

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

DOCKET NO. 110061-WS

AQUARINA UTILITIES, INC.

DIRECT TESTIMONY OF REGINALD J. BURGE

APPLICATION FOR AUTHORITY TO TRANSFER THE ASSETS OF SERVICE  
MANAGEMENT SYSTEMS, INC., CERTIFICATE NOS. 517-W and 450-S TO AQUARINA  
UTILITIES, INC.,  
IN BREVARD COUNTY, FLORIDA

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APA	<u>    </u>
ECR	<u>2</u>
GCL	<u>3</u>
RAD	<u>    </u>
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OPC	<u>    </u>
CLK	<u>    </u>
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DOCUMENT NUMBER-DATE

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FPSC-COMMISSION CLERK

1 Q. Please state your name and address.

2 A. My name is Reginald J. Burge, and my address is 1705 NE Darlich Avenue,  
3 Jensen Beach, Florida.

4 Q. What is your experience in the water and wastewater utility business in  
5 Florida?

6 A. Aquarina Utilities, Inc., is the fourth utility in which I have had an ownership  
7 interest that are or have been regulated by the Florida Public Service  
8 Commission. My wife and I, through Laniger Enterprises of America, Inc.,  
9 purchased a water and wastewater system in Jensen Beach, Florida that was  
10 regulated by the Florida Public Service Commission from 1989 until it was sold  
11 to Martin County in 2008. Along with one of my sons, I owned Burkim  
12 Enterprises, Inc., which purchased a water and wastewater system in Brevard  
13 County in 2000 and operated it subject to Florida Public Service Commission  
14 jurisdiction until it was transferred to Brevard County in 2004. In 2005, one of  
15 my sons and I created Gold Coast Utilities, Inc., and purchased a water and  
16 wastewater system in Polk County that is currently regulated by the Florida  
17 Public Service Commission.

18 Q. So, am I correct that the Florida Public Service Commission has found you to be a  
19 qualified owner of a regulated water and wastewater utility on three previous  
20 occasions?

21 A. Yes, it did so in connection with each utility I previously mentioned.

22 Q. Was the Application filed in this Docket prepared under your direct supervision  
23 and control?

24 A. Yes, and it is attached as Exhibit RJB-1 is the Application.

25 Q. Are there any written financial agreements for you to fund the capital or

1 operational needs of the Utility?

2 A. No. There is nothing in writing but since I am the sole owner and have invested  
3 over \$550,000 into the Utility, it would obviously behoove me to do so. In none  
4 of the past three cases where the Public Service Commission approved transfers  
5 to utilities that I owned have I had written funding agreements, and  
6 notwithstanding that, the Commission has concluded that I have the financial  
7 ability to own such utilities. The Public Service Commission has never asserted  
8 that any of the utilities which I have owned were insufficiently funded.

9 Q. Does the Utility own the real property upon which its water treatment plant is  
10 located?

11 A. Yes. Exhibit RJB-2 is a true and correct copy of the recorded Deed.

12 Q. Has the Utility undertaken any repairs or improvements since it acquired the  
13 water and wastewater systems?

14 A. Yes. Attached as Exhibit RJB-3 is a schedule of those repairs and improvements.

15 Q. Have you reviewed the Federal Income Tax Returns of the Seller?

16 A. Despite my requests to the Seller and Receiver, I have not been provided with Tax  
17 Returns. The property went through foreclosure so the normal documentation a  
18 buyer could demand was not available.

19 Q. Was the system in compliance with Florida Department of Environmental  
20 Protection Rules when you purchased the systems in February 2011?

21 A. No, as noted in the Compliance Sampling Inspection in January, 2011, there  
22 were certain operational deficiencies that had existed since the prior inspection in  
23 January, 2010. Since we purchased the system, those deficiencies have been  
24 remedied and there are no outstanding Consent Orders or Notices of Violations.

25

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for Authority to Transfer )  
the Assets of SERVICE MANAGEMENT )  
SYSTEMS, INC., and Certificate Nos. ) Docket No. -WS  
517-W and 450-S in Brevard County, )  
Florida to AQUARINA UTILITIES, INC. )  
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**APPLICATION OF AQUARINA UTILITIES, INC., FOR AUTHORITY TO  
TRANSFER ASSETS AND CERTIFICATE NOS. 517-W AND 450-S**

AQUARINA UTILITIES, INC., (hereinafter referred to as "Buyer") by and through its undersigned attorneys and pursuant to the provisions of Rule 25-30.037, Fla. Admin. Code, and §367.071, Fla. Stat., file this Application for authority to transfer the water and wastewater assets and Certificate Nos. 517-W and 450-S of Service Management Systems, Inc. ("Seller") to Buyer. In support of this Application, the Buyer states:

1. The complete name and address of the Seller is:

Service Management Systems, Inc.  
826 Creel Street  
Melbourne, FL 32935

2. The complete name and address of the Buyer is:

Aquarina Utilities, Inc.  
1726 NE Darlich Avenue  
Jensen Beach, FL 34957

3. The name and address of the person authorized to receive notices and communications in respect to this Application is:

Martin S. Friedman, Esquire  
Rose, Sundstrom & Bentley, LLP  
766 N. Sun Drive, Suite 4030  
Lake Mary, FL 32746  
PHONE: (407) 830-6331  
FAX: (407) 830-8522  
E-MAIL: [mfriedman@rsbattorneys.com](mailto:mfriedman@rsbattorneys.com)

4. Buyer is a Florida corporation authorized to do business in Florida since December 20, 2010.

5. The names and addresses of Buyer's officers, directors and shareholders are as follows:

Title: P, Dir.:  
Hackney, Heather L.  
2340 NE Dixie Hwy  
Jensen Beach, FL 34957 US

Title: S.T., Dir.:  
Burge, Reginald J.  
1705 NE Darlich Avenue  
Jensen Beach, FL 34957 US

Title: Dir.:  
Burge, Kevin R.  
1726 NE Darlich Avenue  
Jensen Beach, FL 34957 US

6. Buyer owns no other water or wastewater utilities in Florida. However, Reginald Burge is an officer and shareholder in Gold Coast Utility Corp., which is a certificated water and wastewater utility in Polk County, Florida. Reginald Burge was also an officer and shareholder in Laniger Enterprises, Inc., which was previously certificated to provide water and wastewater service in Martin County, Florida (since sold to Martin County), and Burkim Enterprises, Inc., which was certificated to provide water and wastewater service in Brevard County, Florida (since sold to Brevard County).

7. A copy of the Purchase and Sale Agreement and amendments thereto, ("Agreement"), which includes the purchase price, terms of payment, and a list of the assets purchased and liabilities assumed and not assumed and disposition of customer deposits and interest thereon is attached hereto as Exhibit "A". In accordance with the

terms of the Agreement, the closing is contingent upon approval by the Commission. Pursuant to Section 367.071(1), Florida Statutes, the sale closed February 22, 2011.

8. There are no customer deposits, guaranteed revenue contracts, developer agreements, or debt of the Seller that must be disposed of in association with the transfer of the utility systems.

9. The purchase will be financed with a combination of debt and equity.

10. The transfer of the water and wastewater facilities of Seller to Buyer is in the public interest in that Seller acquired the utility assets through foreclosure and from the outset, desired to sell its water and wastewater system as it had no interest in owning this water and wastewater system.

With respect to the Buyer's technical and financial ability, Reginald Burge has been an officer and shareholder of utilities regulated by the Commission since 1988. The operating personnel will be retained from Seller. A proforma Balance Sheet of Buyer will be filed as Late Filed Exhibit "B". The Personal Financial Statement of the majority shareholders of Buyer will be provided upon request.

Buyer will fulfill the commitments, obligations and representations of the Seller with regard to utility matters. For these reasons, it is in the public interest to grant approval of the transfer to Buyer.

11. The Seller's water and wastewater rates were last set in a staff assisted rate case which culminated in Order No. PSC-03-1342-PAA-WS dated November 24, 2003. Based upon that Order, the water rate base as of December 31, 2002, was \$456,731 and wastewater rate base was \$142,224.

12. There is no proposal at this time for inclusion of an acquisition adjustment resulting from the current transfer.

13. The books and records of the Seller are available for inspection by the Commission however, due to the fact that Seller obtained the Utility System through foreclosure, they may not be adequate for the purposes of establishing rate base of the water and wastewater systems as of the date of closing.

14. Seller will cooperate with Buyer in providing to the Florida Public Service Commission any information necessary in order for the Commission to evaluate rate base.

15. After reasonable investigation, the Buyer has determined that the systems being acquired appear to be in satisfactory condition and in substantial compliance with all applicable standards set by Florida Department of Environmental Protection ("DEP").

16. The real property upon which the water and wastewater plants are located are among the assets purchased by Buyer. Attached hereto as Exhibit "C" is a copy of the executed Special Warranty Deed. A copy of the recorded Special Warranty Deed will be filed upon return from recordation in the Public Records of Brevard County, Florida.

17. There are no outstanding regulatory assessment fees due. Seller will be responsible for payment of all regulatory assessment fees through Closing. Buyer will be responsible for payment of all regulatory assessment's fees due for revenues received from the date of Closing forward. No fines or refunds are owed.

18. The original and two copies of revised Water and Wastewater Tariffs reflecting the change in ownership will be filed as Composite Late Filed Exhibit "D".

19. Seller has been unable to locate Water Certificate No. 517-W and Wastewater Certificate No. 450-S, and would note that the Commission no longer issues actual Certificates for water and wastewater utilities.

20. An Affidavit that the actual notice of the Application was given to the entities on the list provided by the Commission in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, is attached hereto as Exhibit "E."

21. An Affidavit that the actual notice of the Application was given to each customer in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code, will be filed as Late Filed Exhibit "F."

22. An Affidavit that the notice of the Application was published once in a newspaper of general circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code, will be filed as Late Filed Exhibit "G".

23. The water system has the present capacity to serve between 501 and 2,000 ERCs and the wastewater system has the present capacity to serve up to 500 ERCs. Pursuant to Rule 25-30.020, Florida Administrative Code, the appropriate filing fee is \$2,250 (\$1,500 for water and \$750 for wastewater).

Respectfully submitted on this 28<sup>th</sup> day of February, 2011, by:

ROSE, SUNDSTROM & BENTLEY, LLP  
766 N. Sun Drive, Suite 4030  
Lake Mary, Florida 32746  
PHONE: (407) 830-6331  
FAX: (407) 830-8522

By:   
MARTIN S. FRIEDMAN  
For the Firm



**EXHIBITS**

- A: Purchase and Sale Agreement
- B: Proforma Balance Sheet

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- C: Special Warranty Deed
- D: Water and Wastewater Tariffs
- E: Affidavit of Notice to Entities
- F: Affidavit of Notice to Customers
- G: Affidavit of Publication of Notice

**EXHIBIT "A"**

**Purchase and Sale Agreement**

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PURCHASE AND SALE AGREEMENT  
(ASSETS)

THIS PURCHASE AND SALE AGREEMENT (this "Agreement") is made as of September 20, 2010 ("Effective Date"), by and between FL-Service Management, LLC ("Seller"), and Reginald J. Burge ("Buyer").

RECITALS

A. Service Management Systems, Inc. ("SMS") is a Class C water and wastewater utility operating in Brevard County, Florida pursuant to certificates of authorization issued by the Florida Public Service Commission ("FPSC");

B. Compass Bank ("Lender") previously loaned SMS One Million Dollars (\$1,000,000) for a reverse osmosis facility and other water and wastewater utility facilities (the "SMS Loan"). The SMS Loan was evidenced by a promissory note dated December 23, 2003, in the original principal amount of \$1,000,000.00 made by Lender to SMS, which was modified and renewed by the Renewal Promissory Note dated December 19, 2006, in the original principal amount of \$918,382.39. The SMS Loan was evidenced, secured and guaranteed pursuant to certain loan documents, including the Mortgage, Security Agreement and Financing Statement recorded on January 2, 2004, in Official Records Book 5161, page 3750 of the public records of Brevard County, Florida, as modified by the Mortgage and Loan Document Modification Agreement recorded February 1, 2007, in Official Records Book 5745, page 2732 of the public records of Brevard County, Florida (collectively, the "Mortgage"). Reference to the Loan Documents shall include the Mortgage. The Mortgage encumbers the real and personal property described on Schedule 1 attached hereto (collectively the "Utility Assets");

C. As a result of a default of the SMS Loan, an action was instituted in the Circuit Court of the Eighteenth Judicial Circuit in and for Brevard County, Florida titled Compass Bank v. Service Management Systems, Inc., et al., (Case No. 05-2008-CA-61639) to foreclose the Mortgage, and a Summary Final Judgment of Foreclosure was entered in favor of Lender on February 25, 2010 (the "Foreclosure Judgment"), a copy of which is attached hereto as Exhibit "A";

D. Pursuant to the Order Appointing Receiver dated February 3, 2010, Dennis Basile was appointed receiver of the Utility Assets, a copy of which is attached hereto as Exhibit "B";

E. Pursuant to the Foreclosure Judgment, the Utility Assets, which were subject to the lien of the Mortgage, were sold to Seller (or its assignee), the highest bidder at the foreclosure sale held on March 31, 2010 ("Foreclosure Sale"), and on April 15, 2010, a Certificate of Title for the Utility Assets ("Certificate of Title") was issued to Seller (or its assignee), a copy of which is attached hereto as Exhibit "C";

F. Buyer is engaged in the business of furnishing water and wastewater service to the public in various communities throughout Florida; and

G. Seller desires to sell without recourse, representation or warranty, and Buyer desires to purchase from Seller, all of Seller's right, title and interest in the Utility Assets, all upon and pursuant to the terms and conditions of this Agreement.

NOW, THEREFORE, based on the above Recitals (which are incorporated into and made part of this Agreement by this reference), and for valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

**AGREEMENT**

**1. Purchase and Sale.**

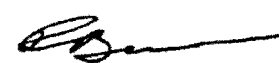
1.1 **Purchase and Sale.** The Seller, at Closing (as hereinafter defined) shall sell, transfer and assign unto the Buyer WITHOUT WARRANTY, REPRESENTATION OR RECOURSE OF ANY KIND, express or implied, except to the limited extent expressly set forth herein, all of its right, title and interest in and to the Utility Assets arising under the Judgment and Certificate of Title, and the Buyer, at Closing shall assume all of Seller's duties and obligations relating to the Utility Assets.

1.2 **Purchase Price.** In consideration of the sale, transfer, conveyance and assignment of the Seller's right, title and interest in, to and arising under Utility Assets, the Buyer hereby agrees to pay to the Seller the amount of \$550,000.00 (the "Purchase Price"). The Purchase Price shall be paid at the Closing by wire transfer payable to closing agent.

1.3 **Deposit.** Within three (3) days of the Effective Date, Buyer shall deposit in immediately available funds the sum of \$27,500 (the "Deposit") by wire transfer to the title insurance company ("Escrow Holder") to be held in escrow subject to the terms of this Agreement (the "Escrow"). The Deposit shall be nonrefundable as to Buyer if Buyer does not elect to terminate this Agreement prior to the expiration of the Contingency Period pursuant to Section 1.4 below, provided, however the Deposit shall be applied toward the Purchase Price.

1.4 **Contingencies.** Upon execution of this Agreement, the Seller will seek management approval and have until October 6, 2010 ("Contingency Period"), to obtain such approvals of the Agreement. If the Seller is unable to obtain its approvals before the end of the Contingency Period, Seller may terminate this Agreement by giving written notice to Buyer prior to 5:00 P.M. Eastern Time on the last day of the Contingency Period, whereupon the Deposit (if already deposited with Escrow Holder) shall be returned to Buyer and Seller and Buyer shall have no further obligations hereunder except as expressly provided to survive any termination of this Agreement. During the Contingency Period Buyer may continue to undertake its due diligence and inspections regarding the Utility Assets. If Buyer determines not to proceed under this Agreement beyond the Contingency Period, then Buyer may terminate this Agreement by giving written notice to Seller prior to 5:00 P.M. Eastern Time on the last day of the Contingency Period, whereupon the Deposit (if already deposited with Escrow Holder) shall be returned to Buyer and Seller and Buyer shall have no further obligations hereunder except as expressly provided to survive any termination of this Agreement.

*Buyer must be able to obtain financing*



2. Closing Date.

2.1 Closing; Closing Date. The closing of this transaction ("Closing") will be deemed to have occurred when Buyer has paid the entire Purchase Price to Seller (which receipt of readily available funds has been confirmed by Seller) and Seller has delivered Seller's Closing Documents (as hereinafter defined) to Buyer as provided in this Agreement. The Closing shall occur no later than 10:00 a.m. Eastern Time on October 22, 2010 (the "Outside Closing Date") unless otherwise agreed by Seller and Buyer in writing. The date on which the Closing actually occurs is referred to in this Agreement as the "Closing Date."

2.2 Closing Costs. Buyer will pay all closing costs, including, without limitation, escrow fees and costs, filing fees, title insurance premiums, cost of recording and transfer, mortgage and other taxes relating to the transaction, as applicable. All such costs and expenses shall be referred to herein as the "Closing Costs".

2.3 Payments. Buyer shall deposit into Escrow, at least one (1) business day prior to the Closing, funds in an amount equal to the sum of the Purchase Price (less the Deposit to be applied thereto) plus the Closing Costs.

3. Assumption of Obligations. Buyer hereby agrees upon the Closing to assume and perform in accordance with the terms thereof, all of the duties and obligations of Seller arising from, out of or with respect to the Utility Assets, and upon the Closing, Buyer shall hold Seller harmless from any liability for performance or nonperformance of such duties and obligations, including but not limited to any leases and the loan which SMS obtained from the Florida Department of Environmental Protection State Revolving Fund ("SRS Loan"), and any regulatory assessment fees which may arise or relate to the use and operation of any of the Utility Assets. If Buyer does not promptly take such actions, Seller may take any or all of such actions and charge the cost thereof to Buyer. In no event shall Seller's counsel be deemed to be counsel to Buyer with respect to any such matters.

4. Seller's Representations and Warranties. The purchase and sale of the Utility Assets as described in this Agreement is made without representation, warranty, recourse or guaranty of any kind, express or implied, except that Seller represents and warrants to Buyer as of the date hereof as follows:

4.1 Authority. Seller holds the entire interest in the Utility Assets as set forth in and by virtue of the Certificate of Title, and has power and authority to execute, deliver and perform its obligations under this Agreement and Seller's closing documents and the right to transfer such interest to the Buyer. Seller has not previously conveyed or encumbered its interest in the Utility Assets.

