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July 30, 2010

Via Hand Delivery

Ann Cole
Commission Clerk
Office of Commission Clerk
2540 Shumard Oak Boulevard
Tallahassee, FL 32399-0850

Re: Docket No. 100318-WS

Dear Ms. Cole:

Pursuant to the instructions of Florida Public Service Commission attorney, Anna Williams, in her letter to me dated June 30, 2010, attached are the original and five (5) copies of Service Management Systems, Inc.'s Response to Staff Data Request No. 1.

Please acknowledge receipt of this filing by stamping the extra copy of this letter "filed" and returning the copy to me. Thank you for your assistance.

Sincerely,



Dennis Basile, As Receiver

Enclosures

cc: D. Bruce May
Brian P. Armstrong
Anna Williams

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APA _____
ECR 4
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6225 JUL 30 09

FPSC-COMMISSION CLERK

Docket No. 100318-WS

Response to Staff Data Request No. 1

1. What is the current status of all required facility repairs and improvements? Please provide any and all relevant supporting documentation.

Response: Four facility improvement initiatives are ongoing: back-up aeration blower motor repair; back-up return activated sludge ("RAS") repair; clarifier drive unit repair; and underground storage tank removal. Each are summarized below:

- **Back-up aeration blower motor.** The facility was original designed with three aeration blower motors, two of which were not operational at the time that FL-Service Management, LLC (the "LLC") acquired title to the facility. The utility operator is currently obtaining bids for the two back-up aeration blower motors. It should be noted that the two blower motors that are not operational are back-up systems and the aeration system is currently functioning properly.
 - **Back-up RAS improvement.** A new support frame for the RAS motor is being fabricated at a machine shop and is scheduled to be installed by July 30, 2010.
 - **Clarifier drive unit.** The project to repair the clarifier scraper arm is ongoing. An electrician has been retained to confirm the electrical integrity of the collector rings and brushes which must be concluded before the scraper arm can be fully repaired. The electrician's work is scheduled to be completed on July 28, 2010, at which time further repair of the scraper arm will proceed.
 - **Underground storage tank.** The receiver is diligently working with Brevard County to remove an underground tank used to store diesel fuel for an emergency generator. The receiver has hired Mr. Drew Bentley with American Environmental Consultants, to handle the removal and replacement of the underground storage tank. Work on this project is ongoing.
2. Is the utility in compliance with the operational requirements of the Florida Department of Environmental Protection? Is the utility in compliance with local building and safety code authorities? Please provide any and all relevant supporting documentation.

Response: As stated above in response to Staff Data Request No. 1, the LLC is working diligently to bring the utility facilities into compliance with FDEP and County operational requirements. In the meantime, it should be noted that the FDEP has indicated that the facility is in compliance with permit values, laboratory, sampling, flow measurement, effluent quality, effluent disposal and residual sludge requirements.

3. Is Mr. Dennis Basile currently acting as receiver of SMS? Please provide any and all relevant supporting documentation.

Response: Yes. See Composite Exhibit A.

4. Please describe the current status of the foreclosure proceeding and Compass Bank's possession of the foreclosure deed for the utility system. Please provide any and all relevant supporting documentation.

Response: On February 23, 2010, this Court entered a Summary Final Judgment of Foreclosure in favor of Compass Bank. Compass Bank assigned the Summary Final Judgment of Foreclosure to LLC. The foreclosure sale of the subject property was held on March 31, 2010. The LLC was the successful bidder at sale. Accordingly, the Clerk of this Court issued a Certificate of Sale to the LLC on March 31, 2010, and a Certificate of Title on April 15, 2010. The Receiver filed his status report on or about July 22, 2010, and is in the process of preparing the final report and accounting. Upon completion of the final report and accounting a motion to discharge receivership will be filed, and upon the entry of an order by the court the case will be administratively closed. See Composite Exhibit B.

5. Please provide any information regarding the potential sale of the utility system. Please provide any and all relevant supporting documentation.

Response: The LLC is currently negotiating with two potential purchasers of the system.

#9651840_v1

COMPOSITE

EXHIBIT

A

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

Case No.: 05-2008-CA-61639
DIVISION: R

COMPASS BANK,

Plaintiff,

vs.

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

Defendants.

RECEIVERS REPORT

On February 3, 2010, the undersigned, Dennis Basile, was appointed Receiver of the real and personal property of Service Management Systems, Inc. (SMS).

An Oath accepting the appointment as Receiver was executed on February 11th, 2010 and the Receiver took possession of the real and personal property on February 4th and 5th, 2010. A complete inventory of the property was provided in the Receivers report of March 21, 2010.

History:

The Real Property in the possession of the Receivership is the operating Water and Sewer Treatment Facility commonly known as the Aquarina Water and Sewer Plant. This facility provides potable water, sewer disposal, irrigation water and fire suppression water to the general area of the Aquarina subdivision located on the Brevard County South Beaches.

Service Management System has two employees; Al Starr and Ron Chupka. Ron Chupka is a licensed operator and as such is required to be on site on a daily basis for at least 1.5 hours per day. Off days are covered by another contracted operator under the overall guidance of David Whiteside of Accurate Utilities. Al Starr performs many functions within the facility including but not limited to helping the licensed operator of the plant, painting, general maintenance, corrosion control, meter reading, meter repairs, valve repairs etc. Al Starr works approximately 40 hours per week.

There are no administrative employees available for accounts payable, accounts receivable, Public Service Commission communication etc. With approximately 500 utility accounts the administrative tasks are

significant. The Receiver took on all administrative tasks since his appointment together with the overall management of the Water and Sewer plant.

The Report:

The Receiver hereby makes this report to the Court as to the on going activities of the Receiver and the operations of the Water and Sewer facility that is the primary activity of the Receivership.

- 03/23/10 Pick up all mail at Post Office; review correspondence; input all payments into UBPro; received meter readings from plant staff; input meter readings into UBPro; review proposed water and sewer bills; print all water and sewer bills; input new deposits into quickbooks; backup UBPro; backup quickbooks; burst and apply stamps to water bills; discuss new potable water/fire suppression system, primary water leak with plant staff; review proposal to repair 12 ft of leaking pipe; authorize repair at approximately \$3,800.00
- 03/31/10 Phone call Al Starr Re: repair of pipes and does he have a job; Lowes credit card status
- 04/01/10 Phone call with Paul Leveque of Homeowners Re: access to water meter and past due invoices for Golf Course
- 04/01/10 Phone call customer Cynthia 607-962-2137 Re address to send payment; Phone call Ron Chupak Re: homeowners inspecting drawings and fire hydrant repairs inspection
- 04/02/10 Phone call Ron Chupak Re: funding for fire hydrants; review newest financial info from SunTrust
- 04/02/10 Phone call with Space Coast Fire Safety 321-783-1040 and Bill Henderson 321-403-2439 Re: Fire Hydrant inspections and maintenance; phone call with Al Starr Re: his paycheck and fire hydrant count
- 04/02/10 Post office pickup of all mail and customer payments; phone call with Al Starr Re: fire Hydrants
- 04/05/10 E-Mails to HOA representatives; Phone Call Patrick Patangan; phone call Ron Chupka and Al Starr Re: plant maintenance
- 04/06/10 E-Mail Space Coast Fire Re: inspection, Phone call Alberta (Aquarina Property Managers) 772-562-9031 ex 2161 Re: Invoices due
- 04/06/10 E-Mails Space Coast Fire - Review Contract on Hydrant Inspection; E-Mail to Fire Marshall
- 04/06/10 Phone call Jim Totten (homeowners representative) Re: Data requested and setup meeting
- 04/07/10 Phone call Al Starr Re: new pumps meeting with Roger Gibson at Watertronics; phone call Ron Chupka
- 04/07/10 Meet with Al Starr Re: reimbursement and design of pump shed
- 04/07/10 Prep for meeting and meet with Jim Totten from Association Re: due diligence
- 04/08/10 Phone call Patrick Patangan Re: Bank funding the account
- 04/08/10 Phone call Dan Winkler Re: original report (Dan vs Oakledge)
- 04/08/10 Phone call Elizabeth Patridge Realtor Re: turn on water at 390 Hammock Shores Drive to Field Asset Services
- 04/08/10 Phone call Tracy Phillips, Field Asset Services 512-609-7028 Turn on water at 390 Hammock Shores Drive; resend water bill
- 04/08/10 Review E-Mail from FDEP Re: sewer quality results
- 04/08/10 Email update to Fire Marshall Re: Status of Inspections
- 04/08/10 Phone Call from Field Asset Services Re: water bill 390 Hammock Shores
- 04/09/10 Phone call with Ron Re: Fire Hydrants, Phone Call Bill at Space Coast Fire Re: Fire Hydrants; E-mail to Paul LeVesque Re: past due and history info for Golf Course #707
- 04/12/10 Meeting with Space Coast Fire Safety and Fire Marshall at site concerning testing; pick up mail at P.O. Box; meet with Don Schwinn (HOA Rep) Re clarifying arm repair
- 04/13/10 Phone call Charlotte of Primepay Re: Pay staff payroll
- 04/13/10 Phone call Jay Williams, PSC 850-413-6477 Engineering Specialist Re: DEP issues Phone call Kathy Kaproth at PSC 850-413-6922 Re: regulatory assessment fee (RAF) for period 1/1/09-12/31/09; 4.5% of Gross Revenues plus penalty
- 04/13/10 Phone Call with Kathy Kaproth @ Public Service Commission re: RAF and Annual report due by June 30th
- 04/19/10 Phone Call Clayton Bennett, Engineer wants connection fee for sewer only east of A1A; Phone call David Whiteside Re: invoice and Clayton Bennett conversation

04/21/10 FPL attempts to turn off electricity due to non-payment of \$11,601 additional security deposit; phone call AI Starr Re: turn off, Pay additional security deposit online payment

04/21/10 Phone Call with Ron Chupka re: fire hydrant install bid

04/21/10 Enter all payments for water and sewer billings into UBPro

04/22/10 Phone call with Patty Daniels and Jay Williams PSC Re: status of plant, annual reports, regulatory assessment fees

04/22/10 Phone call Ron Chupka Re: fire hydrant repair status; print meter reading forms

04/22/10 Review E-mail from PSC docket 100094-WS Re: appointment of Receiver

04/26/10 Review Meter Readings with Ron Chupka, review bad meters; conversation about issues at plant

04/27/10 All Bank Accounting, record all payments, pay bills

04/28/10 Phone call Ron Chupka Re fire hydrants, bookkeeping, predicted short fall calculations

04/29/10 Phone call Don Schwinn, HOA Re: inspection again for due diligence; Phone call Pat Patangan Re: shortfall of cash

04/29/10 Phone Call Ron Chupka Re: Meter reading confirmations and fire hydrant at Guard Gate issue

04/29/10 Phone call Reginald Burge, 772-260-0650 Re: purchase of facility meeting 3 pm Monday 5/3/10; pick up mail from Post office box

04/29/10 Input all meter readings and address changes, meter changes, Print all water and sewer bills

04/30/10 Review letter to DEP from David Whiteside Re: Status of plant

05/03/10 Phone call Ron Chupka Re: fire hydrant; Phone call Gerald Vilella Fire Marshall Re: fire testing; Phone call Julie at CBC Re: Account; Phone call Gerald Vilella Fire Marshall Re NFPA 20 testing of new pumps, etc.

05/03/10 SunTrust wire transfers for past due payroll tax; meeting with Reginald Burge at plant

05/04/10 Phone Call Gerald Vilella, fire marshal Re: request for code enforcement extension; Phone Call Pat Patangan Re: funding of account; e-mail to fire marshal Re: extension of time to complete

05/04/10 Phone call water user Nancy Crawford Re: water bill to her #288 meter read wrong-adjusted

05/04/10 Phone Call with Mark Schnell Re: account number 868 re: water bill

05/04/10 Phone call Gerald Vilella-fire code enforcement Re: specs for inspection

05/04/10 Assemble, scan and e-mail to Patrick the short fall invoices

05/05/10 Phone call Martin Bruns #685 Re: sewer bill \$486.33, reviewed and modified; Phone call Mrs Jenness #671 Re: continuing sewer bill with no connection since 2001

05/05/10 Phone call Bill Jenness #671 Re: continuing sewer bill with no service since 2001

05/06/10 Review LKC water bills-phone call to Paul Leveque Re: water bills for golf course; meeting with AI Starr Re: fire hydrant; prepare water report for all golf course accounts

05/07/10 Phone call David Whiteside Re: Stuart Ave billing-RAS pump motor frame; Accurate Utilities invoices

05/07/10 Phone Call Kathy @ Keys Properties 784-8011 x 204 Property Management for Ocean Dunes Acct #730-734 outstanding invoices

05/07/10 Phone Call Kathy @ Keyes Properties re: account #733 again, fax additional information to her

05/07/10 Print and fax water and sewer estoppel to A-1 Title for Account #573

05/10/10 Phone call Alberta Sweeney 772-562-9031- Fax and research water bills for Aquarina Assoc.

