

FLORIDA PUBLIC SERVICE COMMISSION

**INSTRUCTIONS FOR COMPLETING EXAMPLE
APPLICATION FOR TRANSFER TO A GOVERNMENTAL AUTHORITY**

**(Pursuant to Section 367.071, Florida Statutes, and
Rule 25-30.038, Florida Administrative Code)**

General Information

The attached form is an example application that may be completed by the applicant and filed with the Office of Commission Clerk to comply with Rule 25-30.038, Florida Administrative Code (F.A.C.). Any questions regarding this form should be directed to the Division of Engineering at (850) 413-6910.

Instructions

1. Fill out the attached application form completely and accurately.
2. Complete all the items that apply to your utility. If an item is not applicable, mark it "N.A." Do not leave any items blank.
3. The completed application and attached exhibits should be mailed to:

**Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

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COMMISSION
CLERK

APPLICATION FOR TRANSFER TO A GOVERNMENTAL AUTHORITY

**(Pursuant to Section 367.071, Florida Statutes, and
Rule 25-30.038, Florida Administrative Code)**

To: **Office of Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, Florida 32399-0850**

The undersigned hereby makes application for acknowledgement of the transfer of all or part of the utility's water and/or wastewater facilities in Pasco County, Florida, and cancellation or amendment of Water Certificate No. 315-W and/or Wastewater Certificate No. 260-S and submits the following information:

PART I APPLICANT INFORMATION

A) Contact Information for Utility/Seller. The utility/seller's certificated name, address, telephone number, and if applicable, fax number, e-mail address, and website address. The utility's name should reflect the business and/or fictitious name(s) registered with the Department of State's Division of Corporations:

Orangewood Lakes Services, Inc.
Utility Name

7602 Congress St
Office Street Address

New Port Richey Florida 34653
City State Zip Code

Mailing Address (if different from Street Address)

City State Zip Code

727-849-9555 () -
Phone Number Fax Number

59-1821939
Federal Employer Identification Number

A1@floridacommunities.com
E-Mail Address

Website Address

315-W
Water Certificate No.

260-S
Wastewater Certificate No.

- B) The contact information of the seller's authorized representative to contact concerning this application:

Al Heiler
Name

7602 Congress St.
Mailing Address

New Port Richey Florida
City State

34653
Zip Code

(727) 849-9555
Phone Number

() -
Fax Number

Al@floridacommunities.com
E-Mail Address

- C) Contact Information for Governmental Authority. The name, address, telephone number, and if applicable, fax number, and e-mail address of the governmental authority.

Robert Rivera - New Port Richey, Public works director
Governmental Authority's Name

6132 Pine Hill Rd.
Office Street Address

Port, Richey Florida
City State

34668
Zip Code

(727) 841 4556
Phone Number

(727)-841-4586
Fax Number

riverar@cityofnewportrichey.org
E-Mail Address

D) The contact information of the governmental authority's authorized representative to contact concerning this application:

Robert Rivera City of New Port Richey
Name

6132 Pine Hill Rd.
Mailing Address

Port Richey Florida 34668
City State Zip Code

(727) 841-4556 (727) 841 4586
Phone Number Fax Number

riverar@cityofnewportrichey.org
E-Mail Address

PART II TRANSFER OF FACILITIES

A) DESCRIPTION OF SALE/TRANSFER AGREEMENT

1) Exhibit A - Provide the date on which the governmental authority assumed ownership or proposes to assume ownership, operation, management, or control of the utility. The transfer of facilities, or any portion thereof, from a regulated utility to a governmental authority shall be effective as of the date the governmental authority assumes ownership, operation, management, or control.

2) Exhibit B - Provide a copy of the contract or other document transferring the utility system to the governmental authority.

3) Exhibit C - Provide a statement that the governmental authority obtained from the utility or Commission the most recent available annual report.

- 4) Exhibit D - Provide a statement describing the disposition of customer deposits and interest thereon.

- 5) Exhibit F - Provide a statement regarding the disposition of outstanding regulatory assessment fees, fines or refunds owed. The transfer of a regulated utility to a governmental authority shall not affect the utility's obligation to complete payment of regulatory assessment fees pursuant to Rule 25-30.120, F.A.C.

B) DESCRIPTION OF FACILITIES NOT TRANSFERRED

If a utility is transferring only a portion of its facilities to a governmental authority, it must provide the following additional information:

- 1) Exhibit F - A list of any utility assets not transferred to the governmental authority, if such remaining assets constitute a system providing or proposing to provide water or wastewater service to the public for compensation.
- 2) Exhibit G - A legal description of the territory not transferred to the governmental authority in the format prescribed in Rule 25-30.029, F.A.C.
- 3) Exhibit H - An official county tax assessment map or other map showing township, range, and section with a scale such as 1" = 200' or 1" = 400', with the remaining territory plotted thereon, consistent with the legal description provided in II.B.1.b. above.
- 4) Exhibit I - A tariff containing all rates, classifications, charges, rules, and regulations, which shall be consistent with Chapter 25-9, F.A.C. See Rule 25-30.038, F.A.C., for information about water and wastewater tariffs that are available and may be completed by the applicant and included in the application.

PART III SIGNATURE

Please sign and date the utility's completed application.

APPLICATION SUBMITTED BY: Al Heiler
Applicant's Signature

AL HEILER
Applicant's Name (Printed)

PRESIDENT
Applicant's Title

2/21/19
Date

EXHIBIT A

Notice of intent dated November 4, 2018 attached.
April 1, 2019 closing date is set at this time,
ownership will be assumed on the same date.



NEW PORT RICHEY

5919 MAIN STREET • NEW PORT RICHEY, FL 34652 • 727.

16

November 4, 2018

DRAFT

Mr. Al Heiler
President Owner
Orangewood Lakes Services, Inc.
7602 Congress Street, Suite 4
New Port Richey, Florida 34653

Re: Notice of Intent – Orangewood Lakes Utility Purchases

Dear Mr. Heiler,

On October 3, 2018, at a public noticed work session, the City of New Port Richey City Council directed staff to begin the financial and the legal process to purchase the Orangewood Lakes Utility. As you may recall, in March of 2015 preliminary discussions began between you and myself about the possible purchase of the private utility by the publicly owned City of New Port Richey utility. During subsequent discussions, it was agreed by both parties the City would perform a valuation report of the utility using the firm of McKim & Creed, Incorporated located at 1365 Hamlet Avenue, Clearwater, Florida 33765. Mr. Mitchel A. Chiavaroli, P.E., Director of Engineering was the lead consultant tasked with creating the valuation report. The methodology used in the report was based on three categories. The value of physical infrastructure or asset valuation, income valuation and recent sales of similar utilities in the region known as the comparable sales valuation. The final value was based on a weighted value of the three criteria's. With the need to make various assumptions during the valuation process, it was determined a reasonable purchase price for the utility system was between \$800,000 and \$900,000. Subsequent to the completion of the report, 60 additional units have requested sewer utility hook ups and were not included in the valuation cost. In addition, the valuation report identified Capital costs of \$1,161,000 for the City to construct tie-ins for water and sewer into the Orangewood Lakes system. During our June 14, 2018 meeting it was agreed that \$950,000.00 was a fair and equitable offer for the purchase of the utilities based upon the following conditions:

1. New Port Richey City Council approval of a notice of intent to purchase the Orangewood Lakes Services, Inc. utility system for an amount not to exceed \$950,000.00.
2. The purchase includes all of the utility's customers and future customers located in the Orangewood Lakes Services, Inc. utility service area. Real property and well with existing lift station located at 7820 Sun Runner Dr. New Port Richey, Fl. 34653.
3. The purchase includes a lease agreement to operate the existing wastewater treatment plant located at 7820 Sun Runner Dr. for \$3,000 a month for 24 months or until such time construction of the utility tie-in by the City is completed.
4. The utility purchasing process follows the 2017 Florida Statute 180.301 **Purchase, sale, or privatization of water, sewer, or wastewater reuse utility by municipality.**



NEW PORT RICHEY

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5. Prior to the purchase date, the existing owner shall be permitted to pursue past due receivable customers in whatever legal fashion they wish and keep all moneys recovered for service the utilities provided to them.
6. Accounts delinquent as of the closing/purchase date become the property of the City of New Port Richey.
7. Any funds collected from the accounts subsequent to the closing/purchase date become the property of the City of New Port Richey.
8. Prior to the closing/purchase date the existing utility owner shall transfer all existing customer deposits to the City of New Port Richey.
9. The City of New Port Richey Finance Director and the current 2018 Utility Revenue Sufficiency Analysis (RSA), has recommended borrowing for the securement of funds used to purchase the utility. This proposed purchase has been included and approved by City Council in the City's current Capital Improvement Program.
10. New Port Richey City Council approval to accept funding agreement recommended by the City's Finance Director and RSA and approve the purchases of the utility.
11. It has been agreed to by all parties the purchase of the Utility will conclude by May 1, 2019 unless an extension is approved by both parties in writing 30 days prior to the May 1, 2019 date called out in this NOI agreement.

ORANGEWOOD LAKES SERVICES, INC.

CITY OF NEW PORT RICHEY, FLORIDA

Al Heiler, Owner

Rob Marlowe, Mayor – Councilmember

ATTEST:
(SEAL)

Judy Meyers, Interim City Clerk

EXHIBIT B

Attached Agreement for purchase and sale dated November 30, 2018

AGREEMENT FOR PURCHASE AND SALE

OF

WATER AND WASTEWATER UTILITY ASSETS

by and between

ORANGEWOOD LAKES UTILITY SERVICES INC.

Seller

and

CITY OF NEW PORT RICHEY, FLORIDA

City

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**AGREEMENT FOR PURCHASE AND SALE OF
WATER AND WASTEWATER UTILITY ASSETS**

THIS AGREEMENT FOR PURCHASE AND SALE OF WATER AND WASTEWATER UTILITY ASSETS ("Agreement") is made and effective as of the ____ day of February, 2019 ("Effective Date"), by and between [**ORANGEWOOD LAKES UTILITY SERVICES**], a corporation organized and existing under the laws of the State of Florida ("Seller"), and the City of New Port Richey, Florida, a municipal corporation of the State of Florida ("City").

