

RESOLUTION NO. 91-121

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, PERTAINING TO ACQUISITION OF THE ST. AUGUSTINE SHORES UTILITY SYSTEM FROM UNITED FLORIDA UTILITIES CORPORATION; AUTHORIZING AND DIRECTING EXECUTION AND FILING WITH THE CIRCUIT COURT, SEVENTH JUDICIAL CIRCUIT, IN AND FOR ST. JOHNS COUNTY, FLORIDA, IN THAT CERTAIN ACTION ENTITLED ST. JOHNS COUNTY vs. UNITED FLORIDA UTILITIES CORPORATION, BEING CASE NO. 91-114-CA (THE "CIVIL ACTION"), A STIPULATION AND JOINT MOTION FOR FINAL JUDGMENT IN THE FORM ATTACHED HERETO AS EXHIBIT "A"; AUTHORIZING THE EXECUTION AND DELIVERY ON BEHALF OF ST. JOHNS COUNTY, FLORIDA, OF ALL DOCUMENTS REQUIRED AND IN ACCORDANCE WITH THE PROVISIONS OF SUCH JOINT MOTION AND STIPULATION AND THE FINAL JUDGMENT ENTERED PURSUANT THERETO; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA, as follows:

Section 1. That the Stipulation and Joint Motion For Final Judgment attached hereto and made a part hereof as Exhibit "A" be, and the same is hereby, authorized and the Chairman of the Board of County Commissioners and the Clerk of the Circuit Court as ex-officio Clerk of the Board of County Commissioners of the County shall execute the same and Dobson & Christensen, P.A., as attorneys for St. Johns County in said Civil Action, be, and they are hereby authorized and directed to file the same in said Civil Action upon the execution thereof by representatives of United Florida Utilities Corporation.

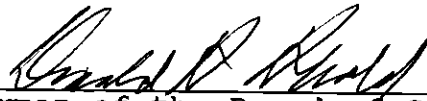
Section 2. That all appropriate officers, officials and employees of St. Johns County, Florida, be, and the same are hereby, authorized and directed, upon entry of final

judgment pursuant to the terms of the Joint Motion and Stipulation, to execute and deliver such documents and take such action as required, necessary or appropriate to comply with the provisions of such Stipulation and Joint Motion For Final Judgment and the Final Judgment.


Section 3. This Resolution shall take effect immediately upon its adoption.

ADOPTED this 13th day of August, A.D., 1991.

ST. JOHNS COUNTY, FLORIDA

By: 
Chairman of the Board of County
Commissioners of St. Johns
County, Florida

ATTEST:


Clerk of the Circuit Court for
St. Johns County, ex-officio
Clerk of the Board of County
Commissioners, St. Johns County,
Florida

IN THE CIRCUIT COURT, SEVENTH
JUDICIAL CIRCUIT, IN AND FOR
ST. JOHNS COUNTY, FLORIDA

CASE NO.: 91-114-CA
DIVISION: A

ST. JOHNS COUNTY, a
political subdivision
of the State of Florida

Plaintiff,

vs.

UNITED FLORIDA UTILITIES
CORPORATION, a Florida
corporation; and DENNIS
W. HOLLINGSWORTH, as Tax
Collector for St. Johns
County, Florida,

Defendants.

STIPULATION AND JOINT MOTION FOR FINAL JUDGMENT

COME NOW the above named Plaintiff, ST. JOHNS COUNTY, FLORIDA, a political subdivision of the State of Florida ("County") and the Defendant, UNITED FLORIDA UTILITIES CORPORATION, a Florida corporation ("United Florida") and jointly stipulate and move the Court as hereinafter set forth:

1. Definitions. The following terms shall have the following meanings in this Stipulation and Joint Motion unless another meaning is plainly intended:

(a) "Additional Transfer Documents" means the documents described in Section 7 hereof and required to be delivered to United Florida at the Closing;

(b) "Authorizing Resolution" means Resolution 91-117 of the County, as amended and supplemented, authorizing the issuance of the Subordinated Bonds;

(c) "Bond Counsel" means Foley & Lardner, Jacksonville, Florida, bond counsel to the County with respect to the issuance of the Subordinated Bonds;

(d) "Bond Purchase Agreement" means that certain bond purchase agreement dated August 13, 1991 between the County and the Underwriters therein identified for the purchase of the County's \$14,680,397⁵⁰ St. Johns County, Florida Water and Sewer Revenue Bonds Series 1991A;

(e) "Closing" refers to the transaction at which the Subordinated Bonds are delivered by the County to United Florida, and at which United Florida delivers to the County the Transfer Documents all pursuant to the provisions of this Joint Stipulation and the Final Judgment;

(f) "County's Acquisition Counsel" means Dobson & Christensen, P.A.;

(g) "County's Counsel" means James G. Sisco, Esquire;

(h) "Final Judgment" means that certain final judgment, when rendered by the Circuit Court of St. Johns County, Florida, in the above captioned cause in substantially the form affixed hereto as Exhibit "A";

(i) "Joint Stipulation" means this Stipulation and Joint Motion;

(j) "Mediation Agreement" means that certain agreement dated the 4th day of June, 1991 between the County and United Florida, a true and correct copy of which is affixed hereto as Exhibit "B";

(k) "Properties" means the water and sewer system facilities and real, personal, tangible and intangible properties serving and/or pertaining to St. Augustine Shores more fully described in the Final Judgment;

(l) "Subordinated Bonds" means the County's \$2,250,000 Principal Amount of Subordinated Water and Sewer Revenue Bonds, Series 1991, as authorized by the Authorizing Resolution;

(m) "Transfer Documents" means the documents described in Section 8 hereof and required to be delivered to the County at the Closing;

(n) "United Florida's Counsel" means Gray, Harris & Robinson, Suite 1200, Southeast Bank Building, 201 E. Pine Street, Orlando, Florida 32801; and

(o) "United Florida's Engineers" means Hartman & Associates, Inc., 201 E. Pine Street, Suite 1000, Orlando, Florida 32801.

2. Mediation Agreement. The representations made in the Mediation Agreement are true and the entry into the

Mediation Agreement is hereby ratified and confirmed except as may specifically be amended or altered by the terms and provisions of this Joint Stipulation.

3. Motion for Entry of Final Judgment. Upon the terms and conditions and upon the basis of the representations herein set forth, the County and United Florida jointly move the Court for entry of the proposed Final Judgment in the form affixed as Exhibit "A".

4. Representations of County. The County represents to United Florida that:

(a) When delivered to and accepted by United Florida at the Closing in accordance with the provisions of this Joint Stipulation, the Mediation Agreement, and the Final Judgment, the Subordinated Bonds will have been duly authorized, executed, issued and delivered by the County will constitute valid, binding and enforceable limited obligations of the County, enforceable in accordance with their terms, except that the enforceability of such obligations may be limited by applicable bankruptcy, reorganization, insolvency and other similar laws affecting creditors' rights generally;

(b) The County is empowered and has been duly authorized to enter into this Joint Stipulation, the Mediation Agreement, and to adopt the Authorizing Resolution;

(c) The execution and delivery of this Joint Stipulation, the Subordinated Bonds and compliance with the provisions thereof and the Final Judgment, under the circumstances contemplated herein and therein, will not in any material respect conflict with or constitute on the part of the County a breach of or default under any agreement or other instrument to which the County is a party, or an existing law, administrative regulation, court order or consent decree to which the County is subject;

(d) The County has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond issuer whose arbitrage certifications may not be relied upon;

(e) The County has never been in default at any time after December 31, 1975, as to the principal of or interest on any obligation pledging the ad valorem taxes or the revenues of the County which it has issued, and to the best of its knowledge, has never been in default at any time after December 31, 1975, as to the principal or interest on any other obligation which it has issued;

(f) Except for the transfer of the Permits, as defined by Section 8(j) hereof and the obtaining of certain permits necessary to construct or operate certain improvements to the System (as defined in the Authorizing Resolution), all approvals, consents, and orders, if any, of any

governmental body having jurisdiction over any matter which would constitute a condition precedent to the performance by the County of its obligations under the Authorizing Resolution, this Joint Stipulation, and the Final Judgment have been obtained and are in full force and effect.

5. Representations of United Florida. United Florida represents to the County that:

(a) On the date hereof and on the date of the Closing the statements and information contained in answers to interrogatories on behalf of United Florida as filed in the above styled cause and the "Listing of Assets for the St. Augustine Shores Water and Wastewater System" dated April 23, 1991 prepared by United Florida's Engineers and the "Land and Easement Notebook for the St. Augustine Shores Water and Wastewater System" dated April 23, 1991 as prepared by United Florida's Engineers are and will be true and complete in all material respects, except as specified in Appendix 1 hereto, and do not and will not omit any statement or information which is necessary to make the statements and information therein, in light of the circumstances under which they are made, not misleading;

(b) Upon the delivery of the sum of \$12,000,000 and the Subordinated Bonds to United Florida at the Closing in accordance with the provisions of the Final Judgment, the Transfer Documents will have been duly authorized, executed,

issued and delivered by United Florida and will constitute valid, binding and enforceable obligations of United Florida in conformity with the provisions of the Final Judgment and this Joint Stipulation except that the enforceability of such obligations may be subject to applicable bankruptcy, reorganization, insolvency and other similar laws affecting creditors' rights generally;

(c) United Florida is empowered and has been duly authorized to enter into this Joint Stipulation and the Mediation Agreement;

(d) The execution and delivery of this Joint Stipulation, the Transfer Documents, the Mediation Agreement and compliance with the provisions thereof and the Final Judgment, under the circumstances contemplated herein and therein, will not in any material respect conflict with or constitute on the part of United Florida a breach of or default under any agreement or other instrument to which United Florida or any of its shareholders or subsidiary corporations is a party, or any existing law, administrative regulation, court order or consent decree to which United Florida or its shareholders are subject;

(e) All approvals, consents and orders, if any, of any governmental body having jurisdiction in any matter which would constitute a condition precedent to the performance by United Florida of its obligations under the

Mediation Agreement, this Joint Stipulation, and the Final Judgment have been obtained and are in full force and effect;

(f) Subsequent to the date of the Mediation Agreement, there have not been any material adverse changes in the Properties, financial or otherwise, and neither the business, the Properties, nor the affairs of United Florida have been adversely effected in any substantial way as the result of any legal or administrative proceedings, fire, explosion, accident, strike, riot, flood, wind storm, earthquake, embargo, war or act of God or of the public enemy.

6. Closing, Delivery and Payment. The Subordinated Bond shall be typewritten or printed as provided in the Authorizing Resolution prior to the Closing, and shall be made available for checking and packaging by representatives of United Florida at the offices of Bond Counsel in Jacksonville, Florida, not less than 24 hours prior to the Closing. The Closing shall be held beginning at 9:00 a.m., August 22, 1991, at the offices of Foley & Lardner, Jacksonville, Florida, or at such later time and other place as is mutually agreeable to the County and United Florida. At the Closing, United Florida shall accept delivery of the Subordinated Bonds from the County and the sum of \$12,000,000 as provided in the Final Judgment upon (i) tender of the

definitive bond to United Florida by the County; (ii) the delivery by the County to United Florida of all the Additional Transfer Documents; and (iii) the delivery by United Florida to the County of the Transfer Documents.

7. Additional Transfer Documents. The Additional Transfer Documents shall consist of the following, each properly executed, certified or otherwise verified, dated as of the date of Closing, and in such form, as may be satisfactory to County's Counsel, Bond Counsel, United Florida and United Florida's Counsel, including, but not limited to, the matters hereinafter set forth:

(a) a certified copy of the Authorizing Resolution, as amended and supplemented, to the date of Closing;

(b) The County's Closing Certificate confirming (i) the representations made by the County herein; (ii) other than as disclosed herein, that there is no litigation pending, or to its knowledge, threatened to restrain or enjoin the issuance or delivery of the Subordinated Bonds or in any way contesting or affecting any authority for the issuance of the Subordinated Bonds, or the validity of the Subordinated Bonds, the Authorizing Resolution, or in any way contesting the existence or powers of the County; (iii) other than that as is disclosed herein, there is no litigation pending or, to its knowledge, threatened against or affecting the County or involving any of the business,

properties or affairs of the County which involves the possibility of any judgment or liability or which may result in the material adverse change in the properties, businesses, or assets or in the condition, financial or otherwise, of the County; (iv) other than as is disclosed herein, the adoption and present effectiveness of all County resolutions requested by Bond Counsel and United Florida's Counsel, in connection with the transactions contemplated hereby, together with copies of said resolutions;

(c) The unqualified approving opinion of Bond Counsel, dated the date of Closing, substantially in the form of Appendix 2 hereto;

(d) A reliance letter of Bond Counsel, dated the date of Closing, addressed to United Florida to the effect that United Florida may rely on the opinion of Bond Counsel described in paragraph 7(c) above as if such opinion were addressed to it;

(e) A supplemental opinion of Bond Counsel, dated the date of Closing, addressed to United Florida and the County, to the effect that the Subordinated Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Authorizing Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended;

(f) An opinion of the County's Counsel (which may assume that the interest on the Subordinated Bonds is excluded from gross income for Federal Income Tax purposes and that neither the Subordinated Bonds, this Joint Stipulation, the Authorizing Resolution, or any other matter or documents need be registered or qualified under the Securities Act of 1933, as amended, the Trust Indenture Act of 1939, as amended, Chapter 517, Florida Statutes, or the Securities or Blue Sky Laws of any jurisdiction) to the effect that (i) the County is a political subdivision organized and validly existing under the laws of the State of Florida and has all the necessary power and authority to issue the Subordinated Bonds and enter into this Joint Stipulation; (ii) other than is disclosed herein, this Joint Stipulation and the Subordinated Bonds have been duly authorized, executed and delivered by the County and, with respect to this Joint Stipulation, assuming due execution hereof by United Florida, constitute legal, valid and binding obligations of the County enforceable in accordance with their respective terms, except as the enforceability thereof may be limited by applicable bankruptcy, reorganization, insolvency and other similar laws affecting the enforcement of creditors' rights generally, and no opinion need be expressed as to the availability of any discretionary equitable remedy; (iii) the County has approved the

execution and delivery thereof to United Florida of the Subordinated Bonds; (iv) the execution and delivery of the Subordinated Bonds and this Joint Stipulation, the adoption of the Authorizing Resolution and the issuance of the Subordinated Bonds pursuant thereto, in compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the County a breach of or default on any existing law, regulation, court order or consent decree to which the County is subject; (v) other than is disclosed herein, no litigation or proceeding is pending or to the best of his knowledge is threatened against or affecting the County to restrain or enjoin the issuance or delivery of the Subordinated Bonds or in any way contesting or affecting any authority for the issuance of the Subordinated Bonds or the validity of the Subordinated Bonds or of this Joint Stipulation, the Mediation Agreement or the Final Judgment, or in any way contesting the existence of the powers of the County; (vi) other than is disclosed herein, no litigation or proceeding is pending, or to the best of his knowledge is threatened, against or affecting the County or involving any of the business, property, or affairs of the County which involves the possibility of any judgment or liability which may result in any material adverse change in the financial condition of

the County; (vii) the County has obtained the consents, approvals, authorizations or other orders of all municipal, state or regulatory authorities required for the issuance of the Subordinated Bonds;

(g) Appropriate arbitrage certifications and agreements by the County in form and substance satisfactory to County's Counsel, Bond Counsel and United Florida's Counsel;

(h) Such additional legal opinions, certificates or other documents and such multiple copies of the above listed documents as United Florida, United Florida's Counsel or Bond Counsel may reasonably request to evidence compliance by the County with legal requirements; the truth and accuracy, as of the date of Closing, of the respective representations contained herein, and the due performance or satisfaction by the County of all agreements to be performed by the County and all conditions to be satisfied by the County at or prior to the Closing.

8. Transfer Documents. The Transfer Documents shall consist of the following, each properly executed, certified or otherwise verified, dated as of the date of Closing and in such form, as may be satisfactory to Bond Counsel, County's Counsel, and County's Acquisition Counsel, including, but not limited to, the matters hereinafter set forth:

(a) A certified copy of a resolution of the Board of Directors of United Florida authorizing and directing delivery of all Transfer Documents;

(b) United Florida's Closing Certificate (the "Closing Certificate") confirming (i) the representations made by United Florida herein; (ii) other than as disclosed herein, that there is no litigation or administrative proceeding pending, or, to its knowledge, threatened to restrain or enjoin consent of United Florida to the acquisition of the Properties by the County pursuant to the terms and conditions of this Joint Stipulation, the Mediation Agreement and/or Final Judgment, or in any way contesting or effecting any authority for the execution and delivery of any of the Transfer Documents, or in any way contesting the existence or powers of United Florida; (iii) other than as is disclosed herein, there is no litigation or administrative proceeding pending or, to its knowledge, threatened against or effecting United Florida or involving any of the Properties or affairs of United Florida which involves the possibility of any judgment or liability which may result in the material adverse change in the Properties, the value of the Properties, or which may prevent, delay or hinder delivery or transfer thereof to the County; (iv) other than as is disclosed herein, the adoption and present effectiveness of all resolutions and actions of United Florida in

connection with the transactions contemplated hereby, necessary to unconditionally effectuate such transfers together with copies of said resolutions; (v) with regard to the transactions contemplated hereby: (1) that there is no intent upon the part of United Florida to hinder, delay or defraud any entity to which United Florida is, or may become, indebted; (2) that United Florida has not received less than a reasonably equivalent value in exchange for the Properties and other obligations transferred pursuant to the terms hereof; (3) that United Florida is not insolvent and the transactions contemplated hereby will not render United Florida insolvent; (4) that United Florida is not engaged in business or about to engage in business or a transaction which will leave United Florida with an unreasonably small amount of capital remaining; (5) that United Florida does not intend to incur any debts that will be beyond United Florida's ability to pay as such debts mature; (vi) in form and content satisfactory to County's Acquisition Counsel and any title insurer agreeing to insure the title on behalf of the County of that portion of the Properties described in Exhibits "B" and "C" to the Final Judgment; (1) that United Florida is, subject to all qualifications and conditions contained in any title binder in favor of the County issued by such title insurer, the owner of the Properties and is in exclusive, full, complete and undisputed possession of that

portion of the Properties described in Exhibit "B" and Exhibit "D" as attached to the Final Judgment; (2) that except as shown in Appendix 3 hereto there are no leases, options, claims, unpaid taxes, assessments or interest of any kind held thereon; (3) that title to the Properties has not been transferred, and the Properties are free and clear of all liens, taxes, encumbrances, and claims of any kind, nature and description as against the interest of United Florida, except for real property taxes for the current year, and except as shown in Appendix 3 hereto; (4) that there have been no improvements, alterations, or repairs to the Properties for which cost thereof remain unpaid; (5) that there are no claims for labor, material or services furnished or performed for repairing or improving the same which remain unpaid; (6) there are no mechanics' materialmen's or laborers' liens against the Properties; (7) that no labor has been performed within the last ninety (90) days which has not been paid in full in regards to said Properties; (8) that portion of the Properties described in Exhibit "D" to the Final Judgment is free and clear of all liens, encumbrances, claims and demands whatsoever and that no judgments or decrees have been entered in a Court of this State or the United States of America against United Florida which remain unsatisfied or unpaid; (9) that there exist no funds due the Internal Revenue Service or the State of

Florida which remain unpaid which may result in a lien against the above described Properties; and (10) that United Florida is not a Non-Resident Alien for United States income tax purposes and United Florida's federal income tax payer I.D. number is 59-1971208;

(c) Title Certificates properly endorsed to the County for all motor vehicles listed in Exhibit "D" to the Final Judgment (the "Title Certificates");

(d) Assignments of any leases which the County may elect, at its sole option, to assume, whether of personal property or realty, together with such consents and estoppel letters as may be reasonably required by County's Acquisition Counsel to effectuate the assignment of such leases by the County (collectively, the "Assignments");

(e) An opinion of United Florida's Counsel, dated the date of Closing, addressed to the County and County's Acquisition Counsel, substantially in the form of Appendix 4 hereto;

(f) A Receipt and Satisfaction of Judgment acknowledging receipt of payment and delivery of the Subordinated Bonds in form satisfactory to County's Acquisition Counsel (the "Satisfaction of Judgment");

(g) A Disclaimer Statement pursuant to Florida Statutes 218.385(4) and Section 4.03 of the Authorizing Resolution as may be reasonably required by Bond Counsel

(the "Disclaimer Statement") in substantially the form attached to the Authorizing Resolution as Exhibit "A";

(h) In the event that the County shall elect, at its sole and exclusive option, to assume any outstanding agreement with The Deltona Corporation relating to the disposal of effluent on the lands of The Deltona Corporation, an assignment of such agreement, in form and content satisfactory to County's Counsel and County's Acquisition Counsel, of such agreements together with the consents thereto of the Deltona Corporation and an original copy thereof (collectively, the "Effluent Agreement");

(i) An agreement and assignment to the County in substantially the form affixed as Appendix 5 hereto, relating to customer deposits, customer billings, proration of customer billings, all other accounts receivable of United Florida pertaining to the Properties (the "Billing Agreement");

(j) Assignments of all operating permits, licenses, and certificates currently held by United Florida relating to the construction, operation or improvement of the St. Augustine Shores Water and Wastewater System together with the originals of such permits, licenses and certificates (all collectively, the "Permits");

(k) An assignment of all rights in and to all telephone numbers currently utilized by United Florida in

connection with the operation of the St. Augustine Shores System, including, but not limited to, (904) 794-2424 and (904) 794-0800 (the "Telephone Numbers");

(l) The consent of United Florida's Engineers to the use by the County, without payment of additional compensation, of all plans and specifications, including plans for proposed improvements to the Properties prepared by United Florida's Engineers and in the possession of United Florida (the "Engineer's Consent");

(m) Copies of all personnel files on employees of United Florida who have elected employment with the County pursuant to paragraphs 3 and 4 of the Mediation Agreement (the "Personnel Files");

(n) Such additional legal opinions, certificates or other documents and such multiple copies of the above listed documents as the County, County's Counsel and County's Acquisition Counsel may reasonably request to evidence compliance by United Florida with legal requirements; the truth and accuracy, as of the date of Closing, of the respective representations contained herein, and the due performance or satisfaction by United Florida of all agreements to be performed by United Florida and all conditions to be satisfied by United Florida at or prior to the Closing.

9. Prorations. All accounts receivable and payable, whether ascertainable on the date of Closing or otherwise, shall be prorated as of the date of Closing with any adjustments to the purchase price resulting as a result of said prorations being made pursuant to the provisions of the Billing Agreement.

10. Termination of the Joint Stipulation. This Joint Stipulation and the Final Judgment entered by the Court pursuant thereto shall be set aside within ten (10) days after the filing of the Final Judgment with the Clerk of the Circuit Court in the event that there shall be a termination of the Bond Purchase Agreement pursuant to either Section 10 or Section 11 thereof.

11. Expenses. Each party shall pay its own out of pocket expenses and the fees and expenses of their respective counsel.

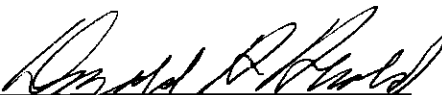
12. Notices. Any notice or other communication to be given to the County under this Joint Stipulation may be given by delivering the same in writing to the Board of County Commissioners of St. Johns County, Florida, St. Johns County Administration Building, 4020 Lewis Speedway, Post Office Box 349, Augustine, Florida 32085 with copies thereof to County's Counsel, County's Acquisition Counsel and Bond Counsel. Any such notice or other communication to be given to United Florida may be given by delivering the same in

writing to United Florida, c/o Southern States Utilities, Inc., 1000 Color Place, Apopka, Florida 32703, with copy thereof to United Florida's Counsel.

13. Parties and Interests, Undertakings, Survival of Representations. This Joint Stipulation is made solely for the benefit of the County and United Florida, including the successors and assigns thereof, and no other person, partnership, association or corporation shall acquire or have any rights hereunder or by virtue hereof. All representations and agreements by the County and United Florida in this Joint Stipulation shall remain in full force and effect regardless of any investigation by or on behalf of either party, and shall survive Closing.

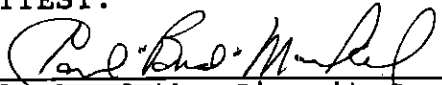
ST. JOHNS COUNTY, FLORIDA

UNITED FLORIDA UTILITIES CORPORATION

BY: 
Chairman of the Board of
County Commissioners of
St. Johns County, Florida

BY: 
Its _____ President

ATTEST:


Clerk of the Circuit Court
for St. Johns County, ex-
officio Clerk of the Board
of County Commissioners,
St. Johns County, Florida

ATTEST:


Its _____ Secretary

DOBSON & CHRISTENSEN, P.A.

Gray, Harris & Robinson

BY: 

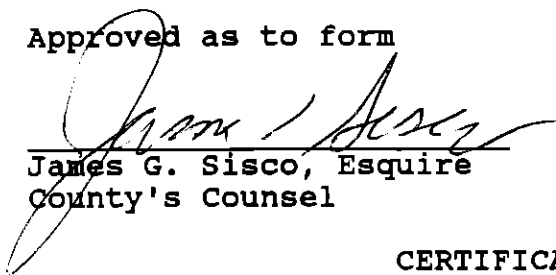
Geoffrey B. Dobson
Florida Bar #0019919
66 Cuna Street, Suite B
St. Augustine, Florida 32084
Telephone: (904) 824-9032
Telefax: (904) 824-9236

BY: 

Gordon H. Harris
Florida Bar #
Post Office Box 3068
Orlando, Florida 32802-3068
Telephone: (407) 843-8880
Telefax: (407) 244-5690

County's Acquisition Counsel United Florida's Counsel

Approved as to form


James G. Sisco, Esquire
County's Counsel

CERTIFICATE OF SERVICE

I HEREBY certify that a true and correct copy of the foregoing has been furnished to David B. Parker, Esquire, 46 Spanish Street, St. Augustine, Florida 32084 by U.S. Mail this ___ day of August, 1991.


Attorney

IN THE CIRCUIT COURT, SEVENTH
JUDICIAL CIRCUIT, IN AND FOR
ST. JOHNS COUNTY, FLORIDA

CASE NO.: 91-114-CA
DIVISION: A

ST. JOHNS COUNTY, a
political subdivision
of the State of Florida

Plaintiff,

vs.

UNITED FLORIDA UTILITIES
CORPORATION, a Florida
corporation; and DENNIS
W. HOLLINGSWORTH, as Tax
Collector for St. Johns
County, Florida,

Defendants.

FINAL JUDGMENT

THIS CAUSE having come on to be heard upon the Stipulation and Joint Motion for Entry of Final Judgment made by the Plaintiff, ST. JOHNS COUNTY, a political subdivision of the State of Florida, and the Defendant, UNITED FLORIDA UTILITIES CORPORATION, and it appearing to the Court that the parties are authorized to enter into such Stipulation and Joint Motion and the Court finding that the compensation to be paid by the Plaintiff pursuant to such Stipulation and Joint Motion is full, just and reasonable for all parties concerned and the Court being otherwise fully apprised in the premises, it is

ORDERED and ADJUDGED:

1. That the Court has jurisdiction of the subject matter of and the parties to this cause.

2. That the pleadings in this cause are sufficient and the Plaintiff is properly exercising its delegated authority.

3. That the amount to be paid and other considerations as specified in said Stipulation and Joint Motion constitutes full, just and reasonable compensation for all rights to be acquired by the Plaintiff pursuant to this Judgment.

4. That upon the delivery to the Defendant, UNITED FLORIDA UTILITIES CORPORATION, of the sum of \$12,000,000 in immediately available funds upon Closing, as specified in said Stipulation and Joint Motion and the execution and delivery to UNITED FLORIDA UTILITIES CORPORATION of the County's \$2,250,000 Principal Amount of Subordinated Water and Sewer Revenue Bonds, Series 1991, as authorized by a resolution providing for the issuance of such bonds in substantially the form attached hereto as Exhibit "A" with such omissions, insertions and variations as may be necessary and desirable and authorized and permitted by said resolution or subsequent resolution adopted prior to the issuance thereof and as agreed to by the parties, the execution and delivery of the remaining documents called for within the Final Judgment and the Stipulation and Joint Motion constituting conclusive proof of such agreement on

behalf of the Defendant, the title in and to that certain property owned and held by UNITED FLORIDA UTILITIES CORPORATION (the "Properties") more fully described as:

The entire water and sewer system facilities serving St. Augustine Shores and the currently certificated area held by United Florida Utilities Corporation in the area of St. Augustine Shores and Captain's Point and consisting of a water distribution system containing approximately 34.36 miles of water main and appurtenances and water supply treatment and pump facilities, together with the sewer collection system consisting of approximately 24.25 miles of gravity sewer piping, approximately 8.58 miles of sewage force main and 23 collection system pumping stations, together with sewage treatment and effluent disposal facilities, together with easements for such distribution and collection systems, water supply wells, all pipe and off-site finished water storage and repump facilities, water plant site and buildings, wastewater treatment plant and sewage treatment sites and buildings, including, but not limited to, the property and property rights described in Section 8, Transfer Documents, of the Stipulation and Joint Motion, the real estate described in Exhibit "B" attached hereto, those certain easements described in Exhibit "C" attached hereto, and personal property described in Exhibit "D" attached hereto.

shall vest in the Plaintiff, it being the intent of this Final Judgment that all right, title and interest in and to all property and property rights, real, personal, tangible and intangible, held by United Florida Utilities Corporation in and/or pertaining to the St. Augustine Shores Utilities System be vested in St. Johns County, Florida.

5. At the time of Closing, as specified in the Stipulation and Joint Motion, the Defendant shall deliver to the

Plaintiff a receipt and satisfaction of judgment acknowledging receipt of payment and delivery of the Subordinated Bonds in substantially the form attached hereto and made a part hereof as Exhibit "E", the recordation of which shall act as conclusive evidence of the vesting of title to the Properties in St. Johns County, Florida. In the event of default and compliance with the terms of this Final Judgment and the Stipulation and Joint Motion by either party, the Court retains jurisdiction for the enforcement of the terms hereof.

DONE and ORDERED in St. Augustine, St. Johns County, Florida this ___ day of _____, 1991.

Circuit Court Judge

Copies to:

Dobson & Christensen, P.A.
Gray, Harris & Robinson
David B. Parker, Esquire

F&L/DRAFT OF
08/08/91

RESOLUTION NO. 91-__

RESOLUTION PROVIDING FOR THE ISSUANCE BY ST. JOHNS COUNTY, FLORIDA, OF \$2,250,000 PRINCIPAL AMOUNT OF SUBORDINATED WATER AND SEWER REVENUE BONDS, SERIES 1991, TO FINANCE A PART OF THE COST OF THE COUNTY'S ACQUISITION OF CERTAIN PRIVATELY-OWNED WATER AND SEWER FACILITIES SITUATED WITHIN THE COUNTY, TO BE CONSOLIDATED WITH THE PUBLIC WATER AND SEWER SYSTEM OF THE COUNTY; PLEDGING TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS CERTAIN PLEDGED FUNDS COMPRISED OF A PART OF THE NET REVENUES OF SAID SYSTEM; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SAID BONDS; MAKING CERTAIN COVENANTS AND AGREEMENTS WITH THE HOLDERS OF SAID BONDS; APPOINTING THE REGISTRAR AND PAYING AGENT FOR SAID BONDS; AND PROVIDING AN EFFECTIVE DATE.

RECEIVED AUG 9 1991

Exhibit "A" to Final Judgment

TABLE OF CONTENTS

ARTICLE I

GENERAL

SECTION 1.01. Definitions	1
SECTION 1.02. Authority for Resolution	4
SECTION 1.03. Resolution to Constitute Contract	4
SECTION 1.04. Findings	4

ARTICLE II

**AUTHORIZATION, TERMS, EXECUTION
AND REGISTRATION OF SUBORDINATED BONDS**

SECTION 2.01. Authorization of Subordinated Bonds	5
SECTION 2.02. Description of Subordinated Bonds	6
SECTION 2.03. Application of Bond Proceeds	6
SECTION 2.04. Execution of Bonds	6
SECTION 2.05. Negotiability and Transfer	7
SECTION 2.06. Form of Bonds	8

ARTICLE III

**SECURITY, SPECIAL FUNDS AND
APPLICATION THEREOF**

SECTION 3.01. Bonds Not General Indebtedness of Issuer	13
SECTION 3.02. Security for Bonds	13
SECTION 3.03. Sinking Fund	13

ARTICLE IV

MISCELLANEOUS

SECTION 4.01. Rate Covenant. 14
SECTION 4.02. Additional Subordinated Bonds 14
SECTION 4.03. Delivery of Bonds. 15
SECTION 4.04. Federal Income Tax Exemption 15
SECTION 4.05. Defeasance 16
SECTION 4.06. Registrar and Paying Agent 16
SECTION 4.07. General Authority 17
SECTION 4.08. No Personal Liability 17
SECTION 4.09. No Third Party Beneficiaries 17
SECTION 4.10. Modification or Amendment 17
SECTION 4.11. Severability of Invalid Provisions 17
SECTION 4.12. Repeal of Inconsistent Resolutions 18
SECTION 4.13. Table of Contents and Headings not Part Hereof 18
SECTION 4.14. Effective Date 18

Exhibit A -- Purchaser's Disclosure Statement
Exhibit B -- Additional Terms of Subordinated Bonds

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA:

ARTICLE I

GENERAL

SECTION 1.01. Definitions. When used in this Resolution, the following terms shall have the following meanings, unless the context clearly otherwise requires:

"Act" shall mean Chapter 125, Part I, Florida Statutes, as amended, St. Johns County Ordinance No. 86-89 and other applicable provisions of law.

"Additional Subordinated Bonds" shall mean the obligations issued at any time under the provisions of Section 4.02 hereof payable from the Pledged Funds on a parity with the Subordinated Bonds.

"Authorized Depository" shall mean the State Board of Administration of Florida or a bank or trust company in the State which is eligible under the laws of the State to receive funds of the Issuer.

"Bond Counsel" shall mean Foley & Lardner, Jacksonville, Florida, bond counsel to the Issuer with respect to the issuance of the Subordinated Bonds.

"Bondholder" or Holder" or "holder" shall mean any Person who shall be the registered owner of any Outstanding Subordinated Bond or Subordinated Bonds according to the registration books of the Issuer.

"Chairman" shall mean the Chairman of the Governing Body or such other person as may be duly authorized by the Issuer to act on his or her behalf.

"Clerk" shall mean the Clerk of the Governing Body or such other person as may be duly authorized by the Issuer to act on his or her behalf.

"Code" shall mean the United States Internal Revenue Code of 1986, as the same may be amended from time to time, and the regulations thereunder, whether proposed, temporary or final, promulgated by the Department of the Treasury, Internal Revenue Service, and all other promulgations of said service pertaining thereto.

"Federal Securities" shall mean direct obligations of the United States of America and obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, none of which permit redemption prior to maturity at the option of the obligor. Federal Securities shall include any certificates or any other evidences of an

ownership interest in the aforementioned obligations or in specified portions thereof (which may consist of specified portions of the interest thereon).

"Governing Body" shall mean the Board of County Commissioners of the Issuer or its successor in function.

"Gross Revenues" shall mean all income and moneys received by the Issuer from the Rates, but excluding all non-ad valorem special assessments and all non-refundable (except at the option of the Issuer) "Connection Charges" as such term is defined in the Prior Lien Resolution.

"Interest Date" shall mean such date or dates for the payment of interest on the Subordinated Bonds, to wit: June 1 and December 1 of each year commencing December 1, 1991.

"Issuer" shall mean St. Johns County, Florida.

"Net Revenues" shall mean Gross Revenues less Operating Expenses.

"Operating Expenses" shall mean the Issuer's expenses for operation, maintenance, repairs and replacement with respect to the System, as more particularly defined in the Prior Lien Resolution.

"Outstanding" shall mean all Subordinated Bonds theretofore issued and delivered except, (1) any Subordinated Bond in lieu of which another Subordinated Bond or other Subordinated Bonds have been issued under an agreement to replace lost, mutilated or destroyed Subordinated Bonds, (2) any Subordinated Bond surrendered by the Holder thereof in exchange for another Subordinated Bond or other Subordinated Bonds under Section 2.05 hereof, (3) Subordinated Bonds deemed to have been paid pursuant to Section 4.05 hereof, and (4) Subordinated Bonds canceled after purchase in the open market or because of payment at, or upon redemption prior to, maturity.

"Paying Agent" shall mean any paying agent for Subordinated Bonds appointed by or pursuant to resolution of the Governing Body, and with respect to the Subordinated Bonds authorized pursuant to Section 2.01 of this Resolution shall mean the Paying Agent appointed pursuant to Section 4.06 of this Resolution, and such paying agent's successors or assigns, and any other Person which may at any time be substituted in its place pursuant to resolution of the Governing Body.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or governmental entity.

"Pledged Funds" shall mean only the Net Revenues which shall be on deposit in the Revenue Fund created pursuant to the Prior Lien Resolution and available in accordance with the provisions of Section 4.06(A)(3) of the Prior Lien Resolution for payment of debt service

for Subordinated Indebtedness, as such term is defined in the Prior Lien Resolution.

"Prior Lien Obligations" shall mean the Issuer's outstanding Water and Sewer Revenue Bonds, Series 1989, and Water and Sewer Revenue Bonds, Series 1990B-I and B-II, and the Issuer's Water and Sewer Revenue Bonds, Series 1991A, to be issued concurrently with the Subordinated Bonds, and all bonds of the Issuer which may hereafter be issued on a parity with said obligations described in this paragraph in accordance with the provisions of Section 5.02 of the Prior Lien Resolution, as the same may be amended and supplemented from time to time.

"Prior Lien Resolution" shall mean St. Johns County Resolution No. 89-84 adopted by the Governing Body on April 25, 1989, as amended by St. Johns County Resolution No. 89-189 adopted by the Governing Body on August 9, 1989, St. Johns County Resolution No. 90-61 adopted by the Governing Body on March 27, 1990, St. Johns County Resolution No. 90-208 adopted by the Governing Body on November 14, 1990, and St. Johns County Resolution No. 91-113 adopted by the Governing Body on July 23, 1991, as the same may be further amended and supplemented from time to time.

"Purchaser" shall mean United Florida Utilities Corporation, a Florida corporation.

"Rates" shall mean the fees and charges which shall be made and collected by the Issuer for the use of the services or facilities of the System. Rates shall be deemed to exclude non-ad valorem special assessments and **"Connection Charges"** as such term is defined in the Prior Lien Resolution.

"Registrar" shall mean any registrar for the Subordinated Bonds appointed by or pursuant to resolution of the Governing Body, and with respect to the Subordinated Bonds authorized pursuant to Section 2.01 of this Resolution shall mean the Registrar appointed pursuant to Section 4.06 of this Resolution, and such registrar's successors and assigns, and any other Person which may at any time be substituted in its place pursuant to resolution of the Governing Body.

"Resolution" and **"this Resolution"** shall mean this instrument, as the same may be amended, modified or supplemented from time to time in accordance with the provisions of Section 4.10 hereof restricting and limiting the Issuer's right to amend, modify or supplement the terms hereof.

"Series 1991A Bonds" shall mean the Water and Sewer Revenue Bonds, Series 1991A, authorized to be issued by the Issuer concurrently with the issuance of the Subordinated Bonds pursuant to St. Johns County Resolution No. 91-__.

"Sinking Fund" shall mean the Sinking Fund established pursuant to Section 3.03 hereof.

"Subordinated Bonds" shall mean the bonds of the Issuer authorized to be issued pursuant to Section 2.01 of this Resolution, together with any Additional Subordinated Bonds hereinafter issued.

"System" shall mean the water and sewer facilities which are owned, operated and maintained by the Issuer as more particularly defined and described in the Prior Lien Resolution.

The terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms, shall refer to this Resolution; the term "heretofore" shall mean before the date of adoption of this Resolution; and the term "hereafter" shall mean after the date of adoption of this Resolution.

Words importing the singular number include the plural number, and vice versa.

SECTION 1.02. Authority for Resolution. This Resolution is adopted pursuant to the provisions of the Act.

SECTION 1.03. Resolution to Constitute Contract. In consideration of the purchase and acceptance of any or all of the Subordinated Bonds by those who shall hold the same from time to time, the provisions of this Resolution shall be deemed to be and shall constitute a contract between the Issuer and the Holders from time to time of the Subordinated Bonds. The pledge made in this Resolution and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security of the Holders of any and all of the Subordinated Bonds. All of the Subordinated Bonds shall be of equal rank without preference, priority or distinction of any of the Subordinated Bonds over any other thereof except as expressly provided in or pursuant to this Resolution.

SECTION 1.04. Findings. It is hereby ascertained, determined and declared as follows:

(A) The Issuer presently owns and operates a water and sewer system for the health, benefit and welfare of its citizens and inhabitants, and it is in the best interest of the Issuer and said citizens and inhabitants that the Issuer acquire the privately-owned water and sewer facilities serving the area of St. Johns County known as "St. Augustine Shores" and finance a part of the cost thereof through the issuance of the Subordinated Bonds in the manner herein provided. The balance of such cost shall be financed with a portion of the proceeds to be derived from the sale by the Issuer of the Series 1991A Bonds.

(B) After publication of notice thereof by the Issuer, a public hearing on the acquisition of such water and sewer facilities serving the area of St. Johns County known as "St. Augustine Shores" was duly held by the Governing Body on July 23, 1991; and the Governing Body, having considered each and all of the elements listed in Section 125.3401, Florida Statutes, as amended, as well as other factors bearing upon the matter, has found and

determined, in and by St. Johns County Resolution No. 91-111, that the acquisition of such facilities is in the public interest; and the Issuer has prepared and filed in the minutes of the Governing Body a statement showing that the acquisition of such facilities is in the public interest, including a summary of the Issuer's experience in water and sewer utilities operation and a showing of financial ability to provide the service.

(C) The Issuer deems it necessary, desirable and in the best interest of the Issuer that the Pledged Funds be pledged to the payment of the principal of and interest on the Subordinated Bonds. No part of the Pledged Funds shall be otherwise pledged or encumbered in any manner, except that the Pledged Funds have been pledged as security for the Prior Lien Obligations; and in Section 3.02 hereof the Issuer reserves the right to issue additional Prior Lien Obligations under the terms, limitations and conditions provided in the Prior Lien Resolution. The Issuer further reserves the right to issue Additional Subordinated Bonds secured by and payable from the Pledged Funds on a parity with the Subordinated Bonds under the terms, limitations and conditions contained in Section 4.02(A) hereof and to issue other obligations and incur other indebtedness secured by and payable from the Pledged Funds subordinate and inferior to the Subordinated Bonds.

(D) No Bondholder shall ever be entitled to compel the payment of the principal of and interest on the Subordinated Bonds or any other payments provided for in this Resolution from any funds or revenues of the Issuer other than the sources herein provided in accordance with the terms hereof; nor will any Bondholder ever have the right to compel the exercise of the ad valorem taxing power of the Issuer to pay the principal of or interest on the Subordinated Bonds or to make any other payments provided for in this Resolution, and the Bonds shall not constitute a lien upon the System or any other property of the Issuer or situated within its territorial limits, except the Pledged Funds.

(E) The owner of the said water and sewer facilities serving the area known as "St. Augustine Shores" has agreed to accept the Subordinated Bonds authorized to be issued pursuant to Section 2.01 of this Resolution as payment of a part of the purchase price for said water and sewer facilities; and, accordingly, the Governing Body does hereby find and determine that it is in the best financial interest of the Issuer that a negotiated sale of the Subordinated Bonds to the Purchaser, said owner, be authorized.

ARTICLE II

AUTHORIZATION, TERMS, EXECUTION AND REGISTRATION OF SUBORDINATED BONDS

SECTION 2.01. Authorization of Subordinated Bonds. The Issuer hereby authorizes the issuance of revenue bonds of the Issuer to be designated as "St. Johns County, Florida, Subordinated Water and Sewer Revenue Bonds, Series 1991," in the aggregate principal amount of \$2,250,000, for the principal purpose of paying a part of the purchase price for said water and sewer facilities in St. Augustine Shores.

SECTION 2.02. Description of Subordinated Bonds. The Subordinated Bonds shall be dated as of the date of the delivery of the Subordinated Bonds; shall be issued as a fully registered single typewritten bond numbered R-1; and shall bear interest at such rates not exceeding the maximum rate permitted by law (calculated on the basis of a 360-day year of twelve 30-day months), payable on June 1 and December 1 in each year (commencing December 1, 1991); and shall mature in such installments, contain such redemption provisions, and have such other terms as are provided in the bond form set out in Section 2.06 hereof and on Exhibit B attached hereto.

The principal and interest payable on any Subordinated Bond on any Interest Date will be paid by check or draft of the Paying Agent to the Holder in whose name such Subordinated Bond shall be registered at the close of business on the date which shall be the fifteenth day (whether or not a business day) of the calendar month next preceding such Interest Date, without the necessity of presenting or surrendering such Subordinated Bond; except the final payment of the principal of and interest on such Subordinated Bond will be made only upon presentation and surrender of such Subordinated Bond at the office of the Paying Agent. In the event the interest payable on any Subordinated Bond is not punctually paid or duly provided for by the Issuer on such Interest Date, such defaulted interest will be paid to the Holder in whose name such Subordinated Bond shall be registered at the close of business on a special record date for the payment of such defaulted interest as established by notice to such Holder, not less than ten (10) days preceding such special record date. All payments of principal of and interest on the Subordinated Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

From and after any maturity date of any of the Subordinated Bonds, whether at fixed maturity, or by redemption, or otherwise (deposit of moneys and/or Federal Securities for the payment of the principal and interest on the Subordinated Bonds having been made by the Issuer with the Paying Agent), notwithstanding that the Bonds shall not have been surrendered for cancellation, no further interest shall accrue upon the principal or upon the interest which shall have accrued and shall then be due on such date, and the Subordinated Bonds shall cease to be entitled to any lien, benefit or security under this Resolution, and the Holders shall have no rights in respect of the Subordinated Bonds except to receive payment of such principal and unpaid interest accrued to the maturity date.

The Issuer shall have the option to redeem all of the Subordinated Bonds on any date, without premium or penalty, upon giving notice in the manner stated in the bond form set out in Section 2.06 hereof.

SECTION 2.03. Application of Bond Proceeds. The Issuer shall exchange the Subordinated Bonds in payment of a part of the cost of acquisition of said water and sewer facilities serving St. Augustine Shores, and the Issuer shall derive no money proceeds from such delivery of the Subordinated Bonds.

SECTION 2.04. Execution of Bonds. The Subordinated Bonds shall be executed in the name of the Issuer by the Chairman or any other member of the Governing Body and the official seal of the Issuer shall be impressed thereon, attested and countersigned by the Clerk or a deputy clerk. In case any one or more of the officers who shall have signed or sealed the Subordinated Bonds shall cease to be such officer of the Issuer before the Subordinated Bonds so signed and sealed have been actually delivered, the Subordinated Bonds may nevertheless be delivered as herein provided and may be issued as if the person who signed or sealed the Subordinated Bonds had not ceased to hold such office. Any Subordinated Bond may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such Subordinated Bond shall hold the proper office of the Issuer, although at the date of such Subordinated Bond such person may not have held such office or may not have been so authorized.

SECTION 2.05. Negotiability and Transfer. The Subordinated Bonds shall be and have all the qualities and incidents of negotiable instruments under the laws of the State of Florida, subject to the provisions for registration and transfer contained in this Resolution and in the Subordinated Bonds. So long as any of the Subordinated Bonds shall remain Outstanding, the Issuer shall maintain and keep, at the office of the Registrar, books for the registration and transfer of the Subordinated Bonds.

Each Subordinated Bond shall be transferable only upon the books of the Issuer, at the office of the Registrar, under such reasonable regulations as the Issuer may prescribe, by the Holder thereof in person or by such Holder's attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed and guaranteed by the Holder or such Holder's duly authorized attorney. Upon the transfer of any Subordinated Bond, the Issuer shall issue in the name of the transferee a new Subordinated Bond. The Issuer, the Registrar and any Paying Agent or fiduciary of the Issuer may deem and treat the Person in whose name any Outstanding Subordinated Bond shall be registered upon the books of the Issuer as the absolute owner of such Subordinated Bond, whether such Subordinated Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and interest on such Subordinated Bond and for all other purposes, and all such payments so made to any such Holder or upon such Holder's order shall be valid and effectual to satisfy and discharge the liability upon such Subordinated Bond to the extent of the sum or sums so paid and neither the Issuer nor the Registrar nor any Paying Agent or other fiduciary of the Issuer shall be affected by any notice to the contrary.

