Docket No. 20170235-EI & 20170236-EU
Comprehensive Exhibit List for Entry into Hearing Record
October 18, 2018

Exhibit #	Witness	I.D. # As Filed	Exhibit Description	Issue Nos.	Entered
	STAFF				
1		Exhibit List	Comprehensive Exhibit List		
FLORIDA POWER & LIGHT COMPANY (FPL) (DIRECT)					
2	Sam Forrest	**SAF-1**	Asset Purchase and Sale Agreement	5, 6, 7, 8, 9, 15, 16	
3	Sam Forrest	**SAF-2**	Power Purchase Agreement with OUC	5, 6, 7, 8, 9, 15, 16	
4	Scott R. Bores	**SRB-1**	Summary of CPVRR Impact for the City of Vero Beach	7, 16	
5	Scott R. Bores	**SRB-2[1]***	Updated Summary of CPVRR Impact for the City of Vero Beach Transaction	7, 16	
6	Scott R. Bores	**SRB-3***	Comparison of CPVRR Benefits	7, 16	
7	Keith Ferguson	**KF-1**	COVB Preliminary Acquisition Journal Entries	11, 12, 15	
8	Keith Ferguson	**KF-2**	OUC Power Purchase Agreement Journal Entries	11, 12, 15	
9	Tiffany C. Cohen	**TCC-1**	Typical Bill Comparisons — FPL vs. COVB	5, 7, 16	
10	Tiffany C. Cohen	**TCC-2**	Historical Typical Residential Bill Comparison	5, 7, 16	
11	Tiffany C. Cohen	**TCC-3**	Typical Bill Comparisons – FPL vs. COVB	5, 7, 16	
12	Tiffany C. Cohen	**TCC-4**	Historical Typical Residential Bill Comparison	5, 7, 16	
13	Tiffany C. Cohen	**TCC-5**	Industrial Bill Comparisons	5, 7, 16	
14	Terry Deason	**TD-1**	Biographical Information for Terry Deason	1, 6, 7, 8, 9, 13, 16	
15	David W. Herr	**DH-1**	David Herr Curriculum Vitae	11	

[1] *FPL filed an errata sheet on 9/26/2018 correcting parts of exhibits SRB-2, SRB-3, portions of Scott Bores supplemental testimony, a line of Tiffany Cohen's testimony, a line of the rebuttal testimony of Sam Forrest, and portions of the rebuttal testimony of Scott Bores.

16	David W. Herr	**DH-2**	Summary Report entitled "Valuation of COVB"	11	
17	David W. Herr	**DH-3 (Confidential)**	Detailed "Valuation of COVB" Report **DN. 09430-2017**	11	
CIVIC ASSOCIATION OF INDIAN RIVER COUNTY, INC. (DIRECT)					
18	Thomas P. White	**TPW-1**	Resume of civic activities.	7, 16, 17	
OFFICE OF PUBLIC COUNSEL (DIRECT)					
19	Lane Kollen	**LK-1**	Resume of Lane Kollen	5, 6, 7, 8, 9, 11, 12, 13, 15, 16	
20	Lane Kollen	**LK-2**	ASC 980-350-35	5, 6, 7, 8, 9, 11, 12, 13, 15, 16	
21	Lane Kollen	**LK-3**	Description of Account 114, Uniform System of Accounts (USOA)	5, 6, 7, 8, 9, 11, 12, 13, 15, 16	
22	Lane Kollen	**LK-4**	Description of Account 406, USOA	5, 6, 7, 8, 9, 11, 12, 13, 15, 16	
23	Lane Kollen	**LK-5**	FPL's Response to OPC's Interrogatory No. 1	5, 6, 7, 8, 9, 11, 12, 13, 15, 16	
24	Lane Kollen	**LK-6**	FPL's Response to OPC's Interrogatory No. 7	5, 6, 7, 8, 9, 11, 12, 13, 15, 16	
25	Lane Kollen	**LK-7**	FPL's Response to OPC's Request for Production of Documents No. 9	5, 6, 7, 8, 9, 11, 12, 13, 15, 16	
26	Lane Kollen	**LK-8**	Excerpts from Joint Application of NextEra and Gulf Power Company, FERC Docket No. EC18-117-000.	5, 6, 7, 8, 9, 11, 12, 13, 15, 16	
FLORIDA POWER & LIGHT COMPANY (FPL) (REBUTTAL)					
27	Scott R. Bores	**SRB-4**	Example of Discounting at after-tax Weighted Average Cost of Capital	7, 16	
TOWN OF INDIAN RIVER SHORES (REBUTTAL)					

28	Brian M. Barefoot	**BMB-1**	Witness Biography.	5, 6, 7, 9, 16	
CITY OF VERO BEACH (REBUTTAL)					
29	James R. O'Connor	**JRO-1**	COVB Municipal Code Section 2-102 explaining the role of the COVB Utilities Commission.	5, 6, 7, 9, 16	
30	James R. O'Connor	**JRO-2**	A composite exhibit of the COVB "letters of interest" sent by the COVB to a representative of all municipal electric utilities, the largest municipal electric utilities, and all investor owned electric utilities in Florida inquiring about their interest in purchasing the COVB electric utility.	5, 6, 7, 9, 16	
31	James R. O'Connor	**JRO-3**	Resolution No. 2011-33 certifying the results of the Referendum on Lease of City Power Plant Site.	5, 6, 7, 9, 16	
32	James R. O'Connor	**JRO-4**	Resolution No. 2013-09 certifying the results of the Referendum on Sale and Disposition of Vero Beach Electric Utility.	5, 6, 7, 9, 16	
33	James R. O'Connor	**JRO-5**	The Asset Purchase and Sale Agreement by and between the COVB and FPL dated October 24, 2017 (the "APA").	5, 6, 7, 9, 16	

STAFF – (DIRECT)					
34	Scott Bores (1,4) Sam Forrest (1,4)		FPL's response to OPC's First set of Interrogatories Nos. 1, 4 *[Bates Nos. 00001-00006]*	9, 15	
35	Scott Bores (1, 12) Sam Forrest (13, 14)		FPL's response to OPC's First set of Production of Documents Nos. 1, 12-14 *[Bates Nos. 00007-00012]*	9, 15	
36	Scott Bores (10)		FPL's response to OPC's Second set of Interrogatories No. 10 *[Bates Nos. 00013-00015]*	9, 15	
37	Scott Bores (23)		FPL's response to OPC's Second set of Production of Documents No. 23 **Additional files contained on Staff Hearing Exhibits CD for No. 23** *[Bates Nos. 00016-00017]*	9, 15	
38	Deason (1) Scott Bores (2-5, 7-15)		FPL's response to Staff's First set of Interrogatories Nos.1-5, 7-15 *[Bates Nos. 00018-00034]*	9, 11, 12, 15	
39	Sam Forrest (16-21) Keith Ferguson (22)		FPL's response to Staff's Second set of Interrogatories Nos. 16-22 *[Bates Nos. 00035-00045]*	9, 15	
40	James O'Connor (5)		City of Vero Beach's response to Staff's First set of Interrogatories No. 5 *[Bates Nos. 00046-00054]*	9, 15	
41	Sam Forrest (23, 27-28, 30-31), Tiffany Cohen (25), Scott Bores (32-35)		FPL's response to Staff's Third set of Interrogatories Nos. 23, 25, 27-28, 30-35. **Additional files contained on Staff Hearing Exhibits CD for Nos. 27, 28** *[Bates Nos. 00055-00069]*	5, 6, 9, 11, 12, 15	

42	Scott Bores		FPL's response to Staff's Fifth set of Interrogatories Nos. 41-42 **Additional files contained on Staff Hearing Exhibits CD for Nos. 41, 42** *[Bates Nos. 00070-00075]*	9, 15	
43	Herbert Whittall		CAIRC's response to Staff's First set of Interrogatories No. 1 *[Bates Nos. 00076-00078]*	9, 15	
44	Lane Kollen		OPC's response to Staff's First set of Interrogatories Nos. 1-2 *[Bates Nos. 00079-00084]*	9, 15	
45	Lane Kollen		OPC's response to FPL's First set of Production of Documents No. 2 *[Bates Nos. 00085-00090]*	9, 15	
46	Scott Bores		FPL's Supplemental Response to Staff's 1st set of Production of Documents No. 1 **Additional files contained on Staff Hearing Exhibits CD for Nos. 1 Supplemental** *[Bates Nos. 00091-00092]*	11, 12	
47	Tiffany Cohen (2) Terry Deason (2)		FPL's Response to Staff's 2nd set of Production of Documents No. 2 [*Bates Nos. 00093-00095]*	6	
48	James O'Connor (1, 2)		COVB's Responses to Staff's 1st Set of Interrogatories Nos. 1-2 *[Bates Nos. 00096-00101]*	5, 6	
49	James O'Connor (7)		COVB's Responses to Staff's 2nd set of Interrogatories No. 7 *[Bates Nos. 00102-00104]*	5	
50	Tiffany Cohen (37-40)		FPL's responses to Staff's 4th set of Interrogatories Nos. 37-40 **Additional files contained on Staff Hearing Exhibits CD for Nos. 37, 40** *[Bates Nos. 00105-00110]*	5	

51	Tiffany Cohen (43) Scott Bores (44)		FPL's response to Staff's Sixth set of Interrogatories Nos. 43-44 *[Bates Nos. 00111-00115]*	9, 11, 12	
52	Scott Bores (1-2) Terry Deason (3-4) Keith Ferguson (5)		FPL's responses to Staff's First Data Request Nos. 1-5 *[Bates Nos. 00116-00123]*		
53	Scott Bores (1-3) Sam Forrest (4) Terry Deason (5)		FPL's responses to Staff's Second Data Request Nos. 1-5 *[Bates Nos. 00124-00132]*		
54	Sam Forrest		FPL's responses to Staff's Third Data Request Nos. 1-6 *[Bates Nos. 00133-00139]*		
55	Sam Forrest (1-3) Terry Deason (4-5) Keith Ferguson (4-5) Scott Bores (6-7, 9-10) Tiffany Cohen (8)		FPL's responses to Staff's Fourth Data Request Nos. 1-10 *[Bates Nos. 00140-00150]*		
56	Sam Forrest		FPL's responses to Staff's Fifth Data Request No. 1 *[Bates Nos. 00151-00153]*		
57[2]	Tiffany Cohen (1-2, 9) Sam Forrest (3-8) Scott Bores (4)		FPL's responses to Staff's First Data Request Nos. 1-9 *[Bates Nos. 00154-00165]*		
58	No Sponsor		FMEA Response to FPSC Staff Data Requests [*Bates Nos. 00166-00167]*		

[2] Staff Hearing Exhibit #57 is from the 20170236-EU docket. Not to be confused with #52, which was gathered from the 20170235-EI.

OTHER HEARING EXHIBITS					
Live Exhibit Number	**Witness**	**Party**	**Description**		**Moved In/Due Date of Late Filed**
59		Town Indian River Shores	4 Franchise, Interlocal agreements related to staff's EXH 58		
60	Sam Forrest	FPL	Stipulation Group Exhibit		
61	Lane Kollen	OPC	Supp Direct Testimony Bores Exhibit with handwritten errata to LK-9		
62	Forrest, Bores, Cohen	FPL	Errata filed September 25, 2018		
63	O'Conner	CAIRC	COVB Utilities Commission meeting minutes for 8.9.16		Composite 67
64	O'Conner	CAIRC	COVB meeting minutes 8.16.16		Composite 67
65	O'Conner	CAIRC	COVB meeting minutes 12.6.16		Composite 67
66	Ms Zundas		Resolution		
67	O'Conner	CAIRC	Composite of City of Very Beach Utilities Commission Minutes		

THE CITY OF VERO BEACH ELECTRIC UTILITY

ASSET PURCHASE AND SALE AGREEMENT

BY AND BETWEEN

**CITY OF VERO BEACH, FLORIDA,
AS SELLER**

AND

**FLORIDA POWER & LIGHT COMPANY,
AS BUYER**

Dated as of October 24, 2017

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LIST OF EXHIBITS AND SCHEDULES

EXHIBITS

SCHEDULES

ASSET PURCHASE AND SALE AGREEMENT

This ASSET PURCHASE AND SALE AGREEMENT (the "***Agreement***"), dated as of October 24, 2017 (the "***Date of this Agreement***"), is made and entered into by and between the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida ("***Seller***"), and FLORIDA POWER & LIGHT COMPANY, a corporation organized under the laws of the State of Florida ("***Buyer***"). Seller and Buyer are referred to individually as a "***Party***," and together as the "***Parties***."

W I T N E S S E T H:

WHEREAS, Seller owns and operates an electric utility in the City of Vero Beach, Florida and other portions of Indian River County, Florida, including Indian River Shores, and Seller wishes to exit the electric utility business;

WHEREAS, Buyer desires to purchase and assume, and Seller desires to sell and assign, certain electric utility assets and certain associated liabilities, upon the terms and conditions hereinafter set forth in this Agreement (the "***Transaction***") as part of Seller's exit strategy from the electric utility business;

WHEREAS, Buyer and Seller desire for Buyer to provide retail electric service to Seller's electric utility customers, commencing on the Closing Date, as defined below, upon the terms and conditions hereinafter set forth in this Agreement;

WHEREAS, Buyer and Seller desire for the rates for retail electric service to be provided to Seller's electric utility customers to be the same as the rates for retail electric service charged by Buyer to its other retail electric service customers;

WHEREAS, Buyer and Seller intend that in the event that the sale under this Agreement does not occur, under the conditions set forth in Article 10, Seller will sell to Buyer, and Buyer will purchase from Seller, the assets of Seller's electric utility system located in Indian River Shores, Florida, under the terms of the Partial Sale Agreement, as defined below.

NOW, THEREFORE, in consideration of the mutual covenants, representations, warranties and agreements hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.1 Definitions.

As used in this Agreement, the following terms have the meanings specified in this Section 1.1.

(1) ***"Acquired Assets"*** has the meaning set forth in Section 2.1.

(2) ***"Acquired Land In Fee"*** means (a) the Real Property owned by Seller and occupied by substations 3, 7, 8, 9, 10, 11, and 20 described in Exhibit U, and (b) any other Real Property owned by Seller and occupied by any of the FPUA Joint Facilities (other than substation 20) that is described in Exhibit U.

(3) ***"Action"*** means any suit, claim, proceeding, litigation, arbitration, audit or investigation by or before any Governmental Authority.

(4) ***"Affiliate"*** means, with respect to any Person, (i) each Person that directly or indirectly, controls or is controlled by or is under common control with such designated Person; (ii) any Person that beneficially owns or holds fifty percent (50%) or more of any class of voting securities of such designated Person or fifty percent (50%) or more of the equity interests in such designated Person; or (iii) any Person of which such designated Person beneficially owns or holds fifty percent (50%) or more of the equity interests. For the purposes of this definition, ***"control"*** (including, with correlative meanings, the terms "***controlled by***" and ***"under common control with"***), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

(5) "***Aggregate Environmental Cap***" has the meaning set forth in Section 6.22.

(6) ***"Agreement"*** means this Asset Purchase and Sale Agreement together with the Schedules hereto, as the same may be amended from time to time in accordance herewith.

(7) ***"Airport"*** means the City of Vero Beach RegionalAirport.

(8) ***"Airport Property Lease Agreements"*** means the Airport Substation Lease Agreements and the Airport Warehouse Lease Agreement.

(9) ***"Airport Substation Lease Agreements"*** means the Airport Substation 5 Lease Agreement and the Airport Substation 6 Lease Agreement.

(10) ***"Airport Substation 5 Lease Agreement"*** means a lease agreement and memorandum of lease substantially in the form of Exhibit I-1A attached hereto, or such form as may be otherwise agreed by the Parties pursuant to Section 6.4(e) and approved by the FAA or FDOT if required by applicable Law or by the provisions of any applicable contract with or grant from the FAA or FDOT.

(11) ***"Airport Substation 6 Lease Agreement"*** means a lease agreement and memorandum of lease substantially in the form of Exhibit I-1B attached hereto, or such form as may be otherwise agreed by the Parties pursuant to Section 6.4(e) and approved by the FAA or FDOT if required by applicable Law or by the provisions of any applicable contract with or grant from the FAA or FDOT.

(12) "***Airport Warehouse Property***" means the warehouse and service center facilities (land and building) located within the Airport used in the Business of the Vero Beach Electric Utility as a service center.

(13) ***"Airport Warehouse Lease Agreement"*** means a lease agreement substantially in the form of Exhibit I-2 attached hereto relating to the Airport Warehouse Property or such form as may be otherwise agreed by the Parties pursuant to Section 6.4(f) and approved by the FAA or FDOT if required by applicable Law or by the provisions of any applicable contract with or grant from the FAA or FDOT, including rent as set forth in Section 2.5.

(14) "***Allocation***" has the meaning set forth in Section 3.5(b).

(15) ***"Ancillary Agreements"*** means the Airport Property Lease Agreements, the District Sublicenses, the Fiber License Agreement, the Substation Easement Agreement, the Substation Equipment Operating and Dismantling Agreement, the Substation License and Access Agreement, the Streetlight Agreement, the Franchise Ordinance, and the Grounding License Agreement.

(16) ***"Assignment and Assumption Agreement"*** means the Assignment and Assumption Agreement between Seller and Buyer substantially in the form of Exhibit A-1 attached hereto.

(17) "***Assignment and Assumption of Easements***" means the assignment of Easements and assumption of responsibilities associated therewith, including the Substation 20 Transmission R/W, between Seller and Buyer substantially in the form of Exhibit A-2 attached hereto.

(18) ***"Assumed Contracts"*** mean those Seller Contracts set forth on Schedule 1.1(18) as of the Date of this Agreement, including the Real Property Interest Instruments and Intellectual Property Licenses, and those Seller Contracts primarily relating to the Vero Beach Electric Utility arising in the ordinary course consistent with Seller's Past Practices during the Interim Period to be set forth on amended Schedule 1.1(18).

(19) ***"Assumed Liabilities"*** has the meaning set forth in Section 2.3.

(20) ***"Attachment Agreements"*** means all pole attachment agreements, wireline agreements, streetlight attachment agreements, joint use agreements, CATV (cable) agreements, fiber optic agreements, franchise agreements for the placement of telecommunication facilities, fiber-optic cable or cable facilities on any of the Acquired Assets, agreements for the placement of telecommunication, cable or other ground equipment and monopoles on any of the Acquired Assets, agreements for the attachment of facilities (including by Governmental Authorities) to towers, substations, buildings, transmission or distribution poles or other facilities comprising the Acquired Assets, banner agreements, holiday lights agreements and other similar agreements.

(21) ***"Available Proceeds"*** means the sum of (i) the total aggregate amount of insurance coverage under all of Seller's policies of insurance that are applicable to the Acquired

Assets that were damaged or destroyed by the relevant Casualty during the Interim Period, plus (ii) the amount (or value, if provided in the form of property or repair assistance) of assistance that Seller has been provided (or that has been committed to be provided to Seller) in any form (including cash grant, property or repair assistance) by any Person (including the Federal Emergency Management Agency of the United States or any other Governmental Authority) that may be used by Seller to cure such Casualty, plus (iii) the amounts recovered or recoverable by Seller from Customers for storm restoration in accordance with Seller's Past Practice during similar Casualty events.

(22) ***"Benefit Plans"*** means each employee benefit plan as defined in Section 3(3) of ERISA, each governmental plan as defined in Section 3(32) of ERISA, and each other plan, contract, agreement, arrangement or policy, whether written or oral, qualified or non-qualified, providing for (i) compensation, severance benefits, bonuses, profit-sharing or other forms of incentive compensation; (ii) vacation, holiday, sickness or other time-off; (iii) health, medical, dental, disability, life, accidental death and dismemberment, employee assistance, educational assistance, relocation or fringe benefits or perquisites, including post-employment benefits; and (iv) deferred compensation, defined benefit or defined contribution, retirement or pension benefits.

(23) ***"Bill of Sale"*** means the Bill of Sale, substantially in the form of Exhibit B attached hereto.

(24) "***Bond Release Consideration***" has the meaning set forth in Section 3.4(d).

(25) "***Bond Resolution***" means the City of Vero Beach Master Electric System Revenue Bond Resolution adopted on November 6, 2007, as amended.

(26) ***"Business Books and Records"*** has the meaning set forth in Section 2.1(g).

(27) ***"Business Day"*** means any day other than Saturday, Sunday and any day on which banking institutions in the State of Florida are authorized by law or other governmental action to close.

(28) ***"Business of the Vero Beach Electric Utility"*** means each of the following: (a) the ownership, operation and maintenance of the Vero Beach Electric Utility; (b) the sale and provision of electricity to the Customers; and (c) the ownership, operation and maintenance of the Streetlight Assets.

(29) ***"Buyer"*** has the meaning set forth in the preamble to this Agreement.

(30) ***"Buyer Benefit Plans"*** has the meaning set forth in Section 6.10(c).

(31) "***Buyer Fundamental Representations***" means the representations and warranties made in Sections 5.1, 5.2, 5.3(a)(i) and 5.7.

(32) ***"Buyer Indemnitee"*** has the meaning set forth in Section 8.1(b).

(33) ***"Buyer's Phase II Environmental Testing"*** has the meaning set forth in Section 6.22(b).

(34) ***Buyer's Required Regulatory Approvals"*** has the meaning set forth in Section 5.3(b).

(35) ***"Buyer Union Representative"*** means the representative of the labor union that represents the craft or class of Transferred Employees who will be employed by Buyer in positions that are subject to a collective bargaining agreement with Buyer while employed with Buyer after the Closing Date.

(36) ***"Capital Expenditure and Maintenance Plan"*** means the plan adopted by the Council, which details the maintenance and capital expenditure schedule for the Acquired Assets for the 2017-2018 fiscal year ending September 30, 2018.

(37) "***Casualty***" means an event causing any portion of the Acquired Assets to be damaged or destroyed and requiring in excess of One Million Dollars ($1,000,000) for repair or replacement of such damaged or destroyed Acquired Assets; provided, however, that any intentional demolition or removal of any Acquired Assets in connection with repair or replacement of such Acquired Assets shall not be considered a Casualty.

(38) "***Casualty Notice***" has the meaning set forth in Section 6.11(a).

(39) ***"Closing"*** has the meaning set forth in Section 3.1.

(40) ***"Closing Date"*** has the meaning set forth in Section 3.1.

(41) ***"COBRA"*** means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, and the rules and regulations promulgated thereunder and any similar state or local applicable Laws.

(42) ***"Code"*** means the Internal Revenue Code of 1986, as amended.

(43) ***"Commercially Reasonable Efforts"*** means efforts which are designed to enable a Party, directly or indirectly, to expeditiously satisfy a condition to, or otherwise assist in the consummation of, the transactions contemplated by this Agreement and which do not require the performing Party to expend any funds other than immaterial expenditures which are customary and reasonable in nature in the context of the transactions contemplated by this Agreement.

(44) ***"Consumption Period"*** has the meaning set forth in Section 6.21(a).

(45) ***"Contract"*** means any agreement, contract, purchase order, lease, license, right, commitment, evidence of Indebtedness, binding bid or other legally binding arrangement.

(46) ***"Council"*** means the City Council of Seller.

(47) ***"Covered Loss"*** means any Losses for which an Indemnifying Party is required to indemnify an Indemnitee pursuant to Section 8.1(a) or Section 8.1(b), as the case may be.

(48) "***Cure Amount***" means the amount of costs that will be required to be paid in order to cure the damage to or destruction of the Acquired Assets resulting from a Casualty.

(49) ***"Customer"*** means any retail electric service customer of Seller prior to the Closing Date, and, assuming the Closing occurs, of Buyer on or after the Closing Date, within the Service Territory.

(50) ***"Customer Deposits"*** means the electric utility deposits collected by Seller from its Customers or the portion of deposits collected from customers of electric, water and sewer utility services allocable to the electric service provided by Seller.

(51) ***"Customer Service Assets"*** means the customer service facilities, equipment and other tangible property and assets used in or for, the Business of the Vero Beach Electric Utility or located on the Real Property, including the facilities, equipment and other tangible property and assets that connect the Distribution Assets to each individual Customer's Delivery Point, Customer/premise/account data, historical consumption information, meters, remote metering equipment, and equipment needed to access the meters (e.g., keys to locked meter rooms, any meter/special/barrel lock/anchor keys), and without limiting the generality of the foregoing, specifically includes the facilities and equipment described in Schedule 1.1(50) but excluding City Hall and related office equipment. For the avoidance of doubt, Customer Service Assets do not include assets used by Seller primarily for its water and sewer utility business, and Seller shall be entitled to keep a copy of any data that is a Customer Service Asset as deemed appropriate by Seller.

(52) "***Date of this Agreement***" has the meaning set forth in the preamble to this Agreement.

(53) ***"Deed***" means a special warranty deed substantially in the form of Exhibit C attached hereto.

(54) ***"Defeasance Obligations***" means (i) direct obligations of the United States of America, (ii) obligations the timely payment of the principal of and interest on which when due are fully and unconditionally guaranteed by the United States of America, or (iii) obligations which are general obligations backed by the full faith and credit of the United States of America.

(55) ***"Delivery Point"*** means the point on the Customer's premises where, (i) if delivery is being made through overhead wires, Seller's wires connect to Customer's wires at the Customer's weatherhead, and (ii) if delivery is being made through underground wires, Seller's wires connect to the Customer's meter can.

(56) "***Direct Claim***" has the meaning set forth in Section 8.2(c).

(57) "***Distribution Assets***" means the electric distribution facilities, equipment and other tangible property and assets used in or for, the Business of the Vero Beach Electric Utility, including the facilities, equipment and other tangible property and assets that connect the Transmission Assets to the Customer Service Assets, distribution substation equipment, feeder circuits and associated hardware (including switches and switch gear, regulators, capacitor banks, reclosers, and protective equipment), primary circuits, transformers, secondaries and services, and associated physical assets (including poles, conductors, cables, insulators, metering, and outdoor lights).

(58) ***"District"*** means the Indian River Farms Water Control District.

(59) ***"District Licenses"*** means one or more agreements between the District and Seller substantially in the form of Exhibit P attached hereto, or such form as may be otherwise agreed by the Parties pursuant to Section 6.4(c) and approved by the District, that relate to all of the Real Property owned by the District on which any of the Acquired Assets are located as of the Closing Date.

(60) ***"District Sublicenses"*** means one or more agreements between Buyer and Seller substantially in the form of Exhibit Q attached hereto, or such form as may be otherwise agreed by the Parties pursuant to Section 6.4(c) and approved by the District, that provide for sublicenses with respect to each of the District Licenses to be entered into on the Closing Date.

(61) ***"Easements"*** means the electrical distribution easements, electrical transmission easements, access easements, aerial easements and other easements owned by Seller and used in (A) the Business of the Vero Beach Electric Utility or (B) the operation or maintenance of the Acquired Assets, including the easements identified in Schedule 1.1(61), other than any easements described in the Franchise Ordinance.

(62) ***"Effective Time"*** has the meaning set forth in Section 3.1.

(63) ***"Electric Utility Accounting Records"*** means all financial statements, accounting books, related records and reports of Seller relating to the Business of the Vero Beach Electric Utility.

(64) ***"Electric Utility Bonds"*** means the Indebtedness created or evidenced by, or arising under, the Bond Resolution, including any principal, interest, fees, penalties and other amounts payable thereunder.

(65) ***"Encumbrances"*** means any liens, charges, pledges, options, mortgages, deeds of trust, security interests, equitable interests, claims, easements, rights-of-way, leases, mineral reservations, covenants, conditional and installment sales contracts, title retention arrangements, adverse claims or restrictions of any kind, including restriction on transfer or use, option, right of first refusal, license or other right of third parties, and other encumbrances affecting title or right to property, whether imposed by applicable Law, agreement, understanding or otherwise and whether or not of record.

(66) ***"Environment"*** means all soil, real property, air, water (including surface waters, streams, ponds, drainage basins and wetlands), groundwater, water body sediments,

drinking water supply, stream sediments or land, including land surface or subsurface strata, including all fish, plant, wildlife, and other biota and any other environmental medium or natural resource.

(67) ***"Environmental Claim"*** means any and all communications, whether written or oral, alleging potential Liability, administrative or judicial actions, suits, orders, liens, notices alleging Liability, notices of violation, investigations which have been disclosed to Seller, complaints, requests for information relating to the Release or threatened Release into the Environment of Hazardous Substances, proceedings, or other communication, whether criminal or civil, pursuant to or relating to any applicable Environmental Law, by any Person (including any Governmental Authority) based upon, alleging, asserting, or claiming any actual or potential (i) violation of, or Liability under any Environmental Law, (ii) violation of any Environmental Permit, or (iii) Liability for investigatory costs, cleanup costs, removal costs, remedial costs, response costs, monitoring costs, natural resource damages, property damage, personal injury, fines, or penalties arising out of, based on, resulting from, or related to the presence, Release, or threatened Release into the Environment of any Hazardous Substances at any Real Property, the Substation Easement Real Property, or any off-Site location to which Hazardous Substances, or materials containing Hazardous Substances, were sent.

(68) ***"Environmental Clean-up Site"*** means any location which is listed or formally proposed for listing on the National Priorities List, the Comprehensive Environmental Response, Compensation and Liability Information System, or on any similar state list of sites requiring investigation or cleanup, or which is the subject of any action, suit, proceeding or investigation which has been disclosed to Seller for any alleged violation of any Environmental Law, or at which there has been a Release, or a threatened or suspected Release, of a Hazardous Substance.

(69) ***"Environmental Laws"*** means all Laws regarding pollution or protection of the Environment, the conservation and management of land, natural resources and wildlife or human health and safety or the Occupational Safety and Health Act (only as it relates to Hazardous Substances), including Laws regarding Releases or threatened Releases of Hazardous Substances (including Releases to ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, Release, transport, disposal or handling of Hazardous Substances, including the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§ 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.), the Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. §§ 2601 et seq.), the Oil Pollution Act (33 U.S.C. §§ 2701 et seq.), the Emergency Planning and Community Right-to-Know Act (42 U.S.C. §§ 11001 et seq.), and all other Laws analogous to any of the above.

(70) "***Environmental Liabilities***" has the meaning set forth in Section 6.22(a).

(71) "***Environmental Notice***" has the meaning set forth in Section 6.22(a).

(72) ***"Environmental Permit"*** means any Permit under or in connection with any Environmental Law, including any and all orders, consent orders or binding agreements issued or entered into by a Governmental Authority under any applicable Environmental Law, that is necessary for (i) the Business of the Vero Beach Electric Utility, or (ii) the ownership, use or operation of the Acquired Assets, in each case under clause (i) or (ii), as conducted prior to the Date of this Agreement and as conducted prior to the Closing Date.

(73) ***"ERISA"*** means the Employee Retirement Income Security Act of 1974, as amended, and the applicable rules and regulations promulgated thereunder.

(74) ***"ERISA Affiliate"*** means any trade or business under Section 414(b), (c), (m) or (o) of the Code.

(75) ***"Estimated Allocation"*** has the meaning set forth in Section 3.5(a).

(76) "***Estimated Closing Adjustments***" has the meaning set forth in Section 3.3(b).

(77) ***"Estimated Closing Statement"*** has the meaning set forth in Section 3.3(b).

(78) ***"Estoppel Certificate"*** means a written statement from a Person who is a party other than Seller to an Assumed Contract or Real Property Interest Instrument, as the case may be, which written statement explicitly provides that (i) to the knowledge of the individual providing such statement, Seller is not in default nor does it owe any amounts due (or otherwise specifying such amounts that are due) to such Person under the Assumed Contract, (ii) the individual providing such written statement is authorized to bind the Person and make such written such statement, (iii) Buyer is entitled to rely on such written statement in connection with Buyer's assumption of the Assumed Contract, and (iv) such Person consents to the assignment and assumption of the Assumed Contract from Seller to Buyer.

(79) ***"Excluded Assets"*** has the meaning set forth in Section 2.2.

(80) ***"Excluded Contracts"*** means the FMPA Agreements, the OUC-Vero Beach PPA, Seller Collective Bargaining Agreements, and all other Contracts that are not Assumed Contracts.

(81) "***Excluded Inventory***" means any Inventory of Seller described in Schedule 1.1(81)**.**

(82) ***"Excluded Liabilities"*** has the meaning set forth in Section 2.4.

(83) ***"FAA"*** means the Federal Aviation Administration or any successor agency thereto.

(84) ***"Federal Communications Commission"*** means the United States Federal Communications Commission or any successor agency thereto.

(85) ***"Federal Power Act"*** means the Federal Power Act, as amended.

(86) ***"FERC"*** means the Federal Energy Regulatory Commission or any successor agency thereto.

(87) ***"FERC Approval***" has the meaning set forth in Section 6.6(c).

(88) ***Fiber License Agreement"*** means an agreement substantially in the form of Exhibit L-1 attached hereto, or such form as may be otherwise agreed by the Parties pursuant to Section 6.4(d) and approved by Indian River County and the School District of Indian River County.

(89) ***"Fiber Optic System"*** means the fiber optic system described on Schedule 1.1(88).

(90) ***"FDOT***" means the Florida Department of Transportation or any successor agency thereto.

(91) ***"FMPA"*** means the Florida Municipal Power Agency.

(92) "***FMPA Agreement Date***" means February 28, 2018 or such later date, but not later than March 30, 2018, selected by Buyer by giving notice thereof to Seller and FMPA, or such date after March 30, 2018, agreed to in writing by Seller and Buyer with notice thereof given to FMPA.