Other than the foregoing representations and warranties of the Seller, the Seller makes no representation or warranty in connection with this transaction or any aspect of the Utility Assets, or the Seller's interest therein, including but not limited to, the status of title to the Utility Assets, the value or physical condition of the Utility Assets or any improvement thereon, or the financial condition of SMS, or any rights, claims, obligations or duties with respect to the SRS Loan and any leases related to the use of the Utility Assets. The provisions of this Section 4 will survive

the Closing and will supersede any contrary provision contained in any documents including, but not limited to, Seller's closing documents; provided, however, the representations and warranties set forth in Section 4 shall only survive for a period of 30 days after the Closing Date.

5. **Buyer's Representation and Warranties.** Buyer represents and warrants to Seller as of the date hereof and as of the Closing Date:

5.1 **Authority.** Buyer (i) (if Buyer is an entity) is duly organized and validly existing under the laws of its jurisdiction of organization or incorporation; (ii) Buyer has full power and authority to execute, deliver and perform its obligations under this Agreement; and (iii) this Agreement constitutes a legal, valid and binding obligation of Buyer enforceable against Buyer in accordance with its terms.

5.2 **Own Account.** The Buyer is purchasing the Utility Assets for its own account, without view to, or any present intention of, distribution thereof or of any interest therein.

5.3 **No Involvement.** Neither the Buyer nor any of its partners, members, shareholders, employees or agents: (i) is a Borrower or a guarantor of the SMS Loan; (ii) is now or ever was affiliated in any manner with the Borrower or the current owners(s) of the Utility Assets; (iii) is now or ever was an employee of the Seller or an affiliate of the Seller, or has participated in any manner in the decision, approval, disapproval, recommendation, advice, investigation nor otherwise in any matter related to the SMS Loan; (iv) is now or ever was involved in any litigation with SMS or the Seller or its predecessors of any of its affiliates; or has made a claim against any of them, or (v) has had a claim against it asserted by, any federal savings bank, bank savings and loan, thrift, thrift and loan, national association or similar financial institution, other than claims that were ultimately resolved in the buyer's favor by a court of competent jurisdiction or by arbitrator or other alternative dispute resolve with jurisdiction over the issue.

5.4 **AS-IS.** Except as expressly set forth herein in Section 4, the Seller has made no warranties or representations to the Buyer or any agent of the Buyer with respect to the Utility Assets; the Buyer is familiar with the Utility Assets and their condition and value; the Buyer has conducted and will continue to conduct its own examination and investigation of the Utility Assets and is not relying and will not rely upon the Seller in any manner or to any extent with respect to the Buyer's purchase of the Utility Assets; and the transactions to be consummated hereby are on a strict "AS IS" basis.

5.5 **Bankruptcy.** Buyer has not filed and is not planning to file any petition seeking or acquiescing in any reorganization, arrangement, composition, readjustment, liquidation, dissolution or similar relief under any law relating to bankruptcy or insolvency, nor has any such petition been filed against Buyer. No general assignment of Buyer's property has been made for the benefit of creditors, and no receiver, master, liquidator or trustee has been appointed for Buyer or any of its properties. Buyer is not insolvent and the consummation of the transactions contemplated by this Agreement shall not render Buyer insolvent.

5.6 **ERISA.** Buyer is not directly or indirectly purchasing the Utility Assets on behalf of, as investments manager of, as named fiduciary of, as trustee of, or with assets of

any employee benefit plan within the meaning of Section 3(s) of the Employee Retirement Income Security Act of 1974, as amended, or a plan with the meaning of Section 4975(e)(1) of the Internal Revenue Code, as amended.

5.7 **OFAC Certification(a)** Buyer is (a)(i) not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation currently identified in the Specially Designated Nationals and Blocked Persons List maintained by the Office of Foreign Assets Control, Department of the Treasury ("OFAC") and/ or any other similar list maintained by OFAC pursuant to any authorizing statute, executive order or regulation (collectively, the "List"), and is (ii) not a person or entity with whom a citizen of the United States is prohibited to engage in transactions by any trade embargo, economic sanction, or other prohibition of United States law, regulation, or Executive Order of the President of the United States, (b) none of the funds or other assets of Buyer constitute property of, or are beneficially owned, directly or indirectly, by any Embargoed Person (as hereinafter defined), and (c) no Embargoed Person has any interest of any nature whatsoever in Buyer (whether directly or indirectly). Buyer and each of its subsidiaries, predecessors, direct and indirect owners, if any, have at all applicable times been, are now and will upon Closing be, in compliance with all laws, statutes, rules and regulations or any federal, state or local governmental authority in the United States of America applicable to such parties and all beneficial owners of Buyer, including without limitation, the requirements of Executive Order No. 133224, 66 Fed Reg. 49079 (September 25, 2001) and other similar requirements of OFAC. After due investigation and inquiry, Buyer has no knowledge or notice of any fact, event, circumstance, situation or condition which could reasonably be expected to result in (i) any action, proceeding, investigation, charge, claim, report or notice being filed, or (ii) the imposition of any civil or criminal penalty against any of them for any failure to so comply.

(b) The term "Embargoed Person" means any person, entity, or government subject to trade restrictions under United States law, including, but not limited to, the International Emergency Economic Act, 50 U.S.C. §1701 et seq., The Trading with the Enemy Act, 50 U.S.C. App. 1 et seq., and any Executive Orders or regulations promulgated thereunder.

6. **Taxes, Fees, Etc.** Buyer and Seller will share equally all transfer, filing and recording fees, taxes, costs and expenses, and all applicable mortgage recording taxes, documentary stamp taxes and similar taxes, if any, current ad valorem real estate taxes due in connection with the Utility Assets required shall be pro rata and paid by either Seller or Buyer in connection with the transactions contemplated by this Agreement, and will indemnify, defend and hold Seller harmless for, from and against any and all claims, liability, costs and expenses arising out of or in connection with the failure of Buyer to pay any such amounts on a timely basis.

7. **Brokers**

7.1 **Seller's Representations and Warranties.** Seller represents and warrants to Buyer that Seller has not incurred any obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other similar payments in connection with the sale pursuant to this Agreement.

7.2 **Buyer's Representations and Warranties.** Buyer represents and warrants to Seller that Buyer has not incurred any obligation or liability, contingent or otherwise, for brokerage or finders' fees or agents' commissions or other similar payments in connection with the sale of the Utility Assets pursuant to this Agreement.

8. **Termination; Remedies Upon Default.** Anything herein to the contrary notwithstanding, this Agreement and the transactions contemplated hereby may be terminated at any time prior to the Closing Date: (i) by mutual written consent of Buyer and Seller; or (ii) by either Buyer or Seller if there shall exist any final non-appealable order of any Governmental Authority restraining, enjoining or prohibiting the consummation of the transactions contemplated hereby, this Agreement shall be terminated, whereupon (a) all further obligations of the parties hereunder shall terminate without further liability of any party to any other Party, (b) each party will pay all of its own costs and expenses incurred in connection with the negotiation, preparation and performance on its part of this Agreement, including the fees, expenses and disbursements of counsel; provided, however, that termination of this Agreement pursuant to clause (ii) of this Section 8 shall be without prejudice to the rights and remedies available to the parties under applicable law (including the right to recover expenses, costs and other damages) as a result of any breach by either Party of its representations, warranties or obligations hereunder, and (c) Seller shall be entitled to receive, and Buyer shall instruct the Escrow Holder to pay to Seller, the Deposit. If either party (the "Defaulting Party") fails or refuses to consummate the purchase and sale of the Utility Assets pursuant to this Agreement, or fails to perform any of its other obligations hereunder, or breaches the terms and conditions of any other agreement between the parties, in each case on or prior to the Closing Date, then the other party (the "Non-Defaulting Party") shall have the right to (i) terminate this Agreement by giving written notice thereof to the Defaulting Party on or prior to the Closing Date, whereupon neither party shall have any further rights or obligations hereunder, and (ii) exercise any rights or remedies the Non-Defaulting Party may have at law or in equity by reason of such breach or default including, without limitation, the recovery of reasonable out-of-pocket expenses, including attorney's fees ("Costs") incurred by the Non-Defaulting Party in enforcing the provisions of this Agreement; provided, however, (a) if Buyer is the Non-Defaulting Party, Buyer's actual damages shall be limited to the return of its Deposit and in no event shall Buyer be entitled to seek specific performance, (b) if Seller is the Non-Defaulting Party, Seller, in addition to all rights it may have under clauses (i) and (ii) above, shall be entitled to retain the Deposit and any Costs and (c) neither Party shall be entitled to seek consequential, punitive or exemplary damages from the other Party.

9. **Buyer's Indemnity.** Buyer will indemnify, defend and hold Seller and its agents, directors, officers, employees, attorneys, successors and assigns harmless for, from and against all costs, expenses, liabilities and damages of any kind or nature whatsoever incurred by them (including any attorneys' fees incurred defending any claim) caused, or alleged by the claimant to have been caused, by any actions or omissions of Buyer or its agents, directors, officers, employees, attorneys, successors or assigns in connection with the Utility Assets and the execution and delivery of this Agreement or the consummation of the transactions contemplated thereby.

10. **Release by Buyer.** In connection with the purchase and sale of the Utility Assets contemplated hereby, Buyer waives any and all claims, actions, suits, costs, obligations,



liabilities and demands of any nature that Buyer may have against Seller, and each of their respective agents, directors, officers, employees, attorneys, successors and assigns in connection with the Utility Assets, and the transactions contemplated hereby or otherwise (including without limitation any claim of contribution or reimbursement), other than claims, actions, suits, costs, obligations, liabilities and demands arising out of Seller's willful misconduct or intentional fraud in connection with the sale of the Utility Assets pursuant to this Agreement. Buyer expressly waives the benefits of any applicable statute providing in essence that:

"A general release does not extend to claims which the creditor does not know or suspect to exist in his or her favor at the time of executing the release, which if known by him or her must have materially affected his settlement with the debtor."

Buyer's Initial:     

11. **Survival.** Except as set forth herein, the obligations of the parties hereunder shall survive the closing of the transaction contemplated hereby.

12. **Limitation on Assignment by Buyer.** The Buyer may not sell, assign, grant a participation in, or otherwise transfer its rights under this Agreement without Seller's prior written consent which consent may be unreasonably withheld or delayed in Seller's sole discretion; provided, however, that the Buyer may assign this Agreement and its rights hereunder to a single purpose entity controlled by Buyer and duly formed, qualified and in good standing under the laws of the State of Florida.

13. **Approvals.**

13.1 **Florida Public Service Commission.** The sale of Utility Assets contemplated by this Agreement is subject to and contingent upon approval of the FPSC; however, as provided in Section 367.071, Florida Statutes, the parties' desire to close the transaction in advance of the FPSC's approval. In the event that the FPSC does not approve the sale and transfer of the Utility Assets as specifically contemplated in this Agreement, or otherwise approves the transfer and sale of the Utility Assets with conditions that are not acceptable to Seller in Seller's sole discretion, then the Utility Assets shall be repurchased by Seller by the same means as the Utility Assets were purchased by the Buyer pursuant to this Agreement. Within ten (10) days following the execution of the Agreement, Buyer and Seller will file a joint application with the FPSC requesting approval of the transfer of Utility Assets subject to this Agreement. Buyer and Seller shall cooperate with each other in the filing, and the cost of preparing and processing the joint application shall be borne by the Buyer.

13.2 **Other.** Except as otherwise provided herein, Buyer shall pay for and have sole responsibility for preparing and processing all requests for regulatory approvals required as a result of the transfer of Utility Assets under this Agreement, provided that Seller shall cooperate, at no expense to Seller, with Buyer in the preparation of such requests for regulatory approvals.

14. Miscellaneous.

14.1 Time of the Essence. Time is of the essence in the performance of each of the Buyer's obligations hereunder.

14.2 Applicable Law. This Agreement will be construed in accordance with the internal laws of the State of where the Property is located, without giving effect to any rules or principles thereof relating to choice of law or conflict of laws.

14.3 Captions and Headings. The captions and headings contained in this Agreement are for convenience of reference only, and will not be deemed to modify, expand or limit the provisions of this Agreement.

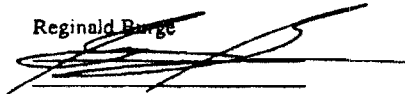
14.4 Counterparts; Electronically Transmitted Signatures. This Agreement may be executed by the parties in multiple counterparts, each of which will be considered an original and all of which, together, will be considered one document. Transmission of a signed copy of this Agreement by one party (or its counsel) to the other party (or its counsel) by fax, e-mail or similar electronic means will have the same force and effect as delivery of the original, manually-signed counterpart so transmitted.

14.5 Entire Agreement; Modifications. This Agreement constitutes the final expression of the entire agreement of the parties with respect to the subject matter of this Agreement, and the provisions of this Agreement may only be modified by the written agreement of Seller and Buyer. This Agreement supersedes all prior agreements, oral or written, by the parties with respect to the subject matter of this Agreement. Neither party is relying on any oral, written or implied representation or warranty not expressly set forth in this Agreement.

14.6 Notices. All notices and other communications required or permitted by this Agreement must be in writing and will be deemed given to a party when (a) delivered to the appropriate address by hand or by nationally-recognized overnight courier service (costs prepaid), (b) sent by facsimile or e-mail with confirmation of transmission by the transmitting equipment, or (c) received or rejected by the addressee if sent by certified mail with return receipt requested, in each case to the following addresses, fax numbers or e-mail addresses and marked to the attention of the person (by name or title) designated below (or to such other address, fax number, e-mail address or person as a party may designate for itself by notice to the other party):

Seller: FL-Service Management, LLC  
c/o Matthew Hickey  
8333 Douglas Avenue, Suite 700  
Dallas, TX 75225  
Email: matthew.hickey@bbvacompass.com

Buyer: Reginald Barge




IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date written above.

SELLER:

FL-SERVICE MANAGEMENT, LLC

By: Deborah Laycock  
Name: Deborah Laycock  
Title: VP

BUYER:

  
REGINALD J BURGE

SCHEDULE 1  
"UTILITY ASSETS"

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**LEGAL DESCRIPTION**

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**STAGE 1, TRACT D, AQUARINA P.U.D. STAGE 1, TRACTS C & D, STAGE 2, TRACTS B, D & H,  
STAGE 3, STAGE 4, TRACTS B, I, & X, STAGE 5, ACCORDING TO THE PLAT THEREOF AS  
RECORDED IN PLAT BOOK 41, PAGES 88 THROUGH 92, INCLUSIVE, OF THE PUBLIC RECORDS OF  
BREVARD COUNTY, FLORIDA.**

J:

All machinery, apparatus, equipment, fittings, and fixtures, whether actually or constructively attached to the real property described in Exhibit "A" (the "Property"), and all building materials of every kind and nature, and all trade, domestic, and ornamental fixtures and all personal property now or hereafter located in, upon, over, or under the Property or any part thereof on or off-site benefiting the Property and used or usable or intended to be used in connection with any present or future operation of said Property, including, but without limiting the generality of the foregoing: all heating, air-conditioning, lighting, incinerating, and power equipment; all engines, compressors, pipes, pumps, tanks, motors, conduits and switchboards; all plumbing, lifting, cleaning, fire prevention, fire extinguishing, refrigerating, ventilating, and communications apparatus; all boilers, furnaces, oil burners, vacuum cleaning systems, elevators, and escalators; all built-in stoves, ovens, ranges, disposal units, dishwashers, water heaters, exhaust systems, refrigerators, cabinets, and partitions; all rugs and carpets; laundry equipment; together with all contract rights to acquire any of the foregoing and all deposits and payments made under contracts for the acquisition of same; together with all additions and accessions thereto and replacements thereof and proceeds therefrom.

All awards in condemnation proceedings and in lieu thereof and all insurance loss proceeds and claims therefor. All insurance policies of Debtor related to the Collateral and Property.

All contracts, now existing or hereafter executed, with general contractors, subcontractors, surveyors, materialmen, suppliers and/or laborers in connection with or pertaining to the construction of buildings or any other improvements on the Property.

Any agreements for architectural/engineering services between Debtor and any architect/engineer which is hereinafter entered into with respect to the construction of improvements on the Property.

Drawings, plans and specifications prepared by any architect/engineer in connection with the construction of improvements on the Property.

Any and all building permits, governmental permits, licenses or other governmental authorizations or approvals in favor of or in the name of Debtor now existing or hereafter executed, authorizing the construction of the improvements on the Property, including, but not limited to, stormwater permits, water distribution system permits, Department of Transportation permits, sewage collection system permits, and concurrency reservation certificates.

Any and all utility service agreements wherein a utility company, utility provider and/or a county or municipality has agreed to provide utilities to the Property.

All leases, contracts, binders or other agreements between Debtor and a tenant or buyer of the Property or any portion thereof for the lease or purchase and sale of any portion of the Property, including such leases, contracts, binders or other agreements which may hereafter come into existence with respect to the Property or any portion thereof.

IN THE CIRCUIT COURT, EIGHTEENTH  
JUDICIAL CIRCUIT, IN AND FOR  
BREVARD COUNTY, FLORIDA.

CASE NO.: 05-2008-CA-61639  
DIVISION: R

COMPASS BANK,

Plaintiff,

vs.

SERVICE MANAGEMENT SYSTEMS,  
INC.; AQUARINA COMMUNITY  
SERVICES, INC.; and CONSOLIDATED  
ENVIRONMENTAL ENGINEERING, LLC,

Defendants.

**SUMMARY FINAL JUDGMENT OF FORECLOSURE**

THIS CAUSE is before the Court, upon the Plaintiff's Motion for Summary Final Judgment of Foreclosure ("Motion") filed by Plaintiff, Compass Bank ("Plaintiff"), and the Court having reviewed the pleadings and affidavits filed herein by Plaintiff, the Stipulation filed by the Plaintiff and the Borrower, Service Management Systems, Inc. ("Borrower"), and being otherwise fully advised in the premises:

IT IS ORDERED AND ADJUDGED that:

1. Service of process has been duly and regularly obtained over Defendants, Borrower, Aquarina Community Services Association, Inc., and Consolidated Environmental Engineering, LLC.
2. The Plaintiff is the owner and holder of the Note and the Mortgage described in the Complaint.