Provided, however, anything herein to the contrary notwithstanding, that by acceptance of the Subordinated Bonds upon the issuance and delivery thereof by the Issuer, the Purchaser shall thereby agree (i) that prior to February 20, 1992 the Purchaser will not sell, transfer or assign the Subordinated Bonds to any Person, for valuable consideration or without consideration (except as a part of any sale, transfer or assignment by the Purchaser of substantially all of its assets, in which case the purchaser, transferee or assignee of such assets shall be bound by this clause), and shall agree that if the Purchaser or such purchaser, transferee or assignee of such assets shall breach this clause then the Issuer shall be relieved of all further

liability under the Subordinated Bonds and this Resolution; (ii) that on and after February 20, 1992, for the purpose of any exchange or transfer of Subordinated Bonds, the Issuer shall be required to furnish to any transferee of all or any portion of the initial single typewritten Subordinated Bond and to any and all subsequent Holders only typewritten bond certificates in denominations in integral multiples of \$5,000 not less than \$100,000; and (iii) that for every such exchange or transfer of Subordinated Bonds, the Issuer or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or transfer.

SECTION 2.06. Form of Bonds. The Subordinated Bonds shall be in substantially the following form with such omissions, insertions and variations as may be necessary and/or desirable and approved by the officers of the Issuer described in Section 2.04 above prior to the issuance thereof (which necessity and/or desirability and approval shall be evidenced conclusively by the Issuer's delivery of the Subordinated Bonds):

No. R-1 \$2,250,000

UNITED STATES OF AMERICA
STATE OF FLORIDA
COUNTY OF ST. JOHNS
SUBORDINATED WATER AND SEWER REVENUE BOND
SERIES 1991

KNOW ALL MEN BY THESE PRESENTS, that St. Johns County, a political subdivision created and existing under and by virtue of the laws of the State of Florida (the "Issuer"), for value received, hereby promises to pay, solely from the sources of payment hereinafter described, to UNITED FLORIDA UTILITIES CORPORATION, a Florida corporation, or registered assigns as hereinafter provided, the principal sum of Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000), payable in installments on June 1 of the years and in the amounts set forth in the table below. The unpaid principal balance of such principal sum shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) from the date hereof or from the most recent interest payment date to which interest has been paid, at the respective rates per annum set forth in the table below, on June 1 and December 1 of each year commencing December 1, 1991 until such principal sum shall have been paid or provided for, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto.

This bond shall be paid in installments of principal on June 1 of the years and in the amounts set forth below:

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>
-------------	---------------	----------------------	-------------	---------------	----------------------

Such principal sum and the interest on this bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts. Payment of each installment of such principal sum and of such interest on the unpaid principal balance shall be made by the Clerk of the Circuit Court for St. Johns County, Florida, as paying agent, or such other paying agent as the Issuer shall hereafter duly appoint (the "Paying Agent"), to the person in whose name this bond shall be registered on the registration books of the Issuer maintained by said Clerk, as registrar, or such other registrar as the Issuer shall hereafter duly appoint (the "Registrar"), at the close of business on the date which shall be the fifteenth day (whether or not a business day) next preceding each payment date and shall be paid by a check or draft of the Paying Agent mailed to such registered holder at the address appearing on such registration books, without the necessity of presenting or surrendering this bond, except in the case of the final payment hereon. The final payment of the principal of and interest on this bond shall be made upon presentation and surrender of this bond at the office of the Paying Agent. Payments of principal and interest and prepayments of installments of principal shall be noted by the registered holder hereof on the Payment and Prepayment Records annexed to and made a part of this bond. Upon request and presentation of this bond to the Paying Agent, the Paying Agent shall by appropriate endorsement verify the entries made on the Payment and Prepayment Records. In the event interest payable on this bond is not punctually paid or duly provided for by the Issuer on such interest payment date, payment of each installment of such defaulted interest shall be made to the person in whose name this bond shall be registered at the close of business on a special record date for the payment of such defaulted interest as established by notice to such registered holder, not less than ten (10) days preceding such special record date.

This bond represents an authorized issue of bonds of the Issuer in the aggregate principal amount of \$2,250,000 (the "Bonds") issued to finance a part of the cost of the acquisition of certain privately-owned water and sewer facilities operating within St. Johns County, to be consolidated with the public water and sewer system of the Issuer (the "System," as defined in the Resolution hereinafter referred to), under the authority of and in full compliance with the Constitution and laws of the State of Florida, particularly Chapter 125, Part I, Florida Statutes, as amended, other applicable provisions of law, St. Johns County Ordinance No. 86-89, and Resolution No. 91-__ adopted by the Board of County Commissioners

of the Issuer on August __, 1991 (the "Resolution"), and is subject to all the terms and conditions of the Resolution.

The principal of and interest on this bond are payable solely from and secured by a lien upon and a pledge of certain of the Net Revenues (as defined in the Resolution) of the System, but only in the manner and to the extent described in the Resolution (the "Pledged Funds"). It is expressly agreed by the registered holder of this bond that the full faith and credit of the Issuer is not pledged to the payment of the principal of and interest on this bond and that the registered holder shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer to the payment of such principal and interest. This bond and the obligation evidenced hereby shall not constitute a lien upon the System or any other property of the Issuer, except the Pledged Funds, and shall be payable solely from the Pledged Funds in accordance with the terms of the Resolution.

Provided, however, payment of the principal of and interest on the Bonds from the Pledged Funds is subordinate in every respect to payment therefrom of the principal of and premium, if any, and interest on the Issuer's outstanding Water and Sewer Revenue Bonds, Series 1989 and Water and Sewer Revenue Bonds, Series 1990B-I and B-II, and the Issuer's Water and Sewer Revenue Bonds, Series 1991A, issued concurrently with the issuance of the Bonds, and all bonds of the Issuer which may hereafter be issued on a parity with said obligations described in this paragraph.

Neither the members of the Board of County Commissioners of the Issuer nor any person executing this bond shall be liable personally hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

This bond is redeemable prior to its stated installment payment dates, at the option of the Issuer, without premium or penalty, on any date after the issuance and delivery hereof. Notice of redemption, unless waived, is to be given by the Registrar by mailing an official redemption notice by first class mail, postage prepaid, at least 30 days and not more than 60 days prior to the date fixed for redemption to the registered holders of the Bonds to be redeemed at such holders' addresses shown on the registration books maintained by the Registrar or at such other addresses as shall be furnished in writing by such registered holders to the Registrar; provided, however, that no defect in any such notice to any registered holder of Bonds to be redeemed nor failure to give such notice to any such registered holder nor failure of any such registered holder to receive such notice shall in any manner defeat the effectiveness of a call for redemption as to all other registered holders of Bonds to be redeemed. Notice of redemption having been given as aforesaid, the Bonds to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds shall cease to bear interest.

This bond is transferable in accordance with the terms of the Resolution only upon the books of the Issuer kept for that purpose at the office of the Registrar by the registered

holder hereof in person or by such holder's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered holder or such holder's attorney duly authorized in writing, and thereupon a new bond or bonds in the same aggregate principal amount shall be issued to the transferee in exchange therefor, and upon the payment of the charges, if any, prescribed in the Resolution. The Issuer, the Registrar and any Paying Agent may treat the registered holder of this bond as the absolute owner hereof for all purposes, whether or not this bond shall be overdue, and shall not be affected by any notice to the contrary. The Issuer and the Registrar shall not be obligated to make any exchange or transfer of Bonds (i) during the fifteen (15) days next preceding an interest payment date or, (ii) in the case of any proposed redemption of Bonds, after the mailing of the notice of redemption.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in connection with the issuance of this bond, exist, have happened and have been performed, in regular and due form and time as required by the Constitution and laws of the State of Florida applicable thereto, and that the issuance of the Bonds does not violate any constitutional or statutory limitations or provisions.

This bond is and has all the qualities and incidents of a negotiable instrument under the laws of the State of Florida. Provided, however, that payment of the principal of and interest on this bond is subject to the agreement by the initial registered holder hereof, as evidenced by its acceptance hereof, as expressed in the Resolution, that prior to February 20, 1992 this bond will not be sold, assigned, or transferred.

IN WITNESS WHEREOF, St. Johns County, Florida, has issued this bond and has caused the same to be executed by the Chairman of its Board of County Commissioners and attested and countersigned by the Clerk of said Board and its official seal to be impressed hereon, this _____ day of August, 1991.

ST. JOHNS COUNTY, FLORIDA

(SEAL)

By _____
Chairman of the Board of County
Commissioners

ATTESTED AND COUNTERSIGNED:

Clerk of the Circuit Court, ex
officio Clerk of the Board of
County Commissioners

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

**Insert Social Security or Other
Identifying Number of Assignee**

(Name and Address of Assignee)

the within bond and does hereby irrevocably constitute and appoint _____,

as attorneys to register the transfer of the said bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature to this assignment must correspond with the name of the Registered Holder as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever and the Social Security or other identifying number of such assignee must be supplied.

PAYMENT RECORD

<u>Due Date</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Principal Paid</u>	<u>Interest Paid</u>	<u>Date Paid</u>	<u>Paying Agent Verification</u>
(enter (dates	(enter (amount	(enter (amounts	(leave (blank	(leave (blank	(leave (blank	(leave (blank

PREPAYMENT RECORD

<u>Principal Due Date</u>	<u>Principal Due Amount</u>	<u>Principal Prepayment Date</u>	<u>Principal Prepayment Amount</u>	<u>Principal Balance Due</u>	<u>Paying Agent Verification</u>
(leave (blank		(leave (blank		(leave (blank	(leave (blank

ARTICLE III

SECURITY, SPECIAL FUNDS AND
APPLICATION THEREOF

SECTION 3.01. Bonds Not General Indebtedness of Issuer. The Subordinated Bonds shall not be or constitute general obligations or indebtedness of the Issuer as "bonds" within the meaning of any constitutional or statutory provision, but shall be special obligations of the Issuer, payable solely from and secured by a lien upon and pledge of the Pledged Funds in accordance with the terms of this Resolution. No Holder of any Subordinated Bond shall ever have the right to compel the exercise of the ad valorem taxing power of the Issuer to pay such Subordinated Bond or be entitled to payment of such Subordinated Bond from any moneys of the Issuer except the Pledged Funds in the manner provided herein.

SECTION 3.02. Security for Bonds. The payment of principal of and interest on the Subordinated Bonds shall be secured forthwith equally and ratably by a pledge of and lien upon the Pledged Funds subordinate and inferior in every respect to the lien and pledge thereon in favor of the Prior Lien Obligations. The Issuer does hereby reserve the right to issue "Additional Bonds," as such term is defined in the Prior Lien Resolution, payable from the Pledged Funds on a parity with the Prior Lien Obligations under the terms, limitations and the conditions provided in the Prior Lien Resolution. The Pledged Funds shall be subject to the lien of this pledge in favor of the Subordinated Bonds immediately upon the issuance and delivery of the Subordinated Bonds, without any physical delivery by the Issuer of the Pledged Funds or further act, and the lien of this pledge shall be valid and binding as against all parties having

claims of any kind against the Issuer, in tort, contract or otherwise. The Issuer does hereby irrevocably pledge the Pledged Funds to the payment of the principal of and interest on the Subordinated Bonds in the manner provided in this Resolution.

SECTION 3.03. Sinking Fund. The Subordinated Bonds shall be deemed to be Subordinated Indebtedness within the meaning of the Prior Lien Resolution, and the Issuer covenants and agrees to deposit on or before the last day of each month, commencing with the month in which delivery of the Subordinated Bonds shall be made to the Purchaser, into a special fund to be established by the Issuer with an Authorized Depository and known as the "St. Johns County Subordinated Water and Sewer Revenue Bonds Sinking Fund," from the moneys on deposit to the credit of the Revenue Fund created pursuant to the Prior Lien Resolution, but only after compliance with all of the requirements of clauses (1) and (2) of subsection (A) of Section 4.06 of the Prior Lien Resolution shall have been fully complied with, all of the moneys remaining in said Revenue Fund or such portion thereof as shall be required until the moneys on deposit in the Sinking Fund shall be sufficient to pay in full all of the principal of and interest on the Subordinated Bonds which shall become due on the next succeeding Interest Date and the next succeeding principal payment date of the Subordinated Bonds. Moneys in the Sinking Fund shall be applied by the Issuer to pay the principal of and interest on the Subordinated Bonds as and when the same become due, whether by redemption or otherwise, and for no other purpose.

ARTICLE IV

MISCELLANEOUS

SECTION 4.01. Rate Covenant. The Issuer shall fix, establish, maintain and collect such Rates, and revise the same from time to time, as shall be necessary to provide always Net Revenues sufficient to pay the principal of and interest on the Subordinated Bonds as the same shall become due and payable.

SECTION 4.02. Additional Subordinated Bonds and Other Indebtedness.

(A) No obligations payable from the Pledged Funds on a parity with the Subordinated Bonds shall be issued after issuance of the initial series of Subordinated Bonds herein authorized, except Additional Subordinated Bonds to be issued upon the conditions and in the manner hereinafter provided:

1. There shall have been obtained ^{agent} and filed with the Governing Body a statement of an independent certified public accountant of suitable experience and responsibility:

a. stating that the books and records of the Issuer relating to the operation of the System have been examined by him;

b. setting forth the amount of the Net Revenues

available under Section 4.06(A)(3) of the Prior Lien Resolution for payment of Subordinated Indebtedness during any twelve consecutive months out of the last twenty-four months immediately preceding the date of delivery of the Additional Subordinated Bonds with respect to which such statement is made; and

c. stating that such available Net Revenues during such twelve-month period equal at least 1.10 times the future maximum aggregate amount of principal and interest which will thereafter become due in any calendar year with respect to all Subordinated Bonds then Outstanding and such Additional Subordinated Bonds with respect to which such statement is made.

2. Each Resolution authorizing the issuance of Additional Subordinated Bonds pursuant to the provisions of this section will recite that all of the covenants contained in this Resolution will be applicable to such Additional Subordinated Bonds.

3. The Issuer shall not be in default in performing any of the covenants and obligations assumed hereunder or under the Prior Lien Resolution, and all payments required thereby and hereby to have been made into the accounts and funds established thereunder and hereunder shall have been made to the full extent required.

(B) The Issuer further reserves the right to issue other obligations and incur other indebtedness, without limitation as to kind or amount, secured by and payable from the Pledged Funds subordinate and inferior to the Subordinated Bonds and any Additional Subordinated Bonds hereafter issued in accordance with the provisions of subsection (A) of this section.

SECTION 4.03. Delivery of Bonds. The Purchaser having filed with the Governing Body the disclosure statement required by Section 218.385(4), Florida Statutes, as amended, a copy of which is attached hereto as Exhibit A, the Chairman or the Vice-Chairman and the Clerk and all of the other officers, agents and employees of the Issuer are hereby authorized and directed to conclude the issuance and delivery of the Subordinated Bonds in accordance with the Stipulation and Joint Motion For Final Judgment (St. Johns County, Florida, Circuit Court Case No. 91-114-CA) signed by the Issuer and the Purchaser and filed with the Clerk on August 13, 1991. Bond Counsel is hereby directed to furnish to the Division of Bond Finance of the Department of General Services of the State of Florida a notice of the impending issuance of the Subordinated Bonds and the other information required by Section 218.38, Florida Statutes, as amended, within the appropriate time period specified by such section.

SECTION 4.04. Federal Income Tax Exemption.

(A) The Issuer covenants with the Holders that it shall not use the proceeds of any series of Subordinated Bonds (or amounts deemed to be proceeds under the Code) in any manner which would cause the interest on such series of Subordinated Bonds to be or become includable in the gross income of the Holder thereof for federal income tax purposes.

(B) The Issuer covenants with the Holders that neither the Issuer nor any Person under its control or direction will knowingly make any use of the proceeds of any series of Subordinated Bonds (or amounts deemed to be proceeds under the Code) in any manner which would cause any series of Subordinated Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and neither the Issuer nor any such other Person shall knowingly do any act or fail to do any act which would cause the interest on any series of Subordinated Bonds to become includable in the gross income of the Holder thereof for federal income tax purposes.

(C) The Issuer hereby covenants with the Holders that it will use its best efforts to comply with all provisions of the Code necessary to maintain the exclusion of interest on the Subordinated Bonds from the gross income of the Holder thereof for federal income tax purposes, including, in particular, the payment of any amount required to be rebated to the United States Treasury pursuant to the Code.

SECTION 4.05. Defeasance. If the Issuer shall pay or cause to be paid or there shall otherwise be paid to the Holders of all Subordinated Bonds the principal and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Resolution, then the pledge of the Pledged Funds, and all covenants, agreements and other obligations of the Issuer to the Bondholders, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Paying Agent shall pay over or deliver to the Issuer all money or securities held by the Paying Agent pursuant to this Resolution which are not required for the payment or redemption of Subordinated Bonds not theretofore surrendered for such payment or redemption.

Any Subordinated Bonds or interest installments appertaining thereto, whether at or prior to the maturity or redemption date of such Subordinated Bonds, shall be deemed to have been paid within the meaning of this Section 4.05 if (A) in case any such Subordinated Bonds are to be redeemed prior to the maturity thereof, there shall have been taken all action necessary to call such Subordinated Bonds for redemption and notice of such redemption shall have been duly given or provision shall have been made for the giving of such notice, and (B) there shall have been deposited in irrevocable trust with a banking institution or trust company by or on behalf of the Issuer either moneys in an amount which shall be sufficient, or Federal Securities the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with such bank or trust company at the same time shall be sufficient, to pay the principal of and interest due and to become due on said Subordinated Bonds on and prior to the redemption date or maturity date thereof, as the case may be. Neither the Federal Securities nor any moneys so deposited with such bank or trust company nor any

moneys received by such bank or trust company on account of principal of or interest on said Federal Securities shall be withdrawn or used for any purpose other than, and all such moneys shall be held in trust for and be applied to, the payment, when due, of the principal of the Subordinated Bonds for the payment or redemption of which they were deposited and the interest accruing thereon to the date of maturity or redemption thereof; provided, however, the Issuer may substitute new Federal Securities and moneys for the deposited Federal Securities and moneys if the new Federal Securities and moneys are sufficient to pay the principal of and interest on such Subordinated Bonds, and any trust agreement governing the deposit of such Federal Securities and moneys may provide for the investment of moneys unclaimed by Bondholders and for the payment to the Issuer of such unclaimed moneys and the investment earnings thereon.

Nothing herein shall be deemed to require the Issuer to call any of the Outstanding Subordinated Bonds for redemption prior to maturity pursuant to any applicable optional redemption provisions, or to impair the discretion of the Issuer in determining whether to exercise any such option for early redemption.

SECTION 4.06. Registrar and Paying Agent. The Clerk is hereby appointed as Registrar and Paying Agent under this Resolution to serve as Registrar and Paying Agent for the Subordinated Bonds authorized to be issued pursuant to Section 2.01 of this Resolution.

SECTION 4.07. General Authority. The members of the Governing Body and the Issuer's officers, attorneys and other agents and employees are hereby authorized to do all acts and things required of them by this Resolution or desirable or consistent with the requirements hereof for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the Subordinated Bonds and this Resolution, and they are hereby authorized to execute and deliver all documents which shall be reasonably required by Bond Counsel or the Purchaser to effectuate the sale and delivery of the Subordinated Bonds.

SECTION 4.08. No Personal Liability. No representation, statement, covenant, warranty, stipulation, obligation or agreement herein contained, or contained in the Subordinated Bonds, or in any certificate or other instrument to be executed on behalf of the Issuer in connection with the issuance of the Subordinated Bonds, shall be deemed to be a representation, statement, covenant, warranty, stipulation, obligation or agreement of any member of the Governing Body, officer, employee or agent of the Issuer in his or her individual capacity, and none of the foregoing persons nor any officer of the Issuer executing the Subordinated Bonds or any certificate or other instrument to be executed in connection with the issuance of the Subordinated Bonds, shall be liable personally thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

SECTION 4.09. No Third Party Beneficiaries. Except such other Persons as may be expressly described herein or in the Subordinated Bonds, nothing in this Resolution, or in the Subordinated Bonds, expressed or implied, is intended or shall be construed to confer upon any Person other than the Issuer and the Holders any right, remedy or claim, legal or

equitable, under and by reason of this Resolution or any provision hereof, or of the Subordinated Bonds, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Issuer and the Persons who shall from time to time be the Holders.

SECTION 4.10. Modification or Amendment. No material modification or amendment of this Resolution may be made without the consent in writing of the Holders of two-thirds or more in principal amount of the Subordinated Bonds then Outstanding and which shall be affected by such modification or amendment; provided, however, that no modification or amendment shall permit a change in the maturity of such Subordinated Bonds or a reduction in the rate of interest thereon, or in the amount of the principal obligation, or affect the Issuer's unconditional covenants herein with respect to the maintenance and collection of sufficient Rates and to the application of the same as herein provided, or reduce the number of such Subordinated Bonds the written consent of the Holders of which are required by this section for such modification or amendment, without the consent in writing of all of such Holders.

SECTION 4.11. Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions of this Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements and provisions of this Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Subordinated Bonds.

SECTION 4.12. Repeal of Inconsistent Resolutions. All other resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

SECTION 4.13. Table of Contents and Headings not Part Hereof. The Table of Contents preceding the body of this Resolution and the headings preceding the several articles and sections hereof shall be solely for convenience of reference and shall not constitute a part of this Resolution or affect its meaning, construction or effect.

SECTION 4.14. Effective Date. This Resolution shall become effective immediately upon its passage.

PASSED, APPROVED AND ADOPTED this _____ day of August, 1991.

BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA

By _____
Its Chairman

(OFFICIAL SEAL)

ATTEST:

Its Clerk



General Offices

1000 Color Place
Apopka, FL 32703
(407) 880-0058

August 12, 1991

The Honorable Chairman and
Members of the Board of
County Commissioners
St. Johns County, Florida

RE: \$2,250,000 St. Johns County, Florida Subordinated
Water and Sewer Revenue Bonds, Series 1991

Ladies/Gentlemen:

In connection with the proposed issuance by St. Johns County, Florida (the "County") of the above-referenced bonds (the "Subordinated Bonds"), United Florida Utilities Corporation, a Florida corporation (the "Purchaser"), has agreed to purchase the Subordinated Bonds upon the terms and conditions set forth in the County's resolution authorizing the issuance of the Subordinated Bonds (the "Resolution").

Pursuant to Section 4.03 of the Resolution and the provisions of Section 218.385(4), Florida Statutes, as amended, the Purchaser hereby furnishes the following information to the County:

(a) The Subordinated Bonds are not being underwritten. There is no managing underwriter in connection with the issuance of the Subordinated Bonds. The Purchaser will not incur any expenses in connection with the issuance of the Subordinated Bonds.

EXHIBIT A

(b) No person has entered into an understanding with the Purchaser or to the knowledge of the Purchaser, with the County for any paid or promised compensation or valuable consideration, directly or indirectly, expressed or implied, to act solely as an intermediary between the County and the Purchaser or to exercise or to attempt to exercise any influence to effect any transaction in connection with the purchase of the Subordinated Bonds.

(c) No underwriting spread will be realized by the Purchaser.

(d) No management fee will be charged by the Purchaser.

(e) No fee, bonus or other compensation is estimated to be paid by the Purchaser in connection with the issuance of the Subordinated Bonds to any person not regularly employed or retained by the Purchaser (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes, as amended).

(f) No managing underwriter is connected with the issuance of the Subordinated Bonds.

We understand that you do not require any further disclosure from the Purchaser pursuant to Section 218.385(4), Florida Statutes, as amended.

As a part of the consideration for the issuance and sale to the Purchaser by the County of the Subordinated Bonds, the Purchaser hereby represents, warrants, covenants and agrees as follows:

1. It is purchasing the Subordinated Bonds solely for its own account and not on account of others, and solely for investment and not with a view to reselling or otherwise distributing all or any part of or interest in the Subordinated Bonds.

2. It is aware that the principal of and interest on the Subordinated Bonds are payable solely from and secured by a lien upon and a pledge of the Net Revenues (as defined in the Resolution) of the County's water and sewer system (as defined in the Resolution, the "System"), in the manner and to the extent described in the Resolution (the "Pledged Funds"). The Purchaser is aware that the full faith and credit of the County is not pledged to the payment of the principal of and interest on the Subordinated Bonds and that the Purchaser shall never have the right to require or compel the exercise of the ad valorem taxing power of the County to the payment of the principal of and interest on the Subordinated Bonds or to obtain payment of such principal or interest from any funds of the County other than such Pledged Funds. The Purchaser is aware that the Subordinated Bonds do not constitute a lien upon the System or any other property of the County, except the Pledged Funds, and shall be payable solely from the Pledged Funds in accordance with the terms of the Resolution.

3. It is aware that the payment of the principal of and interest on the Subordinated Bonds from the Pledged Funds is subordinate in every respect to the payment therefrom of the principal of, premium, if any, and interest on the County's outstanding Water and Sewer Revenue Bonds, Series 1989 and Water and Sewer Revenue Bonds, Series 1990B-I and B-II, the County's Water and Sewer Revenue Bonds, Series 1991A, to be issued concurrently with the issuance of the Subordinated Bonds, and all bonds of the County which may hereafter be issued on a parity with said obligations described in this paragraph.

4. It has made its own inquiry and analysis with respect to the County, the System and the Net Revenues and the likelihood of payment of the Subordinated Bonds.

5. It has been offered copies of or full access to all records, reports, financial statements and other information concerning the System and the County and pertinent to the source of payment for the Subordinated Bonds to which a reasonable investor would attach significance in making investment decisions.

6. It has received all information with respect to the Subordinated Bonds, the County, the System and the Net Revenues, including financial statements, that it has requested and in order for it to evaluate the risks of purchasing the Subordinated Bonds and make the decision to purchase the Subordinated Bonds. As a sophisticated investor, the Purchaser has made its decision to purchase the Subordinated Bonds based upon its own inquiry and analysis.

7. It has had an opportunity to review the documents in connection with this transaction, including, but not limited to, the Resolution and the form of the Subordinated Bonds.

8. It is, by reason of knowledge and experience in financial and business matters in general, capable of evaluating the merits and risks of the investment represented by the purchase of the Subordinated Bonds, and is aware of the intended use of the proceeds of the Subordinated Bonds and the risks therein. In reaching the conclusion that the Purchaser desires to acquire the Subordinated Bonds, the Purchaser has evaluated the risks associated with such investment, and acknowledges that the undersigned is able to bear the economic risk of such investment.

9. It has been informed and acknowledges that the Subordinated Bonds (i) are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state, (ii) will not be listed on any stock or other securities exchange, (iii) will carry no rating from any rating service and (iv) are not likely to be readily marketable.

10. Prior to February 20, 1992 it will not sell or otherwise dispose of all or any part of or interest in the Subordinated Bonds (except as a part of any sale, transfer or assignment by the Purchaser of substantially all of its assets, in which case the purchaser, transferee or assignee of such assets shall be bound hereby); and on and after February 20, 1992 it will not offer, sell or otherwise dispose of all or any part of or interest in the Subordinated Bonds, except (i) in full good faith compliance with all securities registration, broker-dealer, antifraud and other provisions of the applicable state and federal

laws, (ii) with full and accurate disclosure of all material facts to the prospective purchaser(s) or transferee(s) and (iii) either under effective federal and state registration statements (which the County shall in no way be obligated to provide) or pursuant to exemptions from such registrations.

11. It understands, acknowledges and agrees that the Subordinated Bonds are being issued and sold in reliance upon exemptions from filing, registration and qualification under the securities laws of Florida, Chapter 517, Florida Statutes, as amended, and that the same have not been and will not be filed, registered or qualified under such laws.

12. It has satisfied itself that the Subordinated Bonds may be legally purchased by it.

This letter shall be binding upon the Purchaser and its successors and assigns.

Dated as of this 12th day of August, 1991.

UNITED FLORIDA UTILITIES
CORPORATION

By: Karla Olson Teasley
Its: Vice President

ST. JOHNS COUNTY, FLORIDA
 DELTONA/ST. AUGUSTINE SHORES UTILITY ACQUISITION
 THIRTY YEAR DEBT - SERIALS & CABS COMBINATION
 JUNIOR LIEN DEBT

DEBT SERVICE SCHEDULE

Date	Maturity Value	Coup	Yield	Price	Proceeds	Interest	Debt Service	Annual
12/1/91						29,369.91	29,369.91	
6/1/92	0	0.00%	0.00%	100.00%	0.00	76,617.15	76,617.15	105,987.06
12/1/92						76,617.15	76,617.15	
6/1/93	0	0.00%	0.00%	100.00%	0.00	76,617.15	76,617.15	153,234.30
12/1/93						76,617.15	76,617.15	
6/1/94	30,000	5.400%	5.400%	100.00%	30,000.00	76,617.15	106,617.15	183,234.30
12/1/94						75,807.15	75,807.15	
6/1/95	35,000	5.600%	5.600%	100.00%	35,000.00	75,807.15	110,807.15	186,614.30
12/1/95						74,827.15	74,827.15	
6/1/96	35,000	5.750%	5.750%	100.00%	35,000.00	74,827.15	109,827.15	184,654.30
12/1/96						73,820.90	73,820.90	
6/1/97	35,000	5.900%	5.900%	100.00%	35,000.00	73,820.90	108,820.90	182,641.80
12/1/97						72,788.40	72,788.40	
6/1/98	40,000	6.000%	6.000%	100.00%	40,000.00	72,788.40	112,788.40	185,576.80
12/1/98						71,588.40	71,588.40	
6/1/99	40,000	6.100%	6.100%	100.00%	40,000.00	71,588.40	111,588.40	183,176.80
12/1/99						70,368.40	70,368.40	
6/1/00	45,000	6.200%	6.200%	100.00%	45,000.00	70,368.40	115,368.40	185,736.80
12/1/00						68,973.40	68,973.40	
6/1/01	45,000	6.300%	6.300%	100.00%	45,000.00	68,973.40	113,973.40	182,946.80
12/1/01						67,555.90	67,555.90	
6/1/02	50,000	6.450%	6.450%	100.00%	50,000.00	67,555.90	117,555.90	185,111.80
12/1/02						65,943.40	65,943.40	
6/1/03	50,000	6.750%	6.750%	100.00%	50,000.00	65,943.40	115,943.40	181,886.80
12/1/03						64,255.90	64,255.90	
6/1/04	55,000	6.750%	6.750%	100.00%	55,000.00	64,255.90	119,255.90	183,511.80
12/1/04						62,399.65	62,399.65	
6/1/05	60,000	6.750%	6.750%	100.00%	60,000.00	62,399.65	122,399.65	184,799.30
12/1/05						60,374.65	60,374.65	
6/1/06	65,000	6.750%	6.750%	100.00%	65,000.00	60,374.65	125,374.65	185,749.30
12/1/06						58,180.90	58,180.90	
6/1/07	65,000	6.836%	6.836%	100.00%	65,000.00	58,180.90	123,180.90	181,361.80
12/1/07						55,959.20	55,959.20	
6/1/08	70,000	6.836%	6.836%	100.00%	70,000.00	55,959.20	125,959.20	181,918.40
12/1/08						53,566.60	53,566.60	
6/1/09	75,000	6.836%	6.836%	100.00%	75,000.00	53,566.60	128,566.60	182,133.20
12/1/09						51,003.10	51,003.10	
6/1/10	80,000	6.836%	6.836%	100.00%	80,000.00	51,003.10	131,003.10	182,006.20
12/1/10						48,268.70	48,268.70	
6/1/11	90,000	6.836%	6.836%	100.00%	90,000.00	48,268.70	138,268.70	186,537.40
12/1/11						45,192.50	45,192.50	
6/1/12	95,000	7.000%	7.000%	100.00%	95,000.00	45,192.50	140,192.50	185,385.00
12/1/12						41,867.50	41,867.50	
6/1/13	100,000	7.000%	7.000%	100.00%	100,000.00	41,867.50	141,867.50	183,735.00
12/1/13						38,367.50	38,367.50	
6/1/14	105,000	7.000%	7.000%	100.00%	105,000.00	38,367.50	143,367.50	181,735.00
12/1/14						34,692.50	34,692.50	
6/1/15	115,000	7.000%	7.000%	100.00%	115,000.00	34,692.50	149,692.50	184,385.00
12/1/15						30,667.50	30,667.50	
6/1/16	120,000	7.050%	7.050%	100.00%	120,000.00	30,667.50	150,667.50	181,335.00
12/1/16						26,437.50	26,437.50	
6/1/17	130,000	7.050%	7.050%	100.00%	130,000.00	26,437.50	156,437.50	182,875.00
12/1/17						21,855.00	21,855.00	
6/1/18	140,000	7.050%	7.050%	100.00%	140,000.00	21,855.00	161,855.00	183,710.00
12/1/18						16,920.00	16,920.00	
6/1/19	150,000	7.050%	7.050%	100.00%	150,000.00	16,920.00	166,920.00	183,840.00
12/1/19						11,632.50	11,632.50	
6/1/20	160,000	7.050%	7.050%	100.00%	160,000.00	11,632.50	171,632.50	183,265.00
12/1/20						5,992.50	5,992.50	
6/1/21	170,000	7.050%	7.050%	100.00%	170,000.00	5,992.50	175,992.50	181,985.00
Accrued	2,250,000				8,938.67	2,250,000.00	3,151,069.26	5,401,069.26

Dated Date: 9/1/91
 Delivery Date: 9/22/91
 First Interest Payment Date: 12/1/91
 True Interest Cost: 6.90146757

Exhibit "B" to Final Judgment

All those properties conveyed to United Florida Utilities Corporation by the Deltona Corporation and/or Deltona Construction Company, Inc. by Warranty Deeds recorded in Official Records Book 837, Page 373, and Official Records Book 444, Page 184, Public Records of St. Johns County, Florida, more particularly described in Annex 1 attached hereto.

All subject to the terms and conditions contained in such Deeds.

SCHEDULE "A"

Fee Parcels (Section 1)

Lots 1 through 5, inclusive, of Block 36 of REPLAT OF A PORTION OF ST. AUGUSTINE SHORES, UNIT ONE, according to the plat thereof recorded in Plat Book 11, pages 76 through 80, inclusive, of the public records of St. Johns County, Florida.

Tract "T" of ST. AUGUSTINE SHORES, UNIT ONE, according to the plat thereof recorded in Plat Book 11, pages 63 through 71, inclusive, of the public records of St. Johns County, Florida.

Tract "M" of REPLAT OF ST. AUGUSTINE SHORES, UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida.

Annex 1 to
Exhibit "B" to Final Judgment

Easement Parcels (Section 2)
Page Two.

That certain parcel of land lying in and being a part of Tract "G" of REPLAT OF ST. AUGUSTINE SHORES, UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida;

being more particularly described, as follows:

Begin at the Northeast corner of Lot 16, Block 149 of said Replat of St. Augustine Shores, Unit Two; thence run South 89 degrees 08 minutes 11 seconds West, along the North boundary line of said Lot 16, a distance of 7.50 feet; thence run North 00 degrees 51 minutes 49 seconds West for a distance of 15.00 feet; thence run North 89 degrees 08 minutes 11 seconds East for a distance of 15.00 feet; thence run South 00 degrees 51 minutes 49 seconds East for a distance of 15.00 feet to a point on the North boundary line of Lot 17 aforesaid Block 149; thence run South 89 degrees 08 minutes 11 seconds West, along said North boundary line of Lot 17, for a distance of 7.50 feet to the Point of Beginning.

Tract "H" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof, recorded in Plat Book 13, pages 114 through 124, of the public records of St. Johns County, Florida;

LESS AND EXCEPT:

A parcel of land in the Peter Miranda Grant, Section 41, Township 8 South, Range 30 East, St. Johns County, Florida, said parcel of land being more fully described, as follows:

Commence at a permanent reference monument on the North line of said Section 41, said monument also being on the West Right-of-Way line of an existing 100 foot wide Florida Power and Light Company easement as recorded in Deed Book 192, page 385 of the public records of St. Johns County, Florida, for the Point of Beginning; thence South 14 degrees 43 minutes 39 seconds East 258.46 feet along the West Right-of-Way line of said existing 100 foot wide Florida Power and Light Company easement; thence North 30 degrees 44 minutes 25 seconds West 290.0 feet to a point on the North line of said Section 41; thence North 89 degrees 30 minutes 11 seconds East 62.53 feet to the Point of Beginning.

The above described parcel of land lying and being part of Tract "H" of Replat of St. Augustine Shores Unit Two, according to the plat thereof recorded in Plat Book 13, pages 114 through 124 of the public records of St. Johns County, Florida.

That portion of:

Lots 1, 2 and 3 of Block 135, REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida; lying within 5.00 feet to the left and 10.00 feet to the right of the following described line:

Begin at the most Southerly corner of aforesaid Lot 3, the same being a point on the East Right-of-Way Line of Sevilla Drive as shown on said replat; thence run North 66 degrees 37 minutes 39 seconds East, along the Southerly boundary line of said Lot 3, for a distance of 206.80 feet to the most Easterly corner of said Lot 3 and the Point of Termination, of said line.

ALSO:

That portion of Lots 1 and 2 of Block 135 of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida, lying within 5.00 feet eachside of the common boundary line between said lots.

That certain parcel of land lying and being a part of Tract "P" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida; being more particularly described, as follows:

Easement Parcels (Section 2)
Page Three.

Begin at the Northeast corner of Lot 14, Block 146 of said Replat of St. Augustine Shores Unit Two; thence run South 00 degrees 17 minutes 34 seconds East, along the East boundary line of said Lot 14, for a distance of 15.00 feet; thence run North 89 degrees 42 minutes 26 seconds East for a distance of 10.00 feet; thence run North 00 degrees 17 minutes 34 seconds West for a distance of 15.00 feet to a point on the South boundary line of Lot 13 of aforesaid Block 146; thence run South 89 degrees 42 minutes 26 seconds West, along said South boundary line, for a distance of 10.00 feet to the Point of Beginning.

That certain parcel of land lying in and being a part of Tract "P" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida;

Being more particularly described, as follows:

Commence at the Southwest corner of Lot 1, Block 145 of said Replat of St. Augustine Shores Unit Two, thence run South 05 degrees 06 minutes 11 seconds East for a distance of 475.00 feet to the Point of Beginning of the parcel of land hereinafter described; thence continue South 05 degrees 06 minutes 11 seconds East for a distance of 443.56 feet; thence run North 84 degrees 53 minutes 49 seconds East for a distance of 20.00 feet; thence run North 05 degrees 06 minutes 11 seconds West for a distance of 443.56 feet; thence run South 84 degrees 53 minutes 49 seconds West for a distance of 20.00 feet to the Point of Beginning.

That certain parcel of land lying in and being a part of Tract "Q" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida;

Being more particularly described, as follows:

Begin at the most Southerly corner of Tract "S" of aforesaid Replat of St. Augustine Shores Unit Two, the same being a point on the Northwesterly Right-of-Way Line of Shores Blvd. as shown on said plat and a point on a circular curve concave to the North-west having a radius of 950.00 feet; thence run Southwesterly, along said Right-of-Way and the arc of said curve, through a central angle of 01 degree 12 minutes 23 seconds a distance of 20.00 feet; thence, leaving said Right-of-Way Line, run North 32 degrees 54 minutes 43 seconds West, parallel to the Southwesterly boundary line of aforesaid Tract "S", a distance of 19.79 feet; thence run North 57 degrees 05 minutes 17 seconds East a distance of 20.00 feet to a point on said Southwesterly boundary line of Tract "S"; thence run South 32 degrees 54 minutes 43 seconds East along said Southwesterly boundary line, a distance of 20.00 feet to the Point of Beginning.

All of Tract "T" of a REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the Plat thereof, as recorded in Plat Book 13, pages 114 through 124, inclusive of the public records of St. Johns County, Florida.

Tract "U" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the Plat thereof recorded in Plat Book 13, pages 114 through 124, of the public records of St. Johns County, Florida;

LESS AND EXCEPT:

A parcel of land in the Peter Miranda Grant, Section 41, Township 8 South, Range 30 East, St. Johns County, Florida, said parcel of land being more fully described, as follows:

Commence at a permanent reference monument on the South line of said Section 41, said monument also being on the West Right-of-Way line of an existing 100 foot wide Florida Power and Light Company easement as recorded in Deed Book 192, page 385, of the public records of St. Johns County, Florida, for the Point of Beginning; thence run North 14 degrees 43 minutes 39 seconds West 365.82 feet along the West Right-of-Way line of said existing Florida Power and Light Company easement; thence South 0 degrees 42 minutes 58 seconds West 279.20 feet; thence south 82 degrees 36 minutes 33 seconds West 60.49 feet; thence South 7 degrees 27 minutes East 70.0 feet to a point on the South line of said Section 41; thence North 89 degrees 08 minutes 11 seconds East 147.46 feet to the Point of Beginning; subject to an existing Florida Power and Light Company easement as recorded in Official Records 395, page 363, public records of St. Johns County, Florida and Southern Bell Telephone and Telegraph Company easement, the easements being over, beneath and upon the Southerly 10 feet of the parcel of land being described. Containing 0.49 acres.

Easement Parcels (Section 2)
Page Four.

The above described parcel of land lying and being part of Tract "U" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof, recorded in Plat Book 13, pages 114 through 124, of the public records of St. Johns County, Florida.

That portion of:
Lots 1, 2 and 3, of Block 111; Tracts "A-G" and "A-H" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida;
Lying within 60.00 feet of the centerline of Shores Boulevard as shown on said plat of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO.

That portion of Tracts "Z", "A-A", "A-B", "A-C", "A-D" and "A-E" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida;

lying within 10.00 feet to the left, as measured perpendicularly to, the following described line:

Commence at the Southwest corner of aforesaid Tract "Z", the same being a point on the Easterly Right-of-Way Line of U.S. Highway No. 1 as shown on said plat; thence run North 08 degrees 22 minutes 44 seconds West, along the Westerly boundary line of said Tract "Z", a distance of 139.62 feet to the point of curvature of a circular curve to the right having a radius of 50.00 feet; thence run Northerly, along the arc of said curve, through a central angle of 60 degrees 53 minutes 12 seconds, a distance of 53.14 feet to the Point of Beginning of the line hereinafter described; thence run North 89 degrees 22 minutes 40 seconds East a distance of 215.15 feet to the point of curvature of a circular curve to the right having a radius of 1, 924.41 feet; thence run Easterly, along the arc of said curve, through a central angle of 12 degrees 01 minutes 58 seconds, a distance of 404.15 feet to the point of reverse curvature of a circular curve to the left having a radius of 1944.41 feet; thence run Easterly along the arc of said curve, through a central angle of 12 degrees 01 minutes 55 seconds, a distance of 408.32 feet to the point of compound curvature of a circular curve to the left having a radius of 1060.00 feet; thence run Easterly and Northeasterly, along the arc of said curve, through a central angle of 27 degrees 35 minutes 48 seconds a distance of 510.55 feet to a point on the Northeasterly boundary line of aforesaid Tract "A-E" and the Point of Termination of said line.

Tract "D" of ST. AUGUSTINE SHORES UNIT THREE, according to the plat thereof recorded in Plat Book 12, pages 27 through 32, inclusive, of the public records of St. Johns County, Florida.

Tract "E" of ST. AUGUSTINE SHORES UNIT THREE, according to the plat thereof recorded in Plat Book 12, pages 27 through 32, inclusive, of the public records of St. Johns County, Florida.

Tract "F" of ST. AUGUSTINE SHORES UNIT THREE, according to the plat thereof recorded in Plat Book 12, pages 27 through 32, inclusive, of the public records of St. Johns County, Florida.

The West 15.00 feet of Tracts "A", "B" and "C" of ST. AUGUSTINE SHORES, UNIT SIX, according to the plat thereof as recorded in Plat Book 14, pages 40 through 46, inclusive, of the public records of St. Johns County, Florida.

Tract "D" of ST. AUGUSTINE SHORES UNIT SIX, according to the plat thereof recorded in Plat Book 14, pages 40 through 46, inclusive, of the public records of St. Johns County, Florida.

Easement Parcels (Section 2)
Page Five.

That certain Florida Power and Light Company Easement lying in portions of Sections 17, 39, 41, 48, and 49, Township 8 South, Range 30 East, St. Johns County, Florida, being more particularly described, as follows:
That certain 100 foot wide Florida Power and Light Company easement lying Easterly of and adjacent to and as shown on the aforesaid Replat of St. Augustine Shores Unit Two and between those aforesaid plats of St. Augustine Shores Units Three, Four and Five, said easement being recorded in Deed Book 192, page 389, et seq., of the public records of St. Johns County, Florida, extending the side lines of said easement so as to terminate in the property of the Grantor;

LESS AND EXCEPT:

Those certain existing road rights of ways, over, across, and through the said Florida Power and Light Company Easement, said road right of ways being more particularly known as Dorado Drive (a 60 foot wide right of way); Costado Street (a 60 foot wide right of way); Shores Boulevard (a 100 foot wide right of way); and Deltona Boulevard (an 80 foot wide right of way) as depicted on the aforementioned plats of St. Augustine Shores;

RESERVING UNTO THE GRANTOR, its successors and assigns the right to enter upon aforesaid 100 foot wide Florida Power and Light Company Easement to remove all fill materials needed for the development of the Grantor's remaining property holdings at the St. Augustine Shores Subdivision, such development to include but not be limited to road construction and drainage.

Those portions of the common area of THE CONQUISTADOR CONDOMINIUM APARTMENTS OF ST. AUGUSTINE SHORES as recorded in the Official Records of St. Johns County, Florida and being in Official Records Book 515, pages 274 through 383, of St. Johns County, Florida.

The following strips of land lying and being reflected on the various recorded plats of ST. AUGUSTINE SHORES, which are reflected in the Dedication of said plats, as follows:

- a. A strip of land 10 feet wide at the rear of each lot and 5 feet wide at the sides and front of each lot is reserved to the DELTONA CORPORATION, its successors or assigns for the installation and maintenance of public utilities and drainage facilities, with the following exceptions: side lot lines lying adjacent to streets shall contain no easements; and where more than one lot is intended as a building site the outside boundaries of said building site shall carry said side easements. All as depicted on the plat of St. Augustine Shores, Unit One, according to map or plat thereof recorded in Plat Book 11, pages 63 through 71, of the public records of St. Johns County, Florida.
- b. A strip of land 10 feet wide at the rear of each lot and 5 feet wide at the sides and front of each lot is reserved to the DELTONA CORPORATION, its successors or assigns for the installation and maintenance of public utilities and drainage facilities, with the following exceptions: side lot lines lying adjacent to streets shall contain no easements, and where more than one lot is intended as a building site the outside boundaries of said building site shall carry said side easements. All as depicted on the plat of St. Augustine Shores, Replat of a portion of Unit One, according to map or plat thereof recorded in Plat Book 11, pages 76 through 80, of the public records of St. Johns County, Florida.
- c. A strip of land 10 feet wide at the rear of each lot and 5 feet wide at the sides and front of each lot is reserved to the DELTONA CORPORATION, its successors and or assigns for the installation and maintenance of public utilities and drainage facilities, with the following exceptions: side lot lines lying adjacent to streets shall contain no easements, and where more than one lot is intended as a building site the outside boundaries of said building site shall carry said side easements. All as depicted on the plat of St. Augustine Shores, Unit Two, according to map or plat thereof recorded in Plat Book 11, pages 95 through 106, of the public records of St. Johns County, Florida.

Easement Parcels (Section 2)
Page Six.