05/10/10 Special mailing Golf Course billing plus history to Aqua golf as per Paul Leveque

05/10/10 Preparation and e-mail to Reginald Burge; payment and billing info from 1/1/10 to 4/30/10

05/11/10 Phone Call with Kevin Burge - info and discussion due diligence

05/11/10 Phone call Valentino Cathean #280 Re: water bill

05/12/10 Phone call Ron Holmes 984-3377 #1149 no NPW; call AI Starr fire hydrant repair

05/12/10 Phone call Ron Chupka Re: last fire hydrant repair, capped hydrant, water back on

05/12/10 Phone call insurance provider for Compass Bank (BBVA Compass) 1-205-297-7053

05/13/10 Phone Call Clayton Bennett engineer wanting cost to extend water line to new client

05/13/10 Post office to renew P.O. Box and pickup mail

05/13/10 Phone call Matthew Hickory REO Dept Compass Bank Re: funding and status

05/14/10 Phone call Bill Norfleet - Aquarina 405-990-4411 Re: technical questions

05/17/10 Phone call Ron Chupka Re: 2" irrigation meter replacements and meter reading sheets
 05/17/10 Close out April UBPro/backup data
 05/17/10 Meet with Ron Chupka Re: parts, fire hydrant and reimbursals
 05/18/10 Phone call Diane Beckett @ Field Asset Management Re: Account 332 and 833 Re: bills 512-539-4272
 05/18/10 Phone call with Billy @ Space Coast Fire 403-2439 Re: Fire Marshall request formal report
 05/19/10 Phone call Pat Patangan Re: get funds into account, discuss tank loan; Phone call Matthew Hickey Re funds; tank loan
 05/18/10 Basic Bookkeeping and bill payments
 05/25/10 Phone call Re: Al Starr Fire Hydrant Break - Free flow meeting with Ron Chupka Re: water and meter readings
 05/26/10 Phone call with water client tenant re: account #413 re: water bill
 05/27/10 Fedex Check to Siemens Financial ; Phone call from Siemens Financial representative re: payment
 05/27/10 Pickup mail form post office, process payroll checks
 05/27/10 Phone Call from Mathew Hickey re: bids for repairs, funding of short falls
 05/27/10 Review Non-compliance letter from DEP re: underground fuel tank for generator
 05/27/10 Input receipts (water and sewer payments)
 05/28/10 Phone Call from Ron Chupka re: Fire Hydrant damaged by car; skimmer pump stopped working, etc.
 05/28/10 Phone Call from Edie at the front gate re: fire hydrant damage
 05/28/10 Phone Call from Roger Hartner #413 Re: his water bill
 05/28/10 Input receipts (water payments)
 05/29/10 Input receipts (water payments)
 06/01/10 Phone Call David Whiteside Re: problem at plant with clarifier
 06/01/10 Phone call from customer #1121 Re: water bill
 06/01/10 Phone call from customer #269 Re: water bill
 06/01/10 Process additional water payments, bookkeeping, post water meter readings, print water bills
 06/02/10 Finish Billing, prepare for mailing, do mailing
 06/02/10 Phone call Ron chupka Re: new problem with control arm and skimmer motor; name for repair of clarifying arm; Phone call from Roger Gibson re: Watertronics invoice, Watertronics Programming and certification of Pump Motors
 06/04/10 Phone call Conrad Knowles, Tidewater Condo Association 321-768-7583 #976 Re: sewer billing adjustment for chiller unit on the roof of building; monthly adjustment of \$120 for sewer adjustment
 06/04/10 Phone Call from Kathleen at CBC re: water account shutdowns for CBC and adjustment of meter charge on #1151
 06/07/10 Meet with Al Starr Re: repairs at Plant and reimbursement for supplies
 06/07/10 Phone Call from Karen Lowe #1147 Re: bill
 06/08/10 Phone Call from Ed Muedell; 321-727-1237; 703-408-8664 Re: potential acquisition of plant
 06/08/10 Phone Call from Charles Cunningham #424 Re: billing
 06/08/10 Meeting with Ron Chupka Re: Catwalk motor, water meter repairs, reimbursement for materials
 06/09/10 Phone Call from Al Starr Re: CBC took back Golf Cart and Trailer; Confirmed both were owned by CBC and not SMS property; Al and Ron removed skimmer arm drive motor, Al is checking if motor or gearbox is issue
 06/09/10 Phone Call from Alberta @ Vista Properties re: #711, 826, 930, 804 Reprint and fax bills
 06/09/10 Phone Call from Patrick Patangan Re: status of plant
 06/09/10 Phone Call from Mathew Hickey at Compass Bank re: status
 06/09/10 Phone Call from Ron Chupka Re: clarifying motor removal and repair, Re: Al Starr and Golf Cart
 06/10/10 Meeting with Roger Gibson of Watertronics Re: payment of past due invoices; reprogramming VFD; Rebuilding clarifying arm motor.
 06/10/10 Phone Call with Al Starr Re: clarifier motor repair, water line clearing and repair
 06/11/10 Meeting with Roger Gibson @ Watertronics Re: made payment, scheduled VFD reprogramming; review rebuild of clarifying arm motor

06/11/10 Meeting with Ron Chupka Re: Clarifying motor gearbox repair
 06/14/10 Site visit to plant, review status of all outstanding maintenance issues, meeting with Al Starr
 06/14/10 Drop off gear box for skimmer arm to Watertronics
 06/15/10 Phone Call Mrs. Burton #174 Re: water bill
 06/15/10 Meeting with Al Starr Re: petty cash check and procedure to use cash
 06/16/10 Phone call from David Whiteside Re: Lead and copper annual testing procedures and Consolidation Lawsuit
 06/16/10 Phone Call to Al Starr Re: Copper and lead testing procedure
 06/16/10 Phone Call to Al Starr Re: Copper and Lead testing list cross referencing; Phone call David Whiteside Re: procedure for testing copper and lead
 06/16/10 Email Barbara Browning of DEP 407-894-7555 x2293 re: contact info
 06/15/10 Preparation of invoice
 06/18/10 Phone Call from Ann Santos #405 re: address change and billing info; Phone call from Ralph Buck #230 re: discussion about water bill
 06/21/10 Submit staff hourly report to PrimePay; Pay employee compensation bill; process water payments; prepare water meter reading list; pickup mail from post office
 06/22/10 Phone Call with Al Starr re plant control panel etc. Process water bill payments
 06/22/10 Post water bill payments
 06/22/10 Review Consumer Confidence Report (CCR) from David Whiteside
 06/22/10 Response to order to show cause email to Patrick Patangan
 06/25/10 Phone call Jim Parrish #303 & #304 Re: Moving and send bill to new address 585-248-3674
 06/28/10 Phone call Al Starr re: clarifier arm drive wheel and motor; Phone call with Ron Chupka; meeting with Ron re: Al Starr and job description; Meeting with Al Starr re: Ron Chupka and job description
 06/29/10 Emails to Pat Patangan re: PSC RAF and Annual Report; research previous RAF
 06/29/10 Input meter readings into Ubpro; Print bills, burst bills in preparation for mailing
 06/30/10 Letter to PSC and Check for RAF estimate; emails to Pat Patangan re: RAF; Prepare billing for mailing; Phone call from Tom DeShazo at Golf Course 321-863-7971 re: water pressure for course irrigation; Phone call with Roger Gibson at Watertronics re: pressure control
 06/30/10 Reprinted damaged bills, fixed database, backed up database
 07/01/10 Meeting with Roger Gibson at Watertronics re: Golf Course PLC, Control Head and skimmer pump motor for Waste water tank
 07/01/10 Phone Call with Ralph Soletti of Wesco/Flotronics re: PLC and Control Head 407-467-2069; referred to David Turnbow; Phone call to David Turnbow at Wesco 321-277-2245 Re: PLC and Control Head for Golf Course water; Phone call with Al Starr re: Golf Course Irrigation; Phone call with Attorney Kinberg re: financials for Plant
 07/01/10 Phone call with Tom Deshazo 863-7971 re: golf course water pressure; Phone call with Kathy Rayburn Re: Golf course water bills; Phone call with David Turnbow of Wesco re: repair of golf course controller; Phone call with Sarah Mosher @ Wesco re: billing
 07/02/10 Phone call with Julie Burns 952-5298 re: \$800 water bill for #417; Phone call with Al Starr re: #417
 07/06/10 Phone call with Al Starr; Phone call with David Whiteside re: operator vs maintenance
 07/07/10 Meeting at plant with David Whiteside, Jeff, Al Starr, Ron Chupka re: job descriptions, work needed to be completed and overall status of plant
 07/09/10 Phone Call with John Yanosov \$450 re: water bill 609-884-5856; Phone call to Al Starr re : reread of #450; phone call with Barbara Peltier 772-562-9031 x 2134 re: bills for #711, 826, and #930; meeting with Al Starr re: petty cash and operations; Phone call with David Whiteside re: sewer connection and impact fees
 07/10/10 Process water bill payments, process payments into quickbooks, general bookkeeping
 07/11/10 Review all correspondence, pay all outstanding invoices, begin bank reconciliation, record all payroll entries, prepare for finalization of Receivership
 07/12/10 Pickup Mail at Post office box, wire transfer at Suntrust; UPS package to DEP for tank payment; Phone call with Tom at Golf course re: Storm Water Drains; Phone call with Mrs Ton #573 re: closeout of her account

- 07/13/10 Meeting with Ron Chupka Re: miscellaneous issues; phone call with Angela Flagg #456 re: water bill
- 07/13/10 Phone call to Space Coast Fire and Safety re: fire hydrant final report and their invoice
- 07/13/10 Phone call David Whiteside re: RAS pump bracket, electrician for clarifier arm electrical, blower, vacuum truck used on lift station, small pump ordered for small tanks.
- 07/14/10 Phone call Roger Gibson at Watertronics re: Heat in NPW control panel and reinstall control head; Phone call Al Starr re: NPW start procedure; valve repair; Phone call with #414 re: Bad meter read and credit to account
- 07/14/10 Review waste water tariff for waste water impact fee; discussion with David Whiteside re: impact fee; email package to David for delivery to engineer.

- 7/15/10 Phone Call Tom Maguire #836 321-733-1050 re: meter misread, applied credit to his bill
- 7/15/10 Phone Call Robert Donaldson Re: #559, Paid water bill in advance wanted to be sure it was received
- 7/15/10 Phone call Gene Kane - didn't get water bill and was worried;
- 7/16/10 Phone call Patrick Patangan re: status RAF and annual report, request for data
- 7/16/10 Phone call John Butler, CPA 321-723-3333 re: annual report
- 7/19/10 Phone call account #780 re: water bill; Phone call Patrick Patangan re: Receivership discharge discussion
- 7/19/10 Preparation of Report to court

In addition, the most significant change in the status of the real property was the Summary Final Judgment of Foreclosure on February 23, 2010 (Exhibit A), the Assignment of that Judgment to FL-Service Management, LLC, a Florida limited liability company on March 25, 2010 (Exhibit B) and the subsequent Certificate of Sale issued by the Brevard County Clerk of the Court on April 15, 2010. (Exhibit C)


Paragraph 6 of the Summary Final Judgment of Foreclosure noted, "*As the Property is a water and wastewater utility subject to the regulation by the Florida Public Service Commission, any party that takes "ownership or control" through "foreclosure" is required to "continue service without interruption" pursuant to FS 367.071(6) until such time as the utility is sold, assigned or transferred in accordance with the provisions of FS 367.071 (1).*"

The Plaintiff apprised the Receiver of the transfer of the Property on April 15, 2010 to FL-Service Management, LLC and also requested the Receiver to continue the operations of the facility until such time as the Property was sold to another entity. As such, the Receiver has continued the operation of the facility to the best of his abilities with the additional funding provided by the Plaintiff.

The Receivers Invoice has been attached to this report as Exhibit D with billing from March 23, 2010 through July 19, 2010 and will be paid as per the original order of appointment.

A report concerning the Income and Expenses paid since the Receiver's appointment to the current is also attached as Exhibit E.

In Conclusion, the Receiver took control of the assets of SMS, stabilized the operation, maintained or improved the operation of the facility and is continuing to manage the facility until a purchaser is found.



 Dennis Basile, as Receiver for
 Service Management Systems, Inc.

7/19/2010

 Date

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the foregoing was served by U.S. Mail this 20th day of July 2010, upon the following:

Patrick P. Patangan, Esq., counsel for the Plaintiff
50 North Laura Street, Suite 3900
Jacksonville, Florida 32202

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

Edward J. Kinberg, Esq., counsel for Aquarina Community Services Association, Inc.
1290 West Eau Gallie Boulevard
Melbourne, Florida 32935

Jerry Jester, Esq., counsel for Consolidated Environmental Engineering, LLC
P.O. Box 541196
Merritt Island, Florida 32954-1196

A handwritten signature in black ink, appearing to read "Dennis Basile", written over a horizontal line.

Dennis Basile, Receiver

Exhibit A

...ording

116

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

CASE NO 05-2008-CA-61639
DIVISION R

COMPASS BANK,

Plaintiff,

vs

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

Defendants

FILED IN TVE-25
CLERK OF CIR CT
BREVARD CO FL
200 FEB 25 A 8 43

SCOTT ELLIS

USE

SUMMARY FINAL JUDGMENT OF FORECLOSURE

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

IT IS ORDERED AND ADJUDGED that

1 Service of process has been duly and regularly obtained over Defendants, Borrower, Aquarina Community Services Association, Inc, and Consolidated Environmental Engineering, LLC

2 The Plaintiff is the owner and holder of the Note and the Mortgage described in the Complaint



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

<u>Item</u>	<u>Amount</u>
Principal	\$1,053,119 83
Interest at legal rate of 8% (8/4/09-12/31/09)	34,392 30
Interest at legal rate of 6% (1/1/10-2/9/10)	6,751 51
<u>Filing fees</u>	<u>331 00</u>
TOTAL	\$1,094,594 64

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

5 If the total sum set forth herein, with interest thereon at the rate of six percent (6%) and all costs of this action accruing subsequent to this judgment, are not paid immediately, the Clerk of this Court shall sell the Property at a public sale on March 31, 2010, at 11 00 a m to the highest bidder for cash, except as hereinafter set forth, and will be held at the Brevard County Government Center North, Brevard Room, 518 South Palm Avenue, Titusville, Florida pursuant to Florida Statute 45 031(10)

6 As the Property is a water and wastewater utility subject to the regulation by the Florida Public Service Commission, any party that takes "ownership or control" through "foreclosure" is required to "continue service without interruption " pursuant to F S 367 071(6) until such time as the utility is sold, assigned or transferred in accordance with the provisions of F S 367 071(1) This provision shall be included in the Notice of Sale to be published in accordance with statutory requirements

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

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

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

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

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

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

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

DONE AND ORDERED in Chambers, in Brevard County, Florida, this the 23 day of February, 2010


TONYA B RAINWATER
CIRCUIT COURT JUDGE

Copies furnished to

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

EXHIBIT "A"

LEGAL DESCRIPTION

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

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

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

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

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

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

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

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

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

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

Exhibit B

1/2

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

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

COMPASS BANK,

Plaintiff,

vs.

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

Defendants.

FILED IN THE
CIRCUIT COURT
2010 MAR 31 P 12:25
SCOTT ELLIS

**ASSIGNMENT OF SUMMARY FINAL JUDGMENT
OF FORECLOSURE AND FORECLOSURE SALE BID**

KNOW ALL MEN BY THESE PRESENTS that Plaintiff, COMPASS BANK, whose address is 10060 Skinner Lake Drive, Jacksonville, FL 32246 ("Assignor"), for and in consideration of ten dollars and other good and valuable consideration paid to it by FL - Service Management, LLC, a Florida limited liability company, whose mailing address is P.O. Box 10566, AL-BI-CH-NIA, Birmingham, AL 35296, does hereby assign, sell, transfer, remise, quit-claim and set over to FL - Service Management, LLC, a Florida limited liability company ("Assignee"), any and all right, title and interest which said Assignor may have in and to that certain Summary Final Judgment of Foreclosure ("Judgment") entered by the Circuit Court for Brevard County, Florida, in the above-styled cause on February 23, 2010, and recorded in Official Records Book 6122, page 1889 of the public records of Brevard County, Florida. This is a full, absolute and complete assignment which includes, but shall not be limited to specifically, any and all rights to bid the Judgment, or any part thereof, at the foreclosure sale scheduled in this action, and for Assignee to receive the rights of said bid after the sale and



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obtain the Certificate of Title in Assignee's name should Assignee be the successful bidder at the foreclosure sale.