WHEREAS, Seller has been granted a certificate by the Florida Public Service Commission ("FPSC") to provide potable water services within a defined area within Pasco County, Florida more specifically identified in Seller's Tariff currently on file with the FPSC ("Water Service Area"); and

WHEREAS, Seller has been granted a certificate by the FPSC to provide wastewater utility services within a defined area within Pasco County, Florida more specifically identified in Seller's Tariff currently on file with the FPSC ("Wastewater Service Area"); and

WHEREAS, Seller owns and operates a water supply, treatment, storage, transmission and distribution system ("Water System"), and a wastewater collection, transmission, treatment, [recycling] and effluent disposal system ("Wastewater System") located in Pasco County, Florida, and commonly known as [**ORANGEWOOD LAKES UTILITY SERVICES**]; and

WHEREAS, the City has the power and authority to provide water and wastewater service within its service territory and desires to acquire certain Water System assets and Wastewater System assets of Seller and Seller desires to sell, transfer, convey and assign to City all right, title and interest in and to those Water System and Wastewater System assets; and

WHEREAS, City must close on and receive the proceeds from certain grant(s) and/or loan transactions in order to be able to fund the purchase price and acquire the Water System assets and the Wastewater System assets and to fund certain capital improvements to integrate and incorporate certain of the Water System assets and Wastewater System assets into the City's utility system ("Closing"); and it is included in the CIP five year bonding for capital projects.

WHEREAS, in connection with the Close of the purchase of the Water System assets and the Wastewater System assets hereunder, Seller will lease to City and City will lease from Seller the wastewater treatment plant owned and operated by Seller as of the date hereof located at 7820 Sun Runner Drive New Port Richey, Fl. 34653 pursuant to a lease agreement (the "WWTP Lease"); and

WHEREAS, pursuant to Section 125.3401, Florida Statutes, the City held a public hearing on the 5th day of February, 2019, concerning the proposed purchase and sale of substantially all of the Water System assets and Wastewater System assets, and made a determination that such purchase and sale is in the public interest; and

WHEREAS, the City, in determining if such a purchase and sale is in the public interest, considered factors including but not limited to those set forth in Section 125.3401, Florida Statutes; and

WHEREAS, the sole shareholders of Seller, as the equity holder of Seller, will derive substantial benefit from the consummation of the transactions contemplated by this Agreement; and

WHEREAS, Seller agrees to sell the Water System assets and the Wastewater System assets described herein for the consideration and on the terms and subject to the conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and City hereby agree as follows:

1. RECITALS AND DEFINED TERMS.

(a) The foregoing recitals are true and correct and are incorporated herein.

(b) Defined Terms.

"Agreement" has the meaning set forth in the first paragraph.

"Assumed Liabilities" has the meaning set forth in Section 3(a).

"Certificates" has the meaning set forth in Section 2(c)(v).

"Closing" means the closing of the transactions contemplated by this Agreement at which the Purchased Assets are delivered to Buyer, the Purchase Price is paid by the City to Seller and all of the documents executed by Seller and the City at the escrow Closing are released from escrow and any other certificates, instruments and documents are delivered to the parties.

"Closing Date" has the meaning set forth in Section 11.

"Contracts and Leases" has the meaning set forth in Section 2(c)(x).

"Council" means the City Council of the City of New Port Richey, Florida.

"Effective Date" has the meaning set forth in the first paragraph.

"Environmental Law" has the meaning set forth in Section 5(i)(i)(A).

"Excluded Assets" means the water treatment plant located at 7911 Greenlawn Drive, New Port Richey, Fl. 34653, the wastewater treatment plant located at 7820 Sun Runner Drive, New Port Richey, Fl. 34653 and any buildings on the Real Property and those assets, properties and rights, both tangible and intangible, real and personal, of Seller described in herein which shall not be sold, conveyed, or transferred by Seller to the City pursuant to this Agreement.

"Excluded Liabilities" means those obligations and liabilities which are retained by Seller and not assigned to or assumed by Buyer, including the following: (i) any debts, liabilities, obligations, or financial, service, contractual or other obligations of Seller or the shareholders, except as may be expressly and specifically provided in this Agreement; (ii) any expense, tax, assessment, exposure, fine, penalty, liability, contribution, act or omission of any kind whatsoever imposed or required by any third party, whether known or unknown, contingent, liquidated or not liquidated, arising or accruing under contract, law, tort, ordinance, law, regulation or otherwise, which is not an Assumed Liability; and (iii) liability for accrued or

current salaries or benefits of any kind related to Seller's construction, operation, or maintenance of the Water System, Wastewater System and Purchased Assets up to and including Closing.

"Financial Closing" has the meaning set forth in the recitals.

"FPSC" has the meaning set forth in the recitals.

"Hazardous Material" has the meaning set forth in Section 5(i)(i)(B).

"Permitted Encumbrances" has the meaning set forth in Section 7(e).

"Purchased Assets" has the meaning set forth in Section 2(c).

"City" has the meaning set forth in the first paragraph.

"Real Property" has the meaning set forth in Section 2(c)(i).

"Release" has the meaning set forth in Section 5(i)(i)(C).

"Remedial Action" has the meaning set forth in Section 5(i)(i)(D).

"Seller" has the meaning set forth in the first paragraph.

"Tax" means any income, gross receipts, license, payroll, employment, excise, severance, stamp, occupation, premium, property, environmental, windfall profit, customs, vehicle, airplane, boat, vessel or other title or registration, capital stock, franchise, employees' income withholding, foreign or domestic withholding, social security, unemployment, disability, Real Property, personal property, sales, use, transfer, value added, alternative, add-on minimum and other tax, fee, assessment, levy, tariff, charge or duty of any kind whatsoever and any interest, penalty, addition or additional amount thereof imposed, assessed or collected by or under the authority of any governmental body or payable under any tax-sharing agreement or any other contract.

"Wastewater Service Area" has the meaning set forth in the recitals.

"Wastewater System" has the meaning set forth in the recitals.

"Water Service Area" has the meaning set forth in the recitals.

"Water System" has the meaning set forth in the recitals.

"WWTP Lease" has the meaning set forth in the recitals.

(c) Construction and Interpretation.

(i) Words that indicate a singular number shall include the plural in each case and vice versa, and words that import a person shall include legal entities, firms and corporations, the terms "herein," "hereunder," "hereby," "hereof," and any similar terms, shall refer to this Agreement; the term "heretofore" shall mean before the date of execution of this Agreement; and the term "hereafter" shall mean on or after the date of execution of this Agreement, and words that reference only one gender shall include all genders.

2. COVENANT TO PURCHASE AND SELL; DESCRIPTION OF PURCHASED ASSETS.

(a) Purchase and Sale. City shall purchase and receive from Seller, and Seller shall sell, transfer, convey, assign and deliver to City, the Purchased Assets (as defined below) upon the terms and conditions set forth in this Agreement. In connection therewith, at Closing the parties shall execute the WWTP Lease pursuant to which City will lease and operate the WWTP in accordance with the terms thereof.

(b) Asset Warranty. Except as otherwise represented and warranted by Seller Herein, City is purchasing the Purchased Assets "As-Is" "Where-Is" subject to "All Disclosed Faults."

(c) "Purchased Assets" shall include substantially all assets, business properties, equipment, machinery, systems, intellectual property, technology, records, logs, books, and accounts and rights and interests, both tangible and intangible, that Seller owns regarding the ownership, construction, operation or maintenance of the Water System and the Wastewater System (other than Excluded Assets) including, but not limited to:

(i) The real property owned by Seller or in which Seller has a leasehold interest [and the buildings, facilities, plants, installations, structures, improvements and major components located thereon] that are identified in **Appendix "A"** to this Agreement ("Real Property").

(ii) All easements, licenses, prescriptive rights, rights-of-way, rights to use public and private roads, highways, canals, streets and other areas identified in **Appendix "B-1"** and the Service Territory identified in **Appendix "B-2"** to this Agreement (which appendix also shall include a legal description of the Water Service Territory and the Wastewater Service Territory and a map showing all buildings, facilities, plants, installations, structures, improvements and major components of the Water System and the Wastewater System), including any Excluded Assets.

(iii) All water supply, treatment, storage, distribution, and transmission facilities, including, but not limited to, pumps, plants, wells, tanks, transmission mains, distribution mains, supply pipes, valves, meters, meter boxes, instruments, controls, sensors, service connections and all other such facilities, equipment and property installations owned by Seller or to which Seller possesses rights and which are used in or useful in connection with the ownership, operation, maintenance and repair of the Water System, as identified in **Appendix "C-1"** to this Agreement, but not included Excluded Assets.

(iv) All wastewater collection, treatment, transmission and disposal facilities, including, but not limited to, pumps, plants, wells, tanks, lift stations, transmission mains, force mains, pipes, valves, meters, meter boxes, instruments, controls, sensors, service connections and all other such facilities, equipment, property and installations owned by Seller or to which Seller possesses rights and/or which are used in or useful in connection with the ownership, construction, operation, maintenance, alteration, expansion and repair of the Wastewater System, as identified in **Appendix "C-2"** to this Agreement, but not included Excluded Assets.

(v) All certificates, immunities, entitlements, privileges, authorizations, permits, license rights, consents, grants, ordinances, surveys, leaseholds, and all rights to construct, repair, maintain, expand, alter and operate all or any portion of the Water System and the Wastewater System and every right of every nature or character whatever in connection therewith, (hereinafter referred to as the "Certificates"); together with all rights, interests, benefits and privileges granted to Seller under the Certificates, as identified in **Appendix "D"** to this Agreement. **Appendix "D"** shall also identify any of the foregoing which are Excluded Assets or are not transferable or which require third party consents or approvals to transfer.

(vi) [All items of inventory owned by Seller on the Closing Date which are fit for use and used or useful in connection with the operation and maintenance of the Water System and/or the Wastewater System, which shall be maintained at levels consistent with good industry practice between the Effective Date and the Closing Date. Inventory items/amounts as of the Effective Date shall include those items listed in **Appendix "G"**.]

