dandy of Childhood Development Services, left, speaks at first meeting of Men Against Violence Against Women on Wednesday.

'THE LOVE BOAT' IN BELLEVIEW



PHOTOS BY ERICA BROUGHTON/STAR-BANNER

Gavin MacLeod, who played Capt. Stubing on television's "The Love Boat," right, presents Mary Harper, founder of Operation ShoeBox — a group that sends shoeboxes filled with care items to troops overseas — with a free cruise. Below, TV crews film Harper on Wednesday at her home.

Shoebox greetings

TV star gives woman cruise for support of U.S. troops

By AUSTIN L. MILLER
STAFF WRITER

“T” BELLEVIEW — he Love Boat” sailed into chilly Marion County on Wednesday. With his trade-



Wanted: Lobbyist for city of Belleview

Officials want to bring more state funds to

By AUSTIN L. MILLER
STAFF WRITER

BELLEVIEW — The city of Belleview is aggressively seeking a lobbyist to go to Tallahassee and bring state funds for the community.

Part of a classified advertisement in the Star-Banner stated city officials want someone to “devote the appropriate amount of time and attention in coordinating consulting activities on behalf of the City of Belleview and keep the Belleview officials informed of the status of the lobbying efforts.”

The issue of hiring a lobbyist at the last commission meeting two commissioners wanted to hire Lamonica & Bell, a Tallahassee lobbying firm, to extract much more state dollars to assist them with \$8 million in needed water plant improvements.

While some city officials, like Steve Bairstow, dislike the idea, he concedes it's the new way of business.

With the call for applications on the table, potential clients have until Nov. 1 to make their decision.

“We are going to put in for Patrick Bell, a representative of Lamonica & Bell, who did not want to know what their firm would charge for the job.”

PLEASE SEE DEADLINE ON 2B

Suspect in murder moved from hospital

STAFF REPORT

OCALA — One of the men suspected in the shooting of 21-year-old Chaz Bailey in Marion County Jail now at the Marion County Jail. Curtis Evans, 23, was transferred from Shands Hospital to the jail today. According to Ocala Police, Evans is the suspect.

Subject :
Date : Tue, 25 Oct 2005 14:28:00 -0500
Linked to : Circulation Dept. (Frank Stanfield)
From : Becca Chauncy <Becca@LeewardAirRanch.com>
To : Circulation Dept. <Frank.Stanfield@starbanner.com>

Frank: Please publish the following notice:

October 25, 2005

PRECAUTIONARY BOIL WATER NOTICE

Due to the fact that County-Wide Utility Co., Inc. will be switching over homes in Bahia Oaks, Oak Creek Village and West Wind Trails to the new waterline, Wednesday, October 26, 2005, starting at 9 a.m., this will necessitate shutting down the water plant and should be complete by mid afternoon. Residents of Bahia Oaks, Oak Creek Village, and West Wind Trails are advised that all water used for drinking or cooking be boiled. A rolling boil of one minute is sufficient. As an alternative, bottled water may be used.

This "Precautionary Boil Water Notice" will remain in effect until the problem has been corrected and bacteriological surveys show that the water is safe to drink. Unless additional notice is published, water will be safe to drink on Saturday, October 29th.

Additional information can be obtained by calling County-Wide Utility Co., Inc. at 351-1338.

Steve Moore
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Local & State



IN NEIGHBORS

St. Mark's United Methodist Church hosts Blessing of the Animals. Story, 3B.

STAR-BANNER

WEDNESDAY, OCTOBER 26, 2005

SECTION B

ESSENTIALS

OCALA

Ocala Electric sends crews to help in Wilma aftermath

Tuesday, 10 Ocala Electric Utility workers and two city water and sewer employees traveled to South Florida to aid in Hurricane Wilma recovery efforts.

The Ocala Electric crew will work to restore electricity in Moore Haven and then Clewiston. The water and sewer employees went with two generators to Broward County to help restore service at a wastewater treatment plant and lift stations.

OCALA

School Board tabs Nov. 21 as hurricane make-up day

The Marion County School Board voted 4-1 Tuesday to back a recommendation from Superintendent of Schools Jim Yancey to approve Monday, Nov. 21, as an instructional make-up day for students, who missed school Monday in preparation for Hurricane Wilma.

OCALA

County-Wide Utility Co. issues boil-water notice

County-Wide Utility Co., Inc. will be switching over homes in Bahia Oaks, Oak Creek Village and West Wind Trails to a new water line today starting at 9 a.m.