3. The equities of this action are in favor of Plaintiff, and Plaintiff is entitled to the foreclosure of its Mortgage and Note, and is due the following sums from Borrower:

<u>Item</u>	<u>Amount</u>
Principal	\$1,053,119.83
Interest at legal rate of 8% (8/4/09-12/31/09)	34,392.30
Interest at legal rate of 6% (1/1/10-2/9/10)	6,751.51
<u>Filing fees</u>	<u>331.00</u>
<b>TOTAL</b>	<b>\$1,094,594.64</b>

4. Plaintiff holds a lien for the total sum set forth herein superior to any claims, interests or estates of the Borrower and all unknown parties claiming interests by, through, under or against a named defendant to this action, or having or claiming to have any right, title or interest in the property more fully described in Exhibit "A" (hereinafter referred to as the "Property"), a water and wastewater utility located in Brevard County, Florida.

5. If the total sum set forth herein, with interest thereon at the rate of six percent (6%) and all costs of this action accruing subsequent to this judgment, are not paid immediately, the Clerk of this Court shall sell the Property at a public sale on March 31, 2010, at 11:00 a.m. to the highest bidder for cash, except as hereinafter set forth, and will be held at the Brevard County Government Center North, Brevard Room, 518 South Palm Avenue, Titusville, Florida pursuant to Florida Statute 45.031(10).

6. As the Property is a water and wastewater utility subject to the regulation by the Florida Public Service Commission, any party that takes "ownership or control" through "foreclosure" is required to "continue service without interruption..." pursuant to F.S. 367.071(6) until such time as the utility is sold, assigned or transferred in accordance with the provisions of F.S. 367.071(1). This provision shall be included in the Notice of Sale to be published in accordance with statutory requirements



7. IF THIS PROPERTY IS SOLD AT PUBLIC AUCTION, THERE MAY BE ADDITIONAL MONEY FROM THE SALE AFTER PAYMENT OF PERSONS WHO ~~ARE ENTITLED TO BE PAID FROM THE SALE PROCEEDS PURSUANT TO FINAL~~ JUDGMENT.

8. IF YOU ARE A SUBORDINATE LIENHOLDER CLAIMING A RIGHT TO FUNDS REMAINING AFTER THE SALE, YOU MUST FILE A CLAIM WITH THE CLERK NO LATER THAN SIXTY (60) DAYS AFTER THE SALE. IF YOU FAIL TO FILE A CLAIM, YOU WILL NOT BE ENTITLED TO ANY REMAINING FUNDS.

9. The Court hereby authorizes Plaintiff to assign its bid rights under this Judgment to a third party by the filing of a written assignment of bid with the Clerk of the Court prior to the issuance of the Certificate of Title without further order of this Court.

10. Plaintiff shall advance all subsequent costs of this action, and shall be reimbursed for them by the Clerk if Plaintiff is not the purchaser of the Property at the sale. If Plaintiff is the purchaser, the Clerk shall credit Plaintiff's bid with the total sum with interest as described herein and costs accruing subsequent to this judgment or such part of it as necessary to pay the bid in full.

11. On filing the Certificate of Title with respect to the Property, the Clerk shall distribute the proceeds of the sale, so far as they are sufficient, by paying: first, all of Plaintiff's costs; second, documentary stamps affixed to the Certificate; third, Plaintiff's attorneys' fees; fourth, the total sum due to Plaintiff, as set forth herein, less the items paid, plus interest at the rate prescribed by law from this date to the date of the sale to Plaintiff; and shall retain any amount remaining pending the further order of this Court. Any amounts so retained are to be distributed to the Defendant as determined by order of this Court.

12. The successful bidder and purchaser at the foreclosure sale of the real property being foreclosed herein shall pay, in addition to the amount bid, any documentary stamps and Clerk's fee, including registry fee, relating to the issuance of the Certificate of Title to be issued by the Clerk to the successful bidder and purchaser. At the time of the sale the successful high bidder shall post with the Clerk a deposit equal to five percent of the final bid. The deposit shall be applied to the sale price at the time of payment. If final payment is not made within the prescribed period, the Clerk shall re-advertise the sale as provided in this section, and pay all costs of the sale from the deposit. Any remaining funds shall be applied toward the judgment.

13. On filing the Certificate of Sale with respect to the Property, Borrower and all unknown parties claiming interests by, through, under or against a named defendant since the filing of the Notice of Lis Pendens in this action are foreclosed of all estate, interest or claim in the Property. On filing the Certificate of Title, the purchaser or purchasers at the sale shall be let into possession of the Property, and the Clerk of the Circuit Court shall issue a Writ of Possession upon demand by the purchaser or purchasers.

DONE AND ORDERED in Chambers, in Brevard County, Florida, this the \_\_\_\_\_ day of February, 2010.

Original Signed On

FEB 23 2010

TONYA B. RAINWATER  
CIRCUIT COURT JUDGE

By: Tonya B. Rainwater  
Circuit Judge

Copies furnished to:

Patrick P. Patangan, Esq., counsel for Compass Bank  
Dennis Fairbanks, Esq., counsel for Service Management Systems, Inc.  
Edward J. Kinberg, Esq., counsel for Aquarina Community Services Association, Inc.  
Jerry G. Jester, Esq., counsel for Consolidated Environmental Engineering, LLC

**EXHIBIT "A"**  
**LEGAL DESCRIPTION**

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STAGE 1, TRACT D, AQUARINA P.U.D. STAGE 1, TRACTS C & D, STAGE 2, TRACTS B, D & H,  
STAGE 3, STAGE 4, TRACTS B, I, & X, STAGE 5, ACCORDING TO THE PLAT THEREOF AS  
RECORDED IN PLAT BOOK 41, PAGES 88 THROUGH 92, INCLUSIVE, OF THE PUBLIC RECORDS OF  
BREVARD COUNTY, FLORIDA.

ALL OF DEBTOR'S RIGHT, TITLE AND INTEREST IN THE FOLLOWING:

All machinery, apparatus, equipment, fittings, and fixtures, whether actually or constructively attached to the real property described in Exhibit "A" (the "Property"), and all building materials of every kind and nature, and all trade, domestic, and ornamental fixtures and all personal property now or hereafter located in, upon, over, or under the Property or any part thereof on or off-site benefiting the Property and used or usable or intended to be used in connection with any present or future operation of said Property, including, but without limiting the generality of the foregoing: all heating, air-conditioning, lighting, incinerating, and power equipment; all engines, compressors, pipes, pumps, tanks, motors, conduits and switchboards; all plumbing, lifting, cleaning, fire prevention, fire extinguishing, refrigerating, ventilating, and communications apparatus; all boilers, furnaces, oil burners, vacuum cleaning systems, elevators, and escalators; all built-in stoves, ovens, ranges, disposal units, dishwashers, water heaters, exhaust systems, refrigerators, cabinets, and partitions; all rugs and carpets; laundry equipment; together with all contract rights to acquire any of the foregoing and all deposits and payments made under contracts for the acquisition of same; together with all additions and accessions thereto and replacements thereof and proceeds therefrom.

All awards in condemnation proceedings and in lieu thereof and all insurance loss proceeds and claims therefor. All insurance policies of Debtor related to the Collateral and Property.

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Any agreements for architectural/engineering services between Debtor and any architect/engineer which is hereinafter entered into with respect to the construction of improvements on the Property.

Drawings, plans and specifications prepared by any architect/engineer in connection with the construction of improvements on the Property.

Any and all building permits, governmental permits, licenses or other governmental authorizations or approvals in favor of or in the name of Debtor now existing or hereafter executed, authorizing the construction of the improvements on the Property, including, but not limited to, stormwater permits, water distribution system permits, Department of Transportation permits, sewage collection system permits, and concurrency reservation certificates.

Any and all utility service agreements wherein a utility company, utility provider and/or a county or municipality has agreed to provide utilities to the Property.

All leases, contracts, binders or other agreements between Debtor and a tenant or buyer of the Property or any portion thereof for the lease or purchase and sale of any portion of the Property, including such leases, contracts, binders or other agreements which may hereafter come into existence with respect to the Property or any portion thereof.

IN THE CIRCUIT COURT, EIGHTEENTH  
JUDICIAL CIRCUIT, IN AND FOR  
BREVARD COUNTY, FLORIDA

CASE NO.: 05-2008-CA-61639  
DIVISION: R

---

COMPASS BANK,

Plaintiff,

vs.

SERVICE MANAGEMENT SYSTEMS,  
INC.; AQUARINA COMMUNITY  
SERVICES, INC.; and CONSOLIDATED  
ENVIRONMENTAL ENGINEERING, LLC,

Defendants.

---

**ORDER APPOINTING RECEIVER**

THIS CAUSE came before the Court on the Motion for the Appointment of a Receiver filed by the Plaintiff, Compass Bank ("Lender"), and the Court having reviewed the Court file, the Brief in Support of Compass Bank's Motion for Appointment of Receiver filed by Defendant, Aquarina Community Services Association, Inc., and being otherwise fully advised in the premises, it is hereby

ORDERED AND ADJUDGED as follows:

1. Appointment. Dennis Basile ("Receiver") is hereby appointed Receiver of the real and personal property which is described in and encumbered by the Mortgage and other Loan Documents sought to be foreclosed in this action, including all real, personal, and intangible property, whether now existing or hereafter arising, wherever located, including, but not limited to, the real property located in Brevard County, Florida which is more fully described



in the Mortgage attached to the Complaint (the "Mortgaged Property"), such appointment to be effective upon execution of this Order and to continue until further order of this Court.

2. Oath. Within ten days of the date of this Order, the Receiver shall execute the ~~Oath agreeing to accept the appointment as receiver and to perform the duties set forth in this~~  
Order.

3. Inventory. The Receiver shall prepare and file in the Court on or before thirty (30) days from the date the Receiver takes possession, a full and detailed inventory, under oath, of all the real and personal property, assets, and effects of every nature involved in the Mortgaged Property of which the Receiver is hereby given custody (including all permits and other land use entitlements and approvals, and all files regarding same).

4. Possession of Mortgaged Property. The Receiver shall immediately take possession of all the assets, files, papers, records including all computer files and all account management software required to access, manage, manipulate and invoice client accounts, documents, rents, income, securities, choses in action, books of account, including but not limited to the general ledger of the utility, receivables, cash on hand, whether in a bank or otherwise, customer deposits, guaranteed revenue contracts, developer agreements, customer advances, leases, operating agreements, permits, including permits issued by the Florida Department of Environmental Protection and the relevant water management district, utility tariffs, consent decrees, notices of violations, federal and state tax returns of the utility, and all other property, real, personal, or mixed, of Defendant, Service Management Systems, Inc. ("Borrower") which constitutes the Mortgaged Property and which are within the jurisdiction of this Court, and shall retain custody of all such property, records, and documents until further order of this Court. All persons or corporations now or hereafter in possession of the Mortgaged

Property, or any part thereof, or any other of the items entrusted to the Receiver, shall forthwith surrender such possession to the Receiver. Plaintiff shall have access to the above records and documents upon reasonable notice and during business hours. For the purpose of taking possession of the Mortgaged Property and managing the Mortgaged Property, the Receiver is hereby authorized to employ agents, servants and employees and to contract as reasonably necessary. The Receiver shall collect and safeguard the rents, issues, profits and revenues from the Mortgaged Property.

5. Turnover of Mortgaged Property. The parties, and their respective employees and agents are directed, within five days of the date of this Order, to deliver and turn over to the Receiver all of the Mortgaged Property as described in Paragraphs 1 and 4 of this Order, including without limitation, all rents and income generated by the Mortgaged Property, cash on hand, whether in a bank or otherwise, records and documents relating to the business operations of the Mortgaged Property (including all licenses, permits and other land use entitlements, approvals and files), as well as all computer files and all account management software required to access, manage, manipulate and invoice client accounts, the Mortgaged Property itself, and any other non-confidential information not specifically described in this Order, but which is reasonably necessary for the Receiver to perform his duties as described herein.

6. Specific Duties of Receiver. The Receiver shall manage, preserve, protect, and maintain the Mortgaged Property in a reasonable, prudent, diligent and efficient manner. Without limitation of that general duty, the Receiver shall have the following specific duties (if the Receiver has access to sufficient funds from the operation of the Mortgaged Property or the issuance of the Receiver's Certificates to pay for the following):

(a) Management and Preservation of the Mortgaged Property. Manage the daily operations of the Mortgaged Property and collect the revenues generated by the operation and use of the Mortgaged Property. Also, take such actions as may be necessary to obtain, maintain, preserve, manage and protect the Mortgaged Property from diminution in value wherever located, including: (i) pay the normal, ordinary and necessary operating expenses of the Mortgaged Property; (ii) take action to enforce, preserve and, as appropriate, negotiate modifications to agreements relating to the Mortgaged Property; (iii) make, cancel, enforce or modify contracts, leases or licenses relating to the Mortgaged Property.

(b) Mortgaged Property Maintenance and Repair. The Receiver shall maintain the buildings, appurtenances and grounds of the Mortgaged Property substantially in accordance with their current condition, and shall make such other repairs and renovations as are necessary and appropriate for the continued operations of the utility in accordance with state and federal law, but only to the extent the Receiver determines, after consultation with Plaintiff, that such repairs and renovations are economically feasible and in the best interest of the Mortgaged Property.

(c) Infrastructure Improvements. The Receiver shall have the authority, without further order of the Court, but subject to the prior written approval of Plaintiff, to: (i) take such actions as may be necessary or appropriate to ensure that any and all existing or future licenses, permits, applications and other governmental approvals and entitlements pertaining to the ownership, operation, management, use, or development of the Mortgaged Property are obtained and maintained in full force and effect; and (ii) enter



into a contract or contracts with third parties to obtain and maintain such permits, and to complete any required improvements in connection with such permits.

(d) Insurance. The Receiver shall maintain casualty insurance with respect to the Mortgaged Property, and if required by Plaintiff, liability, windstorm, flood, professional liability, and workers' compensation insurance with respect to the Mortgaged Property, all in such amounts and with such coverages as are required under the Mortgage sought to be foreclosed in this action. The Receiver is authorized to continue in existence all current insurance policies in place. The Receiver shall promptly investigate and, if necessary, file a full, prompt written report with the Clerk of this Court as to all serious and material accidents, claims for damage relating to the ownership, operation and maintenance of the Mortgaged Property, and any damage or destruction to the Mortgaged Property, and the estimated cost of repair thereof, and shall prepare any and all reports required by any insurance company in connection therewith.

(e) Operating Account for Mortgaged Property. Effective as soon as possible after entry of this Order, the Receiver shall establish and maintain a separate operating account into which the Receiver shall deposit all receipts from the Mortgaged Property and from which the Receiver shall disburse regularly and punctually, all amounts due and payable as reasonable, necessary and proper expenses incurred by the Receiver in the ownership, operation, management, protection, and conservation of the Mortgaged Property, including such operating expenses which were incurred but not yet paid for the period immediately preceding the date on which the Receiver was appointed, all subject to the terms of this Order.

(f) Records. The Receiver shall maintain a comprehensive system of office records, books, and accounts concerning the operation of the Mortgaged Property. Upon reasonable notice, and at all reasonable times, Plaintiff and its respective agents and other representatives shall have reasonable access to such records, accounts and books and to all vouchers, files, and all other material pertaining to the operation of the Mortgaged Property, all of which the Receiver agrees to keep safe, available and separate from any records not having to do with the operation of the Mortgaged Property.

(g) Legal Requirements. The Receiver shall ensure that all aspects of the Mortgaged Property, and its use, operation, management, and development, comply with any and all laws, regulations, orders or requirements affecting the Mortgaged Property issued by any federal, state, county or municipal authority.

(h) Use and Maintenance of Premises. The Receiver shall not permit the use of the Mortgaged Property for any purpose which will or might void any required policy of insurance or which might render any loss thereunder uncollectible, or which would be in violation of any law or government restriction.

(i) No Waste. Without the approval of this Court or Plaintiff, the Receiver shall not suffer, cause or permit: (i) any removal of any real or personal property owned or leased by Defendants over which this Court has jurisdiction and pertaining to the Mortgaged Property nor (ii) any waste of the Mortgaged Property or any of the components thereof.

(j) Budget. On or before the thirtieth day after entry of this Order, the Receiver shall furnish to Plaintiff and Borrower a detailed, projected, monthly operating budget for the Receiver and the Mortgaged Property (as may be amended from time to

time, the "Budget"), which shall be subject to the written approval of Plaintiff. Plaintiff shall advise the Receiver in writing within fifteen (15) days of receipt of the Budget, or any amendment thereof, whether Plaintiff approves or disapproves the Budget, or any amendment thereof. The approved Budget shall be provided to the Borrower.

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7. Monthly Reports. The Receiver is directed to prepare, on or before the 15th day of each month, commencing the first full month following his appointment, so long as the Mortgaged Property shall remain in his possession or care, a full and complete report, under oath, setting forth for the prior month (of the most recent period since the last report) (i) the current status of all licenses, permits and other governmental entitlements and/or approvals, and (ii) all receipts and disbursements, cash flow, and reporting all changes in the assets in his charge, or claims against the assets, that have occurred during the preceding month. The Receiver is directed to file all reports with the Clerk of this Court. The Receiver is directed to serve a copy of each report on the attorneys of record for the Plaintiff and Defendants herein.

8. No Interference. Except as otherwise requested or authorized by the Receiver, or until further order of this Court, the parties, and their respective officers, directors, shareholders, agents, servants, employees, representatives, and attorneys are hereby enjoined from: (i) collecting, or attempting to collect, the receivables, income, revenues, profits, and bank accounts of the Mortgaged Property from and after the date of entry of this Order; (ii) interfering in any manner with the management of the Mortgaged Property by the Receiver as hereinabove described until further order of this Court; or (iii) acting or purporting to act on behalf of the Mortgaged Property, and/or the Receiver.

9. Consultants and Professionals. The Receiver is hereby empowered to employ independent legal counsel to furnish legal advice to the Receiver for such purposes as may be

necessary during the period of receivership. Upon further order of the Court, or with the prior approval of Plaintiff, the Receiver is also empowered to employ accountants, consultants, developers and other professionals, to furnish accounting and other advice and services to the Receiver, all for such purposes as may be reasonable and necessary during the term of the receivership. The Receiver may engage the service of a management company, and to hire such employees, as in the Receiver's judgment are necessary to operate, manage, secure, protect and maintain the Mortgaged Property.