- d. A strip of land 10 feet wide at the rear of each lot and 5 feet wide at the sides and front of each lot is reserved to THE DELTONA CORPORATION, its successors or assigns for the installation and maintenance of public utilities and drainage facilities, with the following exceptions: side lot lines lying adjacent to streets shall contain no easement and where more than one lot is intended as a building site the outside boundaries of said building site will carry said side easements. All as depicted on the plat of St. Augustine Shores Unit Two Replat, according to map or plat thereof recorded in Plat Book 13, pages 114 through 124, of the public records of St. Johns County, Florida.
- e. A strip of land 10 feet wide at the rear of each lot and 5 feet wide at the sides of each lot is reserved to THE DELTONA CORPORATION, its successors or assigns for the installation and maintenance of public utilities and drainage facilities, with the following exceptions: side lot lines lying adjacent to streets shall contain no easements; and where more than one lot is intended as a building site the outside boundaries of said building site shall carry said side easements. All as depicted on the plat of St. Augustine Shores, Unit Three, according to map or plat thereof recorded in Plat Book 12, pages 27 through 32, all of the public records of St. Johns County, Florida.
- f. A strip of land 10 feet wide at the rear of each lot ^{and 8 ft wide at the sides of each} is reserved to THE DELTONA CORPORATION, its successors or assigns for the installation and maintenance of public utilities and drainage facilities, with the following exceptions: side lot lines lying adjacent to streets shall contain no easements, and where more than one lot is intended as a building site the outside boundaries of said building site shall carry said side easements. All as depicted on the plat of St. Augustine Shores, Unit Four, according to map or plat thereof recorded in Plat Book 13, pages 31 through 38, of the public records of St. Johns County, Florida.
- g. A strip of land 10 feet wide at the rear and the front of each lot and 7.5 feet wide at the sides of each lot is reserved to THE DELTONA CORPORATION, its successors and assigns for the installation and maintenance of public utilities and drainage facilities with the following exceptions: side lot lines lying adjacent to streets shall contain no easement, and where more than one lot is intended as a building site the outside boundaries of said building site shall carry said side easements. All as depicted on the plat of St. Augustine Shores, Unit Five, according to map or plat thereof recorded in Plat Book 14, page 21 through 24, of the public records of St. Johns County, Florida.
- h. A strip of land 10 feet wide at the rear and the front of each lot and 7.5 feet wide at the sides of each lot is reserved to THE DELTONA CORPORATION, its successors and assigns for the installation and maintenance of public utilities and drainage facilities with the following exceptions: side lot lines lying adjacent to streets shall contain no easement; and where more than one lot is intended as a building site the outside boundaries of said building site shall carry said side easements. All as depicted on the plat of St. Augustine Shores, Unit Six, according to map or plat thereof recorded in Plat Book 14, pages 40 through 46, of the public records of St. Johns County, Florida.
- i. A strip of land 10 feet wide at the rear and front of each lot and 7.5 feet wide at the sides of each lot are reserved to THE DELTONA CORPORATION, its successors or assigns for the installation and maintenance of utilities, cable television, and drainage facilities with the following exceptions: side lot lines lying adjacent to streets shall contain no easement; and where more than one lot is intended as a building site the outside boundaries of said building site shall carry said easements. All as depicted on the plat of St. Augustine Shores, Unit Seven, according to map or plat thereof recorded in Plat Book 22, pages 24 through 48, of the public records of St. Johns County, Florida.

Easement Parcels (Section 2)
Page Seven.

1. A strip of land 10 feet wide at the rear and front of each lot and 7.5 feet wide at the sides of each lot are reserved to THE DELTONA CORPORATION its successors or assigns for the installation and maintenance of utilities, cable television and drainage facilities with the following exceptions: side lot lines lying adjacent to streets shall contain no easement; and where more than one lot is intended as a building site the out side boundaries of said building site shall carry said easements. All utility easements shall also be easements for cable television services to the extent now and hereafter required by Florida law. All as depicted on the plat of St. Augustine Shores, Unit Eight, according to map or plat thereof as recorded in Map Book 21, pages 58 through 63, of the public records of St. Johns County, Florida.

Easement Parcels (Section 3)
Page One.

Tract "A" of ST. AUGUSTINE SHORES UNIT ONE according to the plat thereof recorded in Plat Book 11, pages 61 through 71, inclusive of the public records of St. Johns County, Florida;

SUBJECT TO:

Those certain Ingress/Egress easements granted from The Deltona Corporation to S. Raymond Cafaro and Genevieve G. Cafaro, his wife by a grant of easement bearing date the 19th day of November, 1981 and recorded in Official Records Book 516, page 576, et seq., of the public records of St. Johns County, Florida.

Tract "M" of ST. AUGUSTINE SHORES UNIT ONE according to the plat thereof recorded in Plat Book 11, pages 61 through 71, inclusive of the public records of St. Johns County, Florida;

LESS AND EXCEPT:

That portion of said Tract "M" conveyed from the Deltona Corporation to Layman F. Lyon and Ruth Lyon, his wife, by Warranty Deed bearing date the 11th day of January 1973 and recorded in Official Records Book 224, page 168, et seq., of the public records of St. Johns County, Florida.

Tracts "B", "C", "D", "E", "J", "K", "N", "R", "U", "W", and "X" of ST. AUGUSTINE SHORES UNIT ONE according to the plat thereof recorded in Plat Book 11, pages 61 through 71, inclusive, of the public records of St. Johns County, Florida.

Tracts "L", "V", "W", "Y", "A-X", "A-C", and "A-G" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124 of the public records of St. Johns County, Florida.

Tracts "A", "B", "C" and "G" of ST. AUGUSTINE SHORES UNIT THREE, according to the plat thereof recorded in Plat Book 12, pages 27 through 32, inclusive, of the public records of St. Johns County, Florida.

Tracts "A", "B", "D", "E", "F" and "G" of ST. AUGUSTINE SHORES UNIT FOUR, according to the plat thereof recorded in Plat Book 13, pages 31 through 38, inclusive, of the public records of St. Johns County, Florida.

Tracts "A", "B", "C", "D", "E", "F", "G", "H", "L" and "P" of ST. AUGUSTINE SHORES UNIT FIVE, according to the plat thereof recorded in Plat Book 14, pages 21 through 24, inclusive of the public records of St. Johns County, Florida.

Tracts "P", "U", "X", "Z" and "DD" of ST. AUGUSTINE SHORES UNIT SIX, according to the plat thereof recorded in Plat Book 14, pages 40 through 46, inclusive, of the public records of St. Johns County, Florida;

SUBJECT TO:

Those certain electric utility easements granted from the Deltona Corporation to the Florida Power & Light Company by a grant of easement bearing date the 17th day of December, 1981 and recorded among the public records of ST. Johns County, Florida.

Tracts "D", "E", "F", "G", "N", "Q", "R", "S", "T", "V", "W", "AA", "BB", "CC", "EE", and "FF" of ST. AUGUSTINE SHORES UNIT SIX according to the plat thereof recorded in Plat Book 14, pages 40 through 46 inclusive, of the public records of St. Johns County, Florida.

Easement Parcels (Section 2)

Tract "S" of ST. AUGUSTINE SHORES UNIT ONE, according to the plat thereof recorded in Plat Book 11, pages 61 through 71, inclusive, of the public records of St. Johns County, Florida;

LESS AND EXCEPT:

An easement for ingress and egress over a strip of land 12.00 feet wide, lying in and being a part of Tract "S", ST. AUGUSTINE SHORES UNIT ONE, according to the plat thereof recorded in Plat Book 11, pages 63 through 71, inclusive, of the public records of St. Johns County, Florida, lying within 12.00 feet East of and perpendicular to the following described line:

BEGIN at the Northwest corner of said Tract "S", the same being on the Southerly lot line of Lot 1, Block 35 as shown on said plat of ST. AUGUSTINE SHORES UNIT ONE; thence run South 01 degree 38 minutes 48 seconds East along the West boundary line of said Tract "S" 343.00 feet to the Point of Termination.

The Northerly 10.00 feet of Lot 1, Block 139 of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida, as measured perpendicularly to the Southerly Right-of-Way Line of Domenico Circle as shown on said replat of St. Augustine Shores Unit Two.

That portion of:

Tracts "B" and "F" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida; lying within 65.00 feet of the centerline of Shores Boulevard as shown on said Replat of St. Augustine Shores, Unit Two.

Tract "C" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida; lying within 15.00 feet of the Westerly, Southwesterly and Southerly boundary line of said Tract "C".

That part of Tracts "D" and "T" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida; lying within 7.5 feet each side of the following described centerline: Commence at the most Southerly corner of aforesaid Tract "D", the same being a point on the Northerly Right-of-Way line of Shores Boulevard as shown on said replat; thence run South 68 degrees 20 minutes 43 seconds West, along said Right-of-Way line, a distance of 210.95 feet to the POINT OF BEGINNING of the centerline hereinafter described; thence, leaving said Right-of-Way Line, run North 21 degrees 39 minutes 17 seconds West a distance of 200.00 feet; thence run North 68 degrees 20 minutes 43 seconds East a distance of 400.00 feet; thence run North 40 degrees 10 minutes 37 seconds East a distance of 133.41 feet; thence run North 55 degrees 55 minutes 37 seconds East a distance of 334.66 feet to a point on the Westerly Right-of-Way Line of Domenico Circle and the Point of Termination of said centerline.

That certain parcel of land lying in and being a part of Tract "F" of REPLAT OF ST. AUGUSTINE SHORES, UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida;

being more particularly described, as follows:

Begin at the Northeast corner of Lot 10, Block 136 of said Replat of St. Augustine Shores, Unit Two, the same being a point on the Westerly Right-of-Way Line of Sevilla Drive as shown on said plat; thence run 73 degrees 16 minutes 31 seconds West, along the North boundary line of said Lot 10, a distance of 20.00 feet; thence run North 14 degrees 43 minutes 39 seconds West a distance of 15.00 feet; thence run North 73 degrees 16 minutes 21 seconds East a distance of 20.00 feet to a point on the aforesaid Westerly Right-of-Way Line of Sevilla Drive; thence run South 14 degrees 43 minutes 39 seconds East, along said Right-of-Way Line, a distance of 15.00 feet to the Point of Beginning.

Exhibit "C" to Final Judgment

All those certain easements conveyed to United Florida Utilities Corporation by The Deltona Corporation in accordance with instruments recorded in Official Records Book 837, Page 382, Official Records Book 837, Page 378, Official Records Book 605, Page 107 and Official Records Book 448, Page 701, Public Records of St. Johns County, Florida, for the purposes as to each conveyance as set forth in the instrument by which such easement is made and subject to the terms and conditions set forth in such instruments, as more particularly described in Annex 2 attached hereto.

Easement Parcels (Section 3)
Page One.

Tract "A" of ST. AUGUSTINE SHORES UNIT ONE according to the plat thereof recorded in Plat Book 11, pages 61 through 71, inclusive of the public records of St. Johns County, Florida;

SUBJECT TO:

Those certain Ingress/Egress easements granted from The Daltona Corporation to S. Raymond Cafaro and Genevieve G. Cafaro, his wife by a grant of easement bearing date the 19th day of November, 1981 and recorded in Official Records Book 516, page 576, et seq., of the public records of St. Johns County, Florida.

Tract "M" of ST. AUGUSTINE SHORES UNIT ONE according to the plat thereof recorded in Plat Book 11, pages 61 through 71, inclusive of the public records of St. Johns County, Florida;

LESS AND EXCEPT:

That portion of said Tract "M" conveyed from the Daltona Corporation to Layman F. Lyon and Ruth Lyon, his wife, by Warranty Deed bearing date the 15th day of January 1973 and recorded in Official Records Book 224, page 168, et seq., of the public records of St. Johns County, Florida.

Tracts "B", "C", "D", "E", "J", "K", "N", "R", "U", "W", and "X" of ST. AUGUSTINE SHORES UNIT ONE according to the plat thereof recorded in Plat Book 11, pages 61 through 71, inclusive, of the public records of St. Johns County, Florida.

Tracts "L", "V", "H", "Y", "A-X", "A-C", and "A-G" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124 of the public records of St. Johns County, Florida.

Tracts "A", "B", "C" and "G" of ST. AUGUSTINE SHORES UNIT THREE, according to the plat thereof recorded in Plat Book 12, pages 27 through 32, inclusive, of the public records of St. Johns County, Florida.

Tracts "A", "B", "D", "E", "F" and "G" of ST. AUGUSTINE SHORES UNIT FOUR, according to the plat thereof recorded in Plat Book 13, pages 31 through 38, inclusive, of the public records of St. Johns County, Florida.

Tracts "A", "B", "C", "D", "E", "F", "G", "H", "L" and "P" of ST. AUGUSTINE SHORES UNIT FIVE, according to the plat thereof recorded in Plat Book 14, pages 21 through 24, inclusive of the public records of St. Johns County, Florida.

Tracts "A", "U", "X", "Z" and "DD" of ST. AUGUSTINE SHORES UNIT SIX, according to the plat thereof recorded in Plat Book 14, pages 40 through 46, inclusive, of the public records of St. Johns County, Florida;

SUBJECT TO:

Those certain electric utility easements granted from the Daltona Corporation to the Florida Power & Light Company by a grant of easement bearing date the 17th day of December, 1981 and recorded among the public records of ST. Johns County, Florida.

Tracts "D", "E", "F", "G", "N", "Q", "R", "S", "T", "V", "W", "AA", "BB", "CC", "EE", and "FF" of ST. AUGUSTINE SHORES UNIT SIX according to the plat thereof recorded in Plat Book 14, pages 40 through 46 inclusive, of the public records of St. Johns County, Florida.

SECTION 2

WATER SYSTEM ASSETS

The St. Augustine Shores Water System includes raw water supply, water treatment and water transmission/distribution plant.

2.01 RAW WATER SUPPLY WELLS

Assets associated with the withdrawal and pumping of raw water for the St. Augustine Shores subdivision. Those assets include all screening, casing, pump, motor, auxiliary power, associated piping, on-site monitoring wells and equipment, remote monitoring equipment, and associated structures. A listing of the assets associated with the raw water wells is presented in Table 2-1.

2.02 WATER TREATMENT PLANT

All assets associated with the St. Augustine Shores water treatment plant. Those assets include all piping, fittings, valving, treatment process equipment, pumps, maintenance and operation buildings, control systems, water storage facilities, and chemical handling and feed systems. A listing of assets associated with the water treatment facility is presented in Table 2-2.

2.03 WATER TRANSMISSION/DISTRIBUTION SYSTEM

All assets associated with the St. Augustine Shores transmission and distribution system, including all water lines conveying treated water from the St. Augustine Shores water treatment plant and system storage facilities. Those assets include all piping, fittings, valving, specialty equipment, vaults, and associated structures. A listing of assets associated with the water transmission and distribution system is presented in Table 2-3.

2.04 FIRE HYDRANTS

All assets associated with the St. Augustine Shores fire hydrant system. A listing of assets is presented in Table 2-4.

2.05 WATER METERS

All assets associated with water meters placed in the St. Augustine Shores water system to measure or monitor the consumption of water by water utility customers. Those assets include all meters proper, meter boxes, piping, valves, fittings and associated structures with the St. Augustine Shores water meter system. Table 2-5 summarizes the last publicly available listing of water meters.

2.06 WATER SERVICES

All assets associated with water service in-place in the St. Augustine Shores water system. Those assets include all tapping saddles, corporations stops, piping, casing, and fittings.

2.07 GENERAL PLANT AND MISCELLANEOUS EQUIPMENT

All assets associated with the water treatment plant site and the field equipment in the St. Augustine Shores Water system. Those assets include all computer equipment, laboratory equipment, transportation equipment and furniture associated with the water treatment plant operation. Table 2-6 summarizes the general plant asset listing.

TABLE 2-1

ST. AUGUSTINE SHORES UTILITIES

Listing Of Raw Water Supply Wells

I. Wells	#34-D	#34-L	#35	#36	#34E
Year Constructed	1983	1984	1985	1985	1980
Type of Well Construction and Casing		Rotary, Steel	Rotary Steel	Rotary, Steel	Rotary, PVC
Well Diameter (inches)	6	6	6	6	6
Well Depth (ft)	100	100	100	100	100
II. Motors					
Type of Power	Electric	Electric	Electric	Electric	Electric
Rated Horsepower (HP)	5	5	7.5	7.5	5
III. Pumps					
Capacity in GPM	115	115	100	100	60

TABLE 2-1 (Con't)

ST. AUGUSTINE SHORES UTILITIES

Listing Of Raw Water Supply Wells

I. Wells	#37	#38	#39	#40	#34G
Year Constructed	1987	1987	1989	1990	1982
Type of Well	Rotary,	Rotary,	Rotary,	Rotary,	Rotary,
Construction and Casing	PVC	PVC	PVC	PVC	PVC
Well Diameter (inches)	6	6	6	6	6
Well Depth (ft)	100	100	100	100	100
II. Motors					
Type of Power	Electric	Electric	Electric	Electric	Electric
Rated Horsepower (HP)	7.5	7.5	3	7.5	5
III. Pumps					
Capacity in GPM	100	100	100	120	45

TABLE 2-2
ST. AUGUSTINE SHORES UTILITIES
LISTING OF WATER TREATMENT FACILITIES

Line No	Plant Description	Quantity	Type	Size	Capacity
1	Raw Water Storage Tanks	3	Steel - Ground	10'-5" diameter - 46'-6" long	Each 33,000 gallons
2	Filters	3	Steel Construction	10' diameter, 14'-11/4" high	Each 150 GPM
3	Spiractor	1	Steel Construction	9' diam., 24'-10" high	450 gpm
4	Lime Silo	1	Wallace & Tiernan Series A-758 Slaker	12' outside diam., 34'-5" high	
5	Lime Shuttles	1	Steel Tank	6' diam., 4' high	720 gallons
6	Lime Feed Pumps	2	Milton Roy model DMI-59-95		3/4 HP Motor, 220V., 30
7	Spiralated Catalytic Precipitator	1	Steel	11'-3" diam., 28' high	1,650 gpm
8	Filter	1	Steel	24' diam., 18' high	1,050 gpm
9	Backwash	1	Steel Utilized Fourell Control	Deming Size 12" x 10" x 12"	1,650 GPM at 22' TDH, 15HP Motor
10	Surfacewash Pump	1	Centrifugal, Horiz. Split Case Control		1,050 GPM at 40' TDH, 15 HP Motor
11	Air Blower Housing	2	Peerless Pump Model - (VAD)11		195 cfm @ 5 psig
12	Hydropneumatic Storage Tank (WTP Site)	1	Subarbit - Model #4 mv		7,560 gallons
13	Hydropneumatic Storage Tank (Unit 2)	1	Steel Tank	6' diam., 35'-5" long	6,000 gallons
14	Ground Storage Tank (Unit 2)	1	Steel Tank	6' diam., 29'-5" long	500,000 gallons
15	Ground Storage Tank (WTP Site)	1	Circular - Concrete Construction	70' diam., 17'-5" high	1,000,000 gallons
16	Ground Storage Tank (Unit 2)	1	Circular - Concrete Construction		100 pounds/day
17	Chlorination System	1	Chlorinator: Advance Mod. 205-100 P.P.D.		
18	High Service Pumps (WTP Site)	3	Seals: Model 417 Cylinder Scale Peerless End Suction	1' x 2" 6" x 4" 6" x 4"	80 GPM @ 170' TDH, 7.5HP Motor 500 GPM @ 173' TDH, 40HP Motor 500 GPM @ 64' HP Motor
19	High Service Pumps (Unit 2 Storage Tank)	3	Peerless 4AD 14 Single Stage Centrifugal Peerless End Suction - W/L.P.G. Engine	1' x 2" 6" x 4" 6" x 4"	100 GPM @ 10HP Motor 500 GPM @ 50HP Motor 50 KW, 480V, 3φ w/hercules
20	Auxiliary Power Generator	1	Peerless 4AD 14 Single Stage Centrifugal Peerless End Suction - W/L.P.G. Engine	11'-0" L. x 6'-6" W x 6'-0" H	
21	Generator Shelter	1	Peerless 4AD 14 Single Stage Centrifugal Peerless End Suction - W/L.P.G. Engine	8" Metal - 150 #Flange	
22	Master Meter	1	Peerless 4AD 14 Single Stage Centrifugal Peerless End Suction - W/L.P.G. Engine	51'-8" L. x 30'-0" W x 11'-0" H	
23	Operations Building	1	Peerless 4AD 14 Single Stage Centrifugal Peerless End Suction - W/L.P.G. Engine		
24	Water Treatment Plant Acreage	-	Peerless 4AD 14 Single Stage Centrifugal Peerless End Suction - W/L.P.G. Engine		Min. 120GPM Max. 1,200GPM

TABLE 2-3

ST. AUGUSTINE SHORES UTILITIES
 Listing Of Water Transmission/Distribution System

I. Treated Water Mains:

<u>Pipe Diameter</u> <u>(inches)</u>	<u>Pipe Material</u>	<u>Total Footage</u> <u>(ft)</u>
4	PVC	54,020
6	PVC	73,218
8	PVC	29,685
10	PVC	10,540
12	PVC	3,260
12	AC	4,260
14	AC	6
16	AC	3,857
18	AC	2,579

II. Raw Water Mains:

4	PVC	1,428
6	PVC	2,688
8	PVC	2,345
10	PVC	<u>11,450</u>
Total		199,336 feet

TABLE 2-4

ST. AUGUSTINE SHORES UTILITIES
Listing Of Fire Hydrants

<u>Year</u> <u>Place In</u> <u>Service</u>	<u>Hydrant</u> <u>Type</u>	<u>Total</u> <u>Hydrants</u> <u>Added</u>
1987	4 1/2"	117
1988	4 1/2"	0
1989	4 1/2"	<u>0</u>
Total		117

TABLE 2-5

ST. AUGUSTINE SHORES UTILITIES
Listing Of Water Meters(1)

<u>Meter Size (inches)</u>	<u>Number of Meters</u>
5/8 x 3/4	2,286
1	11
1 1/2	14
2	5
3	0
4	0
6	0
8	<u>0</u>
Total	2,316

(1) As of April 16, 1991

TABLE 2-6

ST. AUGUSTINE SHORES UTILITIES
LISTING OF GENERAL PLANT ASSETS

Water System

Line No.	Item Description	Quantity
<u>I. General Plant</u>		
1	IBM 55SX Computer with Color Screen, Printer, Keyboard, Hard Drive. This also runs the telemetry system on all the pumps used for the water plant including raw and treated.	1
2	Wooden Desk	1
3	Desk Chairs	1
4	Window Heat and Air Conditioner AMCOR model 218AERJ62	1
5	Metal Filing Cabinet	1
6	Texas Inst. Calculator	1
7	Stirrer Corning PC-353	1
8	pH Meter Hach One Laboratory pH Meter	1
9	Nephelometer Turner Designs	1
10	Survivair Air Pack model LP30	1
11	Weedeater Stihl FS81	1
12	John Deere Lawn Mower	1
13	Calgon Pump Mega-Matic D60D2	1
14	Tandem Diaphragm Metering Pump Pennwalt series 44	1
15	Raw Water Pumps Peerless Pump #6AD14	2
16	Emergency Telephone Dialer ADEMCD #612	1
17	Lime Booster Pump A.O. Smith P56M2S7	1
<u>II. Field Equipment</u>		
18	L.S. Air Blower General GPB	1
19	Bench Grinder AllTrade 6" 1/2 HP	1
20	Stihl Concrete Saw Stihl TS350	1
21	Winch Trailer for pulling sump. L.S. pumps	1
22	12x20 Metal Storage Shed	1
23	Diaphragm Gas Pump Gorman-Rump	1
24	Trash Pump Gorman-Rump model 13-E2-K321P S/8	1
25	500 Gallon Fuel Tanks 1-Gas 1-Diesel	1
26	Fuel Pump Gorman-Rump model 13-E2-K321P s/G	1
27	500 Gallon Fuel Tanks 1-Gas 1-Diesel	1
28	Fuel Pump Electric	1
29	Conference Table	1

TABLE 2-7
ST. AUGUSTINE SHORES UTILITIES
OTHER ASSETS

<u>Line No.</u>	<u>Item Description</u>
1	Land and Easements, Rights, See Land and Easements Notebook
2	Miscellaneous Tools, Equipment, Etc.
3	Stock on Hand
4	Records, Drawings, Engineering Reports, System Report, Hydraulic Analysis Disks and Programs, Drawings, Etc., Operations and Management Information
5	Customer Information, Billing Records, Billing Procedures, Etc., Financial and Administrative Information

TABLE 2-6 (Con't)

ST. AUGUSTINE SHORES UTILITIES
LISTING OF GENERAL PLANT ASSETS

Water System

Line No.	Item Description	Quantity
30	Office Chair	
31	Conference Building	1
32	Metal Desk with Typewriter Stand	1
33	Office Chair	1
34	S-10 Pickups with toolboxes	1
	1988	4
	1987	2
	1989	1
35	John Deere Backhoe 310C	1
		1
	<u>III. Misc. Equipment - Billing Office</u>	
36	4 Drawer Filing Cabinets	
37	5 Drawer Filing Cabinets	5
38	Wooden Desk	3
39	Sec. Wooden Desk with Typing Return	2
40	Metal Desk	1
41	Microfish Viewer MicroDesign model Comette	1
42	Panasonic Typewriter #KX-E700M	1
43	Wooden Round Table	1
44	All Wood Storage Cabinet	1
45	Microwave Sanyo #EMA102	1
46	Refrigerator Top Model Juliette	1
47	Computer Stands	1
48	Printer Table	2
49	Large All Wood Counter	1
50	Office Chairs	1
51	Epson Printer FX-286e	4
52	IBM Personal Computer with Color Monitor, Keyboard, Floppy Drive	1
53	Wood Table with Cabinet	2
54	Credenza	1
55	Blue Print Holder	1
56	Typewriter Table	1
57	Table with Office Chair on each side	1

SECTION 3

SECTION 3

WASTEWATER SYSTEM ASSETS

The St. Augustine Shores wastewater system includes wastewater collection, transmission, treatment plant and effluent disposal plant.

3.01 WASTEWATER SERVICE LATERALS

All assets associated with the St. Augustine Shores lateral system. Those assets include all piping, connections, cleanouts, plugs, and fittings.

3.02 WASTEWATER COLLECTION SYSTEM

All assets associated with the St. Augustine Shores wastewater collection system. Those assets include all gravity piping, fittings, connections, special collection structures, and siphons. A listing of the wastewater collection system is presented in Table 3-1.

3.03 MANHOLES

All assets associated with the St. Augustine Shores manholes. Those assets include all structures, connections, valves, fittings, tapping saddles, risers, drop connections, lids, and rings. A listing of the manholes is presented in Table 3-2.

3.04 WASTEWATER PUMP STATIONS

All assets associated with the St. Augustine Shores wastewater pumping facilities. Those assets include all pumps, valves, fittings, wetwell structures, valve vaults, hatches, controls, special structures, and pump-outs. A listing of the assets associated with the wastewater pumping system is presented in Table 3-3.

3.05 WASTEWATER FORCEMAINS

All assets associated with the St. Augustine Shores wastewater forcemain system. Those assets include all piping, fittings, valving, vaults, specialty equipment, and structures. A listing of the assets associated with the wastewater forcemain system is presented in Table 3-4.

3.06 WASTEWATER TREATMENT PLANT

All assets associated with the St. Augustine Shores wastewater treatment plant. Those assets include all piping, fittings, valving, treatment process equipment and structures, pumps, maintenance and operation buildings, instrumentation and control equipment, and chemical handling and feed systems. A listing of assets associated with the wastewater treatment facility is presented in Table 3-5.

3.07 EFFLUENT DISPOSAL FACILITIES

All assets associated with the St. Augustine Shores effluent disposal facilities. Those assets include all piping, fittings, valves, pumps, instrumentation and control equipment, all surge and emergency holding ponds, and specialty structures. A listing of the effluent disposal assets is presented in Table 3-6.

3.08 GENERAL PLANT AND MISCELLANEOUS EQUIPMENT

All assets associated with the wastewater treatment plant site and field equipment in the St. Augustine Shores wastewater system. Those assets include all computer equipment, laboratory equipment, transportation equipment and furniture associated with the wastewater plant operation. Table 3-7 summarizes the general plant asset listing.

TABLE 3-1

**ST. AUGUSTINE SHORES UTILITIES
Listing Of Wastewater Collection System**

<u>Pipe Diameter (inches)</u>	<u>Pipe Material</u>	<u>Total Footage (ft)</u>
8	PVC	120,725
10	PVC	<u>4,112</u>
	Total	124,837 feet

TABLE 3-2

ST. AUGUSTINE SHORES UTILITIES
Listing Of the Manholes

<u>Year Place In Service</u>	<u>Size</u>	<u>Type</u>	<u>Number</u>
1986	4'	Concrete	525
1987	4'	Concrete	12
1988	4'	Concrete	0
1989	4'	Concrete	<u>0</u>
Total			537

TABLE 3-3
ST. AUGUSTINE UTILITIES
LISTING OF WASTEWATER PUMP STATIONS

<u>Lift Station Number</u>	<u>Lift Station Name</u>	<u>Year Installed</u>	<u>Number of Pumps</u>	<u>Pump. Manuf.</u>	<u>Pump Capacity (gpm)</u>	<u>Pump Horsepower (hp)</u>
1-A	Tract "L" (Unit 1)	1987	2	ABS	220	20
1-B	Tract "C" (Unit 1)	1986	2	ABS	130	5.4
1-C	Lot 10, Block 20 (Unit 1)	1987	2	ABS	260	30
	Recreation Center	1988	2	ABS	100	5
1-E	Tract "A" (Unit 1)	1971	1	ABS	60	2
2-A	Tract "Q" (Unit 2)	1981	1	ABS	100	5
2-C	Tract "T" (Unit 2)	1973	2	ABS	300	15
2-D	Tract "F" (Unit 2)	1980	2	ABS	100	3
2-E	Tract "C" (Unit 2)	1980	2	ABS	100	3
2-F	Tract "P" (Unit 2)	1980	2	ABS	100	3
3-A	Tract "D" (Unit 3)	1987	2	ABS	350	3
3-B	Tract "F" (Unit 3)	1976	2	EMU	125	5
4-A	Shores Blvd. Lt B, Block 116 (Unit 4)	1978	2	ABS	200	3
4-B	Lot B3, Block 121 (Unit 4)	1979	2	ABS	100	15
4-C	Lot 9, Block 123 Unit 4)	1987	2	ABS	122	1-75
4-D	Tract "C" (Unit 4)	1987	2	ABS	130	2-5
5-A	Tract "N" (Unit 5)	1981	2	ABS	130	3-2
6-A	Tract "A" (Unit 6)	1981	2	ABS	300	10
A	Conquistador Condo	1981	2	ABS	200	10
WTP	Tract "T" (Unit 1)	1989	1	ABS	30	2
C	Interim Conquistador Condo	1988	1	ABS	75	1.75
B	Conquistador Condo	1981	2	ABS	-	10
WWTP	Unit 2	1987	2	ABS Piranha	-	-

TABLE 3-4

ST. AUGUSTINE SHORES UTILITIES
Listing Of Wastewater Force Mains

<u>Pipe Diameter</u> <u>(inches)</u>	<u>Pipe Material</u>	<u>Total Footage</u> <u>(ft)</u>
3	PVC	1,067
4	PVC	24,024
6	PVC	6,901
8	PVC	4,901
10	PVC	3,208
12	PVC	<u>6,011</u>
	Total	45,320 feet

TABLE 3-5

ST. AUGUSTINE SHORES UTILITIES
Listing Of Wastewater Treatment Facilities

Line No	Plant Description	Quantity	Type	Size	Capacity
1	Spiralflow Clarifier	1	Starter-Allen Bradley Size 0 Heaters - N-8 Coil-70A86 Fuse - (3) Amo, 600 volt Eco-Eos 15	40' diam., 14' Depth	132,000 gallons
2	Contact and Stabilizer Tanks	2	Base: Aquajet Model \$5501 Pat #3606273, Motor: General Electric 5K254FP6720AE, 15HP 3PH 460 volt	35' diam., 15' SWD	Each 100,000 gallons
3	Digester	1	Fixed Aerator - Starter - Allen Bradley Size 2, Heaters N-40, Fuse - (3) 60 amp., 600 volts, Dayton Time Clock Model 2E026 20HP Surface Aerator Motor	50' diam.	-
4	Return Sludge Pumps	2	Motor: U.S. Electric 8HP, 3PH, Pump: Serial #7994133-1, 600RPM		150 GPM
5	Sludge Holding Tank	1	Wemco Pump, Torque Flow, Pump Model E, 600 RPM, Motor, 3HP, 3PH		-
6	Air Compressor	1			-
7	Sludge Drying Beds	8	Concrete - Sand and Gravel	30' x 60'	-
8	Auxiliary Power Generator	1	Zenith Automatic Control Box	200KVA, 3208 Caterpillar Engine Serial #SYF00301	12,000 gallons each
9	Operations and Maintenance Building	1	Concrete Block Construction		-
10	Lightning Arrestor	1			-
11	Storage Shed	1	Metal	12' x 20'	-
12	Fuel Tank	1			500 gallon

TABLE 3-6

ST. AUGUSTINE SHORES UTILITIES
 Listing Of Wastewater Effluent Disposal Facilities

Line No	Plant Description	Quantity	Type	Size	Capacity
1	Percolation Ponds	3			
2	Chlorine Contact Chamber	1			
3	Spray Effluent Pump	2	Peerless Pump Model #8LB2, Starter-Allen Bradley Size 3	Motor: U.S. Electric, 3PH 30HP, 480 volts	30 GPM 127"TDH
4	Spray Effluent Sprinklers	3	Heads: Rain Birds Model 30, Nozzle 3/16" x 1/8" - 20°	4" diam.	
5	Monitoring Wells	6			
6	Sprinkler Pump	1	Starter-Fumas Size 1 2/4, Motor: Century 10HP, 3PH, 460 volts		
7	Hydropneumatic Tank	1	Buffalo RT-3		
8	Wash Down Well	1	2 HP Submersible Pump and Motor	4" diam.	
9	Air Compressor	1	Whitewater AirRite Model		
10	Booster	1	StaRite LT1/6L		
11	Diagram Metering Pump	1	StaRite D82/D	0.16 HP	0.500 mgd each
12	Pumps	2	Pulsa 680	4" diam.	200 lb/day
		4	ABS - AF22	4" diam.	400 gallon
		2	ABS - AF15		
		2	ABS - SJS - SD		
13	Effluent Filters	2	Infilco Degremont		
			Cust. #9003-01R1		
14	Chlorination System	1			
15	Bradley Eyewash & Emergency Shower	1			
16	Alum Tank	1			

TABLE 3-7

ST. AUGUSTINE SHORES UTILITIES
LISTING OF GENERAL PLANT ASSETS
Wastewater System

Line No.	Item Description	Quantity
1	Metal Desk	1
2	Metal Filing Cabinets	2
3	Microscope Reichert #160	1
4	Stirrer Sybron #7200	1
5	Furnas Thermolyne type 1500	1
6	p/H Meter Corning Model 7	1
7	Refrigerator Magic Chef RB19HN-A	1
8	Incubator Freas 815	1
9	Texas Instrument Calculator	1
10	Panosonic Pencil Sharpener	1
11	Carrier Window Heat and Air Conditioner	1
12	Office Chair	1
13	Mettler Scale #H31	1
14	Badger Flowmeter model #3000+	1
15	Oven Blue M Electric SW17TA	1
16	Oxygen Meter YSI model 54A	1
17	Honeywell chart Recorder #DR4500	1
18	Chlorine Analyzer Capital Controls model 1870E	1
19	Turbidity Analyzer 1885 with Cleaner 755F Capital Controls	1
20	John Deere Weedeater	1
21	John Deere Riding Mower #212	1
22	Portable Generator Robyn #P8000	1
23	Survivair Air Pack model LP30	1

TABLE 3-8

ST. AUGUSTINE SHORES UTILITIES

OTHER ASSETS

Line No.	Item Description
1	Land and Easements, Rights, See Land and Easements Notebook
2	Miscellaneous Tools, Equipment, Etc.
3	Stock on Hand
4	Records, Drawings, Engineering Reports, System Report, Hydraulic Analysis Disks and Programs, Drawings, Etc., Operations and Management Information
5	Customer Information, Billing Records, Billing Procedures, Etc., Financial and Administrative Information

This Instrument Prepared By
Geoffrey B. Dobson, 66 Cuna
St., St. Augustine, Fl.

IN THE CIRCUIT COURT, SEVENTH
JUDICIAL CIRCUIT, IN AND FOR
ST. JOHNS COUNTY, FLORIDA

CASE NO. 91-114-CA

ST. JOHNS COUNTY, a
political subdivision
of the State of Florida

Plaintiff,

vs.

UNITED FLORIDA UTILITIES
CORPORATION, a Florida
corporation; and DENNIS
W. HOLLINGSWORTH, as Tax
Collector for St. Johns
County, Florida,

Defendants.

SATISFACTION OF FINAL JUDGMENT
AND RECEIPT FOR SUBORDINATED BONDS

KNOW ALL MEN BY THESE PRESENTS that the undersigned as attorney of record and _____ President, respectively, for Defendant, UNITED FLORIDA UTILITIES CORPORATION, for and in consideration of the sum of Ten Dollars, receipt of the Subordinated Bonds referred to in that Final Judgment herein satisfied, and other good and valuable considerations, receipt of which is hereby acknowledged, do hereby declare the Final Judgment entered August 15, 1991 by the Honorable Richard G. Weinberg, which was recorded on _____, 1991 in Official Records Book ___ at Pages _____ of the Public Records of St. Johns County, Florida, to have been fully paid, performed, discharged and satisfied, including, but

Exhibit "E" to Final Judgment

not limited to, the receipt by United Florida Utilities Corporation of \$12,000,000 and the \$2,250,000 St. Johns County, Florida Subordinated Water and Sewer Revenue Bonds, Series 1991, and we hereby authorize and direct the Clerk of this Court to satisfy said judgment and order of record.

Signed, sealed and delivered in our presence: UNITED FLORIDA UTILITIES CORPORATION

(Print names of Witnesses below signatures)

Witness

BY: _____
Its _____ President

Witness

GRAY, HARRIS & ROBINSON

Witness

BY: _____
Byrd F. "Biff" Marshall
Florida Bar #
Post Office Box 3068
Orlando, Florida 32802-3068
Telephone: (407) 843-8880
Telefax: (407) 244-5690

Witness

STATE OF FLORIDA
COUNTY OF DUVAL

BEFORE ME personally appeared Byrd F. "Biff" Marshall and _____, who, being duly sworn, acknowledged before me that they executed the foregoing Satisfaction and stated that they had full authority to do so.

WITNESS my hand and official seal at Jacksonville, Florida, this ____ day of _____, A. D., 1991.

Notary Public, State of Florida
at Large.
My Commission Expires: _____

IN THE CIRCUIT COURT OF THE
SEVENTH JUDICIAL CIRCUIT, IN
AND FOR ST. JOHNS COUNTY,
FLORIDA

CASE NO.: 91-114-CA
DIVISION: A

ST. JOHNS COUNTY, a
political subdivision of
the State of Florida,

Plaintiff,

vs.

UNITED FLORIDA UTILITIES
CORPORATION, a Florida
corporation; and DENNIS
W. HOLLINGSWORTH, as Tax
Collector for St. Johns
County, Florida,

Defendants.

AGREEMENT

This Agreement entered into this 4th day of June,
1991, between ST. JOHNS COUNTY, a political subdivision of the
State of Florida, and UNITED FLORIDA UTILITIES CORPORATION.

W I T N E S S E T H

WHEREAS, ST. JOHNS COUNTY ("COUNTY") desires to acquire
certain property owned and held by UNITED FLORIDA UTILITIES
CORPORATION ("UNITED FLORIDA") more fully described as:

PARCEL 1

The Water and Sewer System facilities serving St.
Augustine Shores and consisting of a water distribution
system consisting of approximately 32.0 miles of water
main and appurtenances and water supply treatment and
pump facilities, together with sewer collection system
consisting of approximately 24.25 miles of gravity sewer

pipng, approximately 7.6 miles of sewage force main and 18 collection systems, pumping station, together with sewage treatment and effluent disposal facilities, together with easements for such distribution and collection systems, water supply wells, off-site finished water storage and repump facilities, water plant site and buildings, wastewater treatment plant and sewage treatment plant sites and buildings, as set forth in Exhibit "A" attached hereto.

WHEREAS, on January 24, 1991, the COUNTY initiated an action in eminent domain to condemn said property; and

WHEREAS, UNITED FLORIDA has demanded full compensation for the taking of said property; and

WHEREAS, the parties hereto desire to completely and finally settle all claims, differences, causes of action with respect to the dispute described herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. The above recitals are true and correct.
2. UNITED FLORIDA agrees to convey unto the COUNTY all right, title and interest of whatsoever kind that it may have in the above described property.
3. The COUNTY agrees to offer to each employee currently retained by UNITED FLORIDA to operate and maintain the above property a position with the COUNTY, as of their date of employment, without any reduction in pay and with responsibilities and benefits comparable to the position said employee holds with UNITED FLORIDA. Whenever possible the COUNTY shall retain said employee in his/her present position. If, however, that is not

possible, the COUNTY shall have a right to assign said employee to a comparable position. There shall be no probationary period of COUNTY employment for said employees.

4. In the event that the General Manager of UNITED FLORIDA for the above property is not offered a position as provided in paragraph 3 above, or in the event that he takes a position with the COUNTY and his employment is terminated by the COUNTY for any reason other than for cause within the first year of his employment, the COUNTY shall pay said General Manager a total of \$33,364.10 as severance pay.

5. The COUNTY agrees to pay to UNITED FLORIDA the sum of \$12,000,000.00 in cash upon closing, and shall bear all costs of closing.

6. The COUNTY agrees to deliver to UNITED FLORIDA subordinated bonds in the face amount of \$2,250,000.00, which bonds will bear a "tax free" interest rate equal to the interest rate on the bonds issued by the COUNTY to acquire the utility systems. Said subordinated bonds will require payment of principal and interest based on revenues generated by the utility systems after amounts needed for bond servicing and maintenance of the utility systems. Said Bond shall be payable over no more than thirty (30) years. In addition, said Bond shall be in a form that UNITED FLORIDA can recognize the principal amount of the Bond as income in accordance with generally accepted accounting principles, as determined by UNITED FLORIDA's independent public accountants.

7. Closing shall occur on or before August 20, 1991, in St. Johns County, Florida at a site to be designated by the COUNTY. Time is declared of the essence to this Agreement.

8. On date of closing, all meters shall be read and UNITED FLORIDA shall bill and be entitled to receive payment for all services rendered as of said date. If the COUNTY desires, UNITED FLORIDA agrees to bill thereafter on behalf of the COUNTY for a period up to three (3) months with payments to be made to the COUNTY, for which the COUNTY shall pay UNITED FLORIDA its "out-of-pocket" expenses.

9. The COUNTY agrees to purchase at face value all accounts receivables of UNITED FLORIDA for the above property. UNITED FLORIDA agrees to deliver to the COUNTY all customer deposits held by it within thirty (30) days of the date of closing.

10. For the purpose of bond issuance, UNITED FLORIDA agrees to permit full inspection of all accounting records and other documents maintained by said company or any of its agents or employees on or before August 20, 1991.

11. Both the COUNTY and UNITED FLORIDA warrant to the other that the transaction contemplated by this Agreement is a direct, private transaction between the COUNTY and UNITED FLORIDA without the use of a broker or commissioned agent.

12. Each party shall, at the other's request, execute, acknowledge and deliver any instrument or conveyance that may be necessary to properly carry out the provisions of the Agreement.

13. This Agreement embodies the entire understanding and agreement of the parties. There are no terms or conditions other than those contained herein.

14. There shall be no modification of this Agreement except in writing, executed by all parties hereto.

15. This Agreement shall be binding on and inure to the benefit of the parties and their respective legal representatives, successors and assigns.

16. This Agreement shall be governed by the laws of the State of Florida.

17. The undersigned representatives of the COUNTY agree pursuant to the Court Order Scheduling Mediation to recommend approval of the above outlined terms to the Board of County Commissioners of St. Johns County. Upon approval by the Board of County Commissioners, this document shall become a binding stipulation and agreement on both parties hereto.

IN WITNESS WHEREOF, we set our hands and seals on the date set forth above.