(vii) All supplier lists, customer records, [customer billing hardware and software], drawings, maps, prints, plans, engineering reports, surveys, specifications, shop drawings, manuals, warranties, guarantees, and other information, data and documentation relating to the Water System and/or the Wastewater System in Seller's possession, custody or control, including any ownership interests, licenses and use rights of Seller with respect to the possession and use thereof and any rights of Seller to obtain copies of such items from third parties.

(viii) All sets of record drawings, including as-built drawings, showing all buildings, improvements, installations, systems, facilities and equipment of the Water System and the Wastewater System, including reproducible documents or materials in Seller's possession, including any rights of Seller to obtain copies of such items from third parties.

(ix) [All rights and interests of Seller under any Developer Agreements as identified in **Appendix "E"** to this Agreement.] *[Discuss Applicability]*

(x) All rights, interests, benefits, powers, authority and privileges of Seller under all contracts, agreements, memorandum of understanding, letters of intent, purchase orders, work orders, task orders, licenses, rental agreements, lease agreements and use agreements necessary or useful in the operation, maintenance and repair of the Water System and the Wastewater System ("Contracts and Leases") as identified in **Appendix "F"** to this Agreement. **Appendix "F"** also contains a schedule identifying any Excluded Assets and Contracts or Leases which are not transferable or for which third party consents or approvals are necessary for assignment by Seller and assumption thereof by City.

(xi) [All equipment, tools, parts, laboratory equipment, office equipment and other personal property owned by Seller and exclusively used to operate, maintain and repair the Utility System as identified in **Appendix "H."**]

(d) "Excluded Assets". Notwithstanding any provision in this Agreement that may be construed to the contrary, Purchased Assets do not include the "Excluded Assets," which are the following assets:

(i) Cash, accounts receivable, bank accounts, equity and debt securities of any nature, deposits maintained by Seller with any governmental authority, and any prepaid expenses of Seller for services, products, licenses which have not been delivered or provided, which shall be Seller's sole property as of the Closing Date.

(ii) Escrow and other Seller provisions for payment of federal and state taxes, and other obligations to governmental authorities and agencies, including regulatory assessment fees, which shall be Seller's obligation and responsibility to pay in their entirety through the Closing Date.

(iii) The name and Florida corporation known as [**ORANGEWOOD LAKES UTILITY SERVICES**] and related logos and signage owned or used by Seller, including without limitation, logos and signage using the [**ORANGEWOOD LAKES UTILITY SERVICES**] name and logo.

(iv) [OTHER ASSETS NOT ACQUIRED BY PURCHASER – office equipment, vehicles, tools, property not used exclusively in the administration of the business of the Seller, contracts that cannot be assigned; permits that cannot be assigned; employment contracts; policies of insurance relating to the period after closing]

3. LIABILITIES.

(a) Assumed Liabilities. On the Closing Date, the City shall assume and agree to discharge only the following obligations and liabilities of Seller (the "Assumed Liabilities"):

(i) Liabilities to the customers of the Utility System incurred after the Closing Date where the operative event, occurrence, act, omission or failure to act giving rise to the liability occurred exclusively after the Closing Date;

(ii) Liabilities of City under this Agreement, the WWTP Lease or any other document executed by Buyer in connection with this Agreement;

(iii) Liabilities of City based upon City's acts, omissions or failures to act with regard to Purchased Assets occurring after the Closing Date, other than as permitted or contemplated by this Agreement;

(iv) Liabilities arising from the ownership, operation and maintenance of the Purchased Assets after the Closing Date.

(b) Excluded Liabilities. Notwithstanding the foregoing in Section 3(a) with respect to the Assumed Liabilities, the following shall not constitute liabilities assumed by the City:

(i) City does not assume any debts, liabilities, obligations, expenses, costs, fees, charges, duties, taxes, impositions, assessments or other financial or service obligations of Seller or any affiliate or related person, except as may be expressly, specifically provided in this Agreement. City does not assume and shall not be liable for any expense, cost, fee, charge, Tax, duty, imposition, assessment, exposure, fine, penalty,

sanction, liability, act or omission of any kind whatsoever imposed, assessed, ordered, claimed, asserted or required by any third party, whether known or unknown, contingent, liquidated or not liquidated, arising or accruing under contract, law, tort, ordinance, law, regulation or otherwise, arising or accruing before or after the Closing Date where the operative event, occurrence, act, failure to act or omission giving rise thereto was that of or attributable to the Seller for its actions, or the actions, failures to act or omissions of its affiliates, related persons, agents, representatives, contractors, services providers, vendors, suppliers, insurers, advisors, consultants or other persons or entities under its direction or control, prior to the Closing Date. Seller shall remain liable for and shall pay, perform or discharge all such debts, liabilities, obligations, expenses, costs, fees, charges, taxes, impositions and assessments.

4. **PURCHASE PRICE.** City shall pay to Seller for the sale, assignment, transfer and conveyance of the Purchased Assets, subject to the additions, adjustments and prorations contemplated by this Agreement, a cash payment in the amount of Nine Hundred Fifty Thousand Dollars (\$950,000) via wire transfer to the account designated in writing by Seller at the Closing.

5. **REPRESENTATIONS AND WARRANTIES OF SELLER.** As a material inducement to City to execute this Agreement and perform its obligations and consummate the transactions contemplated hereunder, Seller represents and warrants to City as follows:

(a) Seller is a duly organized, validly existing corporation, and active and in good standing under the laws of the State of Florida. Seller has all requisite right, power and authority and has taken all requisite action necessary to (i) execute, enter into and deliver this Agreement and other transaction documents; (ii) perform, pay and observe all of the terms, covenants and conditions of this Agreement and other transaction documents; (iii) obtain all consents, approvals and authorizations necessary for the execution, delivery and performance of this Agreement and other transaction documents and consummation of the transactions contemplated by this Agreement; and (iv) consummate the transactions contemplated by this Agreement and other transaction documents.

(b) The Board of Directors of Seller and the shareholders of Seller, in accordance with the articles of incorporation, bylaws and other organizational and governance documents of Seller have duly approved Seller entering into, executing, delivering, and performing this Agreement and consummating the transactions contemplated by this Agreement and other transaction documents.

(c) This Agreement constitutes, and all agreements, instruments, contracts, deeds and other documents to be executed by Seller in connection with or with respect to this Agreement and the consummation of the transactions contemplated by this Agreement and other transaction documents will constitute, when executed and delivered, lawful, valid and binding obligations of Seller, enforceable in accordance with their terms.

(d) The execution, delivery and performance of this Agreement and the consummation of the transactions contemplated by this Agreement and other transaction documents will not violate any provision of law, order of any court or agency of government applicable to Seller or the Water System, Wastewater System, or Purchased Assets, the articles of incorporation, by-laws or other organizational or governance documents of Seller, nor any

certificate, indenture, agreement, or other instrument to which Seller is a party, or by which it is bound.

(e) Seller is the sole legal and beneficial owner of the Real Property and has good and marketable title to the Real Property. The Real Property is subject to no mortgage, option, sale agreement, deed of trust, pledge, lien, charge, security interest, financing statement, encumbrance, or restriction except Permitted Encumbrances, as defined in Article 6 of this Agreement, other than those that will be satisfied or released by the Closing, which are listed on Appendix "[]". At Closing, Seller shall deliver to City title to the Real Property free and clear of all debts, liens, pledges, charges or encumbrances whatsoever, other than Permitted Encumbrances.

(f) Seller has exclusive occupancy, possession, control and ownership to all Real Property and the Water System and Wastewater System and all such Real Property has been accurately and completely identified in **Appendix "A"** hereto. All parts of the Water System and Wastewater System are located within the Real Property identified in **Appendix "A"** and the property interests identified in **Appendix "B-1."**

(g) Mr. Al Heiler, President is the sole shareholder of Seller, and no other person or entity owns any shares of stock of Seller or has any right to or interest in the stock, equity, assets or property of Seller, or the assets, properties, rights, interests, business or operations of Seller or any right, power or control with respect to management, policy and direction of the business and operation of Seller.

(h) Seller is the sole legal and beneficial owner of the Purchased Assets and has good and marketable title to all Purchased Assets. At Closing the Purchased Assets shall be delivered to City free and clear of any mortgage, pledge, lien, charge, security interest, encumbrance, or restriction except Permitted Encumbrances related to Real Property.

(i) Environmental Law Compliance.

(i) Definitions.

(A) "Environmental Law" means any federal, state, or local statute, order, regulation, or ordinance, or common law or equitable doctrine relating to the protection of human health, air, water, soil, habitat, fauna, natural resources or the environment in effect as of the Closing Date and includes, but is not limited to, The Florida Air and Water Pollution Control Act (Chapter 403, Florida Statutes), the Comprehensive Environmental Response, Compensation and Liability Act ("CERCLA")(42 U.S.C. § 9601 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.), the Clean Water Act (33 U.S.C. § 1251 et seq.), the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.), and the Safe Drinking Water Act (42 U.S.C. § 300f et seq.), as such have been amended or supplemented as of the Closing Date, the regulations promulgated pursuant thereto, and in effect as of the Closing Date and any conditions and requirements contained in any permits, approvals, authorizations, licenses or certificates possessed by Seller from any federal, state or local governmental authorities or agencies necessary to own, operate, maintain and repair the Utility System and deliver utility services and related services to customers.

(B) "Hazardous Material" means petroleum or any substance, material, or waste which is regulated under any Environmental Law in the jurisdictions in which Seller conducts its business including, without limitation, any material, substance or waste that is defined as, composed of or considered to be a "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste," "restricted hazardous waste," "pollutant," "toxic waste," or "toxic substance" under any provision of Environmental Law.

(C) "Release" means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, or dispersal into the environment of Hazardous Materials (i) by Seller or by any operator, contractor, services provider, vendor, supplier or customer of Seller; (ii) caused by or resulting from any action, failure to act or omission by Seller or any operator, contractor, service provider, vendor, supplier or customer of Seller; (iii) at or from any property owned, leased, occupied, used or operated by Seller or (iv) by any Contractor, services provider, vendor, supplier or customer of Seller [relating to the Utility System].