10. Fees. Until further order of this Court, the Receiver shall be compensated at the rate of \$200 per hour, plus the reasonable and necessary out-of-pocket expenses incurred by the Receiver on behalf of the Mortgaged Property, including travel, lodging and meal expenses. All approved counsel, accountants, consultants and other professionals retained by the Receiver shall be compensated on hourly rate basis as approved by Plaintiff, or upon further order of this Court. The Receiver and all such approved accountants, attorneys, consultants and other professionals shall be paid on a monthly basis. To be paid on a monthly basis, the Receiver must file a statement of account with this Court and serve a copy on Plaintiff and Defendants for the time, fees and expenses of the Receiver and such approved accountants, attorneys, consultants and other professionals, incurred in the preceding calendar month. The statement of account shall be included in the monthly report of the Receiver as provided above. If no objection thereto is filed and served on or within ten business days following service on the parties, such statement of account may be paid from the operating account established under this Order. In the event objections are made to fees and/or expenses, objected-to fees and/or expenses shall be paid within ten business days of an agreement between Plaintiff and Receiver, or entry of an order of this Court adjudicating the matter. If an objection is timely filed and served, the contested

portion of such statement of account shall not be paid absent further order of this Court, but the uncontested portion shall be paid as provided herein. The fees, costs and expenses of the Receiver and his attorneys, accountants, consultants and other professionals shall be paid first from the operating account, and if insufficient, by Plaintiff as a protective advance under the Loan Documents, or by Receiver issuing a Receiver's Certificate to pay for such fees, costs and expenses all as determined by Plaintiff in its sole discretion.

11. Judicial Immunity. The Receiver and the Receiver's attorneys and agents: (i) may rely on any and all outstanding court orders, judgments, decrees and rules of law, and shall not be liable to anyone for their own good faith compliance with any such order, judgment, decree or rule of law; (ii) may rely on, and shall be protected in any action upon, any resolution, certificate, statement, opinion, report, notice, consent, or other document believed by them to be genuine and to have been signed or presented by the proper parties; (iii) shall not be liable to anyone for their good faith compliance with their duties and responsibilities as a receiver, or as attorney or agent for Receiver; and (iv) shall not be liable to anyone for their acts or omissions, except upon a finding by this Court that such acts or omissions were outside the scope of their duties or were grossly negligent or constitute misfeasance. Except for matters set forth in subsection (iv) of the preceding sentence, persons dealing with the Receiver shall only look to the receivership assets and bond posted by the Receiver to satisfy any liability, and neither the Receiver nor his attorneys or his agents shall have any personal liability to satisfy any such obligation.

12. Further Instructions. The Receiver may at any time upon notice to all parties, apply to this Court for further or other instructions or powers, whenever such instructions or additional powers shall be deemed necessary in order to enable him to perform properly and

legally the duties of his Receivership and to maintain, operate, protect and preserve the Mortgaged Property.

13. Jurisdiction. Jurisdiction of this action is retained to enter further orders as are appropriate.

---

DONE AND ORDERED at Brevard County, Florida, on the \_\_\_\_\_ day of February, 2010.

---

Original Signed On

\_\_\_\_\_  
TONYA B. RAINWATER  
CIRCUIT COURT JUDGE

FEB 03 2010

by Tonya Rainwater  
Circuit Judge

Copies furnished to:

Patrick P. Patangan, Esq., counsel for the Plaintiff  
Dennis Fairbanks, Esq., counsel for Service Management Systems, Inc.  
Edward J. Kinberg, Esq., counsel for Aquarina Community Services Association, Inc.  
Jerry Jester, Esq., counsel for Consolidated Environmental Engineering, LLC

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CFN 2010070287, OR BK 6148 Page 1799, Recorded 04/16/2010 at 10:02 AM, Scott Ellis, Clerk of Courts, Brevard County Doc. D: \$0.70

44

IN THE CIRCUIT COURT, EIGHTEENTH  
JUDICIAL CIRCUIT, IN AND FOR  
BREVARD COUNTY, FLORIDA

CASE NO.: 05-2008-CA-61639  
DIVISION: R

COMPASS BANK,  
Plaintiff,

vs.

SERVICE MANAGEMENT SYSTEMS,  
INC.; AQUARINA COMMUNITY  
SERVICES, INC.; and CONSOLIDATED  
ENVIRONMENTAL ENGINEERING, LLC,  
Defendants.

SCOTT ELLIS  
2010 APR 15 P 2:30  
FILED

CERTIFICATE OF TITLE

The undersigned Clerk of the Circuit Court certifies that he executed and filed a Certificate of Sale in this action on March 31, 2010, for the property described herein and that no objections to the sale have been filed within the time allowed for filing objections. The property described on Exhibits "A" and "B" attached hereto located in Brevard County, Florida, was sold to Assignee of Plaintiff, **FL - Service Management, LLC, a Florida limited liability company**, whose address is P.O. Box 10566, AL-BI-CH-NIA, Birmingham, AL 35296

WITNESS my hand and the seal of this Court on this 15 day of April, 2010.

SCOTT ELLIS  
Clerk of the Circuit Court



By: *[Signature]*  
Deputy Clerk

Copies to:  
All parties on attached Service List



Case # 05-2008-CA-061639-XXXX-XX  
Document Page # 47



015754390

OR BK 6148 PG 1800

**LEGAL DESCRIPTION**

---

**STAGE 1, TRACT D, AQUARINA P.U.D. STAGE 1, TRACTS C & D, STAGE 2, TRACTS B, D & H,  
STAGE 3, STAGE 4, TRACTS E, F, & X, STAGE 5, ACCORDING TO THE PLAT THEREOF AS  
RECORDED IN PLAT BOOK 41, PAGES 88 THROUGH 92, INCLUSIVE, OF THE PUBLIC RECORDS OF  
BREVARD COUNTY, FLORIDA.**

**EXHIBIT "A"**



OR BK 6148 PG 1801

**ALL OF DEBTOR'S RIGHT, TITLE AND INTEREST IN THE FOLLOWING:**

All machinery, apparatus, equipment, fittings, and fixtures, whether actually or constructively attached to the real property described in Exhibit "A" (the "Property"), and all building materials of every kind and nature, and all trade, domestic, and ornamental fixtures and all personal property now or hereafter located in, upon, over, or under the Property or any part thereof on or off-site benefiting the Property and used or usable or intended to be used in connection with any present or future operation of said Property, including, but without limiting the generality of the foregoing: all heating, air-conditioning, lighting, incinerating, and power equipment; all engines, compressors, pipes, pumps, tanks, motors, conduits and switchboards; all plumbing, lifting, cleaning, fire prevention, fire extinguishing, refrigerating, ventilating, and communications apparatus; all boilers, furnaces, oil burners, vacuum cleaning systems, elevators, and escalators; all built-in stoves, ovens, ranges, disposal units, dishwashers, water heaters, exhaust systems, refrigerators, cabinets, and partitions; all rugs and carpets; laundry equipment; together with all contract rights to acquire any of the foregoing and all deposits and payments made under contracts for the acquisition of same; together with all additions and accessions thereto and replacements thereof and proceeds therefrom.

All awards in condemnation proceedings and in lieu thereof and all insurance loss proceeds and claims therefor. All insurance policies of Debtor related to the Collateral and Property.

All contracts, now existing or hereafter executed, with general contractors, subcontractors, surveyors, materialmen, suppliers and/or laborers in connection with or pertaining to the construction of buildings or any other improvements on the Property.

Any agreements for architectural/engineering services between Debtor and any architect/engineer which is hereinafter entered into with respect to the construction of improvements on the Property.

Drawings, plans and specifications prepared by any architect/engineer in connection with the construction of improvements on the Property.

Any and all building permits, governmental permits, licenses or other governmental authorizations or approvals in favor of or in the name of Debtor now existing or hereafter executed, authorizing the construction of the improvements on the Property, including, but not limited to, stormwater permits, water distribution system permits, Department of Transportation permits, sewage collection system permits, and concurrency reservation certificates.

Any and all utility service agreements wherein a utility company, utility provider and/or a county or municipality has agreed to provide utilities to the Property.

All leases, contracts, binders or other agreements between Debtor and a tenant or buyer of the Property or any portion thereof for the lease or purchase and sale of any portion of the Property, including such leases, contracts, binders or other agreements which may hereafter come into existence with respect to the Property or any portion thereof.

**EXHIBIT "B"**

OR BK 6148 PG 1802

4/4

SERVICE LIST

Dennis F Fairbanks, Esq.  
1600 Sarno Road, Suite 1  
Melbourne, Florida 32935  
*Attorney for Service Management Systems, Inc.*

Jerry G. Jester, Esq.  
P.O. Box 541196  
Merritt Island, FL 32954-1196  
*Attorney for Consolidated Environ. Engineering, LLC*

Edward J. Kinberg, Esq.  
1290 W. Eau Gallie Blvd.  
Melbourne, FL 32935  
*Attorney for Aquarina Community Services  
Association, Inc.*

Patrick P. Patangan, Esq.  
Holland & Knight LLP  
50 N. Laura St., Suite 3900  
Jacksonville, FL 32202  
*Attorneys for Plaintiff*

**AMENDMENT TO PURCHASE AND SALE AGREEMENT**

THIS AMENDMENT TO PURCHASE AND SALE AGREEMENT ("Amendment") is made as of October 11, 2010, by and between FL-Service Management, LLC ("Seller"), and Reginald J. Burge ("Buyer").

---

**RECITALS**

---

A. Buyer and Seller entered into the Purchase and Sale Agreement dated September 28, 2010 ("Purchase Agreement").

B. The Buyer and Seller have agreed to extend the Contingency Period and Outside Closing Date, and other agreements as set forth in this Amendment.

**NOW, THEREFORE**, for and in consideration of the foregoing, the mutual covenants and contained herein and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties, intending to be legally bound, do hereby agree as follows:

1. The Recitals set forth above are incorporated herein by reference thereto.
2. All defined terms herein shall have the same meaning as set forth in the Purchase Agreement unless a contrary or re-defined meaning is set forth herein.
3. The Purchase Agreement is in full force and effect. All of the terms and provisions of the Purchase Agreement not in conflict herewith shall remain in full force and effect.
4. The Buyer and Seller agree that the Contingency Period is extended until and including October 19, 2010, and the Outside Closing Date is extended until and including October 29, 2010. The Contingency Period or the Outside Closing Date, or both, may be further extended by the parties in writing.
5. The Purchase Agreement is subject to the Buyer obtaining on or before the Closing a loan ("Buyer's Loan") to finance a portion of the Purchase Price. If the Buyer can not obtain the Buyer's Loan on or prior to the Closing, Buyer may terminate the Purchase Agreement, whereupon the Deposit shall be returned to Buyer and whereupon all parties hereto shall be released from all liabilities and obligations hereunder.
6. This Amendment is binding upon the successors and assigns of the parties hereto.
7. **RADON GAS DISCLOSURE:** radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county health department.

8. This Amendment and any subsequent amendments hereto may be executed in any number of counterparts, each of which, when executed, shall be deemed to be an original and all of which shall be deemed to be one in the same instrument. Facsimile and email transmissions are deemed original signatures.

---

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

---

**SELLER:**

FL-SERVICE MANAGEMENT, LLC, a  
Florida limited liability company

By:   
Deborah Laycock, Vice President

**BUYER:**

  
REGINALD A. BURGE

**AMENDMENT TO PURCHASE AND SALE AGREEMENT  
AND CLOSING MEMORANDUM**

THIS AMENDMENT TO PURCHASE AND SALE AGREEMENT AND CLOSING MEMORANDUM ("Closing Memorandum") is entered into this \_\_\_\_ day of February, 2011, by ~~and between FL-Service Management, LLC ("Seller") and Aquarina Utilities, Inc. ("Buyer") as assignee of Reginald J. Burge with regards to the closing pursuant to the Purchase and Sale Agreement dated September 28, 2010, by and between Seller and Buyer, as amended on October 11, 2010 ("Agreement") to reinstate the Agreement and to address matters not specifically provided for in the Agreement.~~

1. The parties agree to reinstate the Agreement under its original terms and conditions, subject to the modifications and additional agreements set forth in this Closing Memorandum.

2. Seller shall pay all regulatory assessment fees due to the Florida Public Service Commission ("FPSC"), including fees through date of closing.

3. Seller shall file the 2010 Annual Report with the FPSC unless the FPSC waives such requirement.

4. Seller shall provide to Buyer a schedule of all customer deposits being held by Seller, and accrued interest through closing, and shall pay to Buyer an amount equal to the customer deposits plus interest.

5. Seller shall assign to Buyer any outstanding Developer Agreements, if any.

6. Seller shall provide to Buyer a schedule of all customer pre-payments made to Seller, and Seller shall pay Buyer an amount equal to the customer pre-payments.

7. The parties agree that the Outside Closing Date is extended until and including February 18, 2011.

AQUARINA UTILITIES, INC., a  
Florida corporation

By: Heather Hackney, President

FL-SERVICE MANAGEMENT, LLC, a  
Florida limited liability company

By: P.I. Holdings, No. 1, Inc., a Texas  
corporation

By: Matthew Hickey  
Its: Vice President

**AMENDMENT TO PURCHASE AND SALE AGREEMENT  
AND CLOSING MEMORANDUM**

THIS AMENDMENT TO PURCHASE AND SALE AGREEMENT AND CLOSING MEMORANDUM ("Closing Memorandum") is entered into this 17 day of February, 2011, by and between FL-Service Management, LLC ("Seller") and Aquarina Utilities, Inc. ("Buyer") as assignee of Reginald J. Burge with regards to the closing pursuant to the Purchase and Sale Agreement dated September 28, 2010, by and between Seller and Buyer, as amended on October 11, 2010 ("Agreement") to reinstate the Agreement and to address matters not specifically provided for in the Agreement.

1. The parties agree to reinstate the Agreement under its original terms and conditions, subject to the modifications and additional agreements set forth in this Closing Memorandum.
2. Seller shall pay all regulatory assessment fees due to the Florida Public Service Commission ("FPSC"), including fees through date of closing.
3. Seller shall file the 2010 Annual Report with the FPSC unless the FPSC waives such requirement.
4. Seller shall provide to Buyer a schedule of all customer deposits being held by Seller, and accrued interest through closing, and shall pay to Buyer an amount equal to the customer deposits plus interest.
5. Seller shall assign to Buyer any outstanding Developer Agreements, if any.
6. Seller shall provide to Buyer a schedule of all customer pre-payments made to Seller, and Seller shall pay Buyer an amount equal to the customer pre-payments.
7. The parties agree that the Outside Closing Date is extended until and including February 18, 2011.

AQUARINA UTILITIES, INC., a  
Florida corporation

  
By: Heather Hackney, President

FL-SERVICE MANAGEMENT, LLC, a  
Florida limited liability company

By: P.I. Holdings, No. 1, Inc., a Texas  
corporation

By: \_\_\_\_\_  
Its: \_\_\_\_\_

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**EXHIBIT "B"**

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WILL BE LATE FILED

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**Proforma Balance Sheet**

**EXHIBIT "C"**

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**Special Warranty Deed**

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Prepared By and Return to:

Patrick P. Patangan, Esq.  
Holland & Knight LLP  
50 North Laura Street, Suite 3900  
Jacksonville, Florida 32202

**SPECIAL WARRANTY DEED**

THIS SPECIAL WARRANTY DEED is made as of this \_\_\_ day of February, 2011, by and between **FL - SERVICE MANAGEMENT, LLC**, whose mailing address for notice purposes is **P.O. Box 10566, AL-BI-CH-NIA, Birmingham, AL 35296** ("Grantor") in favor of **AQUARINA UTILITIES, INC.**, a Florida corporation, whose mailing address is **1726 NE Dalich Avenue, Jensen Beach, FL 34957** ("Grantee").

**RECITALS:**

That Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other valuable consideration, receipt whereof is hereby acknowledged, by these presents does hereby grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns, that certain real property located in Brevard County, Florida (the "Property"), as more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference.

TOGETHER with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD, the same in fee simple forever.

AND, Grantor hereby covenants with Grantee that it is lawfully seized of the Property in fee simple; that it has good right and lawful authority to sell and convey the Property; and Grantor hereby covenants that Grantor will warrant and defend title to the Property against the lawful claims of all persons claiming by, through or under Grantor alone, but against none other.

The Property is subject to all limitations, restrictions, reservations and easements of record, if any, and subject to taxes for the year 2011 and subsequent years.

IN WITNESS WHEREOF, Grantor has caused these presents to be executed on the day and year first above written

Signed, sealed and delivered  
in the presence of:

*Donna Rhoads*  
Print Name: Donna Rhoads  
*Tracy Slade*  
Print Name: Tracy Slade

**GRANTOR:**

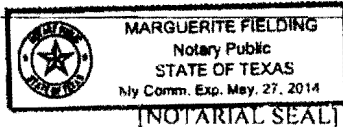
**FL - SERVICE MANAGEMENT, LLC,**  
a Florida limited liability company,

By: P.I. Holdings No. 1, Inc., a Texas  
corporation

By: *Matthew Hickey*  
Print Name: Matthew Hickey  
Its: Vice President

STATE OF TEXAS  
COUNTY OF DALLAS

The foregoing instrument was acknowledged before me this 17 day of February, 2011,  
by Matthew Hickey as the Vice Pres. of P.I. Holdings No. 1, Inc., a Texas  
corporation, as manager of PL-Service Management, LLC a Florida limited liability company  
on behalf the company, who is personally known to me or who has produced  
as identification.



Marguerite Fielding  
Notary Public STATE OF TEXAS  
Print Name: \_\_\_\_\_

My commission expires: \_\_\_\_\_

EXHIBIT "A"

LEGAL DESCRIPTION

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STAGE 1, TRACT D, AQUARINA P.U.D. STAGE 1, TRACTS C & D, STAGE 2, TRACTS B, D & H,  
STAGE 3, STAGE 4, TRACTS E, I & X, STAGE 5, ACCORDING TO THE PLAT THEREOF AS  
RECORDED IN PLAT BOOK 41, PAGES 44 THROUGH 92, INCLUSIVE, OF THE PUBLIC RECORDS OF  
BREVARD COUNTY, FLORIDA.

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**COMPOSITE EXHIBIT "D"**

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WILL BE LATE FILED

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**Water and Wastewater Tariffs**

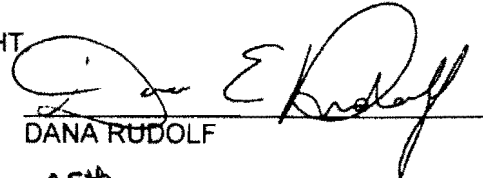
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**AFFIDAVIT OF MAILING**

STATE OF FLORIDA  
COUNTY OF SEMINOLE

Before me, the undersigned authority, authorized to administer oaths and take acknowledgments, personally appeared DANA RUDOLF, who, after being duly sworn on oath, did depose on oath and say that she is the secretary of Martin S. Friedman, attorney for Aquarina Utilities, Inc., and that on the 25<sup>th</sup> of February, 2011, she did send by U.S. Mail a copy of the notice attached hereto to each of the utilities, governmental bodies, agencies, or municipalities, in accordance with the list provided by the Florida Public Service Commission, which is also attached hereto.