UNITED FLORIDA UTILITIES
CORPORATION

ST. JOHNS COUNTY

BY: Bud P. Kelly

BY: [Signature]

BY: [Signature]

BY: [Signature]

TABLE 3-1

ST. AUGUSTINE SHORES UTILITIES

Raw Water Supply Wells

I. Wells	#34-D	#34-L	#35	#36	#34E
Year Constructed	1983	1984	1985	1985	1980
Type of Well Construction and Casing		Rotary, Steel	Rotary Steel	Rotary, Steel	Rotary, PVC
Well Diameter (inches)	6	6	6	6	6
Well Depth (ft)	100	100	100	100	100
II. Motors					
Type of Power	Electric	Electric	Electric	Electric	Electric
Rated Horsepower (HP)	5	5	7.5	7.5	5
III. Pumps					
Capacity in GPM	115	115	100	100	60

EXHIBIT "A"

TABLE 3-1 (Con't)

ST. AUGUSTINE SHORES UTILITIES

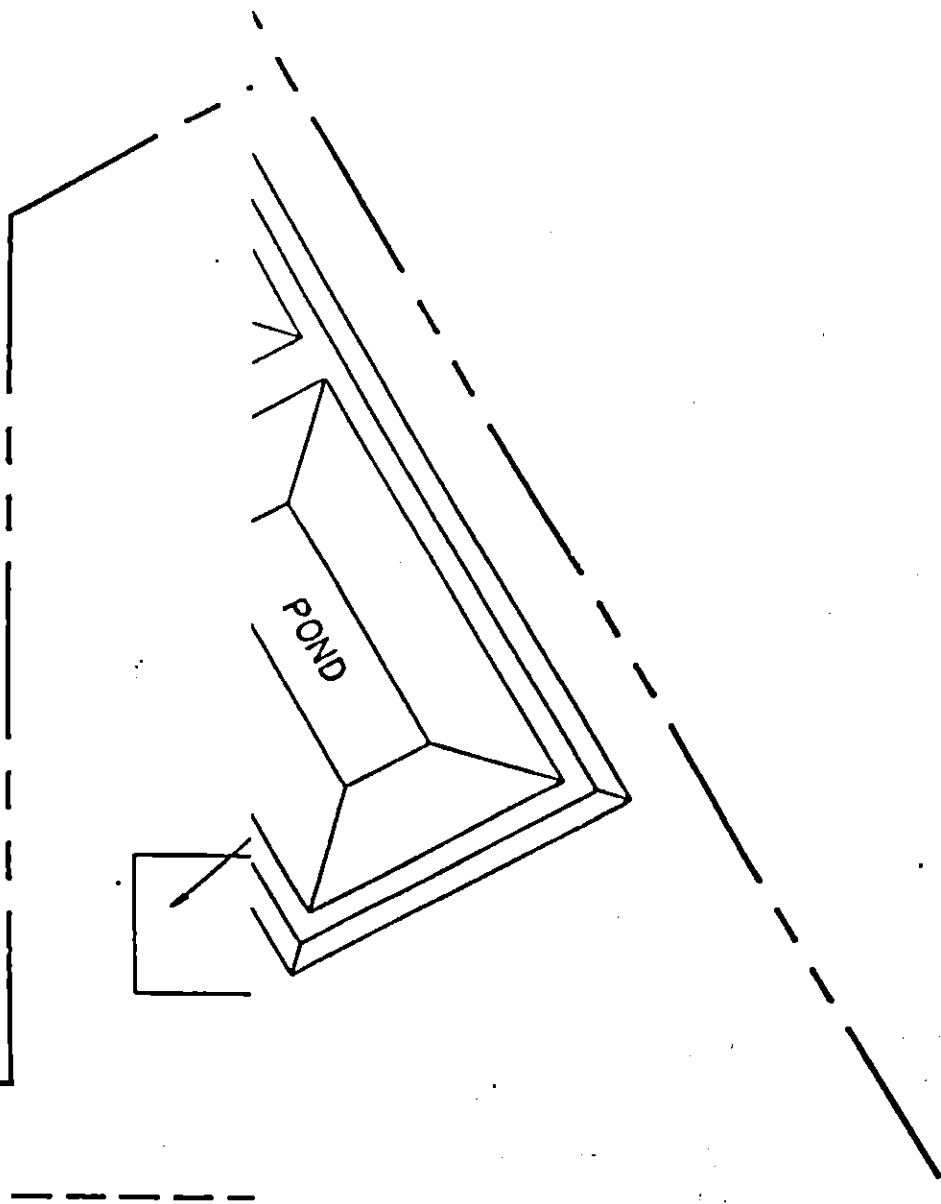
Raw Water Supply Wells

I. Wells	#37	#38	#39	#40	#34G
Year Constructed	1987	1987	1989	1990	1982
Type of Well Construction and Casing	Rotary, PVC	Rotary, PVC	Rotary, PVC	Rotary, PVC	Rotary, PVC
Well Diameter (inches)	6	6	6	6	6
Well Depth (ft)	100	100	100	100	100
II. Motors					
Type of Power	Electric	Electric	Electric	Electric	Electric
Rated Horsepower (HP)	7.5	7.5	3	7.5	5
III. Pumps					
Capacity in GPM	100	100	100	120	45



SCALE: 1" = 40'

ANALYTIC
DR
STATION



HARTMAN & ASSOCIATES, INC.

engineers, hydrogeologists, scientists & management consultants

Site Layout
Existing WTP
FIGURE 3-4

01100201

TABLE 3-2

ST. AUGUSTINE SHORES UTILITIES
WATER TREATMENT FACILITIES

Line No	Plant Description	Quantity	Type	Size	Capacity
1	Raw Water Storage Tanks	3	Steel - Ground	10'-6" diameter - 46'-6" long	Each 33,000 gallons
2	Filters	3	Steel Construction	10' diameter, 14'-7 1/4" high	Each 150 GPM
3	Spirator	1	Steel Construction	9' diam., 24'-10" high	450 gpm
4	Lime Silo	1	Wallace & Tiernan Series A-758 Slaker	12' outside diam., 34'-5" high	--
5	Lime Shuries	1	Steel Tank	6' diam., 4' high	720 gallons
6	Lime Feed Pumps	2	Millon Roy model DMRJ-59-95	--	3/4 HP Motor, 220V., 30
7	Spiralized Catalytic Precipitator	1	Steel	11'-3" diam., 28' high	1,050 gpm
8	Filter	1	Steel Unitized Fourell Control	24' diam., 18' high	1,050 gpm
9	Backwash	1	Centrifugal, Horiz. Split Case Control	Deming Size 12" x 10" x 12"	1,650 GPM at 22' TDH, 15HP Motor
10	Surfawash Pump	2	Peerless Pump Model - GAD11	--	1,050 GPM at 40' TDH, 15 HP Motor
11	Air Blower Housing	1	Sutorbilt - Model #4 mvd	--	195 cfm @ 5 psig
12	Hydro pneumatic Storage Tank (WTP Site)	1	Steel Tank	6' diam., 35'-5" long	7,500 gallons
13	Hydro pneumatic Storage Tank (Unit 2)	1	Steel Tank	6' diam., 29'-5" long	6,000 gallons
14	Ground Storage Tank (WTP Site)	1	Circular - Concrete Construction	70' diam., 17'-5" high	500,000 gallons
15	Ground Storage Tank (Unit 2)	1	Circular - Concrete Construction	--	1,000,000 gallons
16	Chlorination System	1	Chlorinator: Advance Mod. 205-100 P. P. D. Scale: Model 437 Cylinder Scale	--	100 pounds/day
17	High Service Pumps (WTP Site)	3	Peerless End Suction Peerless 4AD 14 Single Stage Centrifugal - W/L.P./G. Engine	1' x 2" 6" x 4" 6" x 4"	80 GPM @ 170' TDH, 7.5HP Motor 500 GPM @ 173' TDH, 40HP Motor 500 GPM @ 64 HP Motor
18	High Service Pumps (Unit 2 Storage Tank)	3	Peerless End Suction Peerless 4AD 14 Single Stage Centrifugal - W/L.P./G. Engine	1' x 2" 6" x 4" 6" x 4"	100 GPM @ 10HP Motor 500 GPM @ 50HP Motor 500 GPM @ 50HP Motor
19	Auxiliary Power Generator	1	Pincoor Generator/L.P.G. Engine	--	50 KW, 480V, 30 w/alternates
20	Generator Shelter	1	Concrete Block Construction	11'-0" L x 6'-6" W x 6'-0" H	--
21	Master Meter	1	Sparling Meter Co - Master Flow Main Line	8" Meter - 150 #Flange	Min. 120GPM Max. 1,200GPM
22	Operations Building	1	Concrete Block Construction	51'-8" L x 30'-0" W x 11'-0" H	--
23	Water Treatment Plant Acreage	--	290,789 Square Feet (approx. 6.676 Acres)	--	--

TABLE 3-3

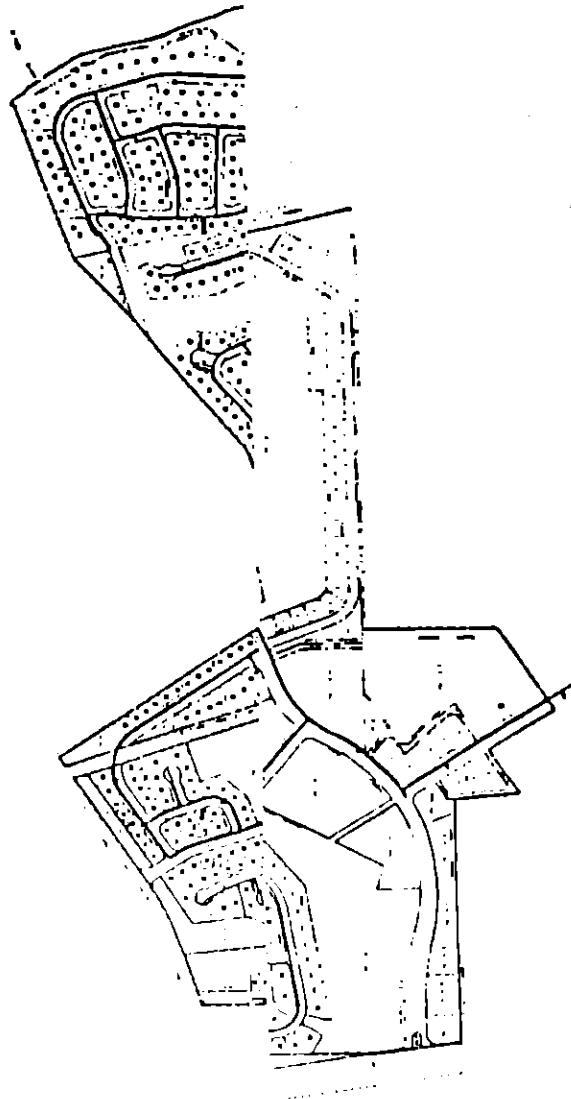
**ST. AUGUSTINE SHORES UTILITIES
Water Transmission/Distribution System**

I. Treated Water Mains:

<u>Pipe Diameter (inches)</u>	<u>Pipe Material</u>	<u>Total Footage (ft)</u>
4	PVC	54,020
6	PVC	73,218
8	PVC	29,685
10	PVC	10,540
12	PVC	3,260
12	AC	4,260
14	AC	6
16	AC	3,857
18	AC	2,579

II. Raw Water Mains:

4	PVC	1,428
6	PVC	2,688
8	PVC	2,345
10	PVC	<u>11,450</u>
Total		199,336 feet



HARTMAN & ASSOCIATES, II

engineers, hydrogeologists, scientists & management consultants

Water Distribution and Treatment System

FIGURE 3-5

TABLE 3-4

ST. AUGUSTINE SHORES UTILITIES
Fire Hydrants

Year Place In Service	Hydrant Type	Total Hydrants Added
<i>Prior To</i> 1987	4 1/2"	117
1988	4 1/2"	0
1989	4 1/2"	<u>0</u>
Total		117

TABLE 3-5

ST. AUGUSTINE SHORES UTILITIES
Water Meters⁽¹⁾

Meter Size (inches)	Number of Meters
5/8 x 3/4	2,286
1	11
1 1/2	14
2	5
3	0
4	0
6	0
8	<u>0</u>
Total	2,316

(1) As of April 16, 1991

TABLE 3-6

ST. AUGUSTINE SHORES UTILITIES
LISTING OF GENERAL PLANT ASSETS

Water System

Line No.	Item Description	Quantity
<u>I. General Plant</u>		
1	IBM 55SX Computer with Color Screen, Printer, Keyboard, Hard Drive. This also runs the telemetry system on all the pumps used for the water plant including raw and treated.	1
2	Wooden Desk	1
3	Desk Chairs	1
4	Window Heat and Air Conditioner AMCOR model 218AERJ62	1
5	Metal Filing Cabinet	1
6	Texas Inst. Calculator	1
7	Surrer Corning PC-353	1
8	pH Meter Hach One Laboratory pH Meter	1
9	Nephelometer Turner Designs	1
10	Survivair Air Pack model LP30	1
11	Weedeater Stihl FS81	1
12	John Deere Lawn Mower	1
13	Calgon Pump Mega-Matic D60D2	1
14	Tandem Diaphragm Metering Pump Pennwalt series 44	1
15	Raw Water Pumps Peerless Pump #6AD14	2
16	Emergency Telephone Dialer ADEMCD #612	1
17	Lime Booster Pump A.O. Smith P56M2S7	1
<u>II. Field Equipment</u>		
18	L.S. Air Blower General GPB	1
19	Bench Grinder AllTrade 6" 1/2 HP	1
20	Stihl Concrete Saw Stihl TS350	1
21	Winch Trailer for pulling sump. L.S. pumps	1
22	12x20 Metal Storage Shed	1
23	Diaphragm Gas Pump Gorman-Rump	1
24	Trash Pump Gorman-Rump model 13-E2-K321P S/8	1
25	500 Gallon Fuel Tanks 1-Gas 1-Diesel	1
26	Fuel Pump Gorman-Rump model 13-E2-K321P s/G	1
27	500 Gallon Fuel Tanks 1-Gas 1-Diesel	1
28	Fuel Pump Electric	1
29	Conference Table	1

TABLE 3-6 (Con't)

ST. AUGUSTINE SHORES UTILITIES
 LISTING OF GENERAL PLANT ASSETS
 Water System

Line No.	Item Description	Quantity
30	Office Chair	1
31	Conference Building	1
32	Metal Desk with Typewriter Stand	1
33	Office Chair	1
34	S-10 Pickups with toolboxes	4
	1988	2
	1987	1
	1989	1
35	John Deere Backhoe 310C	1
	<u>III. Misc. Equipment - Billing Office</u>	
36	4 Drawer Filing Cabinets	5
37	5 Drawer Filing Cabinets	3
38	Wooden Desk	2
39	Sec. Wooden Desk with Typing Return	1
40	Metal Desk	1
41	Microfish Viewer MicroDesign model Comette	1
42	Panasonic Typewriter #KX-E700M	1
43	Wooden Round Table	1
44	All Wood Storage Cabinet	1
45	Microwave Sanyo #EMA102	1
46	Refrigerator Top Model Juliette	1
47	Computer Stands	2
48	Printer Table	1
49	Large All Wood Counter	1
50	Office Chairs	4
51	Epson Printer FX-286e	1
52	IBM Personal Computer with Color Monitor, Keyboard, Floppy Drive	2
53	Wood Table with Cabinet	1
54	Credenza	1
55	Blue Print Holder	1
56	Typewriter Table	1
57	Table with Office Chair on each side	1

TABLE 3-8
ST. AUGUSTINE SHORES UTILITIES
OTHER ASSETS

Line No.	Item Description
1	Land and Easements, Rights, See Land and Easements Notebook
2	Miscellaneous Tools, Equipment, Etc.
3	Stock on Hand
4	Records, Drawings, Engineering Reports, System Report, Hydraulic Analysis Disks and Programs, Drawings, Etc., Operations and Management Information
5	Customer Information, Billing Records, Billing Procedures, Etc., Financial and Administrative Information

TABLE 3-7

**ST. AUGUSTINE SHORES UTILITIES
Wastewater Collection System**

<u>Pipe Diameter (inches)</u>	<u>Pipe Material</u>	<u>Total Footage (ft)</u>
8	PVC	120,725
10	PVC	<u>4,112</u>
	Total	124,837 feet

TABLE 3-8

ST. AUGUSTINE SHORES UTILITIES
Manholes

<u>Year Place In Service</u>	<u>Size</u>	<u>Type</u>	<u>Number</u>
Prior to 1986	4'	Concrete	525
1987	4'	Concrete	12
1988	4'	Concrete	0
1989	4'	Concrete	<u>0</u>
Total			537

TABLE 3-9
ST. AUGUSTINE UTILITIES
LISTING OF WASTEWATER PUMP STATIONS

Lift Station Number	Lift Station Name	Year Installed	Number of Pumps	Pump Manuf.	Pump Capacity (gpm)	Pump Horsepower (hp)
1-A	Tract "L" (Unit 1)	1987	2	ABS	220	20
1-B	Tract "C" (Unit 1)	1986	2	ABS	130	5.4
1-C	Lot 10, Block 20 (Unit 1)	1987	2	ABS	260	30
	Recreation Center	1988	2	ABS	100	5
1-E	Tract "A" (Unit 1)	1990	1	ABS	60	2
2-A	Tract "Q" (Unit 2)	1981	1	ABS	100	5
2-C	Tract "T" (Unit 2)	1973	2	ABS	300	15
2-D	Tract "F" (Unit 2)	1980	2	ABS	100	3
2-E	Tract "P" (Unit 2)	1980	2	ABS	100	3
2-F	Tract "P" (Unit 2)	1980	2	ABS	100	3
3-A	Tract "D" (Unit 3)	1987	2	ABS	350	3
3-B	Tract "F" (Unit 3)	1976	2	EMU	125	5
4-A	Shores Blvd. Tract "B", Block 116 (Unit 4)	1978	2	ABS	200	3
4-B	Lot B3, Block 121 (Unit 4)	1979	2	ABS	100	15
4-C	Lot 9, Block 123 Unit 4)	1987	2	ABS	122	1-75
4-D	Tract "C" (Unit 4)	1987	2	ABS	130	2-5
5-A	Tract "H" (Unit 5)	1981	2	ABS	130	3-2
6-A	Tract "Z" (Unit 6)	1981	2	ABS	300	10
A	Conquistador Condo	1981	2	ABS	200	10
WTP C	Tract "T" (Unit 1)	1989	1	ABS	30	2
B	Interim Conquistador Condo	1988	1	ABS	75	1.75
	Conquistador Condo	1981	2	ABS	--	10
WWTP	Unit 2	1987	2	ABS Piranha	--	--

TABLE 3-10

**ST. AUGUSTINE SHORES UTILITIES
Wastewater Force Mains**

<u>Pipe Diameter</u> <u>(inches)</u>	<u>Pipe Material</u>	<u>Total Footage</u> <u>(ft)</u>
3	PVC	1,067
4	PVC	24,024
6	PVC	6,901
8	PVC	4,901
10	PVC	3,208
12	PVC	<u>6,011</u>
	Total	45,320 feet

TABLE 3-11
ST. AUGUSTINE SHORES UTILITIES
Wastewater Treatment Facilities

<u>Line No</u>	<u>Plant Description</u>	<u>Quantity</u>	<u>Type</u>	<u>Size</u>	<u>Capacity</u>
1	Spiralflow Clarifier	1	Starter-Allen Bradley Size 0 Heaters - N-8 Coil-70A86 Fuse - (1) Amco, 600 volt Eco-Eos 15	40' diam., 14' Depth	132,000 gallons
2	Contact and Stabilizer Tanks	2	Base: Aquajet Model 55501 Pat: #3606273, Motor: General Electric SK254FP6720AE, 15HP 3PH 460 volt	35' diam., 15' SWD	Each 100,000 gallons
3	Digester	1	Fixed Aerator - Starter - Allen Bradley Size 2, Heaters N-40, Fuse - (3) 60 amp., 600 volts, Dayton Time Clock Model 2E026 20HP Surface Aerator Motor	50' diam.	-
4	Return Sludge Pumps	2	Motor: U.S. Electric 8HP, 3PH, Pump: Serial #7994133-1, 600RPM		150 GPM
5	Sludge Holding Tank	1	Wemco Pump, Torque Flow, Pump Model E, 600 RPM, Motor, 3HP, 3PH		-
6	Air Compressor	1	-		-
7	Sludge Drying Beds	8	Concrete - Sand and Gravel	30' x 60'	12,000 gallons each
8	Auxiliary Power Generator	1	Zenith Automatic Control Box	200KVA, 3208 Caterpillar Engine Serial #SYF00301	-
9	Operations and Maintenance Building	1	Concrete Block Construction		-
10	Lightning Arrestor	1	-		-
11	Storage Shed	1	Metal	12' x 20'	-
12	Fuel Tank	1	-		500 gallon

TABLE 3-12

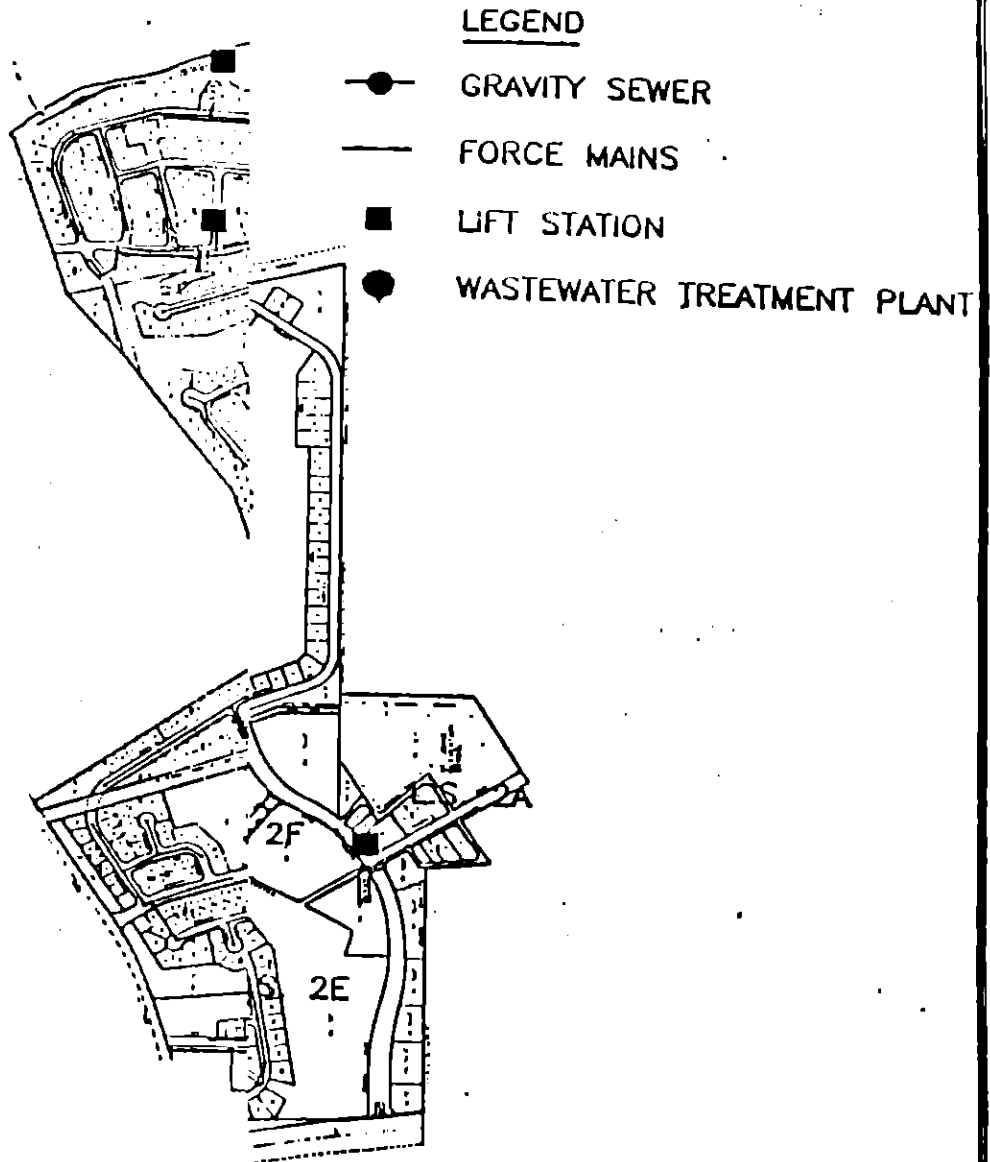
ST. AUGUSTINE SHORES UTILITIES
Wastewater Effluent Disposal Facilities

Line No	Plant Description	Quantity	Type	Size	Capacity
1	Percolation Ponds	3			
2	Chlorine Contact Chamber	2			
3	Spray Effluent Pump	2	Peerless Pump Model #8LB2, Starter-Allen Bradley Size 3	Motor: U.S. Electric, 3PH 30HP, 480 volts	30 GPM 127 TDH
4	Spray Effluent Sprinklers	15	Heads: Rain Birds Model 30, Nozzle 3/16" x 1/8" - 20°		
5	Monitoring Wells	6		4" diam.	
6	Sprinkler Pump	1	Starter-Furnas Size 1 2/4, Motor: Century 10HP, 3PH, 460 volts Buffalo RT-3		
7	Hydropneumatic Tank	1			
8	Wash Down Well	1	2 HP Submersible Pump and Motor	4" diam. 60' deep	
9	Air Compressor	1	WhiteWater AirRite Model		
10	Booster	1	SuaRite LT1/6L SuaRite D82/D		
11	Diagram Metering Pump	1	Pulsa 680	0.16 HP	
12	Pumps	2	ABS - AF22	4" diam.	
		4	ABS - AF15	4" diam.	
		2	ABS - SJS - SD		
13	Effluent Filters	2	infilco Degremont Cust. #9003-01R1		
14	Chlorination System	1			0.500 mgd each
15	Bradley Eyewash & Emergency Shower	1			200 lb/day
16	Alum Tank	1			400 gallon

TABLE 3-13

ST. AUGUSTINE SHORES UTILITIES
 LISTING OF GENERAL PLANT ASSETS
 Wastewater System

Line No.	Item Description	Quantity
1	Metal Desk	1
2	Metal Filing Cabinets	2
3	Microscope Reichert #160	1
4	Stirrer Sybron #7200	1
5	Furnas Thermolyne type 1500	1
6	p/H Meter Corning Model 7	1
7	Refrigerator Magic Chef RB19HN-A	1
8	Incubator Freas 815	1
9	Texas Instrument Calculator	1
10	Panosonic Pencil Sharpener	1
11	Carrier Window Heat and Air Conditioner	1
12	Office Chair	1
13	Mettler Scale #H31	1
14	Badger Flowmeter model #3000+	1
15	Oven Blue M Electric SW17TA	1
16	Oxygen Meter YSI model 54A	1
17	Honeywell chart Recorder #DR4500	1
18	Chlorine Analyzer Capital Controls model 1870E	1
19	Turbidity Analyzer 1885 with Cleaner 755F Capital Controls	1
20	John Deere Weedeater	1
21	John Deere Riding Mower #212	1
22	Portable Generator Robyn #P8000	1
23	Survivair Air Pack model LP30	1



LEGEND

- GRAVITY SEWER
- FORCE MAINS
- LIFT STATION
- WASTEWATER TREATMENT PLANT

Wastewater Collection and Treatment System

FIGURE 3-6

HARTMAN & ASSOCIATES, INC.

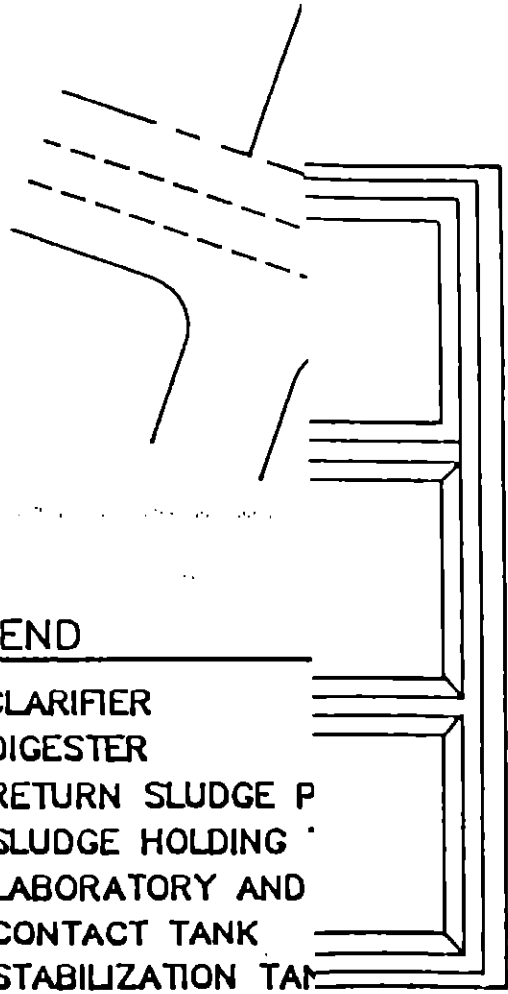
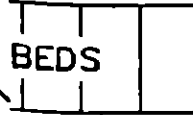
engineers, hydrogeologists, scientists & management consultants

01100202

TABLE 3-8
ST. AUGUSTINE SHORES UTILITIES
OTHER ASSETS

Line No.	Item Description
1	Land and Easements, Rights, See Land and Easements Notebook
2	Miscellaneous Tools, Equipment, Etc.
3	Stock on Hand
4	Records, Drawings, Engineering Reports, System Report, Hydraulic Analysis Disks and Programs, Drawings, Etc., Operations and Management Information
5	Customer Information, Billing Records, Billing Procedures, Etc., Financial and Administrative Information

WATER STORAGE FACILITIES
AND HIGH SERVICE PUMPS



LEGEND

- 1.) CLARIFIER
- 2.) DIGESTER
- 3.) RETURN SLUDGE P
- 4.) SLUDGE HOLDING
- 5.) LABORATORY AND
- 6.) CONTACT TANK
- 7.) STABILIZATION TAN

HARTMAN & ASSOCIATES, I

engineers, hydrogeologists, scientists & management cons

**Existing Wastewater
Treatment Plant**

FIGURE 3-7.

0110202

APPENDIX I TO STIPULATION AND JOINT MOTION

Exceptions to the statements and information obtained in the Answers to Interrogatories on behalf of United Florida as filed in the above-styled cause and the "Listing of Assets for the St. Augustine Shores Water and Wastewater System" dated April 23, 1991 prepared by United Florida's Engineers and the "Land and Easement notebook for the St. Augustine's Water and Wastewater System" dated April 23, 1991 as prepared by United Florida's Engineers are as follows:

(a) All of the equipment and personal property is used equipment and the Properties are being delivered "as is". United Florida makes no representations or warranties with respect to the operating condition of the Properties.

(b) United Florida makes no representation as to whether the existing easements are adequate to provide service to the certificated area.

(c) The transfer of the Properties is subject to all qualifications and conditions contained in any title binder in favor of the County issued by any title insurer in connection with the transfer of such Properties to the County, and all matters reflected in recorded documents in St. Johns County, Florida.

[BOND COUNSEL OPINION]

August 22, 1991

The Honorable Chairman and
Board of County Commissioners
of St. Johns County, Florida
St. Augustine, Florida

Ladies and Gentlemen:

We have examined certified copies of the proceedings of the Board of County Commissioners (the "Board") of St. Johns County, Florida (the "Issuer"), and other proofs submitted relative to the authorization, issuance and sale of and the security for the following described bonds (the "Bonds"):

\$2,250,000
ST. JOHNS COUNTY, FLORIDA
SUBORDINATED WATER AND SEWER REVENUE BONDS
SERIES 1991
Dated August 22, 1991

The Bonds are issued pursuant to the Constitution and laws of the State of Florida, including particularly Chapter 125, Part I, Florida Statutes, as amended, St. Johns County Ordinance 86-89, and a resolution duly adopted by the Board on August 13, 1991 (the "Resolution"), to finance a part of the cost of the acquisition of certain privately-owned water and sewer facilities operating within St. Johns County, to be consolidated with the public water and sewer system of the Issuer. We have examined the law and other papers as we deem necessary to render this opinion. All terms used herein in capitalized form and not otherwise defined herein shall have the respective meanings assigned to such terms in the Resolution.

The principal of and interest on the Bonds are payable solely from and secured by a lien upon and a pledge of certain of the Net Revenues of the System, but only in the manner and to the extent described in the Resolution (the "Pledged Funds").

The lien upon and pledge of the Pledged Funds in favor of the owners of the Bonds is subordinate and inferior in every respect to the lien thereon and pledge thereof in favor of the owners of the Issuer's outstanding Water and Sewer Revenue Bonds, Series 1989 and

Appendix 2 to Stipulation and Joint Motion

The Honorable Chairman and
Board of County Commissioners
of St. Johns County, Florida
August 22, 1991
Page 2

Water and Sewer Revenue Bonds, Series 1990B-I and B-II, and the Issuer's Water and Sewer Revenue Bonds, Series 1991A, issued concurrently with the issuance of the Bonds (collectively, the "Prior Lien Obligations").

The Bonds and the interest thereon do not constitute a general indebtedness of the Issuer or a pledge of its faith and credit, but are payable solely from the Pledged Funds in the manner provided in the Resolution. No owner of any of the Bonds shall ever have the right to compel the exercise of the ad valorem taxing power of the Issuer to pay the Bonds or interest thereon or be entitled to payment of the Bonds or interest thereon from any moneys of the Issuer except the Pledged Funds.

The Issuer has reserved the right to issue "Additional Bonds," as such term is defined in the Prior Lien Resolution, to be payable from and secured by the Pledged Funds on a parity, equally and ratably, with the Prior Lien Obligations, upon the terms and conditions prescribed in the Prior Lien Resolution.

The Issuer has reserved the right to issue Additional Subordinated Bonds to be payable from and secured by the Pledged Funds on a parity, equally and ratably, with the Bonds, upon the terms and conditions prescribed in the Resolution.

As to questions of fact material to our opinion, we have relied upon the representations of the Issuer contained in the Resolution and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Issuer is a duly created and validly existing political subdivision of the State of Florida with the power to adopt the Resolution, perform the agreements on its part contained therein and issue the Bonds.
2. The Resolution has been duly adopted by the Issuer and constitutes a valid and binding obligation of the Issuer enforceable upon the Issuer in accordance with its terms.
3. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding special obligations of the Issuer enforceable in accordance with their terms.

The Honorable Chairman and
Board of County Commissioners
of St. Johns County, Florida

August 22, 1991

Page 3

4. The Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes on interest, income or profits on debt obligations owned by corporations, as defined by Chapter 220, Florida Statutes, as amended.

5. Interest on the Bonds (a) is excluded from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax applicable to all taxpayers; provided, however, that interest on the Bonds is included in "adjusted current earnings" for purposes of calculating the alternative minimum tax imposed on corporations. The opinion set forth in clause (a) above is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the Bonds to be so included in gross income retroactive to the date of issuance of the Bonds. The Issuer has covenanted to comply with all such requirements.

We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

6. The Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Resolution is exempt from qualification as an indenture under the Trust Indenture Act of 1939, as amended.

7. The Bonds and Resolution are exempt from registration under Florida law.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the Resolution may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereinafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Respectfully submitted,

APPENDIX III TO STIPULATION AND JOINT MOTION

The following contracts, leases, options, claims, unpaid taxes, assessments and interests:

1. Development Agreement between the Deltona Corporation and St. Augustine Shores Utilities dated November 6, 1989 as amended June 12, 1990.
2. Five Coupon Books relating to maintenance on five pieces of land providing for monthly payments of \$15.35 for each piece of land.
3. Lease Agreement between Runk-Thompson and St. Augustine Shores Utilities, a division of United Florida Utilities Corporation dated June 1, 1990.
4. Equipment Agreement between St. Augustine Shores Utilities and AT&T Information Systems, Inc. executed by St. Augustine Shores on June 20, 1988.
5. Equipment Lease for FAX machine between St. Augustine Shores Utilities and First United Leasing Corporation dated August 10, 1989.
6. Postage Meter Rental Agreement between Pitney-Bowes, Inc. and St. Augustine Shores Utilities dated March 16, 1972.
7. Answering Service Subscription Agreement between Ancient City Answering Service and St. Augustine Shores Utilities.
8. Service Agreement/Equipment Lease between Pactel Paging and St. Augustine Shores Utilities dated July 1, 1989.
9. Purchase Order from SSU Services to Peroxidation Systems, Inc. relating to 100 pounds of Perox Plus in the amount of \$6,000.00.
10. Purchase Order from SSU Services for shipping to St. Augustine Shores Utilities to Allied Lime Company for pebble quick lime, high calcium in the amount of \$9,721.25.
11. Purchase Order from SSU Services to PB&S Chemical Company, Inc. relating to chlorine gas in the amount of \$53,970.00.
12. Purchase Order from SSU Services to PB&S Chemical Company, Inc. relating to Prestochlor granular in the amount of \$31,820.00.

- 2 -

13. Purchase Order from SSU Services to PB&S Chemical Company relating to sulfuric acid in the amount of \$6,684.95.

14. Purchase Order from SSU Services to PB&S Chemical relating to sodium hex-glass in the amount of \$4,550.00.

The County agrees pursuant to Section 8(d) of the Stipulation and Joint Motion for Final Judgmente that it shall assume the following leases, agreements and other commitments:

The contracts listed in paragraphs 1 through 14 above.

BLACKLINE COPY
^ Deletions
— Additions
8/9/91

Appendix 4 to Stipulation and Joint Motion

[LETTERHEAD OF Gray, Harris & Robinson
Suite 1200, Southeast Bank Building
201 E. Pine Street
Orlando, Florida 32801]

August 22, 1991

The Honorable Board of County Commissioners
of St. Johns County, Florida
St. Johns County Administration Building
Post Office Box 349
St. Augustine, Florida 32085

and

Dobson & Christensen, P.A.
66 Cuna Street, Suite B
St. Augustine, Florida 32084

Re: St. Johns County, a political subdivision
of the State of Florida, Plaintiff,
vs. United Florida Utilities Corporation,
a Florida Corporation; and Dennis W. Hollingsworth
as tax collector for St. Johns County, Florida,
Defendants,
Case No.: 91-114-CA, Circuit Court, Seventh
Judicial Circuit, St. Johns County, Florida (the "Civil
Action")

Ladies and Gentlemen:

We have acted as counsel to United Florida Utilities Corporation ("United Florida") in connection with the Civil Action. In the Civil Action United Florida entered into a certain agreement dated the 4th day of June, 1991, with St. Johns County for resolution of the parties' differences in the action (the "Mediation Agreement") and a Stipulation and Joint Motion for Final Judgment dated August 13, 1991 between the County and United Florida (the "Joint Stipulation"). This opinion is furnished pursuant to paragraph 12 of the Mediation Agreement and paragraph 8(e) of the Joint Stipulation and is given with the consent of United Florida. Capitalized terms not otherwise defined in this opinion have the definitions set forth in the Joint Stipulation.

Hon. Board of County Commissioners
and Dobson & Christensen, P. A.
August 22, 1991
Page 2

We do not express any opinion concerning any law other than the law of Florida and the federal law of the United States.

This opinion has been prepared and is to be construed in accordance with Report on Standards For Florida Opinions, dated April 8, 1991, issued by the Business Law Section of The Florida Bar (the "Report"). The Report is incorporated by reference into this opinion.

Based on the foregoing and subject to the qualifications and limitations stated in this letter and in the Report, we are of the opinion that:

1. United Florida has been incorporated under and is in good standing pursuant to the Florida Business Corporation Act.
2. The company has the corporate power to conduct its business and to execute and deliver the Mediation Agreement and the Joint Stipulation and to perform its obligations under the Joint Stipulation and Final Judgment entered in the Civil Action.
3. United Florida has duly authorized the execution, delivery and performance of the Mediation Agreement, the Joint Stipulation and the Transfer Documents and all other documents and certificates necessary to perform its obligations.
4. The Mediation Agreement, the Joint Stipulation, the Closing Certificate, the Title Certificates, the Assignments, the Satisfaction of Judgment, the Disclaimer Statement, the Billing Agreement, the Permits, the Telephone Numbers, and, if assumed by the County, the assignment of the Effluent Agreement have been executed and delivered by United Florida.
5. The execution and delivery of the Mediation Agreement and the Joint Stipulation, performance by United Florida of its obligations under the Mediation Agreement and Joint Stipulation and the performance by United Florida of

Hon. Board of County Commissioners
and Dobson & Christensen, P. A.
August 22, 1991
Page 3

its obligations created by the Mediation Agreement and the Joint Stipulation do not (a) violate United Florida's Articles of Incorporation or By-Laws; (b) to our knowledge, constitute a breach of or a default under any agreement or instrument to which United Florida is a party or by which it or its assets are bound, or result in a creation of a mortgage, security interest or other encumbrance upon the Properties; (c) to our knowledge, violate a judgment, decree or order of any court or administrative tribunal, which judgment, decree or order is binding on United Florida or the Properties; or (d) violate any federal or Florida law, rule or regulation.

6. The transfers of the Properties are exempt from and not subject to the provisions of the Florida Bulk Sales Act and more particularly Florida Statutes Chapter 676.

7. Except for the consent and approval of _____, with regard to the Permits, no notice, report or other filing or registration with, and no consent, approval or authorization of, a Federal, Florida or local governmental authority is required to be submitted, made or obtained in connection with the execution, delivery and performance of the Mediation Agreement, the Joint Stipulation, the Final Judgment or the Transfer Documents, which, if not obtained, could have a materially adverse impact on the transaction contemplated by such documents.

8. Subject to the limitations contained in the next paragraph, the Mediation Agreement, the Joint Stipulation, the Final Judgment, the Disclaimer Statement, the Assignments, the Title Certificates, the Satisfaction of Judgment, the assignment of the Effluent Agreement, the Billing Agreement, and the Assignments of the Permits, and the Telephone Numbers are valid and binding obligations of United Florida enforceable against United Florida under the laws of Florida and the federal law of the United States.

Our opinion concerning the validity, binding effect and enforceability of the above enumerated documents means that (a) each such document constitutes an effective contract under applicable law, (b) each such document is not invalid

Hon. Board of County Commissioners
and Dobson & Christensen, P. A.
August 22, 1991
Page 4

in its entirety because of a specific statutory provision or public policy and is not subject in its entirety to a contractual defense, and (c) subject to the last sentence of this paragraph, some remedy is available if United Florida is in material default under the provisions thereof. This opinion does not mean that (a) any particular remedy is available upon a material default, or (b) every provision of each of said documents will be upheld or enforced in any or each circumstance by a court. Furthermore, the validity, binding effect and enforceability of such documents may be limited or otherwise effected by (a) bankruptcy, insolvency, reorganization, moratorium, or other similar statutes, rules, regulations or other laws effecting the enforcement of creditors' rights and remedies generally, and (b) the unavailability of, or limitation on the availability of, a particular right or remedy (whether in a proceeding in equity or at law) because of an equitable principle or a requirement as to commercial reasonableness, conscionability or good faith.

In rendering the foregoing opinion, we have not expressed an opinion on matters of marketability or merchantability of title to the Properties. These matters are covered by a title insurance binder obtained by you at your expense and dated _____.

This opinion is furnished to you by us as counsel for United Florida, is solely for your benefit and, subject to the limitation in the preceding paragraph, for the benefit of North Florida Title Company and American Pioneer Title Insurance Company, and is rendered solely in connection with the transaction to which the opinion relates. This opinion may be relied upon only in connection with this transaction and may not be relied upon by any other persons without our prior written consent, except that a copy of this opinion may be delivered by you to North Florida Title Company and American Pioneer Title Insurance Company in connection with the issuance of title insurance insuring title in the County to all or a portion of the Properties, and these persons may rely on this opinion as if it were addressed to them.

Very truly yours,

Appendix 5 to Stipulation and Joint Motion

BILLING AGREEMENT

THIS AGREEMENT made and entered into as of the 22nd day of August, 1991 by and between St. Johns County, Florida, a Political Subdivision of the State of Florida ("the County"), and United Florida Utilities Corporation ("United Florida").

W I T N E S S E T H:

That as a part of the consideration for the entry in and to that certain Joint Motion and Stipulation (the "Joint Stipulation") filed in that certain civil action pending in the Circuit Court, Seventh Judicial Circuit, in and for St. Johns County, Florida styled St. Johns County, a political subdivision of the State of Florida, Plaintiff vs. United Florida Utilities Corporation, a Florida corporation; and Dennis W. Hollingsworth, as tax collector for St. Johns County, Florida, Defendants, Case No.: 91-114-CA, and in further consideration of the mutual covenants hereinafter contained, the County and United Florida agree as follows:

1. Definitions. Capitalized terms used herein and not defined are used as defined in the Joint Stipulation. The following term shall have the following meaning in this Agreement unless another meaning is plainly intended:

"System" means that certain water and sewer utility system consisting of the Properties operated by United Florida within and in the vicinity of St. Augustine Shores,

St. Johns County, Florida being transferred to the County pursuant to the terms of the Joint Stipulation and the Final Judgment.

2. Meter Readings.

A. Reading. As of August 21, 1991, United Florida will have caused all System customers to be read (the "Final Meter Reading") and will promptly thereafter (but no later than August 31, 1991) render a final billing (the "Final Billing") in accordance with United Florida's standard billing practices to each of the System's customers.

B. Notification of County. In the event that a billing to a customer shall be unpaid as of such date that United Florida would, in accordance with its normal practices disconnect services, United Florida will promptly furnish in writing to Tammy H. Cameron, or such other person as may be designated by the County, all information reasonably required by the County to disconnect such customer from service. The information should include, but not be limited to, the name and address of each customer to be disconnected, the unpaid amount remaining on the customer's account, the Final Meter Reading, and a copy of the Final Billing as to each such customer.

C. Disconnection. Upon receipt of such information, the County will promptly, and in accordance with United Florida's normal procedures, a copy of which will be

furnished to County by United Florida, cause such unpaid customer to be disconnected from service and will not restore service to each customer until the unpaid amount is paid together with such deposit, disconnection charges and reconnection charges as the County may require under its normal procedures and policies. The County will collect from the customer any unpaid amounts owed to United Florida and, upon collection, will promptly transmit the unpaid amounts collected, exclusive of new deposits, disconnection and reconnection charges, to United Florida. In the event that United Florida shall receive from a customer the amounts owed under the unpaid bill after notification of the County pursuant to Section 2. B. hereof, United Florida by telephone to (904) 471-2161, with confirmation by FAX to (904) 461-7619, shall promptly notify County of the receipt of the unpaid bill and the amount thereof, together with such other information as may be required to identify the disconnect order. In the event that the customer has not been disconnected, the County will use good faith efforts to recall any disconnect orders that may have been issued.

3. Route Books. United Florida will provide the County on or before Closing a complete copy of: (i) Route Books and meter locations; (ii) a list of and copies of all currently approved customer payment plans; (iii) all applications for service by current customers of the System (consumer's Guarantee Deposit and/or Service Charge

Receipts); (iv) all applications, agreements or requests for future service; (v) maps of the entire reading system; (vi) all account information and warnings, including, but not limited to, information as to medical, life support systems and gate keys; (vii) account information and readings for a period of twelve (12) months prior to Closing; (viii) account information including customer names, service and mailing information, meter and identification numbers, meter sizes, and account opened dates. Such account information shall, if reasonably practicable, be furnished by computer disc compatible with the County's data processing system.

4. Contracts for Service. Subject only to the provisions of Section 2.C. and 5 hereof, United Florida hereby assigns to the County all current contracts for service presently being provided it may have with customers of the System, copies thereof having been furnished pursuant to the provision of Section 3(iii) hereof. The County reserves the right to reject applications, agreements or requests for future service provided pursuant to Section 3(iv) hereof and require the applicant to request service under the County's existing policies.

5. Deposits. The County shall promptly notify United Florida of the names and account numbers of all customers disconnected pursuant to Section 2.C. hereof. Except for customers disconnected pursuant to Section 2.C. hereof and who have not been reconnected, all deposits held pursuant to

any application or contracts for service assigned to the County pursuant to Section 4 hereof shall be returned by United Florida to each customer promptly upon receipt of amounts owed by each such customer pursuant to the Final Billing. As to customers who have been disconnected by the County pursuant to Section 2.C. hereof and who have not been reconnected, United Florida, thirty (30) days following the date of disconnection, will credit against the amounts unpaid by the disconnected customer the amount of any deposit held for the account of such disconnected customer. Any balance of such deposit remaining shall be promptly returned to the disconnected customer. In the event that the amount of the deposit, if any, shall be insufficient to discharge the indebtedness of the disconnected customer, United Florida will notify the County of the amount of the balance for such customer. The balance of each such account, pursuant to Section 9 of the Mediation Agreement, by these presents is assigned to St. Johns County, and the County, pursuant to Section 6 hereof, will pay the amount thereof to United Florida.

6. Payments and Prorations. The parties recognize that certain United Florida accounts payable or receivable which relate to the operation of the System including, but not limited to, services rendered to the System, such as telephone and electric, by third persons may not be ascertainable as of Closing. All such accounts, whether rendered

to United Florida or the County, shall be prorated as of the date of Closing. United Florida, following ascertainment of the amounts of all such accounts payable or receivable but no later than sixty (60) days following Closing, shall notify the County of the amount thereof including amounts payable by the County pursuant to Section 5 hereof including therewith such supporting information pertaining thereof as the County may reasonably require. The County will pay to United Florida, within forty-five (45) days of the receipt by it of notification of amounts payable, any balance owed by the County pursuant to the Mediation Agreement or this Agreement. In the event of a dispute between the parties as to the amount payable by the County pursuant to the provisions of this Section 6, the same shall be submitted to the American Arbitration Association for mediation (but not arbitration) prior to bringing of any legal action for resolution of such dispute. Venue for any such mediation or action shall be St. Johns County, Florida.

7. Further Records. Following Closing and no later than September 6, 1991, United Florida will furnish to the County all Final Meter Readings. Each party agrees to maintain all records pertaining to the operation of the System for a period of four (4) years following Closing and to make the same available to the other upon request.

8. Assistance in Collection. With regard to open accounts assigned to the County pursuant to Section 5 hereof and Section 9 of the Mediation Agreement, United Florida agrees that it will provide all records required and make available to the County such assistance as may reasonably be requested by the County to enable the County to undertake reasonable efforts to collect such unpaid accounts.

9. Consistency with Mediation Agreement. To the extent that the terms of this Agreement shall conflict with the terms of the Mediation Agreement the provisions of this Agreement shall control.

10. Survival of Agreement. The provision and terms of this Agreement shall survive Closing.

IN WITNESS whereof the parties having caused these presents to be executed as of the date and year first set forth above.

ST. JOHNS COUNTY, FLORIDA

UNITED FLORIDA UTILITIES
CORPORATION

BY: _____
Chairman of the Board of
County Commissioners of
St. Johns County, Florida

BY: _____
Its _____ President

ATTEST:

ATTEST:

Clerk of the Circuit Court
for St. Johns County, ex-
officio Clerk of the Board
of County Commissioners,
St. Johns County, Florida

Its _____ Secretary

IN THE CIRCUIT COURT, SEVENTH
JUDICIAL CIRCUIT, IN AND FOR
ST. JOHNS COUNTY, FLORIDA

CASE NO.: 91-114-CA
DIVISION: A

ST. JOHNS COUNTY, a
political subdivision
of the State of Florida

Plaintiff,

vs.

UNITED FLORIDA UTILITIES
CORPORATION, a Florida
corporation; and DENNIS
W. HOLLINGSWORTH, as Tax
Collector for St. Johns
County, Florida,

Defendants.

RECEIVED

'91 APR 13 P1:26

(Signature)
CLERK OF COURT

STIPULATION AND JOINT MOTION FOR FINAL JUDGMENT

COME NOW the above named Plaintiff, ST. JOHNS COUNTY, FLORIDA, a political subdivision of the State of Florida ("County") and the Defendant, UNITED FLORIDA UTILITIES CORPORATION, a Florida corporation ("United Florida") and jointly stipulate and move the Court as hereinafter set forth:

1. Definitions. The following terms shall have the following meanings in this Stipulation and Joint Motion unless another meaning is plainly intended:

(a) "Additional Transfer Documents" means the documents described in Section 7 hereof and required to be delivered to United Florida at the Closing;

(b) "Authorizing Resolution" means Resolution 91-119 of the County, as amended and supplemented, authorizing the issuance of the Subordinated Bonds;

(c) "Bond Counsel" means Foley & Lardner, Jacksonville, Florida, bond counsel to the County with respect to the issuance of the Subordinated Bonds;

(d) "Bond Purchase Agreement" means that certain bond purchase agreement dated August 13, 1991 between the County and the Underwriters therein identified for the purchase of the County's \$14,680,377⁵⁰ St. Johns County, Florida Water and Sewer Revenue Bonds Series 1991A;

(e) "Closing" refers to the transaction at which the Subordinated Bonds are delivered by the County to United Florida, and at which United Florida delivers to the County the Transfer Documents all pursuant to the provisions of this Joint Stipulation and the Final Judgment;

(f) "County's Acquisition Counsel" means Dobson & Christensen, P.A.;

(g) "County's Counsel" means James G. Sisco, Esquire;

(h) "Final Judgment" means that certain final judgment, when rendered by the Circuit Court of St. Johns County, Florida, in the above captioned cause in substantially the form affixed hereto as Exhibit "A";

(i) "Joint Stipulation" means this Stipulation and Joint Motion;

(j) "Mediation Agreement" means that certain agreement dated the 4th day of June, 1991 between the County and United Florida, a true and correct copy of which is affixed hereto as Exhibit "B";

(k) "Properties" means the water and sewer system facilities and real, personal, tangible and intangible properties serving and/or pertaining to St. Augustine Shores more fully described in the Final Judgment;

(l) "Subordinated Bonds" means the County's \$2,250,000 Principal Amount of Subordinated Water and Sewer Revenue Bonds, Series 1991, as authorized by the Authorizing Resolution;

(m) "Transfer Documents" means the documents described in Section 8 hereof and required to be delivered to the County at the Closing;

(n) "United Florida's Counsel" means Gray, Harris & Robinson, Suite 1200, Southeast Bank Building, 201 E. Pine Street, Orlando, Florida 32801; and

(o) "United Florida's Engineers" means Hartman & Associates, Inc., 201 E. Pine Street, Suite 1000, Orlando, Florida 32801.