(D) "Remedial Action" means all actions and efforts required to (i) contain, mitigate, clean up, process, transform, remove, transport, dispose of or treat any Hazardous Material; (ii) prevent the Release or threat of Release, or minimize the further Release of any Hazardous Material to limit the nature and extent to which it will endanger or threaten to endanger public health or welfare, natural resources or the environment; or (iii) perform pre-remedial studies and investigations or post-remedial monitoring and care directly related to or in connection with any such remedial action.

(ii) Representations. Seller represents and warrants to City as follows:

(A) Seller and the Purchased Assets are in material compliance with all applicable Environmental Laws and Seller has no material obligation or liability thereunder, and there is no reasonable basis for Seller to believe that any such obligation or liability exists, except as disclosed in **Appendix "I."**

(B) The Utility System is in material compliance with all laws, permits, license, approvals and other authorizations relating to the operation, maintenance and repair of the Utility System, the nature, levels and quality of services and the delivery of utility services to customers.

(C) Seller has obtained, maintained and observed and complied with the terms of all permits, licenses, approvals and authorizations required, or has submitted application renewals for such permits in a timely manner, under applicable Environmental Laws, necessary for the operation, maintenance and repair of the Utility System and delivery of utility services to customers as of the date of this Agreement.

(D) Seller has received no oral or written notice within the last five years of any violations, non-compliances or alleged violations of applicable federal, state or local statutes, laws and regulations (including, without limitation, any applicable environmental, building, zoning, or other law, ordinance or regulation) relating to the Utility System as identified in **Appendix "I"** hereto.

(E) There is no Hazardous Material in violation of any Environmental Law located on, at or under the Real Property or migrating onto or from the Real Property; no Real Property is listed or formally proposed for listing under CERCLA, the Comprehensive Environmental Response, Compensation Liability Information System ("CERCLIS") or on any similar state list that is the subject of federal, state, or local enforcement actions or other investigations that may lead to fines, penalties, charges, orders, decrees and/or claims against Seller for clean-up costs, remedial work, damages to natural resources, or for personal injury claims or property damages or damages to natural resources, including, but not limited to, claims under CERCLA; and there is no reasonable basis for Seller to be named in such claims or for any similar action to be brought against Seller.

(F) No written or verbal notification of an actual, imminent or a threatened Release of a Hazardous Material has been filed by or on behalf of Seller or by any third party with respect to the Purchased Assets, the Water System, the Wastewater System or any of the assets, property, systems, installations, improvements and infrastructure comprising or used in connection with the operation of the Utility System. No Utility System property is listed or proposed for listing on the National Priority List promulgated pursuant to CERCLA, or CERCLIS, or any similar state list of sites requiring investigation, remedial action, closure or clean up.

(G) No Hazardous Material has been Released in violation of Environmental Law at, on, or under any Water System or Wastewater System property.

(j) Except as provided in **Appendix "J"** hereto, there are no current actions, suits, investigations, audits, or proceedings at law or in equity pending or, to Seller's and shareholder's knowledge, threatened against the Seller or any affiliate of Seller before any federal, state, municipal or other court, administrative, regulatory or governmental agency or instrumentality, domestic or foreign, which affect or the adverse outcome of which would affect the ownership, possession, management, control, operation and maintenance of the Water System or the Wastewater System and the right, power, authority and ability of Seller (a) to deliver utility services (b) sell, transfer, assign, convey and deliver any of the Purchased Assets to City or the Seller's power, authority, right and ability to enter into, execute and deliver this Agreement and other transaction documents and (c) perform, pay and observe the obligations terms, covenants and conditions of this Agreement and the other transaction documents. Seller has no knowledge of any facts which may result in any such action, suit, investigation, audit or proceeding. Seller represents, agrees and warrants that it has and shall have a continuing duty to disclose up to and including the Closing Date the existence and nature of all pending judicial, regulatory, governmental or administrative suits, actions, proceedings and orders which in any way relate to the Water System or the Wastewater System.

(k) No representation or warranty made by the Seller in this Agreement or in any other document executed in connection with the transactions contemplated by this Agreement contains any untrue statement or incorrect statement of material facts or omits to state any material fact required to make the representation, warranty and statements herein contained not misleading.

(l) Seller's occupancy, possession, operation and use of the Real Property is not in breach, non-compliance with or violation of any applicable state or local laws, rules or ordinances, including wellhead protection, zoning, land use or other applicable requirements, nor are there any encroachments of any kind related to the Real Property, except as are specifically, expressly identified in **Appendix "K"** hereto.

(m) Seller has not dealt with any broker, salesman or finder in connection with the transactions contemplated by this Agreement and no sales commissions or finder's fees are due or payable as a result hereof.

(n) Seller has timely withheld and paid all Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, shareholder, affiliate, related party, or other third party, and all forms required with respect thereto have been properly completed and timely filed. Seller does not have any liability for Taxes of another person as a transferee or successor, by contract, or otherwise.

(o) The books of account, minute books and books relating to ownership and transfer of share or other equity interests in Seller (or their equivalents) of Seller, all of which have been made available to City, are true, complete and correct in all material respects and have been maintained in accordance with sound business practices.

(p) As of the date hereof, Seller and the shareholder have each conducted its own independent assessment and evaluation of the transactions contemplated by this Agreement and the potential risks and uncertainties associated with such transactions. Seller and shareholder each acknowledges and agrees that: (i) in making its decision to enter into this Agreement and to consummate the transactions contemplated by this Agreement, it/he/she has relied upon and will rely its own assessment and evaluation, and the express representations and warranties of the City set forth in herein; and (ii) neither the City nor any other person has made any representation or warranty with regard to the City, this Agreement or the transactions contemplated by this Agreement.

(q) Seller shall, prior to the Closing, secure all required consents, waivers, releases and approvals from third parties necessary to consummate the transactions contemplated by this Agreement or that are necessary or useful for the City's ownership, operation and use of the Water System, the Wastewater System and the Purchased Assets.

(r) Seller has no knowledge of material facts adversely affecting the physical condition of the Water System, the Wastewater System or the Purchased Assets which are not readily observable by a walkthrough visual inspection or which have not been disclosed or provided in writing by Seller to the City in connection with this Agreement.

6. REPRESENTATIONS AND WARRANTIES OF PURCHASER. As a material inducement to Seller to execute this Agreement and to perform its obligations hereunder, City represents and warrants to Seller as follows:

(a) City and is a validly existing political subdivision under the laws of the State of Florida and has all requisite power and authority to (i) enter into this Agreement, and (ii) carry out and perform the terms and conditions of this Agreement.

(b) This Agreement constitutes, and all other agreements to be executed by City with respect to this Agreement, will constitute, when executed and delivered, valid and binding obligations of City, enforceable in accordance with their terms.

(c) The execution, delivery and performance of this Agreement will not violate any provision of law, order of any court or agency of government applicable to City, nor any indenture, agreement, or other instrument to which City is a party, or by which it is bound.

(d) All necessary public hearings and referenda required to authorize City's purchase of the Purchased Assets and the execution and performance of this Agreement by City will have been held in a manner and at the times duly required by law and all other appropriate governmental actions required to be taken by City will have been duly taken prior to the Closing.

(e) The City has or will prior to the Closing fulfill/fulfilled and comply/complied with the applicable provisions of Section 125.3401, Florida Statutes, relative to the purchase of the Water System, the Wastewater System and Purchased Assets by a governmental agency.

(f) The execution, delivery and performance of this Agreement and the consummation by the City of the transactions contemplated by this Agreement have been duly authorized by all necessary action on the part of the City. Assuming the due authorization, execution and delivery by Seller, this Agreement constitutes a valid and legally binding obligation of the City, enforceable against the City in accordance with its terms, except to the extent that the enforceability thereof may be limited by sovereign immunity, any applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally, or by the exercise of judicial discretion of a court of competent jurisdiction in accordance with general principles of equity.

7. TITLE INSURANCE AND PERMITTED ENCUMBRANCES.

(a) At least sixty (60) days prior to the Closing, Seller shall obtain and provide to City a current title insurance commitment in favor of City issued by a title company licensed to do business in the State of Florida, covering the Real Property (and all or a portion of the Appendix B-1 easements as may be designated by the City), and encompassing legal and physical access from a dedicated public road, street, or highway, which access is insurable under the title policy, which shall be in an amount equal to Nine Hundred Fifty Thousand Dollars (\$950,000). The cost of the title insurance commitment and title insurance policy shall be borne by Seller. The title insurance commitment shall commit the insurer to issue a loan policy and an owner's title insurance policy to City covering the Real Property (and all or a portion of the Appendix B-1 easements as may be designated by the City), substantially in accordance with the ALTA Standard Owner's Form B, reflecting title to the Real Property to be marketable and insurable, except for the Permitted Encumbrances, the standard printed exceptions usually contained in an owner's title insurance policy, and the standard exclusions from coverage; provided, however, that the title insurance company shall delete the standard exceptions customarily deleted for such items as the standard survey exception (based on a current survey for all or portions of the Real Property), and materialman's liens and mechanics liens, if there are no such liens at the time of Closing. Seller shall execute at, or prior to Closing, in favor of City and the title insurance company, all forms, certificates, estoppels, or affidavits required by the title insurance company including, but not limited to, the appropriate mechanic's lien affidavit

and "Gap" affidavit, sufficient to allow the title insurance company to delete all standard exceptions addressed by such affidavits.

(b) City shall notify Seller in writing no more than thirty (30) days after receipt of the title insurance commitment of any alleged defect in Seller's title to the Real Property, other than the Permitted Encumbrances. Seller's written notice to City shall include all exceptions, encumbrances, liens, easements, covenants, restrictions or other defects in Seller's title to the Real Property, other than the Permitted Encumbrances, which render or may render Seller's title to the Real Property (i) unmarketable in accordance with standards adopted by The Florida Bar, (ii) uninsurable or (iii) inadequate for the purposes and uses of the Real Property by City. Any objections to title to the extent not shown on the notice furnished by City in accordance with the provisions of this Section 7(b) shall be deemed to have been waived by City and City shall not be entitled to any damages or other remedies. Seller shall have thirty (30) days after receipt of City's notice to eliminate the objections to title set forth in City's notice. However, in no event shall Seller be required to bring suit or expend any sum in excess of Fifty Thousand Dollars (\$50,000) in the aggregate to cure title defects (exclusive of mortgages or liens against the Real Property, which are in a liquidated amount) that Seller has an obligation to discharge by the Closing pursuant to the terms of this Agreement. If Seller fails to deliver title as herein provided, then City may:

(i) Accept whatever title Seller is able to convey with no abatement of the Purchase Price; or

(ii) Reject title and terminate this Agreement with no further liability of either party to the other.