(93) "***FMPA Agreements***" means all of the following Contracts: (i) St. Lucie Project Power Sales Contract dated June 1, 1982, between FMPA and Seller, as amended; (ii) St. Lucie Project Support Contract dated June 1, 1982, between FMPA and Seller, as amended; (iii) the Stanton Project Power Sales Contract, dated January 16, 1984, between FMPA and Seller; (iv) Stanton Project Support Contract dated January 16, 1984, between FMPA and Seller, as amended; (v) Stanton II Project Power Sales Contract executed on or about May 24, 1991, between FMPA and Seller, as amended; (vi) Stanton II Project Support Contract executed on or about May 24, 1991, between FMPA and Seller, as amended; and (vii) that certain All-Requirements Power Supply Project Contract dated October 1, 1996, between FMPA and Seller, as amended.

(94) "***FMPA ARP***" means the FMPA "all requirements project".

(95) "***FMPA Assigned Agreements***" means the agreements described in clauses (i) through (vii) of the definition of the FMPA Agreements.

(96) "***FMPA Bondholders***" means the holders of revenue bonds issued by FMPA secured by, among other things, the FMPA Agreements.

(97) "***FMPA Members***" means the municipal members of FMPA that are party to any of the FMPA Agreements, and who are required to consent to the FMPA Transfer Agreement.

(98) "***FMPA Transfer Agreement***" means the Transfer Agreements that Seller and FMPA would enter into, if they enter into such Transfer Agreements, with the approval of Buyer, under which, among other matters, at the Closing: (i) Seller would assign to FMPA or the trustee with respect to the FMPA ARP bonds all of Seller's rights under the FMPA Assigned Agreements; (ii) FMPA would release Seller from all of Seller's obligations and liabilities to FMPA and the FMPA Members including under all of the FMPA Agreements; and (iii) Seller would pay to FMPA the FMPA Transfer Payment.

(99) "***FMPA Transfer Payment***" means an amount not to exceed $108 million as determined pursuant to the terms of the FMPA Transfer Agreement.

(100) "***FPL Termination Agreement***" means the Termination of Agreements substantially in the form of Exhibit F attached hereto, which, at the Closing, will terminate (i) the Territorial Boundary Agreement between Buyer and Seller dated June 11, 1980, as amended, approved by the PSC Order dated November 3, 1981 and (ii) that certain Joint Use Agreement, dated July 5, 1956, as supplemented by that certain Supplemental Joint Use Agreement, dated January 29, 1964, in each case between Buyer and Seller, and as the same may have been further amended.

(101) ***"FPSC"*** means the Florida Public Service Commission or any successor agency thereto.

(102) ***"FPSC Approval"*** has the meaning set forth in Section 6.6(d).

(103) ***"FPUA***" means the Fort Pierce Utilities Authority or any successor electric utility.

(104) ***"FPUA Joint Facilities"*** means the transmission and substation facilities owned jointly by Seller and FPUA in St. Lucie County, Florida, and Indian River County, Florida, including the property identified as "Substation 20" on the schedule of the Acquired Land in Fee and the Substation 20 Transmission R/W.

(105) ***"FPUA Right of First Refusal"*** means the right of first refusal with respect to certain of the Acquired Assets granted by Seller to FPUA pursuant to that certain Fort Pierce – Vero Beach Tie-Line Agreement dated May 5, 1992 between Seller and FPUA, as amended.

(106) ***"Franchise Ordinance"*** means the franchise ordinance agreement substantially in the form of Exhibit E attached hereto.

(107) "***GAAP***" means United States generally accepted accounting principles in effect in the United States from time to time.

(108) ***"Governmental Authority"*** means any federal, state, county, city, local or other governmental, regulatory or administrative agency, body, authority (including taxing authority), official, district (including water control district), commission, department, board or other governmental subdivision, court, tribunal or arbitrating body, and any national or regional electric reliability organizations, including NERC.

(109) ***"Grounding Equipment"*** means the cable casing and other parts of the Fiber Optic System that are used as the grounding for any part of the Acquired Assets.

(110) "***Grounding License Agreement***" means an agreement substantially in the form of Exhibit Y attached hereto.

(111) ***"Hazardous Substances"*** means: (i) any petroleum, asbestos, asbestos-containing material, and urea formaldehyde foam insulation and transformers or other equipment that contains polychlorinated biphenyls; (ii) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "contaminants," "pollutants," "toxic pollutants," "hazardous air pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law; and (iii) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

(112) ***"Income Tax"*** means any Tax (i) based upon, measured by or calculated with respect to net income, profits or receipts (including capital gains Taxes and minimum Taxes), or (ii) based upon, measured by or calculated with respect to multiple bases (including corporate franchise Taxes) if one or more of the bases on which such Tax may be based, measured by or calculated with respect to, is described in clause (i), in each case together with any interest, penalties or additions to such Tax.

(113) ***"Indebtedness"*** means, with respect to any Person, at any time without duplication, (i) all indebtedness for borrowed money, (ii) all obligations for the deferred purchase price of property or services, (iii) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (iv) all obligations of such Person created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person, (v) all obligations of such Person under acceptance, letter of credit or similar facilities, (vii) all obligations of such Person in respect of any exchange-traded or over-the-counter derivative transaction, including interest rate or currency hedging agreements, and (viii) all obligations of such Person to guarantee any Indebtedness, leases, dividends or other payment obligations of such Person or any other Person; provided, however, that the term "Indebtedness" shall not include any lease that is a capital lease.

(114) ***"Indemnifying Party"*** has the meaning set forth in Section 8.1(d).

(115) ***"Indemnitee"*** means either a Seller Indemnitee or a Buyer Indemnitee, as the case may be.

(116) ***"Independent Accounting Firm"*** means such independent accounting firm of national reputation as is mutually appointed by Seller and Buyer.

(117) ***"Intellectual Property***" means the following rights, both statutory and common law rights, if applicable: (i) copyrights, registrations and applications for registration thereof; (ii) trademarks, service marks, trade names, slogans, domain names, business names, logos, trade dress, and registrations and applications for registrations thereof; (iii) patents, as well as any reissued and reexamined patents and extensions corresponding to the patents, and any

patent applications, as well as any related continuation, continuation in part and divisional applications and patents issuing therefrom; (iv) trade secrets and other confidential and proprietary information, including ideas, designs, concepts, compilations of information, methods, techniques, procedures, processes and other know-how, whether or not patentable; and (v) computer programs and other software, including source and object codes.

(118) ***"Intellectual Property Licenses"*** means those agreements related to Licensed Intellectual Property.

(119) ***"Interconnection Points"*** mean the points at which Seller's Transmission Assets connect as of the Date of the Agreement to: (a) Seller's West Substation, (b) Buyer's Emerson Substation, and (c) the FPUA Joint Facilities.

(120) ***"Interim Period"*** has the meaning set forth in Section 6.1(a).

(121) ***"Inventory"*** means materials, spare parts, supplies, chemicals and other items of inventory used in or for the Business of the Vero Beach Electric Utility including such other items of inventory located in Seller's warehouses.

(122) ***"IRS"*** means the United States Internal Revenue Service or any successor agency thereto.

(123) ***"Knowledge"*** means (i) with respect to Buyer, the actual awareness (after reasonable inquiry of appropriate employees of Buyer) of the corporate officers of Buyer who are charged with responsibility for the particular function relating to the matter of the inquiry and (ii) with respect to Seller, the actual awareness of the City Manager of Seller (after reasonable inquiry of the director of the following departments of Seller: Electric Utilities; Public Works; and Finance), the City Attorney of Seller, and, solely with respect to Airport matters, the director of the Airport.

(124) ***"Law"*** means any foreign, federal, state or local law, constitutional provision, statute, charter, ordinance or other law, rule, regulation, code (including any zoning code, fire code or health and safety code), or interpretation of any Governmental Authority or any Order of or by any Governmental Authority, including all Environmental Laws and NERC standards, requirements and regulations, applicable to the Business of the Vero Beach Electric Utility or the Acquired Assets.

(125) ***"Lease Agreements"*** means the Airport Property Lease Agreements, the District Sublicenses, and the Grounding License Agreement.

(126) ***"Liability"*** means any direct or indirect liability, commitment, Indebtedness or obligation (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or un-accrued, whether liquidated or un-liquidated, and whether due or to become due) of any kind, character or nature, or any demand, Action asserted or brought against the relevant Person.

(127) "***Licensed Intellectual Property***" means the Intellectual Property described in Schedule 1.1(126).

(128) ***"Loss"*** or ***"Losses"*** means any and all damages, fines, fees, penalties, deficiencies, losses, Liabilities, interest, awards, judgments, and expenses (whether or not involving a third party claim), including all Remediation costs, reasonable fees of attorneys, accountants and other experts, or other expenses of litigation or proceedings or of any claim, default or assessment relating to the foregoing.

(129) ***"Material Adverse Effect"*** means such changes, effects, conditions, facts, circumstances and events resulting in, or reasonably likely to result in, an adverse effect on the Acquired Assets and the Business of the Vero Beach Electric Utility, in an aggregate amount greater than $10,000,000.00; provided, however, that no one or more of the following changes, effects, conditions, facts, circumstances or events shall be taken into account in determining whether a Material Adverse Effect has occurred: (i) general economic or political conditions; (ii) conditions generally affecting the industry in which the Business of the Vero Beach Electric Utility operates, including those affecting fuel prices; (iii) any changes in financial, banking or securities markets in general, including any disruption thereof and any decline in the price of any security or any market index or any changes in prevailing interest rates; (iv) acts of war (whether or not declared), terrorism or armed hostilities, or the escalation or worsening thereof; (v) any action (or omission of an action) required or permitted by this Agreement or any of the Ancillary Agreements or any action taken (or omitted to be taken) with the written consent of or at the request of Buyer; (vi) any actions taken or caused by Buyer or any of its Affiliates, including any change in Buyer's policies relating to retention and compensation of or provision of benefits to Buyer's employees and the Transferred Employees, whether resulting from decisions made by Buyer, regulatory authorities or bargaining with Buyer's Union Representative; (vii) any changes in applicable Laws or accounting rules (including GAAP) or the enforcement, implementation or interpretation thereof other than Laws adopted by the Council; (viii) the announcement, pendency or completion of the transactions contemplated by this Agreement, including losses or threatened losses of employees, customers, suppliers, distributors or others having relationships with Seller or the Business of the Vero Beach Electric Utility; (ix) any Casualty; or (x) any failure by the Business of the Vero Beach Electric Utility to meet any internal or published projections, forecasts or revenue or earnings predictions.

(130) ***"Material Seller Contracts"*** shall have the meaning set forth in Section 4.13(a).

(131) "***Maximum Uncovered Loss Amount***" means five million dollars ($5,000,000).

(132) ***"NERC"*** means the North American Electric Reliability Corporation.

(133) ***[Intentionally Deleted]***

(134) ***"Non-Environmental Permit"*** means any Permit (other than an Environmental Permit) that is necessary for, (i) the Business of the Vero Beach Electric Utility, or (ii) the ownership, use or operation of the Acquired Assets, in each case under clause (i) or (ii), as conducted prior to the Date of this Agreement and as conducted prior to the Closing Date, and specifically includes the Radio Licenses.

(135) ***"Observers"*** has the meaning set forth in Section 6.1(b).

(136) ***"Order"*** means any judgment, decision, consent, assessment, decree, injunction, stay, ruling, writ or order of or by any Governmental Authority.

(137) ***"OUC"*** means the Orlando Utilities Commission.

(138) "***OUC Termination Agreement Date***" means January 5, 2018 or such later date, but not later than January 31, 2018, selected by Buyer by giving notice thereof to Seller and OUC, or such date after January 31, 2018, agreed to in writing by Seller and Buyer with notice thereof given to OUC.

(139) "***OUC Termination Agreement***" means the Termination Agreement that Seller and OUC would enter into, if they enter into such Termination Agreement, with the approval of Buyer, under which, among other matters, at the Closing: (i) Seller and OUC would terminate the OUC-Vero Beach PPA; (ii) OUC would release Seller from all of Seller's obligations and liabilities to OUC including under the OUC-Vero Beach PPA; and (iii) Seller would pay to OUC the OUC Termination Payment.

(140) "***OUC Termination Payment***" means $20 million.

(141) ***"OUC-Vero Beach PPA"*** means the First Amended and Restated Agreement for Purchase and Sale of Electric Energy and Capacity, Gas Transportation Capacity and Asset Management Services dated October 20, 2015 between Seller and OUC and any other agreements between OUC and Seller.

(142) "***Partial Sale Agreement***" has the meaning set forth in Section 10.1.

(143) ***"Party"*** (and the corresponding term ***"Parties"***) has the meaning set forth in the preamble to this Agreement.

(144) ***"Permits"*** means all permits, licenses, approvals, immunities, entitlements, certificates (including certificates of need), authorizations, registrations, waivers, variances, exemptions, notices, application, and filings, from, to, with or issued by any Governmental Authority, that are material to the Business of the Vero Beach Electric Utility or the Acquired Assets, including certificates of occupancy, operating permits, sign permits, development rights and approvals, zoning, building and safety and health approvals.

(145) ***"Permitted Encumbrances"*** means, with the exception of the Encumbrances identified on attached Schedule 4.6(a), which shall be satisfied or removed from such Acquired Assets on or before the Closing Date: (i) as to each and every parcel of Acquired Land in Fee, the real property described in the Airport Substation 5 Lease Agreement and Airport Substation 6 Lease Agreement, Substation Easement Real Property, and any other Real Property Interest for which Buyer obtains a Title Commitment, those exceptions to title listed in Schedule 1.1(143), referenced in any of the Title Commitments, or existing due to the provisions of any Real Property Interest Instruments through which Seller holds its Real Property Interests, or matters identified in any Survey or what would have been disclosed by an accurate survey or inspection; (ii) as to each Acquired Asset constituting personal property, or any Real Property

Interest for which Buyer has not obtained a Title Commitment, any Encumbrance of any type or description on or affecting such Acquired Assets, provided that such Encumbrance does not, to Seller's Knowledge, materially interfere with the operation of the Acquired Assets in the ordinary course consistent with Seller's Past Practices prior to the Date of this Agreement. Without limiting the generality of the foregoing, "Permitted Encumbrances" include the following: (i) Encumbrances created by the Electric Utility Bonds that will be released prior to or at the Closing; provided, however, that such Encumbrances shall cease to be Permitted Encumbrances as of the Closing; (ii) statutory liens for Taxes or other governmental charges or assessments not yet delinquent; (iii) statutory liens (including construction, mechanics' and materialmen's liens and other like statutory liens and inchoate liens incurred in connection with worker's compensation, unemployment insurance, and social security laws) arising in the ordinary course of business securing payments not yet delinquent (or any such lien for a delinquent payment that has been waived in writing by the holder thereof or any such lien for a delinquent payment for which Seller has obtained a waiver, bond or other security in accordance with applicable Law to fully protect the Acquired Assets from any and all claims that may be made on account of any such lien); (iv) existing zoning, entitlement, environmental or conservation restrictions and other land use and environmental regulations imposed by Governmental Authorities and any existing conditions and obligations arising under any Permit so long as such restrictions, regulations, conditions and obligations do not, to Seller's Knowledge, materially interfere with the Business of the Vero Beach Electric Utility in the ordinary course as conducted prior to the Date of this Agreement; (v) the covenants and restrictions set forth in this Agreement or in any of the Ancillary Agreements; (vi) Encumbrances with respect to the Acquired Assets created by or resulting from the acts or omissions of Buyer; (vii) the rights of any owner of real property where any of the personal property included in the Acquired Assets is located and the conditions or limitations of any real property rights associated with the locations where any of such Acquired Assets may exist; (vi) all matters affecting the Acquired Assets that would be disclosed by an accurate survey or inspection of such Acquired Assets; (viii) the terms of any capital leases; (ix) the FPUA Right of First Refusal; and (x) if Seller, after making a good faith effort, is unable to secure a release or satisfaction of the matter set forth in items number 1 and 3 on Schedule 4.6(a), then the matters set forth in item numbers 1 and 3 on Schedule 4.6(a) shall be treated for purposes of Section 4.6 as a "Permitted Encumbrance."

(146) ***"Person"*** means a natural person, a corporation, a partnership, a joint venture, a union, a limited liability company, a trust, an unincorporated organization, an association, a joint stock company, trustee, estate, real estate investment trust or any other entity or organization, including a Governmental Authority or any other separate legal entity recognized pursuant to applicable Law.

(147) "***Pole Agreement***" has the meaning set forth in Section 6.4(d).

(148) ***"Post-Closing Adjustment"*** has the meaning set forth in Section 3.3(c).

(149) ***"Post-Closing Consumption Period"*** has the meaning set forth in Section 6.21.

(150) ***"Post-Closing Statement"*** has the meaning set forth in Section 3.3(c).

(151) "***Post-Closing Taxes***" means Taxes, including sales and use taxes on all leases, (other than Transfer Taxes to which Section 6.8(a) applies) attributable to periods (or portions thereof) beginning on or after the Closing Date, determined by closing the books at the Effective Time for purposes of Income Taxes and by pro rating all other Taxes based on the number of days in the period before the Closing Date, on the one hand, and on and after the Closing Date, on the other hand; provided, however, if the Acquired Assets or the Business of the Vero Beach Electric Utility were not subject to a Tax in the hands of Seller but become subject to that Tax in the hands of Buyer, that Tax shall be a Post-Closing Tax in its entirety.

(152) ***"Power Plant"*** means all facilities and equipment located on the Power Plant Site, other than the Power Plant Substation.

(153) "***Power Plant Site***" means the real property described in Exhibit S.

(154) ***"Power Plant Substation Site"*** means the real property described in Exhibit S.

(155) "***Pre-Closing Taxes***" means Taxes, including sales and use taxes on all leases, (other than Transfer Taxes to which Section 6.8(a) applies) attributable to periods (or portions thereof) ending before the Closing Date, determined by closing the books at the end of the date immediately preceding the Closing Date for purposes of Income Taxes and by pro rating all other Taxes based on the number of days in the taxable period before and after the Closing Date; provided, however, if the Acquired Assets or the Business of the Vero Beach Electric Utility were not subject to a Tax in the hands of Seller but become subject to that Tax in the hands of Buyer, no portion of that Tax shall be a Pre-Closing Tax.

(156) ***"Pre-Closing Consumption Period"*** has the meaning set forth in Section 6.21.

(157) "***Prepaid Expenses***" means all expenses incurred by Seller in the operation of the Acquired Assets in accordance with Seller's Past Practices (excluding pre-payments for tangible assets such as inventory or property, plant and equipment except as provided in Section 3.6(a)(iii), but including prepaid maintenance expense) paid in cash before the Closing and before being incurred for GAAP purposes.

(158) ***"Proposed Post-Closing Adjustment"*** has the meaning set forth in Section 3.3(c).

(159) ***"Public Document"*** has the meaning set forth in Section 6.5(a).

(160) ***"Purchase Price"*** has the meaning set forth in Section 3.2.

(161) ***"Radio Licenses"*** means the Permits set forth in Schedule 1.1(160).

(162) ***"Real Property"*** means the Acquired Land in Fee, the Substation Easement Real Property, the real property described in the Airport Property Lease Agreements, and such other real property rights, interests, and licenses to occupy real property, that are owned by Seller and used by Seller to transmit and distribute electricity or to access or maintain the

Vero Beach Electric Utility including the Easements, each as set forth on Schedule 1.1(161), but excluding any rights of way under the Franchise Ordinance.

(163) ***"Real Property Interests"*** means the interest held by Seller in the Real Property.

(164) ***"Real Property Interest Instrument"*** means any license, deed, lease, easement, agreement or other instrument creating a Real Property Interest.

(165) ***"Release"*** means any actual, threatened or alleged spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dumping or disposing of a Hazardous Substance into the Environment or within any building, structure, facility or fixture.

(166) ***"Remediation"*** means any action of any kind required by applicable Law to address the presence or Release of Hazardous Substances, including: (i) monitoring, investigation, assessment, treatment, cleanup containment, removal, mitigation, response or restoration work, as well as obtaining any Permits necessary to conduct any such activity; (ii) preparing and implementing any plans or studies for any such activity; and (iii) obtaining a written notice from a Governmental Authority with competent jurisdiction under Environmental Laws, that no material additional work is required.

(167) ***"Representatives"*** of a Party means the Party and its Affiliates and their directors, officers, employees, agents and advisors (including accountants, counsel, environmental consultants, financial advisors and other authorized representatives).

(168) ***"Retained Agreements"*** means the District Licenses and the Seller Pole and Antenna Attachment Termination Agreements.

(169) ***"Retained Employees"*** means all Seller Employees who are employed by Seller as of the date immediately preceding the Closing Date and who do not become Transferred Employees as of the Closing Date.

(170) ***"Schedules"*** means the schedules attached to this Agreement.

(171) "***Schedule Supplement***" has the meaning set forth in Section 6.9.

(172) ***"Seller"*** has the meaning set forth in the preamble to this Agreement.

(173) ***"Seller Benefit Plans"*** has the meaning set forth in Section 4.11(a).

(174) ***"Seller Collective Bargaining Agreements"*** means the Agreement between Seller and Teamsters Local Union No. 769, dated September 15, 2015, with a term of October 1, 2015 to September 30, 2018, and the Agreement between Seller and Teamsters Local Union No. 769 Technical/Clerical with a term of October 1, 2015 to September 30, 2018.

(175) ***"Seller Contracts"*** means all Contracts in effect on the Date of this Agreement that are used in or for the Acquired Assets or the Business of the Vero Beach Electric

Utility to which Seller is a Party or by which any of the Acquired Assets is bound, including (i) the Real Property Interest Instruments, the Assumed Contracts and the Intellectual Property Licenses, (ii) Contracts associated with the forecasting, modeling, management and operation of the Acquired Assets, (iii) Contracts associated with emergency or wind storm preparedness, and (iv) Contracts leasing, or providing the right to use, to attach to or of access to, any portion of the Acquired Assets, including the Attachment Agreements.

(176) ***"Seller Defined Benefit Plan"*** means the City of Vero Beach General Employee Retirement Plan in effect on the Date of this Agreement, which was frozen as of July 15, 2015.

(177) "***Seller Defined Contribution Plan***" means the City of Vero Beach General Employees' Defined Contribution Plan in effect on the date of this Agreement.

(178) "***Seller Disclosure Schedules***" means the disclosure schedules of Seller that pertain to Seller's representations and warranties in Article 4 of this Agreement, delivered concurrently with the execution and delivery of this Agreement and forming a part of this Agreement and any updates to such disclosure schedules.

(179) ***"Seller Employee"*** means an hourly-paid or salaried employee of Seller, who receives an IRS Form W-2 from Seller and whose work responsibilities involve principally the Business of the Vero Beach Electric Utility.

(180) "***Seller Fundamental Representations***" means the representations and warranties made in Sections 4.1, 4.2, 4.3(a), and 4.20.

(181) ***"Seller Indemnitee"*** has the meaning set forth in Section 8.1(a).

(182) ***"Seller Pole and Antenna Attachment Termination Agreements"*** means the agreements to be negotiated and executed by Seller and each Person (other than Buyer) that attaches or uses poles of Seller, including AT&T, Comcast and BellSouth, regarding the termination of such Person's rights relating to poles of Seller.

(183) ***"Seller's Past Practices"*** means the recent historical operation, maintenance and repair practices, methods and actions performed prior to the Date of this Agreement by, or on behalf of, Seller with respect to the Acquired Assets, in a manner complying with applicable Law.

(184) ***"Service Territory"*** means the area described as Seller's service territory in the map attached hereto as Schedule 1.1(183).

(185) ***"Streetlight Agreement"*** means Buyer's standard form of street lighting agreement that is applicable on the date immediately preceding the Closing Date, along with Buyer's street lighting rate schedule on file at the FPSC that is effective on the date immediately preceding the Closing Date. For reference purposes only, Exhibit J contains a copy of the Streetlight Agreement that is applicable on the Date of this Agreement. For the avoidance of doubt, the Streetlight Agreement that is required to be executed under this Agreement may be different than the form attached hereto as Exhibit J.

(186) ***"Streetlight Assets"*** means all assets of Seller used in or for Seller's street lighting business including all Seller-owed poles, fixtures, test equipment, brackets, records, conductor (OH & UG), warranties, tools, photocells, relays, conduit, transformers, handholes/splice boxes, connectors/splices, scrap, salvage, ground rods, nuts, bolts, washers, ballasts, shields, poles and any inventory of the foregoing.

(187) ***"Substation 20 Transmission R/W"*** means the easements or other rights appurtenant to Substation 20 described in Exhibit R attached hereto.

(188) ***"Substation Easement Agreement"*** means an agreement substantially in the form of Exhibit L-2 attached hereto.

(189) ***"Substation Equipment Operating and Dismantling Agreement"*** means an agreement substantially in the form of Exhibit L-3 attached hereto.

(190) ***"Substation Easement Real Property"*** means the real property under the Substation Easement Agreement.

(191) "***Substation License and Access Agreement***" means an agreement substantially in the form of Exhibit L-4 attached hereto.

(192) ***"Survey"*** means an American Land Title Association (ALTA) survey for each parcel of real property identified as an insured parcel in any of the Title Commitments.

(193) ***"Taxes"*** means, all taxes, charges, fees, levies, penalties or other assessments imposed by any federal, state, local, provincial or foreign taxing authority, including income, gross receipts, excise, real or personal property, sales, transfer, customs, duties, franchise, payroll, withholding, social security, receipts, license, stamp, occupation, employment or other taxes, including any interest, penalties or additions attributable thereto, and any payments to any state, local, provincial or foreign taxing authorities in lieu of any such taxes, charges, fees, levies or assessments. The term ***"Tax"*** means any one of the foregoing Taxes.

(194) ***"Tax Return"*** means any return, report, form, information return, declaration, claim for refund or other document (including any schedule or related or supporting information) required to be supplied to any Governmental Authority with respect to Taxes including amendments thereto, including any information return filed by a tax exempt organization.

(195) ***"Termination Date"*** has the meaning set forth in Section 3.1.

(196) ***"Third Party Claim"*** has the meaning set forth in Section 8.2(a).

(197) ***"Title Commitments"*** means the commitments to issue policies of title insurance and the title reports issued by Chicago Title Insurance Company and attached in Schedule 1.1(195) for each and every parcel of Acquired Land in Fee, real property described in the Airport Substation 5 Lease Agreement and Airport Substation 6 Lease Agreement, the Substation Easement Property, and other Real Property Interests that may be referenced or

identified as a parcel or right having been examined or to be insured in any title commitment or title search attached in Schedule 1.1(195).

(198) ***"Total Compensation"*** means base pay, authorized overtime, and benefits provided under all applicable Benefit Plans.

(199) "***Transaction***" has the meaning set forth in the Recitals to this Agreement.

(200) ***"Transferable Permits"*** means the Environmental Permits and the Non-Environmental Permits that are transferable at the Closing.

(201) ***"Transferred Employee Records"*** means all records related to Transferred Employees, including the following information, as long as disclosure is not prohibited under the Health Insurance Portability and Accountability Act, the Health Information Technology for Economic and Clinical Health Act, or similar applicable Laws: (i) skill and development training; (ii) seniority histories; (iii) salary and benefit information; (iv) Occupational, Safety and Health Administration reports; (v) active medical restriction forms; (vi) fitness for duty; (vii) disciplinary actions; (viii) job performance appraisals or evaluations; (ix) employment applications; (x) bonuses; (xi) job history; and (xii) access authorization records.

(202) ***"Transferred Employees"*** means all Seller Employees whose primary work responsibilities are with respect to the Acquired Assets, who are employed by Seller as of the date immediately preceding the Closing Date and who accept continued employment with Buyer as of the Closing Date.

(203) ***"Transfer Taxes"*** means any sales, use, value added, excise, stamp, documentary, recording, registration, conveyance, stock transfer, intangible property transfer, personal property transfer, real property transfer, gross receipts, registration, duty, securities transactions or similar fees or Taxes or governmental charges (together with any interest or penalty, addition to Tax or additional amount imposed) as levied by any Governmental Authority in connection with the transactions contemplated by this Agreement, including any payments made in lieu of any such Taxes or governmental charges which become payable in connection with the transactions contemplated by this Agreement.

(204) ***"Transmission Assets"*** means the electric transmission tangible personal property, excluding real property, used in or for the Business of the Vero Beach Electric Utility or located on the Real Property, including the facilities, equipment and other tangible property and assets that connect the Distribution Assets to the Interconnection Points (and other property and assets associated with or ancillary thereto), transformers, breakers, capacitor banks, switches, arresters, instrument transformers, substation structures, substations, buswork, substation battery and chargers, relay protection panels, relay communications/carriers, remote telemetry and control equipment, metering, fault recorders, sequence of event recorders, annunciators, relay vaults, substation fencing, transmission lines, conductors, transmission line structures and poles, and control buildings.

(205) ***"Vehicles"*** means the vehicles listed in Schedule 1.1(203).

(206) ***"Vero Beach Electric Utility"*** means the electric utility system of electricity transmission and distribution owned and operated by Seller prior to the Closing Date and, provided that the Closing occurs, owned and operated by Buyer on and after the Closing Date.

(207) "***Warn Act***" means the federal Worker Adjustment and Retraining Notification Act of 1988, and similar state, local and foreign laws related to plant closings, relocations, mass layoffs and employment losses.

(208) "***Willful Buyer Breach***" has the meaning set forth in Section 9.2(c).

(209) "***Willful Seller Breach***" has the meaning set forth in Section 9.2(b).

Section 1.2 Certain Interpretive Matters.

(a) Unless otherwise required by the context in which any term appears:

(i) Capitalized terms used in this Agreement shall have the meanings specified in this Article.

(ii) The singular shall include the plural, the plural shall include the singular, and the masculine shall include the feminine and neuter.

(iii) References to "Articles", "Sections", "Schedules" or "Exhibits" shall be to articles, sections, schedules or exhibits of or to this Agreement, and references to "paragraphs" or "clauses" shall be to separate paragraphs or clauses of the section or subsection in which the reference occurs.

(iv) The words "herein", "hereof" and "hereunder" shall refer to this Agreement as a whole and not to any particular section or subsection of this Agreement; and the words "include", "includes" or "including" shall mean "including, but not limited to."

(v) The term "day" shall mean a calendar day, commencing at 12:00:01 a.m. (Eastern Time). The term "week" shall mean any seven consecutive day period commencing on a Sunday, and the term "month" shall mean a calendar month; provided, however, that when a period measured in months commences on a date other than the first day of a calendar month, the period shall run from and including the date on which it starts to and including the date immediately preceding the corresponding date in the next month and, as appropriate, to succeeding months thereafter. Whenever an event is to be performed or a payment is to be made by a particular date and the date in question falls on a day which is not a Business Day, the event shall be performed, or the payment shall be made, on the next succeeding Business Day; provided, however, that all calculations shall be made regardless of whether any given day is a Business Day and whether or not any given period ends on a Business Day.

(vi) The words "substantially in the form of" or words of similar effect when used with respect to the form of any Ancillary Agreement or other agreement

or document that has been included as an Exhibit to this Agreement and that is to be executed and delivered by the Parties or any third party or third parties, or executed and delivered by one of the Parties or any third party or third parties, in either case after the Date of this Agreement pursuant to, or in order to satisfy, any covenant, obligation or condition set forth in this Agreement shall refer to the applicable form that is attached to this Agreement with such changes as the Parties may otherwise agree are necessary or appropriate, with such agreement to be evidenced by the Parties' execution thereof, including the insertion of mutually agreeable legal descriptions following preparation of a Survey for any applicable real property.

(b) The titles of the articles, sections, schedules and exhibits herein have been inserted as a matter of convenience of reference only, and shall not control or affect the meaning or construction of any of the terms or provisions hereof.

(c) The Parties acknowledge and agree that: (i) this Agreement (A) shall be construed and interpreted as an arms-length contract entered into by parties with equal bargaining power and (B) was negotiated and prepared by both Parties with advice of counsel to the extent deemed necessary by each Party; (ii) the Parties have agreed to the wording of this Agreement; and (iii) none of the provisions hereof shall be construed against either Party on the ground that such Party is the author of this Agreement or any part hereof.

(d) The Schedules and Exhibits hereto are incorporated in and are intended to be a part of this Agreement.

ARTICLE 2
PURCHASE AND SALE

Section 2.1 Acquired Assets.