This Assignment is without representation, warranty, or recourse; to have and to hold the same unto Assignee, its legal representatives, successors and permitted assigns.

IN WITNESS WHEREOF, the Assignor has executed this Assignment on this 25 day of March, 2010.

Signed in the presence of

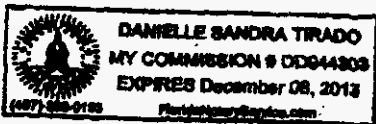
[Signature]
Printed Name: JIM M. LITTLE
[Signature]
Printed Name: Rachel Foss

COMPASS BANK

By: [Signature]
C. French Yarbrough, Jr.
As its Senior Vice President
and authorized officer

STATE OF FLORIDA
COUNTY OF DUVAL

The foregoing instrument was acknowledged before me this 25 day of March, 2010, by C. French Yarbrough, Jr., as Senior Vice President and authorized officer of COMPASS BANK, for and on behalf of the Bank, who is personally known to me.



9290624_v1

[Signature]
NOTARY PUBLIC
Print Name: Danielle Tirado
Commission No.: DD944303
My Commission Expires: 12/8/2013

Prepared by and return to:
Patrick P. Patangan, Esq.
Holland & Knight LLP
50 N. Laura Street, Suite 3900
Jacksonville, FL 32202

Exhibit C

44

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

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

COMPASS BANK, Plaintiff,

vs.

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

FILED APR 15 P 2 30 SCOTT ELLIS

CERTIFICATE OF TITLE

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

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

SCOTT ELLIS Clerk of the Circuit Court



Jennifer Young
Deputy Clerk

Copies to:
All parties on attached Service List



LEGAL DESCRIPTION

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

EXHIBIT "A"

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

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

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

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

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

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

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

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

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EXHIBIT "B"

4/4

SERVICE LIST

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

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

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

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

EXHIBIT D

Dennis Basile, CCIM

D Basile Real Estate, LLC

826 Creel Street, Suite A

Melbourne, Florida 32935

321-427-9560

INVOICE

Invoice No. 07-1510
Tax Id. No. 26-3780714
Date July 19, 2010

Service For:	Service Management Receivership
Bill to:	Service Management Systems, Inc in Receivership

DATE	DESCRIPTION OF ACTIVITY	HOURS	RATE	AMOUNT
03/23/10	Pick up all mail at Post Office; review correspondence; input all payments into UBPro; received meter readings from plant staff; input meter readings into UBPro; review proposed water and sewer bills; print all water and sewer bills; input new deposits into quickbooks; backup UBPro; backup quickbooks; burst and apply stamps to water bills; discuss new potable water/fire suppression system, primary water leak with plant staff; review proposal to repair 12 ft of leaking pipe; authorize repair at approximately \$3,800.00	8.00	\$200.00	\$1,600.00
03/31/10	Phone call Al Starr Re: repair of pipes and does he have a job; Lowes credit card status	0.25	\$200.00	\$50.00
04/01/10	Phone call with Paul Leveque of Homeowners Re: access to water meter and past due invoices for Golf Course	0.50	\$200.00	\$100.00
04/01/10	Phone call customer Cynthia 607-962-2137 Re address to send payment; Phone call Ron Chupak Re: homeowners inspecting drawings and fire hydrant repairs inspection	0.25	\$200.00	\$50.00
04/02/10	Phone call Ron Chupak Re: funding for fire hydrants; review newest financial info from SunTrust	0.25	\$200.00	\$50.00

DATE	DESCRIPTION OF ACTIVITY	HOURS	RATE	AMOUNT
04/02/10	Phone call with Space Coast Fire Safety 321-783-1040 and Bill Henderson 321-403-2439 Re: Fire Hydrant inspections and maintenance; phone call with Al Starr Re: his paycheck and fire hydrant count	0.50	\$200.00	\$100.00
04/02/10	Post office pickup of all mail and customer payments; phone call with Al Starr Re: fire Hydrants	1.00	\$200.00	\$200.00
04/05/10	E-Mails to HOA representatives; Phone Call Patrick Patangan; phone call Ron Chupka and Al Starr Re: plant maintenance	1.00	\$200.00	\$200.00
04/06/10	E-Mail Space Coast Fire Re: inspection, Phone call Alberta (Aquarina Property Managers) 772-562-9031 ex 2161 Re: Invoices due	0.50	\$200.00	\$100.00
04/06/10	E-Mails Space Coast Fire - Review Contract on Hydrant Inspection; E-Mail to Fire Marshall	0.25	\$200.00	\$50.00
04/06/10	Phone call Jim Totten (homeowners representative) Re: Data requested and setup meeting	0.25	\$200.00	\$50.00
04/07/10	Phone call Al Starr Re: new pumps meeting with Roger Gibson at Watertronics; phone call Ron Chupka	0.50	\$200.00	\$100.00
04/07/10	Meet with Al Starr Re: reimbursement and design of pump shed	0.25	200.00	\$50.00
04/07/10	Prep for meeting and meet with Jim Totten from Association Re: due diligence	3.50	\$200.00	\$700.00
04/08/10	Phone call Patrick Patangan Re: Bank funding the account	0.25	\$200.00	\$50.00
04/08/10	Phone call Dan Winkler Re: original report (Dan vs Oakledge)	0.25	\$200.00	\$50.00
04/08/10	Phone call Elizabeth Patridge Realtor Re: turn on water at 390 Hammock Shores Drive to Field Asset Services	0.25	\$200.00	\$50.00
04/08/10	Phone call Tracy Phillips, Field Asset Services 512-609-7028 Turn on water at 390 Hammock Shores Drive; resend water bill	0.50	\$200.00	\$100.00

DATE	DESCRIPTION OF ACTIVITY	HOURS	RATE	AMOUNT
04/08/10	Review E-Mail from FDEP Re: sewer quality results	0.10	\$200.00	\$20.00
04/08/10	Email update to Fire Marshall Re: Status of Inspections	0.10	\$200.00	\$20.00
04/08/10	Phone Call from Field Asset Services Re: water bill 390 Hammock Shores	0.25	\$200.00	\$50.00
04/09/10	Phone call with Ron Re: Fire Hydrants, Phone Call Bill at Space Coast Fire Re: Fire Hydrants; E-mail to Paul LeVesque Re: past due and history info for Golf Course #707	1.00	\$200.00	\$200.00
04/12/10	Meeting with Space Coast Fire Safety and Fire Marshall at site concerning testing; pick up mail at P.O. Box; meet with Don Schwinn (HOA Rep) Re clarifying arm repair	3.00	\$200.00	\$600.00
04/13/10	Phone call Charlotte of Primepay Re: Pay staff payroll	0.25	\$200.00	\$50.00
04/13/10	Phone call Jay Williams, PSC 850-413-6477 Engineering Specialist Re: DEP issues Phone call Kathy Kaproth at PSC 850-413-6922 Re: regulatory assessment fee (RAF) for period 1/1/09-12/31/09; 4.5% of Gross Revenues plus penalty	0.50	\$200.00	\$100.00
04/13/10	Phone Call with Kathy Kaproth @ Public Service Commission re: RAF and Annual report due by June 30th	0.25	\$200.00	\$50.00
04/19/10	Phone Call Clayton Bennett, Engineer wants connection fee for sewer only east of A1A; Phone call David Whiteside Re: invoice and Clayton Bennett conversation	0.25	\$200.00	\$50.00
04/21/10	FPL attempts to turn off electricity due to non-payment of \$11,601 additional security deposit; phone call Al Starr Re: turn off, Pay additional security deposit online payment	0.50	\$200.00	\$100.00
04/21/10	Phone Call with Ron Chupka re: fire hydrant install bid	0.25	\$200.00	\$50.00
04/21/10	Enter all payments for water and sewer billings into UBPro	6.00	\$200.00	\$1,200.00

DATE	DESCRIPTION OF ACTIVITY	HOURS	RATE	AMOUNT
04/22/10	Phone call with Patty Daniels and Jay Williams PSC Re: status of plant, annual reports, regulatory assessment fees	0.25	\$200.00	\$50.00
04/22/10	Phone call Ron Chupak Re: fire hydrant repair status; print meter reading forms	0.25	\$200.00	\$50.00
04/22/10	Review E-mail from PSC docket 100094-WS Re: appointment of Receiver	0.25	\$200.00	\$50.00
04/26/10	Review Meter Readings with Ron Chupka, review bad meters; conversation about issues at plant	0.75	\$200.00	\$150.00
04/27/10	All Bank Accounting, record all payments, pay bills	6.50	\$200.00	\$1,300.00
04/28/10	Phone call Ron Chupka Re fire hydrants, bookkeeping, predicted short fall calculations	1.00	\$200.00	\$200.00
04/29/10	Phone call Don Schwinn, HOA Re: inspection again for due diligence; Phone call Pat Patangan Re: shortfall of cash	1.00	\$200.00	\$200.00
04/29/10	Phone Call Ron Chupka Re: Meter reading confirmations and fire hydrant at Guard Gate issue	0.50	\$200.00	\$100.00
04/29/10	Phone call Reginald Burge, 772-260-0650 Re: purchase of facility meeting 3 pm Monday 5/3/10;pick up mail from Post office box	0.50	\$200.00	\$100.00
04/29/10	Input all meter readings and address changes, meter changes, Print all water and sewer bills	6.50	\$200.00	\$1,300.00
04/30/10	Review letter to DEP from David Whiteside Re: Status of plant	0.25	\$200.00	\$50.00
05/03/10	Phone call Ron Chupka Re: fire hydrant; Phone call Gerald Villella Fire Marshall Re: fire testing; Phone call Julie at CBC Re: Account; Phone call Gerald Villella Fire Marshall Re NFPA 20 testing of new pumps, etc.	0.85	\$200.00	\$170.00

DATE	DESCRIPTION OF ACTIVITY	HOURS	RATE	AMOUNT
05/03/10	SunTrust wire transfers for past due payroll tax; meeting with Reginald Burge at plant	2.75	\$200.00	\$550.00
05/04/10	Phone Call Gerald Vilella, fire marshal Re: request for code enforcement extension; Phone Call Pat Patangan Re: funding of account; e-mail to fire marshal Re: extension of time to complete	1.00	\$200.00	\$200.00
05/04/10	Phone call water user Nancy Crawford Re: water bill to her #268 meter read wrong-adjusted	0.25	\$200.00	\$50.00
05/04/10	Phone Call with Mark Schnell Re: account number 868 re: water bill	0.10	\$200.00	\$20.00
05/04/10	Phone call Gerald Vilella-fire code enforcement Re: specs for inspection	0.25	\$200.00	\$50.00
05/04/10	Assemble, scan and e-mail to Patrick the short fall invoices	1.00	\$200.00	\$200.00
05/05/10	Phone call Martin Bruns #685 Re: sewer bill \$466.33, reviewed and modified; Phone call Mrs Jenness #671 Re: continuing sewer bill with no connection since 2001	0.50	\$200.00	\$100.00
05/05/10	Phone call Bill Jenness #671 Re: continuing sewer bill with no service since 2001	0.25	\$200.00	\$50.00
05/06/10	Review LKC water bills-phone call to Paul Leverque Re: water bills for golf course; meeting with Al Starr Re: fire hydrant; prepare water report for all golf course accounts	1.00	\$200.00	\$200.00
05/07/10	Phone call David Whiteside Re: Stuart Ave billing-RAS pump motor frame; Accurate Utilities invoices	0.25	\$200.00	\$50.00
05/07/10	Phone Call Kathy @ Keys Properties 784-8011 x 204 Property Management for Ocean Dunes Acct #730-734 outstanding invoices	0.50	\$200.00	\$100.00
05/07/10	Phone Call Kathy @ Keyes Properties re: account #733 again, fax additional information to her	0.25	\$200.00	\$50.00

DATE	DESCRIPTION OF ACTIVITY	HOURS	RATE	AMOUNT
05/07/10	Print and fax water and sewer estoppel to A-1 Title for Account #573	0.25	\$200.00	\$50.00
05/10/10	Phone call Alberta Sweeney 772-562-9031- Fax and research water bills for Aquarina Assoc.	0.25	\$200.00	\$50.00
05/10/10	Special mailing Golf Course billing plus history to Aqua golf as per Paul Leveque	0.25	\$200.00	\$50.00
05/10/10	Preparation and e-mail to Reginald Burge	1.50	\$200.00	\$300.00
05/11/10	Phone Call with Kevin Burge - info and discussion due diligence	0.50	\$200.00	\$100.00
05/11/10	Phone call Valentino Cathean #280 Re: water bill	0.25	\$200.00	\$50.00
05/12/10	Phone call Ron Holmes 984-3377 #1149	0.25	200.00	\$70.00
05/12/10	Phone call Ron Chupka Re: last fire hydrant repair, capped hydrant, water back on	0.25	\$200.00	\$50.00
05/12/10	Phone call insurance provider for Compass Bank (BBVA Compass) 1-205-297-7053	0.25	\$200.00	\$50.00
05/13/10	Phone Call Clayton Bennett engineer wanting cost to extend water line to new client	0.25	\$200.00	\$50.00
05/13/10	Post office to renew P.O. Box and pickup mail	0.50	\$200.00	\$100.00
05/13/10	Phone call Matthew Hickory REO Dept Compass Bank Re: funding and status	0.50	\$200.00	\$100.00
05/14/10	Phone call Bill Norfleet - Aquarina 405-990-4411 Re: technical questions	0.50	\$200.00	\$100.00
05/17/10	Phone call Ron Chupka Re: 2" irrigation meter replacements and meter reading sheets	0.10	\$200.00	\$20.00
05/17/10	Close out April UBPro/backup data	0.25	\$200.00	\$50.00
05/17/10	Meet with Ron Chupka Re: parts, fire hydrant	0.25	\$200.00	\$50.00
05/18/10	Phone call Diane Beckett @ Field Asset Management Re: Account 332 and 833 Re: bills 512-539-4272	0.25	\$200.00	\$50.00