(c) City may not object to title by reason of the existence of any mortgage, lien, encumbrance, covenant, restriction or other matter that (i) may be satisfied with a payment of money and Seller gives written notice City that Seller elects to do so by paying same at or prior to the Closing Date and demonstrates to the satisfaction of City the ability to pay; (ii) any mechanic's lien or other encumbrance that can be released of record, bonded or transferred of record to substitute security so as to relieve the Real Property from the burden thereof and Seller advises City that Seller elects to do so at or prior to Closing and demonstrates to the satisfaction of City the ability to pay; or (iii) the title insurance company issuing the title insurance commitments affirmatively insures over.

(d) Seller shall provide a copy of any detailed survey of the Real Property (as well as any parcel upon which a well is located), that Seller has procured in the twenty four (24) months prior to the Effective Date of this Agreement which shall identify all buildings, structures and facilities located on such parcels and any encroachments thereon or therefrom. City shall have the right, but not the obligation, to require Seller to update any survey, or request a new survey on the Real Property or well site. Costs incurred by Seller to update a survey or procure a new survey shall be reimbursed by City at Closing.

(e) As used herein, "Permitted Encumbrances" include the following:

(i) All present and future building restrictions, zoning regulations, laws, ordinances, resolutions, regulations and orders of any governmental authority having jurisdiction over the Real Property and the use thereof.

(ii) Easements and restrictions of record which do not impair, restrict or diminish the use of the Real Property or the operation of the Water System or the Wastewater System for all intended purposes.

(iii) Any drainage canal, mineral, road, or other reservation of record in favor of the State of Florida or any of its agencies or governmental or quasi-governmental entities, none of which, however, shall impair or restrict the use of the Real Property or the operation of the Water System or the Wastewater System for all intended purposes.

(iv) Any lien, or right to lien, for services, labor or material, mortgage or other similar obligation that will be satisfied or discharged at or prior to Closing.

8. CONDITIONS PRECEDENT TO CLOSING. The obligations of each party to close the transaction contemplated by this Agreement are subject to the conditions that, at or before the Closing Date:

Conditions Precedent for City and Seller

(a) Neither Party is prohibited by judgment, writ, order, injunction, decree or law from consummating all or any part of the transaction.

(b) There is not pending or threatened on the Closing Date any action or proceeding that would (i) prohibit the acquisition or sale of any of the Purchased Assets, (ii) prohibit City or Seller from closing the transaction or City from paying the Purchase Price, or (iii) limit, inhibit or restrict in any manner City's use, title, control, or possession of any of the Purchased Assets.

(c) Each of the parties has performed all of the obligations, covenants and commitments and executed and/or made delivery of all commitments, policies, instruments, certificates, affidavits, estoppels, opinions, deliverables and documents required to be performed, made, provided or delivered by it under this Agreement or any other transaction document.

(d) There has been no material adverse change in the physical condition of the Purchased Assets. For purposes of this Agreement, a "material adverse change" shall mean a loss or damage to the Purchased Assets that materially reduces: (i) their value in the aggregate; or (ii) the ability to operate the Water System and/or the Wastewater System as operated by Seller prior to the Closing Date.

(e) All warranties and representations of the other party are true in all material respects as of the Closing Date, except to the extent they specifically refer to another date.

(f) City has arranged financing for the purchase of the Purchased Assets and certain capital improvements relating to the use of the Purchased Assets on terms and conditions satisfactory to City.

The conditions precedent to City's obligation to close:

(a) [RESERVED].

(b) Seller shall have provided to City an appraisal of the fair market value of the Water System [and Wastewater System] in such form and content as is required to satisfy FDEP rules (Rule 62-552.300(2)(1), F.A.C.) which shall evidence a market value sufficient to secure State revolving loan funds in order to pay the Purchase Price.

(c) Seller has taken all such actions and executed and delivered all documents reasonably requested by City consistent with the purposes of the parties.

9. PRE-CLOSING CONDUCT; COVENANTS. Prior to the Closing Date, the parties covenant to each other as follows:

(a) During the period between the Effective Date and the Closing Date, Seller shall:

(i) Operate, maintain and repair the Utility System and Purchased Assets, maintain books, records and accounts, and provide services to customers in a normal and ordinary manner in accordance with applicable laws, rules, regulations, governmental authorizations, industry standards and contractual obligations to ensure that the condition of the Purchased Assets remain in all material respects unchanged, normal wear and tear and usage excepted;

(ii) Confer with City prior to disposing of any assets or property or implementing operational decisions (i) of a material nature which are not in the ordinary course of business or (ii) which may constitute an obligation or liability of City following the Closing, and refrain from implementing any such decision without the prior written consent of City;

(iii) Promptly notify City of any oral or written notification received by Seller or any affiliate or related person, from any person, entity, or governmental agency of any existing or potential Environmental Law violation relating to the Water System, the Wastewater System, the Purchased Assets or Seller;

(iv) Provide City, or its designees, with unrestricted access to the business premises, Real Property, the Water System, the Wastewater System, Purchased Assets, Seller's customer and operations books and records, operation, maintenance and repair logs and records, employees, managers, officers, and agents on reasonable advance notice and during business hours;

(v) Promptly notify City of any event, activity, condition, circumstance, fact or occurrence that has, or may have, a material adverse effect upon the Water System, the Wastewater System, the Purchased Assets, the compliance of the Purchased Assets and the Water System, the Wastewater System with applicable laws, or the transactions contemplated by this Agreement;

(b) AT all times prior to and until the Closing, Seller shall maintain adequate insurance coverage for the cost of any replacement of or repairs to the Water System, the Wastewater System and the Purchased Assets that may arise out of or be required by casualty damage. The risk of loss with regard to the Water System, the Wastewater System and the Purchased Assets prior to the Closing shall remain with the Seller and shall only pass to the City upon the Closing.

(c) Within thirty (30) days after the Effective Date, at City's requests, Seller shall obtain Phase I Environmental Site Assessments ("ESA") (and a subsequent Phase II ESA if City determines that one is necessary based on the Phase I survey results) of each parcel comprising the Real Property, each water well site, and each wastewater effluent disposal site. Seller shall provide to City a report from the party undertaking the ESA no more than twenty (20) days after

such request. Seller shall pay for ESAs, which expense shall be reimbursed by City at Closing. If such ESA discloses the presence of any Hazardous Material, City shall notify Seller within ten (10) business days of receipt of such ESA, and subject to the right of City to cancel and terminate this Agreement, Seller shall have the right to perform such cleanup and remediation as is necessary hereunder provided that the cost thereof does not exceed [\$50,000] or require more than twenty (20) days to complete. Upon Seller's inability, refusal or failure to perform such cleanup and remediation not less than ten (10) days, prior to the Closing Date, City may elect to either (i) terminate this Agreement, in which event neither party shall have any liability to the other; or (ii) proceed to Closing with a reasonable reduction of the Purchase Price.

(d) City is relying on the representations, warranties and covenants of Seller, the accuracy of the Seller's books, records and contracts, and upon its own due diligence investigation in entering into this Agreement. Seller shall promptly provide access to all facilities and personnel and all documents and information reasonably requested by City. City shall have the right to terminate this Agreement for any actual or potential defects, deficiencies, adverse conditions, or problems or inaccurate disclosures by Seller revealed by such due diligence. City shall provide Seller with written notice of termination within ten (10) days after completion of such due diligence. No access, entry, inspection, review or other activity of City in the conduct of due diligence shall relieve, discharge or diminish the representations, warranties, obligations and covenants of Seller.

10. TERMINATION OF AGREEMENT.

(a) This Agreement may be terminated (i) by mutual written agreement of the parties, (ii) by either party if the transactions contemplated hereby have not closed by December 30, 2019, or (iii) as provided in Sections 10(b) and (c).

(b) City may terminate this Agreement, in its sole discretion, upon the occurrence of any of the following:

(i) The non-satisfaction or failure, in any material respect prior to Closing, of any conditions precedent to Closing, any pre-closing conduct, or any obligation or covenant of Seller set forth in Articles 8 and 9.

(ii) Any material breach of this Agreement by Seller, including, but not limited to, a material breach of any representation, certification or warranty, if Seller has not cured such breach to City's satisfaction within ten (10) days after notice from City; provided, however, such breach must in any event be cured by the Closing Date unless the date for cure has been extended by City.

(c) Seller may terminate this Agreement, in its sole discretion, upon the occurrence of any of the following:

(i) The failure, in any material respect prior to Closing, of any of the conditions precedent to Closing set forth in Article 8.

(ii) Any material breach of this Agreement by City, including, but not limited to, a material breach of any representation or warranty, if City has not cured such breach within thirty (30) days after notice from Seller, provided, however, such breach must in

any event be cured prior to the Closing Date unless the date for cure has been extended by Seller.

(d) Within thirty (30) days after the occurrence event, condition or circumstance for which this Agreement may be terminated, the party seeking to terminate this Agreement shall provide written notice of its termination of this Agreement to the other party by delivering written notice thereof as provided in Section 15(c).

(e) Upon the termination of this Agreement, the following shall occur:

(i) This Agreement shall be void and have no effect, except that nothing shall relieve a party from liability for any breach or default of this Agreement or any accrued obligation or liability hereunder.

(ii) To the extent permitted by Florida law, each party shall return all documents, including copies, in its possession to the other, as the case may be, subject to retention of a copy of such documents for reporting, archival, regulatory, tax, accounting, dispute resolution or other reasonable purpose.

(iii) Except as otherwise provided in this Agreement, each party shall be responsible for payment of its own attorney's fees and other professional fees and other costs of any nature whatsoever incurred prior to the termination of this Agreement.