Upon the terms and subject to the satisfaction of the conditions contained in this Agreement, at the Closing, Seller will sell, assign, convey, transfer and deliver to Buyer, and Buyer will purchase and acquire from Seller, free and clear of all Encumbrances (except for Permitted Encumbrances), all of Seller's right, title and interest in or to the property, assets and rights (other than the Excluded Assets), of every kind, nature, character and description, whether real, personal or mixed, tangible or intangible, owned (or hereafter acquired), wherever located, that are primarily used by Seller in or for, the Business of the Vero Beach Electric Utility (collectively, the ***"Acquired Assets"***); provided, that the Acquired Assets shall specifically include all of Seller's right, title and interest in or to the following property, assets and rights (other than the Excluded Assets):

(a) the Transmission Assets;

(b) the Distribution Assets;

(c) the Customer Service Assets;

(d) the Inventory;

(e) the Vehicles;

(f) except for the Inventory and the Vehicles, all machinery, mobile or otherwise, equipment (including computer hardware and communications equipment), tools, works in progress, fixtures, furniture and furnishings and other personal property;

(g) all books, operating records, licensing records, quality assurance records, purchasing records, manuals, standards, equipment repair, maintenance or service records, operating, safety and maintenance manuals, inspection reports, environmental assessments, engineering design plans, documents, blueprints and as built plans, specifications, drawings, procedures and other similar items of Seller, whether existing in hard copy or magnetic or electronic form other than books and records set forth in Section 2.2(o) (collectively, the ***"Business Books and Records"***);

(h) the Acquired Land in Fee, and any of Seller's improvements to the Acquired Land in Fee, together with all of Seller's rights appurtenant thereto, including related rights of ingress and egress;

(i) the Real Property Interests (other than the Acquired Land in Fee);

(j) the Transferable Permits;

(k) the Assumed Contracts, including any associated unexpired assignable warranties and guarantees from third parties;

(l) Seller's interest in the FPUA Joint Facilities;

(m) the Streetlight Assets;

(n) any causes of action or Actions and defenses against third parties (including indemnification and contribution) to the extent directly related to any Assumed Liabilities, but excluding any defenses by virtue of sovereign immunity or defenses related thereto that may arise pursuant to F.S. 768.28 or otherwise;

(o) the Transferred Employee Records;

(p) the Electric Utility Accounting Records;

(q) all models and systems used for the forecasting, modeling, management and operation of the Acquired Assets; and

(r) all property, assets and rights, excluding cash and cash equivalents, associated with emergency or wind storm preparedness for the Acquired Assets.

Notwithstanding the foregoing, the transfer of the Acquired Assets pursuant to this Agreement shall not include the assumption of any Liability related to the Acquired Assets unless Buyer expressly assumes that Liability pursuant to Section 2.3. Seller may retain a copy of all Business Books and Records and Electric Utility Accounting Records and any other records and documents as deemed appropriate by Seller.

Section 2.2 Excluded Assets.

Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall be construed as conferring on Buyer, and Buyer is not acquiring, any right, title or interest in or to any assets not used primarily in the Business of the Vero Beach Electric Utility (or otherwise identified as an Excluded Contract), including the following specific property, assets and rights (the ***"Excluded Assets"***), which are hereby specifically excluded from the Transaction and the definition of Acquired Assets herein and which shall remain the property of Seller after the Closing:

(a) cash and cash equivalents, including bank deposits and accounts;

(b) customer accounts and notes receivable for periods prior to the Closing Date;

(c) income, sales, payroll and other receivables and assets relating to Taxes, prior to the Closing Date;

(d) except as otherwise set forth in Section 6.10, Seller Benefit Plans and any assets thereof;

(e) refunds, rebates and credits for any period or periods prior to the Closing Date;

(f) the Excluded Contracts;

(g) any portion of the Fiber Optic System and associated assets owned by one or more of Seller, Indian River County and the School District of Indian River County;

(h) the Power Plant real property and improvements thereon;

(i) the Power Plant Substation, the Power Plant Substation Site real property and improvements thereon;

(j) the Grand Harbor property owned by Seller and described in Exhibit T;

(k) Seller's insurance policies and proceeds thereof and all rights to applicable claims and proceeds thereunder, except as set forth in this Agreement;

(l) all rights to the Acquired Assets necessary for or used by Seller to provide other municipal or utility functions other than electric service, including those specified on Schedule 2.2(l);

(m) the Excluded Inventory;

(n) the Customer Deposits;

(o) any books and records which Seller is prohibited from disclosing or transferring to Buyer under applicable Law;

(p) all rights to any causes of action or Actions and defenses against third parties (including indemnification and contribution) other than directly related to the Assumed Liabilities;

(q) all real property not listed in Section 2.1 hereof;

(r) any vehicles that are the subject of capital leases as of the Closing;

(s) all rights of Seller under this Agreement, the Ancillary Agreements, the FMPA Transfer Agreement, OUC Termination Agreement, and the Retained Agreements; and

(t) all rights granted to Buyer under the Franchise Ordinance.

Section 2.3 Assumed Liabilities.

At the Closing, Buyer shall deliver to Seller the Assignment and Assumption Agreement pursuant to which Buyer shall assume and agree to pay, perform and discharge when due, all of the Liabilities and obligations specifically listed below, other than the Excluded Liabilities (collectively, ***"Assumed Liabilities"***):

(a) all Liabilities arising on or after the Closing Date under (i) the Assumed Contracts and (ii) the Transferable Permits;

(b) all Liabilities of Seller with respect to Transferred Employees for which Buyer is responsible pursuant to Section 6.10;

(c) all Liabilities for (i) Transfer Taxes for which Buyer is liable pursuant to Section 6.8(a) and (ii) Post-Closing Taxes, other than Income Taxes, if any, arising from the transactions contemplated by this Agreement;

(d) all Liabilities pursuant to Section 3.6(c) hereof;

(e) any Liabilities as to which Buyer is liable under the terms of Section 6.11 hereof;

(f) all Liabilities explicitly assumed by Buyer in this Agreement and not otherwise listed in this Section 2.3; and

(g) all other Liabilities and obligations arising out of or relating to Buyer's ownership of the Acquired Assets or operation of the Vero Beach Electric Utility on or after the Closing Date, including subject to Section 3.6, all Liabilities under the Assumed Contracts and the Transferable Permits arising out of any event, condition, circumstance, act or omission occurring on or after the Closing Date other than as a result of Seller's breach of any Assumed Contract or Transferable Permit prior to the Closing.

Section 2.4 Excluded Liabilities.

Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall be construed to impose on Buyer, and Buyer shall not assume or be obligated to pay, perform or otherwise discharge, the following Liabilities (the ***"Excluded Liabilities"***), with all of such Excluded Liabilities remaining the responsibility, and as obligations hereunder, of Seller except as provided in the last paragraph of this Section:

(a) any Liabilities in respect of any Excluded Assets;

(b) all Liabilities under the Assumed Contracts arising out of any breach (or event that would be a breach if not cured) that occurred and has not been cured prior to the Closing Date;

(c) any Liability under or relating to any Seller Contract that is not an Assumed Contract;

(d) Seller's responsibility with respect to the Environmental Liabilities under the terms of Section 6.22 (not to exceed the Aggregate Environmental Cap);

(e) all Liabilities for Pre-Closing Taxes, including for the avoidance of doubt Income Taxes, if any due by Seller, arising from the transactions contemplated by this Agreement;

(f) all Liabilities with respect to the Transferred Employees relating to or arising from any event, condition, circumstance, or act or omission of Seller occurring prior to the Closing Date, other than Liabilities specifically assumed by Buyer in Section 2.3(b);

(g) all Liabilities with respect to the Retained Employees;

(h) except as otherwise set forth in Section 6.10, all Liabilities relating to any Seller Benefit Plans, or any other plan, program, arrangement or policy of Seller, including accrued sick pay, established or maintained in whole or in part by Seller or by any Person (whether or not incorporated) which is or ever has been under common control, or which is or ever has been treated as a single employer, with Seller or to which Seller contributes or contributed, including any such Liability of Seller (i) for the termination or discontinuance of, or Seller's withdrawal from, any such Benefit Plan (including any multiemployer plan as defined in Section 3(37) of ERISA), (ii) relating to benefits payable under any Seller Benefit Plans, (iii) with respect to noncompliance by Seller with the notice requirements of COBRA under ERISA or the Public Health Service Act, to the extent applicable, (iv) with respect to any noncompliance by Seller with the Code or any other applicable Laws, and (v) with respect to any suit, proceeding or claim which is brought against Seller, any Seller Benefit Plan or any fiduciary or former fiduciary of, any of the Seller Benefit Plans;

(i) any Liabilities relating to the failure by Seller to hire, the employment or services or termination of employment or services by Seller of any individual, including wages, compensation, benefits, affirmative action, personal injury, discrimination, harassment, retaliation, wrongful discharge, unfair labor practices or constructive termination by

Seller of any individual, or any similar or related claim or cause of action attributable to any actions or inactions by Seller prior to the Closing Date with respect to the Transferred Employees, independent contractors, applicants, and any other individuals who are determined by a court or by a Governmental Authority to have been applicants or employees of Seller; and

(j) any other Liabilities not expressly assumed by Buyer pursuant to Section 2.3 or Liabilities expressly allocated to or retained by Seller in this Agreement, including pursuant to Section 3.6(c).

For the avoidance of doubt, the term "***Excluded Liability***" shall not mean any Environmental Liabilities that exceed the limitation on Seller's responsibility or liability for Environmental Liabilities under Section 6.22.

Section 2.5 Airport Warehouse Lease Agreement.

Subject to Section 6.4(f), commencing on the Closing Date for a period of one calendar year, with annual renewal options for Buyer to extend the term for an additional calendar year not to exceed ten years in the aggregate, Buyer shall lease the Airport Warehouse Property from Seller on terms and conditions set forth in the Airport Warehouse Lease Agreement, and pay Seller base rent per year, as approved by the FAA, plus applicable Taxes, payable in monthly installments.

ARTICLE 3
THE CLOSING

Section 3.1 Closing.

Upon the terms and subject to the satisfaction of the conditions contained in this Agreement, the sale, assignment, conveyance, transfer and delivery of the Acquired Assets to Buyer and the assumption of the Assumed Liabilities by Buyer shall take place at a closing (the "***Closing***"), to be held at 700 Universe Blvd, Juno Beach, FL 33408, at 10:00 a.m. local time, or another mutually acceptable time and location, on the date that is the first day of the month following the day on which the last of the conditions precedent to Closing set forth in Article 7 of this Agreement has been either satisfied or waived by the Party for whose benefit such conditions precedent exist (except with respect to those conditions which by their terms are to be satisfied at Closing), but in no event will the Closing occur later than December 31, 2018 or such later date pursuant to the terms of Sections 9.1(e), (f), or (g), or such other date as the Parties may mutually agree to in writing or as extended pursuant to Sections 6.11, 6.12 or 9.1 hereof (the "***Termination Date***"). The date of Closing is hereinafter called the ***"Closing Date."*** The Closing shall be effective for all purposes as of 12:00:01 a.m. Eastern Time, on the Closing Date (the "***Effective Time***").

Section 3.2 Purchase Price.

Upon the terms and subject to the satisfaction of the conditions contained in this Agreement, in consideration of the aforesaid sale, assignment, conveyance, transfer and delivery of the Acquired Assets, the assumption of the Assumed Liabilities and entry into the Ancillary Agreements (including the Franchise Ordinance), Buyer will pay to or for the benefit of Seller in

accordance with Section 3.4 the sum of $185 million dollars (the ***"Purchase Price"***), plus or minus any adjustments to such Purchase Price pursuant to the provisions of Section 3.3 below, subject to the payment requirements set forth in Section 3.4 below.

Section 3.3 Adjustment to Purchase Price.

(a) Subject to Sections 3.3(b) and 3.3(c), the Purchase Price shall be adjusted, without duplication, to account for the items set forth in this Section 3.3(a):

(i) The Purchase Price shall be adjusted to account for the items prorated pursuant to Section 3.6;

(ii) The Purchase Price shall be increased by the amount of Prepaid Expenses; and

(iii) The Purchase Price shall be adjusted by the amount of any change to the FMPA Transfer Payment in accordance with the FMPA Transfer Agreement, to the extent approved by Buyer.

(b) No fewer than ten (10) Business Days prior to the Closing Date, Seller shall prepare in good faith and deliver to Buyer an estimated closing statement (the ***"Estimated Closing Statement"***) that shall set forth Seller's best estimate of all estimated adjustments to the Purchase Price required by Section 3.3(a) (collectively, the ***"Estimated Closing Adjustments"***) together with reasonable supporting information and documentation, which shall include a reasonably detailed explanation of the calculation of the Estimated Closing Adjustments and documentation sufficient to confirm the accuracy of such calculation. The Estimated Closing Statement shall be prepared using the same accounting principles, policies and methods as Seller has historically used in connection with the calculation of the items reflected on such Estimated Closing Statement.

(c) Within sixty (60) Business Days after the Closing Date, Seller shall prepare and deliver to Buyer a final closing statement (the ***"Post-Closing Statement"***) that shall set forth all adjustments and any prorations pursuant to Section 3.6(b), to the Purchase Price required by Section 3.3(a) (the ***"Proposed Post-Closing Adjustment"***) together with reasonable supporting information and documentation, which shall include a reasonably detailed explanation of the calculation of the Proposed Post-Closing Adjustments and documentation sufficient to confirm the accuracy of such calculation. The Post-Closing Statement shall be prepared using the same accounting principles, policies and methods as Seller has historically used in connection with the calculation of the items reflected on such Post-Closing Statement. If Buyer wishes to object to the Proposed Post-Closing Adjustment, Buyer must give notice to Seller of such objection within thirty (30) days after the delivery of the Post-Closing Statement by Seller to Buyer, which objection shall include detailed information for such objections and documentation sufficient to confirm the accuracy of such objections. Seller and Buyer agree to cooperate with one another to provide one another with the information used to prepare the Post-Closing Statement or any objection thereto and information relating thereto. If Buyer objects to the Proposed Post-Closing Adjustment, the Parties shall attempt to resolve such dispute by negotiation. If the Parties do not fully resolve such dispute within thirty (30) days after any

objection by Buyer, the Parties shall appoint the Independent Accounting Firm (with the cost of such Independent Accounting Firm to be borne equally by the Parties) within fifteen (15) days after the expiration of such thirty (30) day period to review the remaining dispute regarding the Proposed Post-Closing Adjustment and determine, subject to any prorations pursuant to Section 3.6(b), the appropriate adjustment to the Purchase Price, if any, within thirty (30) days after such appointment. The Parties agree to cooperate with the Independent Accounting Firm and provide it with such information as it reasonably requests to enable it to make such determination. The Independent Accounting Firm shall act as an expert and not as an arbitrator and shall make findings only with respect to the remaining disputes so submitted to it (and not by independent review). The finding of such Independent Accounting Firm shall be binding on the Parties hereto. Upon determination of the appropriate adjustment (the ***"Post-Closing Adjustment"***) by agreement of the Parties or by binding determination of the Independent Accounting Firm, the Party owing the difference shall deliver such amount to the other Party no later than thirty (30) days after such determination, in immediately available funds or in any other manner as reasonably requested by the payee.

Section 3.4 Payment of Purchase Price.

(a) Payment of the Purchase Price shall be made by wire transfer of immediately available funds denominated in U.S. dollars at the Closing in accordance with customary closing procedures and in accordance with the provisions set forth in this Section 3.4 below.

(b) A portion of the Purchase Price shall be deposited in trust under an escrow deposit agreement acceptable to the Parties with an independent escrow agent acceptable to the Parties either in (i) monies in an amount that shall be sufficient, or (ii) Investment Securities (as defined in the Bond Resolution) the principal of and the interest on which when due will provide monies which, together with other monies, if any, deposited in the escrow deposit agreement, shall be sufficient to pay when due the principal or redemption price, if applicable, and interest due and to become due on the Electric Utility Bonds on or prior to the redemption date or maturity date thereof, as the case may be ("***Bond Release Consideration***"); provided, however, the Bond Release Consideration shall not exceed ***$20.4 million dollars***. The sufficiency of such deposit of monies or non-callable Defeasance Obligations shall be verified by an independent certified public accountant acceptable to the Parties and irrevocable instructions shall be provided under the escrow deposit agreement to the escrow agent thereunder to cause the publication and provision of any required redemption notice in accordance with the Bond Resolution, and there shall be delivered to the Parties opinions of bond counsel to Seller, in a form satisfactory to the Parties, to the effect that the pledge of the Pledged Revenues (as defined in the Bond Resolution), and all covenants, agreements and obligations of Seller to the holders of the Electric Utility Bonds, and all liens, benefits or security under the Bond Resolution with respect to the Electric Utility Bonds, have thereupon ceased, terminated and become void, discharged and satisfied.

(c) Seller may direct Buyer to wire funds on Seller's behalf directly to FMPA as Seller's consideration to FMPA under the FMPA Transfer Agreement and to OUC as Seller's consideration for the OUC Termination Agreement pursuant to procedures acceptable to the Parties, OUC, and FMPA respectively.

(d) Seller may direct Buyer to wire funds not exceeding the balance of the Purchase Price on Seller's behalf to any Person (e.g., Seller's counsel); provided such payment obligation is associated with the Transaction.

(e) The balance of Purchase Price as adjusted by Section 3.3 shall be paid as directed by Seller.

Section 3.5 Allocation of Purchase Price.

(a) At least thirty (30) days prior to the Closing Date, Buyer shall use Commercially Reasonable Efforts to make an estimated allocation among the Acquired Assets of the sum of the Purchase Price and the Assumed Liabilities that is consistent with the allocation methodology provided by Section 1060 of the Code and the regulations promulgated thereunder (the ***"Estimated Allocation"***). The Estimated Allocation (or other allocation determined by Buyer in accordance with Section 1060) will be used for Transfer Tax and for all other Closing document purposes.

(b) A portion of the Purchase Price in the amount of ***$2 million dollars*** shall be in consideration of the Substation Easement Agreement.

(c) Within ninety (90) days after the Closing Date, Buyer shall make an allocation among the Acquired Assets of the sum of the Purchase Price (including any adjustments thereto) and the Assumed Liabilities (together with any other relevant items) that is consistent with the allocation methodology provided by Section 1060 of the Code and the regulations promulgated thereunder (the ***"Allocation"***). Seller (to the extent Seller is required to make any such reports) shall report the transactions contemplated by this Agreement for all purposes in a manner consistent with the Allocation. Subsequent to the preparation of the Estimated Allocation and the Allocation, Buyer and Seller agree to provide the other with any information required to complete Form 8594 or other filing or report within ten (10) days of the request for such information. Buyer and Seller shall notify and provide the other with reasonable assistance in the event of an examination, audit or other proceeding relating to the allocation required under this Section 3.5. Buyer and Seller shall treat the transaction contemplated by this Agreement as the acquisition by Buyer of a trade or business for United States federal income Tax purposes and agree that no portion of the consideration shall be treated in whole or in part as the payment for services or future services.

Section 3.6 Prorations.

(a) Buyer and Seller agree that all of the items normally prorated, including those listed below (but not including Taxes), relating to the Acquired Assets and the Business of the Vero Beach Electric Utility shall be prorated, with Seller liable to the extent such items relate to any time period prior to the Closing Date, and Buyer liable to the extent such items relate to periods commencing on the Closing Date (measured in the same units used to compute the item in question, otherwise measured by calendar days):

(i) assessments and other charges (other than Taxes), if any, relating to the ownership, use or business of the Acquired Assets;

(ii) any prepaid expenses (including security deposits) relating to the Acquired Assets, but excluding any Prepaid Expenses payable by Buyer pursuant to Section 3.3(a)(ii);

(iii) any purchases of Acquired Assets during the six-month period prior to the Closing Date that (A) will have a remaining useful life of more than five years after the Closing Date, (B) exceed $25,000 per Acquired Asset, and (C) the acquisition of such Acquired Asset has been approved by Buyer, such approval not to be unreasonably withheld, conditioned or delayed;

(iv) rent and all other items (including prepaid services or goods not included in Inventory) payable under any of the Assumed Contracts;

(v) any fees, charges or other payments with respect to any Transferable Permit;

(vi) sewer rents and charges for water, telephone, electricity and other utilities for the substations being acquired hereunder;

(vii) fees or charges (other than Taxes) imposed by any Governmental Authority; and

(viii) rent and other items (other than Taxes) payable or receivable relating to the Real Property Interests.

(b) In connection with the prorations referred to in (a) above, in the event that actual figures are not available as of the date immediately preceding the Closing Date, the prorations shall be based upon the actual amounts accrued through the date immediately prior to the Closing Date or paid for the most recent year (or other appropriate period) for which actual amounts paid are available. Such prorated amounts shall be determined at the same time as the Post-Closing Statement, set forth in Section 3.3(c), as part of the Post-Closing Statement. Prorations measured by calendar days shall be based on the number of days in a year or other appropriate period (i) before the Closing Date and (ii) on and after the Closing Date. Seller and Buyer agree to furnish each other with such documents and other records as may be reasonably requested in order to confirm all adjustment and proration calculations made pursuant to this Section 3.6.

(c) To the extent that the proration of an item under this Section 3.6 allocates a portion of such item to a period (or portion thereof) ending before the Closing Date, such portion shall constitute an Excluded Liability. To the extent that the proration of an item under this Section 3.6 allocates a portion of such item to a period (or portion thereof) ending on or after the Closing Date, such portion shall constitute an Assumed Liability.

Section 3.7 Deliverables by Seller.

At the Closing, Seller will deliver, or cause to be delivered, the following to Buyer:

(a) Deeds for the Acquired Land In Fee, excluding the Substation 20 Transmission R/W, duly executed by Seller and in recordable form;

(b) The Assignment and Assumption of Easements, duly executed by Seller and in recordable form;

(c) Each Airport Substation Lease Agreement, together with the related memorandum of such lease, duly executed by Seller and in recordable form;

(d) The Airport Warehouse Lease Agreement, together with the related memorandum of such lease, duly executed by Seller and in recordable form;

(e) The District Licenses, each duly executed by the District and Seller and in recordable form;

(f) The District Sublicenses, each duly executed by Seller and in recordable form;

(g) The Substation Easement Agreement, duly executed by Seller and in recordable form;

(h) The Substation Equipment Operating and Dismantling Agreement, duly executed by Seller;

(i) Releases or satisfactions of Encumbrances, other than Permitted Encumbrances, on the Acquired Assets, arising after the effective date of the Title Commitments (or other action to permit the issuance of a title policy to Buyer without regard to such Encumbrances), if such Encumbrances, to Seller's Knowledge, materially interfere with the Business of the Vero Beach Electric Utility in the ordinary course as conducted prior to the Closing Date;

(j) Seller's affidavit, substantially in the form of Exhibit D attached hereto;

(k) The Bill of Sale, duly executed by Seller;

(l) The Assignment and Assumption Agreement, duly executed by Seller;

(m) Copies of any and all Governmental Authority and other third party consents, waivers or approvals obtained by Seller with respect to the transfer of the Acquired Assets to Buyer, or the consummation of the transactions contemplated by this Agreement, set forth on Schedule 4.3, including the consent of the FMPA Members in the form of binding resolutions by the applicable Governing Authority with respect to each such FMPA Member, the waiver and consent of OUC to the transfer of the FMPA Agreements to which OUC is a third party beneficiary, subject to Section 3.9 below and the release of OUC's third party beneficiary rights under the agreements described in clauses (iii), (iv), (v) and (vi) of the definition of FMPA Agreements;

(n) The Grounding License Agreement, together with the related memorandum of such lease, duly executed by Seller and in recordable form;

(o) All other Ancillary Agreements, duly executed by Seller, as applicable;

(p) All Retained Agreements, duly executed by Seller and the other parties thereto, as applicable;

(q) Copies, certified by the City Clerk of Seller, of evidence of approval by the Council of the Transaction, this Agreement, the Retained Agreements, the FMPA Transfer Agreement, the OUC Termination Agreement, the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby (including the execution and delivery hereof and thereof), in the form of a written resolution adopted by the Council, signed by the Mayor of Seller and attested to by the City Clerk;

(r) A copy of each document required to be delivered by FMPA to Seller at the Closing under the terms of the FMPA Transfer Agreement;

(s) A copy of each document required to be delivered by OUC to Seller at the Closing under the terms of the OUC Termination Agreement;

(t) To the extent available, originals of the Assumed Contracts, the Transferred Employee Records and the Transferable Permits and, if not available, true and correct copies thereof;

(u) All such other instruments of assignment, transfer or conveyance as shall, in the reasonable opinion of Buyer and its counsel, be necessary or desirable to transfer to Buyer Seller's interest in the Acquired Assets and to perform its obligations hereunder, including under Section 6.10, in accordance with this Agreement and where necessary or desirable in recordable form;

(v) [intentionally omitted]

(w) [intentionally omitted]

(x) A complete list of Seller Employees as of the Closing Date by name and by position; and

(y) Such other agreements, consents, documents, instruments and writings as are required to be delivered by Seller at or prior to the Closing pursuant to this Agreement or the Ancillary Agreements.

Section 3.8 Deliverables by Buyer.

At the Closing, Buyer will deliver, or cause to be delivered, the following to Seller or as otherwise provided in Section 3.4:

(a) The Purchase Price payable pursuant to Section 3.4, as adjusted pursuant to Section 3.3;

(b) The Assignment and Assumption Agreement, duly executed by Buyer;

(c) Each Airport Substation Lease Agreement, together with the related memorandum of such lease, duly executed by Buyer and in recordable form;

(d) The Airport Warehouse Lease Agreement, together with the related memorandum of such lease, duly executed by Buyer and in recordable form;

(e) The District Sublicenses, each duly executed by Buyer and in recordable form;

(f) The Assignment and Assumption of Transmission Easements, duly executed by Buyer and in recordable form;

(g) The Assignment and Assumption of Distribution Easements, duly executed by Buyer and in recordable form;

(h) All other Ancillary Agreements to which Buyer is a party, duly executed by Buyer and in recordable form, where applicable;

(i) The Grounding License Agreement, together with the related memorandum of such lease, duly executed by Buyer and in recordable form;

(j) The Substation Easement Agreement, duly executed by Buyer and in recordable form;

(k) The Substation Equipment Operating and Dismantling Agreement, duly executed by Buyer;

(l) The waiver and consent of Buyer to the transfer of the FMPA Agreements to which Buyer is a third party beneficiary;

(m) The release of Buyer's third party beneficiary rights under the agreements described in clauses (i) and (ii) of the definition of FMPA Agreements;

(n) A certificate of the Secretary or any Assistant Secretary of Buyer certifying as to the resolutions adopted by Buyer's board of directors approving the Transaction, this Agreement, and the consummation of the transactions contemplated hereby and thereby (including the execution and delivery hereof and thereof);

(o) A certificate of the Secretary or any Assistant Secretary of Buyer identifying the name and title and bearing the signatures of the officers of Buyer authorized to execute and deliver this Agreement, and the other agreements and instruments contemplated hereby;

(p) A certificate of active status with respect to Buyer, issued by the Secretary of State, Division of Corporations, of the State of Florida;

(q) All such other instruments of assumption as shall, in the reasonable opinion of Seller and its counsel, be necessary for Buyer to assume the Assumed Liabilities in accordance with this Agreement; and

(r) Such other agreements, documents, instruments and writings as are required to be delivered by Buyer at or prior to the Closing pursuant to this Agreement or the Ancillary Agreements.

Section 3.9 Non-Assignable Contracts and Liabilities.

To the extent that the sale, assignment, transfer, or delivery, or attempted sale, assignment, transfer, or delivery, to Buyer of any Acquired Contract or assumption or attempted assumption of an Assumed Liability would require the consent, authorization, approval or waiver of a third party (including any Governmental Authority) and such consent, authorization, approval or waiver shall not have been obtained prior to the Closing, this Agreement shall not constitute a sale, assignment, transfer, or delivery, or attempted sale, assignment, transfer, or delivery, or assumption, or attempted assumption, thereof and, subject to the satisfaction or waiver of the other conditions contained in Article 7, the Closing shall occur notwithstanding the failure to obtain the necessary consent, authorization, approval or waiver of the applicable third party, without any adjustment to the Purchase Price on account thereof. Buyer and Seller shall use Commercially Reasonable Efforts to enter into such arrangements (such as subleasing, sublicensing or subcontracting) to provide to the Parties the economic and operational equivalent, to the extent permitted by applicable Law, of the assignment to Buyer of such Assumed Contract or Assumed Liability, and Buyer's assumption of such Assumed Contract or Assumed Liability effective as of the Effective Time and the performance by Buyer of its obligations with respect thereto. Following the Closing for a period of one calendar year (or such other length of time as may be agreed by the Parties), Seller and Buyer shall use Commercially Reasonable Efforts, and shall cooperate with each other, to obtain any such required consent, authorization, approval or waiver to the assignment or assumption of any such Acquired Contract or Assumed Liability, at which time the arrangements described in this Section 3.9 for any such Acquired Contract or Assumed Liability shall cease and be of no further force or effect.

Section 3.10 Customer Service

At Closing, the Parties shall execute an orderly and seamless transition from Seller to Buyer of the information systems, computer applications and processing of data for Buyer to commence conducting the Business of the Vero Beach Electric Utility pursuant to Section 6.16.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Buyer as follows:

Section 4.1 Organization.

Seller is a duly created and validly existing municipal corporation under the Constitution and laws of the State of Florida and has all requisite power and authority to own, lease, and operate its properties and to carry on its business as it is now being conducted.

Section 4.2 Authority Relative to This Agreement.

Seller has full power and authority to execute and deliver this Agreement and, except as provided in the next paragraph of this Section 4.2, to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and, except as provided in the next paragraph of this Section 4.2, the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary action required on the part of Seller and no other proceedings on the part of Seller are necessary to authorize this Agreement or, except as provided in the next paragraph of this Section 4.2, to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Seller, and assuming that this Agreement constitutes a valid and binding agreement of Buyer, this Agreement constitutes the legal, valid and binding agreement of Seller, enforceable against Seller in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

Upon the approval by the Council of the Ancillary Agreements, the Retained Agreements and the FMPA Transfer Agreement and OUC Termination Agreement:

(a) Seller will have full power and authority to execute and deliver the Ancillary Agreements, the Retained Agreements and the FMPA Transfer Agreement and OUC Termination Agreement and to consummate the transactions contemplated thereunder;

(b) the execution and delivery of the Ancillary Agreements, the Retained Agreements and the FMPA Transfer Agreement and OUC Termination Agreement and the consummation of the transactions contemplated thereby will be duly and validly authorized by all necessary action required on the part of Seller and no other proceedings on the part of Seller will be necessary to authorize the Ancillary Agreements, the Retained Agreements and the FMPA Transfer Agreement and OUC Termination Agreement or to consummate the transactions contemplated thereunder; and

(c) at the Closing, the Deeds, the Ancillary Agreements, the Retained Agreements and the FMPA Transfer Agreement and OUC Termination Agreement will be duly and validly executed and delivered by Seller and, assuming that this Agreement, the Ancillary Agreements, the Retained Agreements and the FMPA Transfer Agreement and OUC Termination Agreement constitute the valid and binding agreements of Buyer and the counterparties thereto, as the case may be, the Deeds, the Ancillary Agreements, the Retained Agreements and the FMPA Transfer Agreement and OUC Termination Agreement will constitute the legal, valid and binding agreements of Seller, enforceable against Seller in accordance with their terms, except as such enforceability may be limited by bankruptcy,

insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

Section 4.3 Consents and Approvals; No Violation.

Subject to the receipt of the third party consents set forth in Schedule 4.3, and subject to any Permitted Exception, neither the execution and delivery of this Agreement, the Deeds, the Retained Agreements, the Ancillary Agreements or the FMPA Transfer Agreement and OUC Termination Agreement by Seller nor the consummation by Seller of the transactions contemplated hereby or thereby will:

(a) conflict with or result in the breach or violation of any provision of the charter or other organizational or governing documents of Seller;

(b) to the Knowledge of Seller, except as stated in Schedule 4.3 and excluding any Real Property Interest Instrument, require any consent or other action by any Person, or result in a default (or give rise to any right of termination, cancellation or acceleration), under any of the terms, conditions or provisions of any material Contract with respect to the Business of the Vero Beach Electric Utility to which Seller is a party or by which Seller or any of the Acquired Assets may be bound, except where the failure to obtain such consent or other action or all of such consents or other actions (or a waiver thereof) at or prior to the Closing would not individually or in the aggregate, result in a Material Adverse Effect;

(c) violate any Law of, or applicable to, Seller which violation or violations would individually or in the aggregate, result in a Material Adverse Effect; or

(d) result in the imposition or creation of an Encumbrance (other than a Permitted Encumbrance) on any Acquired Assets which Encumbrance or Encumbrances, individually or in the aggregate, would create a Material Adverse Effect.

Section 4.4 Reports.

Except as provided in Schedule 4.4, Seller has filed or caused to be filed with the applicable federal, state or local utility commissions or regulatory bodies (including NERC and other national and regional electric reliability organizations), as the case may be, all material forms, statements, reports and documents (including all exhibits, amendments and supplements thereto) required to be filed by Seller with respect to the Acquired Assets or the Business of the Vero Beach Electric Utility under applicable Law. To the Knowledge of Seller, all such filings complied in all material respects with all applicable requirements therefor in effect on the date each such form, statement, report and document was filed.

Section 4.5 Undisclosed Liabilities.

Except as set forth in Schedule 4.5, to Seller's Knowledge, the Acquired Assets are not subject to any liabilities that would be required to be disclosed in the liabilities column of a balance sheet prepared in accordance with GAAP, other than: (a) liabilities reflected in the "Electric Utility" portion of the City of Vero Beach comprehensive annual financial report for

2016, including the notes thereto, as of September 30, 2016, that have not been paid or satisfied; and (b) other liabilities incurred in the ordinary course of the Business of the Vero Beach Electric Utility.

Section 4.6 Real Property, Title and Related Matters.

(a) Schedule 4.6(a) contains a list of all Encumbrances (other than Permitted Encumbrances) relating to or affecting any material Real Property Interest for which Seller will secure a release or satisfaction before Closing.