2. Mediation Agreement. The representations made in the Mediation Agreement are true and the entry into the

Mediation Agreement is hereby ratified and confirmed except as may specifically be amended or altered by the terms and provisions of this Joint Stipulation.

3. Motion for Entry of Final Judgment. Upon the terms and conditions and upon the basis of the representations herein set forth, the County and United Florida jointly move the Court for entry of the proposed Final Judgment in the form affixed as Exhibit "A".

4. Representations of County. The County represents to United Florida that:

(a) When delivered to and accepted by United Florida at the Closing in accordance with the provisions of this Joint Stipulation, the Mediation Agreement, and the Final Judgment, the Subordinated Bonds will have been duly authorized, executed, issued and delivered by the County will constitute valid, binding and enforceable limited obligations of the County, enforceable in accordance with their terms, except that the enforceability of such obligations may be limited by applicable bankruptcy, reorganization, insolvency and other similar laws affecting creditors' rights generally;

(b) The County is empowered and has been duly authorized to enter into this Joint Stipulation, the Mediation Agreement, and to adopt the Authorizing Resolution;

(c) The execution and delivery of this Joint Stipulation, the Subordinated Bonds and compliance with the provisions thereof and the Final Judgment, under the circumstances contemplated herein and therein, will not in any material respect conflict with or constitute on the part of the County a breach of or default under any agreement or other instrument to which the County is a party, or an existing law, administrative regulation, court order or consent decree to which the County is subject;

(d) The County has not been notified of any listing or proposed listing by the Internal Revenue Service to the effect that it is a bond issuer whose arbitrage certifications may not be relied upon;

(e) The County has never been in default at any time after December 31, 1975, as to the principal of or interest on any obligation pledging the ad valorem taxes or the revenues of the County which it has issued, and to the best of its knowledge, has never been in default at any time after December 31, 1975, as to the principal or interest on any other obligation which it has issued;

(f) Except for the transfer of the Permits, as defined by Section 8(j) hereof and the obtaining of certain permits necessary to construct or operate certain improvements to the System (as defined in the Authorizing Resolution), all approvals, consents, and orders, if any, of any

governmental body having jurisdiction over any matter which would constitute a condition precedent to the performance by the County of its obligations under the Authorizing Resolution, this Joint Stipulation, and the Final Judgment have been obtained and are in full force and effect.

5. Representations of United Florida. United Florida represents to the County that:

(a) On the date hereof and on the date of the Closing the statements and information contained in answers to interrogatories on behalf of United Florida as filed in the above styled cause and the "Listing of Assets for the St. Augustine Shores Water and Wastewater System" dated April 23, 1991 prepared by United Florida's Engineers and the "Land and Easement Notebook for the St. Augustine Shores Water and Wastewater System" dated April 23, 1991 as prepared by United Florida's Engineers are and will be true and complete in all material respects, except as specified in Appendix 1 hereto, and do not and will not omit any statement or information which is necessary to make the statements and information therein, in light of the circumstances under which they are made, not misleading;

(b) Upon the delivery of the sum of \$12,000,000 and the Subordinated Bonds to United Florida at the Closing in accordance with the provisions of the Final Judgment, the Transfer Documents will have been duly authorized, executed,

issued and delivered by United Florida and will constitute valid, binding and enforceable obligations of United Florida in conformity with the provisions of the Final Judgment and this Joint Stipulation except that the enforceability of such obligations may be subject to applicable bankruptcy, reorganization, insolvency and other similar laws affecting creditors' rights generally;

(c) United Florida is empowered and has been duly authorized to enter into this Joint Stipulation and the Mediation Agreement;

(d) The execution and delivery of this Joint Stipulation, the Transfer Documents, the Mediation Agreement and compliance with the provisions thereof and the Final Judgment, under the circumstances contemplated herein and therein, will not in any material respect conflict with or constitute on the part of United Florida a breach of or default under any agreement or other instrument to which United Florida or any of its shareholders or subsidiary corporations is a party, or any existing law, administrative regulation, court order or consent decree to which United Florida or its shareholders are subject;

(e) All approvals, consents and orders, if any, of any governmental body having jurisdiction in any matter which would constitute a condition precedent to the performance by United Florida of its obligations under the

Mediation Agreement, this Joint Stipulation, and the Final Judgment have been obtained and are in full force and effect;

(f) Subsequent to the date of the Mediation Agreement, there have not been any material adverse changes in the Properties, financial or otherwise, and neither the business, the Properties, nor the affairs of United Florida have been adversely effected in any substantial way as the result of any legal or administrative proceedings, fire, explosion, accident, strike, riot, flood, wind storm, earthquake, embargo, war or act of God or of the public enemy.

6. Closing, Delivery and Payment. The Subordinated Bond shall be typewritten or printed as provided in the Authorizing Resolution prior to the Closing, and shall be made available for checking and packaging by representatives of United Florida at the offices of Bond Counsel in Jacksonville, Florida, not less than 24 hours prior to the Closing. The Closing shall be held beginning at 9:00 a.m., August 22, 1991, at the offices of Foley & Lardner, Jacksonville, Florida, or at such later time and other place as is mutually agreeable to the County and United Florida. At the Closing, United Florida shall accept delivery of the Subordinated Bonds from the County and the sum of \$12,000,000 as provided in the Final Judgment upon (i) tender of the

definitive bond to United Florida by the County; (ii) the delivery by the County to United Florida of all the Additional Transfer Documents; and (iii) the delivery by United Florida to the County of the Transfer Documents.

7. Additional Transfer Documents. The Additional Transfer Documents shall consist of the following, each properly executed, certified or otherwise verified, dated as of the date of Closing, and in such form, as may be satisfactory to County's Counsel, Bond Counsel, United Florida and United Florida's Counsel, including, but not limited to, the matters hereinafter set forth:

(a) a certified copy of the Authorizing Resolution, as amended and supplemented, to the date of Closing;

(b) The County's Closing Certificate confirming (i) the representations made by the County herein; (ii) other than as disclosed herein, that there is no litigation pending, or to its knowledge, threatened to restrain or enjoin the issuance or delivery of the Subordinated Bonds or in any way contesting or affecting any authority for the issuance of the Subordinated Bonds, or the validity of the Subordinated Bonds, the Authorizing Resolution, or in any way contesting the existence or powers of the County; (iii) other than that as is disclosed herein, there is no litigation pending or, to its knowledge, threatened against or affecting the County or involving any of the business,

properties or affairs of the County which involves the possibility of any judgment or liability or which may result in the material adverse change in the properties, businesses, or assets or in the condition, financial or otherwise, of the County; (iv) other than as is disclosed herein, the adoption and present effectiveness of all County resolutions requested by Bond Counsel and United Florida's Counsel, in connection with the transactions contemplated hereby, together with copies of said resolutions;

(c) The unqualified approving opinion of Bond Counsel, dated the date of Closing, substantially in the form of Appendix 2 hereto;

(d) A reliance letter of Bond Counsel, dated the date of Closing, addressed to United Florida to the effect that United Florida may rely on the opinion of Bond Counsel described in paragraph 7(c) above as if such opinion were addressed to it;

(e) A supplemental opinion of Bond Counsel, dated the date of Closing, addressed to United Florida and the County, to the effect that the Subordinated Bonds are exempt from registration pursuant to the Securities Act of 1933, as amended, and the Authorizing Resolution is exempt from qualification pursuant to the Trust Indenture Act of 1939, as amended;

(f) An opinion of the County's Counsel (which may assume that the interest on the Subordinated Bonds is excluded from gross income for Federal Income Tax purposes and that neither the Subordinated Bonds, this Joint Stipulation, the Authorizing Resolution, or any other matter or documents need be registered or qualified under the Securities Act of 1933, as amended, the Trust Indenture Act of 1939, as amended, Chapter 517, Florida Statutes, or the Securities or Blue Sky Laws of any jurisdiction) to the effect that (i) the County is a political subdivision organized and validly existing under the laws of the State of Florida and has all the necessary power and authority to issue the Subordinated Bonds and enter into this Joint Stipulation; (ii) other than is disclosed herein, this Joint Stipulation and the Subordinated Bonds have been duly authorized, executed and delivered by the County and, with respect to this Joint Stipulation, assuming due execution hereof by United Florida, constitute legal, valid and binding obligations of the County enforceable in accordance with their respective terms, except as the enforceability thereof may be limited by applicable bankruptcy, reorganization, insolvency and other similar laws affecting the enforcement of creditors' rights generally, and no opinion need be expressed as to the availability of any discretionary equitable remedy; (iii) the County has approved the

execution and delivery thereof to United Florida of the Subordinated Bonds; (iv) the execution and delivery of the Subordinated Bonds and this Joint Stipulation, the adoption of the Authorizing Resolution and the issuance of the Subordinated Bonds pursuant thereto, in compliance with the provisions thereof, under the circumstances contemplated thereby, do not and will not in any material respect conflict with or constitute on the part of the County a breach of or default on any existing law, regulation, court order or consent decree to which the County is subject; (v) other than is disclosed herein, no litigation or proceeding is pending or to the best of his knowledge is threatened against or affecting the County to restrain or enjoin the issuance or delivery of the Subordinated Bonds or in any way contesting or affecting any authority for the issuance of the Subordinated Bonds or the validity of the Subordinated Bonds or of this Joint Stipulation, the Mediation Agreement or the Final Judgment, or in any way contesting the existence of the powers of the County; (vi) other than is disclosed herein, no litigation or proceeding is pending, or to the best of his knowledge is threatened, against or affecting the County or involving any of the business, property, or affairs of the County which involves the possibility of any judgment or liability which may result in any material adverse change in the financial condition of

the County; (vii) the County has obtained the consents, approvals, authorizations or other orders of all municipal, state or regulatory authorities required for the issuance of the Subordinated Bonds;

(g) Appropriate arbitrage certifications and agreements by the County in form and substance satisfactory to County's Counsel, Bond Counsel and United Florida's Counsel;

(h) Such additional legal opinions, certificates or other documents and such multiple copies of the above listed documents as United Florida, United Florida's Counsel or Bond Counsel may reasonably request to evidence compliance by the County with legal requirements; the truth and accuracy, as of the date of Closing, of the respective representations contained herein, and the due performance or satisfaction by the County of all agreements to be performed by the County and all conditions to be satisfied by the County at or prior to the Closing.

8. Transfer Documents. The Transfer Documents shall consist of the following, each properly executed, certified or otherwise verified, dated as of the date of Closing and in such form, as may be satisfactory to Bond Counsel, County's Counsel, and County's Acquisition Counsel, including, but not limited to, the matters hereinafter set forth:

(a) A certified copy of a resolution of the Board of Directors of United Florida authorizing and directing delivery of all Transfer Documents;

(b) United Florida's Closing Certificate (the "Closing Certificate") confirming (i) the representations made by United Florida herein; (ii) other than as disclosed herein, that there is no litigation or administrative proceeding pending, or, to its knowledge, threatened to restrain or enjoin consent of United Florida to the acquisition of the Properties by the County pursuant to the terms and conditions of this Joint Stipulation, the Mediation Agreement and/or Final Judgment, or in any way contesting or effecting any authority for the execution and delivery of any of the Transfer Documents, or in any way contesting the existence or powers of United Florida; (iii) other than as is disclosed herein, there is no litigation or administrative proceeding pending or, to its knowledge, threatened against or effecting United Florida or involving any of the Properties or affairs of United Florida which involves the possibility of any judgment or liability which may result in the material adverse change in the Properties, the value of the Properties, or which may prevent, delay or hinder delivery or transfer thereof to the County; (iv) other than as is disclosed herein, the adoption and present effectiveness of all resolutions and actions of United Florida in

connection with the transactions contemplated hereby, necessary to unconditionally effectuate such transfers together with copies of said resolutions; (v) with regard to the transactions contemplated hereby: (1) that there is no intent upon the part of United Florida to hinder, delay or defraud any entity to which United Florida is, or may become, indebted; (2) that United Florida has not received less than a reasonably equivalent value in exchange for the Properties and other obligations transferred pursuant to the terms hereof; (3) that United Florida is not insolvent and the transactions contemplated hereby will not render United Florida insolvent; (4) that United Florida is not engaged in business or about to engage in business or a transaction which will leave United Florida with an unreasonably small amount of capital remaining; (5) that United Florida does not intend to incur any debts that will be beyond United Florida's ability to pay as such debts mature; (vi) in form and content satisfactory to County's Acquisition Counsel and any title insurer agreeing to insure the title on behalf of the County of that portion of the Properties described in Exhibits "B" and "C" to the Final Judgment; (1) that United Florida is, subject to all qualifications and conditions contained in any title binder in favor of the County issued by such title insurer, the owner of the Properties and is in exclusive, full, complete and undisputed possession of that

portion of the Properties described in Exhibit "B" and Exhibit "D" as attached to the Final Judgment; (2) that except as shown in Appendix 3 hereto there are no leases, options, claims, unpaid taxes, assessments or interest of any kind held thereon; (3) that title to the Properties has not been transferred, and the Properties are free and clear of all liens, taxes, encumbrances, and claims of any kind, nature and description as against the interest of United Florida, except for real property taxes for the current year, and except as shown in Appendix 3 hereto; (4) that there have been no improvements, alterations, or repairs to the Properties for which cost thereof remain unpaid; (5) that there are no claims for labor, material or services furnished or performed for repairing or improving the same which remain unpaid; (6) there are no mechanics' materialmen's or laborers' liens against the Properties; (7) that no labor has been performed within the last ninety (90) days which has not been paid in full in regards to said Properties; (8) that portion of the Properties described in Exhibit "D" to the Final Judgment is free and clear of all liens, encumbrances, claims and demands whatsoever and that no judgments or decrees have been entered in a Court of this State or the United States of America against United Florida which remain unsatisfied or unpaid; (9) that there exist no funds due the Internal Revenue Service or the State of

Florida which remain unpaid which may result in a lien against the above described Properties; and (10) that United Florida is not a Non-Resident Alien for United States income tax purposes and United Florida's federal income tax payer I.D. number is 59-1971208;

(c) Title Certificates properly endorsed to the County for all motor vehicles listed in Exhibit "D" to the Final Judgment (the "Title Certificates");

(d) Assignments of any leases which the County may elect, at its sole option, to assume, whether of personal property or realty, together with such consents and estoppel letters as may be reasonably required by County's Acquisition Counsel to effectuate the assignment of such leases by the County (collectively, the "Assignments");

(e) An opinion of United Florida's Counsel, dated the date of Closing, addressed to the County and County's Acquisition Counsel, substantially in the form of Appendix 4 hereto;

(f) A Receipt and Satisfaction of Judgment acknowledging receipt of payment and delivery of the Subordinated Bonds in form satisfactory to County's Acquisition Counsel (the "Satisfaction of Judgment");

(g) A Disclaimer Statement pursuant to Florida Statutes 218.385(4) and Section 4.03 of the Authorizing Resolution as may be reasonably required by Bond Counsel

(the "Disclaimer Statement") in substantially the form attached to the Authorizing Resolution as Exhibit "A";

(h) In the event that the County shall elect, at its sole and exclusive option, to assume any outstanding agreement with The Deltona Corporation relating to the disposal of effluent on the lands of The Deltona Corporation, an assignment of such agreement, in form and content satisfactory to County's Counsel and County's Acquisition Counsel, of such agreements together with the consents thereto of the Deltona Corporation and an original copy thereof (collectively, the "Effluent Agreement");

(i) An agreement and assignment to the County in substantially the form affixed as Appendix 5 hereto, relating to customer deposits, customer billings, proration of customer billings, all other accounts receivable of United Florida pertaining to the Properties (the "Billing Agreement");

(j) Assignments of all operating permits, licenses, and certificates currently held by United Florida relating to the construction, operation or improvement of the St. Augustine Shores Water and Wastewater System together with the originals of such permits, licenses and certificates (all collectively, the "Permits");

(k) An assignment of all rights in and to all telephone numbers currently utilized by United Florida in

connection with the operation of the St. Augustine Shores System, including, but not limited to, (904) 794-2424 and (904) 794-0800 (the "Telephone Numbers");

(l) The consent of United Florida's Engineers to the use by the County, without payment of additional compensation, of all plans and specifications, including plans for proposed improvements to the Properties prepared by United Florida's Engineers and in the possession of United Florida (the "Engineer's Consent");

(m) Copies of all personnel files on employees of United Florida who have elected employment with the County pursuant to paragraphs 3 and 4 of the Mediation Agreement (the "Personnel Files");

(n) Such additional legal opinions, certificates or other documents and such multiple copies of the above listed documents as the County, County's Counsel and County's Acquisition Counsel may reasonably request to evidence compliance by United Florida with legal requirements; the truth and accuracy, as of the date of Closing, of the respective representations contained herein, and the due performance or satisfaction by United Florida of all agreements to be performed by United Florida and all conditions to be satisfied by United Florida at or prior to the Closing.

9. Prorations. All accounts receivable and payable, whether ascertainable on the date of Closing or otherwise, shall be prorated as of the date of Closing with any adjustments to the purchase price resulting as a result of said prorations being made pursuant to the provisions of the Billing Agreement.

10. Termination of the Joint Stipulation. This Joint Stipulation and the Final Judgment entered by the Court pursuant thereto shall be set aside within ten (10) days after the filing of the Final Judgment with the Clerk of the Circuit Court in the event that there shall be a termination of the Bond Purchase Agreement pursuant to either Section 10 or Section 11 thereof.

11. Expenses. Each party shall pay its own out of pocket expenses and the fees and expenses of their respective counsel.


12. Notices. Any notice or other communication to be given to the County under this Joint Stipulation may be given by delivering the same in writing to the Board of County Commissioners of St. Johns County, Florida, St. Johns County Administration Building, 4020 Lewis Speedway, Post Office Box 349, Augustine, Florida 32085 with copies thereof to County's Counsel, County's Acquisition Counsel and Bond Counsel. Any such notice or other communication to be given to United Florida may be given by delivering the same in

writing to United Florida, c/o Southern States Utilities, Inc., 1000 Color Place, Apopka, Florida 32703, with copy thereof to United Florida's Counsel.

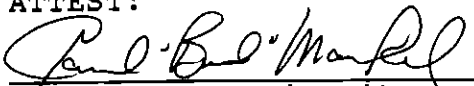
13. Parties and Interests, Undertakings, Survival of Representations. This Joint Stipulation is made solely for the benefit of the County and United Florida, including the successors and assigns thereof, and no other person, partnership, association or corporation shall acquire or have any rights hereunder or by virtue hereof. All representations and agreements by the County and United Florida in this Joint Stipulation shall remain in full force and effect regardless of any investigation by or on behalf of either party, and shall survive Closing.


ST. JOHNS COUNTY, FLORIDA

UNITED FLORIDA UTILITIES CORPORATION

BY: 
Chairman of the Board of
County Commissioners of
St. Johns County, Florida

BY: 
Its _____ President

ATTEST:

Clerk of the Circuit Court
for St. Johns County, ex-
officio Clerk of the Board
of County Commissioners,
St. Johns County, Florida

ATTEST:

Its _____ Secretary

DOBSON & CHRISTENSEN, P.A.

Gray, Harris & Robinson

BY: 

Geoffrey B. Dobson
Florida Bar #0019919
66 Cuna Street, Suite B
St. Augustine, Florida 32084
Telephone: (904) 824-9032
Telefax: (904) 824-9236

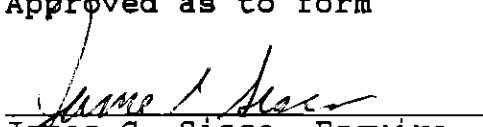
BY: 

Gordon H. Harris
Florida Bar #
Post Office Box 3068
Orlando, Florida 32802-3068
Telephone: (407) 843-8880
Telefax: (407) 244-5690

County's Acquisition Counsel

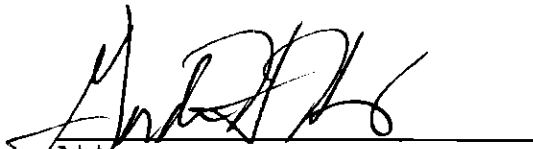
United Florida's Counsel

Approved as to form


James G. Sisco, Esquire
County's Counsel

CERTIFICATE OF SERVICE

I HEREBY certify that a true and correct copy of the foregoing has been furnished to David B. Parker, Esquire, 46 Spanish Street, St. Augustine, Florida 32084 by U.S. Mail this ___ day of August, 1991.


Attorney

IN THE CIRCUIT COURT, SEVENTH
JUDICIAL CIRCUIT, IN AND FOR
ST. JOHNS COUNTY, FLORIDA

CASE NO.: 91-114-CA
DIVISION: A

ST. JOHNS COUNTY, a
political subdivision
of the State of Florida

Plaintiff,

vs.

UNITED FLORIDA UTILITIES
CORPORATION, a Florida
corporation; and DENNIS
W. HOLLINGSWORTH, as Tax
Collector for St. Johns
County, Florida,

Defendants.

FINAL JUDGMENT

THIS CAUSE having come on to be heard upon the Stipulation and Joint Motion for Entry of Final Judgment made by the Plaintiff, ST. JOHNS COUNTY, a political subdivision of the State of Florida, and the Defendant, UNITED FLORIDA UTILITIES CORPORATION, and it appearing to the Court that the parties are authorized to enter into such Stipulation and Joint Motion and the Court finding that the compensation to be paid by the Plaintiff pursuant to such Stipulation and Joint Motion is full, just and reasonable for all parties concerned and the Court being otherwise fully apprised in the premises, it is

ORDERED and ADJUDGED:

1. That the Court has jurisdiction of the subject matter of and the parties to this cause.

2. That the pleadings in this cause are sufficient and the Plaintiff is properly exercising its delegated authority.

3. That the amount to be paid and other considerations as specified in said Stipulation and Joint Motion constitutes full, just and reasonable compensation for all rights to be acquired by the Plaintiff pursuant to this Judgment.

4. That upon the delivery to the Defendant, UNITED FLORIDA UTILITIES CORPORATION, of the sum of \$12,000,000 in immediately available funds upon Closing, as specified in said Stipulation and Joint Motion and the execution and delivery to UNITED FLORIDA UTILITIES CORPORATION of the County's \$2,250,000 Principal Amount of Subordinated Water and Sewer Revenue Bonds, Series 1991, as authorized by a resolution providing for the issuance of such bonds in substantially the form attached hereto as Exhibit "A" with such omissions, insertions and variations as may be necessary and desirable and authorized and permitted by said resolution or subsequent resolution adopted prior to the issuance thereof and as agreed to by the parties, the execution and delivery of the remaining documents called for within the Final Judgment and the Stipulation and Joint Motion constituting conclusive proof of such agreement on

behalf of the Defendant, the title in and to that certain property owned and held by UNITED FLORIDA UTILITIES CORPORATION (the "Properties") more fully described as:

The entire water and sewer system facilities serving St. Augustine Shores and the currently certificated area held by United Florida Utilities Corporation in the area of St. Augustine Shores and Captain's Point and consisting of a water distribution system containing approximately 34.36 miles of water main and appurtenances and water supply treatment and pump facilities, together with the sewer collection system consisting of approximately 24.25 miles of gravity sewer piping, approximately 8.58 miles of sewage force main and 23 collection system pumping stations, together with sewage treatment and effluent disposal facilities, together with easements for such distribution and collection systems, water supply wells, all pipe and off-site finished water storage and repump facilities, water plant site and buildings, wastewater treatment plant and sewage treatment sites and buildings, including, but not limited to, the property and property rights described in Section 8, Transfer Documents, of the Stipulation and Joint Motion, the real estate described in Exhibit "B" attached hereto, those certain easements described in Exhibit "C" attached hereto, and personal property described in Exhibit "D" attached hereto.

shall vest in the Plaintiff, it being the intent of this Final Judgment that all right, title and interest in and to all property and property rights, real, personal, tangible and intangible, held by United Florida Utilities Corporation in and/or pertaining to the St. Augustine Shores Utilities System be vested in St. Johns County, Florida.

5. At the time of Closing, as specified in the Stipulation and Joint Motion, the Defendant shall deliver to the

Plaintiff a receipt and satisfaction of judgment acknowledging receipt of payment and delivery of the Subordinated Bonds in substantially the form attached hereto and made a part hereof as Exhibit "E", the recordation of which shall act as conclusive evidence of the vesting of title to the Properties in St. Johns County, Florida. In the event of default and compliance with the terms of this Final Judgment and the Stipulation and Joint Motion by either party, the Court retains jurisdiction for the enforcement of the terms hereof.

DONE and ORDERED in St. Augustine, St. Johns County, Florida this ___ day of _____, 1991.

Circuit Court Judge

Copies to:

Dobson & Christensen, P.A.
Gray, Harris & Robinson
David B. Parker, Esquire

F&L/DRAFT OF
08/08/91

RESOLUTION NO. 91-__

RESOLUTION PROVIDING FOR THE ISSUANCE BY ST. JOHNS COUNTY, FLORIDA, OF \$2,250,000 PRINCIPAL AMOUNT OF SUBORDINATED WATER AND SEWER REVENUE BONDS, SERIES 1991, TO FINANCE A PART OF THE COST OF THE COUNTY'S ACQUISITION OF CERTAIN PRIVATELY-OWNED WATER AND SEWER FACILITIES SITUATED WITHIN THE COUNTY, TO BE CONSOLIDATED WITH THE PUBLIC WATER AND SEWER SYSTEM OF THE COUNTY; PLEDGING TO SECURE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON SAID BONDS CERTAIN PLEDGED FUNDS COMPRISED OF A PART OF THE NET REVENUES OF SAID SYSTEM; PROVIDING FOR THE RIGHTS OF THE HOLDERS OF SAID BONDS; MAKING CERTAIN COVENANTS AND AGREEMENTS WITH THE HOLDERS OF SAID BONDS; APPOINTING THE REGISTRAR AND PAYING AGENT FOR SAID BONDS; AND PROVIDING AN EFFECTIVE DATE.

RECEIVED AUG 9 1991

Exhibit "A" to Final Judgment

TABLE OF CONTENTS

ARTICLE I

GENERAL

SECTION 1.01. Definitions	1
SECTION 1.02. Authority for Resolution	4
SECTION 1.03. Resolution to Constitute Contract	4
SECTION 1.04. Findings	4

ARTICLE II

AUTHORIZATION, TERMS, EXECUTION
AND REGISTRATION OF SUBORDINATED BONDS

SECTION 2.01. Authorization of Subordinated Bonds	5
SECTION 2.02. Description of Subordinated Bonds	6
SECTION 2.03. Application of Bond Proceeds	6
SECTION 2.04. Execution of Bonds	6
SECTION 2.05. Negotiability and Transfer	7
SECTION 2.06. Form of Bonds	8

ARTICLE III

SECURITY, SPECIAL FUNDS AND
APPLICATION THEREOF

SECTION 3.01. Bonds Not General Indebtedness of Issuer	13
SECTION 3.02. Security for Bonds	13
SECTION 3.03. Sinking Fund	13

ARTICLE IV

MISCELLANEOUS

SECTION 4.01. Rate Covenant.	14
SECTION 4.02. Additional Subordinated Bonds	14
SECTION 4.03. Delivery of Bonds.	15
SECTION 4.04. Federal Income Tax Exemption	15
SECTION 4.05. Defeasance	16
SECTION 4.06. Registrar and Paying Agent	16
SECTION 4.07. General Authority	17
SECTION 4.08. No Personal Liability	17
SECTION 4.09. No Third Party Beneficiaries	17
SECTION 4.10. Modification or Amendment	17
SECTION 4.11. Severability of Invalid Provisions	17
SECTION 4.12. Repeal of Inconsistent Resolutions	18
SECTION 4.13. Table of Contents and Headings not Part Hereof	18
SECTION 4.14. Effective Date	18

Exhibit A -- Purchaser's Disclosure Statement	
Exhibit B -- Additional Terms of Subordinated Bonds	

BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF ST. JOHNS COUNTY, FLORIDA:

ARTICLE I

GENERAL

SECTION 1.01. Definitions. When used in this Resolution, the following terms shall have the following meanings, unless the context clearly otherwise requires:

"Act" shall mean Chapter 125, Part I, Florida Statutes, as amended, St. Johns County Ordinance No. 86-89 and other applicable provisions of law.

"Additional Subordinated Bonds" shall mean the obligations issued at any time under the provisions of Section 4.02 hereof payable from the Pledged Funds on a parity with the Subordinated Bonds.

"Authorized Depository" shall mean the State Board of Administration of Florida or a bank or trust company in the State which is eligible under the laws of the State to receive funds of the Issuer.

"Bond Counsel" shall mean Foley & Lardner, Jacksonville, Florida, bond counsel to the Issuer with respect to the issuance of the Subordinated Bonds.

"Bondholder" or "Holder" or "holder" shall mean any Person who shall be the registered owner of any Outstanding Subordinated Bond or Subordinated Bonds according to the registration books of the Issuer.

"Chairman" shall mean the Chairman of the Governing Body or such other person as may be duly authorized by the Issuer to act on his or her behalf.

"Clerk" shall mean the Clerk of the Governing Body or such other person as may be duly authorized by the Issuer to act on his or her behalf.

"Code" shall mean the United States Internal Revenue Code of 1986, as the same may be amended from time to time, and the regulations thereunder, whether proposed, temporary or final, promulgated by the Department of the Treasury, Internal Revenue Service, and all other promulgations of said service pertaining thereto.

"Federal Securities" shall mean direct obligations of the United States of America and obligations the principal of and interest on which are unconditionally guaranteed by the United States of America, none of which permit redemption prior to maturity at the option of the obligor. Federal Securities shall include any certificates or any other evidences of an

ownership interest in the aforementioned obligations or in specified portions thereof (which may consist of specified portions of the interest thereon).

"Governing Body" shall mean the Board of County Commissioners of the Issuer or its successor in function.

"Gross Revenues" shall mean all income and moneys received by the Issuer from the Rates, but excluding all non-ad valorem special assessments and all non-refundable (except at the option of the Issuer) "Connection Charges" as such term is defined in the Prior Lien Resolution.

"Interest Date" shall mean such date or dates for the payment of interest on the Subordinated Bonds, to wit: June 1 and December 1 of each year commencing December 1, 1991.

"Issuer" shall mean St. Johns County, Florida.

"Net Revenues" shall mean Gross Revenues less Operating Expenses.

"Operating Expenses" shall mean the Issuer's expenses for operation, maintenance, repairs and replacement with respect to the System, as more particularly defined in the Prior Lien Resolution.

"Outstanding" shall mean all Subordinated Bonds theretofore issued and delivered except, (1) any Subordinated Bond in lieu of which another Subordinated Bond or other Subordinated Bonds have been issued under an agreement to replace lost, mutilated or destroyed Subordinated Bonds, (2) any Subordinated Bond surrendered by the Holder thereof in exchange for another Subordinated Bond or other Subordinated Bonds under Section 2.05 hereof, (3) Subordinated Bonds deemed to have been paid pursuant to Section 4.05 hereof, and (4) Subordinated Bonds canceled after purchase in the open market or because of payment at, or upon redemption prior to, maturity.

"Paying Agent" shall mean any paying agent for Subordinated Bonds appointed by or pursuant to resolution of the Governing Body, and with respect to the Subordinated Bonds authorized pursuant to Section 2.01 of this Resolution shall mean the Paying Agent appointed pursuant to Section 4.06 of this Resolution, and such paying agent's successors or assigns, and any other Person which may at any time be substituted in its place pursuant to resolution of the Governing Body.

"Person" shall mean an individual, a corporation, a partnership, an association, a joint stock company, a trust, any unincorporated organization or governmental entity.

"Pledged Funds" shall mean only the Net Revenues which shall be on deposit in the Revenue Fund created pursuant to the Prior Lien Resolution and available in accordance with the provisions of Section 4.06(A)(3) of the Prior Lien Resolution for payment of debt service

for Subordinated Indebtedness, as such term is defined in the Prior Lien Resolution.

"Prior Lien Obligations" shall mean the Issuer's outstanding Water and Sewer Revenue Bonds, Series 1989, and Water and Sewer Revenue Bonds, Series 1990B-I and B-II, and the Issuer's Water and Sewer Revenue Bonds, Series 1991A, to be issued concurrently with the Subordinated Bonds, and all bonds of the Issuer which may hereafter be issued on a parity with said obligations described in this paragraph in accordance with the provisions of Section 5.02 of the Prior Lien Resolution, as the same may be amended and supplemented from time to time.

"Prior Lien Resolution" shall mean St. Johns County Resolution No. 89-84 adopted by the Governing Body on April 25, 1989, as amended by St. Johns County Resolution No. 89-189 adopted by the Governing Body on August 9, 1989, St. Johns County Resolution No. 90-61 adopted by the Governing Body on March 27, 1990, St. Johns County Resolution No. 90-208 adopted by the Governing Body on November 14, 1990, and St. Johns County Resolution No. 91-113 adopted by the Governing Body on July 23, 1991, as the same may be further amended and supplemented from time to time.

"Purchaser" shall mean United Florida Utilities Corporation, a Florida corporation.

"Rates" shall mean the fees and charges which shall be made and collected by the Issuer for the use of the services or facilities of the System. Rates shall be deemed to exclude non-ad valorem special assessments and "Connection Charges" as such term is defined in the Prior Lien Resolution.

"Registrar" shall mean any registrar for the Subordinated Bonds appointed by or pursuant to resolution of the Governing Body, and with respect to the Subordinated Bonds authorized pursuant to Section 2.01 of this Resolution shall mean the Registrar appointed pursuant to Section 4.06 of this Resolution, and such registrar's successors and assigns, and any other Person which may at any time be substituted in its place pursuant to resolution of the Governing Body.

"Resolution" and "this Resolution" shall mean this instrument, as the same may be amended, modified or supplemented from time to time in accordance with the provisions of Section 4.10 hereof restricting and limiting the Issuer's right to amend, modify or supplement the terms hereof.

"Series 1991A Bonds" shall mean the Water and Sewer Revenue Bonds, Series 1991A, authorized to be issued by the Issuer concurrently with the issuance of the Subordinated Bonds pursuant to St. Johns County Resolution No. 91-__.

"Sinking Fund" shall mean the Sinking Fund established pursuant to Section 3.03 hereof.

"Subordinated Bonds" shall mean the bonds of the Issuer authorized to be issued pursuant to Section 2.01 of this Resolution, together with any Additional Subordinated Bonds hereinafter issued.

"System" shall mean the water and sewer facilities which are owned, operated and maintained by the Issuer as more particularly defined and described in the Prior Lien Resolution.

The terms "herein," "hereunder," "hereby," "hereto," "hereof," and any similar terms, shall refer to this Resolution; the term "heretofore" shall mean before the date of adoption of this Resolution; and the term "hereafter" shall mean after the date of adoption of this Resolution.

Words importing the singular number include the plural number, and vice versa.

SECTION 1.02. Authority for Resolution. This Resolution is adopted pursuant to the provisions of the Act.

SECTION 1.03. Resolution to Constitute Contract. In consideration of the purchase and acceptance of any or all of the Subordinated Bonds by those who shall hold the same from time to time, the provisions of this Resolution shall be deemed to be and shall constitute a contract between the Issuer and the Holders from time to time of the Subordinated Bonds. The pledge made in this Resolution and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the Issuer shall be for the equal benefit, protection and security of the Holders of any and all of the Subordinated Bonds. All of the Subordinated Bonds shall be of equal rank without preference, priority or disjunction of any of the Subordinated Bonds over any other thereof except as expressly provided in or pursuant to this Resolution.

SECTION 1.04. Findings. It is hereby ascertained, determined and declared as follows:

(A) The Issuer presently owns and operates a water and sewer system for the health, benefit and welfare of its citizens and inhabitants, and it is in the best interest of the Issuer and said citizens and inhabitants that the Issuer acquire the privately-owned water and sewer facilities serving the area of St. Johns County known as "St. Augustine Shores" and finance a part of the cost thereof through the issuance of the Subordinated Bonds in the manner herein provided. The balance of such cost shall be financed with a portion of the proceeds to be derived from the sale by the Issuer of the Series 1991A Bonds.

(B) After publication of notice thereof by the Issuer, a public hearing on the acquisition of such water and sewer facilities serving the area of St. Johns County known as "St. Augustine Shores" was duly held by the Governing Body on July 23, 1991; and the Governing Body, having considered each and all of the elements listed in Section 125.3401, Florida Statutes, as amended, as well as other factors bearing upon the matter, has found and

determined, in and by St. Johns County Resolution No. 91-111, that the acquisition of such facilities is in the public interest; and the Issuer has prepared and filed in the minutes of the Governing Body a statement showing that the acquisition of such facilities is in the public interest, including a summary of the Issuer's experience in water and sewer utilities operation and a showing of financial ability to provide the service.

(C) The Issuer deems it necessary, desirable and in the best interest of the Issuer that the Pledged Funds be pledged to the payment of the principal of and interest on the Subordinated Bonds. No part of the Pledged Funds shall be otherwise pledged or encumbered in any manner, except that the Pledged Funds have been pledged as security for the Prior Lien Obligations; and in Section 3.02 hereof the Issuer reserves the right to issue additional Prior Lien Obligations under the terms, limitations and conditions provided in the Prior Lien Resolution. The Issuer further reserves the right to issue Additional Subordinated Bonds secured by and payable from the Pledged Funds on a parity with the Subordinated Bonds under the terms, limitations and conditions contained in Section 4.02(A) hereof and to issue other obligations and incur other indebtedness secured by and payable from the Pledged Funds subordinate and inferior to the Subordinated Bonds.

(D) No Bondholder shall ever be entitled to compel the payment of the principal of and interest on the Subordinated Bonds or any other payments provided for in this Resolution from any funds or revenues of the Issuer other than the sources herein provided in accordance with the terms hereof; nor will any Bondholder ever have the right to compel the exercise of the ad valorem taxing power of the Issuer to pay the principal of or interest on the Subordinated Bonds or to make any other payments provided for in this Resolution, and the Bonds shall not constitute a lien upon the System or any other property of the Issuer or situated within its territorial limits, except the Pledged Funds.

(E) The owner of the said water and sewer facilities serving the area known as "St. Augustine Shores" has agreed to accept the Subordinated Bonds authorized to be issued pursuant to Section 2.01 of this Resolution as payment of a part of the purchase price for said water and sewer facilities; and, accordingly, the Governing Body does hereby find and determine that it is in the best financial interest of the Issuer that a negotiated sale of the Subordinated Bonds to the Purchaser, said owner, be authorized.

ARTICLE II

AUTHORIZATION, TERMS, EXECUTION AND REGISTRATION OF SUBORDINATED BONDS

SECTION 2.01. Authorization of Subordinated Bonds. The Issuer hereby authorizes the issuance of revenue bonds of the Issuer to be designated as "St. Johns County, Florida, Subordinated Water and Sewer Revenue Bonds, Series 1991," in the aggregate principal amount of \$2,250,000, for the principal purpose of paying a part of the purchase price for said water and sewer facilities in St. Augustine Shores.

SECTION 2.02. Description of Subordinated Bonds. The Subordinated Bonds shall be dated as of the date of the delivery of the Subordinated Bonds; shall be issued as a fully registered single typewritten bond numbered R-1; and shall bear interest at such rates not exceeding the maximum rate permitted by law (calculated on the basis of a 360-day year of twelve 30-day months), payable on June 1 and December 1 in each year (commencing December 1, 1991); and shall mature in such installments, contain such redemption provisions, and have such other terms as are provided in the bond form set out in Section 2.06 hereof and on Exhibit B attached hereto.

The principal and interest payable on any Subordinated Bond on any Interest Date will be paid by check or draft of the Paying Agent to the Holder in whose name such Subordinated Bond shall be registered at the close of business on the date which shall be the fifteenth day (whether or not a business day) of the calendar month next preceding such Interest Date, without the necessity of presenting or surrendering such Subordinated Bond; except the final payment of the principal of and interest on such Subordinated Bond will be made only upon presentation and surrender of such Subordinated Bond at the office of the Paying Agent. In the event the interest payable on any Subordinated Bond is not punctually paid or duly provided for by the Issuer on such Interest Date, such defaulted interest will be paid to the Holder in whose name such Subordinated Bond shall be registered at the close of business on a special record date for the payment of such defaulted interest as established by notice to such Holder, not less than ten (10) days preceding such special record date. All payments of principal of and interest on the Subordinated Bonds shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

From and after any maturity date of any of the Subordinated Bonds, whether at fixed maturity, or by redemption, or otherwise (deposit of moneys and/or Federal Securities for the payment of the principal and interest on the Subordinated Bonds having been made by the Issuer with the Paying Agent), notwithstanding that the Bonds shall not have been surrendered for cancellation, no further interest shall accrue upon the principal or upon the interest which shall have accrued and shall then be due on such date, and the Subordinated Bonds shall cease to be entitled to any lien, benefit or security under this Resolution, and the Holders shall have no rights in respect of the Subordinated Bonds except to receive payment of such principal and unpaid interest accrued to the maturity date.

The Issuer shall have the option to redeem all of the Subordinated Bonds on any date, without premium or penalty, upon giving notice in the manner stated in the bond form set out in Section 2.06 hereof.

SECTION 2.03. Application of Bond Proceeds. The Issuer shall exchange the Subordinated Bonds in payment of a part of the cost of acquisition of said water and sewer facilities serving St. Augustine Shores, and the Issuer shall derive no money proceeds from such delivery of the Subordinated Bonds.

SECTION 2.04. Execution of Bonds. The Subordinated Bonds shall be executed in the name of the Issuer by the Chairman or any other member of the Governing Body and the official seal of the Issuer shall be impressed thereon, attested and countersigned by the Clerk or a deputy clerk. In case any one or more of the officers who shall have signed or sealed the Subordinated Bonds shall cease to be such officer of the Issuer before the Subordinated Bonds so signed and sealed have been actually delivered, the Subordinated Bonds may nevertheless be delivered as herein provided and may be issued as if the person who signed or sealed the Subordinated Bonds had not ceased to hold such office. Any Subordinated Bond may be signed and sealed on behalf of the Issuer by such person who at the actual time of the execution of such Subordinated Bond shall hold the proper office of the Issuer, although at the date of such Subordinated Bond such person may not have held such office or may not have been so authorized.

SECTION 2.05. Negotiability and Transfer. The Subordinated Bonds shall be and have all the qualities and incidents of negotiable instruments under the laws of the State of Florida, subject to the provisions for registration and transfer contained in this Resolution and in the Subordinated Bonds. So long as any of the Subordinated Bonds shall remain Outstanding, the Issuer shall maintain and keep, at the office of the Registrar, books for the registration and transfer of the Subordinated Bonds.

Each Subordinated Bond shall be transferable only upon the books of the Issuer, at the office of the Registrar, under such reasonable regulations as the Issuer may prescribe, by the Holder thereof in person or by such Holder's attorney duly authorized in writing upon surrender thereof together with a written instrument of transfer satisfactory to the Registrar duly executed and guaranteed by the Holder or such Holder's duly authorized attorney. Upon the transfer of any Subordinated Bond, the Issuer shall issue in the name of the transferee a new Subordinated Bond. The Issuer, the Registrar and any Paying Agent or fiduciary of the Issuer may deem and treat the Person in whose name any Outstanding Subordinated Bond shall be registered upon the books of the Issuer as the absolute owner of such Subordinated Bond, whether such Subordinated Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal and interest on such Subordinated Bond and for all other purposes, and all such payments so made to any such Holder or upon such Holder's order shall be valid and effectual to satisfy and discharge the liability upon such Subordinated Bond to the extent of the sum or sums so paid and neither the Issuer nor the Registrar nor any Paying Agent or other fiduciary of the Issuer shall be affected by any notice to the contrary.

Provided, however, anything herein to the contrary notwithstanding, that by acceptance of the Subordinated Bonds upon the issuance and delivery thereof by the Issuer, the Purchaser shall thereby agree (i) that prior to February 20, 1992 the Purchaser will not sell, transfer or assign the Subordinated Bonds to any Person, for valuable consideration or without consideration (except as a part of any sale, transfer or assignment by the Purchaser of substantially all of its assets, in which case the purchaser, transferee or assignee of such assets shall be bound by this clause), and shall agree that if the Purchaser or such purchaser, transferee or assignee of such assets shall breach this clause then the Issuer shall be relieved of all further

liability under the Subordinated Bonds and this Resolution; (ii) that on and after February 20, 1992, for the purpose of any exchange or transfer of Subordinated Bonds, the Issuer shall be required to furnish to any transferee of all or any portion of the initial single typewritten Subordinated Bond and to any and all subsequent Holders only typewritten bond certificates in denominations in integral multiples of \$5,000 not less than \$100,000; and (iii) that for every such exchange or transfer of Subordinated Bonds, the Issuer or the Registrar may make a charge sufficient to reimburse it for any tax, fee, expense or other governmental charge required to be paid with respect to such exchange or transfer.

SECTION 2.06. Form of Bonds. The Subordinated Bonds shall be in substantially the following form with such omissions, insertions and variations as may be necessary and/or desirable and approved by the officers of the Issuer described in Section 2.04 above prior to the issuance thereof (which necessity and/or desirability and approval shall be evidenced conclusively by the Issuer's delivery of the Subordinated Bonds):

No. R-1

\$2,250,000

UNITED STATES OF AMERICA
STATE OF FLORIDA
COUNTY OF ST. JOHNS
SUBORDINATED WATER AND SEWER REVENUE BOND
SERIES 1991

KNOW ALL MEN BY THESE PRESENTS, that St. Johns County, a political subdivision created and existing under and by virtue of the laws of the State of Florida (the "Issuer"), for value received, hereby promises to pay, solely from the sources of payment hereinafter described, to UNITED FLORIDA UTILITIES CORPORATION, a Florida corporation, or registered assigns as hereinafter provided, the principal sum of Two Million Two Hundred Fifty Thousand Dollars (\$2,250,000), payable in installments on June 1 of the years and in the amounts set forth in the table below. The unpaid principal balance of such principal sum shall bear interest (calculated on the basis of a 360-day year of twelve 30-day months) from the date hereof or from the most recent interest payment date to which interest has been paid, at the respective rates per annum set forth in the table below, on June 1 and December 1 of each year commencing December 1, 1991 until such principal sum shall have been paid or provided for, except as the provisions hereinafter set forth with respect to redemption prior to maturity may be or become applicable hereto.

This bond shall be paid in installments of principal on June 1 of the years and in the amounts set forth below:

<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>	<u>Year</u>	<u>Amount</u>	<u>Interest Rate</u>
-------------	---------------	----------------------	-------------	---------------	----------------------

Such principal sum and the interest on this bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts. Payment of each installment of such principal sum and of such interest on the unpaid principal balance shall be made by the Clerk of the Circuit Court for St. Johns County, Florida, as paying agent, or such other paying agent as the Issuer shall hereafter duly appoint (the "Paying Agent"), to the person in whose name this bond shall be registered on the registration books of the Issuer maintained by said Clerk, as registrar, or such other registrar as the Issuer shall hereafter duly appoint (the "Registrar"), at the close of business on the date which shall be the fifteenth day (whether or not a business day) next preceding each payment date and shall be paid by a check or draft of the Paying Agent mailed to such registered holder at the address appearing on such registration books, without the necessity of presenting or surrendering this bond, except in the case of the final payment hereon. The final payment of the principal of and interest on this bond shall be made upon presentation and surrender of this bond at the office of the Paying Agent. Payments of principal and interest and prepayments of installments of principal shall be noted by the registered holder hereof on the Payment and Prepayment Records annexed to and made a part of this bond. Upon request and presentation of this bond to the Paying Agent, the Paying Agent shall by appropriate endorsement verify the entries made on the Payment and Prepayment Records. In the event interest payable on this bond is not punctually paid or duly provided for by the Issuer on such interest payment date, payment of each installment of such defaulted interest shall be made to the person in whose name this bond shall be registered at the close of business on a special record date for the payment of such defaulted interest as established by notice to such registered holder, not less than ten (10) days preceding such special record date.

This bond represents an authorized issue of bonds of the Issuer in the aggregate principal amount of \$2,250,000 (the "Bonds") issued to finance a part of the cost of the acquisition of certain privately-owned water and sewer facilities operating within St. Johns County, to be consolidated with the public water and sewer system of the Issuer (the "System," as defined in the Resolution hereinafter referred to), under the authority of and in full compliance with the Constitution and laws of the State of Florida, particularly Chapter 125, Part I, Florida Statutes, as amended, other applicable provisions of law, St. Johns County Ordinance No. 86-89, and Resolution No. 91-__ adopted by the Board of County Commissioners

of the Issuer on August __, 1991 (the "Resolution"), and is subject to all the terms and conditions of the Resolution.