The water plant will have to be shut down for work that should be completed by mid-afternoon. Residents of Bahia Oaks, Oak Creek Village, and West Wind Trails are urged to boil all water used for drinking or cooking. A rolling boil of one minute is sufficient. As an alternative, bottled water may be used.

Unless additional notice is published, water will be safe to drink Saturday.

Additional information can be obtained by calling County-Wide Utility Co., Inc. at 351-1338.

REVIEW

Program helps mobile home owners get funding for repairs

Residents in Marion, Lake, Sumter counties will receive assistance.

By JOE CALLAHAN
SENIOR STAFF WRITER

BUSHNELL — Sumter County Housing Director Kathy Young has been searching for a way to help extremely low-income residents whose mobile homes were damaged during last year's hurricanes.

Mobile home owners fell through the cracks when it

came to getting state or federal assistance. A new program implemented by the state this year will help mobile home owners get funding.

Called the Hurricane Housing Recovery Program, the funding will help Sumter County residents get needed repairs on mobile homes and others to avoid losing them in a foreclosure.

It's a program that awarded funding to many counties around the state, including Marion and Lake counties as well. Marion County was approved for \$1.1 million and Lake

HURRICANE HOUSING RECOVERY PROGRAM

Grants under a new program open to mobile home owners:

Marion County: \$1.1 million

Lake County: \$773,000

Sumter County: \$579,000

County for \$773,000, officials said.

The Sumter County Commission voted in September to apply for the funding.

PLEASE SEE FOCUS ON 2B

ROADS WORKSHOP

Four lanes sought for 31st Street

County plan aims to extend road to a six-lane Maricamp

By SUSAN LATHAM CARR
STAFF WRITER

OCALA — Residents in Quail Creek, Quail Hollow, Avondale, Forrest Park, Shady Wood and Rosewood subdivisions may have won battles in 1991 and again in 1997 against having Southeast 31st Street near their properties widened for an east-west corridor, but they could soon lose the war.

The Marion County Commission in a workshop meeting Tuesday agreed in concept to widen 31st Street from two lanes to four lanes from Southeast 19th Avenue to Southeast 36th Avenue, and to add a connector to Southeast Maricamp Road — which they also want to expand.

The commissioners also agreed in concept to two other road projects, one extending Southwest 49th Avenue from Southwest 95th Street to Southwest 66th Street, and the other to extend Southwest 95th Street from Southwest 60th Avenue to Interstate 75, including a possible new interchange.

A number of residents along Southeast 31st Street were not happy that the commissioners are planning to widen that roadway.

"I am still opposed to it," said Lee Ketcham of Quail Creek, who could lose half his front yard. "It's just a

ROAD WORK AHEAD

The County Commission agreed in concept Tuesday to the following road projects:

Four-laning Southeast 31st Street between Southeast 19th and 36th avenues, and connecting it to Southeast Maricamp Road — which is also targeted for widening.

Extending Southwest 49th Avenue between Southwest 66th and 95th streets.

Extending Southwest 95th Street from Southwest 60th Avenue to Interstate 75.

Too cool for school

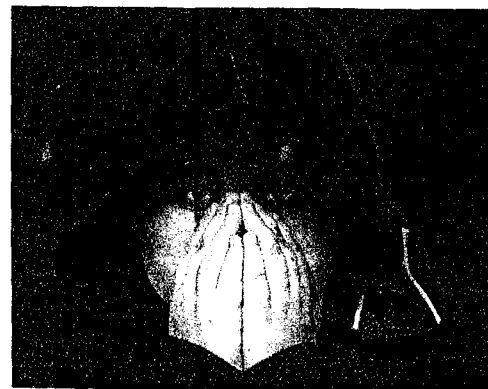


EXHIBIT "8"
Well Abandonment Bids

Smokey's Pump & Well, Inc.

4605 NE 36th Ave

Ocala, FL 34479-2259

352-732-5570

Fax 352-732-0084

Estimate

Date	Estimate #
8/16/2006	44

Name / Address
Tabor, Mr. Len 351-8242 F.

Description	Total
Job: Bahia Oaks Subdivision 8" well - price per well	
Abandonment of old well (includes 4 bags of concrete and 6 bags of hole plug)	500.00
* If additional bags of cement and/or hole plug will be additional @ \$20.00 per bag	
** Permits will be additional.	
<i>NOTE: ITS POSSIBLE IT MAY TAKE AS MANY AS 22 ADDITIONAL BAGS.</i>	
Thank you for your business. Derrel & Greg	Total \$500.00 (PER WELL)

Signature _____