FURTHER AFFIANT SAYETH NAUGHT

  
DANA RUDOLF

Sworn and subscribed to before me this 25<sup>th</sup> day of February, 2011, by Dana Rudolf, who is personally known to me or who has provided as identification.



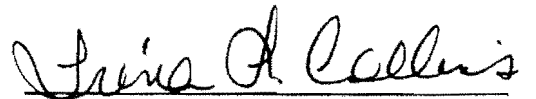
  
NOTARY PUBLIC - State of Florida  
Print Name: Trina L. Collins  
My Commission Expires: 3-4-12

EXHIBIT "E"

**NOTICE OF APPLICATION FOR TRANSFER UTILITY ASSETS  
AND WATER AND WASTEWATER CERTIFICATES**

NOTICE IS HEREBY given on the 25<sup>th</sup> day of February, 2011, pursuant to Section 367.071, Florida Statutes, of the Application for Transfer of the Utility Assets of Service Management Systems, Inc., and Certificate Nos. 517-W and 450-S to Aquarina Utilities, Inc., providing water and wastewater service to the following described territory in Brevard County, Florida:

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**WATER SERVICE AREA**

---

A PORTION OF SECTIONS 25, 35 AND 36 TOWNSHIP 29 SOUTH, RANGE 38 EAST, SECTION 31, TOWNSHIP 29 SOUTH, RANGE 39 EAST, SECTION 1, TOWNSHIP 30 SOUTH, RANGE 38 EAST AND SECTION 6, TOWNSHIP 30 SOUTH, RANGE 39 EAST, BREVARD COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

BEGIN AT THE SOUTHWEST CORNER OF SAID SECTION 25 AND RUN N00°19'34"W ALONG THE WEST LINE OF SAID SECTION 25 A DISTANCE OF 1327.58 FEET TO THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTH 1/2 OF SAID SECTION 25; THENCE RUN S88°30'24"E ALONG NORTH LINE OF THE SOUTH 1/2 OF THE SOUTH 1/2 OF SECTION 25 A DISTANCE OF 2634 FEET MORE OR LESS TO THE MEAN HIGH WATER LINE OF THE ATLANTIC OCEAN; THENCE RUN SOUTHERLY ALONG SAID MEAN HIGH WATER LINE THROUGH SAID SECTIONS 25, 36, 31 AND 6 A DISTANCE OF 12127 FEET MORE OR LESS TO THE SOUTH LINE OF THE NORTH 1/2 OF THE SOUTH 1/2 OF SAID SECTION 6; THENCE RUN N88°48'45"W ALONG THE SOUTH LINE OF THE NORTH 1/2 OF THE SOUTH 1/2 OF SECTION 6 A DISTANCE OF 1524 FEET MORE OR LESS TO THE MEAN HIGH WATER LINE OF THE INDIAN RIVER; THENCE RUN NORTHERLY ALONG THE MEAN HIGH WATER LINE OF THE INDIAN RIVER AND MULLET CREEK 16336 FEET MORE OR LESS TO THE NORTH LINE OF SAID SECTION 35; THENCE RUN S88°22'47"E ALONG THE NORTH LINE OF SECTION 35 A DISTANCE OF 982 FEET MORE OR LESS TO THE POINT OF BEGINNING.

**WASTEWATER SERVICE AREA**

A PORTION OF SECTIONS 25, 26, 35 AND 36 TOWNSHIP 29 SOUTH, RANGE 38 EAST, AND SECTION 31, TOWNSHIP 29 SOUTH, RANGE 39 EAST, BREVARD COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

BEGIN AT THE WEST 1/4 CORNER OF SAID SECTION 25 AND RUN N00°18'50"W ALONG THE WEST LINE OF SAID SECTION 25 A DISTANCE OF 1340.83 FEET TO THE NORTH LINE OF THE SOUTH 1/2 OF THE NORTH 1/2 OF SAID SECTION 25; THENCE RUN S88°31'07"E ALONG NORTH LINE OF THE SOUTH 1/2 OF THE NORTH 1/2 OF SECTION 25 A DISTANCE OF 1351 FEET MORE OR LESS TO THE MEAN HIGH WATER LINE OF THE ATLANTIC OCEAN; THENCE RUN SOUTHERLY ALONG SAID

MEAN HIGH WATER LINE THROUGH SAID SECTIONS 25, 36, AND 31 A DISTANCE OF 9203 FEET MORE OR LESS TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF THE NORTH 1/2 OF THE SOUTH 1/2 OF SAID SECTION 36; THENCE RUN N88°23'42"W ALONG SAID LINE AND THE SOUTH LINE OF THE NORTH 1/2 OF THE SOUTH 1/2 OF SECTION 36 A DISTANCE OF 790 FEET MORE OR LESS TO THE MEAN HIGH WATER LINE OF THE INDIAN RIVER; THENCE RUN NORTHERLY ALONG THE MEAN HIGH WATER LINE OF THE INDIAN RIVER AND MULLET CREEK 8315 FEET MORE OR LESS TO THE SOUTH LINE OF SAID SECTION 26; THENCE RUN ~~S88°22'47"E ALONG THE SOUTH LINE OF SAID SECTION 26 A DISTANCE OF 982~~ FEET TO THE COMMON CORNER OF SAID SECTIONS 25, 26, 35 AND 36; THENCE RUN ALONG THE WEST LINE OF SAID SECTION 25 N00°19'34"W 1327.58 TO THE ~~SOUTHEAST CORNER OF GOVERNMENT LOT 3 OF SAID SECTION 26;~~ THENCE RUN N88°30'25"W ALONG THE SOUTH LINE OF SAID GOVERNMENT LOT 3 A DISTANCE OF 1276 FEET MORE OR LESS TO THE MEAN HIGH WATER LINE OF MULLET CREEK; THENCE RUN NORTHERLY ALONG THE MEAN HIGH WATER LINE OF MULLET CREEK 1903 FEET MORE OR LESS TO THE NORTH LINE OF THE SOUTHEAST 1/4 OF SAID SECTION 26; THENCE RUN S88°31'12"E ALONG THE NORTH LINE OF THE SOUTHEAST 1/4 OF SECTION 26 A DISTANCE OF 2431 MORE OR LESS TO THE POINT OF BEGINNING.

Any objections to the Application must be made in writing and filed with the Commission Clerk, Office of Commission Clerk, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, no later than 30 days from the date of this Notice, with a copy to Martin S. Friedman, Esquire, Rose, Sundstrom & Bentley, LLP, 766 N. Sun Drive, Suite 4030, Lake Mary, Florida 32746. The objection must state the grounds for the objection with particularity.

AQUARINA UTILITIES, INC.

**EXHIBIT "F"**

**WILL BE LATE FILED**

(Affidavit of Notice given to Customers)

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**AFFIDAVIT OF MAILING**

STATE OF FLORIDA  
COUNTY OF \_\_\_\_\_

BEFORE ME, the undersigned authority, authorized to administer oaths and take  
~~acknowledgments, personally appeared Reginald Burge, on behalf of the Buyer, who,~~  
after being duly sworn on oath, did depose on oath and say that he is the Secretary of the  
Buyer, and that on the \_\_\_\_ day of March, 2011, he did send by first class U.S. Mail a  
copy of the Notice attached hereto to each of the Utility's customers.

FURTHER AFFIANT SAYETH NAUGHT.

\_\_\_\_\_  
Printed Name: Reginald Burge

Sworn and subscribed to before me this \_\_\_\_ day of March 2011, by Reginald  
Burge on behalf of the Utility, who is personally known to me.

\_\_\_\_\_  
NOTARY PUBLIC - State of Florida  
Print Name: \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

**EXHIBIT "F"**

**EXHIBIT "G"**

---

WILL BE LATE FILED

---

(Affidavit of Publication)

---

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for Authority to Transfer )  
the Assets of SERVICE MANAGEMENT )  
SYSTEMS, INC., and Certificate Nos. )  
517-W and 450-S in Brevard County, )  
Florida to AQUARINA UTILITIES, INC. )

Docket No. 110061-WS

**NOTICE OF FILING LATE FILED EXHIBIT "D"**

Applicant, AQUARINA UTILITIES, INC., by and through its undersigned attorneys, hereby gives notice of filing the attached Late Filed Composite Exhibit "D" to its Application, which is the original and two copies of revised Water and Wastewater Tariffs reflecting the change in ownership.

Respectfully submitted on this 18<sup>th</sup> day of  
March, 2011, by:

ROSE, SUNDSTROM & BENTLEY, LLP  
766 N. Sun Drive, Suite 4030  
Lake Mary, Florida 32746  
PHONE: (407) 830-6331  
FAX: (407) 830-8522

By: 

MARTIN S. FRIEDMAN  
For the Firm

WATER TARIFF

AQUARINA UTILITIES, INC.  
NAME OF COMPANY

FILED WITH  
FLORIDA PUBLIC SERVICE COMMISSION

ORIGINAL SHEET NO. 1.0

WATER TARIFF

AQUARINA UTILITIES, INC.  
NAME OF COMPANY

235 AQUARINA BOULEVARD  
MELBOURNE BEACH, FL 32951  
(ADDRESS OF COMPANY)

(772) 708-8216 / (772) 708-7946  
(Business & Emergency Telephone Numbers)

FILED WITH  
FLORIDA PUBLIC SERVICE COMMISSION

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 2.0

WATER TARIFF  
TABLE OF CONTENTS

	<u>Sheet Number</u>
Communities Served Listing.....	4.0
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Rules and Regulations .....	6.0
Service Availability Policy .....	23.0
Standard Forms.....	18.0
Technical Terms and Abbreviations .....	5.0
Territory Authority.....	3.0

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 3.0

TERRITORY AUTHORITY

CERTIFICATE NUMBER - 517-W

COUNTY - Brevard

COMMISSION ORDER(s) APPROVING TERRITORY SERVED -

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
22075	10/19/89	880595-WS	Original Certificate
23059	06/11/90	900167-WS	Territory Amendment
PSC-92-0119-FOF-WS	03/30/92	911129-WS	Territory Amendment
PSC-97-0206-FOF-WS	02/21/97	960095-WS	Name Change
PSC-97-0206A-FOF-WS	03/05/97	960095-WS	Amendatory Order
PSC-97-0918-FOF-WS	08/04/97	970093-WS	Transfer Majority Control
PSC-03-0787-FOF-WS	07/02/03	020091-WS	Transfer Majority Control

(Continued to Sheet No. 3.1)

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 3.1

(Continued from Sheet No.3.0)

DESCRIPTION OF TERRITORY SERVED

**WATER SERVICE AREA**

A PORTION OF SECTIONS 25, 35 AND 36 TOWNSHIP 29 SOUTH, RANGE 38 EAST, SECTION 31, TOWNSHIP 29 SOUTH, RANGE 39 EAST, SECTION 1, TOWNSHIP 30 SOUTH, RANGE 38 EAST AND SECTION 6, TOWNSHIP 30 SOUTH, RANGE 39 EAST, BREVARD COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

BEGIN AT THE SOUTHWEST CORNER OF SAID SECTION 25 AND RUN N00°19'34"W ALONG THE WEST LINE OF SAID SECTION 25 A DISTANCE OF 1327.58 FEET TO THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTH 1/2 OF SAID SECTION 25; THENCE RUN S88°30'24"E ALONG NORTH LINE OF THE SOUTH 1/2 OF THE SOUTH 1/2 OF SECTION 25 A DISTANCE OF 2634 FEET MORE OR LESS TO THE MEAN HIGH WATER LINE OF THE ATLANTIC OCEAN; THENCE RUN SOUTHERLY ALONG SAID MEAN HIGH WATER LINE THROUGH SAID SECTIONS 25, 36, 31 AND 6 A DISTANCE OF 12127 FEET MORE OR LESS TO THE SOUTH LINE OF THE NORTH 1/2 OF THE SOUTH 1/2 OF SAID SECTION 6; THENCE RUN N88°48'45"W ALONG THE SOUTH LINE OF THE NORTH 1/2 OF THE SOUTH 1/2 OF SECTION 6 A DISTANCE OF 1524 FEET MORE OR LESS TO THE MEAN HIGH WATER LINE OF THE INDIAN RIVER; THENCE RUN NORTHERLY ALONG THE MEAN HIGH WATER LINE OF THE INDIAN RIVER AND MULLET CREEK 16336 FEET MORE OR LESS TO THE NORTH LINE OF SAID SECTION 35; THENCE RUN S88°22'47"E ALONG THE NORTH LINE OF SECTION 35 A DISTANCE OF 982 FEET MORE OR LESS TO THE POINT OF BEGINNING.

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE



AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 4.0

COMMUNITIES SERVED LISTING

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

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 5.0

TECHNICAL TERMS AND ABBREVIATIONS

- 1.0 "BFC" - The abbreviation for "Base Facility Charge" which is the minimum amount the Company may charge its Customers and is separate from the amount the Company bills its Customers for water consumption.
- 2.0 "CERTIFICATE" - A document issued by the Commission authorizing the Company to provide water service in a specific territory.
- 3.0 "COMMISSION" - The shortened name for the Florida Public Service Commission.
- 4.0 "COMMUNITIES SERVED" - The group of Customers who receive water service from the Company and whose service location is within a specific area or locality that is uniquely separate from another.
- 5.0 "COMPANY" - The shortened name for the full name of the utility which is Aquarina Utilities, Inc.
- 6.0 "CUSTOMER" - Any person, firm or corporation who has entered into an agreement to receive water service from the Company and who is liable for the payment of that water service.
- 7.0 "CUSTOMER'S INSTALLATION" - All pipes, shut-offs, valves, fixtures and appliances or apparatus of every kind and nature used in connection with or forming a part of the installation for rendering water service to the Customer's side of the Service Connection whether such installation is owned by the Customer or used by the Customer under lease or other agreement.
- 8.0 "MAIN" - A pipe, conduit, or other facility used to convey water service to individual service lines or through other mains.
- 9.0 "RATE" - Amount which the Company may charge for water service which is applied to the Customer's actual consumption.
- 10.0 "RATE SCHEDULE" - The rate(s) or charge(s) for a particular classification of service plus the several provisions necessary for billing, including all special terms and conditions under which service shall be furnished at such rate or charge.
- 11.0 "SERVICE" - As mentioned in this tariff and in agreement with Customers, "Service" shall be construed to include, in addition to all water service required by the Customer, the readiness and ability on the part of the Company to furnish water service to the Customer. Service shall conform to the standards set forth in Section 367.111 of the Florida Statutes.
- 12.0 "SERVICE CONNECTION" - The point where the Company's pipes or meters are connected with the pipes of the Customer.
- 13.0 "SERVICE LINES" - The pipes between the Company's Mains and the Service Connection and which includes all of the pipes, fittings and valves necessary to make the connection to the Customer's premises, excluding the meter.
- 14.0 "TERRITORY" - The geographical area described, if necessary, by metes and bounds but, in all cases, with township, range and section in a Certificate, which may be within or without the boundaries of an incorporated municipality and may include areas in more than one county.

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
 WATER TARIFF

ORIGINAL SHEET NO. 6.0

INDEX OF RULES AND REGULATIONS

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(Continued to Sheet No. 6.1)

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Secretary  
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AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 6.1

(Continued from Sheet No. 6.0)

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Reginald Burge  
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Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 7.0

RULES AND REGULATIONS

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

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

- 2.0 POLICY DISPUTE - Any dispute between the Company and the Customer or prospective Customer regarding the meaning or application of any provision of this tariff shall upon written request by either party be resolved by the Florida Public Service Commission.

- 3.0 APPLICATION - In accordance with Rule 25-30.310, Florida Administrative Code, a signed application is required prior to the initiation of service. The Company shall provide each Applicant with a copy of the brochure entitled "Your Water and Wastewater Service," prepared by the Florida Public Service Commission.

- 4.0 APPLICATIONS BY AGENTS - Applications for water service requested by firms, partnerships, associations, corporations, and others shall be rendered only by duly authorized parties or agents.

- 5.0 REFUSAL OR DISCONTINUANCE OF SERVICE - The Company may refuse or discontinue water service rendered under application made by any member or agent of a household, organization, or business in accordance with Rule 25-30.320, Florida Administrative Code.

- 6.0 EXTENSIONS - Extensions will be made to the Company's facilities in compliance with Commission Rules and Orders and the Company's tariff.

- 7.0 TYPE AND MAINTENANCE - In accordance with Rule 25-30.545, Florida Administrative Code, the Customer's pipes, apparatus and equipment shall be selected, installed, used and maintained in accordance with standard practice and shall conform with the Rules and Regulations of the Company and shall comply with all laws and governmental regulations applicable to same. The Company shall not be responsible for the maintenance and operation of the Customer's pipes and facilities. The Customer expressly agrees not to utilize any appliance or device which is not properly constructed, controlled and protected or which may adversely affect the water service. The Company reserves the right to discontinue or withhold water service to such apparatus or device.

- 8.0 DELINQUENT BILLS - When it has been determined that a Customer is delinquent in paying any bill, water service may be discontinued after the Company has mailed or presented a written notice to the Customer in accordance with Rule 25-30.320, Florida Administrative Code.

(Continued on Sheet No. 8.0)

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 8.0

(Continued from Sheet No. 7.0)

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

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

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

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

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

- 12.0 PROTECTION OF COMPANY'S PROPERTY - The Customer shall exercise reasonable diligence to protect the Company's property. If the Customer is found to have tampered with any Company property or refuses to correct any problems reported by the Company, service may be discontinued in accordance with Rule 25-30.320, Florida Administrative Code.

In the event of any loss or damage to property of the Company caused by or arising out of carelessness, neglect, or misuse by the Customer, the cost of making good such loss or repairing such damage shall be paid by the Customer.