DATE	DESCRIPTION OF ACTIVITY	HOURS	RATE	AMOUNT
05/18/10	Phone call with Billy @ Space Coast Fire 403-2439 Re: Fire Marshall request formal report	0.25	200.00	\$50.00
05/19/10	Phone call Pat Patangan Re: get funds into account, discuss tank loan; Phone call Matthew Hickey Re funds; tank loan	0.5	200.00	\$50.00
05/18/10	Basic Bookkeeping and bill payments	1.00	\$200.00	\$200.00
05/25/10	Phone call Re: Al Starr Fire Hydrant Break - Free flow meeting with Ron Chupka Re: water and meter readings	0.25	\$200.00	\$50.00
05/26/10	Phone call with water client tenant re: account #413 re: water bill	0.25	\$200.00	\$50.00
05/27/10	Fedex Check to Siemens Financial ; Phone call from Siemens Financial representative re: paymen	0.50	\$200.00	\$100.00
05/27/10	Pickup mail form post office, process payroll checks	0.75	\$200.00	\$150.00
05/27/10	Phone Call from Mathew Hickey re: bids for repairs, funding of short falls	0.25	\$200.00	\$50.00
05/27/10	Review Non-compliance letter from DEP re: underground fuel tank for generator	0.25	\$200.00	\$50.00
05/27/10	Input receipts (water and sewer payments)	2.00	\$200.00	\$400.00
05/28/10	Phone Call from Ron Chupka re: Fire Hydrant damaged by car, skimmer pump stopped working, etc.	0.50	\$200.00	\$100.00
05/28/10	Phone Call from Edie at the front gate re: fire hydrant damage	0.25	\$200.00	\$50.00
05/28/10	Phone Call from Roger Hartner #413 Re: his water bill	0.10	\$200.00	\$20.00
05/28/10	Input receipts (water payments)	1.50	\$200.00	\$300.00
05/29/10	Input receipts (water payments)	3.00	\$200.00	\$600.00
06/01/10	Phone Call David Whiteside Re: problem at plant with clarifier	0.50	\$200.00	\$100.00

DATE	DESCRIPTION OF ACTIVITY	HOURS	RATE	AMOUNT
06/01/10	Phone call from customer #1121 Re: water bill	0.10	\$200.00	\$20.00
06/01/10	Phone call from customer #269 Re: water bill	0.10	\$200.00	\$20.00
06/01/10	Process additional water payments, bookkeeping, post water meter readings, print water bills	8.25	\$200.00	\$1,650.00
06/02/10	Finish Billing, prepare for mailing, do mailing	1.50	\$200.00	\$300.00
06/02/10	Phone call Ron chupka Re: new problem with control arm and skimmer motor; name for repair of clarifying arm; Phone call from Roger Gibson re: Watertronics invoice, Watertronics Programming and certification of Pump Motors	1.00	\$200.00	\$200.00
06/04/10	Phone call Conrad Knowles, Tidewater Condo Association 321-768-7583 #976 Re: sewer billing adjustment for chiller unit on the roof of building; monthly adjustment of \$120 for sewer adjustment	0.25	\$200.00	\$50.00
06/04/10	Phone Call from Kathleen at CBC re: water account shutdowns for CBC and adjustment of meter charge on #1151	0.25	\$200.00	\$50.00
06/07/10	Meet with Al Starr Re: repairs at Plant and reimbursement for supplies	0.50	\$200.00	\$100.00
06/07/10	Phone Call from Karen Lowe #1147 Re: bill	0.10	\$200.00	\$20.00
06/08/10	Phone Call from Ed Muedell; 321-727-1237; 703-408-8684 Re: potential acquisition of plant	0.50	\$200.00	\$100.00
06/08/10	Phone Call from Charles Cunningham #424 Re: billing	0.10	\$200.00	\$20.00
06/08/10	Meeting with Ron Chupka Re: Catwalk motor; water meter repairs, reimbursement for materials	0.75	\$200.00	\$150.00
06/09/10	Phone Call from Al Starr Re: CBC took back Golf Cart and Trailer, Confirmed both were owned by CBC and not SMS property; Al and Ron removed skimmer arm drive motor, Al is checking if motor or gearbox is issue	0.25	\$200.00	\$50.00

DATE	DESCRIPTION OF ACTIVITY	HOURS	RATE	AMOUNT
06/09/10	Phone Call from Alberta @ Vista Properties re: #711, 828, 930, 804 Reprint and fax bills	0.25	\$200.00	\$50.00
06/09/10	Phone Call from Patrick Patangan Re: status of plant	0.30	\$200.00	\$60.00
06/09/10	Phone Call from Mathew Hickey at Compass Bank re: status	0.50	\$200.00	\$100.00
06/09/10	Phone Call from Ron Chupka Re: clarifying motor removal and repair, Re: Al Starr and Golf Cart	0.25	\$200.00	\$50.00
06/10/10	Meeting with Roger Gibson of Watertronics Re: payment of past due invoices; reprogramming VFD; Rebuilding clarifying arm motor.	0.50	\$200.00	\$100.00
06/10/10	Phone Call with Al Starr Re: clarifier motor repair, water line clearing and repair	0.50	\$200.00	\$100.00
06/11/10	Meeting with Roger Gibson @ Watertronics Re: made payment, scheduled VFD reprogramming; review rebuild of clarifying arm motor	0.50	\$200.00	\$100.00
06/11/10	Meeting with Ron Chupka Re: Clarifying motor gearbox repair.	0.25	\$200.00	\$50.00
06/14/10	Site visit to plant, review status of all outstanding maintenance issues, meeting with Al Starr	3.00	\$200.00	\$600.00
06/14/10	Drop off gear box for skimmer arm to Watertronics	0.25	\$200.00	\$50.00
06/15/10	Phone Call Mrs. Burton #174 Re: water bill	0.10	\$200.00	\$20.00
06/15/10	Meeting with Al Starr Re: petty cash check and procedure to use cash	0.25	\$200.00	\$50.00
06/16/10	Phone call from David Whiteside Re: Lead and copper annual testing procedures and Consolidation Lawsuit	0.50	\$200.00	\$100.00
06/16/10	Phone Call to Al Starr Re: Copper and lead testing procedure	0.25	\$200.00	\$50.00

DATE	DESCRIPTION OF ACTIVITY	HOURS	RATE	AMOUNT
06/16/10	Phone Call to Al Starr Re: Copper and Lead testing list cross referencing; Phone call David Whiteside Re: procedure for testing copper and lead	0.50	\$200.00	\$100.00
06/16/10	Email Barbara Browning of DEP 407-894-7555 x2293 re: contact info	0.25	\$200.00	\$50.00
06/15/10	Preparation of invoice	1.00	\$200.00	\$200.00
06/18/10	Phone Call from Ann Santos #405 re: address change and billing info; Phone call from Ralph Buck #230 re: discussion about water bill	0.20	\$200.00	\$40.00
06/21/10	Submit staff hourly report to PrimePay; Pay employee compensation bill; process water payments; prepare water meter reading list; pickup mail from post office	5.00	\$200.00	\$1,000.00
06/22/10	Phone Call with Al Starr re plant control panel etc. Process water bill payments	2.00	\$200.00	\$400.00
06/22/10	Post water bill payments	2.50	\$200.00	\$500.00
06/22/10	Review Consumer Confidence Report (CCR) from David Whiteside	0.25	\$200.00	\$50.00
06/22/10	Response to order to show cause email to Patrick Patangan	1.50	\$200.00	\$300.00
06/25/10	Phone call Jim Parrish #303 & #304 Re: Moving and send bill to new address 585-248-3874	0.25	\$200.00	\$50.00
06/28/10	Phone call Al Starr re: clarifier arm drive wheel and motor; Phone call with Ron Chupka; meeting with Ron re: Al Starr and job description; Meeting with Al Starr re: Ron Chupka and job description	0.50	\$200.00	\$100.00
06/29/10	Emails to Pat Patangan re: PSC RAF and Annual Report; research previous RAF	0.50	\$200.00	\$100.00
06/29/10	Input meter readings into Uapro; Print bills, burst bills in preparation for mailing	5.00	\$200.00	\$1,000.00

DATE	DESCRIPTION OF ACTIVITY	HOURS	RATE	AMOUNT
06/30/10	Letter to PSC and Check for RAF estimate; emails to Pat Patangan re: RAF; Prepare billing for mailing; Phone call from Tom DeShazo at Golf Course 321-863-7971 re: water pressure for course irrigation; Phone call with Roger Gibson at Watertronics re: pressure control	2.00	\$200.00	\$400.00
06/30/10	Reprinted damaged bills, fixed database, backed up database	2.00	\$200.00	\$400.00
07/01/10	Meeting with Roger Gibson at Watertronics re: Golf Course PLC, Control Head and skimmer pump motor for Waste water tank	0.50	\$200.00	\$100.00
07/01/10	Phone Call with Ralph Soletti of Wesco/Flotronics re: PLC and Control Head 407-467-2069; referred to David Turnbow; Phone call to David Turnbow at Wesco 321-277-2245 Re: PLC and Control Head for Golf Course water; Phone call with Al Starr re: Golf Course Irrigation; Phone call with Attorney Kinberg re: financials for Plant	0.75	\$200.00	\$150.00
07/01/10	Phone call with Tom Deshazo 863-7971 re: golf course water pressure; Phone call with Kathy Rayburn Re: Golf course water bills; Phone call with David Turnbow of Wesco re: repair of golf course controller; Phone call with Sarah Mosher @ Wesco re: billing	0.75	\$200.00	\$150.00
07/02/10	Phone call with Julie Burns 952-5298 re: \$800 water bill for #417; Phone call with Al Starr re: #417	0.25	\$200.00	\$50.00
07/06/10	Phone call with Al Starr; Phone call with David Whiteside re: operator vs maintenance	0.50	\$200.00	\$100.00
07/07/10	Meeting at plant with David Whiteside, Jeff, Al Starr, Ron Chupka re: job descriptions, work needed to be completed and overall status of plant	4.50	\$200.00	\$900.00

DATE	DESCRIPTION OF ACTIVITY	HOURS	RATE	AMOUNT
07/09/10	Phone Call with John Yanosov \$450 re: water bill 609-884-5856; Phone call to Al Starr re : reread of #450; phone call with Barbara Peltier 772-562-9031 x 2134 re: bills for #711, 828, and #930; meeting with Al Starr re: petty cash and operations; Phone call with David Whiteside re: sewer connection and impact fees	2.00	\$200.00	\$400.00
07/10/10	Process water bill payments, process payments into quickbooks, general bookkeeping	5.50	\$200.00	\$1,100.00
07/11/10	Review all correspondence, pay all outstanding invoices, begin bank reconciliation, record all payroll entries, prepare for finalization of Receivables	9.00	\$200.00	\$1,800.00
07/12/10	Pickup Mail at Post office box, wire transfer at Suntrust; UPS package to DEP for tank payment; Phone call with Tom at Golf course re: Storm Water Drains; Phone call with Mrs Ton #573 re: closeout of her account	2.00	\$200.00	\$400.00
07/13/10	Meeting with Ron Chupka Re: miscellaneous issues; phone call with Angela Flagg #456 re: water bill	0.50	\$200.00	\$100.00
07/13/10	Phone call to Space Coast Fire and Safety re: fire hydrant final report and their invoice	0.25	\$200.00	\$50.00
07/13/10	Phone call David Whiteside re: RAS pump bracket, electrician for clarifier arm electrical, blower, vacuum truck used on lift station, small pump ordered for small tanks.	0.25	\$200.00	\$50.00
07/14/10	Phone call Roger Gibson at Watertronics re: Heat in NPW control panel and reinstall control head; Phone call Al Starr re: NPW start procedure; valve repair; Phone call with #414 re: Bad meter read and credit to account	0.50	\$200.00	\$100.00
07/14/10	Review waste water tariff for waste water impact fee; discussion with David Whiteside re: impact fee; email package to David for delivery to engineer.	0.50	\$200.00	\$100.00

DATE	DESCRIPTION OF ACTIVITY	HOURS	RATE	AMOUNT
07/15/10	Phone call Susan Schmidhorst #663 re: amount of water bills; Phone Call at Space Coast Fire 783-1040 x 250 re: hydrant test report & fire marshal	0.20	\$200.00	\$40.00
07/15/10	Phone call Clayton Bennett, engineer re: New client hookup of sewer only; impact fee amount, duplex on ocean, 321-622-4462	0.25	\$200.00	\$50.00
07/15/10	Phone Call Tom Maguire #836 321-733-1050 re: meter misread, applied credit to his bill	0.25	\$200.00	\$50.00
07/15/10	Phone Call Robert Donaldson Re: #559, Paid water bill in advance wanted to be sure it was received	0.10	\$200.00	\$20.00
07/15/10	Phone call Gene Kane - didn't get water bill and was worried;	0.10	\$200.00	\$20.00
07/16/10	Phone call Patrick Patangan re: status RAF and annual report, request for data	0.50	\$200.00	\$100.00
07/16/10	Phone call John Butler, CPA 321-723-3333 re: annual report	0.25	\$200.00	\$50.00
07/19/10	Phone call account #780 re: water bill; Phone call Patrick Patangan re: Receivership discharge discussion	0.50	\$200.00	\$100.00
07/19/10	Preparation of Report to court	3.50	\$200.00	\$700.00
Total Due as of July 14, 2010				\$30,670.00