The principal of and interest on this bond are payable solely from and secured by a lien upon and a pledge of certain of the Net Revenues (as defined in the Resolution) of the System, but only in the manner and to the extent described in the Resolution (the "Pledged Funds"). It is expressly agreed by the registered holder of this bond that the full faith and credit of the Issuer is not pledged to the payment of the principal of and interest on this bond and that the registered holder shall never have the right to require or compel the exercise of the ad valorem taxing power of the Issuer to the payment of such principal and interest. This bond and the obligation evidenced hereby shall not constitute a lien upon the System or any other property of the Issuer, except the Pledged Funds, and shall be payable solely from the Pledged Funds in accordance with the terms of the Resolution.

Provided, however, payment of the principal of and interest on the Bonds from the Pledged Funds is subordinate in every respect to payment therefrom of the principal of and premium, if any, and interest on the Issuer's outstanding Water and Sewer Revenue Bonds, Series 1989 and Water and Sewer Revenue Bonds, Series 1990B-I and B-II, and the Issuer's Water and Sewer Revenue Bonds, Series 1991A, issued concurrently with the issuance of the Bonds, and all bonds of the Issuer which may hereafter be issued on a parity with said obligations described in this paragraph.

Neither the members of the Board of County Commissioners of the Issuer nor any person executing this bond shall be liable personally hereon or be subject to any personal liability or accountability by reason of the issuance hereof.

This bond is redeemable prior to its stated installment payment dates, at the option of the Issuer, without premium or penalty, on any date after the issuance and delivery hereof. Notice of redemption, unless waived, is to be given by the Registrar by mailing an official redemption notice by first class mail, postage prepaid, at least 30 days and not more than 60 days prior to the date fixed for redemption to the registered holders of the Bonds to be redeemed at such holders' addresses shown on the registration books maintained by the Registrar or at such other addresses as shall be furnished in writing by such registered holders to the Registrar; provided, however, that no defect in any such notice to any registered holder of Bonds to be redeemed nor failure to give such notice to any such registered holder nor failure of any such registered holder to receive such notice shall in any manner defeat the effectiveness of a call for redemption as to all other registered holders of Bonds to be redeemed. Notice of redemption having been given as aforesaid, the Bonds to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the Issuer shall default in the payment of the redemption price) such Bonds shall cease to bear interest.

This bond is transferable in accordance with the terms of the Resolution only upon the books of the Issuer kept for that purpose at the office of the Registrar by the registered

holder hereof in person or by such holder's attorney duly authorized in writing, upon the surrender of this bond together with a written instrument of transfer satisfactory to the Registrar duly executed by the registered holder or such holder's attorney duly authorized in writing, and thereupon a new bond or bonds in the same aggregate principal amount shall be issued to the transferee in exchange therefor, and upon the payment of the charges, if any, prescribed in the Resolution. The Issuer, the Registrar and any Paying Agent may treat the registered holder of this bond as the absolute owner hereof for all purposes, whether or not this bond shall be overdue, and shall not be affected by any notice to the contrary. The Issuer and the Registrar shall not be obligated to make any exchange or transfer of Bonds (i) during the fifteen (15) days next preceding an interest payment date or, (ii) in the case of any proposed redemption of Bonds, after the mailing of the notice of redemption.

It is hereby certified and recited that all acts, conditions and things required to exist, to happen and to be performed precedent to and in connection with the issuance of this bond, exist, have happened and have been performed, in regular and due form and time as required by the Constitution and laws of the State of Florida applicable thereto, and that the issuance of the Bonds does not violate any constitutional or statutory limitations or provisions.

This bond is and has all the qualities and incidents of a negotiable instrument under the laws of the State of Florida. Provided, however, that payment of the principal of and interest on this bond is subject to the agreement by the initial registered holder hereof, as evidenced by its acceptance hereof, as expressed in the Resolution, that prior to February 20, 1992 this bond will not be sold, assigned, or transferred.

IN WITNESS WHEREOF, St. Johns County, Florida, has issued this bond and has caused the same to be executed by the Chairman of its Board of County Commissioners and attested and countersigned by the Clerk of said Board and its official seal to be impressed hereon, this _____ day of August, 1991.

ST. JOHNS COUNTY, FLORIDA

(SEAL)

By _____
Chairman of the Board of County
Commissioners

ATTESTED AND COUNTERSIGNED:

Clerk of the Circuit Court, ex
officio Clerk of the Board of
County Commissioners

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

Insert Social Security or Other
Identifying Number of Assignee

(Name and Address of Assignee)

the within bond and does hereby irrevocably constitute and appoint _____

as attorneys to register the transfer of the said bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: _____

Signature Guaranteed:

NOTICE: Signature(s) must be guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

NOTICE: The signature to this assignment must correspond with the name of the Registered Holder as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever and the Social Security or other identifying number of such assignee must be supplied.

PAYMENT RECORD

<u>Due Date</u>	<u>Principal Due</u>	<u>Interest Due</u>	<u>Principal Paid</u>	<u>Interest Paid</u>	<u>Date Paid</u>	<u>Paying Agent Verification</u>
(enter (dates	(enter (amount	(enter (amounts	(leave (blank	(leave (blank	(leave (blank	(leave (blank

PREPAYMENT RECORD

<u>Principal Due Date</u>	<u>Principal Due Amount</u>	<u>Principal Prepayment Date</u>	<u>Principal Prepayment Amount</u>	<u>Principal Balance Due</u>	<u>Paying Agent Verification</u>
(leave (blank	(leave (blank	(leave (blank	(leave (blank	(leave (blank	(leave (blank

ARTICLE III

SECURITY, SPECIAL FUNDS AND APPLICATION THEREOF

SECTION 3.01. Bonds Not General Indebtedness of Issuer. The Subordinated Bonds shall not be or constitute general obligations or indebtedness of the Issuer as "bonds" within the meaning of any constitutional or statutory provision, but shall be special obligations of the Issuer, payable solely from and secured by a lien upon and pledge of the Pledged Funds in accordance with the terms of this Resolution. No Holder of any Subordinated Bond shall ever have the right to compel the exercise of the ad valorem taxing power of the Issuer to pay such Subordinated Bond or be entitled to payment of such Subordinated Bond from any moneys of the Issuer except the Pledged Funds in the manner provided herein.

SECTION 3.02. Security for Bonds. The payment of principal of and interest on the Subordinated Bonds shall be secured forthwith equally and ratably by a pledge of and lien upon the Pledged Funds subordinate and inferior in every respect to the lien and pledge thereon in favor of the Prior Lien Obligations. The Issuer does hereby reserve the right to issue "Additional Bonds," as such term is defined in the Prior Lien Resolution, payable from the Pledged Funds on a parity with the Prior Lien Obligations under the terms, limitations and the conditions provided in the Prior Lien Resolution. The Pledged Funds shall be subject to the lien of this pledge in favor of the Subordinated Bonds immediately upon the issuance and delivery of the Subordinated Bonds, without any physical delivery by the Issuer of the Pledged Funds or further act, and the lien of this pledge shall be valid and binding as against all parties having

claims of any kind against the Issuer, in tort, contract or otherwise. The Issuer does hereby irrevocably pledge the Pledged Funds to the payment of the principal of and interest on the Subordinated Bonds in the manner provided in this Resolution.

SECTION 3.03. Sinking Fund. The Subordinated Bonds shall be deemed to be Subordinated Indebtedness within the meaning of the Prior Lien Resolution, and the Issuer covenants and agrees to deposit on or before the last day of each month, commencing with the month in which delivery of the Subordinated Bonds shall be made to the Purchaser, into a special fund to be established by the Issuer with an Authorized Depository and known as the "St. Johns County Subordinated Water and Sewer Revenue Bonds Sinking Fund," from the moneys on deposit to the credit of the Revenue Fund created pursuant to the Prior Lien Resolution, but only after compliance with all of the requirements of clauses (1) and (2) of subsection (A) of Section 4.06 of the Prior Lien Resolution shall have been fully complied with, all of the moneys remaining in said Revenue Fund or such portion thereof as shall be required until the moneys on deposit in the Sinking Fund shall be sufficient to pay in full all of the principal of and interest on the Subordinated Bonds which shall become due on the next succeeding Interest Date and the next succeeding principal payment date of the Subordinated Bonds. Moneys in the Sinking Fund shall be applied by the Issuer to pay the principal of and interest on the Subordinated Bonds as and when the same become due, whether by redemption or otherwise, and for no other purpose.

ARTICLE IV

MISCELLANEOUS

SECTION 4.01. Rate Covenant. The Issuer shall fix, establish, maintain and collect such Rates, and revise the same from time to time, as shall be necessary to provide always Net Revenues sufficient to pay the principal of and interest on the Subordinated Bonds as the same shall become due and payable.

SECTION 4.02. Additional Subordinated Bonds and Other Indebtedness.

(A) No obligations payable from the Pledged Funds on a parity with the Subordinated Bonds shall be issued after issuance of the initial series of Subordinated Bonds herein authorized, except Additional Subordinated Bonds to be issued upon the conditions and in the manner hereinafter provided:

1. There shall have been ^{grant} obtained and filed with the Governing Body a statement of an independent certified public accountant of suitable experience and responsibility:

a. stating that the books and records of the Issuer relating to the operation of the System have been examined by him;

b. setting forth the amount of the Net Revenues

available under Section 4.06(A)(3) of the Prior Lien Resolution for payment of Subordinated Indebtedness during any twelve consecutive months out of the last twenty-four months immediately preceding the date of delivery of the Additional Subordinated Bonds with respect to which such statement is made; and

c. stating that such available Net Revenues during such twelve-month period equal at least 1.10 times the future maximum aggregate amount of principal and interest which will thereafter become due in any calendar year with respect to all Subordinated Bonds then Outstanding and such Additional Subordinated Bonds with respect to which such statement is made.

2. Each Resolution authorizing the issuance of Additional Subordinated Bonds pursuant to the provisions of this section will recite that all of the covenants contained in this Resolution will be applicable to such Additional Subordinated Bonds.

3. The Issuer shall not be in default in performing any of the covenants and obligations assumed hereunder or under the Prior Lien Resolution, and all payments required thereby and hereby to have been made into the accounts and funds established thereunder and hereunder shall have been made to the full extent required.

(B) The Issuer further reserves the right to issue other obligations and incur other indebtedness, without limitation as to kind or amount, secured by and payable from the Pledged Funds subordinate and inferior to the Subordinated Bonds and any Additional Subordinated Bonds hereafter issued in accordance with the provisions of subsection (A) of this section.

SECTION 4.03. Delivery of Bonds. The Purchaser having filed with the Governing Body the disclosure statement required by Section 218.385(4), Florida Statutes, as amended, a copy of which is attached hereto as Exhibit A, the Chairman or the Vice-Chairman and the Clerk and all of the other officers, agents and employees of the Issuer are hereby authorized and directed to conclude the issuance and delivery of the Subordinated Bonds in accordance with the Stipulation and Joint Motion For Final Judgment (St. Johns County, Florida, Circuit Court Case No. 91-114-CA) signed by the Issuer and the Purchaser and filed with the Clerk on August 13, 1991. Bond Counsel is hereby directed to furnish to the Division of Bond Finance of the Department of General Services of the State of Florida a notice of the impending issuance of the Subordinated Bonds and the other information required by Section 218.38, Florida Statutes, as amended, within the appropriate time period specified by such section.

SECTION 4.04. Federal Income Tax Exemption.

(A) The Issuer covenants with the Holders that it shall not use the proceeds of any series of Subordinated Bonds (or amounts deemed to be proceeds under the Code) in any manner which would cause the interest on such series of Subordinated Bonds to be or become includable in the gross income of the Holder thereof for federal income tax purposes.

(B) The Issuer covenants with the Holders that neither the Issuer nor any Person under its control or direction will knowingly make any use of the proceeds of any series of Subordinated Bonds (or amounts deemed to be proceeds under the Code) in any manner which would cause any series of Subordinated Bonds to be "arbitrage bonds" within the meaning of Section 148 of the Code, and neither the Issuer nor any such other Person shall knowingly do any act or fail to do any act which would cause the interest on any series of Subordinated Bonds to become includable in the gross income of the Holder thereof for federal income tax purposes.

(C) The Issuer hereby covenants with the Holders that it will use its best efforts to comply with all provisions of the Code necessary to maintain the exclusion of interest on the Subordinated Bonds from the gross income of the Holder thereof for federal income tax purposes, including, in particular, the payment of any amount required to be rebated to the United States Treasury pursuant to the Code.

SECTION 4.05. Defeasance. If the Issuer shall pay or cause to be paid or there shall otherwise be paid to the Holders of all Subordinated Bonds the principal and interest due or to become due thereon, at the times and in the manner stipulated therein and in this Resolution, then the pledge of the Pledged Funds, and all covenants, agreements and other obligations of the Issuer to the Bondholders, shall thereupon cease, terminate and become void and be discharged and satisfied. In such event, the Paying Agent shall pay over or deliver to the Issuer all money or securities held by the Paying Agent pursuant to this Resolution which are not required for the payment or redemption of Subordinated Bonds not theretofore surrendered for such payment or redemption.

Any Subordinated Bonds or interest installments appertaining thereto, whether at or prior to the maturity or redemption date of such Subordinated Bonds, shall be deemed to have been paid within the meaning of this Section 4.05 if (A) in case any such Subordinated Bonds are to be redeemed prior to the maturity thereof, there shall have been taken all action necessary to call such Subordinated Bonds for redemption and notice of such redemption shall have been duly given or provision shall have been made for the giving of such notice, and (B) there shall have been deposited in irrevocable trust with a banking institution or trust company by or on behalf of the Issuer either moneys in an amount which shall be sufficient, or Federal Securities the principal of and the interest on which when due will provide moneys which, together with the moneys, if any, deposited with such bank or trust company at the same time shall be sufficient, to pay the principal of and interest due and to become due on said Subordinated Bonds on and prior to the redemption date or maturity date thereof, as the case may be. Neither the Federal Securities nor any moneys so deposited with such bank or trust company nor any

moneys received by such bank or trust company on account of principal of or interest on said Federal Securities shall be withdrawn or used for any purpose other than, and all such moneys shall be held in trust for and be applied to, the payment, when due, of the principal of the Subordinated Bonds for the payment or redemption of which they were deposited and the interest accruing thereon to the date of maturity or redemption thereof; provided, however, the Issuer may substitute new Federal Securities and moneys for the deposited Federal Securities and moneys if the new Federal Securities and moneys are sufficient to pay the principal of and interest on such Subordinated Bonds, and any trust agreement governing the deposit of such Federal Securities and moneys may provide for the investment of moneys unclaimed by Bondholders and for the payment to the Issuer of such unclaimed moneys and the investment earnings thereon.

Nothing herein shall be deemed to require the Issuer to call any of the Outstanding Subordinated Bonds for redemption prior to maturity pursuant to any applicable optional redemption provisions, or to impair the discretion of the Issuer in determining whether to exercise any such option for early redemption.

SECTION 4.06. Registrar and Paying Agent. The Clerk is hereby appointed as Registrar and Paying Agent under this Resolution to serve as Registrar and Paying Agent for the Subordinated Bonds authorized to be issued pursuant to Section 2.01 of this Resolution.

SECTION 4.07. General Authority. The members of the Governing Body and the Issuer's officers, attorneys and other agents and employees are hereby authorized to do all acts and things required of them by this Resolution or desirable or consistent with the requirements hereof for the full, punctual and complete performance of all of the terms, covenants and agreements contained in the Subordinated Bonds and this Resolution, and they are hereby authorized to execute and deliver all documents which shall be reasonably required by Bond Counsel or the Purchaser to effectuate the sale and delivery of the Subordinated Bonds.

SECTION 4.08. No Personal Liability. No representation, statement, covenant, warranty, stipulation, obligation or agreement herein contained, or contained in the Subordinated Bonds, or in any certificate or other instrument to be executed on behalf of the Issuer in connection with the issuance of the Subordinated Bonds, shall be deemed to be a representation, statement, covenant, warranty, stipulation, obligation or agreement of any member of the Governing Body, officer, employee or agent of the Issuer in his or her individual capacity, and none of the foregoing persons nor any officer of the Issuer executing the Subordinated Bonds or any certificate or other instrument to be executed in connection with the issuance of the Subordinated Bonds, shall be liable personally thereon or be subject to any personal liability or accountability by reason of the execution or delivery thereof.

SECTION 4.09. No Third Party Beneficiaries. Except such other Persons as may be expressly described herein or in the Subordinated Bonds, nothing in this Resolution, or in the Subordinated Bonds, expressed or implied, is intended or shall be construed to confer upon any Person other than the Issuer and the Holders any right, remedy or claim, legal or

equitable, under and by reason of this Resolution or any provision hereof, or of the Subordinated Bonds, all provisions hereof and thereof being intended to be and being for the sole and exclusive benefit of the Issuer and the Persons who shall from time to time be the Holders.

SECTION 4.10. Modification or Amendment. No material modification or amendment of this Resolution may be made without the consent in writing of the Holders of two-thirds or more in principal amount of the Subordinated Bonds then Outstanding and which shall be affected by such modification or amendment; provided, however, that no modification or amendment shall permit a change in the maturity of such Subordinated Bonds or a reduction in the rate of interest thereon, or in the amount of the principal obligation, or affect the Issuer's unconditional covenants herein with respect to the maintenance and collection of sufficient Rates and to the application of the same as herein provided, or reduce the number of such Subordinated Bonds the written consent of the Holders of which are required by this section for such modification or amendment, without the consent in writing of all of such Holders.

SECTION 4.11. Severability of Invalid Provisions. If any one or more of the covenants, agreements or provisions of this Resolution shall be held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining covenants, agreements and provisions of this Resolution and shall in no way affect the validity of any of the other covenants, agreements or provisions hereof or of the Subordinated Bonds.

SECTION 4.12. Repeal of Inconsistent Resolutions. All other resolutions or parts thereof in conflict herewith are hereby superseded and repealed to the extent of such conflict.

SECTION 4.13. Table of Contents and Headings not Part Hereof. The Table of Contents preceding the body of this Resolution and the headings preceding the several articles and sections hereof shall be solely for convenience of reference and shall not constitute a part of this Resolution or affect its meaning, construction or effect.

SECTION 4.14. Effective Date. This Resolution shall become effective immediately upon its passage.

PASSED, APPROVED AND ADOPTED this _____ day of August, 1991.

BOARD OF COUNTY COMMISSIONERS
OF ST. JOHNS COUNTY, FLORIDA

By _____
Its Chairman

(OFFICIAL SEAL)

ATTEST:

Its Clerk



General Offices

1000 Color Place
Apopka, FL 32703
(407) 880-0058

August 12, 1991

The Honorable Chairman and
Members of the Board of
County Commissioners
St. Johns County, Florida

RE: \$2,250,000 St. Johns County, Florida Subordinated
Water and Sewer Revenue Bonds, Series 1991

Ladies/Gentlemen:

In connection with the proposed issuance by St. Johns County, Florida (the "County") of the above-referenced bonds (the "Subordinated Bonds"), United Florida Utilities Corporation, a Florida corporation (the "Purchaser"), has agreed to purchase the Subordinated Bonds upon the terms and conditions set forth in the County's resolution authorizing the issuance of the Subordinated Bonds (the "Resolution").

Pursuant to Section 4.03 of the Resolution and the provisions of Section 218.385(4), Florida Statutes, as amended, the Purchaser hereby furnishes the following information to the County:

(a) The Subordinated Bonds are not being underwritten. There is no managing underwriter in connection with the issuance of the Subordinated Bonds. The Purchaser will not incur any expenses in connection with the issuance of the Subordinated Bonds.

EXHIBIT A

(b) No person has entered into an understanding with the Purchaser or to the knowledge of the Purchaser, with the County for any paid or promised compensation or valuable consideration, directly or indirectly, expressed or implied, to act solely as an intermediary between the County and the Purchaser or to exercise or to attempt to exercise any influence to effect any transaction in connection with the purchase of the Subordinated Bonds.

(c) No underwriting spread will be realized by the Purchaser.

(d) No management fee will be charged by the Purchaser.

(e) No fee, bonus or other compensation is estimated to be paid by the Purchaser in connection with the issuance of the Subordinated Bonds to any person not regularly employed or retained by the Purchaser (including any "finder" as defined in Section 218.386(1)(a), Florida Statutes, as amended).

(f) No managing underwriter is connected with the issuance of the Subordinated Bonds.

We understand that you do not require any further disclosure from the Purchaser pursuant to Section 218.385(4), Florida Statutes, as amended.

As a part of the consideration for the issuance and sale to the Purchaser by the County of the Subordinated Bonds, the Purchaser hereby represents, warrants, covenants and agrees as follows:

1. It is purchasing the Subordinated Bonds solely for its own account and not on account of others, and solely for investment and not with a view to reselling or otherwise distributing all or any part of or interest in the Subordinated Bonds.

2. It is aware that the principal of and interest on the Subordinated Bonds are payable solely from and secured by a lien upon and a pledge of the Net Revenues (as defined in the Resolution) of the County's water and sewer system (as defined in the Resolution, the "System"), in the manner and to the extent described in the Resolution (the "Pledged Funds"). The Purchaser is aware that the full faith and credit of the County is not pledged to the payment of the principal of and interest on the Subordinated Bonds and that the Purchaser shall never have the right to require or compel the exercise of the ad valorem taxing power of the County to the payment of the principal of and interest on the Subordinated Bonds or to obtain payment of such principal or interest from any funds of the County other than such Pledged Funds. The Purchaser is aware that the Subordinated Bonds do not constitute a lien upon the System or any other property of the County, except the Pledged Funds, and shall be payable solely from the Pledged Funds in accordance with the terms of the Resolution.

3. It is aware that the payment of the principal of and interest on the Subordinated Bonds from the Pledged Funds is subordinate in every respect to the payment therefrom of the principal of, premium, if any, and interest on the County's outstanding Water and Sewer Revenue Bonds, Series 1989 and Water and Sewer Revenue Bonds, Series 1990B-I and B-II, the County's Water and Sewer Revenue Bonds, Series 1991A, to be issued concurrently with the issuance of the Subordinated Bonds, and all bonds of the County which may hereafter be issued on a parity with said obligations described in this paragraph.

4. It has made its own inquiry and analysis with respect to the County, the System and the Net Revenues and the likelihood of payment of the Subordinated Bonds.

5. It has been offered copies of or full access to all records, reports, financial statements and other information concerning the System and the County and pertinent to the source of payment for the Subordinated Bonds to which a reasonable investor would attach significance in making investment decisions.

6. It has received all information with respect to the Subordinated Bonds, the County, the System and the Net Revenues, including financial statements, that it has requested and in order for it to evaluate the risks of purchasing the Subordinated Bonds and make the decision to purchase the Subordinated Bonds. As a sophisticated investor, the Purchaser has made its decision to purchase the Subordinated Bonds based upon its own inquiry and analysis.

7. It has had an opportunity to review the documents in connection with this transaction, including, but not limited to, the Resolution and the form of the Subordinated Bonds.

8. It is, by reason of knowledge and experience in financial and business matters in general, capable of evaluating the merits and risks of the investment represented by the purchase of the Subordinated Bonds, and is aware of the intended use of the proceeds of the Subordinated Bonds and the risks therein. In reaching the conclusion that the Purchaser desires to acquire the Subordinated Bonds, the Purchaser has evaluated the risks associated with such investment, and acknowledges that the undersigned is able to bear the economic risk of such investment.

9. It has been informed and acknowledges that the Subordinated Bonds (i) are not being registered or otherwise qualified for sale under the "Blue Sky" laws and regulations of any state, (ii) will not be listed on any stock or other securities exchange, (iii) will carry no rating from any rating service and (iv) are not likely to be readily marketable.

10. Prior to February 20, 1992 it will not sell or otherwise dispose of all or any part of or interest in the Subordinated Bonds (except as a part of any sale, transfer or assignment by the Purchaser of substantially all of its assets, in which case the purchaser, transferee or assignee of such assets shall be bound hereby); and on and after February 20, 1992 it will not offer, sell or otherwise dispose of all or any part of or interest in the Subordinated Bonds, except (i) in full good faith compliance with all securities registration, broker-dealer, antifraud and other provisions of the applicable state and federal

laws, (ii) with full and accurate disclosure of all material facts to the prospective purchaser(s) or transferee(s) and (iii) either under effective federal and state registration statements (which the County shall in no way be obligated to provide) or pursuant to exemptions from such registrations.

11. It understands, acknowledges and agrees that the Subordinated Bonds are being issued and sold in reliance upon exemptions from filing, registration and qualification under the securities laws of Florida, Chapter 517, Florida Statutes, as amended, and that the same have not been and will not be filed, registered or qualified under such laws.

12. It has satisfied itself that the Subordinated Bonds may be legally purchased by it.

This letter shall be binding upon the Purchaser and its successors and assigns.

Dated as of this 12th day of August, 1991.

UNITED FLORIDA UTILITIES
CORPORATION

By: Karla Olson Teasley
Its: Vice President

ST. JOHNS COUNTY, FLORIDA
 DELTONA/ST. AUGUSTINE SHORES UTILITY ACQUISITION
 THIRTY YEAR DEBT - SERIALS & CABS COMBINATION
 JUNIOR LIEN DEBT

DEBT SERVICE SCHEDULE

Date	Maturity Value	Coup	Yield	Price	Proceeds	Interest	Debt Service	Annual
12/1/91						29,369.91	29,369.91	
6/1/92	0	0.00%	0.00%	100.00%	0.00	76,617.15	76,617.15	105,987.06
12/1/92						76,617.15	76,617.15	
6/1/93	0	0.00%	0.00%	100.00%	0.00	76,617.15	76,617.15	153,234.30
12/1/93						76,617.15	76,617.15	
6/1/94	30,000	5.400%	5.400%	100.00%	30,000.00	76,617.15	106,617.15	183,234.30
12/1/94						75,807.15	75,807.15	
6/1/95	35,000	5.600%	5.600%	100.00%	35,000.00	75,807.15	110,807.15	186,614.30
12/1/95						74,827.15	74,827.15	
6/1/96	35,000	5.750%	5.750%	100.00%	35,000.00	74,827.15	109,827.15	184,654.30
12/1/96						73,820.90	73,820.90	
6/1/97	35,000	5.900%	5.900%	100.00%	35,000.00	73,820.90	108,820.90	182,641.80
12/1/97						72,788.40	72,788.40	
6/1/98	40,000	6.000%	6.000%	100.00%	40,000.00	72,788.40	112,788.40	185,576.80
12/1/98						71,588.40	71,588.40	
6/1/99	40,000	6.100%	6.100%	100.00%	40,000.00	71,588.40	111,588.40	183,176.80
12/1/99						70,368.40	70,368.40	
6/1/00	45,000	6.200%	6.200%	100.00%	45,000.00	70,368.40	115,368.40	185,736.80
12/1/00						68,973.40	68,973.40	
6/1/01	45,000	6.300%	6.300%	100.00%	45,000.00	68,973.40	113,973.40	182,946.80
12/1/01						67,555.90	67,555.90	
6/1/02	50,000	6.450%	6.450%	100.00%	50,000.00	67,555.90	117,555.90	185,111.80
12/1/02						65,943.40	65,943.40	
6/1/03	50,000	6.750%	6.750%	100.00%	50,000.00	65,943.40	115,943.40	181,886.80
12/1/03						64,255.90	64,255.90	
6/1/04	55,000	6.750%	6.750%	100.00%	55,000.00	64,255.90	119,255.90	183,511.80
12/1/04						62,399.65	62,399.65	
6/1/05	60,000	6.750%	6.750%	100.00%	60,000.00	62,399.65	122,399.65	184,799.30
12/1/05						60,374.65	60,374.65	
6/1/06	65,000	6.750%	6.750%	100.00%	65,000.00	60,374.65	125,374.65	185,749.30
12/1/06						58,180.90	58,180.90	
6/1/07	65,000	6.836%	6.836%	100.00%	65,000.00	58,180.90	123,180.90	181,361.80
12/1/07						55,959.20	55,959.20	
6/1/08	70,000	6.836%	6.836%	100.00%	70,000.00	55,959.20	125,959.20	181,918.40
12/1/08						53,566.60	53,566.60	
6/1/09	75,000	6.836%	6.836%	100.00%	75,000.00	53,566.60	128,566.60	182,133.20
12/1/09						51,003.10	51,003.10	
6/1/10	80,000	6.836%	6.836%	100.00%	80,000.00	51,003.10	131,003.10	182,006.20
12/1/10						48,268.70	48,268.70	
6/1/11	90,000	6.836%	6.836%	100.00%	90,000.00	48,268.70	134,268.70	186,537.40
12/1/11						45,192.50	45,192.50	
6/1/12	95,000	7.000%	7.000%	100.00%	95,000.00	45,192.50	140,192.50	185,385.00
12/1/12						41,867.50	41,867.50	
6/1/13	100,000	7.000%	7.000%	100.00%	100,000.00	41,867.50	141,867.50	183,735.00
12/1/13						38,367.50	38,367.50	
6/1/14	105,000	7.000%	7.000%	100.00%	105,000.00	38,367.50	143,367.50	181,735.00
12/1/14						34,692.50	34,692.50	
6/1/15	115,000	7.000%	7.000%	100.00%	115,000.00	34,692.50	149,692.50	184,385.00
12/1/15						30,667.50	30,667.50	
6/1/16	120,000	7.050%	7.050%	100.00%	120,000.00	30,667.50	150,667.50	181,335.00
12/1/16						26,437.50	26,437.50	
6/1/17	130,000	7.050%	7.050%	100.00%	130,000.00	26,437.50	156,437.50	182,875.00
12/1/17						21,855.00	21,855.00	
6/1/18	140,000	7.050%	7.050%	100.00%	140,000.00	21,855.00	161,855.00	183,710.00
12/1/18						16,920.00	16,920.00	
6/1/19	150,000	7.050%	7.050%	100.00%	150,000.00	16,920.00	166,920.00	183,840.00
12/1/19						11,632.50	11,632.50	
6/1/20	160,000	7.050%	7.050%	100.00%	160,000.00	11,632.50	171,632.50	183,265.00
12/1/20						5,992.50	5,992.50	
6/1/21	170,000	7.050%	7.050%	100.00%	170,000.00	5,992.50	175,992.50	181,985.00
Accrued	2,250,000				8,938.67	2,250,000.00	3,151,069.26	5,401,069.26

Dated Date 9/1/91
 Delivery Date 9/22/91
 First Interest Payment Date 12/1/91
 True Interest Cost 6.90146757

Exhibit "B" to Final Judgment

All those properties conveyed to United Florida Utilities Corporation by the Deltona Corporation and/or Deltona Construction Company, Inc. by Warranty Deeds recorded in Official Records Book 837, Page 373, and Official Records Book 444, Page 184, Public Records of St. Johns County, Florida, more particularly described in Annex 1 attached hereto.

All subject to the terms and conditions contained in such Deeds.

SCHEDULE "A"

Fee Parcels (Section 1)

Lots 1 through 5, inclusive, of Block 36 of REPLAT OF A PORTION OF ST. AUGUSTINE SHORES, UNIT ONE, according to the plat thereof recorded in Plat Book 11, pages 76 through 80, inclusive, of the public records of St. Johns County, Florida.

Tract "T" of ST. AUGUSTINE SHORES, UNIT ONE, according to the plat thereof recorded in Plat Book 11, pages 63 through 71, inclusive, of the public records of St. Johns County, Florida.

Tract "M" of REPLAT OF ST. AUGUSTINE SHORES, UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida.

Annex 1 to
Exhibit "B" to Final Judgment

Exhibit "C" to Final Judgment

All those certain easements conveyed to United Florida Utilities Corporation by The Deltona Corporation in accordance with instruments recorded in Official Records Book 837, Page 382, Official Records Book 837, Page 378, Official Records Book 605, Page 107 and Official Records Book 448, Page 701, Public Records of St. Johns County, Florida, for the purposes as to each conveyance as set forth in the instrument by which such easement is made and subject to the terms and conditions set forth in such instruments, as more particularly described in Annex 2 attached hereto.

Easement Parcels (Section 2)

Tract "S" of ST. AUGUSTINE SHORES UNIT ONE, according to the plat thereof recorded in Plat Book 11, pages 61 through 71, inclusive, of the public records of St. Johns County, Florida;

LESS AND EXCEPT:

An easement for ingress and egress over a strip of land 12.00 feet wide, lying in and being a part of Tract "S", ST. AUGUSTINE SHORES UNIT ONE, according to the plat thereof recorded in Plat Book 11, pages 63 through 71, inclusive, of the public records of St. Johns County, Florida, lying within 12.00 feet East of and perpendicular to the following described line:

BEGIN at the Northwest corner of said Tract "S", the same being on the Southerly lot line of Lot 1, Block 35 as shown on said plat of ST. AUGUSTINE SHORES UNIT ONE; thence run South 01 degree 38 minutes 48 seconds East along the West boundary line of said Tract "S" 345.00 feet to the Point of Termination.

The Northerly 10.00 feet of Lot 1, Block 139 of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida, as measured perpendicularly to the Southerly Right-of-Way Line of Domenico Circle as shown on said replat of St. Augustine Shores Unit Two.

That portion of:

Tracts "B" and "F" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida; lying within 65.00 feet of the centerline of Shores Boulevard as shown on said Replat of St. Augustine Shores, Unit Two.

Tract "C" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida; lying within 15.00 feet of the Westerly, Southwesterly and Southerly boundary line of said Tract "C".

That part of Tracts "D" and "T" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida; lying within 7.5 feet each side of the following described centerline: Commence at the most Southerly corner of aforesaid Tract "D", the same being a point on the Northerly Right-of-Way line of Shores Boulevard as shown on said replat; thence run South 68 degrees 20 minutes 43 seconds West, along said Right-of-Way line, a distance of 210.95 feet to the POINT OF BEGINNING of the centerline hereinafter described; thence, leaving said Right-of-Way Line, run North 21 degrees 39 minutes 17 seconds West a distance of 200.00 feet; thence run North 68 degrees 20 minutes 43 seconds East a distance of 400.00 feet; thence run North 40 degrees 10 minutes 37 seconds East a distance of 133.41 feet; thence run North 55 degrees 53 minutes 37 seconds East a distance of 334.66 feet to a point on the Westerly Right-of-Way Line of Domenico Circle and the Point of Termination of said centerline.

That certain parcel of land lying in and being a part of Tract "F" of REPLAT OF ST. AUGUSTINE SHORES, UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida; being more particularly described, as follows: Begin at the Northeast corner of Lot 10, Block 136 of said Replat of St. Augustine Shores, Unit Two, the same being a point on the Westerly Right-of-Way Line of Sevilla Drive as shown on said plat; thence run 75 degrees 16 minutes 21 seconds West, along the North boundary line of said Lot 10, a distance of 20.00 feet; thence run North 14 degrees 43 minutes 39 seconds West a distance of 15.00 feet; thence run North 75 degrees 16 minutes 21 seconds East a distance of 20.00 feet to a point on the aforesaid Westerly Right-of-Way Line of Sevilla Drive; thence run South 14 degrees 43 minutes 39 seconds East, along said Right-of-Way Line, a distance of 15.00 feet to the Point of Beginning.

Easement Parcels (Section 2)
Page Two.

That certain parcel of land lying in and being a part of Tract "G" of REPLAT OF ST. AUGUSTINE SHORES, UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida;

being more particularly described, as follows:

Begin at the Northeast corner of Lot 16, Block 149 of said Replat of St. Augustine Shores, Unit Two; thence run South 89 degrees 08 minutes 11 seconds West, along the North boundary line of said Lot 16, a distance of 7.50 feet; thence run North 00 degrees 51 minutes 49 seconds West for a distance of 15.00 feet; thence run North 89 degrees 08 minutes 11 seconds East for a distance of 15.00 feet; thence run South 00 degrees 51 minutes 49 seconds East for a distance of 15.00 feet to a point on the North boundary line of Lot 17 aforesaid Block 149; thence run South 89 degrees 08 minutes 11 seconds West, along said North boundary line of Lot 17, for a distance of 7.50 feet to the Point of Beginning.

Tract "H" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof, recorded in Plat Book 13, pages 114 through 124, of the public records of St. Johns County, Florida;

LESS AND EXCEPT:

A parcel of land in the Peter Miranda Grant, Section 41, Township 8 South, Range 30 East, St. Johns County, Florida, said parcel of land being more fully described, as follows:

Commence at a permanent reference monument on the North line of said Section 41, said monument also being on the West Right-of-Way line of an existing 100 foot wide Florida Power and Light Company easement as recorded in Deed Book 192, page 385 of the public records of St. Johns County, Florida, for the Point of Beginning; thence South 14 degrees 43 minutes 39 seconds East 258.46 feet along the West Right-of-Way line of said existing 100 foot wide Florida Power and Light Company easement; thence North 30 degrees 44 minutes 25 seconds West 290.0 feet to a point on the North line of said Section 41; thence North 89 degrees 30 minutes 11 seconds East 82.53 feet to the Point of Beginning.

The above described parcel of land lying and being part of Tract "H" of Replat of St. Augustine Shores Unit Two, according to the plat thereof recorded in Plat Book 13, pages 114 through 124 of the public records of St. Johns County, Florida.

That portion of:

Lots 1, 2 and 3 of Block 135, REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida; lying within 5.00 feet to the left and 10.00 feet to the right of the following described line:

Begin at the most Southerly corner of aforesaid Lot 3, the same being a point on the East Right-of-Way Line of Sevilla Drive as shown on said replat; thence run North 66 degrees 37 minutes 39 seconds East, along the Southerly boundary line of said Lot 3, for a distance of 206.80 feet to the most Easterly corner of said Lot 3 and the Point of Termination, of said line.

ALSO:

That portion of Lots 1 and 2 of Block 135 of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida, lying within 5.00 feet eachside of the common boundary line between said lots.

That certain parcel of land lying and being a part of Tract "I" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida; Being more particularly described, as follows:

Easement Parcels (Section 2)
Page Three.

Begin at the Northeast corner of Lot 14, Block 146 of said Replat of St. Augustine Shores Unit Two; thence run South 00 degrees 17 minutes 34 seconds East, along the East boundary line of said Lot 14, for a distance of 15.00 feet; thence run North 89 degrees 42 minutes 26 seconds East for a distance of 10.00 feet; thence run North 00 degrees 17 minutes 34 seconds West for a distance of 15.00 feet to a point on the South boundary line of Lot 13 of aforesaid Block 146; thence run South 89 degrees 42 minutes 26 seconds West, along said South boundary line, for a distance of 10.00 feet to the Point of Beginning.

That certain parcel of land lying in and being a part of Tract "P" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida;

Being more particularly described, as follows:

Commence at the Southwest corner of Lot 1, Block 145 of said Replat of St. Augustine Shores Unit Two, thence run South 05 degrees 06 minutes 11 seconds East for a distance of 475.00 feet to the Point of Beginning of the parcel of land hereinafter described; thence continue South 05 degrees 06 minutes 11 seconds East for a distance of 445.56 feet; thence run North 84 degrees 53 minutes 49 seconds East for a distance of 20.00 feet; thence run North 05 degrees 06 minutes 11 seconds West for a distance of 445.56 feet; thence run South 84 degrees 53 minutes 49 seconds West for a distance of 20.00 feet to the Point of Beginning.

That certain parcel of land lying in and being a part of Tract "Q" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida;

Being more particularly described, as follows:

Begin at the most Southerly corner of Tract "S" of aforesaid Replat of St. Augustine Shores Unit Two, the same being a point on the Northwesterly Right-of-Way Line of Shores Blvd. as shown on said plat and a point on a circular curve concave to the Northwest having a radius of 950.00 feet; thence run Southwesterly, along said Right-of-Way and the arc of said curve, through a central angle of 01 degree 12 minutes 23 seconds a distance of 20.00 feet; thence, leaving said Right-of-Way Line, run North 32 degrees 54 minutes 43 seconds West, parallel to the Southwesterly boundary line of aforesaid Tract "S", a distance of 19.79 feet; thence run North 57 degrees 05 minutes 17 seconds East a distance of 20.00 feet to a point on said Southwesterly boundary line of Tract "S"; thence run South 32 degrees 54 minutes 43 seconds East along said Southwesterly boundary line, a distance of 20.00 feet to the Point of Beginning.

All of Tract "T" of a REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the Plat thereof, as recorded in Plat Book 13, pages 114 through 124, inclusive of the public records of St. Johns County, Florida.

Tract "U" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the Plat thereof recorded in Plat Book 13, pages 114 through 124, of the public records of St. Johns County, Florida;

LESS AND EXCEPT:

A parcel of land in the Peter Miranda Grant, Section 41, Township 8 South, Range 30 East, St. Johns County, Florida, said parcel of land being more fully described, as follows:

Commence at a permanent reference monument on the South line of said Section 41, said monument also being on the West Right-of-Way line of an existing 100 foot wide Florida Power and Light Company easement as recorded in Deed Book 192, page 385, of the public records of St. Johns County, Florida, for the Point of Beginning; thence run North 14 degrees 43 minutes 39 seconds West 365.82 feet along the West Right-of-Way line of said existing Florida Power and Light Company easement; thence South 0 degrees 42 minutes 58 seconds West 279.20 feet; thence south 82 degrees 56 minutes 33 seconds West 60.49 feet; thence South 7 degrees 27 minutes East 70.0 feet to a point on the South line of said Section 41; thence North 89 degrees 08 minutes 11 seconds East 147.46 feet to the Point of Beginning; subject to an existing Florida Power and Light Company easement as recorded in Official Records 395, page 363, public records of St. Johns County, Florida and Southern Bell Telephone and Telegraph Company easement, the easements being over, beneath and upon the Southerly 10 feet of the parcel of land being described. Containing 0.49 acres.

Easement Parcels (Section 2)
Page Four.

The above described parcel of land lying and being part of Tract "U" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof, recorded in Plat Book 13, pages 114 through 124, of the public records of St. Johns County, Florida.

That portion of:

Lots 1, 2 and 3, of Block 111; Tracts "A-G" and "A-H" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida; Lying within 60.00 feet of the centerline of Shores Boulevard as shown on said plat of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO.

That portion of Tracts "Z", "A-A", "A-B", "A-C", "A-D" and "A-E" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124, inclusive, of the public records of St. Johns County, Florida;

lying within 10.00 feet to the left, as measured perpendicularly to, the following described line:

Commence at the Southwest corner of aforesaid Tract "Z", the same being a point on the Easterly Right-of-Way Line of U.S. Highway No. 1 as shown on said plat; thence run North 08 degrees 22 minutes 44 seconds West, along the Westerly boundary line of said Tract "Z", a distance of 139.62 feet to the point of curvature of a circular curve to the right having a radius of 50.00 feet; thence run Northerly, along the arc of said curve, through a central angle of 60 degrees 53 minutes 12 seconds, a distance of 53.14 feet to the Point of Beginning of the line hereinafter described; thence run North 89 degrees 22 minutes 40 seconds East a distance of 216.35 feet to the point of curvature of a circular curve to the right having a radius of 1,924.41 feet; thence run Easterly, along the arc of said curve, through a central angle of 12 degrees 01 minutes 58 seconds, a distance of 404.15 feet to the point of reverse curvature of a circular curve to the left having a radius of 1944.41 feet; thence run Easterly along the arc of said curve, through a central angle of 12 degrees 01 minutes 55 seconds, a distance of 408.32 feet to the point of compound curvature of a circular curve to the left having a radius of 1060.00 feet; thence run Easterly and Northeasterly, along the arc of said curve, through a central angle of 27 degrees 35 minutes 48 seconds a distance of 510.55 feet to a point on the Northeasterly boundary line of aforesaid Tract "A-E" and the Point of Termination of said line.

Tract "D" of ST. AUGUSTINE SHORES UNIT THREE, according to the plat thereof recorded in Plat Book 12, pages 27 through 32, inclusive, of the public records of St. Johns County, Florida.

Tract "E" of ST. AUGUSTINE SHORES UNIT THREE, according to the plat thereof recorded in Plat Book 12, pages 27 through 32, inclusive, of the public records of St. Johns County, Florida.

Tract "F" of ST. AUGUSTINE SHORES UNIT THREE, according to the plat thereof recorded in Plat Book 12, pages 27 through 32, inclusive, of the public records of St. Johns County, Florida.

The West 15.00 feet of Tracts "A", "B" and "C" of ST. AUGUSTINE SHORES, UNIT SIX, according to the plat thereof as recorded in Plat Book 14, pages 40 through 46, inclusive, of the public records of St. Johns County, Florida.

Tract "D" of ST. AUGUSTINE SHORES UNIT SIX, according to the plat thereof recorded in Plat Book 14, pages 40 through 46, inclusive, of the public records of St. Johns County, Florida.

Easement Parcels (Section 2)
Page Five.

That certain Florida Power and Light Company Easement lying in portions of Sections 17, 39, 41, 48, and 49, Township 8 South, Range 30 East, St. Johns County, Florida, being more particularly described, as follows:
That certain 100 foot wide Florida Power and Light Company easement lying Easterly of and adjacent to and as shown on the aforesaid Replat of St. Augustine Shores Unit Two and between those aforesaid plats of St. Augustine Shores Units Three, Four and Five, said easement being recorded in Deed Book 192, page 389, et seq., of the public records of St. Johns County, Florida, extending the side lines of said easement so as to terminate in the property of the Grantor;

LESS AND EXCEPT:

Those certain existing road rights of ways, over, across, and through the said Florida Power and Light Company Easement, said road right of ways being more particularly known as Dorado Drive (a 60 foot wide right of way); Costado Street (a 60 foot wide right of way); Shores Boulevard (a 100 foot wide right of way); and Deltona Boulevard (an 80 foot wide right of way) as depicted on the aforementioned plats of St. Augustine Shores;

RESERVING UNTO THE GRANTOR, its successors and assigns the right to enter upon aforesaid 100 foot wide Florida Power and Light Company Easement to remove all fill materials needed for the development of the Grantor's remaining property holdings at the St. Augustine Shores Subdivision, such development to include but not be limited to road construction and drainage.

Those portions of the common area of THE CONQUISTADOR CONDOMINIUM APARTMENTS OF ST. AUGUSTINE SHORES as recorded in the Official Records of St. Johns County, Florida and being in Official Records Book 515, pages 274 through 383, of St. Johns County, Florida.

The following strips of land lying and being reflected on the various recorded plats of ST. AUGUSTINE SHORES, which are reflected in the Dedication of said plats, as follows:

- a. A strip of land 10 feet wide at the rear of each lot and 5 feet wide at the sides and front of each lot is reserved to the DELTONA CORPORATION, its successors or assigns for the installation and maintenance of public utilities and drainage facilities, with the following exceptions: side lot lines lying adjacent to streets shall contain no easements; and where more than one lot is intended as a building site the outside boundaries of said building site shall carry said side easements. All as depicted on the plat of St. Augustine Shores, Unit One, according to map or plat thereof recorded in Plat Book 11, pages 63 through 71, of the public records of St. Johns County, Florida.
- b. A strip of land 10 feet wide at the rear of each lot and 5 feet wide at the sides and front of each lot is reserved to the DELTONA CORPORATION, its successors or assigns for the installation and maintenance of public utilities and drainage facilities, with the following exceptions: side lot lines lying adjacent to streets shall contain no easements, and where more than one lot is intended as a building site the outside boundaries of said building site shall carry said side easements. All as depicted on the plat of St. Augustine Shores, Replat of a portion of Unit One, according to map or plat thereof recorded in Plat Book 11, pages 76 through 80, of the public records of St. Johns County, Florida.
- c. A strip of land 10 feet wide at the rear of each lot and 5 feet wide at the sides and front of each lot is reserved to the DELTONA CORPORATION, its successors and or assigns for the installation and maintenance of public utilities and drainage facilities, with the following exceptions: side lot lines lying adjacent to streets shall contain no easements, and where more than one lot is intended as a building site the outside boundaries of said building site shall carry said side easements. All as depicted on the plat of St. Augustine Shores, Unit Two, according to map or plat thereof recorded in Plat Book 11, pages 95 through 106, of the public records of St. Johns County, Florida.

Easement Parcels (Section 2)
Page Six.