(b) Based exclusively on the Title Commitments, to Seller's Knowledge, Seller has good and marketable or insurable title to each parcel of Acquired Land in Fee, free and clear of all Encumbrances, except for matters disclosed by the Title Commitments and except for Permitted Encumbrances. Except as set forth on Schedule 4.6(b), Seller has good and valid title to each Acquired Asset constituting tangible personal property or a fixture free and clear of all Encumbrances, except Permitted Encumbrances. Except for the FPUA Right of First Refusal, the Permitted Exceptions, or as set forth on Schedule 4.6(b), there are no outstanding rights, options, agreements or other commitments giving any Person any current or future right to require Seller or, following the Closing, Buyer, to sell or transfer to such Person or to any third Person any interest in any of the Acquired Assets that are material to the Business of the Vero Beach Electrical Utility. To Seller's Knowledge, there are no actual or pending claims against Seller that any of the Acquired Assets encroach or trespass on the rights of another Person.

(c) Except for the District Licenses, to Seller's Knowledge, Seller does not license any Real Property material to the Business of the Vero Beach Electrical Utility.

(d) Seller makes no representation or warranty as to the status of title to any Real Property Interest except as may be set forth in the Deed, and except that Seller has no Knowledge of any failure of its title to any Real Property Interest evidenced by a recorded instrument that would prevent its continued operation of the Business of the Vero Beach Electrical Utility in accordance with Seller's Past Practices.

(e) To Seller's Knowledge, no parcel of Acquired Land in Fee has been abandoned by Seller and each such parcel is in the possession of, under the control of, or beneficially used by Seller in connection with the Business of the Vero Beach Electric Utility.

(f) Seller does not have any Knowledge of receipt by Seller of any written notice of:

(i) except as disclosed in Schedule 4.6(e)(i), any pending or threatened proceedings in eminent domain, for rezoning or otherwise, which would result in a taking or rezoning of any Real Property Interests that would prevent the continued operation of the Business of the Vero Beach Electric Utility in accordance with Seller's Past Practices; or

(ii) any violations on the Acquired Land in Fee or any portion thereof of any material covenants, conditions or restrictions applicable thereto.

(g) Except for amounts payable or receivable as set forth in Schedule 4.6(f) or as set forth in any Lease Agreement or any other financial information delivered to Buyer, there are no other rents, fees, royalties, water or sewer charges, Taxes or assessments or other amounts payable or receivable by Seller in connection with any Real Property or any tenancies, licenses, occupancies or co-tenancies related to any Real Property Interests or any improvements thereon that are Acquired Assets.

(h) Except for Permitted Encumbrances, the Lease Agreements, Seller's retained rights to provide municipal and utility services, and as otherwise disclosed in this Agreement, to Seller's Knowledge, there are no commitments or agreements with any Governmental Authority or public or private utility to grant any rights to use any portion of the Real Property without compensation.

Section 4.7 Operability; Condition of the Vero Beach Electric Utility; Sufficiency of Real Property Interests.

(a) Except for the Excluded Assets, the Acquired Assets constitute all of the material assets, property and rights used in the Business of the Vero Beach Electric Utility on the Date of this Agreement and, except as disclosed in Schedule 4.7, the Acquired Assets are in a condition sufficient to operate the Vero Beach Electric Utility as it was being operated on May 17, 2017 in all material respects.

(b) To Seller's Knowledge, no material Acquired Asset is in need of any material repair or replacement except (i) as disclosed in Schedule 4.7(b), (ii) as may be set forth in the Capital Expenditure and Maintenance Plan, (iii) normal wear and tear, (iv) routine repairs or replacements in the ordinary course consistent with Seller's Past Practices and (v) needed repairs or replacements that would be disclosed by a visual inspection.

Section 4.8 Insurance.

Schedule 4.8 sets forth all of Seller's material insurance policies of property damage, fire, liability, worker's compensation and other forms of insurance relating (but not necessarily exclusively) to the Acquired Assets. Such policies are in full force and effect, all premiums with respect thereto covering all periods up to and including the Date of this Agreement have been paid, and no written notice of cancellation, non-renewal or termination has been received by Seller with respect to any such policy which was not replaced by a policy or policy having substantially similar coverages prior to the date of such cancellation. All required notices have been sent to insurers to preserve all material claims under the aforementioned insurance policies.

Section 4.9 Environmental Matters.

Except as disclosed in Schedule 4.9:

(a) To Seller's Knowledge, Seller has obtained and holds all material Environmental Permits necessary with respect to the Acquired Land in Fee, the real property described in the Airport Property Lease Agreements and the Business of the Vero Beach Electric Utility, each such Environmental Permit is in full force and effect and Seller is in compliance with all of its obligations thereunder. There are no proceedings pending or, to Seller's

Knowledge, threatened that would reasonably be expected to result in the revocation, termination, suspension, modification or amendment of any such Environmental Permit, and Seller has not failed to make in a timely fashion any application or other filing required for the renewal of any such Environmental Permit which failure would reasonably be expected to result in any Environmental Permit being revoked, terminated, suspended or adversely modified. To Seller's Knowledge, no such Environmental Permit will terminate or be subject to termination or revocation as a result of the transactions contemplated by this Agreement;

(b) To Seller's Knowledge, Seller has not within the last three (3) years received any written notice from any Governmental Authority that any material Real Property Interest, the Substation Easement Real Property, or the Business of the Vero Beach Electric Utility are not or have not been in compliance with, any Environmental Law or any Environmental Permit;

(c) There are no Environmental Claims pending or, to Seller's Knowledge, threatened against Seller with respect to any material Real Property Interest, the Substation Easement Real Property, or the Business of the Vero Beach Electric Utility. Seller does not have Knowledge of any facts or circumstances which are reasonably likely to result in any Environmental Claim against Seller with respect to the Acquired Land in Fee, the real property described in the Airport Property Lease Agreements, the Substation Easement Real Property, or the Business of the Vero Beach Electric Utility;

(d) Within the last three (3) years, to Seller's Knowledge, no Releases of Hazardous Substances have occurred at, from, on or under, and no Hazardous Substances are present on or migrating from, any of the Acquired Land in Fee, the Substation Easement Real Property, or the real property described in the Airport Property Lease Agreements that are reasonably likely to give rise to an Environmental Claim against Seller or require any Remediation.

(e) To Seller's Knowledge: (i) none of the Acquired Land In Fee, the Substation Easement Real Property, or the real property described in the Airport Property Lease Agreements is an Environmental Clean-up Site, and (ii) Seller has not transported or arranged for treatment, storage, handling, disposal or transportation of any Hazardous Substances from the Acquired Land In Fee or the real property described in the Airport Property Lease Agreements to any location which is an Environmental Clean-up Site;

(f) To Seller's Knowledge, there are no (i) underground storage tanks, active or abandoned, or (ii) polychlorinated-biphenyl-containing equipment, located at, on, or under the Acquired Land In Fee, the Substation Easement Real Property, or the real property described in the Airport Property Lease Agreements;

(g) (i) To Seller's Knowledge, there are no Encumbrances (other than Permitted Encumbrances) arising under or pursuant to any Environmental Law with respect to the Acquired Land In Fee, the Substation Easement Property, the real property described in the Airport Property Lease Agreements or the Business of the Vero Beach Electric Utility, and (ii) Seller does not have Knowledge of any facts, circumstances or conditions that are reasonably likely to or result in any Encumbrance (other than Permitted Encumbrances) arising under or

pursuant to any Environmental Law with respect to the Acquired Land In Fee, the Substation Easement Real Property, the real property described in the Airport Property Lease Agreements or relating to the Business of the Vero Beach Electric Utility;

(h) During the past three (3) years, there have been no environmental audits or assessments with respect to the Acquired Land In Fee, the Substation Easement Real Property, the real property described in the Airport Property Lease Agreements or the Business of the Vero Beach Electric Utility by or on behalf of Seller or which are in the possession of Seller which have not been made available to Buyer prior to the execution of this Agreement;

(i) During the past three (3) years, there have been no claims by Seller against comprehensive general liability or excess insurance carriers for any Loss resulting from, relating to or arising from Environmental Claims (i) with respect to the Acquired Land In Fee, Substation Easement Real Property, or the real property described in the Airport Property Lease Agreements, or (ii) relating to the Business of the Vero Beach Electric Utility;

(j) Schedule 4.9(j) sets forth all Environmental Permits; and

(k) Seller makes no representations or warranties in respect of Environmental matters in any section of this Agreement other than this Section 4.9.

Section 4.10 Labor Matters.

Schedule 4.10 sets forth all Seller Collective Bargaining Agreements and other written employment agreements that relate to the Seller Employees. True, correct, and complete copies of such Seller Collective Bargaining Agreements and other written employment agreements that pertain to the Seller Employees, including all amendments thereto, have been made available to Buyer as of the Date of this Agreement.

Section 4.11 ERISA; Benefit Plans.

(a) Schedule 4.11(a) lists (as of the date of this Agreement) all Benefit Plans covering any Seller Employee, or maintained, administered or with respect to which contributions are made, by Seller in respect of Seller Employees (***"Seller Benefit Plans"***). True, correct, and complete copies of all Seller Benefit Plans, including all amendments thereto have been made available to Buyer.

(b) All Seller Benefit Plans are governmental plans as defined in Section 3(32) of ERISA and the Seller Benefits Plans are not subject to ERISA.

(c) Seller has no ERISA Affiliates.

(d) All Seller Benefit Plans are in material compliance with all applicable Laws.

(e) Seller has materially fulfilled its obligations under the funding requirements and filing requirements of all applicable Laws with respect to Seller Benefit Plans. No Seller Benefit Plan is a "multiemployer plan" as defined in Section 3(37) of ERISA and

Seller has never participated in or made contributions to a multiemployer plan with respect to which any liability remains unsatisfied.

(f) Seller has not made any commitment and will not take any action to establish any new Benefit Plan or modify or amend any Seller Benefit Plan that increases the Total Compensation of Transferred Employees above the Total Compensation of Transferred Employees on the Date of this Agreement, except as required by law and except for increases in Total Compensation in the ordinary course of business consistent with Seller's Past Practices.

Section 4.12 Location of Acquired Assets.

Except as set forth on Schedule 4.12, except for mobile Acquired Assets in transit, and except for Acquired Assets being repaired, all of the material physical Acquired Assets used in the Business of the Vero Beach Electric Utility are located on the Real Property or in the rights of way located in Seller's service territory for the Vero Beach Electric Utility.

Section 4.13 Contracts.

(a) Excluding the Excluded Contracts, Schedule 4.13 sets forth a complete list of the following Seller Contracts, to the extent applicable to the categories set forth in this Section 4.13(a) below, that pertain primarily to the Business of the Vero Beach Electric Utility (the ***"Material Seller Contracts"***):

(i) Contracts for the future purchase, exchange or sale of electricity, energy, capacity or other energy-related products or ancillary services;

(ii) Contracts for the future transmission of electricity;

(iii) interconnection Contracts;

(iv) Contracts (A) for the sale, transfer or other disposition of any Acquired Asset or (B) that grant a right or option to sell, transfer or otherwise dispose of any Acquired Asset, other than in each case under clause (A) or (B), any Contract entered into in the ordinary course of the Business of the Vero Beach Electric Utility with respect to any Acquired Assets or with a value of less than $25,000;

(v) Contracts for the future receipt by Seller of any Acquired Assets or services requiring payments in excess of $25,000 for each individual Contract or $50,000 in the aggregate for Contracts with the same Person;

(vi) Contracts under which Seller has created, incurred, assumed or guaranteed any outstanding Indebtedness;

(vii) Attachment Agreements or any Contract granting the right to use, to attach to or of access to, any portion of the Acquired Assets;

(viii) outstanding futures, swap, collar, put, call, floor, cap, option or other Contracts that have underlying value and payment liability driven by or tied to

fluctuations in the price of commodities, including electric power, natural gas, fuel oil, other fuel or securities;

(ix) Contracts that purport to limit Seller's freedom to compete in any line of business or in any geographic area or contain any exclusivity, most-favored nation or similar covenant; and

(x) (A) operation, maintenance or management Contracts requiring payments in excess of $25,000 for each individual Contract or $50,000 in the aggregate for Contracts with the same Person, or (B) Contracts relating to the purchase or sale of air pollutant emission allowances or credits.

(b) Except for the Excluded Contracts and the Material Seller Contracts, and except as set forth on Schedule 4.13(b), Seller is not, as of the date of this Agreement, a party to any Contract that is material to the ownership or operation of the Acquired Assets or that is material to the Business of the Vero Beach Electric Utility.

(c) Each Assumed Contract is in full force and effect and, assuming that each Assumed Contract constitutes a legal, valid and binding obligation of the other parties thereto, constitutes a legal, valid and binding obligation of Seller, is enforceable against Seller and, to the Knowledge of Seller, constitutes a legal, valid and binding obligation of the other parties thereto and is enforceable against the other parties thereto, in each case except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in law or at equity).

(d) There are no breaches, violations or defaults under any Assumed Contracts (or any conditions or events which, with notice or lapse of time or both, would constitute a default on the part of Seller, or to the Knowledge of Seller, on the part of any of the other parties thereto), which breaches, violations or defaults, individually or in the aggregate, would create a Material Adverse Effect. To Seller's Knowledge, Seller has not received written notice from any other party to any Assumed Contract that such other party intends to terminate or fail to renew at the end of its term any such Assumed Contract or materially reduce the level of any goods or services to be provided under any such Assumed Contract.

Section 4.14 Legal Proceedings.

Except as described in Schedule 4.14, there is no Action pending or, to Seller's Knowledge, threatened against Seller (a) that seeks to enjoin, prohibit, restrain or make illegal the performance of this Agreement, the Retained Agreements, the FMPA Transfer Agreement and OUC Termination Agreement or any of the Ancillary Agreements or the consummation of any of the transactions contemplated hereby or thereby or (b) with respect to any of the material Acquired Assets or the Business of the Vero Beach Electric Utility. To the Knowledge of Seller, except as set forth on Schedule 4.14, Seller is not subject to any outstanding Order affecting any of the Acquired Assets or the Business of the Vero Beach Electric Utility.

Section 4.15 Non-Environmental Permits; Compliance with Law.

(a) Schedule 4.15(a) sets forth all material Non-Environmental Permits.

(b) To Seller's Knowledge, (i) Seller has obtained and holds all material Non-Environmental Permits necessary for the Business of the Vero Beach Electric Utility, (ii) each such Non-Environmental Permit is in full force and effect, (iii) Seller is in compliance with all of its material obligations thereunder and (iv) there are no proceedings pending or threatened that would reasonably be expected to result in the revocation, termination, suspension, modification or amendment of any of such Non-Environmental Permits, except for any such revocation, termination, modification or amendment as would not create a Material Adverse Effect, and (v) Seller has not failed to make in a timely fashion any application or other filing required for the renewal of any such Non-Environmental Permit which failure would reasonably be expected to result in any such Non-Environmental Permit being revoked, terminated, suspended or adversely modified except for any such failure as would not create a Material Adverse Effect. The Acquired Assets and the Business of the Vero Beach Electric Utility are in compliance in all material respects with all terms, conditions and provisions of all applicable Laws (excluding from this representation Environmental Laws, Tax Laws and ERISA and COBRA Laws) and Non-Environmental Permits, and Seller has not, during the three (3) years prior to the Date of this Agreement, received any written notice from any Governmental Authority that Seller is not or has not been in compliance with, any applicable Law (excluding from this representation the Environmental Laws, Tax Laws and ERISA and COBRA Laws) or any Non-Environmental Permit.

Section 4.16 Regulation as a Utility.

Seller is an electric utility within the meaning of Florida Statutes Section 366.02. Except with respect to local tax and zoning Laws, Seller is not, as a result of its ownership or operation of the Acquired Assets or the Business of the Vero Beach Electric Utility, subject to regulation as a public utility or public service company (or similar designation) by any federal agency (other than the FERC) or state of the United States other than the State of Florida, or any municipality (other than Seller) or any political subdivision of the foregoing.

Section 4.17 Tax Matters.

Except as set forth on Schedule 4.17, with respect to the Acquired Assets or the Business of the Vero Beach Electric Utility, (i) all Tax Returns of Seller, if any, required to be filed for taxable periods ending prior to the Closing Date have been timely filed, and all such Tax Returns are complete and accurate in all material respects, and (ii) Seller is not liable to pay, collect, withhold, or remit any Taxes with respect to the Acquired Assets or the Business of the Vero Beach Electric Utility, and, to Seller's Knowledge, has not received any written notice from any Governmental Authority asserting any claim for Taxes. Seller makes no representations or warranties in respect of Tax matters in any section of this Agreement other than this Section 4.17.

Section 4.18 Intellectual Property.

Except as set forth in Schedule 4.18, Seller has ownership of, or a license to use, all of the material Intellectual Property used in the operation of the Acquired Assets or for the Business of the Vero Beach Electric Utility. Except as disclosed on Schedule 4.18, the rights of Seller in the Intellectual Property Licenses are freely assignable to Buyer. Except as set forth in Schedule 4.18, Seller has not received written notice of any claims or demands of any other Person pertaining to any of the Licensed Intellectual Property, and no Action is pending or, to Seller's Knowledge, threatened, which challenges the rights of Seller in respect thereof. Except as set forth in Schedule 4.18, Seller has not granted any rights to any Person in respect of any Licensed Intellectual Property. To Seller's Knowledge, none of the Licensed Intellectual Property that will be assigned to Buyer at the Closing infringes any Intellectual Property of any Person.

Section 4.19 Service Territory.

The Delivery Point for each Person purchasing electricity from Seller is located within the Service Territory.

Section 4.20 No Brokers.

No broker, finder or other Person is entitled to any brokerage fee, commission or finder's fee in connection with the transaction contemplated hereby by reason of any action taken by Seller.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as follows:

Section 5.1 Organization; Qualification.

Buyer is a corporation duly incorporated and validly existing under the laws of the State of Florida and its status is active. Buyer has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as is now being conducted. Buyer has heretofore delivered to Seller complete and correct copies of its articles of incorporation and bylaws as currently in effect.

Section 5.2 Authority Relative to This Agreement.

Buyer has full corporate power and authority to execute and deliver this Agreement and, except as provided in the next paragraph of this Section 5.2, to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and, except as provided in the next paragraph of this Section 5.2, the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate action required on the part of Buyer and no other corporate proceedings on the part of Buyer are necessary to authorize this Agreement or, except as provided in the next paragraph of this Section 5.2, to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and

delivered by Buyer, and assuming that this Agreement constitutes a valid and binding agreement of Seller, will constitute a valid and binding agreement of Buyer, enforceable against Buyer in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

Upon the approval by Buyer's board of directors of the Transaction:

(a) Buyer will have full corporate power and authority to execute and deliver the Ancillary Agreements to which it is a party and to consummate the transactions contemplated thereunder;

(b) the execution and delivery of the Ancillary Agreements to which Buyer will be a party and the consummation of the transactions contemplated thereby will have been duly and validly authorized by all necessary action required on the part of Buyer and no other proceedings on the part of Buyer will be necessary to authorize the Ancillary Agreements to which Buyer is a party or to consummate the transactions contemplated thereunder; and

(c) at the Closing, the Ancillary Agreements to which Buyer is a party will be duly and validly executed and delivered by Buyer and, assuming that this Agreement and the Ancillary Agreements to which Buyer is a party constitute valid and binding agreements of Seller, the Ancillary Agreements to which Buyer is a party will constitute the legal, valid and binding agreements of Buyer, enforceable against Buyer in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

Section 5.3 Consents and Approvals; No Violation.

(a) Subject to the receipt of the third-party consents set forth in Schedule 5.3(a) and the Buyer's Required Regulatory Approvals, neither the execution and delivery of this Agreement and the Ancillary Agreements by Buyer nor the consummation by Buyer of the transactions contemplated hereby or thereby will (i) conflict with or result in any breach of any provision of the articles of incorporation or bylaws of Buyer, (ii) require any consent or other action by any Person, or result in a default (or give rise to any right of termination, cancellation or acceleration), under any of the terms, conditions or provisions of any Contract to which Buyer is a party or by which Buyer or any of its assets may be bound, or (iii) violate any Laws applicable to Buyer.

(b) Except as set forth in Schedule 5.3(b) (the Permits referred to in such Schedule are collectively referred to as the ***"Buyer's Required Regulatory Approvals"***), no Permit, consent or Order is necessary for the consummation by Buyer of the transactions contemplated hereby. Buyer has no Knowledge of any facts or circumstances that make it reasonable to expect that Buyer's Required Regulatory Approvals will not be obtained.

Section 5.4 Availability of Funds.

Buyer currently has sufficient funds immediately available to it through corporate funds, credit facilities and access to capital markets to provide sufficient funds to pay the Purchase Price at the Closing and to enable Buyer to timely perform all of its obligations under this Agreement and the Ancillary Agreements.

Section 5.5 Legal Proceedings.

There are no Actions pending or, to Buyer's Knowledge, threatened against Buyer that seek to challenge, enjoin, prohibit, restrain or make illegal the performance of this Agreement or Ancillary Agreements or the consummation of any of the transactions contemplated hereby or thereby.

Section 5.6 Street Lighting Agreement.

The form of agreement attached as Exhibit J hereto is Buyer's form of street lighting agreement that is applicable on the Date of this Agreement.

Section 5.7 No Brokers.

No broker, finder or other Person is entitled to any brokerage fee, commission or finder's fee in connection with the transactions contemplated hereby by reason of any action taken by Buyer.

Section 5.8 Independent Investigation; As Is.

(a) Buyer has conducted its own independent investigation, review and analysis of the Business of the Vero Beach Electric Utility and the Acquired Assets and acknowledges that it has been provided adequate access to the personnel, properties, assets, premises, books and records, and other documents and data of Seller for such purpose. Buyer acknowledges and agrees that: (a) in making its decision to enter into this Agreement and the Ancillary Agreements to which it is or will be a party and to consummate the transactions contemplated hereby and thereby, Buyer has relied solely upon its own investigation and physical inspection of the Acquired Assets and the express representations and warranties of Seller set forth in Article 4 of this Agreement; and (b) neither Seller nor any other Person has made and Seller specifically negates and disclaims any representation, warranty, promise, covenant, agreement or guaranty of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to Seller, the Business of the Vero Beach Electric Utility, the Acquired Assets or this Agreement or any Ancillary Agreement, except as expressly set forth in Article 4 of this Agreement.

(b) Buyer acknowledges and agrees that, except as expressly represented by Seller in Article 4, the sale of the Acquired Assets is made in an "as is" "where is" condition and basis and with all faults. It is understood and agreed that the Purchase Price has been negotiated based on the fact that the Acquired Assets are sold by Seller and purchased by Buyer subject to the foregoing acknowledgement. Without in any way limiting the generality of the foregoing, the sale of the Acquired Assets contemplated hereby is without any warranty

other than Seller's express warranties in Article 4 of this Agreement, and those warranties expressly set forth in the Ancillary Agreements, and Seller and Seller's Representatives have made no representations or warranties, they each expressly and specifically disclaim, and Buyer accepts that Seller and Seller's Representatives have disclaimed, any and all representations, guaranties or warranties, express or implied, or arising by operation of law (except Seller's warranties expressly set forth in Article 4 of this Agreement, and those warranties expressly set forth in the Ancillary Agreements), of or relating to: (i) the use, expenses, operation, characteristics or condition of the Acquired Assets, or any portion thereof, including, warranties of suitability, habitability, merchantability, design or fitness for any specific purpose or a particular purpose, or good and workmanlike construction; (ii) the environmental condition of any of the Real Property or contamination by Hazardous Substances, or the compliance of any of the Real Property with any or all regulations or laws relating to health or the Environment, including the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, and the Clean Water Act, each as may be amended from time to time, and including any and all regulations, rules or policies promulgated thereunder; or (iii) the soil conditions, drainage, flooding characteristics, accessibility or other conditions existing in, on, or under any of the Real Property.

ARTICLE 6
COVENANTS OF THE PARTIES

Section 6.1 Conduct of Business Relating to the Acquired Assets.

(a) Seller retains the exclusive responsibility for safe operation of the Vero Beach Electric Utility until the Closing, and nothing in this Agreement shall in any way alter Seller's duties or obligations under any Law or Permit. Except as described in Schedule 6.1(a), during the period from the Date of this Agreement to the Closing (the ***"Interim Period"***), Seller shall (i) operate and maintain the Acquired Assets and conduct the Business of the Vero Beach Electric Utility in the ordinary course consistent with Seller's Past Practices, (ii) use Commercially Reasonable Efforts to preserve and protect in all material respects the Acquired Assets, (iii) maintain the Transferable Permits and (iv) comply, in all material respects, with all applicable Laws and Permits relating to the Acquired Assets or the Business of the Vero Beach Electric Utility. Without limiting the generality of the foregoing, and, except as contemplated in this Agreement or as described in Schedule 6.1(a), during the Interim Period, without the prior written consent of Buyer (unless such consent would be prohibited by applicable Law), Seller shall not do any of the following with respect to the Acquired Assets:

(i) sell, transfer, remove, assign, convey, distribute or otherwise dispose of, any Acquired Assets unless such action is consistent with the Capital Expenditure and Maintenance Plan; provided, however, that, if capital expenditures or maintenance with respect to a specific Acquired Asset is not covered in the Capital Expenditure and Maintenance Plan, such Acquired Asset may be sold, transferred, removed, assigned, conveyed, distributed or otherwise disposed of in the ordinary course of the Business of the Vero Beach Electric Utility consistent with Seller's Past Practices;

(ii) except for Permitted Encumbrances (including amendments or replacements to the Permitted Encumbrances), create, permit or allow any Encumbrances to be imposed on or against any of the Acquired Assets;

(iii) grant any waiver of any material term under, exercise any material option under, or give any material consent with respect to any Assumed Contract, including waiving any material default by, or release, settle or compromise any material claim against, any other party thereto;

(iv) enter into any Contract that would, upon its effectiveness, constitute an Assumed Contract, unless such Contract replaces a comparable Assumed Contract, is terminable without cause upon not more than thirty days' notice and upon such termination, Buyer's liability for such termination would not exceed $25,000 for such Contract, and $100,000 in the aggregate, without Buyer's consent, which consent shall not be unreasonably withheld, conditioned or delayed;

(v) enter into any Assumed Contract that is not in the ordinary course of the Business of the Vero Beach Electric Utility consistent with Seller's Past Practices, unless such Contract replaces a comparable Assumed Contract, is terminable without cause upon not more than thirty days' notice and upon such termination, Buyer's liability for such termination would not exceed $25,000 for such Contract, and $100,000 in the aggregate, without Buyer's consent, which consent shall not be unreasonably withheld, conditioned or delayed;

(vi) amend or voluntarily terminate prior to the expiration date thereof any Assumed Contract or Transferable Permit, except for an Assumed Contract or Transferable Permit which is replaced by a comparable Contract or Permit or such entry, amendment or termination that is in the ordinary course of the Business of the Vero Beach Electric Utility consistent with Seller's Past Practices;

(vii) amend in any material respect or cancel any property, liability or casualty insurance policies related to the Acquired Assets or the Business of the Vero Beach Electric Utility, unless a cancelled policy is replaced with a policy having substantially similar coverages prior to the date of such cancellation, or fail to maintain such insurance policies with current insurance companies that have issued such policies, their successors, or other financially responsible insurance companies in such amounts and against such risks and losses as are customary for such assets and businesses consistent with Seller's Past Practices;

(viii) except as required by any applicable Law or GAAP, change, in any material respect, its Tax practice or policy (including making new Tax elections or changing Tax elections and settling Tax controversies not in the ordinary course of the Business of the Vero Beach Electric Utility) to the extent such change or settlement would be binding on Buyer;

(ix) (A) hire any individual (other than to replace any Seller Employee who may have resigned or have been terminated); or (B) increase the compensation or benefits payable to any Seller Employee, in each case except as required under Seller Collective Bargaining Agreements or in accordance with Seller's Past Practices;

(x) except as required by Law, enter into or amend any Contract that (A) binds Buyer to adopt or implement the terms of any Seller Collective Bargaining Agreement (or any portion thereof) or (B) obligates Buyer to deal with or recognize any union; or

(xi) agree or commit to do any of the foregoing.

(b) During the Interim Period, in the interest of cooperation between Seller and Buyer and Buyer's conducting of diligence on the transactions contemplated hereunder (including the representations and warranties of Seller hereunder) and to plan for and facilitate an orderly and seamless transition from Seller to Buyer at the Closing of ownership and operation of the Acquired Assets and the Business of the Vero Beach Electric Utility, the Parties agree that at the sole expense of Buyer, and subject to compliance with all applicable Laws and Permits, Seller will permit designated Representatives of Buyer (the ***"Observers"***) to observe any and all aspects of the Business of the Vero Beach Electric Utility, and such observation will be permitted on a cooperative basis in the presence of one or more individuals designated by Seller; provided, however, that such Observers and their actions shall not interfere unreasonably with the Business of the Vero Beach Electric Utility and such observation will be done during normal office hours of the Vero Beach Electric Utility. Seller shall use Commercially Reasonable Efforts to provide to the Observers interim furnished office space and utilities at Seller's T&D center, as reasonably necessary to allow Buyer to conduct its transition efforts through the Closing; provided, however, that Buyer shall be responsible for all of the costs relating thereto.

Section 6.2 Access to Information; Reporting.

(a) In addition to the rights granted by Section 6.1(b), during the Interim Period, in the interest of cooperation between Seller and Buyer and Buyer's conducting of diligence on the transactions contemplated hereunder (including the representations and warranties of Seller hereunder) and to plan for and facilitate an orderly and seamless transition from Seller to Buyer at the Closing of the Acquired Assets and the Business of the Vero Beach Electric Utility, Seller will (i) give Buyer and Buyer's Representatives reasonable access to (x) all management personnel engaged in the Business of the Vero Beach Electric Utility, and (y) all books, documents, records and information (including financial and operating data and Permits, reports, schedules or other documents filed with or received from any Governmental Authority) relating to the Acquired Assets or the Business of the Vero Beach Electric Utility and furnish copies thereof as Buyer may from time to time reasonably request; and (ii) permit Buyer and Buyer's Representatives to make such reasonable inspections thereof as Buyer may reasonably request; provided, however, that (A) any such investigation shall be conducted in such a manner as not to interfere unreasonably with the Business of the Vero Beach Electric Utility and during normal office hours of Seller, and (B) Seller need not supply Buyer with any information that Seller is legally prohibited from supplying or that is covered by the attorney work product doctrine or similar doctrine.

(b) During the Interim Period, promptly after obtaining Knowledge thereof, Seller shall notify Buyer in writing of, (i) any Material Adverse Effect that has occurred since the Date of this Agreement, (ii) any unanticipated maintenance or repair of any of the

Acquired Assets in an amount greater than $150,000, (iii) any material emergency condition affecting, or material unscheduled interruption of, the operation of the Acquired Assets or the Business of the Vero Beach Electric Utility, or (iv) any receipt by Seller's management personnel of a written notice of a violation of any material Law or Permit relating to the Acquired Assets or the Business of the Vero Beach Electric Utility. Any such notice shall be deemed a Schedule Supplement.

(c) Within thirty (30) days after the Date of this Agreement, Seller shall provide to Buyer true, complete and un-redacted copies of all Material Seller Contracts and Transferrable Permits in effect as of such date, and Seller shall provide an update thereto between sixty (60) and ninety (90) days prior to Closing.

Section 6.3 Expenses.

Except to the extent specifically provided herein or in the Contribution Agreement between Buyer and Seller dated August 21, 2017, whether or not the transactions contemplated hereby are consummated, all costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby, including the cost of legal, technical and financial consultants, shall be borne by the Party incurring such costs and expenses; provided, however, that Buyer will bear the cost of filing for and prosecuting applications for Buyer's Required Regulatory Approvals.

Section 6.4 Further Assurances; Cooperation.

(a) Subject to the terms and conditions of this Agreement, each of the Parties hereto will take, or cause to be taken, all action, and to do, or cause to be done, all things reasonably necessary, proper or advisable under applicable Laws to consummate and make effective the sale, transfer, conveyance, assignment and delivery of the Acquired Assets, the assumption of the Assumed Liabilities and the exclusion of the Excluded Liabilities pursuant to this Agreement, including taking reasonable action that is within the reasonable control of such Party to satisfy or cause to be satisfied the conditions precedent to the other Party's obligations hereunder, including, subject to the terms of Section 6.6, all regulatory approvals; provided, however, that except for the OUC Termination Payment and the FMPA Transfer Payment by Buyer under Section 3.4, nothing herein shall require either Party to incur more than immaterial expenses or payments in obtaining the agreement of FMPA to the FMPA Transfer Agreement or OUC to the OUC Termination Agreement. To the extent that authorized representatives of the Parties determine that the implementation of any covenant or obligation under this Agreement of a Party is not consistent with, or may be likely to impede, the satisfaction of the conditions precedent to a Party's obligations hereunder, including, subject to the terms of Section 6.6, obtaining all regulatory approvals, the Parties may by mutual written agreement (but without need for any amendment of this Agreement) agree to take alternative actions that the Parties determine are necessary or desirable to ensure satisfaction of the conditions precedent to each Party's obligations hereunder or to otherwise ensure consummation of the transactions contemplated by this Agreement. Except as permitted on Schedule 6.4(a), neither Buyer nor Seller will, without the prior written consent of the other, advocate or take any action which would reasonably be expected to prevent or materially impede, interfere with or delay the transactions contemplated by this Agreement or the Ancillary Agreements or which would

reasonably be expected to cause, or to contribute to causing, the other to receive less favorable regulatory treatment than that sought by the other.