Service Managements Systems

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Register: 1900 - Cash

From 02/03/2010 through 07/14/2010

Exhibit E

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment C	Deposit	Balance
02/03/2010			Customer - Accounts R...	LOCKBOX D...		655.18	8,458.95
02/03/2010	9TCBT-5...	FLORIDA DEPART...	2000 - Accounts Payable	PAYMENT D...	40.00		8,418.95
02/03/2010	9TCB7-9...	BRIDGEFIELD EM...	2000 - Accounts Payable	0830-39884	310.65		8,108.30
02/03/2010	9TCB7-9...	AL STARR	2000 - Accounts Payable	GAS & CELL	200.00		7,908.30
02/03/2010	9TCB7-9...	PRIMEPAY OF FL...	2000 - Accounts Payable	3995	189.10		7,719.20
02/03/2010	9TCB7-9...	RON CHUPKA	2000 - Accounts Payable	GAS FEB AN...	130.00		7,589.20
02/03/2010	9TRN6-...	FLORIDA POWER ...	2000 - Accounts Payable	DECEMBER 2...	1,500.00		6,089.20
02/04/2010			Customer - Accounts R...	LOCKBOX D...		712.44	6,801.64
02/04/2010	PR1.17-1...	RON CHUPKA	6010.NP - Salaries\Wa...	RON CHUPK...	441.36		6,360.28
02/04/2010	PR1.17-1...	AL STARR	6010.NP - Salaries\Wa...	AL STARR PA...	1,290.01		5,070.27
02/04/2010	PR1.17-1...		6010.NP - Salaries\Wa...	TOTAL PAYR...	606.07		4,464.20
02/05/2010			Customer - Accounts R...	Receiverahip D...		831.71	5,295.91
02/05/2010	9TRNG-...	ACCURATE UTILI...	2000 - Accounts Payable	SLUDGE RE...	2,000.00		3,295.91
02/08/2010			Customer - Accounts R...	Receivership D...		739.27	4,035.18
02/10/2010			Customer - Accounts R...	Receivership D...		1,858.43	5,893.61
02/11/2010			Customer - Accounts R...	Receivership D...		2,777.94	8,671.55
02/12/2010			Customer - Accounts R...	Receivership D...		1,505.14	10,176.69
02/16/2010			Customer - Accounts R...	Receivership D...		790.70	10,967.39
02/16/2010			Customer - Accounts R...	Receivership D...		3,236.28	14,203.67
02/17/2010			Customer - Accounts R...	Receivership D...		2,874.87	17,078.54
02/17/2010	2443	WATERTRONICS	6120.NP - Repairs & ...	FIRE SUPPRE...	4,616.30		12,462.24
02/18/2010			Customer - Accounts R...	Receivership D...		124.03	12,586.27
02/18/2010	PR1.17-1...	RON CHUPKA	1900 - Cash [split]	RON CHUPK...	351.35		12,234.92
02/18/2010	PR1.17-1...	AL STARR	1900 - Cash [split]	AL STARR PA...	560.27		11,674.65
02/18/2010	PR1.17-1...	AL STARR	-split-	AL STARR PA...	1,282.58		10,392.07
02/19/2010			Customer - Accounts R...	Receivership D...		1,213.27	11,605.34
02/19/2010	BANK F...		-split-	BANK FEES - ...	428.10		11,177.24
02/22/2010			Customer - Accounts R...	Receivership D...		1,043.98	12,221.22
02/23/2010			Customer - Accounts R...	Receivership D...		174.15	12,395.37
02/24/2010			Customer - Accounts R...	Receivership D...		260.14	12,655.51
02/24/2010	SUNLO...		2007 - Suntrust Loan [s...	SUNTRUST L...	618.74		12,036.77
03/01/2010			Customer - Accounts R...	Receivership D...		356.71	12,393.48
03/02/2010			Customer - Accounts R...	Receivership D...		4,074.61	16,468.09
03/03/2010			Customer - Accounts R...	Receivership D...		206.38	16,674.47
03/03/2010	PR2.13 2...		1900 - Cash [split]	AL STARR	1,290.01		15,384.46
03/03/2010	PR2.13 2...		1900 - Cash [split]	AL STARR	649.08		14,735.38
03/03/2010	PR2.13 2...		-split-	RON CHUPKA	544.08		14,191.30
03/04/2010			Customer - Accounts R...	Receivership D...		141.90	14,333.20
03/04/2010	2444	ACCURATE UTILI...	2000 - Accounts Payable		9,000.00		5,333.20
03/05/2010			Customer - Accounts R...	Receivership D...		1,953.76	7,286.96

Service Managements Systems

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Register: 1900 - Cash

From 02/03/2010 through 07/14/2010

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
03/05/2010	7023	FLORIDA POWER ...	2000 - Accounts Payable		6,459.95			827.01
03/08/2010			Customer - Accounts R...	Receivership D...			2,831.36	3,658.37
03/09/2010			Customer - Accounts R...	Receivership D...			3,614.52	7,272.89
03/10/2010			Customer - Accounts R...	Receivership D...			4,406.18	11,679.07
03/11/2010			Customer - Accounts R...	Receivership D...			5,985.60	17,664.67
03/12/2010			Customer - Accounts R...	Receivership D...			1,997.35	19,662.02
03/15/2010			Customer - Accounts R...	Receivership D...			2,794.75	22,456.77
03/16/2010			Customer - Accounts R...	Receivership D...			1,941.58	24,398.35
03/17/2010			Customer - Accounts R...	Receivership ...			1,320.76	25,719.11
03/17/2010	2445	WATERTRONICS	6120.NP - Repairs & ...	Irrigation pump...	4,125.00			21,594.11
03/17/2010	2446	WATERTRONICS	6120.NP - Repairs & ...	Sales tax on Pu...	247.50			21,346.61
03/18/2010			Customer - Accounts R...	Receivership D...			10,001.76	31,348.37
03/18/2010	2447	RON CHUPKA	2000 - Accounts Payable	Cell Phone and...	75.00			31,273.37
03/18/2010	2449	D. Basile Real Estate...	6120.NP - Repairs & ...	Reimb. for Liv...	473.09			30,800.28
03/18/2010	PR2.13 2...		-split-	Suntrust Bank ...	430.01			30,370.27
03/21/2010			Customer - Accounts R...	Receivership D...			668.91	31,039.18
03/21/2010	PR2.13 2...		1900 - Cash [split]	Al Starr	1,260.27			29,778.91
03/21/2010	PR2.13 2...		1900 - Cash [split]	Al Starr	468.72			29,310.19
03/21/2010	PR2.13 2...		-split-	Ron Chupka	377.16			28,933.03
03/22/2010			Customer - Accounts R...	Deposit			934.51	29,867.54
03/22/2010	2448	AL STARR	2000 - Accounts Payable	car+cell+materi...	237.34			29,630.20
03/22/2010	2450	PREMIUM ASSIGN...	2000 - Accounts Payable	515628	907.66			28,722.54
03/22/2010	2452	SIEMENS FINANCI...	2000 - Accounts Payable	R/O water syst...	4,332.26			24,390.28
03/22/2010	2453	PRIMEPAY OF FL...	-split-	3995	274.20			24,116.08
03/22/2010	2454	BRIDGEFIELD EM...	-split-	0830-39884	288.79			23,827.29
03/22/2010	2455	ACCURATE UTILI...	2000 - Accounts Payable	On account	5,292.89			18,534.40
03/22/2010	2456	STATE OF FLORIDA	2005 - State Loan - Pay...	DW050101 Wa...	6,120.65			12,413.75
03/22/2010	2457	FLORIDA POWER ...	-split-		5,002.57			7,411.18
03/22/2010	2458	LOWE'S BUSINESS...	6120.WW - Repairs & ...	821 3110 9025...	313.90			7,097.28
03/22/2010	2459	HD SUPPLY WATE...	6120.WA - Repairs & ...	collections billi...	68.90			7,028.38
03/22/2010	2460	USA BLUEBOOK	6020.WA - Chemicals...	Supplies	176.48			6,851.90
03/22/2010	2461	GRAINGER	6120.WW - Repairs & ...	Supplies	44.55			6,807.35
03/22/2010	2462	STATE OF FLORIDA	2005 - State Loan - Pay...	DWSRF05010...	367.24			6,440.11
03/22/2010	2463	FLORIDA POWER ...	-split-		29.38			6,410.73
03/22/2010	2464	WATERTRONICS	6120.NP - Repairs & ...	VOID: Past du...		X		6,410.73
03/23/2010			Customer - Accounts R...	Deposit			48.41	6,459.14
03/23/2010			Customer - Accounts R...	Receivership D...			219.81	6,678.95
03/24/2010			Customer - Accounts R...	Receivership D...			7,803.58	14,482.53
03/24/2010	SunBnkG...	SUNTRUST BANK	2007 - Suntrust Loan [s...	Suntrust payme...	618.74			13,863.79
03/25/2010			Customer - Accounts R...	Receivership D...			56.15	13,919.94

Service Managements Systems

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Register: 1900 - Cash

From 02/03/2010 through 07/14/2010

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
03/26/2010			Customer - Accounts R...	Receivership D...			42.26	13,962.20
03/26/2010	2465	John Walters	6120.NP - Repairs & ...	Inv 508553	3,400.00			10,562.20
03/29/2010			Customer - Accounts R...	Receivership D...			2,559.05	13,121.25
03/30/2010			Customer - Accounts R...	Receivership D...			1,556.44	14,677.69
03/31/2010			Customer - Accounts R...	Receivership D...			1,153.08	15,830.77
03/31/2010	pr3.31.10		-split-	Employee Tax ...	659.65			15,171.12
04/01/2010			Customer - Accounts R...	Receivership D...			1,611.19	16,782.31
04/01/2010	pr4.01.10		-split-	employee tax	613.67			16,168.64
04/02/2010			Customer - Accounts R...	Receivership D...			2,424.57	18,593.21
04/05/2010			Customer - Accounts R...	Receivership D...			1,919.94	20,513.15
04/06/2010			Customer - Accounts R...	Receivership D...			1,957.37	22,470.52
04/06/2010	pr4.06.10	AL STARR	-split-	Employee payr...	1,290.01			21,180.51
04/07/2010			Customer - Accounts R...	Receivership D...			655.17	21,835.68
04/07/2010	2466	AL STARR	6070.NP - Materials & ...	Reimbursement...	147.06			21,688.62
04/08/2010			Customer - Accounts R...	Receivership D...			4,629.49	26,318.11
04/08/2010	2467	AL STARR	6070.NP - Materials & ...	Reimbursement...	288.35			26,029.76
04/09/2010			Customer - Accounts R...	Receivership D...			1,356.07	27,385.83
04/12/2010			Customer - Accounts R...	Receivership D...			3,346.46	30,732.29
04/12/2010	2468	Dennis Basile, Recci...	6180 - Receivership Fees	Partial Receive...	9,500.00			21,232.29
04/13/2010			Customer - Accounts R...	Receivership D...			288.25	21,520.54
04/14/2010			Customer - Accounts R...	Receivership D...			522.99	22,043.53
04/14/2010	2469	RON CHUPKA	-split-	\$75 car allowa...	137.00			21,906.53
04/14/2010	pr4.14.10		-split-	Employee Taxes	428.52			21,478.01
04/15/2010			Customer - Accounts R...	Receivership D...			442.25	21,920.26
04/15/2010	pr4.15.10		-split-	Employee Taxes	504.62			21,415.64
04/16/2010			Customer - Accounts R...	Receivership D...			123.90	21,539.54
04/19/2010			Customer - Accounts R...	Receivership D...			835.64	22,375.18
04/19/2010	pr4.19.10		-split-	Employee payr...	1,290.01			21,085.17
04/20/2010			Customer - Accounts R...	Deposit			250.63	21,335.80
04/20/2010	sumAnaly...	SUNTRUST BANK	-split-	Account Analy...	548.68			20,787.12
04/21/2010			Customer - Accounts R...	Deposit			74.83	20,861.95
04/22/2010			Customer - Accounts R...	Deposit			67.43	20,929.38
04/23/2010			Customer - Accounts R...	Receivership D...			65.72	20,995.10
04/23/2010			Customer - Accounts R...	Deposit			386.11	21,381.21
04/26/2010			Customer - Accounts R...	Deposit			130.05	21,511.26
04/26/2010	Sun Gen ...	SUNTRUST BANK	-split-	Suntrust Gener...	618.74			20,892.52
04/27/2010		FLORIDA POWER ...	1960 - Deposits	Additional requ...	11,601.00			9,291.52
04/27/2010		Space Coast Fire and...	6030.NP - Contractual ...	VOID: Fire Hy...		X		9,291.52
04/27/2010		USI INSURANCE S...	-split-	VOID: Annual ...				9,291.52
04/27/2010		BREVARD COUNT...	6080.NP - Miscellaneo...	VOID: CASE ...		X		9,291.52

Service Managements Systems

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Register: 1900 - Cash

From 02/03/2010 through 07/14/2010

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
04/27/2010	2470	AL STARR	6070.NP - Materials & ...	Reimbursement...	97.54			9,193.98
04/27/2010	2471	Action Quick Print	-split-	Printr Bill Blanks	297.16			8,896.82
04/27/2010	2475	Dennis Basile, Recei...	6180 - Receivership Fees	Balance due R...	9,970.00			-1,073.18
04/27/2010	2476	POSTMASTER	-split-	6 months P.O. ...	63.00			-1,136.18
04/28/2010			Customer - Accounts R...	Deposit			849.59	-286.59
04/28/2010	fp1 4.28.10	FLORIDA POWER ...	-split-	FPL March 20...	5,859.07			-6,145.66
05/03/2010			Customer - Accounts R...	Deposit			68.88	-6,076.78
05/03/2010	PR5.03.10		1900 - Cash [split]	AI Net?	1,290.01			-7,366.79
05/03/2010	PR5.03.10		1900 - Cash [split]	Tax?	601.55			-7,968.34
05/03/2010	PR5.03.10		-split-	Ron Net?	633.97			-8,602.31
05/05/2010			Customer - Accounts R...	Deposit			2,133.10	-6,469.21
05/06/2010			Customer - Accounts R...	Deposit			1,867.54	-4,601.67
05/07/2010			Customer - Accounts R...	Deposit			2,505.36	-2,096.31
05/10/2010			-split-	Deposit			4,323.08	2,226.77
05/11/2010			Customer - Accounts R...	Deposit			4,562.08	6,788.85
05/12/2010			Customer - Accounts R...	Deposit			2,104.50	8,893.35
05/13/2010			Customer - Accounts R...	Deposit			6,067.14	14,960.49
05/13/2010	PR5.13.10		1900 - Cash [split]	Al Starr Payche...	1,290.01			13,670.48
05/13/2010	PR5.13.10		1900 - Cash [split]	Al Starr and Ro...	474.33			13,196.15
05/13/2010	PR5.13.10		-split-	Ron Chupka Pa...	364.32			12,831.83
05/14/2010			Customer - Accounts R...	Deposit			608.33	13,440.16
05/17/2010			Customer - Accounts R...	Deposit			3,260.84	16,701.00
05/17/2010	2477	RON CHUPKA	-split-	Reimbursement...	239.85			16,461.15
05/17/2010	2478	AL STARR	-split-	Reimbursement...	226.69			16,234.46
05/18/2010			Customer - Accounts R...	Deposit			878.22	17,112.68
05/19/2010			Customer - Accounts R...	Deposit			383.83	17,496.51
05/19/2010	2479	PRIMEPAY OF FL...	-split-	3995	211.95			17,284.56
05/20/2010			Customer - Accounts R...	Deposit			1,854.02	19,138.58
05/20/2010	2480	ACCURATE UTILI...	2000 - Accounts Payable	Partial payment	5,000.00			14,138.58
05/20/2010	Sunanaly...		-split-	Suntrust Lockb...	487.43			13,651.15
05/21/2010			Customer - Accounts R...	Deposit			255.84	13,906.99
05/21/2010		FLORIDA POWER ...	6050.WW - Fuel - Pow...	Paid Electronic...	25.89			13,881.10
05/21/2010		FLORIDA POWER ...	-split-	Water and Sew...	4,893.53			8,987.57
05/24/2010			Customer - Accounts R...	Deposit			612.18	9,599.75
05/24/2010	Genpymt...	SUNTRUST BANK	-split-	0050956836	618.74			8,981.01
05/26/2010			Customer - Accounts R...	Deposit			114.70	9,095.71
05/27/2010			Customer - Accounts R...	Deposit			4,879.73	13,975.44
05/27/2010	2481	SIEMENS FINANCI...	2000 - Accounts Payable	Reverse Osmo...	1,909.99			12,065.45
05/27/2010	PR5.27.11		1900 - Cash [split]	Ron Chupka N...	454.21			11,611.24
05/27/2010	PR5.27.11		1900 - Cash [split]	Deducted tax a...	516.72			11,094.52