- d. A strip of land 10 feet wide at the rear of each lot and 5 feet wide at the sides and front of each lot is reserved to THE DELTONA CORPORATION, its successors or assigns for the installation and maintenance of public utilities and drainage facilities, with the following exceptions: side lot lines lying adjacent to streets shall contain no easement and where more than one lot is intended as a building site the outside boundaries of said building site will carry said side easements. All as depicted on the plat of St. Augustine Shores Unit Two Replat, according to map or plat thereof recorded in Plat Book 13, pages 114 through 124, of the public records of St. Johns County, Florida.
- e. A strip of land 10 feet wide at the rear of each lot and 5 feet wide at the sides of each lot is reserved to THE DELTONA CORPORATION, its successors or assigns for the installation and maintenance of public utilities and drainage facilities, with the following exceptions: side lot lines lying adjacent to streets shall contain no easements; and where more than one lot is intended as a building site the outside boundaries of said building site shall carry said side easements. All as depicted on the plat of St. Augustine Shores, Unit Three, according to map or plat thereof recorded in Plat Book 12, pages 27 through 32, all of the public records of St. Johns County, Florida.
- f. A strip of land 10 feet wide at the rear of each lot and 8 ft wide at the sides of each lot is reserved to THE DELTONA CORPORATION, its successors or assigns for the installation and maintenance of public utilities and drainage facilities, with the following exceptions: side lot lines lying adjacent to streets shall contain no easements, and where more than one lot is intended as a building site the outside boundaries of said building site shall carry said side easements. All as depicted on the plat of St. Augustine Shores, Unit Four, according to map or plat thereof recorded in Plat Book 13, pages 31 through 38, of the public records of St. Johns County, Florida.
- g. A strip of land 10 feet wide at the rear and the front of each lot and 7.5 feet wide at the side of each lot is reserved to THE DELTONA CORPORATION, its successors and assigns for the installation and maintenance of public utilities and drainage facilities with the following exceptions: side lot lines lying adjacent to streets shall contain no easement, and where more than one lot is intended as a building site the outside boundaries of said building site shall carry said side easements. All as depicted on the plat of St. Augustine Shores, Unit Five, according to map or plat thereof recorded in Plat Book 14, page 21 through 24, of the public records of St. Johns County, Florida.
- h. A strip of land 10 feet wide at the rear and the front of each lot and 7.5 feet wide at the sides of each lot is reserved to THE DELTONA CORPORATION, its successors and assigns for the installation and maintenance of public utilities and drainage facilities with the following exceptions: side lot lines lying adjacent to streets shall contain no easement; and where more than one lot is intended as a building site the outside boundaries of said building site shall carry said side easements. All as depicted on the plat of St. Augustine Shores, Unit Six, according to map or plat thereof recorded in Plat Book 14, pages 40 through 46, of the public records of St. Johns County, Florida.
- i. A strip of land 10 feet wide at the rear and front of each lot and 7.5 feet wide at the sides of each lot are reserved to THE DELTONA CORPORATION, its successors or assigns for the installation and maintenance of utilities, cable television, and drainage facilities with the following exceptions: side lot lines lying adjacent to streets shall contain no easement; and where more than one lot is intended as a building site the outside boundaries of said building site shall carry said easements. All as depicted on the plat of St. Augustine Shores, Unit Seven, according to map or plat thereof recorded in Plat Book 22, pages 24 through 48, of the public records of St. Johns County, Florida.

Easement Parcels (Section 2)
Page Seven.

1. A strip of land 10 feet wide at the rear and front of each lot and 7.5 feet wide at the sides of each lot are reserved to THE DELTONA CORPORATION its successors or assigns for the installation and maintenance of utilities, cable television and drainage facilities with the following exceptions: side lot lines lying adjacent to streets shall contain no easement; and where more than one lot is intended as a building site the outside boundaries of said building site shall carry said easements. All utility easements shall also be easements for cable television services to the extent now and hereafter required by Florida law. All as depicted on the plat of St. Augustine Shores, Unit Eight, according to map or plat thereof as recorded in Map Book 21, pages 58 through 63, of the public records of St. Johns County, Florida.

Easement Parcels (Section 3)
Page One.

Tract "A" of ST. AUGUSTINE SHORES UNIT ONE according to the plat thereof recorded in Plat Book 11, pages 61 through 71, inclusive of the public records of St. Johns County, Florida;

SUBJECT TO:

Those certain Ingress/Egress easements granted from The Deltona Corporation to S. Raymond Cafaro and Genevieve G. Cafaro, his wife by a grant of easement bearing date the 19th day of November, 1981 and recorded in Official Records Book 516, page 576, et seq., of the public records of St. Johns County, Florida.

Tract "M" of ST. AUGUSTINE SHORES UNIT ONE according to the plat thereof recorded in Plat Book 11, pages 61 through 71, inclusive of the public records of St. Johns County, Florida;

LESS AND EXCEPT:

That portion of said Tract "M" conveyed from the Deltona Corporation to Layman F. Lyon and Ruth Lyon, his wife, by Warranty Deed bearing date the 11th day of January 1973 and recorded in Official Records Book 224, page 168, et seq., of the public records of St. Johns County, Florida.

Tracts "B", "C", "D", "E", "J", "K", "N", "R", "U", "W", and "X" of ST. AUGUSTINE SHORES UNIT ONE according to the plat thereof recorded in Plat Book 11, pages 61 through 71, inclusive, of the public records of St. Johns County, Florida.

Tracts "L", "V", "W", "Y", "A-X", "A-C", and "A-G" of REPLAT OF ST. AUGUSTINE SHORES UNIT TWO, according to the plat thereof recorded in Plat Book 13, pages 114 through 124 of the public records of St. Johns County, Florida.

Tracts "A", "B", "C" and "G" of ST. AUGUSTINE SHORES UNIT THREE, according to the plat thereof recorded in Plat Book 12, pages 27 through 32, inclusive, of the public records of St. Johns County, Florida.

Tracts "A", "B", "D", "E", "F" and "G" of ST. AUGUSTINE SHORES UNIT FOUR, according to the plat thereof recorded in Plat Book 13, pages 31 through 38, inclusive, of the public records of St. Johns County, Florida.

Tracts "A", "B", "C", "D", "E", "F", "G", "H", "L" and "P" of ST. AUGUSTINE SHORES UNIT FIVE, according to the plat thereof recorded in Plat Book 14, pages 21 through 24, inclusive of the public records of St. Johns County, Florida.

Tracts "P", "U", "X", "Z" and "DD" of ST. AUGUSTINE SHORES UNIT SIX, according to the plat thereof recorded in Plat Book 14, pages 40 through 46, inclusive, of the public records of St. Johns County, Florida;

SUBJECT TO:

Those certain electric utility easements granted from the Deltona Corporation to the Florida Power & Light Company by a grant of easement bearing date the 17th day of December, 1981 and recorded among the public records of St. Johns County, Florida.

Tracts "D", "E", "F", "G", "N", "Q", "R", "S", "T", "V", "W", "AA", "BB", "CC", "EE", and "FF" of ST. AUGUSTINE SHORES UNIT SIX according to the plat thereof recorded in Plat Book 14, pages 40 through 46 inclusive, of the public records of St. Johns County, Florida.

SECTION 2

WATER SYSTEM ASSETS

The St. Augustine Shores Water System includes raw water supply, water treatment and water transmission/distribution plant.

2.01 RAW WATER SUPPLY WELLS

Assets associated with the withdrawal and pumping of raw water for the St. Augustine Shores subdivision. Those assets include all screening, casing, pump, motor, auxiliary power, associated piping, on-site monitoring wells and equipment, remote monitoring equipment, and associated structures. A listing of the assets associated with the raw water wells is presented in Table 2-1.

2.02 WATER TREATMENT PLANT

All assets associated with the St. Augustine Shores water treatment plant. Those assets include all piping, fittings, valving, treatment process equipment, pumps, maintenance and operation buildings, control systems, water storage facilities, and chemical handling and feed systems. A listing of assets associated with the water treatment facility is presented in Table 2-2.

2.03 WATER TRANSMISSION/DISTRIBUTION SYSTEM

All assets associated with the St. Augustine Shores transmission and distribution system, including all water lines conveying treated water from the St. Augustine Shores water treatment plant and system storage facilities. Those assets include all piping, fittings, valving, specialty equipment, vaults, and associated structures. A listing of assets associated with the water transmission and distribution system is presented in Table 2-3.

2.04 FIRE HYDRANTS

All assets associated with the St. Augustine Shores fire hydrant system. A listing of assets is presented in Table 2-4.

2.05 WATER METERS

All assets associated with water meters placed in the St. Augustine Shores water system to measure or monitor the consumption of water by water utility customers. Those assets include all meters proper, meter boxes, piping, valves, fittings and associated structures with the St. Augustine Shores water meter system. Table 2-5 summarizes the last publicly available listing of water meters.

2.06 WATER SERVICES

All assets associated with water service in-place in the St. Augustine Shores water system. Those assets include all tapping saddles, corporations stops, piping, casing, and fittings.

2.07 GENERAL PLANT AND MISCELLANEOUS EQUIPMENT

All assets associated with the water treatment plant site and the field equipment in the St. Augustine Shores Water system. Those assets include all computer equipment, laboratory equipment, transportation equipment and furniture associated with the water treatment plant operation. Table 2-6 summarizes the general plant asset listing.

TABLE 2-1

ST. AUGUSTINE SHORES UTILITIES

Listing Of Raw Water Supply Wells

I. Wells	#(34-J)	#34-L	#35	#36	#34E
Year Constructed	1983	1984	1985	1985	1980
Type of Well Construction and Casing		Rotary, Steel	Rotary Steel	Rotary, Steel	Rotary, PVC
Well Diameter (inches)	6	6	6	6	6
Well Depth (ft)	100	100	100	100	100
II. Motors					
Type of Power	Electric	Electric	Electric	Electric	Electric
Rated Horsepower (HP)	5	5	7.5	7.5	5
III. Pumps					
Capacity in GPM	115	115	100	100	60

TABLE 2-1 (Con't)

ST. AUGUSTINE SHORES UTILITIES

Listing Of Raw Water Supply Wells

I. Wells	#37	#38	#39	#40	#34G
Year Constructed	1987	1987	1989	1990	1982
Type of Well Construction and Casing	Rotary, PVC	Rotary, PVC	Rotary, PVC	Rotary, PVC	Rotary, PVC
Well Diameter (inches)	6	6	6	6	6
Well Depth (ft)	100	100	100	100	100
II. Motors					
Type of Power	Electric	Electric	Electric	Electric	Electric
Rated Horsepower (HP)	7.5	7.5	3	7.5	5
III. Pumps					
Capacity in GPM	100	100	100	120	45

TABLE 2-2
ST. AUGUSTINE SHORES UTILITIES
LISTING OF WATER TREATMENT FACILITIES

Line No	Plant Description	Quantity	Type	Size	Capacity
1	Raw Water Storage Tanks	3	Steel - Ground	10'-6" diameter - 46'-6" Long	Each 33,000 gallons
2	Filters	3	Steel Construction	10' diameter, 14'-7 1/4" high	Each 150 GPM
3	Spiralator	1	Steel Construction	9' diam., 24'-10" high	450 gpm
4	Lime Silo	1	Wallace & Tieman Series A-758 Slaker	12' outside diam., 34'-5" high	
5	Lime Slurries	1	Steel Tank	6' diam., 4' high	
6	Lime Feed Pumps	2	Milton Roy model DMR1-59-95		720 gallons
7	Spiralated Catalytic Precipitator	1	Steel		3/4 HP Motor, 220V., 30
8	Filter	1	Steel	11'-3" diam., 28' high	1,050 gpm
9	Backwash	1	Steel Utilized Fourcell Control	24' diam., 18' high	1,050 gpm
10	Surfacewash Pump	2	Centrifugal, Horiz. Split Case Control	Deming Size 12" x 10" x 12"	1,650 GPM at 22' TDH, 15HP Motor
11	Air Blower Housing	1	Peerless Pump Model - GAD11		1,050 GPM at 40' TDH, 15 HP Motor
12	Hydropneumatic Storage Tank (WTP Site)	1	Sutorbilt - Model #4 mvf		195 cfm @ 5 psig
13	Hydropneumatic Storage Tank (Unit 2)	1	Steel Tank	6' diam., 35'-5" Long	7,500 gallons
14	Ground Storage Tank (WTP Site)	1	Circular - Concrete Construction	6' diam., 29'-5" Long	6,000 gallons
15	Ground Storage Tank (Unit 2)	1	Circular - Concrete Construction	70' diam., 17'-5" high	500,000 gallons
16	Chlorination System	1	Chlorinator: Advance Mod. 205-100 P.P.D. Scale: Model 437 Cylinder Scale		1,000,000 gallons 100 pounds/day
17	High Service Pumps (WTP Site)	3	Peerless End Suction		
			Peerless 4AD 14 Single Stage Centrifugal	1" x 2"	80 GPM @ 170' TDH, 7.5HP Motor
			Peerless 4AD 14 Single Storage Centrifugal	6" x 4"	500 GPM @ 173' TDH, 40HP Motor
			Peerless End Suction	6" x 4"	500 GPM @ 64 HP Motor
8	High Service Pumps (Unit 2 Storage Tank)	3	Peerless End Suction	1" x 2"	100 GPM @ 10HP Motor
			Peerless 4AD 14 Single Storage Centrifugal	6" x 4"	500 GPM @ 50HP Motor
			Peerless 4AD 14 Single Storage Centrifugal	6" x 4"	500 GPM @ 50HP Motor
19	Auxiliary Power Generator	1	W/L.P./G. Engine		50 KW, 480V, 30 w/bercules
20	Generator Shelter	1	Pincor Generator/L.P.G. Engine	11'-0" L x 6'-6" W x 6'-0" H	
21	Master Meter	1	Concrete Block Construction	8" Meter - 150 #Flange	
22	Operations Building	1	Sparting Meter Co - Master Flow Main Line		
23	Water Treatment Plant Acreage	1	Concrete Block Construction	51'-8" L x 30'-0" W x 11'-0" H	
			290,789 Square Feet (approx. 6.676 Acres)		Min. 120GPM Max. 1,200GPM

TABLE 2-3

ST. AUGUSTINE SHORES UTILITIES
 Listing Of Water Transmission/Distribution System

I. Treated Water Mains:

<u>Pipe Diameter</u> <u>(inches)</u>	<u>Pipe Material</u>	<u>Total Footage</u> <u>(ft)</u>
4	PVC	54,020
6	PVC	73,218
8	PVC	29,685
10	PVC	10,540
12	PVC	3,260
12	AC	4,260
14	AC	6
16	AC	3,857
18	AC	2,579

II. Raw Water Mains:

4	PVC	1,428
6	PVC	2,688
8	PVC	2,345
10	PVC	11,450
Total		199,336 feet

TABLE 2-4

ST. AUGUSTINE SHORES UTILITIES
Listing Of Fire Hydrants

<u>Year</u> <u>Place In</u> <u>Service</u>	<u>Hydrant</u> <u>Type</u>	<u>Total</u> <u>Hydrants</u> <u>Added</u>
1987	4 1/2"	117
1988	4 1/2"	0
1989	4 1/2"	<u>0</u>
Total		117

TABLE 2-5
ST. AUGUSTINE SHORES UTILITIES
Listing Of Water Meters(1)

<u>Meter Size</u> <u>(inches)</u>	<u>Number</u> <u>of Meters</u>
5/8 x 3/4	2,286
1	11
1 1/2	14
2	5
3	0
4	0
6	0
8	<u>0</u>
Total	2,316

(1) As of April 16, 1991

TABLE 2-6

ST. AUGUSTINE SHORES UTILITIES
 LISTING OF GENERAL PLANT ASSETS
 Water System

Line No.	Item Description	Quantity
<u>I. General Plant</u>		
1	IBM 55SX Computer with Color Screen, Printer, Keyboard, Hard Drive. This also runs the telemetry system on all the pumps used for the water plant including raw and treated.	1
2	Wooden Desk	1
3	Desk Chairs	1
4	Window Heat and Air Conditioner AMCOR model 218AERJ62	1
5	Metal Filing Cabinet	1
6	Texas Inst. Calculator	1
7	Stirrer Corning PC-353	1
8	pH Meter Hach One Laboratory pH Meter	1
9	Nephelometer Turner Designs	1
10	Survivair Air Pack model LP30	1
11	Weedeater Suhl FS81	1
12	John Deere Lawn Mower	1
13	Calgon Pump Mega-Matic D60D2	1
14	Tandem Diaphragm Metering Pump Pennwalt series 44	1
15	Raw Water Pumps Peerless Pump #6AD14	2
16	Emergency Telephone Dialer ADEMCD #612	1
17	Lime Booster Pump A.O. Smith P56M2S7	1
<u>II. Field Equipment</u>		
18	L.S. Air Blower General GPB	1
19	Bench Grinder AllTrade 6" 1/2 HP	1
20	Stihl Concrete Saw Stihl TS350	1
21	Winch Trailer for pulling sump. L.S. pumps	1
22	12x20 Metal Storage Shed	1
23	Diaphragm Gas Pump Gorman-Rump	1
24	Trash Pump Gorman-Rump model 13-E2-K321P S/8	1
25	500 Gallon Fuel Tanks 1-Gas 1-Diesel	1
26	Fuel Pump Gorman-Rump model 13-E2-K321P S/G	1
27	500 Gallon Fuel Tanks 1-Gas 1-Diesel	1
28	Fuel Pump Electric	1
29	Conference Table	1

TABLE 2-6 (Con't)

ST. AUGUSTINE SHORES UTILITIES
LISTING OF GENERAL PLANT ASSETS

Water System

Line No.	Item Description	Quantity
30	Office Chair	1
31	Conference Building	1
32	Metal Desk with Typewriter Stand	1
33	Office Chair	1
34	S-10 Pickups with toolboxes	4
	1988	2
	1987	1
	1989	1
35	John Deere Backhoe 310C	1
	<u>III. Misc. Equipment - Billing Office</u>	
36	4 Drawer Filing Cabinets	5
37	5 Drawer Filing Cabinets	3
38	Wooden Desk	2
39	Sec. Wooden Desk with Typing Return	1
40	Metal Desk	1
41	Microfish Viewer MicroDesign model Comette	1
42	Panasonic Typewriter #KX-E700M	1
43	Wooden Round Table	1
44	All Wood Storage Cabinet	1
45	Microwave Sanyo #EMA102	1
46	Refrigerator Top Model Juliette	1
47	Computer Stands	2
48	Printer Table	1
49	Large All Wood Counter	1
50	Office Chairs	4
51	Epson Printer FX-286e	1
52	IBM Personal Computer with Color Monitor, Keyboard, Floppy Drive	2
53	Wood Table with Cabinet	1
54	Credenza	1
55	Blue Print Holder	1
56	Typewriter Table	1
57	Table with Office Chair on each side	1

TABLE 2-7
ST. AUGUSTINE SHORES UTILITIES
OTHER ASSETS

<u>Line No.</u>	<u>Item Description</u>
1	Land and Easements, Rights, See Land and Easements Notebook
2	Miscellaneous Tools, Equipment, Etc.
3	Stock on Hand
4	Records, Drawings, Engineering Reports, System Report, Hydraulic Analysis Disks and Programs, Drawings, Etc., Operations and Management Information
5	Customer Information, Billing Records, Billing Procedures, Etc., Financial and Administrative Information

SECTION 3

SECTION 3

WASTEWATER SYSTEM ASSETS

The St. Augustine Shores wastewater system includes wastewater collection, transmission, treatment plant and effluent disposal plant.

3.01 WASTEWATER SERVICE LATERALS

All assets associated with the St. Augustine Shores lateral system. Those assets include all piping, connections, cleanouts, plugs, and fittings.

3.02 WASTEWATER COLLECTION SYSTEM

All assets associated with the St. Augustine Shores wastewater collection system. Those assets include all gravity piping, fittings, connections, special collection structures, and siphons. A listing of the wastewater collection system is presented in Table 3-1.

3.03 MANHOLES

All assets associated with the St. Augustine Shores manholes. Those assets include all structures, connections, valves, fittings, tapping saddles, risers, drop connections, lids, and rings. A listing of the manholes is presented in Table 3-2.

3.04 WASTEWATER PUMP STATIONS

All assets associated with the St. Augustine Shores wastewater pumping facilities. Those assets include all pumps, valves, fittings, wetwell structures, valve vaults, hatches, controls, special structures, and pump-outs. A listing of the assets associated with the wastewater pumping system is presented in Table 3-3.

3.05 WASTEWATER FORCEMAINS

All assets associated with the St. Augustine Shores wastewater forcemain system. Those assets include all piping, fittings, valving, vaults, specialty equipment, and structures. A listing of the assets associated with the wastewater forcemain system is presented in Table 3-4.

3.06 WASTEWATER TREATMENT PLANT

All assets associated with the St. Augustine Shores wastewater treatment plant. Those assets include all piping, fittings, valving, treatment process equipment and structures, pumps, maintenance and operation buildings, instrumentation and control equipment, and chemical handling and feed systems. A listing of assets associated with the wastewater treatment facility is presented in Table 3-5.

3.07 EFFLUENT DISPOSAL FACILITIES

All assets associated with the St. Augustine Shores effluent disposal facilities. Those assets include all piping, fittings, valves, pumps, instrumentation and control equipment, all surge and emergency holding ponds, and specialty structures. A listing of the effluent disposal assets is presented in Table 3-6.

3.08 GENERAL PLANT AND MISCELLANEOUS EQUIPMENT

All assets associated with the wastewater treatment plant site and field equipment in the St. Augustine Shores wastewater system. Those assets include all computer equipment, laboratory equipment, transportation equipment and furniture associated with the wastewater plant operation. Table 3-7 summarizes the general plant asset listing.

TABLE 3-1

ST. AUGUSTINE SHORES UTILITIES
Listing Of Wastewater Collection System

<u>Pipe Diameter</u> <u>(inches)</u>	<u>Pipe Material</u>	<u>Total Footage</u> <u>(ft)</u>
8	PVC	120,725
10	PVC	<u>4,112</u>
	Total	124,837 feet

TABLE 3-2

ST. AUGUSTINE SHORES UTILITIES
Listing Of the Manholes

<u>Year Place In Service</u>	<u>Size</u>	<u>Type</u>	<u>Number</u>
1986	4'	Concrete	525
1987	4'	Concrete	12
1988	4'	Concrete	0
1989	4'	Concrete	<u>0</u>
Total			537

TABLE 3-3
ST. AUGUSTINE UTILITIES
LISTING OF WASTEWATER PUMP STATIONS

Lift Station Number	Lift Station Name	Year Installed	Number of Pumps	Pump. Manuf.	Pump Capacity (gpm)	Pump Horsepower (hp)
1-A	Tract "L" (Unit 1)	1987	2	ABS	220	20
1-B	Tract "C" (Unit 1)	1986	2	ABS	130	5.4
1-C	Lot 10, Block 20 (Unit 1)	1987	2	ABS	260	30
1-E	Recreation Center	1988	2	ABS	100	5
2-A	Tract "A" (Unit 1)	1971	1	ABS	60	2
2-C	Tract "Q" (Unit 2)	1981	1	ABS	100	5
2-D	Tract "T" (Unit 2)	1973	2	ABS	300	15
2-E	Tract "F" (Unit 2)	1980	2	ABS	100	3
2-F	Tract "C" (Unit 2)	1980	2	ABS	100	3
3-A	Tract "P" (Unit 2)	1980	2	ABS	100	3
3-B	Tract "D" (Unit 3)	1987	2	ABS	350	3
4-A	Tract "F" (Unit 3)	1976	2	EMU	125	5
	Shores Blvd. Lt B,					
	Block 116 (Unit 4)	1978	2	ABS	200	3
4-B	Lot B3, Block 121 (Unit 4)	1979	2	ABS	100	15
4-C	Lot 9, Block 123 (Unit 4)	1987	2	ABS	122	1-75
4-D	Tract "C" (Unit 4)	1987	2	ABS	130	2-5
5-A	Tract "N" (Unit 5)	1981	2	ABS	130	3-2
6-A	Tract "A" (Unit 6)	1981	2	ABS	300	10
A	Conquistador Condo	1981	2	ABS	200	10
WTP	Tract "T" (Unit 1)	1989	1	ABS	30	2
C	Interim Conquistador Condo	1988	1	ABS	75	1.75
B	Conquistador Condo	1981	2	ABS	-	10
WWTP	Unit 2	1987	2	ABS Piranha	-	-

TABLE 3-4

ST. AUGUSTINE SHORES UTILITIES
Listing Of Wastewater Force Mains

<u>Pipe Diameter</u> <u>(inches)</u>	<u>Pipe Material</u>	<u>Total Footage</u> <u>(ft)</u>
3	PVC	1,067
4	PVC	24,024
6	PVC	6,901
8	PVC	4,901
10	PVC	3,208
12	PVC	<u>6,011</u>
	Total	45,320 feet

TABLE 3-5

ST. AUGUSTINE SHORES UTILITIES
 Listing Of Wastewater Treatment Facilities

Line No	Plant Description	Quantity	Type	Size	Capacity
1	Spiralflow Clarifier	1	Starter-Allen Bradley Size 0 Heaters - N-8 Coil-70A86 Fuse - (3) Amo, 600 volt Eco-Eos 15	40' diam., 14' Depth	132,000 gallons
2	Contact and Stabilizer Tanks	2	Base: Aquajet Model \$5501 Pat #3606273, Motor: General Electric SK254FP6720AE, 15HP 3PH 460 volt	35' diam., 15' SWD	Each 100,000 gallons
3	Digester	1	Fixed Aerator - Starter - Allen Bradley Size 2, Heaters N-40, Fuse - (3) 60 amp., 600 volts, Dayton Time Clock Model 2E026 20HP Surface Aerator Motor	50' diam.	--
4	Return Sludge Pumps	2	Motor: U.S. Electric 8HP, 3PH, Pump: Serial #7994133-1, 600RPM	--	150 GPM
5	Sludge Holding Tank	1	Wemco Pump, Torque Flow, Pump Model E, 600 RPM, Motor, 3HP, 3PH	--	--
6	Air Compressor	1	--	--	--
7	Sludge Drying Beds	8	Concrete - Sand and Gravel	30' x 60'	--
8	Auxiliary Power Generator	1	Zenith Automatic Control Box	200KVA, 3208 Caterpillar Engine	12,000 gallons each
9	Operations and Maintenance Building	1	Concrete Block Construction	Serial #SYF00301	--
10	Lightning Arrestor	1	--	--	--
11	Storage Shed	1	Metal	12'x20'	--
12	Fuel Tank	1	--	--	500 gallon

TABLE 3-6

ST. AUGUSTINE SHORES UTILITIES
 Listing Of Wastewater Effluent Disposal Facilities

Line No	Plant Description	Quantity	Type	Size	Capacity
1	Percolation Ponds	3			
2	Chlorine Contact Chamber	1			
3	Spray Effluent Pump	2	Peerless Pump Model #8LB2, Starter-Allen Bradley Size 3 Heads: Rain Birds Model 30, Nozzle 3/16" x 1/8" - 20°	Motor: U.S. Electric, 3PH 30HP, 480 volts	30 GPM 127"TDH
4	Spray Effluent Sprinklers	3			
5	Monitoring Wells	6			
6	Sprinkler Pump	1	Starter-Fumas Size 1 2/4, Motor: Century 10HP, 3PH, 460 volts Buffalo RT-3	4" diam.	
7	Hydropneumatic Tank	1			
8	Wash Down Well	1	2 HP Submersible Pump and Motor		
9	Air Compressor	1	Whitewater AirRite Model	4" diam.	
10	Booster	1	StaRite LT1/6L		
11	Diagram Metering Pump	1	StaRite D82/D		
12	Pumps	2	Pulsa 680	0.16 HP	
		4	ABS - AF22	4" diam.	
		2	ABS - AF15	4" diam.	
13	Effluent Filters	2	ABS - SJS - SD Inflico Degreaser Cust. #9003-01R1		
14	Chlorination System	1			0.500 mgd each
15	Bradley Eyewash & Emergency Shower	1			200 lb/day
16	Alum Tank	1			400 gallon

TABLE 3-7

ST. AUGUSTINE SHORES UTILITIES
 LISTING OF GENERAL PLANT ASSETS
 Wastewater System

Line No.	Item Description	Quantity
1	Metal Desk	1
2	Metal Filing Cabinets	2
3	Microscope Reichert #160	1
4	Stirrer Sybron #7200	1
5	Furnas Thermolyne type 1500	1
6	p/H Meter Corning Model 7	1
7	Refrigerator Magic Chef RB19HN-A	1
8	Incubator Freas 815	1
9	Texas Instrument Calculator	1
10	Panosonic Pencil Sharpener	1
11	Carrier Window Heat and Air Conditioner	1
12	Office Chair	1
13	Mettler Scale #H31	1
14	Badger Flowmeter model #3000+	1
15	Oven Blue M Electric SW17TA	1
16	Oxygen Meter YSI model 54A	1
17	Honeywell chart Recorder #DR4500	1
18	Chlorine Analyzer Capital Controls model 1870E	1
19	Turbidity Analyzer 1885 with Cleaner 755F Capital Controls	1
20	John Deere Weedeater	1
21	John Deere Riding Mower #212	1
22	Portable Generator Robyn #P8000	1
23	Survivair Air Pack model LP30	1

TABLE 3-8
ST. AUGUSTINE SHORES UTILITIES
OTHER ASSETS

Line No.	Item Description
1	Land and Easements, Rights, See Land and Easements Notebook
2	Miscellaneous Tools, Equipment, Etc.
3	Stock on Hand
4	Records, Drawings, Engineering Reports, System Report, Hydraulic Analysis Disks and Programs, Drawings, Etc., Operations and Management Information
5	Customer Information, Billing Records, Billing Procedures, Etc., Financial and Administrative Information

This Instrument Prepared By
Geoffrey B. Dobson, 66 Cuna
St., St. Augustine, Fl.

IN THE CIRCUIT COURT, SEVENTH
JUDICIAL CIRCUIT, IN AND FOR
ST. JOHNS COUNTY, FLORIDA

CASE NO. 91-114-CA

ST. JOHNS COUNTY, a
political subdivision
of the State of Florida

Plaintiff,

vs.

UNITED FLORIDA UTILITIES
CORPORATION, a Florida
corporation; and DENNIS
W. HOLLINGSWORTH, as Tax
Collector for St. Johns
County, Florida,

Defendants.

SATISFACTION OF FINAL JUDGMENT
AND RECEIPT FOR SUBORDINATED BONDS

KNOW ALL MEN BY THESE PRESENTS that the undersigned as attorney of record and _____ President, respectively, for Defendant, UNITED FLORIDA UTILITIES CORPORATION, for and in consideration of the sum of Ten Dollars, receipt of the Subordinated Bonds referred to in that Final Judgment herein satisfied, and other good and valuable considerations, receipt of which is hereby acknowledged, do hereby declare the Final Judgment entered August 15, 1991 by the Honorable Richard G. Weinberg, which was recorded on _____, 1991 in Official Records Book ___ at Pages _____ of the Public Records of St. Johns County, Florida, to have been fully paid, performed, discharged and satisfied, including, but

Exhibit "E" to Final Judgment

not limited to, the receipt by United Florida Utilities Corporation of \$12,000,000 and the \$2,250,000 St. Johns County, Florida Subordinated Water and Sewer Revenue Bonds, Series 1991, and we hereby authorize and direct the Clerk of this Court to satisfy said judgment and order of record.

Signed, sealed and delivered in our presence: UNITED FLORIDA UTILITIES CORPORATION

(Print names of Witnesses below signatures)

Witness

BY: _____
Its _____ President

Witness

GRAY, HARRIS & ROBINSON

Witness

BY: _____
Byrd F. "Biff" Marshall
Florida Bar #
Post Office Box 3068
Orlando, Florida 32802-3068
Telephone: (407) 843-8880
Telefax: (407) 244-5690

Witness

STATE OF FLORIDA
COUNTY OF DUVAL

BEFORE ME personally appeared Byrd F. "Biff" Marshall and _____, who, being duly sworn, acknowledged before me that they executed the foregoing Satisfaction and stated that they had full authority to do so.

WITNESS my hand and official seal at Jacksonville, Florida, this ____ day of _____, A. D., 1991.

Notary Public, State of Florida
at Large.
My Commission Expires: _____

IN THE CIRCUIT COURT OF THE
SEVENTH JUDICIAL CIRCUIT, IN
AND FOR ST. JOHNS COUNTY,
FLORIDA

CASE NO.: 91-114-CA
DIVISION: A

ST. JOHNS COUNTY, a
political subdivision of
the State of Florida,

Plaintiff,

vs.

UNITED FLORIDA UTILITIES
CORPORATION, a Florida
corporation; and DENNIS
W. HOLLINGSWORTH, as Tax
Collector for St. Johns
County, Florida,

Defendants.

AGREEMENT

This Agreement entered into this 4th day of June,
1991, between ST. JOHNS COUNTY, a political subdivision of the
State of Florida, and UNITED FLORIDA UTILITIES CORPORATION.

W I T N E S S E T H

WHEREAS, ST. JOHNS COUNTY ("COUNTY") desires to acquire
certain property owned and held by UNITED FLORIDA UTILITIES
CORPORATION ("UNITED FLORIDA") more fully described as:

PARCEL 1

The Water and Sewer System facilities serving St.
Augustine Shores and consisting of a water distribution
system consisting of approximately 32.0 miles of water
main and appurtenances and water supply treatment and
pump facilities, together with sewer collection system
consisting of approximately 24.25 miles of gravity sewer

Exhibit "B" to Stipulation
and Joint Motion

possible, the COUNTY shall have a right to assign said employee to a comparable position. There shall be no probationary period of COUNTY employment for said employees.

4. In the event that the General Manager of UNITED FLORIDA for the above property is not offered a position as provided in paragraph 3 above, or in the event that he takes a position with the COUNTY and his employment is terminated by the COUNTY for any reason other than for cause within the first year of his employment, the COUNTY shall pay said General Manager a total of \$33,364.10 as severance pay.

5. The COUNTY agrees to pay to UNITED FLORIDA the sum of \$12,000,000.00 in cash upon closing, and shall bear all costs of closing.

6. The COUNTY agrees to deliver to UNITED FLORIDA subordinated bonds in the face amount of \$2,250,000.00, which bonds will bear a "tax free" interest rate equal to the interest rate on the bonds issued by the COUNTY to acquire the utility systems. Said subordinated bonds will require payment of principal and interest based on revenues generated by the utility systems after amounts needed for bond servicing and maintenance of the utility systems. Said Bond shall be payable over no more than thirty (30) years. In addition, said Bond shall be in a form that UNITED FLORIDA can recognize the principal amount of the Bond as income in accordance with generally accepted accounting principles, as determined by UNITED FLORIDA's independent public accountants.

7. Closing shall occur on or before August 20, 1991, in St. Johns County, Florida at a site to be designated by the COUNTY. Time is declared of the essence to this Agreement.
8. On date of closing, all meters shall be read and UNITED FLORIDA shall bill and be entitled to receive payment for all services rendered as of said date. If the COUNTY desires, UNITED FLORIDA agrees to bill thereafter on behalf of the COUNTY for a period up to three (3) months with payments to be made to the COUNTY, for which the COUNTY shall pay UNITED FLORIDA its "out-of-pocket" expenses.
9. The COUNTY agrees to purchase at face value all accounts receivables of UNITED FLORIDA for the above property. UNITED FLORIDA agrees to deliver to the COUNTY all customer deposits held by it within thirty (30) days of the date of closing.
10. For the purpose of bond issuance, UNITED FLORIDA agrees to permit full inspection of all accounting records and other documents maintained by said company or any of its agents or employees on or before August 20, 1991.
11. Both the COUNTY and UNITED FLORIDA warrant to the other that the transaction contemplated by this Agreement is a direct, private transaction between the COUNTY and UNITED FLORIDA without the use of a broker or commissioned agent.
12. Each party shall, at the other's request, execute, acknowledge and deliver any instrument or conveyance that may be necessary to properly carry out the provisions of the Agreement.

13. This Agreement embodies the entire understanding and agreement of the parties. There are no terms or conditions other than those contained herein.

14. There shall be no modification of this Agreement except in writing, executed by all parties hereto.

15. This Agreement shall be binding on and inure to the benefit of the parties and their respective legal representatives, successors and assigns.

16. This Agreement shall be governed by the laws of the State of Florida.

17. The undersigned representatives of the COUNTY agree pursuant to the Court Order Scheduling Mediation to recommend approval of the above outlined terms to the Board of County Commissioners of St. Johns County. Upon approval by the Board of County Commissioners, this document shall become a binding stipulation and agreement on both parties hereto.

IN WITNESS WHEREOF, we set our hands and seals on the date set forth above.

UNITED FLORIDA UTILITIES CORPORATION

ST. JOHNS COUNTY

BY: Bud P. Kelly
BY: John J. [Signature]

BY: [Signature]
BY: [Signature]

TABLE 3-7

ST. AUGUSTINE SHORES UTILITIES
 LISTING OF GENERAL PLANT ASSETS
 Wastewater System

Line No.	Item Description	Quantity
1	Metal Desk	1
2	Metal Filing Cabinets	2
3	Microscope Reichert #160	1
4	Stirrer Sybron #7200	1
5	Furnas Thermolyne type 1500	1
6	p/H Meter Corning Model 7	1
7	Refrigerator Magic Chef RB19HN-A	1
8	Incubator Freas 815	1
9	Texas Instrument Calculator	1
10	Panosonic Pencil Sharpener	1
11	Carrier Window Heat and Air Conditioner	1
12	Office Chair	1
13	Mettler Scale #H31	1
14	Badger Flowmeter model #3000+	1
15	Oven Blue M Electric SW17TA	1
16	Oxygen Meter YSI model 54A	1
17	Honeywell chart Recorder #DR4500	1
18	Chlorine Analyzer Capital Controls model 1870E	1
19	Turbidity Analyzer 1885 with Cleaner 755F Capital Controls	1
20	John Deere Weedeater	1
21	John Deere Riding Mower #212	1
22	Portable Generator Robyn #P8000	1
23	Survivair Air Pack model LP30	1

TABLE 3-8
ST. AUGUSTINE SHORES UTILITIES
OTHER ASSETS

Line No.	Item Description
1	Land and Easements, Rights, See Land and Easements Notebook
2	Miscellaneous Tools, Equipment, Etc.
3	Stock on Hand
4	Records, Drawings, Engineering Reports, System Report, Hydraulic Analysis Disks and Programs, Drawings, Etc., Operations and Management Information
5	Customer Information, Billing Records, Billing Procedures, Etc., Financial and Administrative Information

This Instrument Prepared By
Geoffrey B. Dobson, 66 Cuna
St., St. Augustine, Fl.

IN THE CIRCUIT COURT, SEVENTH
JUDICIAL CIRCUIT, IN AND FOR
ST. JOHNS COUNTY, FLORIDA

CASE NO. 91-114-CA

ST. JOHNS COUNTY, a
political subdivision
of the State of Florida

Plaintiff,

vs.

UNITED FLORIDA UTILITIES
CORPORATION, a Florida
corporation; and DENNIS
W. HOLLINGSWORTH, as Tax
Collector for St. Johns
County, Florida,

Defendants.

SATISFACTION OF FINAL JUDGMENT
AND RECEIPT FOR SUBORDINATED BONDS

KNOW ALL MEN BY THESE PRESENTS that the undersigned as attorney of record and _____ President, respectively, for Defendant, UNITED FLORIDA UTILITIES CORPORATION, for and in consideration of the sum of Ten Dollars, receipt of the Subordinated Bonds referred to in that Final Judgment herein satisfied, and other good and valuable considerations, receipt of which is hereby acknowledged, do hereby declare the Final Judgment entered August 15, 1991 by the Honorable Richard G. Weinberg, which was recorded on _____, 1991 in Official Records Book ___ at Pages _____ of the Public Records of St. Johns County, Florida, to have been fully paid, performed, discharged and satisfied, including, but

Exhibit "E" to Final Judgment

not limited to, the receipt by United Florida Utilities Corporation of \$12,000,000 and the \$2,250,000 St. Johns County, Florida Subordinated Water and Sewer Revenue Bonds, Series 1991, and we hereby authorize and direct the Clerk of this Court to satisfy said judgment and order of record.

Signed, sealed and delivered UNITED FLORIDA UTILITIES
in our presence: CORPORATION

(Print names of Witnesses
below signatures)

Witness

BY: _____
Its _____ President

Witness

GRAY, HARRIS & ROBINSON

Witness

BY: _____
Byrd F. "Biff" Marshall
Florida Bar #
Post Office Box 3068
Orlando, Florida 32802-3068
Telephone: (407) 843-8880
Telefax: (407) 244-5690

Witness

STATE OF FLORIDA
COUNTY OF DUVAL

BEFORE ME personally appeared Byrd F. "Biff" Marshall and _____, who, being duly sworn, acknowledged before me that they executed the foregoing Satisfaction and stated that they had full authority to do so.

WITNESS my hand and official seal at Jacksonville, Florida, this _____ day of _____, A. D., 1991.

Notary Public, State of Florida
at Large.
My Commission Expires: _____

IN THE CIRCUIT COURT OF THE
SEVENTH JUDICIAL CIRCUIT, IN
AND FOR ST. JOHNS COUNTY,
FLORIDA

CASE NO.: 91-114-CA
DIVISION: A

ST. JOHNS COUNTY, a
political subdivision of
the State of Florida,

Plaintiff,

vs.

UNITED FLORIDA UTILITIES
CORPORATION, a Florida
corporation; and DENNIS
W. HOLLINGSWORTH, as Tax
Collector for St. Johns
County, Florida,

Defendants.

AGREEMENT

This Agreement entered into this 4th day of June,
1991, between ST. JOHNS COUNTY, a political subdivision of the
State of Florida, and UNITED FLORIDA UTILITIES CORPORATION.

W I T N E S S E T H

WHEREAS, ST. JOHNS COUNTY ("COUNTY") desires to acquire
certain property owned and held by UNITED FLORIDA UTILITIES
CORPORATION ("UNITED FLORIDA") more fully described as:

PARCEL 1

The Water and Sewer System facilities serving St.
Augustine Shores and consisting of a water distribution
system consisting of approximately 32.0 miles of water
main and appurtenances and water supply treatment and
pump facilities, together with sewer collection system
consisting of approximately 24.25 miles of gravity sewer

Exhibit "B" to Stipulation
and Joint Motion

1
pipng, approximately 7.6 miles of sewage force main and 18 collection systems, pumping station, together with sewage treatment and effluent disposal facilities, together with easements for such distribution and collection systems, water supply wells, off-site finished water storage and repump facilities, water plant site and buildings, wastewater treatment plant and sewage treatment plant sites and buildings, as set forth in Exhibit "A" attached hereto.

WHEREAS, on January 24, 1991, the COUNTY initiated an action in eminent domain to condemn said property; and

WHEREAS, UNITED FLORIDA has demanded full compensation for the taking of said property; and

WHEREAS, the parties hereto desire to completely and finally settle all claims, differences, causes of action with respect to the dispute described herein.

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the parties agree as follows:

1. The above recitals are true and correct.
2. UNITED FLORIDA agrees to convey unto the COUNTY all right, title and interest of whatsoever kind that it may have in the above described property.
3. The COUNTY agrees to offer to each employee currently retained by UNITED FLORIDA to operate and maintain the above property a position with the COUNTY, as of their date of employment, without any reduction in pay and with responsibilities and benefits comparable to the position said employee holds with UNITED FLORIDA. Whenever possible the COUNTY shall retain said employee in his/her present position. If, however, that is not

possible, the COUNTY shall have a right to assign said employee to a comparable position. There shall be no probationary period of COUNTY employment for said employees.

4. In the event that the General Manager of UNITED FLORIDA for the above property is not offered a position as provided in paragraph 3 above, or in the event that he takes a position with the COUNTY and his employment is terminated by the COUNTY for any reason other than for cause within the first year of his employment, the COUNTY shall pay said General Manager a total of \$33,364.10 as severance pay.

5. The COUNTY agrees to pay to UNITED FLORIDA the sum of \$12,000,000.00 in cash upon closing, and shall bear all costs of closing.

6. The COUNTY agrees to deliver to UNITED FLORIDA subordinated bonds in the face amount of \$2,250,000.00, which bonds will bear a "tax free" interest rate equal to the interest rate on the bonds issued by the COUNTY to acquire the utility systems. Said subordinated bonds will require payment of principal and interest based on revenues generated by the utility systems after amounts needed for bond servicing and maintenance of the utility systems. Said Bond shall be payable over no more than thirty (30) years. In addition, said Bond shall be in a form that UNITED FLORIDA can recognize the principal amount of the Bond as income in accordance with generally accepted accounting principles, as determined by UNITED FLORIDA's independent public accountants.

7. Closing shall occur on or before August 20, 1991, in St. Johns County, Florida at a site to be designated by the COUNTY. Time is declared of the essence to this Agreement.
8. On date of closing, all meters shall be read and UNITED FLORIDA shall bill and be entitled to receive payment for all services rendered as of said date. If the COUNTY desires, UNITED FLORIDA agrees to bill thereafter on behalf of the COUNTY for a period up to three (3) months with payments to be made to the COUNTY, for which the COUNTY shall pay UNITED FLORIDA its "out-of-pocket" expenses.
9. The COUNTY agrees to purchase at face value all accounts receivables of UNITED FLORIDA for the above property. UNITED FLORIDA agrees to deliver to the COUNTY all customer deposits held by it within thirty (30) days of the date of closing.
10. For the purpose of bond issuance, UNITED FLORIDA agrees to permit full inspection of all accounting records and other documents maintained by said company or any of its agents or employees on or before August 20, 1991.
11. Both the COUNTY and UNITED FLORIDA warrant to the other that the transaction contemplated by this Agreement is a direct, private transaction between the COUNTY and UNITED FLORIDA without the use of a broker or commissioned agent.
12. Each party shall, at the other's request, execute, acknowledge and deliver any instrument or conveyance that may be necessary to properly carry out the provisions of the Agreement.

13. This Agreement embodies the entire understanding and agreement of the parties. There are no terms or conditions other than those contained herein.

14. There shall be no modification of this Agreement except in writing, executed by all parties hereto.

15. This Agreement shall be binding on and inure to the benefit of the parties and their respective legal representatives, successors and assigns.

16. This Agreement shall be governed by the laws of the State of Florida.

17. The undersigned representatives of the COUNTY agree pursuant to the Court Order Scheduling Mediation to recommend approval of the above outlined terms to the Board of County Commissioners of St. Johns County. Upon approval by the Board of County Commissioners, this document shall become a binding stipulation and agreement on both parties hereto.

IN WITNESS WHEREOF, we set our hands and seals on the date set forth above.