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

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

(Continued on Sheet No. 9.0)

Reginald Burge  
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TITLE

AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 9.0

(Continued from Sheet No. 8.0)

- 14.0 ACCESS TO PREMISES - In accordance with Rule 25-30.320(2)(f), Florida Administrative Code, the Customer shall provide the duly authorized agents of the Company access at all reasonable hours to its property. If reasonable access is not provided, service may be discontinued pursuant to the above rule.
- 15.0 RIGHT-OF-WAY OR EASEMENTS - The Customer shall grant or cause to be granted to the Company, and without cost to the Company, all rights, easements, permits, and privileges which are necessary for the rendering of water service.
- 16.0 CUSTOMER BILLING - Bills for water service will be rendered - Monthly, Bimonthly, or Quarterly - as stated in the rate schedule.
- In accordance with Rule 25-30.335, Florida Administrative Code, the Company may not consider a Customer delinquent in paying his or her bill until the twenty-first day after the Company has mailed or presented the bill for payment.
- A municipal or county franchise tax levied upon a water or wastewater public Company shall not be incorporated into the rate for water or wastewater service but shall be shown as a separate item on the Company's bills to its Customers in such municipality or county.
- If a Company utilizes the base facility and usage charge rate structure and does not have a Commission authorized vacation rate, the Company shall bill the Customer the base facility charge regardless of whether there is any usage.
- 17.0 TERMINATION OF SERVICE - When a Customer wishes to terminate service on any premises where water service is supplied by the Company, the Company may require reasonable notice to the Company in accordance with Rule 25-30.325, Florida Administrative Code.
- 18.0 PAYMENT OF WATER AND WASTEWATER SERVICE BILLS CONCURRENTLY - In accordance with Rule 25-30.320(2)(g), Florida Administrative Code, when both water and wastewater service are provided by the Company, payment of any water service bill rendered by the Company to a Customer shall not be accepted by the Company without the simultaneous or concurrent payment of any wastewater service bill rendered by the Company.
- 19.0 UNAUTHORIZED CONNECTIONS - WATER - Any unauthorized connections to the Customer's water service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
- 20.0 METERS - All water meters shall be furnished by and remain the property of the Company and shall be accessible and subject to its control, in accordance with Rule 25-30.230, Florida Administrative Code.
- 21.0 ALL WATER THROUGH METER - That portion of the Customer's installation for water service shall be so arranged to ensure that all water service shall pass through the meter. No temporary pipes, nipples or spaces are permitted and under no circumstances are connections allowed which may permit water to by-pass the meter or metering equipment.

(Continued on Sheet No. 10.0)

Reginald Burge  
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TITLE

AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 10 0

(Continued from Sheet No. 9.0)

- 22.0 ADJUSTMENT OF BILLS - When a Customer has been undercharged as a result of incorrect application of the rate schedule, incorrect reading of the meter, incorrect connection of the meter, or other similar reasons, the amount may be refunded or billed to the Customer as the case may be pursuant to Rules 25-30.340 and 25-30.350, Florida Administrative Code.
- 23.0 ADJUSTMENT OF BILLS FOR METER ERROR - When meter tests are made by the Commission or by the Company, the accuracy of registration of the meter and its performance shall conform with Rule 25-30.262, Florida Administrative Code and any adjustment of a bill due to a meter found to be in error as a result of any meter test performed whether for unauthorized use or for a meter found to be fast, slow, non-registering, or partially registering, shall conform with Rule 25-30.340, Florida Administrative Code.
- 24.0 METER ACCURACY REQUIREMENTS - All meters used by the Company should conform to the provisions of Rule 25-30.262, Florida Administrative Code.
- 25.0 FILING OF CONTRACTS - Whenever a Developer Agreement or Contract, Guaranteed Revenue Contract, or Special Contract or Agreement is entered into by the Company for the sale of its product or services in a manner not specifically covered by its Rules and Regulations or approved Rate Schedules, a copy of such contracts or agreements shall be filed with the Commission prior to its execution in accordance with Rule 25-9.034 and Rule 25-30.550, Florida Administrative Code. If such contracts or agreements are approved by the Commission, a conformed copy shall be placed on file with the Commission within 30 days of execution.

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Secretary  
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AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 11.0

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Irrigation Service, IR.....	13.0
Meter Test Deposit.....	15.0
Miscellaneous Service Charges .....	16.0
Multi-Residential Service .....	12.0
Residential Service, RS.....	13.0
Service Availability Fees and Charges – Irrigation Service.....	17.1
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Secretary  
TITLE

AQUARINA UTILITIES, INC.  
 WATER TARIFF

ORIGINAL SHEET NO. 12.0

RESIDENTIAL, MULTI-RESIDENTIAL, GENERAL SERVICE  
RATE SCHEDULE

AVAILABILITY - Available throughout the area served by the Company.  
APPLICABILITY - For water service to all customers for which no other schedule applies.  
LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.  
BILLING PERIOD - Monthly

<u>RATE</u> -	<u>Meter Size</u>	<u>Base Facility Charge</u>
	5/8" x 3/4"	\$ 18.52
	3/4"	\$ 27.78
	1"	\$ 46.30
	1 1/2"	\$ 92.61
	2"	\$ 148.18
	3"	\$ 296.35
	4"	\$ 463.04
	6"	\$ 926.08
	<u>Gallage Charge</u> Per 1,000 Gallons	\$ 6.72

MINIMUM BILL - Base Facility Charge  
TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty-one (21) days. After five (5) working days' written notice is mailed to the customer separate and apart from any other bill, service may then be discontinued.  
EFFECTIVE DATE -  
TYPE OF FILING - Transfer

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Secretary  
 TITLE

AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 13.0

IRRIGATION SERVICE  
RATE SCHEDULE IS

AVAILABILITY - Available throughout the area served by the Company.

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

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

BILLING PERIOD - Monthly

RATE - Base Facility Charge

All meter sizes	
Per 1,000 gallons	\$0.75

MINIMUM BILL - Not Applicable

TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty-one (21) days. After five (5) working days' written notice is mailed to the customer separate and apart from any other bill, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING - Transfer

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Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 14.0

CUSTOMER DEPOSITS

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

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

	<u>Residential</u>	<u>General Service</u>
5/8" x 3/4"	\$68.00	\$68.00
1"	2x avg. bill	2x avg. bill
1 1/2"	2x avg. bill	2x avg. bill
Over 2"	2x avg. bill	2x avg. bill

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

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

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

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

EFFECTIVE DATE -

TYPE OF FILING - Transfer

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TITLE

AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 15.0

METER TEST DEPOSIT

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

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

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

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

EFFECTIVE DATE -

TYPE OF FILING - Transfer

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Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 16.0

MISCELLANEOUS SERVICE CHARGES

MISCELLANEOUS SERVICE CHARGES

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

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

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

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

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

Schedule of Miscellaneous Service Charges

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

EFFECTIVE DATE -

TYPE OF FILING - Transfer

Reginald Burge  
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Secretary  
TITLE

AQUARINA UTILITIES, INC.  
 WATER TARIFF

ORIGINAL SHEET NO. 17.0

SERVICE AVAILABILITY FEES AND CHARGES – POTABLE SERVICE

<u>Description</u>	<u>Refer to Service Availability Policy</u>	
	<u>Amount</u>	<u>Sheet No./Rule No.</u>
<u>Back-Flow Preventor Installation Fee</u>		
5/8" x 3/4" .....	\$	
1" .....	\$	
1 1/2" .....	\$	
2" .....	\$	
Over 2" .....	\$ Actual Cost <sup>1</sup>	
<u>Customer Connection (Tap-in) Charge</u>		
5/8" x 3/4" metered service .....	\$	
1" metered service .....	\$	
1 1/2" metered service .....	\$	
2" metered service .....	\$	
Over 2" metered service .....	\$ Actual Cost <sup>1</sup>	
<u>Guaranteed Revenue Charge</u>		
With Prepayment of Service Availability Charges:		
Residential-per ERC/month ( __ GPD) .....	\$	
All others-per gallon/month .....	\$	
Without Prepayment of Service Availability Charges:		
Residential-per ERC/month ( __ GPD) .....	\$	
All others-per gallon/month .....	\$	
<u>Inspection Fee</u> .....	\$ <sup>1</sup>	
<u>Main Extension Charge</u>		
Residential-per ERC ( __ GPD) .....	\$ 500.00	
All others-per gallon .....	\$ 1.43	
or		
Residential-per lot ( __ foot frontage) .....	\$	
All others-per front foot .....	\$	
<u>Meter Installation Fee</u>		
5/8" x 3/4" .....	\$ 150.00	
1" .....	\$ Actual Cost <sup>1</sup>	
1 1/2" .....	\$ Actual Cost <sup>1</sup>	
2" .....	\$ Actual Cost <sup>1</sup>	
Over 2" .....	\$ Actual Cost <sup>1</sup>	
<u>Plan Review Charge</u> .....	\$ Actual Cost <sup>1</sup>	
<u>Plant Capacity Charge</u>		
Residential-per ERC ( __ GPD) .....	\$ 780.00	
All others-per gallon .....	\$ 2.23	
<u>System Capacity Charge</u>		
Residential-per ERC ( __ GPD) .....	\$	
All others-per gallon .....	\$	

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

EFFECTIVE DATE -

TYPE OF FILING - Transfer

Reginald Burge  
 ISSUING OFFICER  
Secretary  
 TITLE

AQUARINA UTILITIES, INC.  
 WATER TARIFF

ORIGINAL SHEET NO. 17.1

SERVICE AVAILABILITY FEES AND CHARGES – IRRIGATION SERVICE

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

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

EFFECTIVE DATE -

TYPE OF FILING - Transfer

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 ISSUING OFFICER  
Secretary  
 TITLE



AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 18.0

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COPY OF CUSTOMER'S BILL .....	22.0
CUSTOMER'S GUARANTEE DEPOSIT RECEIPT.....	19.0

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 19.0

CUSTOMER'S GUARANTEE DEPOSIT RECEIPT

N/A

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 20.0

APPLICATION FOR WATER SERVICE

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 21.0

APPLICATION FOR METER INSTALLATION

N/A

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
 WATER TARIFF

ORIGINAL SHEET NO. 22.0

COPY OF CUSTOMER'S BILL

METER READ			USAGE	AMOUNT		
					DUE DATE	AMT. DUE
					ACCT. NO.	IF LATE PAY
					BILL DATE	SRV. TYPE
					STREET ADDRESS	
DUE DATE	IF LATE PAY	RETURN THIS STUB WITH PAYMENT			ACCT. NO.	AMT. DUE

Reginald Burge  
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 TITLE

AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 23.0

INDEX OF SERVICE AVAILABILITY

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Service Availability Policy.....	24.0

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WATER TARIFF

ORIGINAL SHEET NO. 24.0

SERVICE AVAILABILITY POLICY

There shall be a main extension charge of \$500.00 per ERC (350 gallons per day) and a plant capacity charge of \$780.00 per ERC for water. These charges shall apply only to new Customers who connect to the system. Customers who are currently connected to the system are not subject to these charges.

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

WASTEWATER TARIFF

AQUARINA UTILITIES, INC.  
NAME OF COMPANY

FILED WITH  
FLORIDA PUBLIC SERVICE COMMISSION



ORIGINAL SHEET NO. 1.0

WASTEWATER TARIFF

AQUARINA UTILITIES, INC.  
NAME OF COMPANY

235 AQUARINA BOULEVARD  
MELBOURNE BEACH, FL 32951  
(ADDRESS OF COMPANY)

(772) 708-8216 / (772) 708-7946  
(Business & Emergency Telephone Numbers)

FILED WITH  
FLORIDA PUBLIC SERVICE COMMISSION

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 2.0

WASTEWATER TARIFF

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Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 3.0

TERRITORY AUTHORITY

CERTIFICATE NUMBER - 450-S

COUNTY - Brevard

COMMISSION ORDER(s) APPROVING TERRITORY SERVED -

<u>Order Number</u>	<u>Date Issued</u>	<u>Docket Number</u>	<u>Filing Type</u>
22075	10/19/89	880595-WS	Original Certificate
23059	06/11/90	900167-WS	Territory Amendment
PSC-92-0119-FOF-WS	03/30/92	911129-WS	Territory Amendment
PSC-97-0206-FOF-WS	02/21/97	960095-WS	Name Change
PSC-97-0206A-FOF-WS	03/05/97	960095-WS	Amendatory Order
PSC-97-0918-FOF-WS	08/04/97	970093-WS	Transfer Majority Control
PSC-03-0787-FOF-WS	07/02/03	020091-WS	Transfer Majority Control

(Continued to Sheet No. 3.1)

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 3 1

(Continued from Sheet No.3.0)

DESCRIPTION OF TERRITORY SERVED

**WASTEWATER SERVICE AREA**

A PORTION OF SECTIONS 25, 26, 35 AND 36 TOWNSHIP 29 SOUTH, RANGE 38 EAST, AND SECTION 31, TOWNSHIP 29 SOUTH, RANGE 39 EAST, BREVARD COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

BEGIN AT THE WEST 1/4 CORNER OF SAID SECTION 25 AND RUN N00°18'50"W ALONG THE WEST LINE OF SAID SECTION 25 A DISTANCE OF 1340.83 FEET TO THE NORTH LINE OF THE SOUTH 1/2 OF THE NORTH 1/2 OF SAID SECTION 25; THENCE RUN S88°31'07"E ALONG NORTH LINE OF THE SOUTH 1/2 OF THE NORTH 1/2 OF SECTION 25 A DISTANCE OF 1351 FEET MORE OR LESS TO THE MEAN HIGH WATER LINE OF THE ATLANTIC OCEAN; THENCE RUN SOUTHERLY ALONG SAID MEAN HIGH WATER LINE THROUGH SAID SECTIONS 25, 36, AND 31 A DISTANCE OF 9203 FEET MORE OR LESS TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF THE NORTH 1/2 OF THE SOUTH 1/2 OF SAID SECTION 36; THENCE RUN N88°23'42"W ALONG SAID LINE AND THE SOUTH LINE OF THE NORTH 1/2 OF THE SOUTH 1/2 OF SECTION 36 A DISTANCE OF 790 FEET MORE OR LESS TO THE MEAN HIGH WATER LINE OF THE INDIAN RIVER; THENCE RUN NORTHERLY ALONG THE MEAN HIGH WATER LINE OF THE INDIAN RIVER AND MULLET CREEK 8315 FEET MORE OR LESS TO THE SOUTH LINE OF SAID SECTION 26; THENCE RUN S88°22'47"E ALONG THE SOUTH LINE OF SAID SECTION 26 A DISTANCE OF 982 FEET TO THE COMMON CORNER OF SAID SECTIONS 25, 26, 35 AND 36; THENCE RUN ALONG THE WEST LINE OF SAID SECTION 25 N00°19'34"W 1327.58 TO THE SOUTHEAST CORNER OF GOVERNMENT LOT 3 OF SAID SECTION 26; THENCE RUN N88°30'25"W ALONG THE SOUTH LINE OF SAID GOVERNMENT LOT 3 A DISTANCE OF 1276 FEET MORE OR LESS TO THE MEAN HIGH WATER LINE OF MULLET CREEK; THENCE RUN NORTHERLY ALONG THE MEAN HIGH WATER LINE OF MULLET CREEK 1903 FEET MORE OR LESS TO THE NORTH LINE OF THE SOUTHEAST 1/4 OF SAID SECTION 26; THENCE RUN S88°31'12"E ALONG THE NORTH LINE OF THE SOUTHEAST 1/4 OF SECTION 26 A DISTANCE OF 2431 MORE OR LESS TO THE POINT OF BEGINNING.

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 4.0

COMMUNITIES SERVED LISTING

<u>County Name</u>	<u>Development Name</u>	<u>Rate Schedule(s) Available</u>	<u>Sheet No.</u>
Brevard	AQUARINA I	GS	12.0
		RS, MS	13.0
		RSS	14.0
Brevard	AQUARINA II	GS	12.0
		RS, MS	13.0
		RSS	14.0
Brevard	ST. ANDREWS	GS	12.0
		RS, MS	13.0
		RSS	14.0

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 5.0

TECHNICAL TERMS AND ABBREVIATIONS

- 1.0 "BFC" - The abbreviation for "Base Facility Charge" which is the minimum amount the Company may charge its Customers and is separate from the amount the Company bills its Customers for water consumption.
- 2.0 "CERTIFICATE" - A document issued by the Commission authorizing the Company to provide water service in a specific territory.
- 3.0 "COMMISSION" - The shortened name for the Florida Public Service Commission.
- 4.0 "COMMUNITIES SERVED" - The group of Customers who receive water service from the Company and whose service location is within a specific area or locality that is uniquely separate from another.
- 5.0 "COMPANY" - The shortened name for the full name of the utility which is Aquarina Utilities, Inc.
- 6.0 "CUSTOMER" - Any person, firm or corporation who has entered into an agreement to receive water service from the Company and who is liable for the payment of that water service.
- 7.0 "CUSTOMER'S INSTALLATION" - All pipes, shut-offs, valves, fixtures and appliances or apparatus of every kind and nature used in connection with or forming a part of the installation for rendering water service to the Customer's side of the Service Connection whether such installation is owned by the Customer or used by the Customer under lease or other agreement.
- 8.0 "MAIN" - A pipe, conduit, or other facility used to convey water service to individual service lines or through other mains.
- 9.0 "RATE" - Amount which the Company may charge for water service which is applied to the Customer's actual consumption.
- 10.0 "RATE SCHEDULE" - The rate(s) or charge(s) for a particular classification of service plus the several provisions necessary for billing, including all special terms and conditions under which service shall be furnished at such rate or charge.
- 11.0 "SERVICE" - As mentioned in this tariff and in agreement with Customers, "Service" shall be construed to include, in addition to all water service required by the Customer, the readiness and ability on the part of the Company to furnish water service to the Customer. Service shall conform to the standards set forth in Section 367.111 of the Florida Statutes.
- 12.0 "SERVICE CONNECTION" - The point where the Company's pipes or meters are connected with the pipes of the Customer.
- 13.0 "SERVICE LINES" - The pipes between the Company's Mains and the Service Connection and which includes all of the pipes, fittings and valves necessary to make the connection to the Customer's premises, excluding the meter.
- 14.0 "TERRITORY" - The geographical area described, if necessary, by metes and bounds but, in all cases, with township, range and section in a Certificate, which may be within or without the boundaries of an incorporated municipality and may include areas in more than one county.