Service Managements Systems

7/14/2010 11:20 PM

Register: 1900 - Cash

From 02/03/2010 through 07/14/2010

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
05/27/2010	PR5.27.11		-split-	Al Starr Net Pay	1,290.01			9,804.51
05/28/2010			Customer - Accounts R...	Deposit			72.89	9,877.40
06/01/2010			Customer - Accounts R...	Deposit			527.14	10,404.54
06/03/2010			-split-	Deposit			48,562.06	58,966.60
06/03/2010			Customer - Accounts R...	Deposit			589.96	59,556.56
06/04/2010			Customer - Accounts R...	Deposit			181.68	59,738.24
06/07/2010			Customer - Accounts R...	Deposit			2,675.87	62,414.11
06/07/2010	2482	PALM BAY FIRE E...	-split-	Shop Fire Exti...	77.38			62,336.73
06/07/2010	2483	AL STARR	6070.NP - Materials & ...	Reimbursement...	18.92			62,317.81
06/08/2010			Customer - Accounts R...	Deposit			3,634.77	65,952.58
06/08/2010	2484	RON CHUPKA	-split-	Supplies reimb...	177.13			65,775.45
06/09/2010			Customer - Accounts R...	Deposit			2,293.70	68,069.15
06/09/2010	2485	ACCURATE UTILI...	*Uncategorized Expens...	Balance Due	22,225.91			45,843.24
06/10/2010			Customer - Accounts R...	Deposit			1,914.16	47,757.40
06/10/2010	2486	WATERTRONICS T...	6120.NP - Repairs & ...	Past Due accou...	12,841.48			34,915.92
06/10/2010	PR6.10.12		1900 - Cash [split]	Ron Chupka N...	736.68			34,179.24
06/10/2010	PR6.10.12		1900 - Cash [split]	Total Taxes - d...	650.05			33,529.19
06/10/2010	PR6.10.12		-split-	Al Starr Net Pay	1,290.01			32,239.18
06/11/2010			Customer - Accounts R...	Deposit			1,577.63	33,816.81
06/14/2010			Customer - Accounts R...	Deposit			7,594.18	41,410.99
06/14/2010			Customer - Accounts R...	Deposit			738.50	42,149.49
06/14/2010			Customer - Accounts R...	Deposit			6,855.68	49,005.17
06/15/2010			Customer - Accounts R...	Deposit			1,944.78	50,949.95
06/15/2010	2487	AL STARR	-split-	June reimburse...	200.00			50,749.95
06/15/2010	2488	Petty Cash Fund	-split-	Start of Petty C...	500.00			50,249.95
06/16/2010			Customer - Accounts R...	Deposit			394.53	50,644.48
06/17/2010			Customer - Accounts R...	Deposit			3,711.61	54,356.09
06/18/2010			Customer - Accounts R...	Deposit			2,933.23	57,289.32
06/18/2010	Sunanaly...		-split-	Suntrust Lockb...	509.21			56,780.11
06/21/2010			Customer - Accounts R...	Deposit			1,457.04	58,237.15
06/21/2010	2489	BRIDGEFIELD EM...	-split-		866.35			57,370.80
06/22/2010			Customer - Accounts R...	Deposit			932.34	58,303.14
06/23/2010			Customer - Accounts R...	Deposit			0.80	58,303.94
06/24/2010			Customer - Accounts R...	Deposit			442.38	58,746.32
06/24/2010	PR6.24.13		1900 - Cash [split]	Ron Chupka N...	390.00			58,356.32
06/24/2010	PR6.24.13		1900 - Cash [split]	Taxes - Deduct...	464.52			57,891.80
06/24/2010	Genpymt...	SUNTRUST BANK	-split-	0050956836	549.04			57,342.76
06/24/2010	PR6.24.13		-split-	Al Starr Net Pay	1,290.01			56,052.75
06/25/2010			Customer - Accounts R...	Deposit			33.81	56,086.56
06/28/2010			Customer - Accounts R...	Deposit			513.67	56,600.23

Service Managements Systems

7/14/2010 11:20 PM

Register: 1900 - Cash

From 02/03/2010 through 07/14/2010

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment C	Deposit	Balance
06/28/2010	2490	Petty Cash Fund	-split-	petty cash for ...	200.00		56,400.23
06/30/2010	2491	FL PUBLIC SERVI...	-split-	Estimated pay...	8,127.79		48,272.44
06/30/2010	2492	WATERTRONICS	6030.WW - Contractua...	Clarifier arm g...	693.45		47,578.99
07/01/2010			Customer - Accounts R...	Deposit		40.09	47,619.08
07/02/2010			Customer - Accounts R...	Deposit		271.46	47,890.54
07/06/2010			Customer - Accounts R...	Deposit		1,354.80	49,245.34
07/08/2010	PR7.08.10		1900 - Cash [split]	Ron Chupka N...	492.73		48,752.61
07/08/2010	PR7.08.10		1900 - Cash [split]	Tax deductions...	498.88		48,253.73
07/08/2010	PR7.08.10		-split-	Al Starr Net Pay	1,290.01		46,963.72
07/09/2010	2493	Petty Cash Fund	-split-	Miscellaneous ...	200.00		46,763.72
07/09/2010	2494	AL STARR	-split-	Reimbursement...	200.00		46,563.72
07/11/2010	wiretxfer	BANK OF AMERICA	2005 - State Loan - Pay...	001009069611 ...	6,120.65		40,443.07
07/11/2010	2495	Space Coast Fire and...	6030.NP - Contractual ...	Fire Hydrant In...	1,961.00		38,482.07
07/11/2010	2496	D. Basile Real Estate...	-split-	Postage Reimb...	168.00		38,314.07
07/11/2010	2497	SIEMENS FINANCI...	2000 - Accounts Payable	MAY, JUNE, J...	2,822.37		35,491.70
07/11/2010	2498	PRIMEPAY OF FL...	-split-	3995	303.90		35,187.80
07/11/2010	2500	FL DEPT OF ENVI...	6080.WA - Miscellane...		500.00		34,687.80
07/11/2010	2501	USA BLUEBOOK	-split-	Cust 462487, i...	1,519.49		33,168.31
07/11/2010	fp17.11.10	FLORIDA POWER ...	-split-	Plant electric bi...	10,632.10		22,536.21

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

Case No.: 05-2008-CA-61639
DIVISION: R

COMPASS BANK,

Plaintiff,

vs.

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

Defendants.

RECEIVERS REPORT

On February 3, 2010, the undersigned, Dennis Basile, was appointed Receiver of the real and personal property of Service Management Systems, Inc. (SMS).

An Oath accepting the appointment as Receiver was executed on February 11th, 2010 and the Receiver took possession of the real and personal property on February 4th and 5th, 2010. A complete inventory of the property is attached as Exhibit A to this report.

The entity in possession of all of the assets, records, books etc. was reasonably cooperative relinquishing the assets and records in their possession. That same entity was of little help in the continuation of the operations of the company and the main asset, the Aquarina Water and Sewer Treatment Plant. In the Receivers meetings with the operator of Service Management Systems on February 4th and 5th, 8 boxes of records were presented and approximately 7 hours of explanation as to the current operations and state of the company. An attempt was made to hire the office staff that was performing the actual management of the company, however, that offer was declined. The SMS corporate "front office" location was found within the offices of Commercial Building Corporation (CBC) in Indialantic. Before the Receivership, the staff of CBC performed all of the duties required by Service Management Systems. The CBC staff and the owner of CBC were not interested in helping the Receiver with the on going operations of SMS and as such all of the required front office operations were taken over directly by the Receiver.

On February 5, 2010, the Receiver visited the Aquarina Water and Sewer Treatment Plant that is the subject of the Mortgaged Property and met with the two staff employees and the professional, licensed contracted operator of the plant, Mr. David Whiteside of Accurate Utilities. Mr. Whiteside explained that he was owed over \$24,000 and needed to be paid quickly or he was going to "walk off" the plant. Mr. Whiteside also explained all of the deficiencies in the plant that needed attention as funds became available. He also explained that the plant was working within the Florida Department of Environmental Protection (FDEP) specifications, however, there was an order from DEP to perform certain repairs. Those costs were estimated at between \$30,000 and \$50,000.

On February 8, 2010, the Receiver took control of the Bank Account at Suntrust Bank and determined that there was \$3,295.91 in the account (without consideration of outstanding deposits or checks that had not yet cleared the bank).

On February 9, 2010, the Receiver received a document concerning an upcoming Brevard County Code Enforcement Hearing concerning the lack of proper pressure and volume of water at the Fire Hydrants within the service area served by SMS. It was determined that the two pumps that were designed to provide pressure and volume to the Fire Hydrants were inoperable and an irrigation pump for the Aquarina Golf Course was "looped" into the Fire Hydrant system to provide at least some fire fighting water. A review of the situation with the plant staff indicated that the Vendor (Watertronics) that could fix the two inoperable pumps, was owed \$15,000 and they were not willing to work on the pumps without payment.

On February 15, 2010, the Receiver met with Watertronics management and negotiated a methodology for the pumps to be repaired. On February 18, 2010, the Receiver attended the Code Enforcement Hearing and explained the situation with SMS and committed to repair both fire suppression pumps within 30 days. The Special Magistrate agreed, however, he also issued a penalty of \$500 per day if the repairs were not completed in the allotted 30 days. As of March 21, 2010 the Receiver can report the repairs have been completed.

On February 13, 2010, the Receiver began the task of determining the methodology for reading the water meters, billing the customers and collecting the payments. The software provided by the SMS operators had to be installed on the Receivers computer systems. The Receiver determined at that time that the annual fee for the maintenance of the software had not been paid since August 2009. The software company required the fee to be paid before a software re-install could be completed. The Receiver negotiated with the software provider and recommends payment of the support fee in the future.

On February 15, 2010, the Receiver was contacted by the payroll processing company and he setup all of the payroll processing under the Receivership.

On February 19, 2010, the Receiver began the process of installing the SMS Quickbooks data on the Receivers personal computer (no computer was found to be an asset of SMS) and reviewing the financial data of SMS.

On February 23, 2010, the water utility meters were read by plant staff and the billing procedure was implemented by the Receiver. In consideration of the estimated short time that the Receivership would be in existence, it was decided that the Receiver would prepare all of the billing, mailing, and collections for SMS instead of hiring and attempting to train a short term employee.


The Receiver has been restricted in the repairs that can be completed at the Water and Sewer Plant due to the financial constraints of SMS, however, with 100% of the income going directly to SMS expenses, the Receiver is making headway and is keeping the Water and Sewer plant operational both physically and financially.

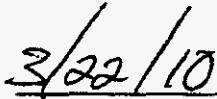
The Receivers Invoice has been attached to this report as Exhibit B with billing through March 22, 2010.

The Receivers best estimate of the monthly budget for the operation of the Water and Sewer Plant is attached as Exhibit C.

A report concerning the Income and Expenses paid since the Receivers Appointment is attached as Exhibit D.

In Conclusion, the Receiver has taken control of the assets of SMS and is attempting to stabilize the operation. The Water and Sewer Plant facility are in need of significant work and as funds become available the most important items will be corrected. The current and past due invoices are being addressed and the financial situation should become more stable within the next 30 days.


Dennis Basile, as Receiver for
Service Management Systems, Inc.