(b) From time to time after the Closing Date, Seller will execute and deliver such documents to Buyer as Buyer may reasonably request, at Buyer's expense, in order to more effectively consummate the sale and purchase, including the transfer, conveyance and assignment, of the Acquired Assets or to more effectively vest in Buyer such title to the Acquired Assets (or such rights to use, with respect to Acquired Assets not owned by Seller), in accordance with the terms of this Agreement, subject to the Permitted Encumbrances. From time to time after the Closing Date, without further consideration, Buyer will, at its own expense, execute and deliver such documents to Seller as Seller may reasonably request in order to evidence Buyer's assumption of the Assumed Liabilities.

(c) Seller and Buyer agree to fully support execution of the District Licenses and the District Sublicenses in the forms attached hereto as Exhibits P and Q during the approval process thereof by the District. If the District does not approve one or more provisions of the District Licenses or the District Sublicenses in the forms attached hereto in Exhibits P and Q, then the Parties agree to negotiate in good faith to finalize and obtain approval from the District of revised terms for each unacceptable provision and each other provision affected thereby (but not any of the other provisions) that will give effect, to the fullest extent possible, to the original intention of the Parties as reflected in Exhibits P and Q.

(d) Seller and Buyer agree to fully support execution of the Fiber License Agreement in the form attached hereto as Exhibit L-1 during the approval process thereof by Indian River County and the School District of Indian River County. If Indian River County or the School District of Indian River County does not approve one or more provisions of the Fiber License Agreement in the form attached hereto in Exhibit L-1, then the Parties agree to negotiate in good faith to finalize and obtain approval from Indian River County and the School District of Indian River County of revised terms for each unacceptable provision and each other provision affected thereby (but not any of the other provisions) that will give effect, to the fullest extent possible, to the intention of the Parties as reflected in Exhibit L-1. Prior to the Closing, Buyer and Seller shall exercise Commercially Reasonable Efforts to negotiate an agreement satisfactory to Buyer, Seller, Indian River County and the School District of Indian River County, regarding the continued attachment, on the poles that are being sold to Buyer under this Agreement, of that portion of the Fiber Optic System that is attached to Seller's electric poles as of the Effective Time (the "***Pole Agreement***").

(e) Seller and Buyer agree to fully support execution of the Airport Substation Lease Agreements in the forms attached hereto as Exhibits I-1A and I-1B during the approval process thereof, if any, by the FAA or FDOT, including rent as set forth in the definitions of the Airport Substation Lease Agreements. If FAA or FDOT approval of any Airport Substation Lease Agreement is required by applicable Law or by the provisions of any applicable contract with or grant from the FAA or FDOT and the FAA or FDOT, as applicable, does not approve one or more provisions of the Airport Substation Lease Agreements (including approval of the rent amounts) in the forms attached hereto in Exhibit I-1A or I-1B, then the Parties agree to negotiate in good faith to finalize and obtain approval from the FAA or FDOT, as applicable, of revised terms for each unacceptable provision and each other provision affected

thereby (but not any of the other provisions) that will give effect, to the fullest extent possible, to the intention of the Parties as reflected in Exhibits I-1A or I-1B, as applicable. For the avoidance of doubt, if the FAA or FDOT is required by applicable Law or by the provisions of any applicable contract with or grant from the FAA or FDOT to approve an Airport Substation Lease Agreement, Seller shall not be obligated to execute such Airport Substation Lease Agreement unless the form thereof has been approved by the FAA or FDOT, as applicable.

(f) Seller and Buyer agree to fully support execution of the Airport Warehouse Lease Agreement in the form attached hereto as Exhibit I-2 during the approval process thereof, if any, by the FAA or FDOT, including rent as set forth in Section 2.5. If the FAA or FDOT approval of the Airport Warehouse Lease Agreement is required by applicable Law or by the provisions of any applicable contract with or grant from the FAA or FDOT and the FAA or FDOT, as applicable, does not approve one or more provisions (including rent as set forth in Section 2.5) of the Airport Warehouse Lease Agreement in the form attached hereto in Exhibit I-2, then the Parties agree to negotiate in good faith to finalize and obtain approval from the FAA or FDOT, as applicable, of revised terms for each unacceptable provision and each other provision affected thereby (but not any of the other provisions) that will give effect, to the fullest extent possible, to the intention of the Parties as reflected in Exhibit I-2. For the avoidance of doubt, if the FAA or FDOT is required by applicable Law or by the provisions of any applicable contract with or grant from the FAA or FDOT to approve the Airport Warehouse Lease Agreement, Seller shall not be obligated to execute such Airport Warehouse Lease Agreement, unless the form thereof has been approved by the FAA or FDOT, as applicable.

(g) To the extent that any of the Grounding Equipment is owned individually by Indian River County or the School District of Indian River County or jointly between them, or jointly among them and Seller, Seller and Buyer agree to fully support execution of one or more Grounding License Agreements, in the form of the Grounding License Agreement, between Buyer and the owner of each segment of such Fiber Optic System during the approval process thereof by Indian River County and the School District of Indian River County, as applicable. If the approval of Indian River County or the School District of Indian River County of any Grounding License Agreement is required by applicable Law or by the provisions of any applicable contract and Indian River County or the School District of Indian River County, as applicable, does not approve one or more provisions of the Grounding License Agreements in the form attached hereto in Exhibit Y, then the Parties agree to negotiate in good faith to finalize and obtain approval from Indian River County or the School District of Indian River County, as applicable, of revised terms for each unacceptable provision and each other provision affected thereby (but not any of the other provisions) that will give effect, to the fullest extent possible, to the intention of the Parties as reflected in Exhibit Y. For the avoidance of doubt, if Indian River County or the School District of Indian River County is required by applicable Law or by the provisions of any applicable contract to approve a Grounding License Agreement, Seller shall not be obligated to execute such Grounding License Agreement unless the form thereof has been approved by Indian River County or the School District of Indian River County, as applicable.

(h) Seller agrees to reasonably cooperate if requested by Buyer to resolve any actual or alleged defect in title of an Acquired Asset, whether or not such defect is a covered under a title insurance policy, at Buyer's sole expense.

(i) For the avoidance of doubt, notwithstanding anything to the contrary in this Agreement, Seller shall not be obligated to incur any additional expenses related to the Airport Lease Agreements, Seller Pole and Antenna Attachment Termination Agreements or any other Ancillary Agreement or to satisfy any conditions precedent in Article 7 hereof, other than what is expressly contemplated by this Agreement.

Section 6.5 Public Documents.

(a) Any document submitted by a Party to the other under this Agreement or during the negotiation of this Agreement or any Ancillary Agreements (***"Public Document"***) will be a public record (as defined in Section 119.011, Florida Statutes) and may be open for inspection or copying by any person or entity except to the extent such document or certain information included in such document is exempted under Chapter 119, Florida Statutes. Buyer may claim that certain information included in one or all of the Public Documents is, or has been treated as, being exempt from disclosure under Chapter 119, Florida Statutes. In the event that Seller is requested or required by legal or regulatory authority to disclose any Public Document, Seller shall within three (3) Business Days notify Buyer of such request or requirement prior to disclosure so that Buyer may seek an appropriate protective order if Buyer believes certain information included in such Public Document is confidential or exempt from disclosure under Florida Law; provided, however, that any fees and costs associated with such protective order shall be paid by Buyer, and Buyer shall defend Seller from any and all liability and pay any fees and costs associated with contesting the confidentiality or exemption of any Public Document. To the extent reasonably possible and permissible under Florida Law, Seller shall endeavor to provide redacted versions of documents, upon request of Buyer if Seller reasonably agrees with Buyer's assertion that certain information included in such Public Document is exempt from public disclosure under Florida Law.

(b) Except to the extent otherwise required by Law, the Parties shall not issue any official press release with respect to this Agreement or the transactions contemplated hereby without first affording the non-disclosing Party the opportunity to review and comment on such official press release, except for any press release made in order to comply with applicable Law or stock exchange rules.

Section 6.6 Consents; Approvals.

(a) ***[Intentionally Omitted.]***

(b) [***Intentionally Omitted***.]

(c) Buyer will have the responsibility for securing approval of the FERC for this transaction under Section 203 of the Federal Power Act (the "***FERC Approval***"). Seller shall promptly provide Buyer any information requested in regards to such application. In fulfilling their respective obligations set forth in this Section 6.6(c), Seller and Buyer shall use their Commercially Reasonable Efforts. Prior to Buyer's submission of such application with the FERC, Buyer shall submit such application to Seller for review and comment and Buyer shall consider any revisions reasonably requested by Seller. Seller and Buyer shall respond promptly to all requests from the FERC or its staff for additional information regarding such application

and use their respective Commercially Reasonable Efforts to participate in any hearings, settlement proceedings or other proceedings ordered by the FERC with respect to the application. Buyer shall be solely responsible for the cost of filing this application, any petition for rehearing, or any reapplication. If requested by Buyer, Seller shall intervene in the proceeding before the FERC and shall support the application.

(d) Buyer will have the responsibility for securing approval of the FPSC for: (i) authority under Rule 25-9.044, Florida Administrative Code, to charge Buyer's existing retail electric rates to former Customers of the Vero Beach Electric Utility; (ii) approval of the FPL Termination Agreement under Rule 25-6.0440, Florida Administrative Code; (iii) regulatory accounting matters including treatment of any acquisition adjustment arising from Buyer's purchase of the Acquired Assets as a regulatory asset; and (iv) any other matters for which approval of the FPSC is determined by Buyer to be necessary or advisable to consummate the transactions contemplated by this Agreement (collectively, "***FPSC Approval***"). Prior to Buyer's submission of any application for FPSC Approval, Buyer shall submit such application to Seller for review and comment and Buyer shall consider any revisions reasonably requested by Seller. Seller and Buyer shall respond promptly to all requests from the FPSC or its staff for additional information regarding such application and use their respective Commercially Reasonable Efforts to participate in any hearings, settlement proceedings or other proceedings ordered by the FPSC with respect to the application. Buyer shall be solely responsible for the cost of filing this application, any petition(s) for rehearing, or any reapplication(s). If requested by Buyer, Seller shall intervene in any proceeding before the FPSC and shall support the application at Buyer's sole cost.

(e) Seller and Buyer shall cooperate with each other and, as promptly as practicable after the Date of this Agreement, (i) prepare and make with the Federal Communications Commission and, to the extent not specified in Section 6.6(a) through (d), any other Governmental Authority having jurisdiction over Seller, Buyer or the Acquired Assets, all necessary filings required to be made with respect to the transactions contemplated hereby, (ii) effect all necessary applications, notices, petitions and filings, (iii) use Commercially Reasonable Efforts to obtain the transfer or reissuance to Buyer of all necessary Transferable Permits, and (iv) use Commercially Reasonable Efforts to obtain all necessary consents, approvals and authorizations of all other parties, in the case of each of the foregoing clauses (i), (ii), (iii), and (iv), necessary or advisable to consummate the transactions contemplated by this Agreement (including Buyer's Required Regulatory Approvals). The Parties shall respond promptly to any requests for additional information made by such agencies, use their respective Commercially Reasonable Efforts to participate in any hearings, settlement proceedings or other proceedings ordered with respect to the applications, and use their respective Commercially Reasonable Efforts to cause regulatory approval to be obtained at the earliest possible date after the date of filing. Buyer shall be solely responsible for the cost of filing any application, any petition(s) for rehearing, or any reapplication(s) with respect to the filings referenced in this Section 6.6(e). Seller and Buyer shall have the right to review in advance all filings made in connection with the transactions contemplated hereby and the filing Party shall consider in good faith any revisions reasonably requested by the non-filing Party.

(f) Buyer shall have the responsibility for securing the transfer, reissuance or procurement of the Transferable Permits effective as of the Closing Date, and for

those Transferable Permits that may not be transferred or reissued until after the transfer of ownership of the Acquired Assets, promptly after the Closing Date. Seller shall cooperate, at Buyer's cost, with Buyer's efforts in this regard and assist in any transfer or reissuance of Transferable Permits held by Seller or the procurement of any other Permit when so reasonably requested by Buyer, even after the Closing. In the event that Buyer is unable, despite its Commercially Reasonable Efforts, to obtain a transfer or reissuance of one or more of the Transferable Permits as of the Closing Date, Buyer may use the applicable Transferable Permit issued to Seller, provided (i) such use is not unlawful, (ii) Buyer continues to make Commercially Reasonable Efforts to obtain a transfer or reissuance of such Transferable Permit after the Closing Date, and (iii) Buyer indemnifies and holds Seller harmless for any Losses, claims or penalties suffered by Seller and pays Seller for any costs or expenses incurred by Seller in connection with such Transferable Permit that is not transferred or reissued as of the Closing Date resulting from Buyer's ownership or operation of the Acquired Assets following the Effective Time.

Section 6.7 [Intentionally Omitted.]

Section 6.8 Tax Matters.

(a) Buyer shall pay any and all Transfer Taxes in connection with this Agreement and the transactions contemplated hereby, including all required documentary stamp tax on the Deed and all instruments executed by either of the Parties in connection with this Agreement. Buyer and Seller will file, to the extent required by applicable Law, all necessary Tax Returns and other documentation with respect to all such Transfer Taxes, and, if required by applicable Law, will each join in the execution of any such Tax Returns or other documentation.

(b) Buyer shall prepare and timely file all Tax Returns required to be filed after the Closing with respect to the Acquired Assets, if any, and shall duly and timely pay all such Taxes shown to be due on such Tax Returns.

(c) Each of the Parties shall provide the other with such assistance as may reasonably be requested by the other Party in connection with the preparation of any Tax Return, any audit or other examination by any taxing authority, or any judicial or administrative proceedings relating to Liability for Taxes or effectuating the terms of this Agreement, and each will retain and provide the requesting Party with any records or information which may be relevant to such return, audit or examination, proceedings or determination. Any information obtained pursuant to this Section 6.8(c) or pursuant to any other Section hereof providing for the sharing of information or review of any Tax Return or other schedule relating to Taxes shall be kept confidential by the Parties hereto, except to the extent such information is required to be disclosed by Law.

Section 6.9 Updating Disclosure Schedules.

During the Interim Period, Seller shall promptly (but no later than thirty (30) days after obtaining Knowledge thereof) notify Buyer of any changes or additions to the Seller Disclosure Schedules required by this Agreement with respect to any matter hereafter arising of which it becomes aware after the date hereof which, if existing or occurring on the Date of this

Agreement, would have been required to be set forth or described in such Seller Disclosure Schedules (each, a "***Schedule Supplement***"). If the matters disclosed in such Schedule Supplement (or the matters disclosed in such Schedule Supplement together with the matters disclosed in prior Schedule Supplements) have had or are reasonably likely to have a Material Adverse Effect, Buyer has the right to terminate this Agreement under the terms and conditions of Section 9.1(e) (including, without limitation, the notice and cure period provided therein). If Buyer does not terminate this Agreement under the terms and conditions of Section 9.1(e), Buyer shall be deemed to have irrevocably waived any right to (a) terminate this Agreement with respect to such matters (including, without limitation, any later right to terminate this Agreement under the terms and conditions of Section 9.1(e) based solely on such matters disclosed and previously disclosed in prior Schedule Supplements), or (b) fail to consummate the Transaction described in this Agreement based solely on such matters disclosed and previously disclosed in prior Schedule Supplements; provided, however, such matters can be taken into consideration together with any matters which are subsequently disclosed to Buyer, or of which Buyer becomes aware, in determining whether the aggregate breaches of representations or warranties and aggregate matters disclosed in any Schedule Supplements, collectively, constitute a Material Adverse Effect with respect to Section 9.1.(e).

Section 6.10 Employees.

(a) Buyer shall offer employment commencing as of the Closing Date to all Seller Employees (i) who are employed by Seller on the date immediately preceding the Closing Date, (ii) who have not previously been terminated for cause by Buyer or any of its Affiliates, and (iii) who meet applicable qualification requirements for the applicable positions with Buyer (which qualification requirements with respect to the Seller Employees will not vary materially from the qualification requirements for other comparable positions within Buyer). Subject to any voluntary separations of Seller Employees from Buyer, Buyer shall continue to employ at least the minimum number of Seller Employees, who accepted Buyer's offer of employment, for the minimum duration necessary to avoid creating any obligation under the WARN Act on the part of Seller. The Seller Employees as of the Date of this Agreement are set forth on Schedule 6.10(a) by position. Except as otherwise negotiated with the Buyer Union Representative, Total Compensation for Transferred Employees shall be in the aggregate comparable to the Total Compensation provided to similarly situated employees of Buyer. The Parties shall cooperate in preparation of communications materials applicable to the Transferred Employees. Seller agrees to provide to Buyer, within ten (10) Business Days following receipt of a request from Buyer at any time and from time to time during the Interim Period and at Closing, a complete list of Seller Employees by name and by position. Not later than 30 days before the Closing Date, Buyer shall give Seller notice as to which Seller Employees, if any, Buyer has determined are not eligible to receive an offer of employment by Buyer.

(b) Transferred Employees offered positions that are covered by Buyer's collective bargaining agreement shall be provided with employment, Total Compensation and terms and conditions of employment as negotiated with the applicable Buyer Union Representative.

(c) As of the Closing Date, Transferred Employees shall commence participation in the Benefit Plans of Buyer, its ERISA Affiliates or, if applicable, the benefit plans negotiated by the Buyer Union Representative (the ***"Buyer Benefit Plans"***).

(d) Effective as of the Closing Date, except as otherwise negotiated by Buyer and the Union Representative, Transferred Employees prospectively shall accrue pension benefits under the Buyer Retirement Plan cash balance formula on terms and conditions applicable to similarly situated Buyer employees. Notwithstanding the foregoing, effective as of the Closing Date and except as otherwise negotiated by Buyer and the Union Representative, Transferred Employees will accrue pension credits at the same level as nonbargaining eligible employees of Buyer who have attained at least five (5) years of service.

(e) Subject to any applicable collective bargaining requirements, Buyer shall (i) waive all waiting periods with respect to the Transferred Employees and (ii) provide each Transferred Employee with credit for any co-payments and deductibles for claims incurred during the plan year of the applicable Buyer Benefit Plan in which the Closing Date falls. Seller will use its reasonable best efforts to provide sufficient information to enable Buyer to provide such credits for co-payments and deductibles. To the extent Seller fails to provide such sufficient information, each Transferred Employee shall be responsible for providing written evidence to enable Buyer to provide accurate credit for such co-payments and deductibles.

(f) Subject to any applicable collective bargaining requirements, Transferred Employees shall be granted credit for all service with Seller under all Buyer Benefit Plans in which such Transferred Employees become participants for purposes of eligibility, vesting and service related level (except for purposes of qualifying for Buyer's retiree welfare benefits and benefit accrual under Buyer's defined benefit pension plan). No period of service with Seller may be credited to Transferred Employees under Buyer's defined benefit plan if such period of service forms the basis of a retirement benefit or pension under Seller's Defined Benefit Plan.

(g) Seller shall be responsible for extending COBRA continuation coverage, or its equivalent, to former Seller Employees and qualified beneficiaries of such former Seller Employees who are or became entitled to such COBRA continuation coverage during the Interim Period by reason of the occurrence of a qualifying event occurring before the Closing Date. Buyer shall be responsible for providing COBRA continuation coverage only to Transferred Employees and qualified beneficiaries of Transferred Employees for COBRA qualifying events occurring on or after the Closing Date.

(h) Seller shall remain responsible for paying Transferred Employees for: (a) all salary, wages, and Seller Benefit Plan benefits, and (b) all workers' compensation, disability benefits, or life insurance benefits for which entitlement to payment is based upon events occurring prior to the Closing including any incurred but unreported claims under the Seller Benefit Plans and Seller shall be responsible for making its required contributions to the Seller Defined Benefit Plan and Seller Defined Contribution Plan. Subject to any applicable collective bargaining requirements, Buyer will assume liability for all floating holidays, sick days, vacation days and personal days of each Transferred Employee that have accrued but

remain unused or unpaid by such Transferred Employee as of the date immediately preceding the Closing Date up to the accrual limits therefor under Buyer's employee policies and procedures for similarly situated employees of Buyer.

(i) Any individual who would have otherwise become a Transferred Employee but who on the date immediately preceding the Closing Date is not actively at work due to a leave of absence covered by the Family and Medical Leave Act or similar state or local Law, short-term disability or any other authorized leave of absence shall be entitled to become a Transferred Employee once the individual is able to return to active-at-work status, but only if the individual is able to return to active-at-work status within ninety (90) days after the Closing Date; otherwise such individual shall remain a Retained Employee of Seller.

Section 6.11 Casualty.

(a) Casualty During the Interim Period. If a Casualty occurs during the Interim Period, Seller shall give notice to Buyer of such occurrence, within thirty (30) days after such occurrence has ended, and shall include in such notice a detailed estimate of the Cure Amount and an estimate of the Available Proceeds with respect to such Casualty (the "***Casualty Notice***").

(b) Casualty Prior to July 1, 2018. If the Casualty occurs during the Interim Period and the occurrence of the Casualty ends prior to July 1, 2018:

(i) if Seller estimates in the Casualty Notice that the Cure Amount will not exceed the sum of the Maximum Uncovered Loss Amount plus the insurance proceeds with respect to such Casualty (as described in clause (i) of the definition of Available Proceeds) that have been collected or are collectible by Seller, Seller shall repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty so that the Vero Beach Electric Utility will operate in accordance with the Seller's Past Practice, and Seller shall bear the risk of recouping any costs associated with such repair or replacement; or

(ii) if Seller estimates in the Casualty Notice that the Cure Amount will exceed the sum of Maximum Uncovered Loss Amount plus the insurance proceeds with respect to such Casualty (as described in clause (i) of the definition of Available Proceeds) that have been collected or are collectible by Seller, Seller may elect in the Casualty Notice either to:

(1) terminate this Agreement, in which event this Agreement will be deemed terminated sixty days after the Casualty Notice has been given unless, during such sixty day period, Buyer gives Seller a notice agreeing to reimburse Seller promptly and hold Seller harmless for the entire amount by which the Cure Amount exceeds the sum of the Maximum Uncovered Loss Amount plus any Available Proceeds actually recovered by Seller during the period prior to the Closing Date (in which event: (A) this Agreement will not be deemed terminated at the end of such sixty day period; (B) Seller shall repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty so that the Vero Beach Electric Utility will operate in accordance with the Seller's Past Practice; and (C) Buyer will reimburse Seller promptly and hold Seller harmless for the entire amount by which the Cure

Amount exceeds the sum of the Maximum Uncovered Loss Amount plus any Available Proceeds actually recovered by Seller); or

(2) extend the Closing Date by up to one (1) year after the occurrence of the Casualty has ended to permit Seller to: (A) repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty; and (B) attempt to obtain the Available Proceeds.

(iii) If Seller makes an election under Section 6.11(b)(ii)(2): (A) Seller shall repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty so that the Vero Beach Electric Utility will operate in accordance with the Seller's Past Practice; (B) the Closing shall occur on the Closing Date as extended by Seller under Section 6.11(b)(ii)(2), provided that all of the other conditions to the Closing have been satisfied or waived in accordance with the terms of this Agreement; and (C) Buyer shall not be responsible for reimbursing Seller or holding Seller harmless for any of the costs of such repairs or replacements.

(iv) If Seller estimates in the Casualty Notice that the Cure Amount will exceed the sum described in Section 6.11(b)(ii), but Seller fails to make an election under Section 6.11(b)(ii)(1) or Section 6.11(b)(ii)(2) in such Casualty Notice, Seller shall be deemed to have elected, and shall be required, to repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty so that the Vero Beach Electric Utility will operate in accordance with the Seller's Past Practice, and the Closing shall proceed in accordance with the terms of this Agreement, provided that all of the other conditions to Closing have been satisfied or waived in accordance with the terms of this Agreement, and Seller shall bear the risk of recouping any costs associated with such repair or replacement.

(c) Casualty On or After July 1, 2018. If a Casualty occurs during the Interim Period and the occurrence of the Casualty ends on or after July 1, 2018:

(i) If Seller estimates in the Casualty Notice that the Cure Amount will not exceed the sum of Maximum Uncovered Loss Amount plus the insurance proceeds with respect to such Casualty (described in clause (i) of the definition of Available Proceeds) that have been collected or are collectible by Seller, then Buyer shall have the right to elect, by giving notice to Seller within thirty (30) days after Seller has given the Casualty Notice to Buyer, to either:

(1) extend the Closing Date to permit Seller to: (A) repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty; and (B) attempt to obtain the proceeds with respect to such Casualty described in clause (ii) of the definition of Available Proceeds; or

(2) proceed to the Closing under this Agreement, provided that all other conditions to the Closing have been satisfied or waived in accordance with the terms of this Agreement.

(ii) If Seller estimates in the Casualty Notice that that the Cure Amount will exceed the sum of the Maximum Uncovered Loss Amount plus the insurance

proceeds with respect to such Casualty (described in clause (i) of the definition of Available Proceeds) that have been collected or are collectible by Seller, then Buyer will have the right to elect, by giving notice to Seller within thirty (30) days after Seller has given Buyer the Casualty Notice, to either:

(1) terminate this Agreement, in which case this Agreement will be deemed to have terminated fifteen (15) days after such notice of termination is given; or

(2) extend the Closing Date to permit Seller to: (A) repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty; and (B) exercise good faith reasonable efforts during the period prior to the Closing Date to collect Available Proceeds with respect to such Casualty, in accordance with Seller's Past Practice during similar Casualty events.

(iii) If Buyer makes an election under Section 6.11(c)(i)(1): (A) Seller shall have the right, in its sole discretion, to determine the period of such extension of the Closing Date (such period not to exceed one year); (B) Seller shall repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty so that the Vero Beach Electric Utility will operate in accordance with the Seller's Past Practice; and (C) Seller shall exercise good faith reasonable efforts during the period prior to the Closing Date to collect Available Proceeds, in accordance with Seller's Past Practice during similar Casualty events.

(iv) If Buyer makes an election under Section 6.11(c)(i)(2): (A) Seller shall repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty so that the Vero Beach Electric Utility will operate in accordance with the Seller's Past Practice; (B) the Closing shall occur on the Closing Date, provided that all of the other conditions to the Closing have been satisfied or waived in accordance with the terms of this Agreement; (C) Seller shall exercise good faith reasonable efforts during the period prior to the Closing Date to collect Available Proceeds, in accordance with Seller's Past Practice during similar Casualty events; and (D) Buyer shall pay, reimburse and hold Seller harmless for the costs of any such repairs or replacements made by Seller that exceed Available Proceeds that have been collected by Seller prior to the Closing Date.

(v) If Buyer makes an election under Section 6.11(c)(ii)(2): (A) Seller shall have the right, in its sole discretion, to determine the period of such extension of the Closing Date (such period not to exceed one year); (B) Seller shall repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty so that the Vero Beach Electric Utility will operate in accordance with Seller's Past Practice; (C) Seller shall exercise good faith reasonable efforts during the period prior to the Closing Date to collect the Available Proceeds, in accordance with Seller's Past Practice during similar Casualty events; and (D) Buyer shall pay, reimburse and hold Seller harmless at Closing for the costs of any such repairs or replacements made by Seller that exceed the Available Proceeds that have been collected by Seller.

(d) Closing Before Repairs Completed. If the Closing occurs, under the terms of Section 6.11(b) or Section 6.11(c), before all of the repairs or replacements have

been made to the damaged or destroyed Acquired Assets, then (i) at the Closing, Seller will stop conducting such repairs and replacements and will assign to Buyer all Contracts with respect to such repairs or replacements which have not been completed, or as to which payment in full has not been made by Seller, and Buyer shall assume all of such Contracts as Assumed Liabilities (subject to Buyer's prior approval of such Contracts which approval shall not be unreasonably withheld, conditioned or delayed); (ii) at the Closing, to the extent permitted by applicable Law, Seller shall pay to Buyer any Available Proceeds that have been collected by Seller and that have not been expended by Seller in connection with such repairs and replacements; (iii) at the Closing, Buyer shall pay, reimburse and hold Seller harmless for the costs of any such repairs and replacements made by Seller that exceed the Available Proceeds that have been collected by Seller prior to the Closing Date; (iv) after the Closing, to the extent permitted by applicable Law, Seller shall be entitled to pursue and retain any Available Proceeds for any repairs or replacements expenses incurred by Seller in connection with such Casualty; and (v) Buyer shall be solely responsible for the completion of any remaining repairs or replacements and any and all costs associated with such repairs and replacements.

(e) Right to Inspect. Buyer and Buyer and Buyer's Representatives shall be entitled to inspect and observe any repairs and replacements performed or provided by Seller under this Section 6.11.

(f) Dispute as to Estimate of Cure Amount. If Buyer disputes the estimated Cure Amount set forth in any Casualty Notice, Buyer shall provide Seller with notice of such dispute within thirty (30) days after such Casualty Notice has been given to Buyer and shall include in such notice a detailed breakdown of Buyer's estimate of the Cure Amount with respect to such Casualty. During the fifteen (15) day period after Buyer gives to Seller such dispute notice, Seller and Buyer shall use reasonable efforts to resolve such dispute. If Seller and Buyer have not resolved such dispute during such fifteen (15) day period, then Seller and Buyer shall submit the disputed items related to the estimate of the Cure Amount to a utility consultant reasonably acceptable to Seller and Buyer that has expertise in evaluating casualty losses. The utility consultant shall issue its final decision on the disputed items in writing to Seller and Buyer within thirty (30) days after such disputed items have been submitted to the consultant, and such final decision shall be binding on both Parties as to the estimate of the Cure Amount with respect to the Casualty. Buyer and Seller shall each pay 50% of the engagement fees associated with the consultant. Any dispute under this Section 6.11(g) shall toll the applicable time limits set forth in this Section 6.11 until the resolution of such dispute under this Section 6.11(g).

(g) Available Proceeds. If, after the Closing, the payor of any proceeds (as described in clause (ii) of the definition of Available Proceeds) that have been expended by Seller to make repairs and replacements to any of the Acquired Assets pursuant to a Casualty that occurred during the Interim Period, demands repayment by Seller of all or any portion of such proceeds, Seller shall give notice to Buyer of such demand, and Buyer shall pay, reimburse and hold Seller harmless, promptly after Seller gives such notice to Buyer, for the full amount of such proceeds that Seller is required to repay except to the extent such repayment demand arises from Seller's willful misconduct.

Section 6.12 Eminent Domain.

If, before the Closing, all or any portion of the Acquired Assets material to the operation of the Business of the Vero Beach Utility is taken by eminent domain or is the subject of a pending taking which has not yet been consummated, Seller shall give notice to Buyer promptly of such taking or pending taking. Seller shall use such Commercially Reasonable Efforts to replace any Acquired Assets subject to the eminent domain action as Seller shall deem reasonably necessary for the continued operation of the Vero Beach Electric Utility in accordance with the Seller's Past Practices. If such portion of the Acquired Assets has a value of five million dollars ($5,000,000) or greater, and such proceeding or replacement is not substantially completed by the Closing, Buyer may elect, by giving notice thereof to Seller, to: (a) terminate this Agreement; (b) proceed to Closing and receive any condemnation award for the taking; or (c) extend the Closing Date by not more than 12 months in order to permit Seller to replace any Acquired Assets subject to the eminent domain action as Seller shall deem reasonably necessary for the continued operation of the Vero Beach Electric Utility in accordance with the Seller's Past Practices.

Section 6.13 FMPA Transfer Agreement and OUC Termination Agreement.

(a) Commencing on the Date of this Agreement, the Parties shall use Commercially Reasonable Efforts to negotiate the terms of the OUC Termination Agreement including a binding commitment from OUC to execute the OUC Termination Agreement at Closing (in form and substance that is acceptable to Seller and Buyer) in exchange for the OUC Termination Payment. For the avoidance of doubt, nothing in this Section 6.13(a) or elsewhere in this Agreement shall require any payment to OUC with respect to the OUC Termination Agreement except as provided in Section 3.4(b) of this Agreement.

(b) Commencing on the Date of this Agreement, the Parties shall use Commercially Reasonable Efforts to negotiate the terms of FMPA Transfer Agreement with FMPA (in form and substance that is acceptable to Seller and Buyer) in exchange for the FMPA Transfer Payment. For the avoidance of doubt, nothing in this Section 6.13(b) or elsewhere in this Agreement shall require any payment to FMPA with respect to the FMPA Transfer Agreement except for the FMPA Transfer Payment.

Section 6.14 Franchise Ordinance.

Seller shall adopt the Franchise Ordinance prior to the Closing Date. Buyer's obligations under the Franchise Ordinance are a part of the consideration provided to Seller in exchange for this Agreement and the transactions contemplated by this Agreement. Nothing in this Agreement shall be deemed or construed to transfer or assign to Buyer any of Seller's rights under the Franchise Ordinance or to eliminate or limit any of Buyer's duties or obligations under the Franchise Ordinance.

Section 6.15 Capital Expenditure and Maintenance Plan.

During the Interim Period, Seller agrees to use good faith efforts to comply with the Capital Expenditure and Maintenance Plan, in accordance with the schedule therein.

Section 6.16 Data Conversion.

The Parties shall cooperate with each other to facilitate an orderly and seamless transition from Seller to Buyer of the information systems, computer applications and processing of data for Buyer to commence conducting the Business of the Vero Beach Electric Utility as of the Closing Date in the manner and format acceptable to Buyer, and at Buyer's sole cost.

Section 6.17 Seller as Customer.

Seller shall be a retail electric service customer of Buyer commencing on the Closing Date. Buyer shall be responsible for providing all metering and other equipment necessary for Buyer to measure Seller's consumption of electricity at each facility or other structure of Seller requiring electric service.