11. CLOSING DATE AND CLOSING.

(a) This transaction shall close on or before May 30, 2019, at a location mutually acceptable to both parties. This deadline may be extended at the option of either party for up to two (2) additional ninety (90) day periods to accommodate any required regulatory approvals or for City to secure financing. As used in this Agreement, the term "Closing Date" shall mean 12:00 a.m. the date that this transaction is closed.

(b) At Closing:

(i) City shall pay the Purchase Price, subject to any adjustment as provided for in this Agreement.

(ii) Title to all of the Real Property shall be conveyed to City by Special Warranty Deed free of all claims, liens, charges, or encumbrances whatsoever, other than Permitted Encumbrances. Title to the remaining Purchased Assets shall be conveyed, transferred and assigned to City by Bill of Sale, deed or other document and an assignment and assumption instrument free and clear of all claims, liens, or encumbrances, whatsoever. Seller shall further provide to City at and after Closing such releases, consents, approvals and waivers and instruments of transfer, assignment, delivery and conveyance as shall be, in the reasonable opinion of City and its counsel, necessary to transfer the Purchased Assets in accordance with this Agreement and, when necessary or desirable, in recordable form.

(iii) Seller shall assign to City its right, title and interest in those easements, licenses, and other rights and interests identified in Appendix "B-1."

(iv) Seller and City shall enter into separate Assignment and Assumption Agreements with respect to the contracts and agreements which City expressly elects and agrees to assume from the Contracts and Leases identified in Appendix "F."

(v) Real property and personal property taxes on the Purchased Assets and any other applicable taxes, shall be prorated as of the Closing Date, and Seller shall be required to pay its pro rata share at Closing. All other taxes, assessments and regulatory assessment fees accrued or owed by Seller as of the date of Closing with respect to the Purchased Assets shall remain the obligation of Seller. All other taxes and assessments imposed or attempted to be imposed from and after the date of Closing with respect to the Purchased Assets, if any, shall be the obligation of City.

(vi) Documentary stamps, recording fees, if any, to record the deeds and any other fees, assessments or charges and related instruments necessary to deliver title to Purchased Assets to the City shall be paid by the Seller.

(vii) In addition to payment of the Purchase Price, Seller shall receive payment for [ninety] percent [(90%)] of its accounts receivable (less than [sixty (60 days old)] for monthly water and wastewater service, net of any credit balances as of the Closing Date. Seller shall furnish to City, not less than [thirty] ([30]) days prior to Closing (with updates for any new customers), a listing of its accounts by customer and individual amounts due receivable for bills rendered in the ordinary course of business. Additionally, an estimate of the gross revenue for water and wastewater services rendered but not yet billed as of the Closing Date, prepared on the basis of a methodology consistent with good industry practice and agreed by the parties, shall be provided by Seller to the City three (3) business days prior to Closing. Upon approval and acceptance by City, ninety percent (90%) of such unbilled revenue shall be a credit (payment) to Seller on the Closing Statement. City shall be entitled to all fees, charges, rents, rates and revenues collected with regard to the operation of the Utility System after Closing.

(viii) All transfers required or necessary to carry out the intent and purpose of this Agreement shall take place, unless waived or extended by mutual consent.

(ix) Except as expressly set forth herein each of the parties shall pay the fees of its own attorneys, bankers, engineers, accountants, and other professional advisers or consultants in connection with the negotiation, preparation and execution of this Agreement and any documents and activities associated with the Closing.

(x) All bills, invoices and requests for payment of any kind for services, materials and supplies of any kind rendered in connection with the construction, operation, maintenance, repair and replacement of the Water System or the Wastewater System prior to Closing, up to and including the Closing Date, shall be paid by Seller.

(xi) City shall assume the liability for the Water System and the Wastewater System customer deposits upon receipt from Seller, and Seller shall, by electronic transfer, transfer to City all customer deposits and accrued interest thereon, together with the list of customers for whom such deposits have been collected and corresponding amounts of such deposits for each customer through Closing.

(xii) Each party shall deliver to the other party a certificate certifying that:

(A) The party is not prohibited or restrained by judgment, order, writ, decree or law from consummating and closing any of the transactions contemplated hereby.

(B) There is not pending or threatened on the Closing Date any action or proceeding that materially prevents or hinders the ability of either party to close the transactions contemplated hereby.

(C) All warranties and representations of such party contained in this Agreement are true and correct in all material respects as of the Closing Date.

(xiii) Seller shall deliver to City, in a form acceptable to City, an opinion of Seller's counsel acceptable to City to the effect that (A) Seller is validly organized, existing and its status is active under the laws of the State of Florida; (B) this Agreement has been duly and validly executed and approved by Seller and is a valid and binding agreement of Seller and enforceable against Seller; (C) the execution, delivery and performance of this Agreement and consummation of the transactions contemplated herein will not violate any agreement of or binding on, or any law applicable to, Seller.

(xiv) The parties shall execute the WWTP Lease, the form and substance of which has been approved by the City Council and attached as Appendix "M".

(c) Seller and the Shareholder jointly and severally agree to pay in full and discharge all of the Excluded Liabilities after the Closing, in accordance with their stated terms, as applicable, and in a manner that is not detrimental to City, operation of its utility system, or any relationships of City with customers or other persons.

12. POST CLOSING COOPERATION.

(a) Seller and City shall, after the Closing Date, upon reasonable written request of the other party and at no cost to the other party, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, all such further documents, acts, resolutions, deeds, easements, assignments, transfers, powers of attorney and assurances as may be required in order to implement and perform any of the obligations, covenants and agreements of the parties and consummate the transactions contemplated by and arising from this Agreement, and to permit City to own, operate and maintain the Utility System in accordance with all applicable laws, regulations, permits and governmental authorization.

(b) Each of the parties hereto shall provide the other, at the other's cost and expense, with such assistance as reasonably may be requested in connection with the preparation of any tax return, audit or other examination by any taxing authority or any judicial or administrative proceedings relating to liability for taxes relating to the transactions contemplated by this Agreement, including reasonable access during regular business hours to any and all necessary documentation and/or records. The party requesting assistance hereunder shall reimburse the other for reasonable expenses incurred in providing such assistance.

(c) Seller agrees to provide reasonable assistance to the City to transition the administration (including customer services and accounting functions) and operation of the Water System, the Wastewater System and Purchased Assets for a period of one hundred twenty (120) days after the Closing Date. City shall reimburse Seller for reasonable actual out of pocket

costs or expenses, without markup, incurred for any such services provided at the request of City under this Section 12(c).

(d) Seller shall cooperate with City to ensure an orderly transition of all of Seller's customers with respect to billing and customer service activities including, but not limited to, working with City prior to Closing on a compatible format for transfer of customer data. The parties agree that City will be entitled to all customer billings and payments by customers of such billings with respect to water services for the period on or after the Closing Date, and Seller will be entitled to all such billings prior to the Closing Date, such billings being considered an Excluded Asset under this Agreement. After the Closing, any payments received by City or Seller with respect to utility services provided utilizing the Purchased Assets shall belong to the City or Seller as provided above. If such payment or the documentation relating thereto does not indicate whether such payment is for the period prior to or after Closing, City and Seller shall jointly determine whether the payment belongs to City or Seller. If either City or Seller receives a payment which under the terms of this Agreement which properly belongs to the other, the party in receipt of such payment shall hold such payment in trust for the other party and shall turn the payment over to the other party upon receipt thereof without any right of setoff. The parties shall meet upon written request by a party for purposes of coordinating the collection of payments received City and Seller for billings with respect to utility services.

(e) The respective representations and warranties of the parties contained in this Agreement or any document delivered pursuant to this Agreement shall survive the consummation of the transactions contemplated hereby and continue for a period of one year from the Closing Date, and thereafter shall terminate.

(f) At Closing, Seller and its affiliated entities, officers, directors, and shareholders forever waive any claim or right to compensation or damages of any kind against City and its successors and assigns which relates to any encroachment, damage or encumbrance of any nature, type or kind that existed on the Closing Date and effecting property of Seller or any affiliated entity or related person located contiguous to the Real Property as may result at any time in the future from the operation of the Purchased Assets.

(g) The City shall not be obligated to pay any liability arising out of or related to this Agreement from any funds except from the net revenues realized by the City after the Closing from its ownership and operation of the Purchased Assets. It is further agreed that this Agreement and any obligations arising in connection herewith, whether for payment of the Purchase Price, or for any claim of liability, remedy for breach or otherwise, shall not constitute a lien, charge, security interest or other encumbrance on the Water System, the Wastewater System, the Purchased Assets or any other property owned, leased, occupied, used or operated by the City.

13. **[RESERVED].**

14. **MISCELLANEOUS PROVISIONS.**

(a) This Agreement, the transaction documents, the Appendices and the documents referenced herein, collectively embody the entire agreement of the parties with respect to the

subject matter hereof, and there are no other agreements or understandings, oral or written, with reference to this Agreement that are not merged into and superseded by this Agreement. This Agreement may be executed in one or more counterparts, each of which shall be considered an original.

(b) Within fifteen (15) days after the Closing, Seller shall prepare and the City and Seller will jointly submit a notice of transfer of the system to the FPSC in a Petition for Termination of the Certificates of Authorization of Seller. Seller shall file reports required to satisfy its outstanding gross receipts tax, regulatory assessment fees, and other obligations and governmental assessments, taxes and fees through the date of Closing. All of Seller's costs and expenses relative to the termination of Seller's relationship with the FPSC, including regulatory assessment fees, shall be paid by Seller. Copies of the Order(s) of the Commission acknowledging sale of the system to City shall be promptly provided to City upon Seller's receipt thereof.

(c) Any notice or other document required or allowed to be given pursuant to this Agreement by either party to the other shall be in writing and shall be delivered personally, or by recognized overnight courier, or by electronic correspondence or facsimile transmission with written confirmation.