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
 WASTEWATER TARIFF

ORIGINAL SHEET NO. 6.0

INDEX OF RULES AND REGULATIONS

	<u>Sheet Number:</u>	<u>Rule Number:</u>
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Adjustment of Bills .....	9.0	20.0
Application .....	7.0	3.0
Applications by Agents .....	7.0	4.0
Change of Customer's Installation .....	8.0	10.0
Continuity of Service .....	7.0	8.0
Customer Billing .....	9.0	15.0
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Evidence of Consumption .....	10.0	22.0
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Reginald Burge  
 ISSUING OFFICER  
Secretary  
 TITLE

AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 7.0

RULES AND REGULATIONS

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

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

- 2.0 POLICY DISPUTE - Any dispute between the Company and the Customer or prospective Customer regarding the meaning or application of any provision of this tariff shall upon written request by either party be resolved by the Florida Public Service Commission.
- 3.0 APPLICATION - In accordance with Rule 25-30.310, Florida Administrative Code, a signed application is required prior to the initiation of service. The Company shall provide each Applicant with a copy of the brochure entitled "Your Water and Wastewater Service," prepared by the Florida Public Service Commission.
- 4.0 APPLICATIONS BY AGENTS - Applications for wastewater service requested by firms, partnerships, associations, corporations, and others shall be rendered only by duly authorized parties or agents.
- 5.0 REFUSAL OR DISCONTINUANCE OF SERVICE - The Company may refuse or discontinue wastewater service rendered under application made by any member or agent of a household, organization, or business in accordance with Rule 25-30.320, Florida Administrative Code.
- 6.0 EXTENSIONS - Extensions will be made to the Company's facilities in compliance with Commission Rules and Orders and the Company's tariff.
- 7.0 TYPE AND MAINTENANCE - In accordance with Rule 25-30.545, Florida Administrative Code, the Customer's pipes, apparatus and equipment shall be selected, installed, used and maintained in accordance with standard practice and shall conform with the Rules and Regulations of the Company and shall comply with all laws and governmental regulations applicable to same. The Company shall not be responsible for the maintenance and operation of the Customer's pipes and facilities. The Customer expressly agrees not to utilize any appliance or device which is not properly constructed, controlled and protected or which may adversely affect the wastewater service. The Company reserves the right to discontinue or withhold wastewater service to such apparatus or device.
- 8.0 CONTINUITY OF SERVICE - In accordance with Rule 25-30.250, Florida Administrative Code, the Company will at all times use reasonable diligence to provide continuous wastewater service and, having used reasonable diligence, shall not be liable to the Customer for failure or interruption of continuous wastewater service.

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

(Continued on Sheet No. 8.0)

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE



AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 8.0

(Continued from Sheet No. 7.0)

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

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

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

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

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

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

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

(Continued on Sheet No. 9.0)

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 9.0

(Continued from Sheet No. 8.0)

- 14.0 RIGHT-OF-WAY OR EASEMENTS - The Customer shall grant or cause to be granted to the Company, and without cost to the Company, all rights, easements, permits, and privileges which are necessary for the rendering of wastewater service.
- 15.0 CUSTOMER BILLING - Bills for wastewater service will be rendered - Monthly, Bimonthly, or Quarterly - as stated in the rate schedule.
- In accordance with Rule 25-30.335, Florida Administrative Code, the Company may not consider a Customer delinquent in paying his or her bill until the twenty-first day after the Company has mailed or presented the bill for payment.
- A municipal or county franchise tax levied upon a water or wastewater public utility shall not be incorporated into the rate for water or wastewater service but shall be shown as a separate item on the Company's bills to its Customers in such municipality or county.
- If a utility utilizes the base facility and usage charge rate structure and does not have a Commission authorized vacation rate, the Company shall bill the Customer the base facility charge regardless of whether there is any usage.
- 16.0 PAYMENT OF WATER AND WASTEWATER SERVICE BILLS CONCURRENTLY - In accordance with Rule 25-30.320(2)(g), Florida Administrative Code, when both water and wastewater service are provided by the Company, payment of any wastewater service bill rendered by the Company to a Customer shall not be accepted by the Company without the simultaneous or concurrent payment of any water service bill rendered by the Company.
- 17.0 DELINQUENT BILLS - When it has been determined that a Customer is delinquent in paying any bill, wastewater service may be discontinued after the Company has mailed or presented a written notice to the Customer in accordance with Rule 25-30.320, Florida Administrative Code.
- 18.0 TERMINATION OF SERVICE - When a Customer wishes to terminate service on any premises where wastewater service is supplied by the Company, the Company may require reasonable notice to the Company in accordance with Rule 25-30.325, Florida Administrative Code.
- 19.0 UNAUTHORIZED CONNECTIONS - WASTEWATER - Any unauthorized connections to the Customer's wastewater service shall be subject to immediate discontinuance without notice, in accordance with Rule 25-30.320, Florida Administrative Code.
- 20.0 ADJUSTMENT OF BILLS - When a Customer has been undercharged as a result of incorrect application of the rate schedule or, if wastewater service is measured by water consumption and a meter error is determined, the amount may be credited or billed to the Customer as the case may be, pursuant to Rules 25-30.340 and 25-30.350, Florida Administrative Code.
- 21.0 FILING OF CONTRACTS - Whenever a Developer Agreement or Contract, Guaranteed Revenue Contract, or Special Contract or Agreement is entered into by the Company for the sale of its product or services in a manner not specifically covered by its Rules and Regulations or approved Rate Schedules, a copy of such contracts or agreements shall be filed with the Commission prior to its execution in accordance with Rule 25-9.034 and Rule 25-30.550, Florida Administrative Code. If such contracts or agreements are approved by the Commission, a conformed copy shall be placed on file with the Commission within 30 days of execution.

(Continued on Sheet No. 10.0)

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 10.0

(Continued from Sheet No. 9.0)

- 22.0 EVIDENCE OF CONSUMPTION - The initiation or continuation or resumption of water service to the Customer's premises shall constitute the initiation or continuation or resumption of wastewater service to the Customer's premises regardless of occupancy.

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 11.0

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Service Availability Fees and Charges.....	17.0

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
 WASTEWATER TARIFF

ORIGINAL SHEET NO. 12 0

GENERAL SERVICE  
RATE SCHEDULE GS

AVAILABILITY - Available throughout the area served by the Company.  
APPLICABILITY - For water service to all customers for which no other schedule applies.  
LIMITATIONS - Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.  
BILLING PERIOD - Monthly

<u>RATE</u> -	<u>Meter Size</u>	<u>Base Facility Charge</u>
	5/8" x 3/4"	\$ 21.57
	3/4"	\$ 32.33
	1"	\$ 53.90
	1 1/2"	\$ 107.79
	2"	\$ 172.47
	3"	\$ 344.94
	4"	\$ 538.97
	6"	\$ 1,077.95
	<u>Gallage Charge</u>	
	Per 1,000 Gallons	\$ 5.61

MINIMUM BILL - Base Facility Charge  
TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty-one (21) days. After five (5) working days' written notice is mailed to the customer separate and apart from any other bill, service may then be discontinued.  
EFFECTIVE DATE -  
TYPE OF FILING - Transfer

Reginald Burge  
 ISSUING OFFICER  
Secretary  
 TITLE

AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 13.0

RESIDENTIAL, MULTI-RESIDENTIAL  
RATE SCHEDULE RS & MS

AVAILABILITY - Available throughout the area served by the Company.

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

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

BILLING PERIOD - Monthly

RATE - Base Facility Charge

All meter sizes	\$21.57
<u>Gallage Charge Per 1,000 gallons</u> (maximum 8,000 gallons)	\$ 4.67

MINIMUM BILL - Base Facility Charge

TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty-one (21) days. After five (5) working days' written notice is mailed to the customer separate and apart from any other bill, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING - Transfer

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 14.0

RESIDENTIAL WASTEWATER ONLY SERVICE  
RATE SCHEDULE RWO

AVAILABILITY - Available throughout the area served by the Company.

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

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

BILLING PERIOD - Monthly

RATE - FLAT RATE \$33.81

MINIMUM BILL - Base Facility Charge

TERMS OF PAYMENT - Bills are due and payable when rendered and become delinquent if not paid within twenty-one (21) days. After five (5) working days' written notice is mailed to the customer separate and apart from any other bill, service may then be discontinued.

EFFECTIVE DATE -

TYPE OF FILING - Transfer

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 15.0

CUSTOMER DEPOSITS

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

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

	<u>Residential</u>	<u>General Service</u>
5/8" x 3/4"	\$62.00	\$62.00
1"	2x avg. bill	2x avg. bill
1 1/2"	2x avg. bill	2x avg. bill
Over 2"	2x avg. bill	2x avg. bill

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

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

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

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

EFFECTIVE DATE -

TYPE OF FILING - Transfer

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE



AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 16.0

MISCELLANEOUS SERVICE CHARGES

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

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

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

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

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

Schedule of Miscellaneous Service Charges

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

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

EFFECTIVE DATE -

TYPE OF FILING - Transfer

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
 WASTEWATER TARIFF

ORIGINAL SHEET NO. 17.0

SERVICE AVAILABILITY FEES AND CHARGES

<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFER TO SERVICE AVAILABILITY POLICY SHEET NO./RULE NO.</u>
<u>Customer Connection (Tap-in) Charge</u>		
5/8" x 3/4" metered service .....	\$	
1" metered service .....	\$	
1 1/2" metered service .....	\$	
2" metered service .....	\$	
Over 2" metered service .....	\$ Actual Cost <sup>1</sup>	
<u>Guaranteed Revenue Charge</u>		
With Prepayment of Service Availability Charges:		
Residential-per ERC/month (__)GPD .....	\$	
All others-per gallon/month .....	\$	
Without Prepayment of Service Availability Charges:		
Residential-per ERC/month (__)GPD .....	\$	
All others-per gallon/month .....	\$	
<u>Inspection Fee</u> .....	\$ Actual Cost <sup>1</sup>	
<u>Main Extension Charge</u>		
Residential-per ERC (__) GPD .....	\$ 635.00	
All others-per gallon .....	\$ 2.27	
or		
Residential-per lot (__) foot frontage).....	\$	
All others-per front foot .....	\$	
<u>Plan Review Charge</u> .....	\$ Actual Cost <sup>1</sup>	
<u>Plant Capacity Charge</u>		
Residential-per ERC (__) GPD .....	\$	
All others-per gallon .....	\$	
<u>System Capacity Charge</u>		
Residential-per ERC (__) GPD .....	\$	
All others-per gallon .....	\$	

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

EFFECTIVE DATE -

TYPE OF FILING - Transfer

Reginald Burge  
 ISSUING OFFICER  
Secretary  
 TITLE

AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 18.0

INDEX OF STANDARD FORMS

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

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 19.0

CUSTOMER'S GUARANTEE DEPOSIT RECEIPT

N/A

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 20.0

APPLICATION FOR WASTEWATER SERVICE

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
 WASTEWATER TARIFF

ORIGINAL SHEET NO. 21.0

COPY OF CUSTOMER'S BILL

METER READ			USAGE	AMOUNT	
DUE DATE		IF LATE PAY		AMT. DUE	
ACCT. NO.		IF LATE PAY		AMT. DUE	
BILL DATE		SRV. TYPE	STREET ADDRESS		
DUE DATE			RETURN THIS STUB WITH PAYMENT		
IF LATE PAY			ACCT. NO.		
AMT. DUE			AMT. DUE		

Reginald Burge  
 ISSUING OFFICER  
Secretary  
 TITLE

AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 22.0

INDEX OF SERVICE AVAILABILITY

<u>Description</u>	<u>Sheet Number</u>
Schedule of Fees and Charges .....	17.0
Service Availability Policy .....	23.0

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE

AQUARINA UTILITIES, INC.  
WASTEWATER TARIFF

ORIGINAL SHEET NO. 23.0

SERVICE AVAILABILITY POLICY

There shall be a main extension charge of \$635.00 per ERC (280 gallons per day) for wastewater. These charges shall apply only to new Customers who connect to the system. Customers who are currently connected to the system are not subject to these charges.

Reginald Burge  
ISSUING OFFICER  
Secretary  
TITLE



BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for Authority to Transfer )  
the Assets of SERVICE MANAGEMENT )  
SYSTEMS, INC., and Certificate Nos. )  
517-W and 450-S in Brevard County, )  
Florida to AQUARINA UTILITIES, INC. )  
\_\_\_\_\_ )

Docket No. 110061-WS

**NOTICE OF FILING LATE FILED EXHIBIT "F"**

Applicant, AQUARINA UTILITIES, INC., by and through its undersigned attorneys, hereby gives notice of filing the attached Late Filed Exhibit "F" to its Application, which is an Affidavit that the actual notice of the Application was given to each customer in accordance with Section 367.045(1)(a), Florida Statutes, and Rule 25-30.030, Florida Administrative Code.

Respectfully submitted on this 17<sup>th</sup> day of  
March, 2011, by:

ROSE, SUNDSTROM & BENTLEY, LLP  
766 N. Sun Drive, Suite 4030  
Lake Mary, Florida 32746  
PHONE: (407) 830-6331  
FAX: (407) 830-8522

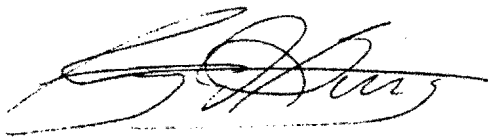
By   
\_\_\_\_\_  
MARTIN S. FRIEDMAN  
For the Firm

**AFFIDAVIT OF MAILING**

STATE OF FLORIDA  
COUNTY OF Martin

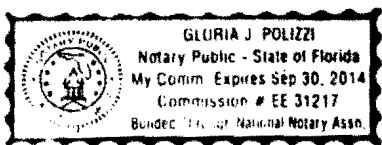
BEFORE ME, the undersigned authority, authorized to administer oaths and take ~~acknowledgments, personally appeared Reginald Burge, on behalf of the Buyer, who,~~  
after being duly sworn on oath, did depose on oath and say that he is the Secretary of the  
Buyer, and that on the 1<sup>st</sup> day of March, 2011, he did send by first class U.S. Mail a  
copy of the Notice attached hereto to each of the Utility's customers.

FURTHER AFFIANT SAYETH NAUGHT.



Reginald Burge  
Printed Name: Reginald Burge

Sworn and subscribed to before me this 11 day of March 2011, by Reginald Burge on behalf of the Utility, who is personally known to me.



Gloria J. Polizzi  
NOTARY PUBLIC - State of Florida  
Print Name: Gloria J. Polizzi  
My Commission Expires: 9-30-2014

EXHIBIT "F"

**NOTICE OF APPLICATION FOR TRANSFER UTILITY ASSETS  
AND WATER AND WASTEWATER CERTIFICATES**

NOTICE IS HEREBY given on the 1st day of March, 2011, pursuant to Section 367.071, Florida Statutes, of the Application for Transfer of the Utility Assets of Service Management Systems, Inc., and Certificate Nos. 517-W and 450-S to Aquarina Utilities, Inc., providing water and wastewater service to the following described territory in Brevard County, Florida:

**WATER SERVICE AREA**

A PORTION OF SECTIONS 25, 35 AND 36 TOWNSHIP 29 SOUTH, RANGE 38 EAST, SECTION 31, TOWNSHIP 29 SOUTH, RANGE 39 EAST, SECTION 1, TOWNSHIP 30 SOUTH, RANGE 38 EAST AND SECTION 6, TOWNSHIP 30 SOUTH, RANGE 39 EAST, BREVARD COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

BEGIN AT THE SOUTHWEST CORNER OF SAID SECTION 25 AND RUN N00°19'34"W ALONG THE WEST LINE OF SAID SECTION 25 A DISTANCE OF 1327.58 FEET TO THE NORTH LINE OF THE SOUTH 1/2 OF THE SOUTH 1/2 OF SAID SECTION 25; THENCE RUN S88°30'24"E ALONG NORTH LINE OF THE SOUTH 1/2 OF THE SOUTH 1/2 OF SECTION 25 A DISTANCE OF 2634 FEET MORE OR LESS TO THE MEAN HIGH WATER LINE OF THE ATLANTIC OCEAN; THENCE RUN SOUTHERLY ALONG SAID MEAN HIGH WATER LINE THROUGH SAID SECTIONS 25, 36, 31 AND 6 A DISTANCE OF 12127 FEET MORE OR LESS TO THE SOUTH LINE OF THE NORTH 1/2 OF THE SOUTH 1/2 OF SAID SECTION 6; THENCE RUN N88°48'45"W ALONG THE SOUTH LINE OF THE NORTH 1/2 OF THE SOUTH 1/2 OF SECTION 6 A DISTANCE OF 1524 FEET MORE OR LESS TO THE MEAN HIGH WATER LINE OF THE INDIAN RIVER; THENCE RUN NORTHERLY ALONG THE MEAN HIGH WATER LINE OF THE INDIAN RIVER AND MULLET CREEK 16336 FEET MORE OR LESS TO THE NORTH LINE OF SAID SECTION 35; THENCE RUN S88°22'47"E ALONG THE NORTH LINE OF SECTION 35 A DISTANCE OF 982 FEET MORE OR LESS TO THE POINT OF BEGINNING.

**WASTEWATER SERVICE AREA**

A PORTION OF SECTIONS 25, 26, 35 AND 36 TOWNSHIP 29 SOUTH, RANGE 38 EAST, AND SECTION 31, TOWNSHIP 29 SOUTH, RANGE 39 EAST, BREVARD COUNTY, FLORIDA BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS;

BEGIN AT THE WEST 1/4 CORNER OF SAID SECTION 25 AND RUN N00°18'50"W ALONG THE WEST LINE OF SAID SECTION 25 A DISTANCE OF 1340.83 FEET TO THE NORTH LINE OF THE SOUTH 1/2 OF THE NORTH 1/2 OF SAID SECTION 25; THENCE RUN S88°31'07"E ALONG NORTH LINE OF THE SOUTH 1/2 OF THE NORTH 1/2 OF SECTION 25 A DISTANCE OF 1351 FEET MORE OR LESS TO THE MEAN HIGH WATER LINE OF THE ATLANTIC OCEAN; THENCE RUN SOUTHERLY ALONG SAID

MEAN HIGH WATER LINE THROUGH SAID SECTIONS 25, 36, AND 31 A DISTANCE OF 9203 FEET MORE OR LESS TO THE EASTERLY EXTENSION OF THE SOUTH LINE OF THE NORTH 1/2 OF THE SOUTH 1/2 OF SAID SECTION 36; THENCE RUN N88°23'42"W ALONG SAID LINE AND THE SOUTH LINE OF THE NORTH 1/2 OF THE SOUTH 1/2 OF SECTION 36 A DISTANCE OF 790 FEET MORE OR LESS TO THE MEAN HIGH WATER LINE OF THE INDIAN RIVER; THENCE RUN NORTHERLY ALONG THE MEAN HIGH WATER LINE OF THE INDIAN RIVER AND MULLET CREEK 8315 FEET MORE OR LESS TO THE SOUTH LINE OF SAID SECTION 26; THENCE RUN S88°22'47"E ALONG THE SOUTH LINE OF SAID SECTION 26 A DISTANCE OF 982 FEET TO THE COMMON CORNER OF SAID SECTIONS 25, 26, 35 AND 36; THENCE RUN ALONG THE WEST LINE OF SAID SECTION 25 N00°19'34"W 1327.58 TO THE SOUTHEAST CORNER OF GOVERNMENT LOT 3 OF SAID SECTION 26; THENCE RUN N88°30'25"W ALONG THE SOUTH LINE OF SAID GOVERNMENT LOT 3 A DISTANCE OF 1276 FEET MORE OR LESS TO THE MEAN HIGH WATER LINE OF MULLET CREEK; THENCE RUN NORTHERLY ALONG THE MEAN HIGH WATER LINE OF MULLET CREEK 1903 FEET MORE OR LESS TO THE NORTH LINE OF THE SOUTHEAST 1/4 OF SAID SECTION 26; THENCE RUN S88°31'12"E ALONG THE NORTH LINE OF THE SOUTHEAST 1/4 OF SECTION 26 A DISTANCE OF 2431 MORE OR LESS TO THE POINT OF BEGINNING.