Section 6.18 Sale of Real Properties.

Prior to the Closing, Seller shall comply with the City of Vero Beach, Florida Code of Ordinances, Subpart A, Chapter 2, Article VIII, Division 3, Sec. 2-372, relating to the sale of the Acquired Land in Fee contemplated in this Agreement.

Section 6.19 Exclusivity.

Except as expressly permitted by this Agreement, until the Closing or until this Agreement is terminated, Seller will not (a) offer to sell or transfer any of the Acquired Assets to (or offer to enter into any transaction contemplated by this Agreement with) any Person other than Buyer, or (b) request, solicit or otherwise encourage inquiries, proposals or offers from, or participate in any discussions or negotiations with, any Person other than Buyer with respect to the sale or transfer of any of the material Acquired Assets or any transaction contemplated by this Agreement.

Section 6.20 No Seller Changes in Law.

At or prior to the Closing, Seller agrees not to promulgate, enact, adopt, repeal, amend, modify or make effective any Law or resolution, or take or support any action, that would (a) adversely affect Buyer's rights or Seller's obligations in this Agreement or any Ancillary Agreements or (b) adversely affect any of the transactions contemplated by this Agreement or Ancillary Agreements.

Section 6.21 Customer Consumption Allocation and Demand Data.

(a) Seller shall use reasonable efforts to read the meters of all Customers of Seller within one (1) month (reading used for billing) prior to the Closing Date, and Buyer shall use reasonable efforts to read the meters of all such Customers within one (1) month after the Closing Date. The reading obtained by Seller (within one month prior to the Closing Date) shall be included in the Customer data conversion file from Seller to Buyer. Within sixty (60) days after the date on which Buyer reads the last of the meters of such Customers, Buyer shall provide to Seller the date of the first meter reading of each such Customer occurring on or after the Closing Date and a prorated final bill reading (using the allocation method described in this Section 6.21 below). Irrespective of the actual consumption of electricity by a Customer during (a) the period from and including the date of the last meter reading of such Customer occurring prior to the Closing Date to and including the date immediately prior to the Closing Date (the ***"Pre-Closing Consumption Period"***) and (b) the period from and including the Closing Date to and including the date on which Buyer makes the first meter reading of such Customer on or after the Closing Date (the ***"Post-Closing Consumption Period"*** and together with the Pre-Closing Consumption Period, the ***"Consumption Period"***), the Parties agree to allocate such Customer's bill for the Consumption Period as follows:

(i) Allocation to the Pre-Closing Consumption Period shall be: (A) (i) the total consumption of electricity by each Customer during the Consumption Period *divided by* (ii) the total number of days in the Consumption Period *multiplied by* (B) the total number of days in the Pre-Closing Consumption Period; and

(ii) Allocation to the Post-Closing Consumption Period shall be: (A) (i) the total consumption of electricity by each Customer during the Consumption Period *divided by* (ii) the total number of days in the Consumption Period *multiplied by* (B) the total number of days in the Post-Closing Consumption Period.

(b) Seller shall bill, and be entitled to collect payment from Customers, for electric service provided to Customers prior to the Closing Date and Buyer shall bill, and be entitled to collect payment from Customers, for electric service provided to Customers on and after the Closing Date; provided, however, that, for purposes of this Section 6.21, irrespective of the actual amount of electricity provided by Seller or by Buyer to a Customer during the Consumption Period, Seller shall bill such Customer for the Pre-Closing Consumption Period only for the amount of electricity allocated to the Pre-Closing Consumption Period, under the allocations method in Section 6.21(a) and Buyer shall bill such Customer for

the Post-Closing Consumption Period only for the amount of electricity allocated to the Post-Closing Consumption Period under such allocation method.

(c) Notwithstanding Section 6.21(a) and (b), if the FPSC requires Buyer to determine consumption of electricity by Customers during Post-Closing Consumption Period in a manner different than in accordance with Section 6.21(a) and (b), then the allocation between Buyer and Seller of consumption of electricity by Customers during the Consumption Period shall be done with regard to the manner required by the FPSC for Buyer to determine the consumption of electricity by Customers during the Post-Closing Consumption Period.

(d) Buyer shall provide to Seller within sixty (60) days after the Closing Date all demand meter data (which is the maximum metered recorded demand) obtained from Buyer's first meter reading of each commercial and industrial demand Customer on or after the Closing Date. Seller shall be entitled to collect payment from the Customers for such demand charges per Seller's approved rate schedules and billing practices as of the date immediately prior to the Closing Date.

Section 6.22 Environmental Matters.

(a) Except to the extent exacerbated or contributed to by Buyer, Seller agrees to be responsible for any and all Losses of Buyer, and pay and perform when due any and all Liabilities of Buyer:

(i) under Environmental Laws, Environmental Permits or Environmental Claims with respect to the Business of the Vero Beach Electric Utility or the Acquired Assets arising from any event, condition, circumstance, act or omission that occurred prior to the Closing Date; or

(ii) arising from the presence of Hazardous Substances that originated on the Power Plant Substation Site, Acquired Land In Fee or the real property described in the Airport Property Lease Agreements prior to the Closing Date, or the Release of Hazardous Substances at, on, in, under, or migrating from the Power Plant Substation Site, Acquired Land In Fee or the real property described in the Airport Property Lease Agreements prior to the Closing Date (such Losses or Liabilities under Section 6.22(a) and (b) hereof, the "***Environmental Liabilities***");

provided, however, that as an absolute condition to such responsibility and agreement to pay and perform, Buyer must give to Seller notice (the "***Environmental Notice***") of any claim of Environmental Liabilities no later than thirty (30) days prior to the anticipated Closing Date and, solely with respect to any Environmental Liability which Buyer demonstrates occurred subsequent to Buyer's Phase II Environmental Testing, Buyer must give the Environmental Notice prior to the Closing Date, which Environmental Notice, in either case, must contain the estimated total amount of the Environmental Liabilities and a summary of facts then known to Buyer that support such claim; and provided, further, that in no event shall Seller be liable or responsible for any Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate (the "***Aggregate Environmental Cap***"). Buyer hereby releases Seller from, and Seller shall not be liable or responsible for, any Environmental Liabilities as to

which Buyer does not give Seller the Environmental Notice or Environmental Notices prior to the time required in the immediately preceding sentence. Buyer also hereby releases Seller from, and Seller shall not be responsible for, Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate. If Buyer reasonably believes that the amount of Environmental Liabilities would reasonably be likely to exceed Five Hundred Thousand Dollars ($500,000) in the aggregate and Seller disputes that the Environmental Liabilities exceed Five Hundred Thousand Dollars ($500,000) in the aggregate, Seller shall give notice to Buyer of such dispute within fifteen (15) days after the Environmental Notice has been given and the Parties shall attempt to resolve such dispute by negotiation. If the Parties do not fully resolve such dispute within fifteen (15) days after Seller has given notice to Buyer of such dispute, the Parties shall, within ten (10) days after the expiration of such fifteen (15) day negotiation period, appoint an independent environmental consultant (with the costs of such independent environmental consultant to be borne equally between the Parties) to determine whether the Environmental Liabilities would reasonably be likely to exceed Five Hundred Thousand Dollars ($500,000) in the aggregate. The Parties agree to cooperate with the independent environmental consultant and provide it with such information as it reasonably requests to enable it to make such determination. The independent environmental consultant shall provide its findings to the Parties no later than twenty (20) days after its appointment. The independent environmental consultant shall act as an expert and not as an arbitrator and shall make findings only with respect to whether the amount of Environmental Liabilities would be reasonably likely to exceed Five Hundred Thousand Dollars ($500,000) in the aggregate. Notwithstanding anything to the contrary in this Agreement, if the total amount of Environmental Liabilities pursuant to this Section 6.22, is finally determined by the independent environmental consultant to reasonably be likely to exceed Five Hundred Thousand Dollars ($500,000) in the aggregate, either Party may elect, by giving notice thereof to the other Party as promptly as reasonably possible prior to the anticipated Closing Date, to terminate this Agreement. The limitations on Seller's liability or responsibility for Environmental Liabilities under this Section 6.22 are absolute limitations and will control over any other provisions in this Agreement or the Substation Equipment Operating and Dismantling Agreement that are or may be to the contrary including the provisions of Article 8. The Closing Date shall be extended as reasonably necessary to allow for the progression and completion of the procedures set forth in this Section 6.22.

(b) In order to make a claim against Seller pursuant this Section 6.22, Buyer must have completed its environmental testing, including Phase II environmental testing, on each Real Property location and the Power Plant Substation Site and, if so performed, must have submitted the results of such testing to Seller at least thirty (30) days prior to the Closing Date (collectively, "***Buyer's Phase II Environmental Testing***"). If Buyer has not performed such actions within the time periods specified, Buyer shall be deemed to have waived its right to make a claim against Seller under this Section 6.22 with respect to such Real Property location or the Power Plant Substation Site, as applicable.

ARTICLE 7
CONDITIONS PRECEDENT

Section 7.1 Conditions Precedent to Obligations of Buyer.

The obligations of Buyer to purchase the Acquired Assets and to consummate the other transactions contemplated by this Agreement shall be subject to the satisfaction at or prior to the Closing of the following conditions precedent (except to the extent waived in writing by Buyer in its sole discretion):

(a) The representations and warranties of Seller (other than the Seller Fundamental Representations) set forth in Article 4 of this Agreement (without regard to any materiality or Material Adverse Effect qualification) shall be true and correct in all respects on and as of the Date of this Agreement and as of the Closing as though made as of the Closing (except for those representations and warranties that address matters only as of a specified date, the truth and correctness of which shall be determined as of that specified date), except for such failures to be true and correct which would not reasonably be expected to constitute, individually or in the aggregate, a Material Adverse Effect (in determining whether or not a Material Adverse Effect has occurred for purposes of this Section 7.1(a), no matters that have been waived under Section 6.9 shall be taken into account);

(b) The Seller Fundamental Representations (without regard to any Schedule Supplement) shall be true and correct in all respects on and as of the Date of this Agreement and as of the Closing as though made as of the Closing (except for those representations and warranties that address matters only as of a specified date, the truth and correctness which shall be determined as of that specified date);

(c) Buyer shall have received all of Buyer's Required Regulatory Approvals, in form and substance satisfactory to Buyer in its reasonable discretion, and such approvals shall be in full force and effect and either (i) shall be final and non-appealable or (ii) if not final and non-appealable, shall not be subject to the possibility of appeal, review or reconsideration which is reasonably likely to be unsuccessful as to Buyer;

(d) Seller shall have performed and complied in all material respects with the covenants and agreements contained in this Agreement which are required to be performed and complied with by Seller at or prior to the Closing;

(e) Buyer shall have received a certificate from Seller, dated the Closing Date, signed on behalf of Seller by the City Manager, to the effect that, to the Seller's Knowledge, the conditions set forth in Sections 7.1 (a), (b), (c) and (d) have been satisfied;

(f) Seller shall have delivered, or caused to be delivered, to Buyer at the Closing, Seller's closing deliverables described in Section 3.7;

(g) Since the Date of this Agreement, no Material Adverse Effect shall have occurred and be continuing (in determining whether or not a Material Adverse Effect has

occurred for purposes of this Section 7.1(g), no matters that have been waived under Section 6.9 shall be taken into account); and

(h) If Buyer has obtained Title Commitments and surveys for the Acquired Land in Fee and Substation Easement Agreement, the title insurer thereunder being ready, willing and able, at Buyer's cost and expense, to issue (i) title insurance policies, or agreements to issue such policies, in accordance with the Title Commitments, at regular rates, in the amounts identified in the Title Commitments from the title insurer issuing the Title Commitments, insuring that Buyer has good, marketable and insurable title to the Acquired Land in Fee and the right to control, occupy and use the Acquired Land in Fee, free and clear of Encumbrances other than Permitted Encumbrances, (ii) title insurance policies, or agreements to issue such policies, in accordance with the Title Commitments, at regular rates, in the amount identified in the Title Commitments from the title insurer issuing the Title Commitments, insuring that Buyer has good, marketable and insurable leasehold interests in the real property described in the Airport Substation Lease Agreements and good, marketable and insurable easement interest in the real property described in the Substation Easement Agreement, and the right to control, occupy and use such properties, free and clear of Encumbrances other than Permitted Encumbrances, and (iii) Surveys issued to Buyer and the title company secured by Buyer prepared by certified surveyors showing the Acquired Land In Fee and the real property described in the Airport Substation Lease Agreements and Substation Easement Agreement with all physical encumbrances observed and all matters of record that affect the Acquired Land In Fee and the real property described in the Airport Substation Lease Agreements and Substation Easement Agreement, the form and substance of which are satisfactory to Buyer.

Section 7.2 Conditions Precedent to Obligations of Seller.

The obligations of Seller to sell the Acquired Assets and to consummate the other transactions contemplated by this Agreement shall be subject to the satisfaction at or prior to the Closing of the following conditions precedent (except to the extent waived in writing by Seller in its sole discretion):

(a) The representations and warranties (other than the Buyer Fundamental Representations) of Buyer set forth in Article 5 of this Agreement (without regard to any materiality or Material Adverse Effect qualification therein) shall be true and correct in all material respects on and as of the Date of this Agreement and as of the Closing as though made as of the Closing (except for those representations and warranties that address matters only as of a specified date, the truth and correctness of which shall be determined as of that specified date);

(b) The Buyer Fundamental Representations shall be true and correct in all respects on and as of the Date of this Agreement and as of the Closing as though made as of the Closing (except for those representations and warranties that address matters only as of a specified date, the truth and correctness which shall be determined as of that specified date);

(c) Buyer shall have received the FPSC Approval and FERC Approval and neither of such Approvals shall include any terms or conditions that are disadvantageous to Seller in any material respect;

(d) Buyer shall have performed and complied with in all material respects the covenants and agreements contained in this Agreement which are required to be performed and complied with by Buyer at or prior to the Closing;

(e) Seller shall have received a certificate from Buyer, dated the Closing Date, signed by an authorized officer of Buyer, to the effect that, to Buyer's Knowledge, the conditions set forth in Sections 7.2 (a), (b), (c) and (d) have been satisfied; and

(f) Buyer shall have delivered, or caused to be delivered, to Seller at the Closing, Buyer's closing deliverables described in Section 3.8.

Section 7.3 Conditions Precedent to Obligations of Both Parties.

The obligations of Buyer to purchase the Acquired Assets and consummate the other transactions contemplated by this Agreement and of Seller to sell the Acquired Assets and consummate the other transactions contemplated by this Agreement shall be subject to the satisfaction at or prior to the Closing of the following conditions precedent (except to the extent waived in writing by both Parties in their sole discretion):

(a) No preliminary or permanent injunction or other Order by any Governmental Authority other than Seller which restrains or prevents the consummation of the transactions contemplated hereby shall have been issued and remain in effect (each Party agreeing to cooperate to take all Commercially Reasonable efforts that are within its reasonable control to have any such injunction or Order lifted) and no Law shall have been enacted by any Governmental Authority which prohibits the consummation of the transactions contemplated hereby;

(b) The satisfaction, discharge and payment in full of the Electric Utility Bonds will be accomplished at the Closing upon Buyer's payment of the Bond Reliance Consideration in accordance with Section 3.4(d) and all Encumbrances on the Acquired Assets that serve as security with respect to the Electric Utility Bonds, other than Permitted Encumbrances, will be released as a result thereof;

(c) FMPA's delivery of the FMPA Transfer Agreement in consideration of the FMPA Transfer Payment;

(d) OUC's delivery of the OUC Termination Agreement in consideration of receipt of the OUC Termination Payment;

(e) The execution and delivery of the Pole Agreement executed by Buyer, Seller, the School District of Indian River County and Indian River County; and

(f) The Parties are able to conduct an orderly and seamless transition from Seller to Buyer of the information systems, computer applications and processing of data for Buyer to commence conducting the Business of the Vero Beach Electric Utility as of the Closing Date pursuant to Section 6.16.

ARTICLE 8
INDEMNIFICATION AND PAYMENT FOR LOSSES

Section 8.1 Indemnification and Payment for Losses.

(a) Subject to the terms and limitations of this Article 8, from and after the Closing, Buyer shall indemnify, defend and hold harmless Seller and its elected and appointed officials, officers, employees and agents (each, a ***"Seller Indemnitee"***) from and against, and pay, reimburse and compensate each Seller Indemnitee for, any and all Covered Losses to the extent resulting from:

(i) Any breach or inaccuracy of any Buyer Fundamental Representation as of the Date of this Agreement or as of the Closing Date as though such representations or warranties were made on the Closing Date, except those representations and warranties that address matters only as of a specified date, the truth and correctness of which shall be determined as of that specified date;

(ii) any breach by Buyer of any covenant or agreement of Buyer contained in this Agreement which, by its terms, contemplates performance on or after the Closing Date;

(iii) any Assumed Liability;

(iv) any Third Party Claim against a Seller Indemnitee with respect to (A) Buyer's ownership, use or operation of the Acquired Assets or (B) Buyer's ownership, use or operation of the Vero Beach Electric Utility, in each case under clause (A) or (B), on or after the Closing Date (other than any Loss resulting from any Excluded Asset or Excluded Liability);

(v) any contribution or exacerbation by Buyer of any matter for which Seller has responsibility under Section 6.22;

(vi) any demand or Action relating to public assistance funds awarded to Seller relating to any damage caused by any hurricane or other named storm, to the extent such demand or Action relates to the transfer to or use of such funds by or on behalf of Buyer;

(vii) the presence or Release of Hazardous Substances at, on, in, under, or migrating from the Acquired Land in Fee or the real property described in the Airport Property Lease Agreements on or after the Closing Date or the Substation Equipment Operating and Dismantling Agreement, except for Seller's responsibility with respect thereto under the terms of Section 6.22 (as limited by the Aggregate Environmental Cap on Seller's responsibility set forth in Section 6.22(a)); or

(viii) the negligence or intentional misconduct by Buyer or Buyer's Representatives during their due diligence investigations, including the Phase II testing described in Section 6.22 and the activities described in Sections 6.1 and 6.2.

(b) Subject to the terms and limitations of this Article 8 and only to the extent permitted by applicable Law, after the Closing, Seller shall indemnify, defend and hold harmless Buyer and its Affiliates and its and their officers, directors, employees, shareholders and agents (each, a ***"Buyer Indemnitee"***) from and against, and pay, reimburse and compensate each Buyer Indemnitee for, any and all Covered Losses to the extent resulting from:

(i) any breach or inaccuracy of any Seller Fundamental Representation as of the Date of this Agreement or as of the Closing Date as though such representations or warranties were made on the Closing Date, except those representations and warranties that address matters only as of a specified date, the truth and correctness which shall be determined as of that specified date;

(ii) any breach by Seller of any covenant or agreement of Seller contained in this Agreement which, by its terms, contemplates performance on or after the Closing Date;

(iii) any Excluded Asset;

(iv) any Excluded Liability; or

(v) except for limitations on Seller's liability or responsibility under Section 6.22 or elsewhere in this Agreement, any Third Party Claim against a Buyer Indemnitee with respect to (A) Seller's ownership, use or operation of the Acquired Assets, or (B) Seller's ownership, use or operation of the Business of the Vero Beach Electric Utility, in each case under clause (A) or (B), prior to the Closing Date (other than any Loss resulting from any Assumed Liability).

(c) Notwithstanding anything in this Agreement to the contrary:

(i) none of the representations or warranties contained in this Agreement shall survive the Closing; except that the Seller Fundamental Representations and the Buyer Fundamental Representations shall survive the Closing indefinitely;

(ii) none of the covenants (to the extent such covenants relate to the performance of obligations prior to the Closing) contained in this Agreement shall survive the Closing; provided, however, that this Section 8.1(c)(ii) does not limit any covenant hereunder which, by its terms, contemplates performance on or after the Closing Date; and

(iii) the covenants and obligations of the Parties set forth in this Agreement which, by their terms, contemplate performance on or after the Closing Date, shall survive the Closing until the expiration, if any, of such covenants or obligations in accordance with their respective terms.

(d) The expiration or termination of any covenant or agreement in this Agreement pursuant to Section 8.1(c)(iii) shall not affect the Parties' obligations under this Section 8.1 if the Indemnitee provided the Person required to provide indemnification, or payment, reimbursement or compensation for Losses under this Article 8 (the ***"Indemnifying***

Party") with proper notice of the claim or event for which indemnification or payment, reimbursement or compensation for Losses prior to such expiration or termination.

(e) Following the Closing, the rights and remedies of Seller and Buyer under this Article 8 shall be the exclusive remedies with respect to this Agreement except for equitable remedies.

(f) Buyer shall have no rights or remedies against Seller (other than a potential right to terminate under Section 9.1(e)) for any misrepresentation by Seller or a breach of any of Seller's warranties in Article 4 of this Agreement under the terms of Section 9.1(e).

(g) Buyer shall have no rights or remedies against Seller (other than a potential right to terminate under Section 9.1(g) (and, if applicable, Buyer's rights pursuant to Section 9.2(b)) and Section 11.13) for any breach of Seller's covenants which do not survive the Closing, as provided in Section 8.1(c)(ii), under the terms of Section 9.1(g).

(h) Payments by an Indemnifying Party pursuant to Sections 8.1(a) or (b) in respect of any Covered Loss shall be limited to the amount of any Covered Loss that remains after deducting therefrom any insurance proceeds and indemnity, contribution or other similar payment received or reasonably expected to be received by an Indemnitee in respect of such Covered Loss. The Indemnitees shall use their Commercially Reasonable Efforts to recover under insurance policies or indemnity, contribution or other similar agreements for any Covered Losses prior to seeking indemnification or other recovery under Article 8 of this Agreement.

(i) In no event shall any Indemnifying Party be liable to any Seller Indemnitee or Buyer Indemnitee, as the case may be, for any punitive, incidental, consequential, special or indirect damages, including loss of future revenue or income, loss of business reputation or opportunity or diminution of value or any damages based on any type of multiple.

(j) No Losses may be claimed under the terms of Section 8.1(a) or (b) by an Indemnitee to the extent such Losses are included in the calculation of any adjustment to the Purchase Price pursuant to Section 3.3.

(k) Each Indemnified Party shall take, and cause its Affiliates to take, all reasonable steps to mitigate any Covered Loss upon becoming aware of any event or circumstance that would reasonably be expected to, or does, give rise thereto.

Section 8.2 Defense of Claims.

(a) If any Indemnitee has been notified of the assertion of any claim or of the commencement of any Action made or brought by any Person who is not a Party to this Agreement or any Affiliate of a Party to this Agreement or a Representative of any of the foregoing (a ***"Third Party Claim"***), including an information document request, against such Indemnitee with respect to which indemnification is to be sought by such Indemnitee from an Indemnifying Party, the Indemnitee shall give the Indemnifying Party reasonably prompt notice thereof, but in any event such notice shall be given within twenty (20) calendar days after the Indemnitee's having been notified of such Third Party Claim. Such notice shall describe the nature of the Third Party Claim in reasonable detail and shall indicate the estimated amount, to

the extent then known, of the Covered Loss that has been or may be sustained by the Indemnitee. The Indemnifying Party will have the right to participate in or, by giving written notice to the Indemnitee, to assume the defense of any Third Party Claim at such Indemnifying Party's expense and by such Indemnifying Party's own counsel; provided, however, that the counsel for the Indemnifying Party who shall conduct the defense of such Third Party Claim shall be reasonably satisfactory to the Indemnitee. The Indemnitee shall cooperate in good faith in such defense at such Indemnitee's own expense.

(b) (i) If, after an Indemnitee gives notice to the Indemnifying Party of any Third Party Claim, the Indemnitee is given notice by the Indemnifying Party that the Indemnifying Party has elected to assume the defense of such Third Party Claim as provided in Section 8.2(a), (A) the Indemnifying Party will not be liable for any legal expenses subsequently incurred by the Indemnitee in connection with the defense thereof, and (B) subject to Section 8.2(b)(ii), the Indemnifying Party shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make counterclaims pertaining to any such Third Party Claim in the name and on behalf of the Indemnitee. Seller and Buyer shall cooperate with each other in all reasonable respects in connection with the defense of any Third Party Claim.

(ii) Without the prior written consent of the Indemnitee, which consent shall not be unreasonably withheld, conditioned or delayed, the Indemnifying Party shall not enter into any settlement of any Third Party Claim which would result in liability or create any financial or other obligation on the part of the Indemnitee for which the Indemnitee is not entitled to indemnification, or payment, reimbursement or compensation for Losses hereunder. If a firm offer is made to settle a Third Party Claim that would result in a liability or the creation of a financial or other obligation on the part of the Indemnitee for which the Indemnitee is not entitled to indemnification, or payment, reimbursement or compensation for Losses hereunder and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give notice to the Indemnitee to that effect. If the Indemnitee fails to consent to such firm offer within twenty (20) calendar days after Indemnifying Party gives such notice to the Indemnitee, the Indemnifying Party, at its election, shall be relieved of its obligations to defend such Third Party Claim and the Indemnitee may contest or defend such Third Party Claim. In such event, the maximum Liability of the Indemnifying Party as to such Third Party Claim will be the amount of such firm offer of settlement. If the Indemnitee has assumed the defense pursuant to Section 8.2(a), it shall not agree to any settlement without the written consent of the Indemnifying Party, which consent shall not be unreasonably withheld, conditioned or delayed.

(c) Any claim by an Indemnitee on account of a Covered Loss which does not result from a Third Party Claim (a ***"Direct Claim"***) shall be asserted by giving the Indemnifying Party reasonably prompt notice thereof, stating the nature of such claim in reasonable detail and indicating the estimated amount, to the extent then known.

(d) A failure to give timely notice as provided in this Section 8.2 shall not affect the rights or obligations of either Party hereunder except to the extent, if any, that the Party which was entitled to receive such notice was actually prejudiced as a result of such failure.

(e) Payment, reimbursement or compensation of a Covered Loss shall be made by the Indemnifying Party within thirty (30) days after a final and non-appealable adjudication of such Indemnifying Party's responsibility for such Covered Loss or such Indemnifying Party's agreement in writing to accept responsibility for such Covered Loss; provided, however, that this Section 8.2(e) shall not be construed to limit or impair the Indemnifying Party's right to dispute its responsibility to indemnify or hold harmless with respect to a Covered Loss, or to assert limitations as to such responsibility, under the terms of this Agreement.

ARTICLE 9
TERMINATION

Section 9.1 Termination.

(a) This Agreement may be terminated at any time prior to the Closing by the mutual written agreement signed by Seller and Buyer.

(b) This Agreement may be terminated by Seller or Buyer, if: (i) any federal or state court of competent jurisdiction shall have issued an Order permanently restraining, enjoining or otherwise prohibiting the Closing, and such Order shall have become final and nonappealable; (ii) any Law shall have been enacted or issued by any Governmental Authority (other than Seller) which, directly or indirectly, prohibits the consummation of the Closing; or (iii) the Closing contemplated hereby shall have not occurred on or before the Termination Date; provided, however, that the right to terminate this Agreement under Section 9.1(b)(iii) shall not be available to either Party whose failure to fulfill any obligation under this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or before the Termination Date.

(c) This Agreement shall terminate if, on or before the FMPA Agreement Date, Seller and FMPA have not entered into the FMPA Transfer Agreement.

(d) This Agreement shall terminate if, on or before the OUC Termination Agreement Date, Seller and OUC have not entered into the OUC Termination Agreement.

(e) Subject to the limitations on the right to terminate this Agreement in Section 6.9, this Agreement may be terminated by Buyer if there have been one or more misrepresentations by Seller or breaches of warranty by Seller as to any representation or warranty contained in Article 4 hereof and such misrepresentations or breaches (individually or in the aggregate) constitute a Material Adverse Effect and are not cured by the earlier of the Closing Date or ninety (90) days after receipt by Seller (or by Buyer in the case of a Schedule Supplement by Seller pursuant to Section 6.9) of notice specifying particularly such misrepresentations or breaches and the amount of any alleged losses with respect thereto. In determining whether a Material Adverse Effect has occurred for purposes of this Section 9.1(e), any such misrepresentations or breaches of warranty by Seller shall be measured without regard to any Material Adverse Effect qualification in Article 4 or any Schedule Supplement. Notwithstanding the foregoing, if Buyer gives Seller notice of such misrepresentations or

breaches within ninety (90) days before the Termination Date, Seller may elect, by giving notice to Buyer prior to the Closing Date, to extend the Termination Date by up to ninety (90) days if Seller deems such additional time necessary for it to cure such misrepresentations or breaches of warranty. In the event that the ninety (90) day cure period is applicable under this Section 9.1(e), and Seller fails, within such ninety (90) days, to cure the applicable misrepresentation or breach, Buyer must exercise its right, under this Section 9.1(e), to terminate this Agreement by giving to Seller notice of such termination within ten (10) days after the end of the ninety (90) day cure period or such right to terminate will be deemed to have been waived.

(f) This Agreement may be terminated by Seller if there have been one or more material misrepresentations or material breaches of warranty as to any representations or warranties contained in Article 5 of this Agreement and such misrepresentations or breaches are not cured prior to the Closing Date. Notwithstanding the foregoing, if Seller gives Buyer notice of such misrepresentations or breaches within ninety (90) days before the Termination Date, Buyer may elect, by giving notice to Seller prior to the Closing Date, to extend the Termination Date by up to ninety (90) days if Buyer deems such additional time necessary for it to cure such misrepresentations or breaches of warranty.

(g) This Agreement may be terminated by either Party if there have been one or more material breaches by the other Party of any covenant or agreement contained in this Agreement and all of such breaches have not been cured prior to the Closing Date. Notwithstanding the foregoing, if either Party gives the breaching Party notice of any such breaches within ninety (90) days before the Termination Date, the breaching Party may elect, by giving notice to the non-breaching Party prior to the Closing Date, to extend the Termination Date by up to ninety (90) days if the breaching Party deems such additional time necessary for it to cure all of such breaches.

(h) Buyer may terminate this Agreement if permitted under the terms of Section 6.9.

(i) Either Party may terminate this Agreement, if permitted to be terminated by such Party, under the terms of Section 6.11.

(j) Buyer may terminate this Agreement if permitted under the terms of Section 6.12.

(k) Either Party may terminate this Agreement, if permitted to be terminated by such Party, under the terms of Section 6.22.

Section 9.2 Effect of Termination.

(a) In the event of a termination of this Agreement by Seller or Buyer pursuant to Section 9.1 (other than Section 9.1(a)) the terminating Party shall give prompt notice of termination to the other Party, and this Agreement shall thereupon be deemed terminated upon the giving of such notice except as otherwise provided in this Agreement as to the date of termination or deemed termination. If this Agreement is terminated pursuant to Section 9.1 (other than a termination under Section 9.1(e) or (f), or (g) because of a Willful Seller Breach or Willful Buyer Breach, as the case may be), this Agreement shall be null and void and neither

Party shall have any liability or obligation to the other Party under this Agreement (with respect to such misrepresentation or breach, or otherwise) or as a result of the termination of this Agreement; provided, however, that Buyer's obligations pursuant to Section 8.1(a)(vii) shall survive any such termination. If this Agreement is terminated as provided herein, all filings, applications and other submissions made to any Governmental Authority shall, to the extent practicable, be withdrawn from the Governmental Authority to which they were made.

(b) Notwithstanding any provision herein to the contrary, if this Agreement is terminated by Buyer pursuant to Section 9.1(e) or (g) because of an intentional and willful misrepresentation or an intentional and willful breach of warranty by Seller under Article 4, or because of an intentional and willful breach of a covenant or agreement by Seller in this Agreement (any of the foregoing being called a "***Willful Seller Breach***"), then, Seller shall pay to Buyer, by wire transfer of immediately available funds the amount of $5,000,000, which will be the aggregate amount payable by Seller with respect to any and all of such Willful Seller Breaches and will be Buyer's sole and exclusive remedy as a result of a termination of this Agreement by Buyer pursuant to Section 9.1(e) or (g); provided, however, that nothing in this Section 9.2(b) shall limit Buyer's rights under Section 11.13; and provided, further, that Buyer's obligations pursuant to Section 8.1(a)(vii) shall survive any such termination.

(c) Notwithstanding any provision herein to the contrary, if this Agreement is terminated by Seller pursuant to Section 9.1(f) or (g) because of an intentional and willful misrepresentation or an intentional and willful breach of warranty by Buyer under Article 5, or because of an intentional and willful breach of a covenant or agreement by Buyer in this Agreement (any of the foregoing being called a "***Willful Buyer Breach***"), then, Buyer shall pay to Seller, by wire transfer of immediately available funds the amount of $5,000,000, which will be the aggregate amount payable by Buyer with respect to any and all such Willful Buyer Breaches and will be Seller's sole and exclusive remedy as a result of termination of this Agreement by Buyer pursuant to Section 9.1(f) or (g); provided, however, that nothing in this Section 9.2(c) shall limit Seller's rights under Section 11.13; and provided, further, that Buyer's obligations pursuant to Section 8.1(a)(vii) shall survive any such termination.

(d) Seller and Buyer hereby acknowledge and agree that the fixed amounts payable pursuant to Sections 9.2(b) or (c) will be reasonable liquidated damages as a result of a Willful Buyer Breach or Willful Seller Breach, as the case may be. Such amount is agreed by the Parties and fixed hereunder by the Parties as liquidated damages because of the difficulty of ascertaining the exact amount of such Losses that will actually be sustained by the non-breaching Party as a result of the Willful Buyer Breach or Willful Seller Breach, as the case may be, and the Parties hereby agree that the amounts specified in Sections 9.2(b) and (c), respectively, are a reasonable estimate of the non-breaching Party's probable Losses (and not a penalty) and that they shall be applicable regardless of the amount of the Losses that the non-breaching Party actually sustains.

