

May 21, 2002

Jeff Sellers
 Presidential Group
 135 W Pine St
 Altamonte Springs FL 32714

Dear Mr. Sellers,

Here is a copy of the assignment of sewer capacity. I realize it doesn't give much information other than Star Development assigned to Lake Destiny 14,400 gallons per day of capacity, which is the amount the Department of Environmental Protection permit reflects for wastewater capacity needed for the project.

Here is a short description of what Standby Charges and Sewer Capacity are:

The City of Maitland purchased its sewer capacity from Altamonte Springs Regional Reclamation Facility in 1984, and the City is bound by the terms of our agreement to charge standby fees on all "unutilized" reserved capacity to our customers. Since the Facility sells sewer capacity on a wholesale basis, the City purchased capacity on behalf of Maitland Center developers (based upon the developers' estimates of future need). Each developer has a Sewage and Wastewater Treatment Agreement with the City for the amount of sewer capacity they purchased. Typically, the agreement is assigned to future property owners, and the capacity cannot be sold to a third party without the City's consent. The City has the right of first refusal on all sales, and must acknowledge all transfers. Developers may offer to sell capacity to the City, if the amount purchased and currently owned is greater than the number of gallons required per the property's DEP permit for wastewater.

I gave you erroneous information when we spoke Tuesday. Although developers can sell excess capacity back to the City, our records indicate the Villas at Lake Destiny do not have capacity in excess of DEP permitted capacity. Our records indicate you own 14,400 gallons per day of capacity and have permitted 14,400 gallons per day with DEP.

You wanted to know how standby charges are calculated, and below is an example:

Sewer Capacity (GPD)	14,400
Days in Billing Cycle	29
Total Gallons per Cycle	<u>417,600</u>
Less:	
Sewer usage	<u>124,000</u>
Standby capacity	293600
Standby Rate (2.49 per 10K)	<u>\$ 0.000249</u>
Standby charges	<u>\$ 73.11</u>

If you need more information please give me a call at (407) 539-6253.

Dodie Beach