Date

Copies furnished to:

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

Exhibit A
Inventory for Service Management Systems
as of February 10 , 2010
By Dennis Basile, as Receiver

<u>Item No.</u>	<u>Description</u>
<u>Equipment at Water Treatment Plant</u>	
1	One, Non-Potable well pump and Motor 15 hp\
2	One, Baldor Generator 400 Kw driven by a Detroit Diesel engine with automatic test and emergency equipment
3	One, Reverse Osmosis Unit Model VL3-12-AAAF - US Filter - Leased Equipment
4	Three, Pulsatron Chemical Pumps with a 150 gallon Chlorine Tank, 50 gallon Sodium Hydroxide Tank, and 50 Gallon anti-scaling tank
5	Two, 7.5 HP Pumps to supply well water to Reverse Osmosis system
6	Two, 1 HP Pumps to transfer finished Reverse Osmosis water to Storage Tank
7	One, 150,000 gallon CROM Storage Tank
8	One, Degasifier and Catchment Tank to Degas R.O. Product
9	One, Aerzen Blower for Aeration tank
10	One, 3 HP RAS Pump Motor
11	Two, RAS Pumps
12	One, Chlorine Gas Cabinet with five Rented Gas Bottles
13	Two, Air Compressors to operate Sand Filters
14	Two, Sand Filters
15	Two, Detention Contact Chambers
16	One, Sludge Digester
17	One, Golf Cart
18	One, Gas Welder
19	One, Pressure Washer
20	One, Air compressor
21	Two, Office Desks
22	Three Office Chairs
23	Two, Filing Cabinets
24	Two, 15 HP pumps and Control Panel to maintain drinking water pressure
25	One, 3000 Gallon Hydro tank for Reverse Osmosis water pressure
26	One, 15 HP Pump to fill non-potable water storage tank
27	One, 1,200,000 gallon Non-potable storage tank
28	One, 15 HP Spare motor for Item 26
29	Two, 60 HP pumps to supply irrigation and fire protection with associated electronic drive units - both inoperable as of inventory date
30	One, 75 HP pump for Golf Course Irrigation
31	Two, Main Lift Stations Pumps
32	Two, "Fire Department" lift station pumps
33	Two, "Beverly Court" lift station pumps
34	One, Waste Water Treatment Plant lift station pump

Equipment at Water Treatment Plant Continued

- 35 One, 18 foot high, 70 foot Diameter combination Aeration and clarifier tank
- 36 Miscellaneous valves, screws, nuts, bolts, tape, used meters, and other miscellaneous parts and components in plant work area
- 37 Miscellaneous Testing Chemicals and Test Kits
- 38 On hand chemicals for the operation of Plant

Office Supplies, Cash, Etc - Hand Delivered to Receiver as of February 5, 2010

- 39 \$3,295.91 Cash in Suntrust
- 40 Suntrust Checking Records including access to online Banking with Passwords
- 41 One, Post Office Box Key
- 42 Software Disk for UBPro Software
- 43 Data Drive with customer records on it
- 44 8 Boxes of records
- 45 Payable Records
- 46 Data Drive with Quickbooks Data for Service Management Systems

Exhibit B

Dennis Basile, CCIM

D. Basile Real Estate, LLC
826 Creel Street, Suite A
Melbourne, Florida 32935

INVOICE

SERVICE FOR:
Receivership of Service Management Systems, Inc.

Compass Bank, Plaintiff, vs. Service Management Systems, Inc.; Aquarina Community Services, Inc.; and Consolidated Environmental Engineering, LLC, Defendants

INVOICE NUMBER SMS-1001

Date March 22, 2010

BILL TO:
All concerned Parties;

DATE	SERVICE DESCRIPTION	AMOUNT	RATE	AMOUNT
2/1/10	Phone Call with Ed Kinberg re: discuss Receivership assignment	0.25	\$200.00	\$50.00
2/2/10	Phone Call with Patrick Patangan to discuss case and parties in more detail and to provide documentation of qualifications	0.50	\$200.00	\$100.00
2/2/10	Receive, review and comment on proposed Receivership Order	0.50	\$200.00	\$100.00
2/3/10	Phone Call with Ed Kinberg Re: Modification of Receivership Order	0.25	\$200.00	\$50.00
2/3/10	Initial Hearing appointing me as the Receiver for Service Management Systems, Inc.	0.75	\$200.00	\$150.00
2/3/10	Meeting with Ed Kinberg and Paul Levesque about known operations at the water plant.	1.00	\$200.00	\$200.00
2/4/10	Multiple Phone Call with attorney Dennis Fairbanks re: turning over of documents and plant on behalf of Service Management Systems, Inc.	0.50	\$200.00	\$100.00
2/4/10	Initial visit to Service Management Systems, Inc. office at 421 6 th Street, Indialantic. Meeting with Mr. Dan Winkler and Kathleen Freel	3.50	\$200.00	\$700.00
2/5/10	Initial water and sewer plant visit; meeting with David Whiteside of Accurate Utilities, Service Management Systems, Inc. employees Al Starr, Ron Chupka; gain access to property through the Aquarina Security Gate; review plant operations with operators and explain Receivership; review problems, normal operations, regulations, and Invoice due	4.50	\$200.00	\$900.00
2/5/10	Meeting with Dan Winkler and Kathleen Freel at Service Management Systems, Inc. office in Indialantic re: status of financials, methodology of paying invoices and collecting payables; attempt to negotiate with Dan Winkler to allow Kathleen Freel to continue to perform accounting and day to day problem solving for Receiver (denied); received 8 boxes of Service Management Systems, Inc. files, bank account info, passwords, accounts receivables and payables, etc.	4.00	\$200.00	\$800.00

Service Management Systems, Inc. Receivership Invoice

2/8/10	Phone Call from Ed Kinberg re: status	0.25	\$200.00	\$50.00
2/8/10	Phone Call with Paul Levesque re: status	0.50	\$200.00	\$100.00
2/8/10	Meet with Suntrust in Indian Harbor Beach; Courtenay Lendobeja and Tammy Baberio-Powell, Manager re: Transfer of Service Management Systems, Inc. accounts into my name; setup new accounts	3.25	\$200.00	\$650.00
2/9/10	Phone Call with Kathleen Free; 726-8400; re: Kathleen working for Receivership for billing etc. (denied)	0.25	\$200.00	\$50.00
2/9/10	Phone Call with Ron Chupak re: situation at plant	0.50	\$200.00	\$100.00
2/9/10	Phone Call with Bob Jensen, Commercial Lender for Suntrust re: Loan payment for Plant Emergency Generator and methodology for lock box payments	0.25	\$200.00	\$50.00
2/9/10	Phone Call with Dennis Fairbanks re: code violation hearing for 2/18/10; Re: Fire Hydrant Pumping systems not working properly; Aquarina Subdivision fire hydrants have inadequate pressure and flow due to two pumps not working;	0.25	\$200.00	\$50.00
2/10/10	Phone Call with Gerald Villella; Brevard County Fire Department 637-5660; re: Code Violation Hearing February 18, 2010	0.25	\$200.00	\$50.00
2/10/10	Phone Call with Phil Curry US Postal Service re: P. O. Box 510388, Melbourne Beach, FL. How many keys were issued	0.25	\$200.00	\$50.00
2/10/10	Phone Call with Patrick Patangan re: update and discussion of upcoming code violation hearing	0.25	\$200.00	\$50.00
2/10/10	Email to Patrick Patangan re: info concerning hearing on Fire Suppression situation	0.25	\$200.00	\$50.00
2/11/10	Phone Call with Dan Winkler re: Employee questions, status of Receivership	0.25	\$200.00	\$50.00
2/11/10	Oath of Receivership filing	0.25	\$200.00	\$50.00
2/11/10	Phone Call with Fire Marshall Frank Scates re: Fire Suppression pressure and volume inadequacies; fixes required and underway	0.75	\$200.00	\$150.00
2/11/10	Meeting with Ed Kinberg and Aquarina Homeowners Association leadership re: status and information	1.25	\$200.00	\$250.00
2/12/10	Phone Call with Roger Gibson of Watertronics re: past due bills, need for pumps and motors to be rebuilt, negotiated new work to be done for Receivership before payment made on past due account	0.75	\$200.00	\$150.00
2/12/10	Phone Call with Ron Chupak re: Watertronics situation and pumps and controllers	0.50	\$200.00	\$100.00
2/12/10	Begin review of online financial data; begin analysis of budget; logon to Suntrust Bank Account and review deposits, checks and balances.	1.75	\$200.00	\$350.00
2/13/10	Install Collection Management software (UBPro) on my computer and familiarize with collection component of software	2.00	\$200.00	\$400.00
2/15/10	Meet with Roger Gibson of Watertronics at plant Re: pumps and control head repair of fire suppression system and discuss again past due invoices;	3.50	\$200.00	\$700.00
2/15/10	Phone Call with Harris Software Re: UBPro software, password for install, access, and past due invoices	0.10	\$200.00	\$20.00
2/15/10	Phone Call with Patti Daniels of the Public Service Commission 850-413-6806 and Attorney Anna Williams of the PSC re: Receivership, DEP Problems, PSC rules, RAF filings, etc.	0.75	\$200.00	\$150.00
2/15/10	Phone Call with Charlotte Jackson 800-763-0415 x 331 (Service Management Systems, Inc. account no. 3995) of Prime Pay Re: payroll for plant employees, pay sheets, payment for processing, methodology for payment	0.50	\$200.00	\$100.00

Service Management Systems, Inc. Receivership Invoice

2/18/10	Meeting with Roger Gibson of Watertronics 321-255-3700 re: past due invoices, repair costs for irrigation/fire suppression pumps and control heads	1.00	\$200.00	\$200.00
2/18/10	Phone Call with Al Starr re: Complaint from Ed Muendel of the Aquarina Homeowners Association about AI's trailer being parked outside of the plant	0.25	\$200.00	\$50.00
2/18/10	Phone Call to Harris Computer Systems re: UBPro collection and management software; Registration problem, non-payment of annual support invoice and passwords, etc	0.50	\$200.00	\$200.00
2/17/10	Phone Call with Ron Chupak re: Customer billing issue and AI's trailer situation	0.25	\$200.00	\$50.00
2/18/10	Code Enforcement Hearing at Viera Re: Fire Suppression system; Results were to fix 1 pump and drive by 2/25/10 and 2 nd pump and drive within 30 days or face \$500 per day fines	2.00	\$200.00	\$400.00
2/18/10	Phone Call with Dan Winkler re: Service Management Systems, Inc. phone number coming into Commercial Building Contractors office; discussion of Al Starr working for Dan or not	0.25	\$200.00	\$50.00
2/18/10	Phone Call Kathleen Freel re: Phone transfer and paycheck for Al Starr; Phone Call with Roger Gibson re: Watertronics check and drop off order; Timing on install of 1 st pump at plant	0.25	\$200.00	\$50.00
2/19/10	Install Quickbooks software and backup on my computer; print general ledger for Service Management Systems, Inc.; review all data for 2009 and 2010	1.00	\$200.00	\$200.00
2/20/10	Review General Ledger and begin budget process and bill paying; general bookkeeping	2.50	\$200.00	\$500.00
2/21/10	Write letter to Brevard County County Attorney re: Special Magistrate Hearing; review Suntrust online banking for income deposits and outgoing checks; Work on UBPro billing including printing water readers route sheets; input customer payments into UBPro Software	3.00	\$200.00	\$600.00
2/22/10	Go to Water Plant and Inspect Watertronics Pump repair on the non-potable (fire system); Discussion with County Attorney re: Special Magistrate Stewart Capps potential appearance of conflict of interest	2.50	\$200.00	\$500.00
2/23/10	Phone Call with Ed Muendel of the Aquarina Home Owners Association re: inspection of plant facility	0.25	\$200.00	\$50.00
2/24/10	Emails to Ed Muendel Re: inspection of plant; Email to Gerry Hartman re: plant inspections; Phone Call to Fire Marshal re: pump #1 repaired and online	0.50	\$200.00	\$100.00
2/24/10	Enter all collected payments into UBPro Software; Review billing methodology; review outstanding water and sewer bills	3.00	\$200.00	\$600.00
2/26/10	Phone Call with David Whiteside of Accurate Utilities re: Declining condition of tests at plant; outstanding invoices of over \$24,000; very high Florida Power and Light usage	0.25	\$200.00	\$50.00
2/27/10	Finish inputting of meter readings in preparation for March Billing	2.50	\$200.00	\$500.00
2/28/10	Pickup mail at post office; finish last meter reading adjustments; print water bills	3.00	\$200.00	\$600.00
3/1/10	Phone Call with Patrick Patangan re: tax certificates and other items	0.25	\$200.00	\$50.00
3/4/10	Phone Call with David Whiteside re: outstanding invoices; received turn off notice from FPL; payment of FPL invoices; Paid David Whiteside a partial payment of \$9000 so that he will continue to monitor plant	0.75	\$200.00	\$150.00

Service Management Systems, Inc. Receivership Invoice

3/5/10	Phone Call with Eric Dettwiler of Siemens re: Reverse Osmosis lease payments that are 4 months behind for a total due of \$4,332.28	0.50	\$200.00	\$100.00
3/10/10	Phone Call with Henry Richer 772-528-1519 re: Aquarina Master Association billing issues; re: transfer of developer assets to the association and the responsibility of the old outstanding invoices	0.50	\$200.00	\$100.00
3/10/10	Phone Call with Nancy Butterworth property manager for Ocean Dunes re: \$11,000 water bill for February; Phone Call with Al Starr re: reread meter for Ocean Dunes pool and Building #3; water bill appears correct	0.50	\$200.00	\$100.00
3/11/10	Phone Call with Alberta Sweeney, Aquarina Master Association Property Manager; re: billing issues resolved; re: Developer bills vs association bills; reprint and resent bills to Alberta	0.75	\$200.00	\$150.00
3/11/10	Phone Call with Bill Norfleet 405-990-4411 re: Water Account #258 re: old water bills; reprinted and resent new invoice	0.50	\$200.00	\$100.00
3/15/10	Phone Call with Prime Pay re: Ron, Al payroll; Prepare payroll	0.50	\$200.00	\$100.00
3/15/10	Meeting with Roger Gibson of Watertronics; re: pay new invoices for proposed work to pump #2; discuss and deliver payment to Watertronics	0.50	\$200.00	\$100.00
3/15/10	Phone Call with Patrick Patangan re: Kenny of golf course re-setting meter on Golf Course irrigation system. Phone Call with Ron Chupka re: Kenny on property; Phone Call with Ed Muendell Re: Kenny on premises, message "Stay off property unless invited"	0.50	\$200.00	\$100.00
3/15/10	Phone Call with property manager of Ocean Dunes re: over billing on two water accounts; #733 and 732; Phone Call with Al Starr re: re-read meter for Ocean Dunes and discussion about visitors to the water plant	0.25	\$200.00	\$50.00
3/15/10	Post payments; update billing records, review invoices, review correspondence	3.00	\$200.00	\$600.00
3/16/10	Phone Call with Roger Gibson of Watertronics re: additional sales tax needed to be paid for install of pump #2; schedule pump 2 install for Thursday 3/18/10	0.25	\$200.00	\$50.00
3/17/10	Review emails from all attorneys; Phone Call with Al Starr and Ron Chupka re: Home owners Association representatives accessing plant without permission; also discussed Watertronics install for next day	0.25	\$200.00	\$50.00
3/17/10	Email Fire Marshall re: Fire suppression system installs and repairs	0.25	\$200.00	\$50.00
3/17/10	Input all cash receipts, all checks, confirm all bookkeeping in Quickbooks is accurate when compared to bank records; corrected omissions in Quickbooks vs Bank Records from previous operator of Service Management Systems, Inc. ; reviewed all accounts payable;	6.00	\$200.00	\$1,200.00
3/18/10	Inspection of plant of "emergency situation" identified by Home Owner Association Attorney; inspection of install of pump #2 non-potable water; review "emergency situation" with employees; Phone Call with Nancy Butterworth, property manager for Ocean Dunes condo; re: \$11,000 water bill on account #733; personally review meters for Ocean Dunes with staff; ordered online a new 125 amp circuit breaker needed to complete repair of pump	3.50	\$200.00	\$700.00
3/20/10	Prepare inventory report, billing invoice for report to Court; reviewed online financial accounts; mail ordered circuit breaker to Ron Chupka	5.00	\$200.00	\$1,000.00