If to Seller, such notice shall be delivered at:

[INSERT]

with a copy to:

[INSERT]

If to City, such notice shall be delivered at:

To the City:

City Manager
5919 Main St.
New Port Richey, FL 34652

with required copies to:

City Attorney
5919 Main St.
New Port Richey, FL 34652

Notices shall be effective upon receipt or failure to accept delivery and electronic correspondence or facsimile transmission shall be deemed received on the date sent if received by 4:00 p.m. Eastern Daylight Time on a business day. If received after 4:00 p.m. EDT, such transmission shall be deemed received on the next business day.

(d) The headings used are for convenience only, and they shall be disregarded in the construction or interpretation of this Agreement.

(e) The drafting of this Agreement was a joint effort of the parties, and in the interpretation hereof, no party shall be burdened by or benefit from any presumption based on its involvement in preparation of this Agreement.

(f) This Agreement is solely for the benefit of the parties hereto and their successors and permitted assigns, and except as expressly provided, no other causes of action shall accrue upon or by reason hereof to or for the benefit of any third party (other than indemnitees and successors and assigns), who or which is not a formal party hereto.

(g) In the event any term or provision of this Agreement is determined by an appropriate judicial authority to be illegal or otherwise invalid, the remainder of this Agreement shall be construed to be in full force and effect.

(h) This Agreement may only be amended or modified in writing by authorized representatives of the parties. No waiver of any of the provisions of this Agreement will be effective unless made in writing by the party to be bound thereby, and no waiver shall be deemed or shall constitute a waiver of any other provision of this Agreement, unless otherwise expressly provided.

(i) This Agreement shall be governed by, and construed and interpreted in accordance with, the laws of the State of Florida. The parties expressly consent to the jurisdiction of and agree that exclusive venue for any claim, dispute or litigation arising under, relating to or in connection with this Agreement and the transactions contemplated by this Agreement shall be in the Circuit Court of the Sixth Judicial Circuit of the State of Florida in and for Pasco County, Florida. The parties hereby waive to the maximum extent permissible under law trial by jury in respect of any such claim, dispute or litigation. The parties agree that prior to the commencement of litigation of any such claim, dispute or disagreement, management level representatives of each party shall meet and confer for a period of ten (10) days after notice by one party to the other of the existence of the claim, dispute or disagreement to amicably resolve the matter.

(j) Except as expressly provided for herein, this Agreement and the rights and interests of the parties hereunder may not be assigned without the prior written consent of the other party.

(k) Notwithstanding anything to the contrary contained herein or in any other instrument or document executed by or on behalf of the City or Seller in connection with this Agreement, except with regard to the shareholder of Seller, no stipulation, covenant, agreement or obligation contained herein or therein shall be deemed or construed to be a stipulation, covenant, agreement, or obligation of any present or future member, officer, employee, contractor or agent of the City or Seller, representatives, in any such person's individual capacity, and no such person, shall be liable personally for any breach of or for any failure to perform or comply with any such stipulations, covenants, agreements or obligations. All references to the City in this paragraph shall be deemed to include the City, council members and officers, employees, attorneys, contractors and agents of the City. The provisions of this Section shall survive the termination of this Agreement.

IN WITNESS WHEREOF, the City and Seller have caused this Agreement to be duly executed and entered into on the date first above written.

SELLER:

ATTEST:

[ORANGEWOOD LAKES UTILITY SERVICES]

Secretary

Name: _____

Its: _____

(SEAL)

PURCHASER:

ATTEST:

CITY OF NEW PORT RICHEY, FLORIDA

Clerk

Name: _____

Its: _____

(SEAL)

STATE OF FLORIDA
COUNTY OF PASCO

The foregoing instrument was acknowledged before me this ____ day February, 2019, by _____, as President of [ORANGEWOOD LAKES UTILITY], a Florida corporation, on behalf of the company. He/She is personally known to me or presented _____ as identification.

Notary Public
My Commission Expires:

STATE OF FLORIDA
COUNTY OF PASCO

The foregoing instrument was acknowledged before me this _____ day of February, 2019 by _____, as _____ of the City of New Port Richey, Florida, on behalf of the City of New Port Richey. He/She is personally known to me or presented _____ as identification.

Notary Public
My Commission Expires:

APPENDIX "A"

REAL PROPERTY

<u>Parcel Identification Number</u>	<u>Property</u>	<u>Description</u>	<u>Pasco</u>
<u>County</u>			

Lift Station Parcel to be included once survey and property description is completed prior to closing.

APPENDIX "B-1"

EASEMENTS AND LICENSES

Blanket Easement to be supplied by seller at closing

APPENDIX "B-2"
SERVICE TERRITORY

APPENDIX "C"
TREATMENT PLANTS

Not Applicable – The page intentionally left blank

APPENDIX "D"
CERTIFICATES AND PERMITS

APPENDIX "E"

[RESERVED]

APPENDIX "F"

CONTRACTS AND LEASES

Not Applicable - Page left Intentionally Blank

APPENDIX "G"
INVENTORY

APPENDIX "H"

EQUIPMENT

Not Applicable - Page Left Intentionally Blank

APPENDIX "I"

ENVIRONMENTAL LAW COMPLIANCE

Not Applicable - Page Left Intentionally Blank

APPENDIX "J"

PENDING OR THREATENED LEGAL ACTIONS

Not Applicable - Page Left Intentionally Blank

APPENDIX "K"

REAL PROPERTY ENCROACHMENTS

Not Applicable - Page Left Intentionally Blank

APPENDIX "L"

[AGREEMENT FOR _____]
Not Applicable - Page Left Intentionally Blank

APPENDIX "M"

WWTP LEASE AGREEMENT FORM

This document will be approved by City Council separately and executed by both parties at the

+closing

EXHIBIT C

Robert Rivera with the City of New Port Richey printed a copy of the annual report on January 23, 2019 as it was discussed in attached e-mail.

Al

From: Robert Rivera <riverar@CityofNewPortRichey.org>
Sent: Wednesday, January 23, 2019 2:25 PM
To: Al
Subject: RE: Services

Thanks Al

Robert M Rivera
Public Works Director
City of New Port Richey
Office: (727)841-4556
Fax: (727)841-4586
E-mail: riverar@cityofnewportrichey.org

Under Florida law, e-mail addresses are public records. If you do not want your e-mail address released in response to a public-records request, do not send electronic mail to this entity. Instead, contact this office by phone or in writing.

From: Al [<mailto:al@floridacommunities.com>]
Sent: Wednesday, January 23, 2019 11:38 AM
To: Robert Rivera <riverar@CityofNewPortRichey.org>
Subject: Fwd: Services

Robert
In the attachments that I am sending you is a pdf showing a copy of our 2017 tax return and a copy of our 2017 year end financial statement.
Our accountant has indicated that this will probably contain the information that you requested.
If you need any additional information you can print out a copy of our annual report from the PSC website.
If you need anything additional please let me know.
Thanks
Al Heiler
Orangewood Lakes Svcs

Sent from my iPhone

Begin forwarded message:

From: <wdemers@verizon.net>
Date: January 23, 2019 at 11:09:03 AM EST
To: <al@floridacommunities.com>
Subject: Services

No virus found in this message.
Checked by AVG - www.avg.com

Version: 2016.0.8048 / Virus Database: 4793/15884 - Release Date: 08/14/18
Internal Virus Database is out of date.

EXHIBIT D

Both parties have discussed this issue and Orangewood Lakes Services, Inc. will write a check to the City of New Port Richey for all the outstanding customer deposits. This will happen at the closing April 1, 2019

EXHIBIT E

Attached report shows when and how regulatory assessment fees were paid, at this time all fees are current.

Orangewood Lakes Services, Inc.

02/19/19

Other Name QuickReport

Accrual Basis

All Transactions

Type	Date	Num	Memo	Amount
Florida Public Service Commission				
Check	01/24/2019	370614	ATTN: Fiscal Services WS180-17-S-0-R	-89.98
Check	01/24/2019	370614	Regulatory assessment fee 260 S additional	89.98
Check	03/22/2018	370442	ATTN: Fiscal Services WS180-17-W-0-R	-3,173.89
Check	03/22/2018	370442	Regulatory assessment fee 315W	3,173.89
Check	03/22/2018	370443	ATTN: Fiscal Services WS180-17-S-0-R	-7,032.71
Check	03/22/2018	370443	Regulatory assessment fee 260 S	7,032.71
Check	03/23/2017	370233	ATTN: Fiscal Services WS180-16-S-0-R	-7,288.91
Check	03/23/2017	370233	Regulatory assessment fee 260S	7,288.91
Check	03/23/2017	370234	ATTN: Fiscal Services WS180-16-W-00R	-3,419.70
Check	03/23/2017	370234	Regulatory assessment fee 315W	3,419.70
Check	03/28/2016	370015	ATTN: Fiscal Services WS180-15-W-0-R	-3,343.05
Check	03/28/2016	370015	Regulatory assessment fee 315W	3,343.05
Check	03/28/2016	370016	ATTN: Fiscal Services WS180-15-S-0-R	-7,846.02
Check	03/28/2016	370016	Regulatory assessment fee 260S	7,846.02
Check	03/23/2015	369734	ATTN: Fiscal Services WS180-14-S-0-R	-8,641.57
Check	03/23/2015	369734	ATTN: Fiscal Services WS180-14-S-0-R	8,641.57
Check	03/23/2015	369735	ATTN: Fiscal Services WS180-14-W-0-R	-3,494.48
Check	03/23/2015	369735	ATTN: Fiscal Services WS180-14-W-0-R	3,494.48
Check	03/25/2014	349474	WS180-13-S-0-R	-7,486.74
Check	03/25/2014	349474	sewer	7,486.74
Check	03/25/2014	349475	WS180-13-W-0-R	-3,076.56
Check	03/25/2014	349475	sewer	3,076.56
Check	03/27/2013	349235	WS180-12-W-R	-2,991.38
Check	03/27/2013	349235	water	2,991.38
Check	03/27/2013	349236	WS180-12-S-R	-7,313.67
Check	03/27/2013	349236	sewer	7,313.67
Check	03/20/2012	348995	WS180-09-W-R	-7,450.43
Check	03/20/2012	348995	wastewater	7,450.43
Check	03/20/2012	348996	WS180-09-W-R	-3,047.17
Check	03/20/2012	348996	water	3,047.17
Check	03/29/2011	348752	WS180-09-W-R	-3,520.03
Check	03/29/2011	348752	water	3,520.03
Check	03/29/2011	348753	WS180-09-W-R	-8,275.95
Check	03/29/2011	348753	wastewater	8,275.95
Check	03/29/2010	348472	WS180-09-S-R	-6,656.50
Check	03/29/2010	348472	wastewater	6,656.50
Check	03/29/2010	348473	WS180-09-W-R	-3,072.39
Check	03/29/2010	348473	water	3,072.39
Check	07/21/2009	348295	revised	-3.85
Check	07/21/2009	348295	interest due	3.85
Check	06/30/2009	348280	revised	-96.52
Check	06/30/2009	348280	revised	96.52
Check	03/30/2009	348202	WS180-08-W-R	-2,544.32
Check	03/30/2009	348202	WS180-08-W-R	2,544.32
Check	03/30/2009	348203	WS180-08-S-R	-2,163.30
Check	03/30/2009	348203	WS180-08-S-R	2,163.30
Check	12/09/2008	348108	Water Service Extension Fee	-200.00
Check	12/09/2008	348108	Water Service Extension Fee	200.00
Check	12/09/2008	348109	Waste Water Service Extension Fee	-200.00
Check	12/09/2008	348109	Waste Water Service Extension Fee	200.00
Check	03/25/2008	347923	WS180-07-W-R	-2,726.37
Check	03/25/2008	347923	WS180-07-W-R	2,726.37
Check	03/25/2008	347924	WS180-07-W-R	-2,131.82
Check	03/25/2008	347924	WS180-07-W-R	2,131.82
Check	12/27/2007	347865	Docket #070680WS	-2,000.00
Check	12/27/2007	347865	Docket #070680WS	2,000.00
Check	03/30/2007	347698	Wastewater Assessment Fee	-2,079.81
Check	03/30/2007	347698	Wastewater Assessment Fee	2,079.81
Check	03/30/2007	347699	Water Assessment Fee	-2,855.30
Check	03/30/2007	347699	Water Assessment Fee	2,855.30
Check	06/09/2006	347523	Water Assessment Fee	-18.93
Check	06/09/2006	347523	Water Assessment Fee	18.93
Check	03/27/2006	347473	Wastewater Assessment Fee	-2,650.43
Check	03/27/2006	347473	Wastewater Assessment Fee	2,650.43
Check	03/27/2006	347474	Water Assessment Fee	-2,088.86
Check	03/27/2006	347474	Water Assessment Fee	2,088.86
Check	03/23/2005	347236	Wastewater Assessment Fee	-2,039.93
Check	03/23/2005	347236	Wastewater Assessment Fee	2,039.93