Any objections to the Application must be made in writing and filed with the Commission Clerk, Office of Commission Clerk, Florida Public Service Commission, 2540 Shumard Oak Boulevard, Tallahassee, Florida 32399-0850, no later than 30 days from the date of this Notice, with a copy to Martin S. Friedman, Esquire, Rose, Sundstrom & Bentley, LLP, 766 N. Sun Drive, Suite 4030, Lake Mary, Florida 32746. The objection must state the grounds for the objection with particularity.

AQUARINA UTILITIES, INC.

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Application for Authority to Transfer )  
the Assets of SERVICE MANAGEMENT )  
SYSTEMS, INC., and Certificate Nos. )  
517-W and 450-S in Brevard County, )  
Florida to AQUARINA UTILITIES, INC. )  
\_\_\_\_\_ )

Docket No. 110061-WS

**NOTICE OF FILING LATE FILED EXHIBIT "G"**

Applicant, AQUARINA UTILITIES, INC., by and through its undersigned attorneys and pursuant to the applicable Florida Statutes and Florida Administrative Code, hereby gives notice of filing Late Filed Exhibit "G" to its Application filed in the above-referenced Docket, which is the Affidavit of Publication evidencing the Notice of Application has been published in a newspaper of general circulation in the territory in accordance with Rule 25-30.030, Florida Administrative Code.

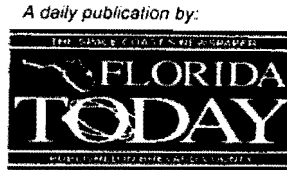
Respectfully submitted on this 9<sup>th</sup> day of  
March, 2011, by:

ROSE, SUNDSTROM & BENTLEY, LLP  
766 N. Sun Drive, Suite 4030  
Lake Mary, Florida 32746  
PHONE: (407) 830-6331  
FAX: (407) 830-8522

By: 

\_\_\_\_\_  
MARTIN S. FRIEDMAN  
For the Firm

Mailed to:  
 ROSE, SUNDBSTROM & BENTLEY, LLP  
 766 NORTH SUN DR, SUITE 4030  
 LAKE MARY, FL 32746



AD#20265.03/03/2011  
 NOTICE OF APPLICATION FOR  
 TRANSFER UTILITY ASSETS AND WATER  
 AND WASTEWATER CERTIFICATES  
 NOTICE IS HEREBY given on the 3rd day of  
 March, 2011, pursuant to Section 367.071,  
 Florida Statutes, of the Application for  
 Transfer of the Utility Assets of Service  
 Management Systems, Inc., and Certificate  
 Nos. 517-W and 450-S to Aquarina Utilities,  
 Inc., providing water and wastewater serv-  
 ices to the following described territory in  
 Brevard County, Florida:

**WATER SERVICE AREA**  
 A PORTION OF SECTIONS 25, 35 AND 36  
 TOWNSHIP 29 SOUTH, RANGE 38 EAST,  
 SECTION 31 TOWNSHIP 29 SOUTH,  
 RANGE 39 EAST, SECTION 1, TOWNSHIP  
 30 SOUTH, RANGE 38 EAST AND SECTION  
 6, TOWNSHIP 30 SOUTH, RANGE 39 EAST,  
 BREVARD COUNTY, FLORIDA BEING  
 MORE PARTICULARLY DESCRIBED AS  
 FOLLOWS:  
 BEGIN AT THE SOUTHWEST CORNER OF  
 SAID SECTION 25 AND RUN 90 DEGREES  
 19'34"W ALONG THE WEST LINE OF SAID  
 SECTION 25 A DISTANCE OF 1327.58 FEET  
 TO THE NORTH LINE OF THE SOUTH 1/2  
 OF THE SOUTH 1/2 OF SAID SECTION 25;  
 THENCE RUN 88 DEGREES 30'27"E  
 ALONG NORTH LINE OF THE SOUTH 1/2  
 OF THE SOUTH 1/2 OF SECTION 25 A DIS-  
 TANCE OF 763 FEET MORE OR LESS TO  
 THE MEAN HIGH WATER LINE OF THE  
 ATLANTIC OCEAN; THENCE RUN  
 SOUTHERLY ALONG SAID MEAN HIGH  
 WATER LINE THROUGH SAID SECTIONS  
 25, 36, 31 AND 6 A DISTANCE OF 12127  
 FEET MORE OR LESS TO THE SOUTH  
 LINE OF THE NORTH 1/2 OF THE SOUTH  
 1/2 OF SAID SECTION 25; THENCE RUN 88  
 DEGREES 49'45"W ALONG THE SOUTH  
 LINE OF THE NORTH 1/2 OF THE SOUTH  
 1/2 OF SECTION 25 A DISTANCE OF 1524  
 FEET MORE OR LESS TO THE MEAN  
 HIGH WATER LINE OF THE INDIAN RIV-  
 ER; THENCE RUN NORTHERLY ALONG  
 THE MEAN HIGH WATER LINE OF THE  
 INDIAN RIVER AND MULLET CREEK  
 1636 FEET MORE OR LESS TO THE  
 NORTH LINE OF SAID SECTION 35.  
 THENCE RUN 58 DEGREES 27'47"E  
 ALONG THE NORTH LINE OF SECTION 35  
 A DISTANCE OF 912 FEET MORE OR  
 LESS TO THE POINT OF BEGINNING.

STATE OF FLORIDA  
 COUNTY OF BREVARD

Before the undersigned authority personally appeared KATHY CICALA, who on oath  
 says that she is LEGAL ADVERTISING SPECIALIST of the FLORIDA TODAY, a newspaper  
 published in Brevard County, Florida; that the attached copy of advertising being a

LEGAL NOTICE

Ad # ( 230265 )	\$	460.75	the matter of:
Acct. # ( 6RS420 )			ROSE, SUNDBSTROM & BENTLEY, LLP
the	Court		NOTICE OF APPLICATION
			WATER SERVICE AREA

as published in the FLORIDA TODAY in the issue(s) of:

March 3, 2011

Affiant further says that the said FLORIDA TODAY is a newspaper in said Brevard County,  
 Florida, and that the said newspaper has heretofore been continuously published in said  
 Brevard County, Florida, regularly as stated above, and has been entered as periodicals  
 matter at the post office in MELBOURNE in said Brevard County, Florida, for a period of one  
 year next preceding the first publication of the attached copy of advertisement; and affiant  
 further says that she has neither paid nor promised any person, firm or corporation any  
 discount, rebate, commission or refund for the purpose of securing this advertisement for  
 publication in said newspaper.

*Kathy Cicala*  
 (Signature of Affiant)

Sworn to and subscribed before this:

3rd day of March, 2011

*Mary Griffin*  
 (Signature of Notary Public)

Mary Griffin

(Name of Notary Typed, Printed or Stamped)

Personally Known X or Produced Identification \_\_\_\_\_  
 Type Identification Produced: \_\_\_\_\_

**WASTEWATER SERVICE AREA**  
 A PORTION OF SECTIONS 25, 26, 35 AND  
 36 TOWNSHIP 29 SOUTH, RANGE 38 EAST,  
 AND SECTION 31, TOWNSHIP 29 SOUTH,  
 RANGE 39 EAST, BREVARD COUNTY,  
 FLORIDA BEING MORE PARTICULARLY  
 DESCRIBED AS FOLLOWS:  
 BEGIN AT THE WEST 1/4 CORNER OF  
 SAID SECTION 25 AND RUN 90 DEGREES  
 19'34"W ALONG THE WEST LINE OF SAID  
 SECTION 25 A DISTANCE OF 1340.83 FEET  
 TO THE NORTH LINE OF THE SOUTH 1/2  
 OF THE NORTH 1/2 OF SAID SECTION 25;  
 THENCE RUN 88 DEGREES 31'07"E  
 ALONG NORTH LINE OF THE SOUTH 1/2  
 OF THE NORTH 1/2 OF SECTION 25 A DIS-  
 TANCE OF 1351 FEET MORE OR LESS TO  
 THE MEAN HIGH WATER LINE OF THE  
 ATLANTIC OCEAN; THENCE RUN  
 SOUTHERLY ALONG SAID MEAN HIGH  
 WATER LINE THROUGH SAID SECTIONS  
 25, 36, AND 31 A DISTANCE OF 720 FEET  
 MORE OR LESS TO THE EASTERLY EX-  
 TENSION OF THE SOUTH LINE OF THE  
 NORTH 1/2 OF THE SOUTH 1/2 OF SAID  
 SECTION 25; THENCE RUN 88 DEGREES  
 22'47"W ALONG SAID LINE AND THE  
 SOUTH LINE OF THE NORTH 1/2 OF THE  
 SOUTH 1/2 OF SECTION 36 A DISTANCE  
 OF 790 FEET MORE OR LESS TO THE  
 MEAN HIGH WATER LINE OF THE INDI-  
 AN RIVER; THENCE RUN NORTHERLY  
 ALONG THE MEAN HIGH WATER LINE  
 OF THE INDIAN RIVER AND MULLET  
 CREEK 835 FEET MORE OR LESS TO  
 THE SOUTH LINE OF SAID SECTION 26;  
 THENCE RUN 58 DEGREES 27'47"E  
 ALONG THE SOUTH LINE OF SAID SEC-  
 TION 26 A DISTANCE OF 912 FEET TO  
 THE COMMON CORNER OF SAID SEC-  
 TIONS 25, 26, 35 AND 36; THENCE RUN  
 ALONG THE WEST LINE OF SAID SEC-  
 TION 25 90 DEGREES 19'34"W 1327.58 TO  
 THE SOUTHEAST CORNER OF GOVERN-  
 MENT LOT 3 OF SAID SECTION 26;  
 THENCE RUN N88 30'25"W ALONG THE  
 SOUTH LINE OF SAID GOVERNMENT  
 LOT 3 A DISTANCE OF 1216 FEET MORE  
 OR LESS TO THE MEAN HIGH WATER  
 LINE OF MULLET CREEK; THENCE RUN  
 NORTHERLY ALONG THE MEAN HIGH  
 WATER LINE OF MULLET CREEK 1803  
 FEET MORE OR LESS TO THE NORTH  
 LINE OF THE SOUTHEAST 1/4 OF SAID  
 SECTION 26; THENCE RUN 58 DEGREES  
 31'17"E ALONG THE SOUTH LINE OF THE  
 SOUTHEAST 1/4 OF SECTION 26 A DIS-  
 TANCE OF 2431 FEET MORE OR LESS TO  
 THE POINT OF BEGINNING.  
 Any objections to the Application must be  
 made in writing and filed with the Commis-  
 sion Clerk, Office of Commission Clerk,  
 Florida Public Service Commission, 2540  
 Shumard Oak Boulevard, Tallahassee, Flor-  
 ida 32309-0850, no later than 30 days from  
 the date of this Notice, with a copy to Martin  
 S. Friedman, Esquire, Rose, Sundstrom &  
 Bentley, LLP, 766 N. Sun Drive, Suite 4030,  
 Lake Mary, Florida 32746. The objection  
 must state the grounds for the objection with  
 particularity.

AQUARINA UTILITIES, INC.

CFN 2011034645, OR BK 6339 Page 2535, Recorded 02/25/2011 at 01:54 PM, Mitch  
Needelman, Clerk of Courts Brevard County Doc. D: \$3850.

3

Prepared By and Return to

Patrick P. Palangan, Esq.  
Holland & Knight LLP  
50 North Laura Street, Suite 3900  
Jacksonville, Florida 32202

**SPECIAL WARRANTY DEED**

**THIS SPECIAL WARRANTY DEED** is made as of this \_\_\_ day of February, 2011, by and between **FL - SERVICE MANAGEMENT, LLC**, whose mailing address for notice purposes is P.O. Box 10566, AL-BJ-CH-NIA, Birmingham, AL 35296 ("Grantor") in favor of **AQUARINA UTILITIES, INC.**, a Florida corporation, whose mailing address is 1726 NE Dalich Avenue, Jensen Beach, FL 34957 ("Grantee").

**RECITALS:**

That Grantor, for and in consideration of the sum of Ten and No/100 Dollars (\$10.00) and other valuable consideration, receipt whereof is hereby acknowledged, by these presents does hereby grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns, that certain real property located in Brevard County, Florida (the "Property"), as more particularly described on Exhibit "A" attached hereto and incorporated herein by this reference.

TOGETHER with all the tenements, hereditaments and appurtenances thereto belonging or in anywise appertaining.

TO HAVE AND TO HOLD, the same in fee simple forever.

AND, Grantor hereby covenants with Grantee that it is lawfully seized of the Property in fee simple; that it has good right and lawful authority to sell and convey the Property; and Grantor hereby covenants that Grantor will warrant and defend title to the Property against the lawful claims of all persons claiming by, through or under Grantor alone, but against none other.

The Property is subject to all limitations, restrictions, reservations and easements of record, if any, and subject to taxes for the year 2011 and subsequent years.

**IN WITNESS WHEREOF**, Grantor has caused these presents to be executed on the day and year first above written

Signed, sealed and delivered  
in the presence of:

Donna Rhoads  
Print Name: Donna Rhoads  
Tracy Slade  
Print Name: Tracy Slade

**GRANTOR:**

**FL - SERVICE MANAGEMENT, LLC**,  
a Florida limited liability company,

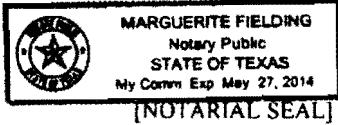
By: P.I. Holdings No. 1, Inc., a Texas  
corporation

By: Matthew Hickey  
Print Name: Matthew Hickey  
Its: Vice President

OR BK 6339 PG 2536

STATE OF TEXAS  
COUNTY OF DALLAS

The foregoing instrument was acknowledged before me this 17 day of February, 2011, by Matthew Hickey as the Vice Pres. of P.I. Holdings No. 1, Inc., a Texas corporation, as manager of FL-Service Management, LLC, a Florida limited liability company, on behalf the company, who is personally known to me or who has produced \_\_\_\_\_ as identification.



Marguerite Fielding  
Notary Public STATE OF TEXAS  
Print Name \_\_\_\_\_

My commission expires: \_\_\_\_\_



OR BK 6339 PG 2537

EXHIBIT "A"

**LEGAL DESCRIPTION**

**STAGE 1, TRACT D, AQUARINA P.U.D. STAGE 1, TRACTS C & D, STAGE 2, TRACTS E, D & H,  
STAGE 3, STAGE 4, TRACTS E, I, & X, STAGE 5, ACCORDING TO THE PLAT THEREOF AS  
RECORDED IN PLAT BOOK 41, PAGES 21 THROUGH 92, INCLUSIVE, OF THE PUBLIC RECORDS OF  
BREVARD COUNTY, FLORIDA.**

# Aquarina Utilities, Inc. Improvements

## List of Completed and Contracted Repairs as of 25 April 2012:

- a. W/W blowers installed, new computer controls for blowers, protective building erected over blowers and timed lighting installed (>\$5,500, March 2011)
- b. Lower skimmer arm (scraper) of clarifier repaired and working January 2011
- c. Upper skimmer arm of clarifier built and installed (\$5,000, May 2011)
- d. Pump motors replaced and variable speed drive installed for non-potable system. (\$18,000 paid in full, March 2011)
- e. Lift stations upgraded with new wiring, motors and signal devices. (\$2,000, March 2011)
- f. New transducer installed for non-potable water tank (April 2011)
- g. John Deere Gator provided for maintenance work (\$4,500, March 2011)
- h. Check valves installed for non-potable system (April 2011)
- i. New floats and wiring installed in non-potable storage tank (\$2,500, June 2011)
- j. New section of pipe installed with new flow sensor and meter calibration for golf course irrigation meter (\$2,700, May 2011)
- k. Inspection and maintenance of hydrant system, hydrants repainted, lubed, filled with oil, and new hardware installed (\$6,500, July 2011)
- l. Repairs and improvements to R/O system, including auto-call system (\$17,000, July 2011)
- m. Repairs to power generator switchover and maintenance (\$2,500, June 2011) Generator completely serviced, exhaust muffler painted, etc. (\$2,000 January 2012)
- n. Removal and disposal of non-permitted diesel tank (\$5,600)
- o. Built shelter for 3 non-potable pumps (\$2,500)
- p. Built pipe and equipment shed next to shop building (\$2,800)
- q. Purchase of tools and repair parts (\$5,500)
- r. Repair and replacement of skimmer arm wheel(\$1,000, August 2011)
- s. Replace filters and top seal for pre-filter in R/O system (\$1000, February, 2012)
- t. Repair master meter that measures potable flow into system (August 2011, \$1,500)
- u. **Current project:** \$18,000 worth of new meters and meter boxes purchased December 2011 and scheduled for installation in 2012, all meters in system evaluated and replacement spreadsheet/ schedule developed, replacements have begun- Meters and fittings all paid for in full
- v. **Current Project:** Identifying and marking valves in potable and non-potable system, duplicating and scanning plans for development of easy-to-

use field plans for use in emergencies, also identifying valves that need to be replaced, developing exercise schedule for all valves, expense is still ongoing

- w. Identification cards and maintenance reports created and maintained for all hydrants in fire-protection system
- x. 24 hour contact line for any emergency or customer issue
- y. Pipe rack erected inside pipe shed, March 2012 (\$800)
- z. Tanks pressure-washed, repaired, painted (\$25,000, expense still open as of this date, but funds withheld to pay)
- aa. North Well casing pulled and replaced, pumps repaired and replaced, rewiring of all electrical systems for North Well pumps (\$15,000, expense still open as of this date, but funds withheld to pay)
- bb. Transfer Pumps between wells, filling Non-potable tank rebuilt (\$1000)
- cc. Return pumps for wastewater plant rebuilt (\$3000)
- dd. **Current Project:** New Arm assembly design and installation commissioned March 2012 (\$30,000, estimates only as of this date, planning stage)