Service Management Systems, Inc. Receivership Invoice

3/21/10	Process additional water bill payments; process payments into both UBPro Software and into Quickbooks; Review all outstanding invoices and reconcile what is now due and what is past due; review all correspondence and respond; finalize inventory report; work on Receiver Report to court; review invoices from Accurate Utilities;	9.00	200.00	\$1,800.00
3/22/10	Phone Call from reporter at Florida Today; Phone Call from water customer #720, Wayne Jones, 728-4440, re: sold house, disconnect water;	0.25	200.00	\$50.00
3/22/10	Phone Call from Karen Headrick the new property manager for Ocean Dunes Condominium, 321-784-8011 re: Account # 730, 731, 732, 733, 734, Re: change of address from bills, and account #733 \$11,000 water and sewer bill	0.50	200.00	\$100.00
3/22/10	Phone Call Ricardo Reis, 954-807-4118 re: insurance payment and policy info	0.50	200.00	\$100.00
3/22/10	Emails, review of invoices and payment to Siemens Financial Systems for the R.O plant loan	0.50	200.00	\$100.00
3/22/10	Paid all outstanding bills possible; recorded all transactions and brought all bookkeeping current, prepared estimated monthly budget report and completed Receiver Report and Invoice	5.00	200.00	\$1,000.00
				\$19,470.00
				TOTAL DUE

MAKE CHECKS PAYABLE TO:

D. Basile Real Estate, LLC
 826 Creel Street, Suite A
 Melbourne, Florida 32935.

Exhibit C

**Estimated Monthly Budget
Service Management Systems, Inc.**

<u>Category</u>	<u>Description</u>	<u>Amount</u>	<u>Totals</u>	<u>Notes and Comments</u>
Income	Water, Sewer and Irrigation Fees	\$28,000		
	Total Income		\$28,000	\$28,000
Expenses	Service Plant Operator	\$5,500		This Operators fees are seriously past due
	Payroll - Plant	\$5,000		One full time employee and one part time Operator
	Payroll - Billing and Bookkeeping	\$2,500		Not currently in place
	Workers Comp	\$450		Estimated
	Plant Insurance	\$1,000		
	Postage	\$125		For billing mailings
	Electric	\$5,000		Researching, seems high to all
	Office Supplies	\$200		
	Gas and Cell Reimbursement	\$325		To plant operators that use on vehicles and cell phones
	Diesel Fuel for Generator	\$200		Estimated at \$2,400 per year, used to test generator
	FL PSC RAF	\$1,500		Estimated at \$18,000 per year, currently in arrears
	Bank Fees	\$525		Suntrust Lockbox processing fees
	Trash	\$200		No trash container currently at plant
	Telephone	\$125		No active telephone in SMS name
	Real Estate Taxes	\$2,000		
	Total Expenses		\$24,650	
Loans	Generator Loan	\$620		
	RO Water System Loan/lease	\$1,000		
	FL DEP Revolving Loan	\$1,020		Semi-annual payments of \$6120.25. December Payment made 3/22/10
	Total Loan Costs per month		\$2,640	
	Total Cash Outlay Monthly			\$27,290
Monthly Cash Flow				\$710

Comments: This budget does not take into consideration any reserve for replacement of equipment or the facility in general. An example of this would be the approximately \$10,000 the Receiver has had to expend to get two of the Non-potable water pumps operational or the estimated \$25,000 for the repair of the clarifier arm that has been damaged since before the Receiver was appointed. It also does not consider (due to lack of data) the potential for significantly lower income due to the seasonality of the Aquarina Community. It also does not consider the potential increased income due to the coming on line of the new condominium projects within the community. These condo's should significantly increase the demand for water and sewer and therefore increase the gross income and somewhat effect the expenses.

EXHIBIT D
Service Managements Systems

3/22/2010 8:36 PM

Register: 1900 - Cash

From 02/04/2010 through 03/22/2010

Sorted by: Date, Type, Number/Ref

#1 - BEGINING OF RECEIVERSHIP -

Date	Number	Payee	Account	Memo	Payment C	Deposit	Balance
02/04/2010			Customer - Accounts Receivab...	LOCKBOX DEPOSIT...		712.44	6,801.64
02/04/2010	PR1.17-1.30	RON CHUPKA	6010.NP · Salaries/Wages-001 [...]	RON CHUPKA DIR...	441.36		6,360.28
02/04/2010	PR1.17-1.30	AL STARR	6010.NP · Salaries/Wages-001 [...]	AL STARR PAYCH...	1,290.01		5,070.27
02/04/2010	PR1.17-1.30		6010.NP · Salaries/Wages-001 [...]	TOTAL PAYROLL ...	606.07		4,464.20
02/05/2010	*		Customer - Accounts Receivab...	Receivership Deposit...		831.71	5,295.91
02/05/2010	9TRNG-QZ6...	ACCURATE UTILITIES INC.	2006 · Accounts Payable	SLUDGE REMOVAL	2,000.00		*1 3,295.91
02/08/2010			Customer - Accounts Receivab...	Receivership Deposit...		739.27	4,035.18
02/10/2010			Customer - Accounts Receivab...	Receivership Deposit...		1,858.43	5,893.61
02/11/2010			Customer - Accounts Receivab...	Receivership Deposit...		2,777.94	8,671.55
02/12/2010			Customer - Accounts Receivab...	Receivership Deposit...		1,505.14	10,176.69
02/16/2010			Customer - Accounts Receivab...	Receivership Deposit...		790.70	10,967.39
02/16/2010			Customer - Accounts Receivab...	Receivership Deposit...		3,236.28	14,203.67
02/17/2010			Customer - Accounts Receivab...	Receivership Deposit...		2,874.87	17,078.54
02/17/2010	2443	WATERTRONICS	6120.NP · Repairs & Maintena...	FIRE SUPPRESSIO...	4,616.30		12,462.24
02/18/2010			Customer - Accounts Receivab...	Receivership Deposit...		124.03	12,586.27
02/18/2010	PR1.17-1.31	RON CHUPKA	1900 · Cash [split]	RON CHUPKA PA...	351.35		12,234.92
02/18/2010	PR1.17-1.31	AL STARR	1900 · Cash [split]	AL STARR PAYRO...	560.27		11,674.65
02/18/2010	PR1.17-1.31	AL STARR	-split-	AL STARR PAYRO...	1,282.58		10,392.07
02/19/2010			Customer - Accounts Receivab...	Receivership Deposit...		1,213.27	11,605.34
02/19/2010	BANK FEES		-split-	BANK FEES - ACC...	428.10		11,177.24
02/22/2010			Customer - Accounts Receivab...	Receivership Deposit...		1,043.98	12,221.22
02/23/2010			Customer - Accounts Receivab...	Receivership Deposit...		174.15	12,395.37
02/24/2010			Customer - Accounts Receivab...	Receivership Deposit...		260.14	12,655.51
02/24/2010	SUNLOAN/11		2007 · Suntrust Loan [split]	SUNTRUST LOAN ...	618.74		12,036.77
03/01/2010			Customer - Accounts Receivab...	Receivership Deposit...		356.71	12,393.48
03/02/2010			Customer - Accounts Receivab...	Receivership Deposit...		4,074.61	16,468.09
03/03/2010			Customer - Accounts Receivab...	Receivership Deposit...		206.38	16,674.47
03/03/2010	PR2.13 2.27		1900 · Cash [split]	AL STARR	1,290.01		15,384.46

** DEPOSIT ENTERED BY RECEIVER AFTER ACCOUNT TAKEOVER - NOT RECORDED BY PREVIOUS MANAGEMENT*

Service Managements Systems

3/22/2010 8:36 PM

Register: 1900 - Cash

From 02/04/2010 through 03/22/2010

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
03/03/2010	PR2.13 2.27		1900 - Cash [split]	AL STARR	649.08			14,735.38
03/03/2010	PR2.13 2.27		-split-	RON CHUPKA	544.08			14,191.30
03/04/2010			Customer - Accounts Receivab-...	Receivership Deposit...			141.90	14,333.20
03/04/2010	2444	ACCURATE UTILITIES INC.	2000 - Accounts Payable		9,000.00			5,333.20
03/05/2010			Customer - Accounts Receivab-...	Receivership Deposit...			1,953.76	7,286.96
03/05/2010	7023	FLORIDA POWER & LIGHT	2000 - Accounts Payable		6,459.95			827.01
03/08/2010			Customer - Accounts Receivab-...	Receivership Deposit...			2,831.36	3,658.37
03/09/2010			Customer - Accounts Receivab-...	Receivership Deposit...			3,614.52	7,272.89
03/10/2010			Customer - Accounts Receivab-...	Receivership Deposit...			4,406.18	11,679.07
03/11/2010			Customer - Accounts Receivab-...	Receivership Deposit...			5,985.60	17,664.67
03/12/2010			Customer - Accounts Receivab-...	Receivership Deposit...			1,997.35	19,662.02
03/15/2010			Customer - Accounts Receivab-...	Receivership Deposit...			2,794.75	22,456.77
03/16/2010			Customer - Accounts Receivab-...	Receivership Deposit...			1,941.58	24,398.35
03/17/2010			Customer - Accounts Receivab-...	Receivership Deposi...			1,320.76	25,719.11
03/17/2010	2445	WATERTRONICS	6120.NP - Repairs & Maintena...	Irrigation pump 2 an...	4,125.00			21,594.11
03/17/2010	2446	WATERTRONICS	6120.NP - Repairs & Maintena...	Sales tax on Pump 2 ...	247.50			21,346.61
03/18/2010			Customer - Accounts Receivab-...	Receivership Deposit...			10,001.76	31,348.37
03/18/2010	2447	RON CHUPKA	2000 - Accounts Payable	Cell Phone and truck...	75.00			31,273.37
03/18/2010	2449	D. Basile Real Estate, LLC	6120.NP - Repairs & Maintena...	Reimb. for LiveWire ...	473.09			30,800.28
03/18/2010	PR2.13 2.28		-split-	Suntrust Bank Analy...	430.01			30,370.27
03/21/2010			Customer - Accounts Receivab-...	Receivership Deposit...			668.91	31,039.18
03/21/2010	PR2.13 2.29		1900 - Cash [split]	Al Starr	1,260.27			29,778.91
03/21/2010	PR2.13 2.29		1900 - Cash [split]	Al Starr	468.72			29,310.19
03/21/2010	PR2.13 2.29		-split-	Ron Chupka	377.16			28,933.03
03/22/2010	2448	AL STARR	2000 - Accounts Payable	car+cell+material rei...	237.34			28,695.69
03/22/2010	2450	PREMIUM ASSIGNMENT ...	2000 - Accounts Payable	515628	907.66			27,788.03
03/22/2010	2452	SIEMENS FINANCIAL SE...	2000 - Accounts Payable	R/O water system pa...	4,332.26			23,455.77
03/22/2010	2453	PRIMEPAY OF FLORIDA L...	-split-	3995	274.20			23,181.57

Service Managements Systems

3/22/2010 8:36 PM

Register: 1900 - Cash

From 02/04/2010 through 03/22/2010

Sorted by: Date, Type, Number/Ref

Date	Number	Payee	Account	Memo	Payment	C	Deposit	Balance
03/22/2010	2454	BRIDGEFIELD EMPLOYE...	-split-	0830-39884	288.79			22,892.78
03/22/2010	2455	ACCURATE UTILITIES INC.	2000 - Accounts Payable	On account	5,292.89			17,599.89
03/22/2010	2456	STATE OF FLORIDA	2005 - State Loan - Payable	DW050101 Water St...	6,120.65			11,479.24
03/22/2010	2457	FLORIDA POWER & LIGHT	-split-		5,002.57			6,476.67
03/22/2010	2458	LOWE'S BUSINESS ACCO...	6120.WW - Repairs & Maintena...	821 3110 902547 3	313.90			6,162.77
03/22/2010	2459	HD SUPPLY WATERWOR...	6120.WA - Repairs & Maintena...	collections billing	68.90			6,093.87
03/22/2010	2460	USA BLUEBOOK	6020.WA - Chemicals-001	Supplies	176.48			5,917.39
03/22/2010	2461	GRAINGER	6120.WW - Repairs & Maintena...	Supplies	44.55			5,872.84
03/22/2010	2462	STATE OF FLORIDA	2005 - State Loan - Payable	DWSRF050101 Late...	367.24			5,505.60
03/22/2010	2463	FLORIDA POWER & LIGHT	-split-		29.38			5,476.22
03/22/2010	2464	WATERTRONICS	6120.NP - Repairs & Maintena...	Past due on account	2,000.00			3,476.22

COMPOSITE

EXHIBIT

B

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

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

COMPASS BANK,
Plaintiff,

vs.

SERVICE MANAGEMENT SYSTEMS,
INC., et al,
Defendants.

CERTIFICATE OF SALE

The undersigned clerk of the court certifies that notice of public sale of the property described in the Summary Final Judgment of Foreclosure was published in *Florida Today*, a newspaper circulated in Brevard County, Florida, in the manner shown by the proof of publication filed herein and on March 31, 2010, the property was offered for public sale to the highest and best bidder for cash. The highest and best bid received for the property was submitted by PUF, to whom the property was sold for \$ 100. The proceeds of the sale are retained for distribution in accordance with the Summary Final Judgment of Foreclosure.

WITNESS my hand and the seal of this Court on this 31 day of March, 2010.

SCOTT ELLIS
Clerk of the Circuit Court

By: _____
Deputy Clerk

Copies to:
All parties on attached Service List

SERVICE LIST

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

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

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

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

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

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

COMPASS BANK, Plaintiff,

vs.

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

SCOTT ELLIS
2010 APR 15 P 2:30
FILED IN 05-2008-CA-61639

CERTIFICATE OF TITLE

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

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

SCOTT ELLIS
Clerk of the Circuit Court



By: *[Signature]*
Deputy Clerk

Copies to:
All parties on attached Service List



LEGAL DESCRIPTION

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

EXHIBIT "A"

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

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

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

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

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

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

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

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

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

EXHIBIT "B"

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SERVICE LIST

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

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

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

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