ARTICLE 10
PARTIAL SALE AGREEMENT

Section 10.1 Execution and Delivery.

Contemporaneously with the execution and delivery of this Agreement, Seller and Buyer have executed and delivered to each other an Asset Purchase Agreement with respect to the sale by Seller, and purchase by Buyer, of the assets of that portion of Seller's electric distribution system located in Indian River Shores, Florida (the "**Partial Sale Agreement**").

Section 10.2 Termination of Partial Sale Agreement.

In the event that the Closing occurs under this Agreement, the Partial Sale Agreement will terminate and be deemed null and void.

Section 10.3 Transaction Under Partial Sale Agreement.

In the event that:

(a) the Closing under this Agreement does not occur on or before the Termination Date; or

(b) this Agreement is terminated;

and the termination of this Agreement is not the result of a Willful Buyer Breach or Willful Seller Breach, then the transaction under the Partial Sale Agreement will proceed pursuant to the terms and conditions of the Partial Sale Agreement.

ARTICLE 11
MISCELLANEOUS PROVISIONS

Section 11.1 Amendment and Modification.

This Agreement may not be amended, modified or supplemented, except by written agreement of Seller and Buyer.

Section 11.2 Waiver of Compliance; Consents.

Any term or condition of this Agreement may be waived at any time by the Party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the Party waiving such term or condition. Except as otherwise provided herein, the failure of a Party to this Agreement to assert any of its rights under this Agreement or otherwise shall not constitute a waiver of such rights. A waiver by a Party of the performance of any covenant, condition, representation or warranty of the other Party shall not invalidate this Agreement, nor shall such waiver be construed as a waiver of any other covenant, condition, representation or warranty. A waiver by a Party of the time for performing any act shall not constitute a waiver of the time for performing any other act or the time for performing an identical act required to be performed at a later time.

Section 11.3 Third Party Beneficiaries.

This Agreement is intended solely for the benefit of the Parties and their respective successors or permitted assigns, and is not intended by the Parties to confer third-party beneficiary rights upon any other Person, including any employee or any beneficiaries or dependents thereof. No provision of this Agreement shall create any third party beneficiary rights in any employee or former employee of Seller (including any beneficiary or dependent thereof) in respect of continued employment or resumed employment, and no provision of this Agreement shall create any rights in any such Persons in respect of any benefits that may be provided, directly or indirectly, under any employee benefit plan or arrangement except as expressly provided for thereunder.

Section 11.4 Notices.

All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally or by overnight courier or sent by registered or certified mail (return receipt requested), postage prepaid, to the recipient Party at its address (or at such other address for a Party, or to the attention of such other individual or office holder, as shall be specified by like notice; provided, however, that any notice of a change of address (or the individual or office holder to whose attention such notice is to be given) shall be effective only upon receipt thereof):

(a) If to Seller, to:

City of Vero Beach
1053 20th Place
Vero Beach, FL 32960
Attention: City Manager

with copies to:

City of Vero Beach
1053 20th Place
Vero Beach, FL 32960
Attention: City Attorney

-and-

Nathaniel L. Doliner, Attorney at Law
Carlton Fields
P.O. Box 3239
Tampa, FL 33601
(if by mail)

-or-

4221 West Boy Scout Boulevard
Tampa, FL 33607
(if by other than mail)

-and-

if to Buyer, to:

Florida Power & Light Company
700 Universe Boulevard EMT/JB
Juno Beach, FL 33408
Attention: EMT Contracts Department

with a copy to:

Florida Power & Light Company
700 Universe Boulevard JB/Law
Juno Beach, FL 33408
Attention: General Counsel

A notice delivered personally or by courier, under the terms of this Section, will be deemed given when received. A notice sent by mail will be deemed given five (5) days after mailing in accordance with this Section.

Section 11.5 Seller Disclosure Schedules.

The Seller Disclosure Schedules shall be arranged in separate parts corresponding to the numbered and lettered sections in Article 4 hereof. The information disclosed in any schedule of the Seller Disclosure Schedules shall be deemed to be a representation of Seller as if set forth in Article 4 hereof. Disclosure of any matter in the Seller Disclosure Schedule shall not constitute an admission or raise any inference that such matter constitutes a violation of Law or an admission of liability or facts supporting liability.

Section 11.6 Assignment.

Neither this Agreement nor any right, interest or obligation hereunder may be assigned or delegated by either Party without the prior written consent of the other Party, except that, from and after the Closing, Buyer may (without the consent of Seller) assign this Agreement or assign or delegate all or any portion of Buyer's rights, interests or obligations hereunder to any Affiliate of Buyer or any Person providing financing to Buyer or any of its Affiliates, but no such assignment shall release Buyer of its obligations under this Agreement. Subject to this Section 11.6, this Agreement is binding upon, inures to the benefit of and is enforceable by the Parties and their respective successors and permitted assigns.

Section 11.7 Governing Law; Venue; and No Jury Trial.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including matters of validity, construction, effect, performance and remedies.

(b) THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS RELATED TO THE SUBJECT MATTER OF THIS AGREEMENT SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT.

(c) EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES HERETO TO ENTER INTO THIS AGREEMENT, AND SHALL SURVIVE THE CLOSING OR TERMINATION OF THIS AGREEMENT.

Section 11.8 Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 11.9 Schedules and Exhibits.

Except as otherwise provided in this Agreement, all Exhibits and Schedules (including Seller Disclosure Schedules) referred to herein are intended to be and hereby are specifically made a part of this Agreement.

Section 11.10 Entire Agreement.

This Agreement and the Ancillary Agreements, including the Exhibits, Schedules, documents, certificates and instruments referred to herein or therein, including the Partial Sale Agreement, embody the entire agreement and understanding of the Parties hereto in respect of the transactions contemplated by this Agreement and shall supersede all previous oral and written agreements and understandings and all contemporaneous oral negotiations, representations, warranties, commitments and understandings including (a) that certain Letter of Intent dated May 16, 2017, between Seller and Buyer, as amended, and (b) all documents or communications, whether oral, written or electronic, submitted or made by (i) Buyer or any of its representatives to Seller or any of its representatives or (ii) Seller or any of its representatives to Buyer or any of its representatives, in connection with the sale process that occurred prior to the execution of this Agreement or otherwise in connection with the negotiation and execution of this Agreement (except for the Contribution Agreement described in this Section above).

Section 11.11 No Joint Venture.

Nothing in this Agreement creates or is intended to create an association, trust, partnership, joint venture or other entity or similar legal relationship between the Parties, or imposes a trust, partnership or fiduciary duty, obligation or liability on or with respect to the Parties.

Section 11.12 Change in Law.

If and to the extent that any Laws (other than Laws of Seller) that govern any aspect of this Agreement shall change, so as to make any aspect of the transaction described in this Agreement unlawful, then the Parties agree to make such modifications to this Agreement as may be reasonably necessary for this Agreement to accommodate any such legal or regulatory changes, without materially changing the overall benefits or consideration expected hereunder by either Party.

Section 11.13 Specific Performance.

Each Party acknowledges and agrees that the other Party would be damaged irreparably in the event any of the provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached. Accordingly, each Party agrees that the other Party shall be entitled to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce specifically this Agreement and the terms and provisions hereof in addition to any other remedy to which it may be entitled, at law or in equity. For the avoidance of doubt, if a Party seeks and is granted specific performance of the obligations of a breaching Party under this Agreement and the Closing occurs in the manner contemplated by this Agreement, then rather than the non-breaching Party terminating this Agreement under Section 9.2(b) or Section 9.2(c), as the case may be, then the breaching Party shall not be obligated to make the payments contemplated by Sections 9.2(b) or Section 9.2(c), as the case may be.

Section 11.14 Severability.

If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future Law, and if the rights or obligations of any Party under this Agreement will not be materially and adversely affected thereby, such provision will be fully severable, this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement and in lieu of such illegal, invalid or unenforceable provision, Seller and Buyer shall negotiate in good faith to restore insofar as practicable the benefits to each party that were affected by such holding and to include as a part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.

Section 11.15 Radon Gas.

Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time.

Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

[Signatures appear on the following page]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized officers as of the date first above written.

FLORIDA POWER & LIGHT COMPANY

By: Pamela Rauch

Legal Review Completed

Name: Pamela M. Rauch

Title: Vice President, External Affairs & Economic Development

(Seal)

ATTEST:

Tammy K. Bursick
City Clerk

CITY OF VERO BEACH, FLORIDA

Laura Moss
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only–Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Wayne R. Coment
City Attorney

Approved as conforming to municipal policy:

James R. O'Connor
City Manager

EXHIBIT A-1

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (the "***Agreement***"), dated as of this _____ day of _____, 201_, is made and entered into by and between the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida ("***Assignor***"), and FLORIDA POWER & LIGHT COMPANY, a corporation organized under the laws of the State of Florida ("***Assignee***"). Assignor and Assignee are referred to herein individually as a ***"Party,"*** and collectively as the ***"Parties."***

W I T N E S S E T H:

WHEREAS, Assignor and Assignee have entered into an Asset Purchase and Sale Agreement, dated as of [___], 201_ (the "***PSA***");

WHEREAS, pursuant to Section 2.3 of the PSA, at the Closing, Buyer is required to execute and deliver this Agreement, pursuant to which Buyer shall assume and agree to pay, perform and discharge when due, all of the Assumed Liabilities, as defined in the PSA.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

1. Definitions. All capitalized terms used, but not defined herein, shall have the meanings ascribed to such terms in the PSA.

2. Assignment and Assumption. Subject to the terms and conditions of this Agreement and the PSA, Assignor hereby sells and assigns to Assignee all of Assignor's right, title and interest in and to the Assumed Liabilities, and Assignee hereby assumes and agrees to pay, perform and discharge when due, all of the Assumed Liabilities.

4. Effective Time. This Agreement shall be effective as of the Effective Time.

5. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

6. No Modification. This Agreement is made pursuant to, and is subject to the terms of, the PSA. Notwithstanding anything to the contrary contained in this Agreement, nothing contained herein is intended to or shall be deemed to limit, restrict, modify, alter, amend or otherwise change in any manner the rights and obligations of Assignor or Assignee under the PSA, and in the event of any conflict between the terms and provisions hereof and the terms and provisions of the PSA, the terms and provisions of the PSA shall control. Assignee

acknowledges that Assignor makes no representation or warranty with respect to the Assumed Contracts or Assumed Liabilities except as specifically set forth in the PSA.

7. Section Headings. The descriptive headings herein are inserted for convenience only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

8. Governing Law; Venue; and No Jury Trial.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies.

(b) THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS RELATED TO THE SUBJECT MATTER OF THIS AGREEMENT SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT.

(c) EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES HERETO TO ENTER INTO THIS AGREEMENT, AND SHALL SURVIVE THE CLOSING.

[Signature Page Follows]

The Parties have caused this Agreement to be signed by their respective duly authorized officers as of the day and year first set forth above.

ASSIGNOR:

ATTEST:	CITY OF VERO BEACH, FLORIDA
_____	_____
Name: City Clerk	Name: Mayor
(City Seal)	
Approved as to form and legal sufficiency:	Approved as conforming to municipal policy:
_____	_____
Name: City Attorney	Name: City Manager

ASSIGNEE:

FLORIDA POWER & LIGHT COMPANY

By:_____

Name: _____

Title: _____

Exhibit A-2

Form of Assignment and Assumption of Easements

[*Exhibit begins on the following page.*]

This instrument was prepared by and after recording return to:

Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (this "***Assignment***") is dated as of [_____], 201_, and is made and entered into by and between the **CITY OF VERO BEACH, FLORIDA**, a municipal corporation organized under the laws of the State of Florida ("***Assignor***"), and **FLORIDA POWER & LIGHT COMPANY**, a corporation organized under the laws of the State of Florida ("***Assignee***"). Assignor and Assignee are referred to herein individually as a "***Party***," and collectively as the "***Parties***."

WITNESSETH:

WHEREAS, Assignor and Assignee have entered into an Asset Purchase and Sale Agreement, dated as of [____], 201_ (the "***PSA***"), pursuant to which Assignor has agreed to assign to Assignee all of its right, title and interest in and to the Easements (as such term is defined in the PSA) as may be needed for the provision of electric power, including those described in Schedule 1 attached hereto, and Assignee has agreed to assume all of the obligations of Assignor arising under the Easements assigned to Assignee pursuant to this Assignment arising on and after the Effective Date; and

WHEREAS, some Easements may be used by Assignor for multiple purposes, and Assignor reserves to itself rights, as may be permitted by the Easements, to use the Easements for municipal uses other than the provision of electric power, including, without limitation, water, sewer, and communications; and

WHEREAS, Assignor and Assignee desire to enter into this Assignment to effect such assignment and assumption and to provide notice to third parties of same by recording this Assignment in the Public Records of the counties in which the Easements were recorded.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Assignor and Assignee agree as follows:

1. Definitions. All capitalized terms used, but not defined herein, shall have the meanings ascribed to such terms in the PSA.

2. Acceptance and Assumption. Subject to the terms and conditions of this Assignment and the PSA, Assignor hereby assigns, transfers, sells, conveys and delivers to Assignee all of Assignor's right, title and interest in and to the Easements as may be needed for the provision of electric power, and Assignee hereby assumes, and agrees to pay and perform and discharge when due, all of Assignor's obligations under the Easements arising on and after the Effective Time other than costs associated with Assignor's exercise of its reserved rights as set forth in Section 3 of this Assignment.

3. Reservation of Rights for Municipal Services or Uses. Assignor reserves to itself the rights, as may be permitted by the terms of any of the Easements, to use the Easements for municipal uses other than the provision of electric power, including, without limitation, water, sewer and communications. Assignee acknowledges and agrees to such continuing rights of Assignor to the Easements.

4. Recordation of Assignment. Assignor and Assignee shall take such action as is reasonably necessary to promptly record this Assignment in the Public Records of the counties in the State of Florida where the Easements, or memoranda thereof, have been recorded.

5. Effective Time. This Assignment shall be effective as of the Effective Time.

6. Counterparts. This Assignment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

7. No Modification. This Assignment is made pursuant to, and is subject to the terms of, the PSA. Notwithstanding anything to the contrary contained in this Assignment, nothing contained herein is intended to or shall be deemed to limit, restrict, modify, alter, amend or otherwise change in any manner the rights and obligations of Assignor or Assignee under the PSA, and in the event of any conflict between the terms and provisions hereof and the terms and provisions of the PSA, the terms and provisions of the PSA shall control. Assignee acknowledges that Assignor makes no representation or warranty with respect to the Easements or Assumed Liabilities except as specifically set forth in the PSA.

8. Section Headings. The descriptive headings herein are inserted for convenience only and are not intended to be part of or to affect the meaning or interpretation of this Assignment.

10. Governing Law; Venue; and No Jury Trial.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies.

(b) THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS RELATED TO THE SUBJECT MATTER OF

THIS AGREEMENT SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT.

(c) EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES HERETO TO ENTER INTO THIS AGREEMENT, AND SHALL SURVIVE THE CLOSING.

[Signature Page Follows]

Assignor and Assignee have caused this Assignment to be signed by their respective duly authorized officers as of the day and year first set forth above.

ASSIGNOR:

ATTEST:

_____
Name:
City Clerk

CITY OF VERO BEACH, FLORIDA

_____
Name:
Mayor

(City Seal)

Approved as to form and legal sufficiency:

_____
Name:
City Attorney

Approved as conforming to municipal policy:

_____
Name:
City Manager

WITNESSES:

_____
Print name:_____

_____
Print name:_____

ASSIGNEE:

FLORIDA POWER & LIGHT COMPANY, a Florida corporation

(corp. seal)

By:_____
Name:_____
Title:_____

ASSIGNOR ACKNOWLEDGEMENT

STATE OF FLORIDA)
) SS
COUNTY OF _____)

On this, the ___ day of _____, 201_, before me, a Notary Public in and for the State of Florida, personally appeared _____, who is personally known to me or who provided _____ as identification, and who acknowledged himself/herself to be an authorized representative of the City of Vero Beach, and that he/she, as such representative, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of the City of Vero Beach by himself/herself as such.

Given under my hand and official seal, this ___ day of _____, A.D. 201_.

_____
Notary Public

ASSIGNEE ACKNOWLEDGEMENT

STATE OF FLORIDA)
) SS
COUNTY OF _____)

On this, the ___ day of _____, 201_, before me, a Notary Public in and for the State of Florida, personally appeared _____, who is personally known to me or who provided _____ as identification, and who acknowledged himself/herself to be an authorized officer of Florida Power & Light Company, and that he/she, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of the Florida Power & Light Company by himself/herself as such.

Given under my hand and official seal, this ___ day of _____, A.D. 201_.

_____
Notary Public

Schedule 1

[LIST OF EASEMENTS]

EXHIBIT B

FORM OF BILL OF SALE

BILL OF SALE AND ASSIGNMENT

This BILL OF SALE AND ASSIGNMENT (this "***Bill of Sale***") is made this _____ day of _____, 201_, by and between the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida ("***Seller***"), and FLORIDA POWER & LIGHT COMPANY, a corporation organized under the laws of the State of Florida ("***Buyer***"). Seller and Buyer are referred to herein individually as a ***"Party,"*** and collectively as the ***"Parties."***

W I T N E S S E T H:

WHEREAS, Buyer and Seller have entered into an Asset Purchase and Sale Agreement, dated as of [___], 201_ (the "***PSA***"), pursuant to which, upon the terms and subject to the conditions set forth therein, among other things, Seller has agreed to sell, assign, convey, transfer and deliver to Buyer, and Buyer has agreed to purchase and acquire from Seller, the Acquired Assets, as defined in the PSA.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Definitions. All capitalized terms used, but not defined herein, shall have the meanings ascribed to such terms in the PSA.

2. Sale, Transfer and Assignment. Subject to the terms and conditions of this Bill of Sale and the PSA, Seller does hereby irrevocably and unconditionally sell, assign, transfer and deliver to Buyer all of Seller's right, title and interest in and to the Acquired Assets that constitute personal property, and Buyer hereby accepts such sale, assignment, transfer and delivery.

3. Effective Time. This Bill of Sale shall be effective as of the Effective Time.

4. No Modification. This Bill of Sale is made pursuant to, and is subject to the terms of, the PSA. Notwithstanding anything to the contrary contained in this Bill of Sale, nothing contained herein is intended to or shall be deemed to limit, restrict, modify, alter, amend or otherwise change in any manner any of the representations, warranties, rights or obligations of Seller or Buyer under the PSA, and in the event of any conflict between the terms and provisions hereof and the terms and provisions of the PSA, the terms and provisions of the PSA shall control.

5. Counterparts. This Bill of Sale may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

6. Section Headings. The descriptive headings herein are inserted for convenience only and are not intended to be part of or to affect the meaning or interpretation of this Bill of Sale.

7. Governing Law; Venue; and No Jury Trial.

(a) This Bill of Sale shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies.

(b) THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS RELATED TO THE SUBJECT MATTER OF THIS BILL OF SALE SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT.

(c) EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS BILL OF SALE OR THE TRANSACTIONS CONTEMPLATED HEREBY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES HERETO TO ENTER INTO THIS BILL OF SALE, AND SHALL SURVIVE THE CLOSING.

[Signature Page Follows]

The Parties have caused this Bill of Sale to be signed by their respective duly authorized officers as of the date first above written.

SELLER:

ATTEST:

CITY OF VERO BEACH, FLORIDA

_____
Name:
City Clerk

_____
Name:
Mayor

(City Seal)

Approved as to form and legal sufficiency:

Approved as conforming to municipal policy:

_____
Name:
City Attorney

_____
Name:
City Manager

BUYER:

FLORIDA POWER & LIGHT COMPANY

By: _____

Name: _____

Title: _____

Exhibit C

Form of Special Warranty Deed

[*Exhibit begins on the following page.*]

This Instrument Prepared by and return to:

Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

Substation 3:

Tax Parcel ID Number: 33-39-05-00000-1000-00001.0

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into as of the ____ day of _____, 201__, by CITY OF VERO BEACH, a municipal corporation organized under the laws of the State of Florida (the "Grantor"), whose address 1053 20th Place, Vero Beach, FL 32960, to FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Grantee"), whose address is 700 Universe Boulevard, Juno Beach, FL 33408.

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, all that certain parcel of land lying and being in the County of Indian River, State of Florida, as more particularly on Exhibit "A" attached hereto and made a part hereof (the "Property").

To have and to hold, the same in fee simple forever.

SUBJECT TO: Taxes and assessments for the year ____ and all subsequent years; all applicable governmental, zoning, land use conservation and environmental ordinances, restrictions, and prohibitions and other requirements imposed by governmental authority; and the Permitted Encumbrances described in Exhibit "B" attached hereto and made a part hereof.

And the said Grantor hereby covenants with Grantee that Grantor has good right, full power, and lawful authority to sell and convey said land, and hereby warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever, claiming by, through or under the Grantor, but against no others.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed the day and year first above written.

ATTEST:	**CITY OF VERO BEACH, FLORIDA**
_____	By:_____
Printed Name:_____	Printed Name:_____
Title:_____	Title:_____

STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, who:

☐ are personally known to me, or

☐ have produced _____ as identification.

_____
Notary Public — State of Florida
Printed Name:_____
(Notary Seal) My Commission Expires:_____

Approved as to form and legal sufficiency:

_____
Printed Name:_____
Title:_____

SUBJECT TO REVISION

EXHIBIT "A"

That portion of the Northeast quarter (NE ¼) of the Northeast quarter (NE ¼) of Section 5, Township 33 South, Range 39 East, Indian River County, Florida, being more particularly described as follows:

Beginning at a point that is 30.00 feet South of and 25.00 feet West of the Northeast corner of said Section 5;

Thence South and parallel with the East line of said Section 5 a distance of 235.00 feet;

Thence West and parallel with the North line of said Section 5 a distance of 367.95 feet;

Thence North and parallel with the said East line of Section 5 a distance of 235.00 feet to a point, said point being 30 feet South of, as measured perpendicular to, the said North line of Section 5;

Thence East and parallel with the said North line of Section 5 a distance of 367.95 feet to the POINT OF BEGINNING;

LESS AND EXCEPT:

The East 35.00 feet thereof for additional road right-of-way purposes.

CHICAGO TITLE INSURANCE AGENCY, INC.

-

EXHIBIT "B"

Permitted Encumbrances

[Permitted Encumbrances, as defined in the Asset Purchase and Sale Agreement, will be supplied]

This Instrument Prepared by and return to:

Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

Substation 7

Tax Parcel ID Number 33-39-04-00001-0120-00004.0

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into as of the ____ day of _____, 201__, by CITY OF VERO BEACH, a municipal corporation organized under the laws of the State of Florida (the "Grantor"), whose address 1053 20th Place, Vero Beach, FL 32960, to FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Grantee"), whose address is 700 Universe Boulevard, Juno Beach, FL 33408.

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, all that certain parcel of land lying and being in the County of Indian River, State of Florida, as more particularly on Exhibit "A" attached hereto and made a part hereof (the "Property").

To have and to hold, the same in fee simple forever.

SUBJECT TO: Taxes and assessments for the year ____ and all subsequent years; all applicable governmental, zoning, land use conservation and environmental ordinances, restrictions, and prohibitions and other requirements imposed by governmental authority; and the Permitted Encumbrances described in Exhibit "B" attached hereto and made a part hereof.

And the said Grantor hereby covenants with Grantee that Grantor has good right, full power, and lawful authority to sell and convey said land, and hereby warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever, claiming by, through or under the Grantor, but against no others.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed the day and year first above written.

ATTEST:	**CITY OF VERO BEACH, FLORIDA**
_____	By:_____
Printed Name:_____	Printed Name:_____
Title:_____	Title:_____

STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, who:

☐ are personally known to me, or

☐ have produced _____ as identification.

_____
Notary Public — State of Florida
Printed Name:_____
(Notary Seal) My Commission Expires:_____

Approved as to form and legal sufficiency:

_____
Printed Name:_____
Title:_____

SUBJECT TO REVISION

EXHIBIT "A"

A parcel of land being a portion of Tracts 12 and 13, Section 4, Township 33 South, Range 39 East, Indian River County, Florida, according to the last general plat of lands of the INDIAN RIVER FARMS COMPANY SUBDIVISION, recorded in Plat Book 2, Page 25, of the Public Records of St. Lucie County, Florida, said lands now situate, lying and being in Indian River County, Florida, being more particularly described as follows:

From the Southwest corner of said Tract 12, run East along the South line of said Tract 12 a distance of 30 feet to the East right-of-way of Kings Highway and POINT OF BEGINNING; thence run North on a line parallel to the West line of said Tract 12 a distance of 50 feet; thence run East parallel to the South line of said Tract 12 a distance of 242.05 feet; thence run South on a line parallel to the West line of said Tract 12 and Tract 13, a distance of 199.35 feet to the North right-of-way of the Main Relief Canal; thence run Southwest along said canal right-of-way a distance of 258.70 feet to the East right-of-way of Kings Highway; thence run North along said East right-of-way a distance of 245.45 feet to the POINT OF BEGINNING.

CHICAGO TITLE INSURANCE AGENCY, INC.

EXHIBIT "B"

Permitted Encumbrances

[Permitted Encumbrances, as defined in the Asset Purchase and Sale Agreement, will be supplied]

This Instrument Prepared by and return to:

Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

Substation 8

Tax Parcel ID Number: 33-39-13-00000-5000-0004.0

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into as of the ____ day of _____, 201__, by CITY OF VERO BEACH, a municipal corporation organized under the laws of the State of Florida (the "Grantor"), whose address 1053 20th Place, Vero Beach, FL 32960, to FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Grantee"), whose address is 700 Universe Boulevard, Juno Beach, FL 33408.

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, all that certain parcel of land lying and being in the County of Indian River, State of Florida, as more particularly on Exhibit "A" attached hereto and made a part hereof (the "Property").

To have and to hold, the same in fee simple forever.

SUBJECT TO: Taxes and assessments for the year ____ and all subsequent years; all applicable governmental, zoning, land use conservation and environmental ordinances, restrictions, and prohibitions and other requirements imposed by governmental authority; and the Permitted Encumbrances described in Exhibit "B" attached hereto and made a part hereof.

And the said Grantor hereby covenants with Grantee that Grantor has good right, full power, and lawful authority to sell and convey said land, and hereby warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever, claiming by, through or under the Grantor, but against no others.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed the day and year first above written.

ATTEST:	**CITY OF VERO BEACH, FLORIDA**
_____	By:_____
Printed Name:_____	Printed Name:_____
Title:_____	Title:_____

STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, who:

☐ are personally known to me, or

☐ have produced _____ as identification.

_____
Notary Public — State of Florida
Printed Name:_____
(Notary Seal) My Commission Expires:_____

Approved as to form and legal sufficiency:

_____
Printed Name:_____
Title:_____

SUBJECT TO REVISION

EXHIBIT "A"

Two (2) parcels of land lying in Section 13, Township 33 South, Range 39 East, Indian River County, Florida, being more particularly described as follows:

Parcel 1

Commencing at the Southeast corner of the Southwest quarter of Section 13, Township 33 South, Range 39 East, Indian River County, Florida; run North along the quarter Section line a distance of 399.84 feet to the POINT OF BEGINNING; thence continue North along the quarter Section line a distance of 200.0 feet to a point on the South right-of-way line of the South Relief Canal; thence run Southwesterly along said South right-of-way line a distance of 200.0 feet; thence run South and parallel to the aforesaid quarter Section line a distance of 200.0 feet; thence run Northeasterly and parallel to the aforesaid South right-of-way line a distance of 200.0 feet to the POINT OF BEGINNING.

Parcel 2

Beginning at the intersection of the South right of way of the South Relief Canal with the West line of the Southwest one-quarter of the Southeast one-quarter of Section 13, Township 33 South, Range 39 East, Indian River County, Florida; thence run Northeasterly along said South right of way line a distance of 240.0 feet; thence run South and parallel to said West line of Southwest one-quarter of Southeast one-quarter a distance of 337.0 feet; thence run West a distance of 230.97 feet to a point on the said West line of Southwest one-quarter of Southeast one-quarter; said point lying 271.78 feet South of the point of beginning; thence run North along said West line a distance of 271.78 feet to the POINT OF BEGINNING.

CHICAGO TITLE INSURANCE AGENCY, INC.

EXHIBIT "B"

Permitted Encumbrances

[Permitted Encumbrances, as defined in the Asset Purchase and Sale Agreement, will be supplied]

This instrument Prepared by and return to:

Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

Substation 9

Tax Parcel ID Number 32-40-18-00000-0100-00001.0

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into as of the ____ day of _____, 201__, by CITY OF VERO BEACH, a municipal corporation organized under the laws of the State of Florida (the "Grantor"), whose address 1053 20th Place, Vero Beach, FL 32960, to FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Grantee"), whose address is 700 Universe Boulevard, Juno Beach, FL 33408.

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, all that certain parcel of land lying and being in the County of Indian River, State of Florida, as more particularly on Exhibit "A" attached hereto and made a part hereof (the "Property").

To have and to hold, the same in fee simple forever.

SUBJECT TO: Taxes and assessments for the year ____ and all subsequent years; all applicable governmental, zoning, land use conservation and environmental ordinances, restrictions, and prohibitions and other requirements imposed by governmental authority; and the Permitted Encumbrances described in Exhibit "B" attached hereto and made a part hereof.

And the said Grantor hereby covenants with Grantee that Grantor has good right, full power, and lawful authority to sell and convey said land, and hereby warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever, claiming by, through or under the Grantor, but against no others.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed the day and year first above written.

ATTEST:	**CITY OF VERO BEACH, FLORIDA**
_____	By:_____
Printed Name:_____	Printed Name:_____
Title:_____	Title:_____

STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, who:

☐ are personally known to me, or

☐ have produced _____ as identification.

_____
Notary Public — State of Florida
Printed Name:_____
(Notary Seal) My Commission Expires:_____

Approved as to form and legal sufficiency:

_____
Printed Name:_____
Title:_____

SUBJECT TO REVISION

EXHIBIT "A"

The Southeast one acre of Government Lot 10, Section 18, Township 32 South, Range 40 East, Indian River County, Florida, shown as the Water Plant Site on the Plat of Fred R. Tuerk Drive as filed in Plat Book 7, Page 86, of the Public Records of Indian River County, Florida, LESS AND EXCEPT therefrom that portion thereof conveyed to the Town of Indian River Shores by Quit Claim Deed recorded in Official Records Book 884, Page 2669, of the Public Records of Indian River County, Florida.

EXHIBIT "B"

Permitted Encumbrances

[Permitted Encumbrances, as defined in the Asset Purchase and Sale Agreement, will be supplied]

This Instrument Prepared by and return to:

Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

Substation 10

Tax Parcel ID Number 33-40-05-00008-0001-00000.2
Tax Parcel ID Number 33-40-05-00008-0001-00000.4

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into as of the ____ day of _____, 201__, by CITY OF VERO BEACH, a municipal corporation organized under the laws of the State of Florida (the "Grantor"), whose address 1053 20th Place, Vero Beach, FL 32960, to FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Grantee"), whose address is 700 Universe Boulevard, Juno Beach, FL 33408.

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, all that certain parcel of land lying and being in the County of Indian River, State of Florida, as more particularly on Exhibit "A" attached hereto and made a part hereof (the "Property").

To have and to hold, the same in fee simple forever.

SUBJECT TO: Taxes and assessments for the year ____ and all subsequent years; all applicable governmental, zoning, land use, conservation and environmental ordinances, restrictions, and prohibitions and other requirements imposed by governmental authority; and the Permitted Encumbrances described in Exhibit "B" attached hereto and made a part hereof.

And the said Grantor hereby covenants with Grantee that Grantor has good right, full power, and lawful authority to sell and convey said land, and hereby warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever, claiming by, through or under the Grantor, but against no others.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed the day and year first above written.

ATTEST:	**CITY OF VERO BEACH, FLORIDA**
_____	By:_____
Printed Name:_____	Printed Name:_____
Title:_____	Title:_____

STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, who:

☐ are personally known to me, or

☐ have produced _____ as identification.

_____
Notary Public — State of Florida
Printed Name:_____
(Notary Seal) My Commission Expires:_____

Approved as to form and legal sufficiency:

_____
Printed Name:_____
Title:_____

SUBJECT TO REVISION

EXHIBIT "A"

That portion of Tract A, PELICAN COVE, according to the Plat thereof, as recorded in Plat Book 3, Page 75, of the Public Records of Indian River County, Florida, being more particularly described as follows:

From the Northeast corner of Government Lot 7, Section 5, Township 33 South, Range 40 East, Indian River County, Florida, run Westerly along the North boundary of said Government Lot 7 a distance of 45 feet to the West right-of-way line of Avenue "K", said point being the Northeast corner of said Tract A;

thence run South 0° 4' 32" East along the West right-of-way line of Avenue "K", which said line is also the East boundary line of said Tract A, a distance of 277.76 feet to the POINT OF BEGINNING;

thence continue along the said West right-of-way line of Avenue "K" and the East boundary line of said Tract A in a Southerly direction, a distance of 173.00 feet;

thence run South 89° 56' 28" West, a distance of 140.48 feet to the West boundary line of said Tract A, which is also the East boundary line of State Road A1A;

thence run North 16° 54' 02" West along the Western boundary line of said Tract A, which is also the Easterly right-of-way line of said State Road, a distance of 178.05 feet;

thence run parallel to the North boundary line of said Tract A on a line which bears North 89° 10' 05" East, a distance of 192.37 feet to the POINT OF BEGINNING.