EXHIBIT F

All utility assess will be transferred to the government authority and Orangewood Lakes Services, Inc. will no longer provide water or wastewater services to the public for compensation.

EXHIBIT G

All territory of the utility will be transferred to the Governmental Authority.

EXHIBIT H

The attached map shows the service area outlined in red,
taken from the Pasco County assessment map

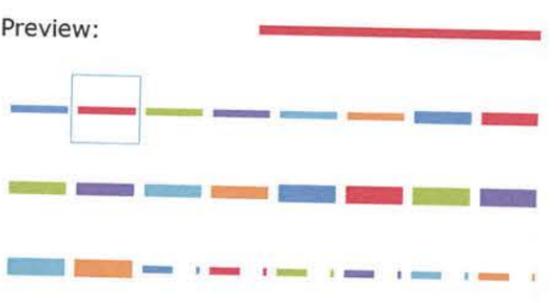
PASC COUNTY FLORIDA Pasco Mapper provided by IT GIS

Draw

Select draw mode

- Line
- Polygon
- Point
- Text
- Eraser
- Lasso
- Arrow

Preview:



Color:

Style: Solid

Transparency: Opaque Transparent

New Port Richey

28.251 -82.678 Degrees

0 300 600ft

Press down to start and let go to finish. Click to delete. (Press **CTRL** to enable snapping)

EXHIBIT I

Tariff sheets attached.

COMMISSIONERS:
ART GRAHAM, CHAIRMAN
LISA POLAK EDGAR
RONALD A. BRISÉ
JULIE I. BROWN
JIMMY PATRONIS

STATE OF FLORIDA



DIVISION OF
ACCOUNTING AND FINANCE
ANDREW L. MAUREY
DIRECTOR
(850) 413-6900

Public Service Commission

July 15, 2015

Mr. Alfred G. Heiler
Orangewood Lakes Services, Inc.
7602 Congress Street, Suite 4
New Port Richey, FL 34653

Re: Application for 2015 Index Rate Adjustment for Orangewood Lakes Services, Inc. in Pasco County

Dear Mr. Heiler:

The following tariff sheets have been approved effective July 21, 2015:

Water Tariff

Twenty-Ninth Revised Sheet No. 17.0
Twenty-Ninth Revised Sheet No. 18.0
Fifth Revised Sheet No. 19.0

Wastewater Tariff

Twenty-Ninth Revised Sheet No. 16.0
Twenty-Ninth Revised Sheet No. 17.0
Fifth Revised Sheet No. 18.0

Please incorporate these tariff sheets into the approved tariff on file at the utility's office. If you have any questions, please contact David Frank at (850) 413-6534 at our office.

Sincerely,

A handwritten signature in black ink, appearing to read "Andrew L. Maurey".

Andrew L. Maurey
Director

ALM/df
Enclosures

RESIDENTIAL SERVICE

RATE SCHEDULE (RS)

AVAILABILITY – Available throughout the area served by the Company.

APPLICABILITY – For water service for all purposes in private residences and individually metered apartment units.

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

BILLING PERIOD – Monthly

RATE –

<u>Meter Size:</u>	<u>Base Facility Charges:</u>
5/8" x 3/4"	\$ 9.02
3/4"	\$ 13.52
1"	\$ 22.54
1-1/2"	\$ 45.07
2"	\$ 72.12
3"	\$ 144.24
4"	\$ 225.38
6"	\$ 450.75
Charge per 1,000 gallons	\$ 1.45

MINIMUM CHARGE – Base Facility Charge

TERMS OF PAYMENT – Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

EFFECTIVE DATE – July 21, 2015

TYPE OF FILING – 2015 Price Index

WS # 15-0104

Alfred G. Heiler
ISSUING OFFICER

President
TITLE

GENERAL SERVICE

RATE SCHEDULE (GS)

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

RATE -

<u>Meter Size:</u>	<u>Base Facility Charges:</u>
5/8" x 3/4"	\$ 9.02
3/4"	\$ 13.52
1"	\$ 22.54
1-1/2"	\$ 45.07
2"	\$ 72.12
3"	\$ 144.24
4"	\$ 225.38
6"	\$ 450.75
Charge per 1,000 gallons	\$ 1.45

MINIMUM CHARGE - Base Facility Charge

TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

EFFECTIVE DATE - July 21, 2015

TYPE OF FILING - 2015 Price Index

MULTI-RESIDENTIAL SERVICE

RATE SCHEDULE (MS)

AVAILABILITY – Available throughout the area served by the Company.

APPLICABILITY – For water service to Orangewood Lakes Mobile Home Park.

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

BILLING PERIOD – Monthly

RATE –

<u>Meter Size:</u>	<u>Base Facility Charges:</u>
Per Unit	\$ 4.32
Charge per 1,000 gallons	\$ 1.45

MINIMUM CHARGE – Base Facility Charge

TERMS OF PAYMENT – Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

EFFECTIVE DATE – July 21, 2015

TYPE OF FILING – 2015 Price Index

GENERAL SERVICE

RATE SCHEDULE (GS)

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

BILLING PERIOD - Monthly

RATE -

<u>Meter Size:</u>	<u>Base Facility Charges:</u>
5/8" x 3/4"	\$ 24.83
3/4"	\$ 37.25
1"	\$ 62.06
1-1/2"	\$ 124.16
2"	\$ 198.64
3"	\$ 397.29
4"	\$ 620.76
6"	\$ 1,238.47
Charge per 1,000 gallons	\$ 5.66

MINIMUM CHARGE - Base Facility Charge

TERMS OF PAYMENT - Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.

EFFECTIVE DATE - July 21, 2015

TYPE OF FILING - 2015 Price Index

RESIDENTIAL SERVICE

RATE SCHEDULE (RS)

<u>AVAILABILITY</u> –	Available throughout the area served by the Company.
<u>APPLICABILITY</u> –	For wastewater service for all purposes in private residences and individually metered apartment units.
<u>LIMITATIONS</u> –	Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.
<u>BILLING PERIOD</u> –	Monthly
<u>RATE</u> –	
	<u>Meter Size:</u> <u>Base Facility Charges:</u>
	All Meter Sizes \$ 24.83
	Charge per 1,000 gallons \$ 4.72 (6,000 gallon cap)
<u>MINIMUM CHARGE</u> –	Base Facility Charge
<u>TERMS OF PAYMENT</u> –	Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.
<u>EFFECTIVE DATE</u> –	July 21, 2015
<u>TYPE OF FILING</u> –	2015 Price Index

MULTI-RESIDENTIAL SERVICE

RATE SCHEDULE (MS)

<u>AVAILABILITY</u> –	Available throughout the area served by the Company.	
<u>APPLICABILITY</u> –	For wastewater service tof Orangewood Lakes Mobile Home Park.	
<u>LIMITATIONS</u> –	Subject to all of the Rules and Regulations of this Tariff and General Rules and Regulations of the Commission.	
<u>BILLING PERIOD</u> –	Monthly	
<u>RATE</u> –	<u>Meter Size:</u>	<u>Base Facility Charges:</u>
	All Meter Sizes	\$ 11.91
	Charge per 1,000 gallons (6,000 gallon cap)	\$ 4.73
<u>MINIMUM CHARGE</u> –	Base Facility Charge	
<u>TERMS OF PAYMENT</u> –	Bills are due and payable when rendered. In accordance with Rule 25-30.320, Florida Administrative Code, if a Customer is delinquent in paying the bill for water service, service may then be discontinued.	
<u>EFFECTIVE DATE</u> –	July 21, 2015	
<u>TYPE OF FILING</u> –	2015 Price Index	