UNITED FLORIDA UTILITIES
CORPORATION

BY: *Bob P. Kelly*
BY: *David J. [unclear]*

ST. JOHNS COUNTY

BY: *[Signature]*
BY: *[Signature]*

TABLE 3-1

ST. AUGUSTINE SHORES UTILITIES

Raw Water Supply Wells

I. Wells	#34-D	#34-L	#35	#36	#34E
Year Constructed	1983	1984	1985	1985	1980
Type of Well Construction and Casing		Rotary, Steel	Rotary Steel	Rotary, Steel	Rotary, PVC
Well Diameter (inches)	6	6	6	6	6
Well Depth (ft)	100	100	100	100	100
II. Motors					
Type of Power	Electric	Electric	Electric	Electric	Electric
Rated Horsepower (HP)	5	5	7.5	7.5	5
III. Pumps					
Capacity in GPM	115	115	100	100	60

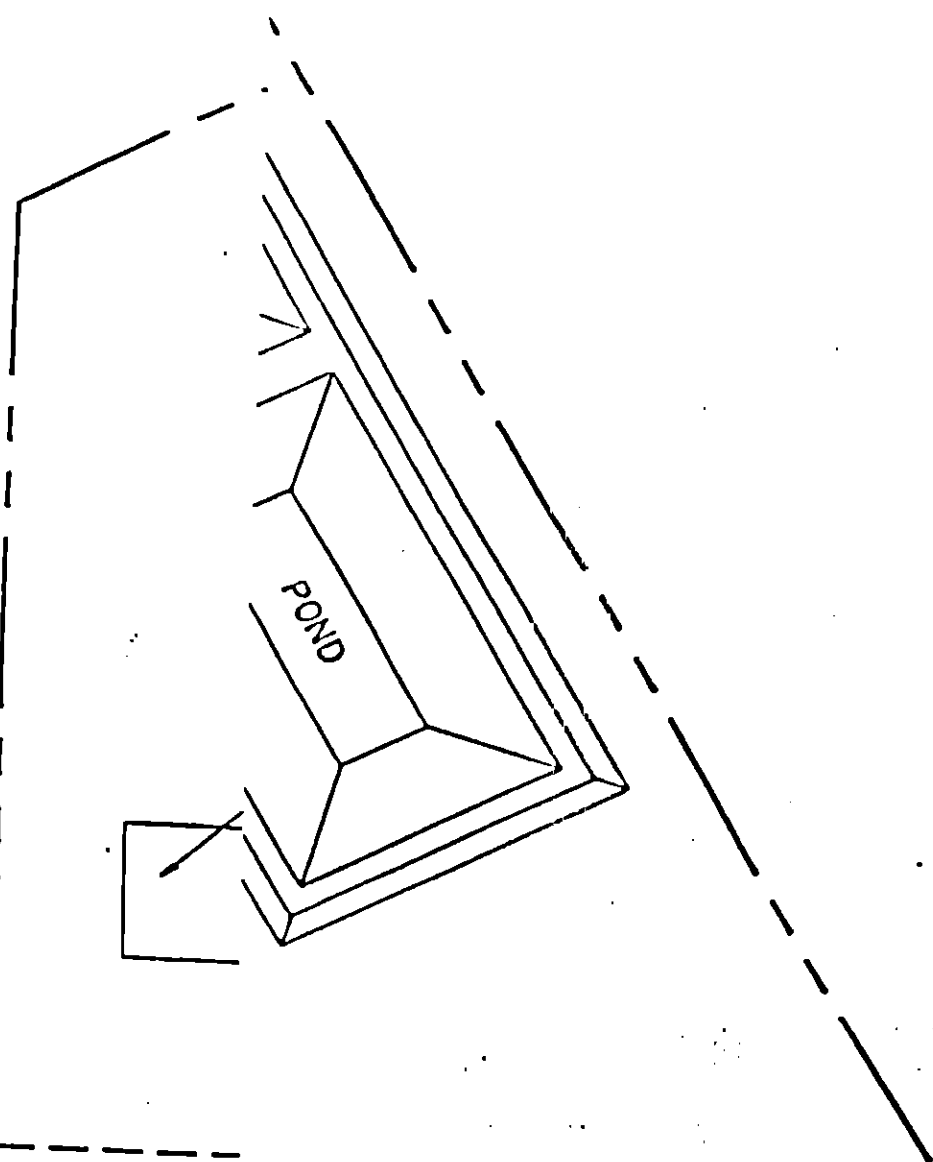
EXHIBIT "A"

TABLE 3-1 (Con't)
ST. AUGUSTINE SHORES UTILITIES
Raw Water Supply Wells

I. Wells	#37	#38	#39	#40	#34G
Year Constructed	1987	1987	1989	1990	1982
Type of Well Construction and Casing Well Diameter (inches) Well Depth (ft)	Rotary, PVC 6 100	Rotary, PVC 6 100	Rotary, PVC 6 100	Rotary, PVC 6 100	Rotary, PVC 6 100
II. Motors					
Type of Power	Electric	Electric	Electric	Electric	Electric
Rated Horsepower (HP)	7.5	7.5	3	7.5	5
III. Pumps					
Capacity in GPM	100	100	100	120	45

SCALE: 1" = 40'

ANALYTIC
JR
STATION



HARTMAN & ASSOCIATES, INC.
engineers, hydrogeologists, scientists & management consultants

Site Layout
Existing WTP
FIGURE 3-4

10230110

TABLE 3-2
ST. AUGUSTINE SHORES UTILITIES
WATER TREATMENT FACILITIES

Line No	Plant Description	Quantity	Type	Size	Capacity
1	Raw Water Storage Tanks	3	Steel - Ground	10'-6" diameter, 45'-6" long	Each 33,000 gallons
2	Filters	3	Steel Construction	10' diameter, 14'-7 1/4" high	Each 150 GPM
3	Spirator	1	Steel Construction	9' diam., 24'-10" high	450 gpm
4	Lime Silo	1	Wallace & Tieman Series A-758 Slaker	12' outside diam., 34'-5" high	-
5	Lime Storage	1	Steel Tank	6' diam., 4' high	720 gallons
6	Lime Feed Pumps	2	Milnes Roy model DMRI-59-95	-	3/4 HP Motor, 220V., 30
7	Spiralated Catalytic Precipitator	1	Steel	11'-3" diam., 28' high	1,050 gpm
8	Filter	1	Steel Utilized Fourcell Control	24' diam., 18' high	1,050 gpm
9	Backwash	1	Centrifugal, Horiz. Split Case Control	Deming Size 12' x 10' x 12'	1,650 GPM at 22' TDH, 15HP Motor
10	Surfactant Pump	2	Peerless Pump Model - GAD11	-	1,050 GPM at 40' TDH, 15 HP Motor
11	Air Blower Housing	1	Submittal - Model #4 m/v	-	155 cfm @ 5 psig
12	Hydroxymeth Storage Tank (WTP Site)	1	Steel Tank	6' diam., 35'-5" long	7,500 gallons
13	Hydroxymeth Storage Tank (Unit 2)	1	Steel Tank	6' diam., 29'-5" long	6,000 gallons
14	Ground Storage Tank (WTP Site)	1	Circular - Concrete Construction	70' diam., 17'-5" high	500,000 gallons
15	Ground Storage Tank (Unit 2)	1	Circular - Concrete Construction	-	1,000,000 gallons
16	Chlorination System	1	Chlorinator: Advance Mod. 205-100 P.P.D. Scale: Model 437 Cylinder Scale	-	100 pounds/day
17	High Service Pumps (WTP Site)	3	Peerless End Suction	1' x 2'	80 GPM @ 170' TDH, 7.5HP Motor
			Peerless 4AD 14 Single Stage Centrifugal	6' x 4'	500 GPM @ 173' TDH, 40HP Motor
			- W/L.P./G. Engine	6' x 4'	500 GPM @ 64 HP Motor
18	High Service Pumps (Unit 2 Storage Tank)	3	Peerless End Suction	1' x 2'	100 GPM @ 102HP Motor
			Peerless 4AD 14 Single Stage Centrifugal	6' x 4'	500 GPM @ 50HP Motor
			- W/L.P./G. Engine	6' x 4'	500 GPM @ 50HP Motor
19	Auxiliary Power Generator	1	Placor Generator/L.P.G. Engine	-	50 KW, 480V., 30 w/Berules
20	Generator Shelter	1	Concrete Block Construction	11'-0" L x 6'-6" W x 16'-0" H	-
21	Master Meter	1	Spring Meter Co - Master Flow Main Line	8" Meter - 150 FLANGE	-
22	Operations Building	1	Concrete Block Construction	51'-8" L x 30'-0" W x 11'-0" H	-
23	Water Treatment Plant Acreage	-	290,765 Square Feet (approx. 6.676 Acres)	-	-

TABLE 3-3

ST. AUGUSTINE SHORES UTILITIES
Water Transmission/Distribution System

I. Treated Water Mains:

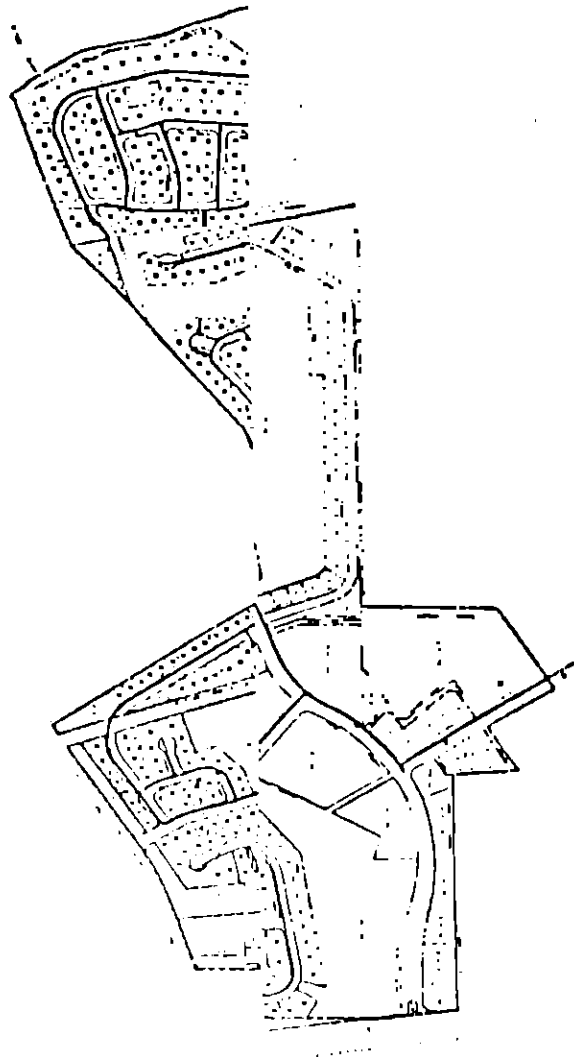
<u>Pipe Diameter</u> <u>(inches)</u>	<u>Pipe Material</u>	<u>Total Footage</u> <u>(ft)</u>
4	PVC	54,020
6	PVC	73,218
8	PVC	29,685
10	PVC	10,540
12	PVC	3,260
12	AC	4,260
14	AC	6
16	AC	3,857
18	AC	2,579

II. Raw Water Mains:

4	PVC	1,428
6	PVC	2,688
8	PVC	2,345
10	PVC	11,420

Total

199,336 feet



0110C202

HARTMAN & ASSOCIATES, II
engineers, hydrogeologists, scientists & management consultants

Water Distribution and Treatment System

FIGURE 3-5

TABLE 3-4
ST. AUGUSTINE SHORES UTILITIES
Fire Hydrants

Year Place In Service	Hydrant Type	Total Hydrants Added
<i>Prior To</i> 1987	4 1/2"	117
1988	4 1/2"	0
1989	4 1/2"	<u>0</u>
Total		117

TABLE 3-5
ST. AUGUSTINE SHORES UTILITIES
Water Meters(1)

Meter Size (inches)	Number of Meters
5/8 x 3/4	2,286
1	11
1 1/2	14
2	5
3	0
4	0
6	0
8	0
Total	2,316

(1) As of April 16, 1991

TABLE 3-6

ST. AUGUSTINE SHORES UTILITIES
 LISTING OF GENERAL PLANT ASSETS
 Water System

Line No.	Item Description	Quantity
	<u>I. General Plant</u>	
1	IBM 55SX Computer with Color Screen, Printer, Keyboard, Hard Drive. This also runs the telemetry system on all the pumps used for the water plant including raw and treated.	1
2	Wooden Desk	1
3	Desk Chairs	1
4	Window Heat and Air Conditioner AMCOR model 218AERJ62	1
5	Metal Filing Cabinet	1
6	Texas Inst. Calculator	1
7	Stirrer Coming PC-353	1
8	pH Meter Hach One Laboratory pH Meter	1
9	Nephelometer Turner Designs	1
10	Survivair Air Pack model LP30	1
11	Weedeater Stihl FS81	1
12	John Deere Lawn Mower	1
13	Calgon Pump Mega-Matic D60D2	1
14	Tandem Diaphragm Metering Pump Pennwalt series 44	1
15	Raw Water Pumps Peerless Pump #6AD14	1
16	Emergency Telephone Dialer ADEMCD #612	2
17	Line Booster Pump A.O. Smith P56M2S7	1
	<u>II. Field Equipment</u>	
18	L.S. Air Blower General GPB	1
19	Bench Grinder AllTrade 6" 1/2 HP	1
20	Stihl Concrete Saw Stihl TS350	1
21	Winch Trailer for pulling sump. L.S. pumps	1
22	12x20 Metal Storage Shed	1
23	Diaphragm Gas Pump Gorman-Rump	1
24	Trash Pump Gorman-Rump model 13-E2-K321P S/8	1
25	500 Gallon Fuel Tanks 1-Gas 1-Diesel	1
26	Fuel Pump Gorman-Rump model 13-E2-K321P S/G	1
27	500 Gallon Fuel Tanks 1-Gas 1-Diesel	1
28	Fuel Pump Electric	1
29	Conference Table	1

TABLE 3-6 (Con't)

ST. AUGUSTINE SHORES UTILITIES
 LISTING OF GENERAL PLANT ASSETS
 Water System

Line No.	Item Description	Quantity
30	Office Chair	1
31	Conference Building	1
32	Metal Desk with Typewriter Stand	1
33	Office Chair	1
34	S-10 Pickups with toolboxes	1
	1988	4
	1987	2
	1989	1
35	John Deere Backhoe 310C	1
		1
	<u>III. Misc. Equipment - Billing Office</u>	
36	4 Drawer Filing Cabinets	
37	5 Drawer Filing Cabinets	5
38	Wooden Desk	3
39	Sec. Wooden Desk with Typing Return	2
40	Metal Desk	1
41	Microfish Viewer MicroDesign model Comette	1
42	Panasonic Typewriter #KX-E700M	1
43	Wooden Round Table	1
44	All Wood Storage Cabinet	1
45	Microwave Sanyo #EMA102	1
46	Refrigerator Top Model Juliette	1
47	Computer Stands	1
48	Printer Table	2
49	Large All Wood Counter	1
50	Office Chairs	1
51	Epson Printer FX-286c	4
52	IBM Personal Computer with Color Monitor, Keyboard, Floppy Drive	1
53	Wood Table with Cabinet	2
54	Credenza	1
55	Blue Print Holder	1
56	Typewriter Table	1
57	Table with Office Chair on each side	1

TABLE 3-8
ST. AUGUSTINE SHORES UTILITIES
OTHER ASSETS

Line No.	<u>Item Description</u>
1	Land and Easements, Rights, See Land and Easements Notebook
2	Miscellaneous Tools, Equipment, Etc.
3	Stock on Hand
4	Records, Drawings, Engineering Reports, System Report, Hydraulic Analysis Disks and Programs, Drawings, Etc., Operations and Management Information
5	Customer Information, Billing Records, Billing Procedures, Etc., Financial and Administrative Information

TABLE 3-7
ST. AUGUSTINE SHORES UTILITIES
Wastewater Collection System

<u>Pipe Diameter</u> <u>(inches)</u>	<u>Pipe Material</u>	<u>Total Footage</u> <u>(ft)</u>
8	PVC	120,725
10	PVC	<u>4,112</u>
Total		124,837 feet

TABLE 3-8
ST. AUGUSTINE SHORES UTILITIES
Manholes

Year Place In Service	Size	Type	Number
Prior to 1986	4'	Concrete	525
1987	4'	Concrete	12
1988	4'	Concrete	0
1989	4'	Concrete	<u>0</u>
Total			537

TABLE 3-9

ST. AUGUSTINE UTILITIES
LISTING OF WASTEWATER PUMP STATIONS

Lift Station Number	Lift Station Name	Year Installed	Number of Pumps	Pump. Manuf.	Pump Capacity (gpm)	Pump Horsepower (hp)
1-A	Tract "L" (Unit 1)	1987	2	ABS	220	20
1-B	Tract "C" (Unit 1)	1986	2	ABS	130	5.4
1-C	Lot 10, Block 20 (Unit 1)	1987	2	ABS	260	30
	Recreation Center	1988	2	ABS	100	5
1-E	Tract "A" (Unit 1)	1990	1	ABS	60	2
2-A	Tract "Q" (Unit 2)	1981	1	ABS	100	5
2-C	Tract "T" (Unit 2)	1973	2	ABS	300	15
2-D	Tract "F" (Unit 2)	1980	2	ABS	100	3
2-E	Tract "P" (Unit 2)	1980	2	ABS	100	3
2-F	Tract "P" (Unit 2)	1987	2	ABS	100	3
3-A	Tract "D" (Unit 3)	1987	2	ABS	350	3
3-B	Tract "F" (Unit 3)	1976	2	EMTU	125	5
4-A	Shores Blvd. Tract "B", Block 116 (Unit 4)	1978	2	ABS	200	3
4-B	Lot B3, Block 121 (Unit 4)	1979	2	ABS	100	15
4-C	Lot 9, Block 123 Unit 4)	1987	2	ABS	122	1-75
4-D	Tract "C" (Unit 4)	1987	2	ABS	130	2-5
5-A	Tract "H" (Unit 5)	1981	2	ABS	130	3-2
6-A	Tract "Z" (Unit 6)	1981	2	ABS	300	10
A	Conquistador Condo	1981	2	ABS	200	10
WTP	Tract "T" (Unit 1)	1989	1	ABS	30	2
C	Inferim Conquistador Condo	1988	1	ABS	75	1.75
B	Conquistador Condo	1981	2	ABS	--	10
WWTP	Unit 2	1987	2	ABS Pizaha	--	--

TABLE 3-10
ST. AUGUSTINE SHORES UTILITIES
Wastewater Force Mains

Pipe Diameter (inches)	Pipe Material	Total Footage (ft)
3	PVC	1,067
4	PVC	24,024
6	PVC	6,901
8	PVC	4,901
10	PVC	3,208
12	PVC	6,011
Total		45,320 feet

TABLE 3-11

ST. AUGUSTINE SHORES UTILITIES
Wastewater Treatment Facilities

Line No	Plant Description	Quantity	Type	Size	Capacity
1	Spinflow Clarifier	1	Starter-Allen Bradley Size 0 Heaters - N-E Coil-70AS6 Fuse - (2) Amps, 600 volt Eco-Eos 15	40' diam., 14' Depth	132,000 gallons
2	Contact and Stabilizer Tanks	2	BESS. Aquajet Model 55501 Part #3656273, Motor: General Electric 5N254FP6720AE, 15HP 3PH 460 volt	35' diam., 15' SWD	Each 100,000 gallons
3	Digester	1	Fixed Aerator - Starter - Allen Bradley Size 2, Heaters N-49, Fuse - (3) 60 amp., 600 volts, Dayton Time Clock Model 2E026 20HP Surface Aerator Motor	50' diam.	-
4	Return Sludge Pumps	2	Motor: U.S. Electric 8HP, 3PH, Pump Serial #7994133-1, 600RPM		150 GPM
5	Sludge Holding Tank	1	Wetmore Pump, Torque Flow, Pump Model E, 600 RPM, Motor, 3HP, 3PH		-
6	Air Compressor	1			-
7	Sludge Drying Beds	8	Concrete - Sand and Gravel	30' x 60'	12,000 gallons each
8	Auxiliary Power Generator	1	Zenith Automatic Control Box	200KVA, 3205 Caterpillar Engine Serial #SYF00301	-
9	Operations and Maintenance Building	1	Concrete Block Construction		
10	Lightning Arrestor	1			
11	Storage Shed	1	Metal	12' x 20'	-
12	Fuel Tank	1			500 gallon

TABLE 3-12

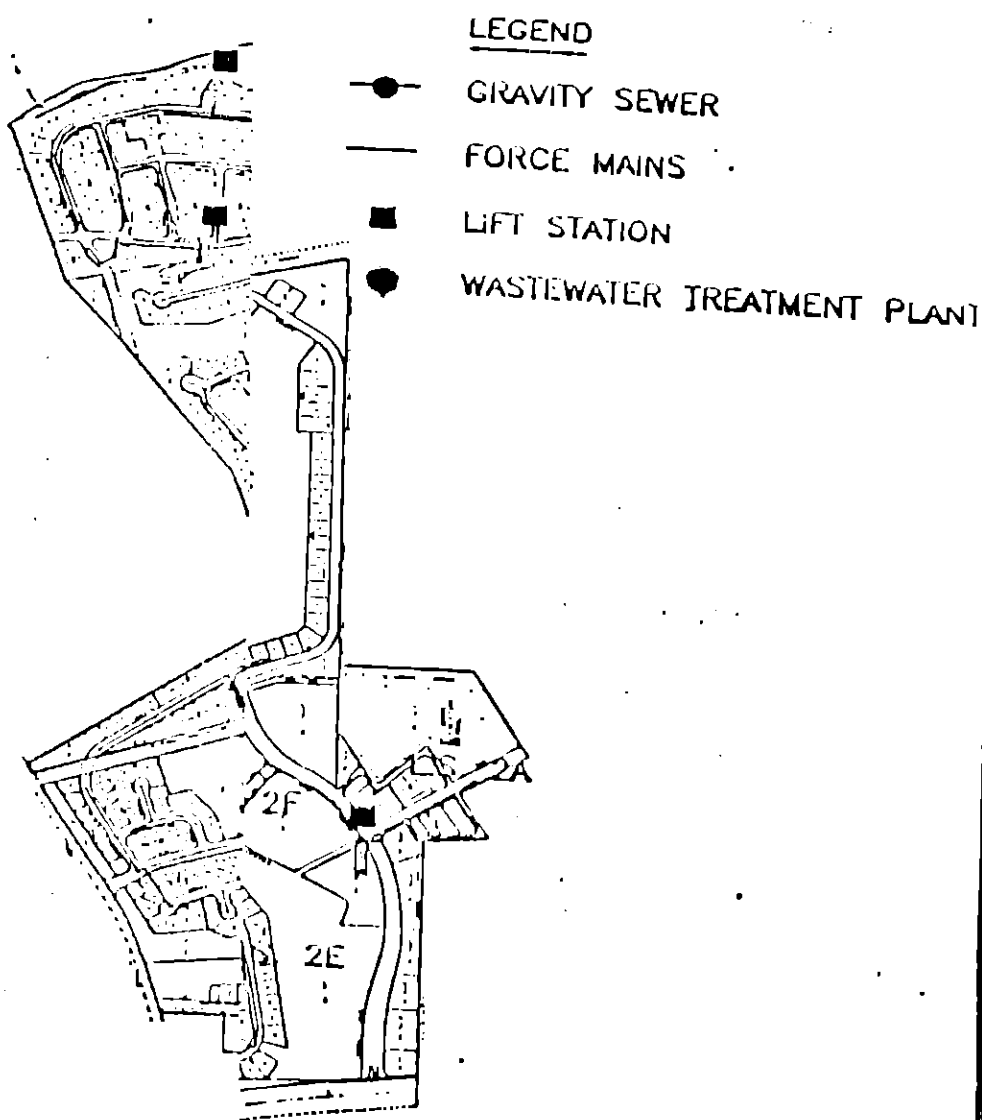
ST. AUGUSTINE SHORES UTILITIES
Wastewater Effluent Disposal Facilities

Line No	Plant Description	Quantity	Type	Size	Capacity
1	Percolation Ponds	3			
2	Chlorine Contact Chamber	2			
3	Spray Effluent Pump	2	Peerless Pump Model #8LB2, Starter-Allen Bradley Size 3	Motor: U.S. Electric, 3PH 30HP, 480 volts	30 GPM 127 TDH
4	Spray Effluent Sprinklers	15	Heads: Rain Birds Model 30, Nozzle 3/16" x 1/8" - 20°		
5	Monitoring Wells	6		4" diam.	
6	Sprinkler Pump	1	Starter-Fumas Size 1 2/4, Motor: Capacity 10HP, 3PH, 460 volts		
7	Hydropneumatic Tank	1	Buffalo RT-3		
8	Wash Down Well	1	2 HP Submersible Pump and Motor	4" diam. 60' deep	
9	Air Compressor	1	WhiteWater AirRite Model		
10	Booster	1	SiaRite LT1/6L		
11	Diagnos Metering Pump	1	SiaRite D82/D		
12	Pumps	2	Pulse 680	0.16 HP	
		4	ABS - AF22	4" diam.	
		4	ABS - AF15	4" diam.	
		2	ABS - SUS - SD		
13	Effluent Filters	2	LuFisco Degreaser		
			Cust. #9203-01R1		
14	Chlorinator System	1			0.500 mgd each
15	Emergency Shower	1			200 lb/day
16	Alum Tank	1			400 gallon

TABLE 3-13

ST. AUGUSTINE SHORES UTILITIES
 LISTING OF GENERAL PLANT ASSETS
 Wastewater System

Line No.	Item Description	Quantity
1	Metal Desk	1
2	Metal Filing Cabinets	1
3	Microscope Reichert #160	2
4	Stirrer Sybron #7200	1
5	Furnas Thermolyne type 1500	1
6	p/H Meter Corning Model 7	1
7	Refrigerator Magic Chef RB19HN-A	1
8	Incubator Freas 815	1
9	Texas Instrument Calculator	1
10	Panosonic Pencil Sharpener	1
11	Carrier Window Heat and Air Conditioner	1
12	Office Chair	1
13	Mettler Scale #H31	1
14	Badger Flowmeter model #3000+	1
15	Oven Blue M Electric SW17TA	1
16	Oxygen Meter YSI model 54A	1
17	Honeywell chart Recorder #DR4500	1
18	Chlorine Analyzer Capital Controls model 1870E	1
19	Turbidity Analyzer 1885 with Cleaner 755F Capital Controls	1
20	John Deere Weedeater	1
21	John Deere Riding Mower #212	1
22	Portable Generator Robyn #P8000	1
23	Survivair Air Pack model LP30	1



LEGEND

- GRAVITY SEWER
- FORCE MAINS
- LIFT STATION
- WASTEWATER TREATMENT PLANT

HARTMAN & ASSOCIATES, IN
 engineers, hydrogeologists, scientists & management consultants

Wastewater Collection and Treatment System

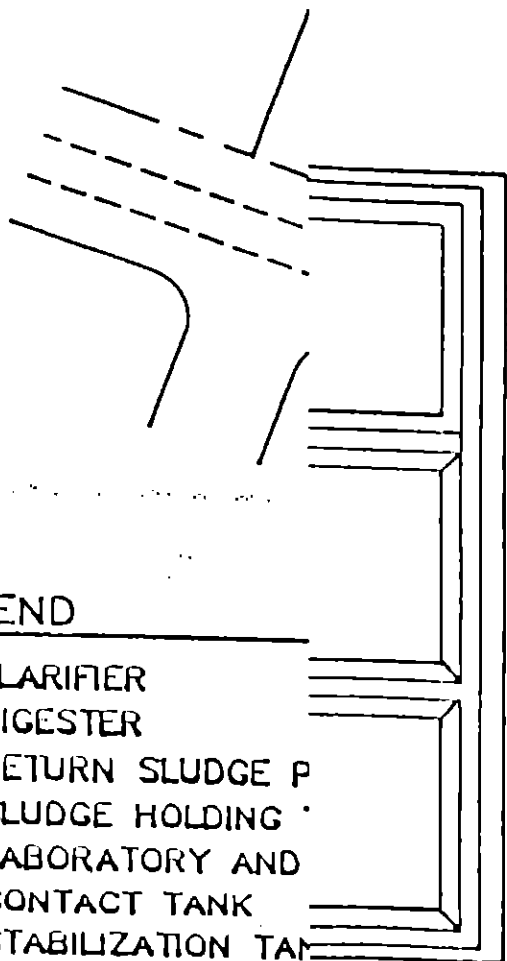
FIGURE 3-6

01100202

TABLE 3-8
ST. AUGUSTINE SHORES UTILITIES
OTHER ASSETS

Line No.	Item Description
1	Land and Easements, Rights, See Land and Easements Notebook
2	Miscellaneous Tools, Equipment, Etc.
3	Stock on Hand
4	Records, Drawings, Engineering Reports, System Report, Hydraulic Analysis Disks and Programs, Drawings, Etc., Operations and Management Information
5	Customer Information, Billing Records, Billing Procedures, Etc., Financial and Administrative Information

WATER STORAGE FACILITIES
AND HIGH SERVICE PUMPS



LEGEND

- 1.) CLARIFIER
- 2.) DIGESTER
- 3.) RETURN SLUDGE P
- 4.) SLUDGE HOLDING
- 5.) LABORATORY AND
- 6.) CONTACT TANK
- 7.) STABILIZATION TAN

HARTMAN & ASSOCIATES, I

engineers, hydrogeologists, consultants & management corps

Existing Wastewater
Treatment Plant

FIGURE 3-7

01100202

APPENDIX I TO STIPULATION AND JOINT MOTION

Exceptions to the statements and information obtained in the Answers to Interrogatories on behalf of United Florida as filed in the above-styled cause and the "Listing of Assets for the St. Augustine Shores Water and Wastewater System" dated April 23, 1991 prepared by United Florida's Engineers and the "Land and Easement notebook for the St. Augustine's Water and Wastewater System" dated April 23, 1991 as prepared by United Florida's Engineers are as follows:

(a) All of the equipment and personal property is used equipment and the Properties are being delivered "as is". United Florida makes no representations or warranties with respect to the operating condition of the Properties.

(b) United Florida makes no representation as to whether the existing easements are adequate to provide service to the certificated area.

(c) The transfer of the Properties is subject to all qualifications and conditions contained in any title binder in favor of the County issued by any title insurer in connection with the transfer of such Properties to the County, and all matters reflected in recorded documents in St. Johns County, Florida.

[BOND COUNSEL OPINION]

August 22, 1991

The Honorable Chairman and
Board of County Commissioners
of St. Johns County, Florida
St. Augustine, Florida

Ladies and Gentlemen:

We have examined certified copies of the proceedings of the Board of County Commissioners (the "Board") of St. Johns County, Florida (the "Issuer"), and other proofs submitted relative to the authorization, issuance and sale of and the security for the following described bonds (the "Bonds"):

\$2,250,000
ST. JOHNS COUNTY, FLORIDA
SUBORDINATED WATER AND SEWER REVENUE BONDS
SERIES 1991
Dated August 22, 1991

The Bonds are issued pursuant to the Constitution and laws of the State of Florida, including particularly Chapter 125, Part I, Florida Statutes, as amended, St. Johns County Ordinance 86-89, and a resolution duly adopted by the Board on August 13, 1991 (the "Resolution"), to finance a part of the cost of the acquisition of certain privately-owned water and sewer facilities operating within St. Johns County, to be consolidated with the public water and sewer system of the Issuer. We have examined the law and other papers as we deem necessary to render this opinion. All terms used herein in capitalized form and not otherwise defined herein shall have the respective meanings assigned to such terms in the Resolution.

The principal of and interest on the Bonds are payable solely from and secured by a lien upon and a pledge of certain of the Net Revenues of the System, but only in the manner and to the extent described in the Resolution (the "Pledged Funds").

The lien upon and pledge of the Pledged Funds in favor of the owners of the Bonds is subordinate and inferior in every respect to the lien thereon and pledge thereof in favor of the owners of the Issuer's outstanding Water and Sewer Revenue Bonds, Series 1989 and

Appendix 2 to Stipulation and Joint Motion

The Honorable Chairman and
Board of County Commissioners
of St. Johns County, Florida
August 22, 1991
Page 2

Water and Sewer Revenue Bonds, Series 1990B-I and B-II, and the Issuer's Water and Sewer Revenue Bonds, Series 1991A, issued concurrently with the issuance of the Bonds (collectively, the "Prior Lien Obligations").

The Bonds and the interest thereon do not constitute a general indebtedness of the Issuer or a pledge of its faith and credit, but are payable solely from the Pledged Funds in the manner provided in the Resolution. No owner of any of the Bonds shall ever have the right to compel the exercise of the ad valorem taxing power of the Issuer to pay the Bonds or interest thereon or be entitled to payment of the Bonds or interest thereon from any moneys of the Issuer except the Pledged Funds.

The Issuer has reserved the right to issue "Additional Bonds," as such term is defined in the Prior Lien Resolution, to be payable from and secured by the Pledged Funds on a parity, equally and ratably, with the Prior Lien Obligations, upon the terms and conditions prescribed in the Prior Lien Resolution.

The Issuer has reserved the right to issue Additional Subordinated Bonds to be payable from and secured by the Pledged Funds on a parity, equally and ratably, with the Bonds, upon the terms and conditions prescribed in the Resolution.

AS to questions of fact material to our opinion, we have relied upon the representations of the Issuer contained in the Resolution and other certifications of public officials furnished to us without undertaking to verify the same by independent investigation.

Based upon the foregoing, we are of the opinion, under existing law, as follows:

1. The Issuer is a duly created and validly existing political subdivision of the State of Florida with the power to adopt the Resolution, perform the agreements on its part contained therein and issue the Bonds.
2. The Resolution has been duly adopted by the Issuer and constitutes a valid and binding obligation of the Issuer enforceable upon the Issuer in accordance with its terms.
3. The Bonds have been duly authorized, executed and delivered by the Issuer and are valid and binding special obligations of the Issuer enforceable in accordance with their terms.

The Honorable Chairman and
Board of County Commissioners
of St. Johns County, Florida

August 22, 1991

Page 3

4. The Bonds and the interest thereon are exempt from taxation under the laws of the State of Florida, except as to estate taxes and taxes on interest, income or profits on debt obligations owned by corporations, as defined by Chapter 220, Florida Statutes, as amended.

5. Interest on the Bonds (a) is excluded from gross income for federal income tax purposes and (b) is not an item of tax preference for purposes of the federal alternative minimum tax applicable to all taxpayers; provided, however, that interest on the Bonds is included in "adjusted current earnings" for purposes of calculating the alternative minimum tax imposed on corporations. The opinion set forth in clause (a) above is subject to the condition that the Issuer comply with all requirements of the Internal Revenue Code of 1986, as amended, that must be satisfied subsequent to the issuance of the Bonds in order that interest thereon be (or continue to be) excluded from gross income for federal income tax purposes. Failure to comply with certain of such requirements could cause the interest on the Bonds to be so included in gross income retroactive to the date of issuance of the Bonds. The Issuer has covenanted to comply with all such requirements.

We express no opinion regarding other federal tax consequences arising with respect to the Bonds.

6. The Bonds are exempt from registration under the Securities Act of 1933, as amended, and the Resolution is exempt from qualification as an indenture under the Trust Indenture Act of 1939, as amended.

7. The Bonds and Resolution are exempt from registration under Florida law.

It is to be understood that the rights of the owners of the Bonds and the enforceability of the Bonds and the Resolution may be subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws affecting creditors' rights heretofore or hereinafter enacted to the extent constitutionally applicable and that their enforcement may also be subject to the exercise of judicial discretion in appropriate cases.

Respectfully submitted,

APPENDIX III TO STIPULATION AND JOINT MOTION

The following contracts, leases, options, claims, unpaid taxes, assessments and interests:

1. Development Agreement between the Deltona Corporation and St. Augustine Shores Utilities dated November 6, 1989 as amended June 12, 1990.
2. Five Coupon Books relating to maintenance on five pieces of land providing for monthly payments of \$15.35 for each piece of land.
3. Lease Agreement between Runk-Thompson and St. Augustine Shores Utilities, a division of United Florida Utilities Corporation dated June 1, 1990.
4. Equipment Agreement between St. Augustine Shores Utilities and AT&T Information Systems, Inc. executed by St. Augustine Shores on June 20, 1988.
5. Equipment Lease for FAX machine between St. Augustine Shores Utilities and First United Leasing Corporation dated August 10, 1989.
6. Postage Meter Rental Agreement between Pitney-Bowes, Inc. and St. Augustine Shores Utilities dated March 16, 1972.
7. Answering Service Subscription Agreement between Ancient City Answering Service and St. Augustine Shores Utilities.
8. Service Agreement/Equipment Lease between Pactel Paging and St. Augustine Shores Utilities dated July 1, 1989.
9. Purchase Order from SSU Services to Peroxidation Systems, Inc. relating to 100 pounds of Perox Plus in the amount of \$6,000.00.
10. Purchase Order from SSU Services for shipping to St. Augustine Shores Utilities to Allied Lime Company for pebble quick lime, high calcium in the amount of \$9,721.25.
11. Purchase Order from SSU Services to PB&S Chemical Company, Inc. relating to chlorine gas in the amount of \$53,970.00.
12. Purchase Order from SSU Services to PB&S Chemical Company, Inc. relating to Prestochlor granular in the amount of \$31,820.00.

- 2 -

13. Purchase Order from SSU Services to PB&S Chemical Company relating to sulfuric acid in the amount of \$6,684.95.

14. Purchase Order from SSU Services to PB&S Chemical relating to sodium hex-glass in the amount of \$4,550.00.

The County agrees pursuant to Section 8(d) of the Stipulation and Joint Motion for Final Judgmente that it shall assume the following leases, agreements and other commitments:

The contracts listed in paragraphs 1 through 14 above.

BLACKLINE COPY
^ Deletions
— Additions
8/9/91

Appendix 4 to Stipulation and Joint Motion

[LETTERHEAD OF Gray, Harris & Robinson
Suite 1200, Southeast Bank Building
201 E. Pine Street
Orlando, Florida 32801]

August 22, 1991

The Honorable Board of County Commissioners
of St. Johns County, Florida
St. Johns County Administration Building
Post Office Box 349
St. Augustine, Florida 32085

and

Dobson & Christensen, P.A.
66 Cuna Street, Suite B
St. Augustine, Florida 32084

Re: St. Johns County, a political subdivision
of the State of Florida, Plaintiff,
vs. United Florida Utilities Corporation,
a Florida Corporation; and Dennis W. Hollingsworth
as tax collector for St. Johns County, Florida,
Defendants,
Case No.: 91-114-CA, Circuit Court, Seventh
Judicial Circuit, St. Johns County, Florida (the "Civil
Action")

Ladies and Gentlemen:

We have acted as counsel to United Florida Utilities Corporation ("United Florida") in connection with the Civil Action. In the Civil Action United Florida entered into a certain agreement dated the 4th day of June, 1991, with St. Johns County for resolution of the parties' differences in the action (the "Mediation Agreement") and a Stipulation and Joint Motion for Final Judgment dated August 13, 1991 between the County and United Florida (the "Joint Stipulation"). This opinion is furnished pursuant to paragraph 12 of the Mediation Agreement and paragraph 8(e) of the Joint Stipulation and is given with the consent of United Florida. Capitalized terms not otherwise defined in this opinion have the definitions set forth in the Joint Stipulation.

Hon. Board of County Commissioners
and Dobson & Christensen, P. A.
August 22, 1991
Page 2

We do not express any opinion concerning any law other than the law of Florida and the federal law of the United States.

This opinion has been prepared and is to be construed in accordance with Report on Standards For Florida Opinions, dated April 8, 1991, issued by the Business Law Section of The Florida Bar (the "Report"). The Report is incorporated by reference into this opinion.

Based on the foregoing and subject to the qualifications and limitations stated in this letter and in the Report, we are of the opinion that:

1. United Florida has been incorporated under and is in good standing pursuant to the Florida Business Corporation Act.
2. The company has the corporate power to conduct its business and to execute and deliver the Mediation Agreement and the Joint Stipulation and to perform its obligations under the Joint Stipulation and Final Judgment entered in the Civil Action.
3. United Florida has duly authorized the execution, delivery and performance of the Mediation Agreement, the Joint Stipulation and the Transfer Documents and all other documents and certificates necessary to perform its obligations.
4. The Mediation Agreement, the Joint Stipulation, the Closing Certificate, the Title Certificates, the Assignments, the Satisfaction of Judgment, the Disclaimer Statement, the Billing Agreement, the Permits, the Telephone Numbers, and, if assumed by the County, the assignment of the Effluent Agreement have been executed and delivered by United Florida.
5. The execution and delivery of the Mediation Agreement and the Joint Stipulation, performance by United Florida of its obligations under the Mediation Agreement and Joint Stipulation and the performance by United Florida of

Hon. Board of County Commissioners
and Dobson & Christensen, P. A.
August 22, 1991
Page 3

its obligations created by the Mediation Agreement and the Joint Stipulation do not (a) violate United Florida's Articles of Incorporation or By-Laws; (b) to our knowledge, constitute a breach of or a default under any agreement or instrument to which United Florida is a party or by which it or its assets are bound, or result in a creation of a mortgage, security interest or other encumbrance upon the Properties; (c) to our knowledge, violate a judgment, decree or order of any court or administrative tribunal, which judgment, decree or order is binding on United Florida or the Properties; or (d) violate any federal or Florida law, rule or regulation.

6. The transfers of the Properties are exempt from and not subject to the provisions of the Florida Bulk Sales Act and more particularly Florida Statutes Chapter 676.

7. Except for the consent and approval of _____, with regard to the Permits, no notice, report or other filing or registration with, and no consent, approval or authorization of, a Federal, Florida or local governmental authority is required to be submitted, made or obtained in connection with the execution, delivery and performance of the Mediation Agreement, the Joint Stipulation, the Final Judgment or the Transfer Documents, which, if not obtained, could have a materially adverse impact on the transaction contemplated by such documents.

8. Subject to the limitations contained in the next paragraph, the Mediation Agreement, the Joint Stipulation, the Final Judgment, the Disclaimer Statement, the Assignments, the Title Certificates, the Satisfaction of Judgment, the assignment of the Effluent Agreement, the Billing Agreement, and the Assignments of the Permits, and the Telephone Numbers are valid and binding obligations of United Florida enforceable against United Florida under the laws of Florida and the federal law of the United States.

Our opinion concerning the validity, binding effect and enforceability of the above enumerated documents means that (a) each such document constitutes an effective contract under applicable law, (b) each such document is not invalid

Hon. Board of County Commissioners
and Dobson & Christensen, P. A.
August 22, 1991
Page 4

in its entirety because of a specific statutory provision or public policy and is not subject in its entirety to a contractual defense, and (c) subject to the last sentence of this paragraph, some remedy is available if United Florida is in material default under the provisions thereof. This opinion does not mean that (a) any particular remedy is available upon a material default, or (b) every provision of each of said documents will be upheld or enforced in any or each circumstance by a court. Furthermore, the validity, binding effect and enforceability of such documents may be limited or otherwise effected by (a) bankruptcy, insolvency, reorganization, moratorium, or other similar statutes, rules, regulations or other laws effecting the enforcement of creditors' rights and remedies generally, and (b) the unavailability of, or limitation on the availability of, a particular right or remedy (whether in a proceeding in equity or at law) because of an equitable principle or a requirement as to commercial reasonableness, conscionability or good faith.

In rendering the foregoing opinion, we have not expressed an opinion on matters of marketability or merchantability of title to the Properties. These matters are covered by a title insurance binder obtained by you at your expense and dated _____.

This opinion is furnished to you by us as counsel for United Florida, is solely for your benefit and, subject to the limitation in the preceding paragraph, for the benefit of North Florida Title Company and American Pioneer Title Insurance Company, and is rendered solely in connection with the transaction to which the opinion relates. This opinion may be relied upon only in connection with this transaction and may not be relied upon by any other persons without our prior written consent, except that a copy of this opinion may be delivered by you to North Florida Title Company and American Pioneer Title Insurance Company in connection with the issuance of title insurance insuring title in the County to all or a portion of the Properties, and these persons may rely on this opinion as if it were addressed to them.

Very truly yours,

Appendix 5 to Stipulation and Joint Motion

BILLING AGREEMENT

THIS AGREEMENT made and entered into as of the 22nd day of August, 1991 by and between St. Johns County, Florida, a Political Subdivision of the State of Florida ("the County"), and United Florida Utilities Corporation ("United Florida").

W I T N E S S E T H:

That as a part of the consideration for the entry in and to that certain Joint Motion and Stipulation (the "Joint Stipulation") filed in that certain civil action pending in the Circuit Court, Seventh Judicial Circuit, in and for St. Johns County, Florida styled St. Johns County, a political subdivision of the State of Florida, Plaintiff vs. United Florida Utilities Corporation, a Florida corporation; and Dennis W. Hollingsworth, as tax collector for St. Johns County, Florida, Defendants, Case No.: 91-114-CA, and in further consideration of the mutual covenants hereinafter contained, the County and United Florida agree as follows:

1. Definitions. Capitalized terms used herein and not defined are used as defined in the Joint Stipulation. The following term shall have the following meaning in this Agreement unless another meaning is plainly intended:

"System" means that certain water and sewer utility system consisting of the Properties operated by United Florida within and in the vicinity of St. Augustine Shores,

1

St. Johns County, Florida being transferred to the County pursuant to the terms of the Joint Stipulation and the Final Judgment.

2. Meter Readings.

A. Reading. As of August 21, 1991, United Florida will have caused all System customers to be read (the "Final Meter Reading") and will promptly thereafter (but no later than August 31, 1991) render a final billing (the "Final Billing") in accordance with United Florida's standard billing practices to each of the System's customers.

B. Notification of County. In the event that a billing to a customer shall be unpaid as of such date that United Florida would, in accordance with its normal practices disconnect services, United Florida will promptly furnish in writing to Tammy H. Cameron, or such other person as may be designated by the County, all information reasonably required by the County to disconnect such customer from service. The information should include, but not be limited to, the name and address of each customer to be disconnected, the unpaid amount remaining on the customer's account, the Final Meter Reading, and a copy of the Final Billing as to each such customer.

C. Disconnection. Upon receipt of such information, the County will promptly, and in accordance with United Florida's normal procedures, a copy of which will be

furnished to County by United Florida, cause such unpaid customer to be disconnected from service and will not restore service to each customer until the unpaid amount is paid together with such deposit, disconnection charges and reconnection charges as the County may require under its normal procedures and policies. The County will collect from the customer any unpaid amounts owed to United Florida and, upon collection, will promptly transmit the unpaid amounts collected, exclusive of new deposits, disconnection and reconnection charges, to United Florida. In the event that United Florida shall receive from a customer the amounts owed under the unpaid bill after notification of the County pursuant to Section 2. B. hereof, United Florida by telephone to (904) 471-2161, with confirmation by FAX to (904) 461-7619, shall promptly notify County of the receipt of the unpaid bill and the amount thereof, together with such other information as may be required to identify the disconnect order. In the event that the customer has not been disconnected, the County will use good faith efforts to recall any disconnect orders that may have been issued.

3. Route Books. United Florida will provide the County on or before Closing a complete copy of: (i) Route Books and meter locations; (ii) a list of and copies of all currently approved customer payment plans; (iii) all applications for service by current customers of the System (consumer's Guarantee Deposit and/or Service Charge

Receipts); (iv) all applications, agreements or requests for future service; (v) maps of the entire reading system; (vi) all account information and warnings, including, but not limited to, information as to medical, life support systems and gate keys; (vii) account information and readings for a period of twelve (12) months prior to Closing; (viii) account information including customer names, service and mailing information, meter and identification numbers, meter sizes, and account opened dates. Such account information shall, if reasonably practicable, be furnished by computer disc compatible with the County's data processing system.

4. Contracts for Service. Subject only to the provisions of Section 2.C. and 5 hereof, United Florida hereby assigns to the County all current contracts for service presently being provided it may have with customers of the System, copies thereof having been furnished pursuant to the provision of Section 3(iii) hereof. The County reserves the right to reject applications, agreements or requests for future service provided pursuant to Section 3(iv) hereof and require the applicant to request service under the County's existing policies.

5. Deposits. The County shall promptly notify United Florida of the names and account numbers of all customers disconnected pursuant to Section 2.C. hereof. Except for customers disconnected pursuant to Section 2.C. hereof and who have not been reconnected, all deposits held pursuant to

any application or contracts for service assigned to the County pursuant to Section 4 hereof shall be returned by United Florida to each customer promptly upon receipt of amounts owed by each such customer pursuant to the Final Billing. As to customers who have been disconnected by the County pursuant to Section 2.C. hereof and who have not been reconnected, United Florida, thirty (30) days following the date of disconnection, will credit against the amounts unpaid by the disconnected customer the amount of any deposit held for the account of such disconnected customer. Any balance of such deposit remaining shall be promptly returned to the disconnected customer. In the event that the amount of the deposit, if any, shall be insufficient to discharge the indebtedness of the disconnected customer, United Florida will notify the County of the amount of the balance for such customer. The balance of each such account, pursuant to Section 9 of the Mediation Agreement, by these presents is assigned to St. Johns County, and the County, pursuant to Section 6 hereof, will pay the amount thereof to United Florida.

6. Payments and Prorations. The parties recognize that certain United Florida accounts payable or receivable which relate to the operation of the System including, but not limited to, services rendered to the System, such as telephone and electric, by third persons may not be ascertainable as of Closing. All such accounts, whether rendered

to United Florida or the County, shall be prorated as of the date of Closing. United Florida, following ascertainment of the amounts of all such accounts payable or receivable but no later than sixty (60) days following Closing, shall notify the County of the amount thereof including amounts payable by the County pursuant to Section 5 hereof including therewith such supporting information pertaining thereof as the County may reasonably require. The County will pay to United Florida, within forty-five (45) days of the receipt by it of notification of amounts payable, any balance owed by the County pursuant to the Mediation Agreement or this Agreement. In the event of a dispute between the parties as to the amount payable by the County pursuant to the provisions of this Section 6, the same shall be submitted to the American Arbitration Association for mediation (but not arbitration) prior to bringing of any legal action for resolution of such dispute. Venue for any such mediation or action shall be St. Johns County, Florida.

7. Further Records. Following Closing and no later than September 6, 1991, United Florida will furnish to the County all Final Meter Readings. Each party agrees to maintain all records pertaining to the operation of the System for a period of four (4) years following Closing and to make the same available to the other upon request.

8. Assistance in Collection. With regard to open accounts assigned to the County pursuant to Section 5 hereof and Section 9 of the Mediation Agreement, United Florida agrees that it will provide all records required and make available to the County such assistance as may reasonably be requested by the County to enable the County to undertake reasonable efforts to collect such unpaid accounts.

9. Consistency with Mediation Agreement. To the extent that the terms of this Agreement shall conflict with the terms of the Mediation Agreement the provisions of this Agreement shall control.

10. Survival of Agreement. The provision and terms of this Agreement shall survive Closing.

IN WITNESS whereof the parties having caused these presents to be executed as of the date and year first set forth above.

ST. JOHNS COUNTY, FLORIDA

UNITED FLORIDA UTILITIES CORPORATION

BY: _____
Chairman of the Board of
County Commissioners of
St. Johns County, Florida

BY: _____
Its _____ President

ATTEST:

ATTEST:

Clerk of the Circuit Court
for St. Johns County, ex-
officio Clerk of the Board
of County Commissioners,
St. Johns County, Florida

Its _____ Secretary