CHICAGO TITLE INSURANCE AGENCY, INC.

EXHIBIT "B"

Permitted Encumbrances

[Permitted Encumbrances, as defined in the Asset Purchase and Sale Agreement, will be supplied]

This Instrument Prepared by and return to:

Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

Substation 11

Tax Parcel ID Number: 33-40-16-00000-0030-00017.0
Tax Parcel ID Number: 33-40-17-00000-0020-00004.0.

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into as of the ____ day of _____, 201__, by CITY OF VERO BEACH, a municipal corporation organized under the laws of the State of Florida (the "Grantor"), whose address 1053 20th Place, Vero Beach, FL 32960, to FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Grantee"), whose address is 700 Universe Boulevard, Juno Beach, FL 33408.

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, all that certain parcel of land lying and being in the County of Indian River, State of Florida, as more particularly on Exhibit "A" attached hereto and made a part hereof (the "Property").

To have and to hold, the same in fee simple forever.

SUBJECT TO: Taxes and assessments for the year ____ and all subsequent years; all applicable governmental, zoning, land use conservation and environmental ordinances, restrictions, and prohibitions and other requirements imposed by governmental authority; and the Permitted Encumbrances described in Exhibit "B" attached hereto and made a part hereof.

And the said Grantor hereby covenants with Grantee that Grantor has good right, full power, and lawful authority to sell and convey said land, and hereby warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever, claiming by, through or under the Grantor, but against no others.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed the day and year first above written.

ATTEST:	**CITY OF VERO BEACH, FLORIDA**
_____	By:_____
Printed Name:_____	Printed Name:_____
Title:_____	Title:_____

STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, who:

☐ are personally known to me, or

☐ have produced _____ as identification.

_____
Notary Public — State of Florida
Printed Name:_____
(Notary Seal) My Commission Expires:_____

Approved as to form and legal sufficiency:

_____
Printed Name:_____
Title:_____

EXHIBIT "A"

SUBJECT TO REVISION

The North one-half (N ½) of Government Lot 3, Section 16, Township 33 South, Range 40 East, Indian River County, Florida, lying West of State Highway A-1-A, less the North 546.245 feet thereof; and the North one-half (N ½) of Government Lot 2, Section 17, Township 33 South, Range 40 East, Indian River County, Florida, less the North 546.245 feet thereof, and also, the South 10 acres of the North 40 acres of Government Lot 2, Section 17, Township 33 South, Range 40 East, Indian River County, Florida.

EXHIBIT "B"

Permitted Encumbrances

[Permitted Encumbrances, as defined in the Asset Purchase and Sale Agreement, will be supplied]

This Instrument Prepared by and return to:
Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

Substation 20

Tax Parcel ID Number (Parcel 1):	**33-40-31-00000-5000-00002.1**
Tax Parcel ID Number (Parcel 2):	**33-40-31-00000-5000-00001.1 and 33-40-31-00000-5000-00002.0**
Tax Parcel ID Number (Parcels 3, 4 and 5):	**33-39-36-00005-0002-00001.0** **33-39-36-00005-0003-00001.00** **33-40-31-00000-5000-00004.1**

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into as of the ____ day of _____, 201__, by CITY OF VERO BEACH, a municipal corporation organized under the laws of the State of Florida (the "Grantor"), whose address 1053 20th Place, Vero Beach, FL 32960, to FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Grantee"), whose address is 700 Universe Boulevard, Juno Beach, FL 33408.

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, all that certain parcel of land lying and being in the County of Indian River, State of Florida, as more particularly on Exhibit "A" attached hereto and made a part hereof (the "Property").

To have and to hold, the same in fee simple forever.

SUBJECT TO: Taxes and assessments for the year ____ and all subsequent years; all applicable governmental, zoning, land use conservation and environmental ordinances, restrictions, and prohibitions and other requirements imposed by governmental authority; and the Permitted Encumbrances described in Exhibit "B" attached hereto and made a part hereof.

And the said Grantor hereby covenants with Grantee that Grantor has good right, full power, and lawful authority to sell and convey said land, and hereby warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever, claiming by, through or under the Grantor, but against no others.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed the day and year first above written.

ATTEST:	**CITY OF VERO BEACH, FLORIDA**
_____	By:_____
Printed Name:_____	Printed Name:_____
Title:_____	Title:_____

STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, who:

☐ are personally known to me, or

☐ have produced _____ as identification.

_____
Notary Public — State of Florida
Printed Name:_____
(Notary Seal) My Commission Expires:_____

Approved as to form and legal sufficiency:

_____
Printed Name:_____
Title:_____

SUBJECT TO REVISION

EXHIBIT "A"

Five (5) parcels of land lying in Section 31, Township 33 South, Range 40 East, Indian River County, Florida, and Section 36, Township 33 South, Range 39 East, Indian River County, Florida, being more particularly described as follows:

Parcel 1

The South 404.00 feet of the Southwest one-quarter (SW ¼) of Section 31, Township 33 South, Range 40 East, Indian River County, Florida, lying East of the East right-of-way line of Lateral "J" Canal, LESS AND EXCEPT therefrom the East 25 feet thereof for road right-of-way purposes.

Parcel 2

Easement for the benefit of Parcel 1 over, under and across the following described parcel of land:

An easement 40 feet in width lying parallel and adjacent to the East right-of-way line of the Lateral "J" Canal extending from the North line of said Southwest one-quarter (SW ¼) South to a point 416.82 feet North of the South line of said Southwest one-quarter (SW ¼) as measured along the said right-of-way line of Lateral "J" Canal in Section 31, Township 33 South, Range 40 East, Indian River County, Florida.

Parcel 3

Tract "B", VERO BEACH HIGHLANDS UNIT FIVE, according to the Plat thereof, as recorded in Plat Book 8, Page 56, of the Public Records of Indian River County, Florida.

Parcel 4

Tract "C", VERO BEACH HIGHLANDS UNIT FIVE, according to the Plat thereof, as recorded in Plat Book 8, Page 56, of the Public Records of Indian River County, Florida.

Parcel 5

The North 25 feet of the South 145 feet of the Southwest one-quarter (SW ¼) of Section 31, Township 33 South, Range 40 East, Indian River County, Florida, lying West of the West right-of-way line of Lateral "J" Canal, LESS AND EXCEPT therefrom the West 40 feet thereof for road right-of-way purposes.

CHICAGO TITLE INSURANCE AGENCY, INC.

EXHIBIT "B"

Permitted Encumbrances

[Permitted Encumbrances, as defined in the Asset Purchase and Sale Agreement, will be supplied]

AND

1. Use limitations and conditions contained in the unrecorded Fort Pierce-Vero Beach Tie –Line Agreement dated May 5, 1992 and amendments thereto, as made subject to in each of the Quit-claim Deeds of on-half interest in the subject property by the City of Vero Beach, Florida, a municipal corporation to the City of Fort Pierce, a municipal corporation, for the use and benefit of he Fort Pierce Utilities Authority, dated March 16, 1994, recorded October 7, 1994, in Official Records Book 1036, page 190, in Official Records Book 1036, Page 192 and in Official Records Book 1036, Page 194, all of te Public Records of Indian River County, Florida.

This Instrument Prepared by and return to:

Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

St. Lucie County Parcels

Tax Parcel ID Number (Parcel 1):	**1406-211-0002-010.4**
Tax Parcel ID Number (Parcel 2):	**1406-211-0001-010.7**
Tax Parcel ID Number (Parcel 3):	**1406-121-0001-000.8**
Tax Parcel ID Number (Parcel 3):	**1406-121-0002-000.5**
Tax Parcel ID Number Parcel 3):	**1406-210-0000-000.4**
Tax Parcel ID Number Parcels A and B):	**1310-412-0002-000.4**

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into as of the ____ day of _____, 201__, by CITY OF VERO BEACH, a municipal corporation organized under the laws of the State of Florida (the "Grantor"), whose address 1053 20th Place, Vero Beach, FL 32960, to FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Grantee"), whose address is 700 Universe Boulevard, Juno Beach, FL 33408.

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, an undivided one half interest in that certain parcel of land lying and being in the County of Indian River, State of Florida, as more particularly on Exhibit "A" attached hereto and made a part hereof (the "Property").

To have and to hold, the same in fee simple forever.

SUBJECT TO: Taxes and assessments for the year ____ and all subsequent years; all applicable governmental, zoning, land use conservation and environmental ordinances, restrictions, and prohibitions and other requirements imposed by governmental authority; and the Permitted Encumbrances described in Exhibit "B" attached hereto and made a part hereof.

And the said Grantor hereby covenants with Grantee that Grantor has good right, full power, and lawful authority to sell and convey said land, and hereby warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever, claiming by, through or under the Grantor, but against no others.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed the day and year first above written.

ATTEST:	**CITY OF VERO BEACH, FLORIDA**
_____	By:_____
Printed Name:_____	Printed Name:_____
Title:_____	Title:_____

STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, who:

☐ are personally known to me, or

☐ have produced _____ as identification.

_____
Notary Public — State of Florida
Printed Name:_____
My Commission Expires:_____

(Notary Seal)

Approved as to form and legal sufficiency:

_____
Printed Name:_____
Title:_____

EXHIBIT "A"

SUBJECT TO REVISION

An undivided one half interest in the following property:

Two (2) parcels of land lying in the North one-half (N ½) of the Southeast one-quarter (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida, more particularly described as follows:

Parcel A

The South 200 feet of the South 863.18 feet of the North (N ½) of the Southeast (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida, LESS the West 60 feet and the East 775 feet thereof.

Parcel B

The West 40 feet of the East 775 feet of the North 460 feet of the South 660 feet of the North (N ½) of the Southeast (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida.

AND

An undivided one half interest in the following property:

Three (3) parcels of land lying in Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida, more particularly described as follows:

Parcel 1

The North 60 feet of the West one-half (W ½) of the East two-fifths (E 2/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 19, as shown on Location Map "A" as drawn by McLaughlin Engineering Co., dated April 8, 1966.)

Parcel 2

The North 60 feet of the East one-fifth (E 1/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 20, as shown on Location Map "A" as drawn by McLaughlin Engineering Co., dated April 8, 1966.)

Parcel 3

Easement created by Easement Deed granted by Violet Klatt and Bill R. Winchester, as a majority of the Special Trustees of the Revocable Trust Agreement created by Ernest F. Klatt, also known as Ernest Klatt, dated May 18, 1990, in favor of the City of Vero Beach, a municipal corporation of the State of Florida, said Easement dated March 18, 1993, recorded April 2, 1993, in Official Records Book **834**, Page **2265**, in the Public Records of St. Lucie County, Florida, over, across and upon the following described property situate in the County of St. Lucie, State of Florida and being more particularly bounded and described as follows:

The North 60 feet of the West one-third (W 1/3) of the East three-fifths (E 3/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 18, as shown on Location Map "A" as drawn by McLaughlin Engineering Co., dated April 8, 1966.)

AND

The North 35 feet of the West 235 feet of the Northwest one-quarter (NW ¼) of the Northwest one-quarter (NW ¼) of the Northeast one-quarter (NE ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida.

AND

The North 60 feet of the Northwest one-quarter (NW ¼) of the Northwest one-quarter (NW ¼) of the Northeast one-quarter (NE ¼), LESS the West 235 feet thereof, in Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida.

AND

The North 60 feet of the Northeast one-quarter (NE ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida, lying West of the West right-of-way line of U.S. Highway No. 1, LESS the Northwest one-quarter NW ¼) of the Northwest one-quarter (NW ¼) of the Northeast one-quarter (NE ¼) thereof in said Section 6.

Subject to the terms, provisions and conditions set forth in said Easement Deed.

CHICAGO TITLE INSURANCE AGENCY, INC.

EXHIBIT "B"

Permitted Encumbrances

[Permitted Encumbrances, as defined in the Asset Purchase and Sale Agreement, will be supplied]

AND

1. Subject to the limitations and conditions contained in that certain unrecorded Fort Pierce – Vero Beach Tie-Line Agreement dated May 5, 1992, as amended, as made subject to in a Quite-Claim Deed of one-half interest in the subject property by the City of Vero Beach, Florida, a municipal corporation to the city of Fort Pierce, a municipal corporation for the use and benefit of Fort Pierce Utilities Authority, dated March 16, 1994, recorded October 5, 1994 in Official Records Book 923, Page 644 of the Public Records of Indian River County, Florida.

EXHIBIT D

OWNER'S AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, (the "Seller"), ("Seller" refers to singular or plural as context requires) who, first being duly sworn, deposes and says that, to the actual awareness of the City Manager of the City of Vero Beach without investigation:

A. OWNER'S AFFIDAVIT

1. Seller is the owner of the following described property (the "Property"):

   All those certain parcels of land lying and being in the County of Indian River, State of Florida, as more particularly described on Exhibit "A" attached hereto and made a part hereof (the "Property").

2. There is no outstanding contract for the sale of the property to any person or persons whomsoever, nor any unrecorded deed, mortgage or other conveyances affecting the title to the Property.

3. There are no liens, encumbrances, mortgages, claims, boundary line or other disputes, demands or security interests in, on or against the Property; that there are no unpaid taxes, levies, assessments, paving liens or utility liens against the Property (other than real estate taxes for the current year).

4. There have been no improvements made upon the Property within the past ninety (90) days for which there remain any outstanding and unpaid bills for labor, materials or supplies for which a lien or liens might be claimed by anyone.

5. There are no matters pending against Seller which could give rise to a lien that would attach to the Property during the period of time between the effective date of the title insurance commitment and the time of recording of the instruments evidencing the Buyer's fee simple or other interests in the Property; and that the Seller has not executed and will not execute any instrument that would adversely affect the title to the Property from the date of this Affidavit forward.

6. There are no judgments, claims, disputes, demands or other matters pending against Seller that could attach to the Property.

7. Except as may be described in Chicago Title Insurance Company Commitment No. ____, Seller is in sole constructive or actual possession of the Property and no other person has any right to possession of the Property, or asserts any claim of title or other interests in it.

8. Seller represents there are no violations of governmental laws, regulations or ordinances pertaining to the use of the Property.

Seller states that this instrument is given for the express purpose of inducing CHICAGO TITLE INSURANCE AGENCY, INC. as agent for CHICAGO TITLE INSURANCE COMPANY to insure title to said property and may be relied upon solely by CHICAGO TITLE INSURANCE AGENCY, INC. as agent

OWNER'S AFFIDAVIT - Page 2

for CHICAGO TITLE INSURANCE COMPANY. This Affidavit is made under the full understanding of the law regarding liability for any misrepresentation herein.

OWNER'S AFFIDAVIT - Page 3

Dated this ___day of _____, 2013.

:
ATTEST:

By: _____

Printed Name: _____

Title: _____

CITY OF VERO BEACH, FLORIDA

By: _____

Printed Name: _____

Title: _____

STATE OF FLORIDA)
ss:
COUNTY OF INDIAN RIVER)

Sworn and subscribed before me this ____ day of _____, 2013 by _____,

as _____, and attested by _____,

as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized

under the laws of the State of Florida, on behalf of said municipal corporation, who:

are personally known to me, or

have produced _____ as identification.

NOTARY RUBBER STAMP SEAL

_____
Notary Signature

_____
Print Name

Approved as to form and legal sufficiency:

By: _____

Printed Name: _____

Title: _____

113093572.2
113120871.1

EXHIBIT E

Form of Franchise Ordinance

EXHIBIT E

ORDINANCE NO. 2017-_____

AN ORDINANCE OF THE CITY OF VERO BEACH, FLORIDA, GRANTING TO FLORIDA POWER & LIGHT COMPANY AN ELECTRIC UTILITY FRANCHISE WITHIN THE CITY OF VERO BEACH; ESTABLISHING TERMS AND CONDITIONS RELATING THERETO; PROVIDING FOR CONFLICT AND SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Vero Beach, Florida ("City") owns and operates an electric utility in Indian River County, Florida, and wishes to exit the electric utility business; and

WHEREAS, Florida Power & Light Company ("FPL") is a public utility and desires to purchase and assume from the City, and the City desires to sell and assign to FPL, certain electric utility assets and certain associated liabilities upon the terms and conditions set forth in that certain Asset Purchase and Sale Agreement, dated as of October [_____], 2017, by and between the City, as seller, and FPL, as buyer (the "Agreement"); and

WHEREAS, the City and FPL desire for FPL to provide retail electric service to the City's electric utility customers, commencing on the day that FPL purchases from the City such electric utility assets upon the terms and conditions set forth in the Agreement (the "Closing Date"); and

WHEREAS, in connection with the purchase of such electric utility assets and the assumption of such associated liabilities pursuant to the Agreement, the City and FPL have agreed that, on or prior to the Closing Date, the City will adopt this Franchise Ordinance providing for the payment of fees by FPL to the City effective on and after the Closing Date in exchange for the nonexclusive right and privilege of supplying retail

electricity and providing other retail electric utility-related services incidental thereto, within the City free of competition from the City, pursuant to certain terms and conditions set forth herein;

WHEREAS, the City owns and will own certain streets, avenues, alleys, wharves, bridges, public thoroughfares, public grounds, and rights-of-way within the City municipal incorporated boundaries; and

WHEREAS, the City Council for the City finds that the franchise provided for in this Franchise Ordinance and the provisions thereof are in the public interest and serve a municipal purpose,

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE COUNCIL OF THE CITY OF VERO BEACH, FLORIDA:

Section 1.

The preceding recitals are (i) hereby ratified as true and correct and incorporated herein, and (ii) form the purpose and legislative intent of this Franchise Ordinance.

Section 2.

There is hereby granted to FPL, its successors and assigns (hereinafter called the "Grantee"), for the period of 30 years from the Closing Date (alternatively referred to herein as the "Effective Date"), the nonexclusive right, privilege and franchise (hereinafter called "Franchise") to construct, operate and maintain in, under, upon, along, over and across the present and future roads, streets, alleys, bridges, public easements, rights-of-way and other public places (hereinafter called "public rights-of-way") throughout all of the incorporated areas, as such incorporated areas may be constituted from time to time, of the City and its successors (hereinafter called the

"Grantor"), in accordance with the Grantee's customary practice with respect to construction and maintenance, electric light and power facilities, including, without limitation, conduits, poles, wires, transmission and distribution lines, and all other facilities installed in conjunction with or ancillary to all of the Grantee's operations (herein called "facilities"), for the purpose of supplying electricity and other services to the Grantor and its successors, the inhabitants thereof, any and all other Customers (as defined in the Agreement) and other persons beyond the city limits of the Grantor.

Section 3.

The facilities of the Grantee shall be installed, located or relocated so as to not unreasonably interfere with traffic over the public rights-of-way or with reasonable egress from and ingress to abutting property. To avoid such conflicts, the location or relocation of all facilities shall be made as representatives of the Grantor may prescribe in accordance with the Grantor's reasonable rules and regulations with reference to the placing and maintaining in, under, upon, along, over and across said public rights-of-way; provided, however, that such rules or regulations (a) shall not prohibit the exercise of the Grantee's right to use said public rights-of-way for reasons other than unreasonable interference with motor vehicular traffic; (b) shall not unreasonably interfere with the Grantee's ability to furnish reasonably sufficient, adequate and efficient electric service to all of its customers; and (c) shall not require the relocation of any of the Grantee's facilities installed before or after the Effective Date in public rights-of-way unless or until widening or otherwise changing the configuration of the paved portion of any public right-of-way used by motor vehicles causes such installed facilities to unreasonably interfere with motor vehicular traffic. Such rules and regulations shall recognize that above-grade facilities of the Grantee installed after the Effective Date

should be installed near the outer boundaries of the public rights-of-way to the extent possible. When any portion of a public right-of-way is excavated by the Grantee in the location or relocation of any of its facilities, the portion of the public right-of-way so excavated shall within a reasonable time be replaced by the Grantee at its expense and in as good condition as it was at the time of such excavation. The Grantor shall not be liable to the Grantee for any cost or expense in connection with any relocation of the Grantee's facilities required under subsection (c) of this Section, except, however, the Grantee shall be entitled to reimbursement of its costs from others as may be provided by law.

Section 4.

The Grantor shall in no way be liable or responsible for any accident or damage that may occur in the construction, operation or maintenance by the Grantee of its facilities hereunder, and the acceptance of this Franchise Ordinance shall be deemed an agreement on the part of the Grantee to indemnify the Grantor and hold it harmless against any and all liability, loss, cost, damage or expense, including reasonable attorney and paralegal fees and expert costs, which may accrue to the Grantor or the Grantor may incur by reason of the negligence, default, or misconduct of the Grantee in the construction, operation, or maintenance of its facilities hereunder.

Section 5.

All rates and rules and regulations established by the Grantee from time to time shall be subject to such regulation as may be provided by law.

Section 6.

As a consideration for this Franchise, the Grantee shall pay to the Grantor, commencing 90 days after the Effective Date and each month thereafter for the

remainder of the term of this Franchise (and for two months thereafter due to the lag between collection and payment by Grantee), an amount which added to the amount of all licenses, excises, fees, charges, and other impositions of any kind whatsoever (except ad valorem property taxes and non-ad valorem tax assessments on property), levied or imposed by the Grantor against the Grantee's property, business, or operations and those of its subsidiaries during the Grantee's monthly billing period ending 60 days prior to each such payment, will equal six percent (6%) of the Grantee's billed revenues, less actual write-offs, from the sale of electrical energy to residential, commercial, and industrial customers (as such customers are defined by FPL's tariff) within the incorporated areas of the Grantor for the monthly billing period ending 60 days prior to each such payment, and in no event shall payment for the rights and privileges granted herein exceed six percent (6%) of such revenues for any monthly billing period of the Grantee (such monthly amount, as calculated pursuant to this paragraph, the "Monthly Payment.")

The Grantor understands and agrees that such revenues as described in the preceding paragraph are limited to the precise revenues described therein, and that such revenues do not include, by way of example and not limitation: (a) revenues from the sale of electrical energy for Public Street and Highway Lighting (service for lighting public ways and areas); (b) revenues from Other Sales to Public Authorities (service with eligibility restricted to governmental entities); (c) revenues from Sales to Railroads and Railways (service supplied for propulsion of electric transit vehicles); (d) revenues from Sales for Resale (service to other utilities for resale purposes); (e) franchise fees; (f) Late Payment Charges; (g) Field Collection Charges; (h) other service charges.

If during the term of this Franchise Ordinance the Grantee enters into a franchise with any other municipality or other governmental entity located in Indian River County, Brevard County, or St. Lucie County, the terms of which provide for the payment of franchise fees by the Grantee at a rate greater than 6% of the Grantee's residential, commercial, and industrial revenues under the same terms and conditions as specified in Section 6 hereof, the Grantee, upon written request of the Grantor, shall negotiate and enter into a new franchise with the Grantor in which the percentage to be used in calculating monthly payments under Section 6 utilizing the same terms and conditions as set forth in Section 6 hereof shall be that greater rate provided for such other municipality or other governmental entity within Indian River County, Brevard County, or St. Lucie County; provided, however, that if the franchise with such other municipality or other governmental entity contains additional benefits given to Grantee in exchange for the increased franchise rate, which such additional benefits are not contained in this Franchise Ordinance, such new franchise shall include those additional benefits to the Grantee.

Section 7.

As a further consideration, during the term of this Franchise Ordinance or any extension thereof, the Grantor agrees: (a) not to engage in the distribution and/or sale, in competition with the Grantee, of electric capacity and/or electric energy to any ultimate consumer of electric utility service (herein called a "retail customer") or to any electrical distribution system established solely to serve any retail customer formerly served by the Grantee; (b) not to participate in any proceeding or contractual arrangement, the purpose or terms of which would be to obligate the Grantee to

transmit and/or distribute, electric capacity and/or electric energy from any third party(ies) to any other retail customer's facility(ies); and (c) not to seek to have the Grantee transmit and/or distribute electric capacity and/or electric energy generated by or on behalf of the Grantor at one location to the Grantor's facility(ies) at any other location(s). Nothing specified herein shall prohibit the Grantor from engaging with other utilities or persons in wholesale transactions which are subject to the provisions of the Federal Power Act. Nothing herein shall prohibit the Grantor, if permitted by law, (i) from purchasing electric capacity and/or electric energy from any other person, or (ii) from seeking to have the Grantee transmit and/or distribute to any facility(ies) of the Grantor electric capacity and/or electric energy purchased by the Grantor from any other person; provided, however, that before the Grantor elects to purchase electric capacity and/or electric energy from any other person, the Grantor shall notify the Grantee. Such notice shall include a summary of the specific rates, terms and conditions which have been offered by the other person and identify the Grantor's facilities to be served under the offer. The Grantee shall thereafter have ninety (90) days to evaluate the offer and, if the Grantee offers rates, terms, and conditions which are equal to or better than those offered by the other person, the Grantor shall be obligated to continue to purchase from the Grantee electric capacity and/or electric energy to serve the previously-identified facilities of the Grantor for a term no shorter than that offered by the other person. If the Grantee does not agree to rates, terms and conditions which are equal to or better than the other person's offer, then Grantor may proceed with the other person's offered sale and purchase arrangement and all of the terms and conditions of this Franchise shall remain in effect.

Section 8.

If the Grantor grants a right, privilege or franchise to any other person or otherwise enables any other such person to construct, operate or maintain electric light and power facilities within any part of the incorporated areas of the Grantor in which the Grantee may lawfully serve or compete on terms and conditions which the Grantee determines are more favorable than the terms and conditions contained herein, the Grantee may at any time thereafter terminate this Franchise Ordinance if such terms and conditions are not remedied within the time period provided hereafter. The Grantee shall give the Grantor at least one hundred and fifty (150) days advance written notice of its intent to terminate. Such notice shall, without prejudice to any of the rights reserved for the Grantee herein, advise the Grantor of such terms and conditions that it considers more favorable. The Grantor shall then have one hundred and fifty (150) days in which to correct or otherwise remedy the terms and conditions complained of by the Grantee. If the Grantee determines that such terms or conditions are not remedied by the Grantor within said time period, the Grantee may terminate this Franchise Ordinance by delivering written notice to the Grantor's City Manager and termination shall be effective on the date of delivery of such notice.

Section 9.

If as a direct or indirect consequence of any legislative, regulatory or other action by the United States of America or the State of Florida (or any department, agency, authority, instrumentality or political subdivision of either of them), any person is permitted to provide electric service within the incorporated areas of the Grantor to a customer then being served by the Grantee, or to any new applicant for electric service

within any part of the incorporated areas of the Grantor in which the Grantee may lawfully serve, and the Grantee reasonably determines that its obligations hereunder, or otherwise resulting from this Franchise Ordinance in respect to rates and service, place it at a competitive disadvantage with respect to such other person, the Grantee may, at any time after the taking of such action, terminate this Franchise Ordinance if such competitive disadvantage is not remedied within the time period provided hereafter. The Grantee shall give the Grantor at least one hundred and fifty (150) days advance written notice of its intent to terminate. Such notice shall, without prejudice to any of the rights reserved for the Grantee herein, advise the Grantor of the consequences of such action which resulted in the competitive disadvantage. The Grantor shall then have one hundred and fifty (150) days in which to correct or otherwise remedy the competitive disadvantage. If such competitive disadvantage is not remedied by the Grantor within said time period, the Grantee may terminate this Franchise Ordinance by delivering written notice to the Grantor's City Manager and termination shall take effect on the date of delivery of such notice. Nothing contained herein shall be construed as constraining Grantor's rights to legally challenge Grantee's reasonable determination of competitive disadvantage leading to termination under this section.

Section 10.

Failure on the part of the Grantee to comply in any substantial respect with any of the provisions of this Franchise shall be grounds for forfeiture, but no such forfeiture shall take effect if the reasonableness or propriety thereof is protested by the Grantee until there is a final determination (after the expiration or exhaustion of all rights of appeal) by a court of competent jurisdiction that the Grantee has failed to comply in a

substantial respect with any of the provisions of this Franchise, and the Grantee shall have six months after such final determination to make good the default before a forfeiture shall result, with the right of the Grantor at its discretion to grant such additional time to the Grantee for compliance as necessities in the case require. Such final determination by a court of competent jurisdiction, including any final appellate determination or ruling, shall allow Grantor to proceed with its choice of remedies, provided, however, that the Grantor may, in its discretion, grant such additional time to the Grantee for compliance as the Grantor determines are in the best interests of Grantor and Grantor's citizens. Non substantial or non-material defaults or failures by the Grantee shall be remediable pursuant to any available legal remedies.

Section 11.

Failure on the part of the Grantor to comply in substantial respect with any of the provisions of this Ordinance, including, but not limited to: (a) denying the Grantee use of public rights-of-way for reasons other than unreasonable interference with motor vehicular traffic; (b) imposing conditions for use of public rights-of-way contrary to Florida law or the terms and conditions of this Franchise; (c) unreasonable delay in issuing the Grantee a use permit, if any, to construct its facilities in public rights-of-way, may constitute breach of this Franchise and entitle the Grantee to withhold all or part of the payments provided for in Section 6 hereof until such time as a use permit is issued. However, no such breach shall take effect if the reasonableness or propriety thereof is protested by the Grantor until there is a final determination (after the expiration or exhaustion of all rights of appeal) by a court of competent jurisdiction that the Grantor has failed to comply in a substantial respect with any of the provisions of the Franchise,

and the Grantor shall have thirty (30) days after such final determination to make good the default before a breach shall result, with the right of the Grantee at its discretion to grant such additional time to the Grantor for compliance as necessities in this case require. The Grantor recognizes and agrees that nothing in this Ordinance constitutes or shall be deemed to constitute a waiver of the Grantee's delegated sovereign right of condemnation and that the Grantee, in its sole discretion, may exercise such right.

Section 12.

Upon the Grantor's annexation of any property and appropriate written notice to Grantee, the portion of Grantee's electrical system located within such annexed territory, and in, under, over, and upon the streets, alleys, rights-of-way, or public grounds of such annexed territory, shall be subject to all the terms of this Franchise Ordinance within ninety (90) days of the Grantee's receiving written notice by U.S. certified mail return receipt requested of such annexation from the Grantor, which notice shall include the legal description(s) of the property annexed and the addresses of the individual properties within the annexed property to the extent that information is available to the Grantor.

Section 13 .

The Grantor may, upon reasonable written notice and within ninety (90) days after each anniversary date of this Franchise Ordinance, at the Grantor's expense, examine the records of the Grantee relating to the calculation of the franchise payment for the year preceding such anniversary date. Such examination shall be during normal business hours at the Grantee's office where such records are maintained. Records not prepared by the Grantee in the ordinary course of business may be provided at the

Grantor's expense and as the Grantor and the Grantee may agree in writing. Information identifying the Grantee's customers by name or their electric consumption shall not be taken from the Grantee's premises. Such audit shall be impartial and all audit findings, whether they decrease or increase payment to the Grantor, shall be reported to the Grantee. The Grantor's right to examine the records of the Grantee in accordance with this Section shall not be conducted by any third party employed by the Grantor whose fee, in whole or part, for conducting such audit is contingent on findings of the audit. In the event the audit reveals that an underpayment or overpayment of franchise fees under the terms of this Franchise Ordinance has occurred, Grantor or Grantee, respectively, shall pay the other the amount of the underpayment or overpayment within a reasonable period of time under the circumstances.

Section 14.

If any of the provisions of Sections 2, 3, 4, 6, 7, 8, 9, 10, 11, or 12 are found or adjudged to be invalid, void or of no effect by a court of competent jurisdiction, this Franchise Ordinance shall be null and void and of no force and effect. If any other section, sentence, clause or phrase of this Ordinance is held to be invalid or unconstitutional by any court of competent jurisdiction, said holding in no way shall affect the validity of the remaining portions of this Ordinance.

Section 15.

As used herein "person" means an individual, a partnership, a corporation, a business trust, a joint stock company, a trust, an incorporated association, a joint venture, a governmental authority or any other entity of whatever nature.

Section 16.

In the event any provision of this Franchise Ordinance conflicts or is inconsistent with any provision of the Code of the City or any other Ordinance or resolution of the City, the provisions of this Franchise Ordinance shall apply and supersede on the subject matter of this Franchise Ordinance.

The failure of either party to insist on any one or more instances upon the strict performance of any one or more of the terms or provisions of this Franchise Ordinance shall not be construed as a waiver or relinquishment of that instance or for any instance in the future of any such term or provision, and the same term or provision shall continue in full force and effect. No waiver or relinquishment shall be deemed to have been made by either party unless said waiver or relinquishment is in writing signed by the parties.

In the event that any legal proceeding is brought to enforce the terms of this Franchise Ordinance, the legal proceeding shall be brought in Indian River County, Florida.

Except in exigent circumstances, all notices by either Grantor or Grantee to the other shall be made by either depositing such notice in the United States Mail, Certified Mail return receipt requested. Any notice served by certified mail return receipt requested shall be deemed delivered five (5) days after the date of such deposit in the United States mail unless otherwise provided. All notices shall be addressed as follows:

To Grantor: City Manager;

To Grantee: General Counsel.

Section 17.

This Franchise Ordinance, being of limited scope and applicability, shall not be codified in the Code of the City of Vero Beach.

Section 18.

As a condition precedent to the taking effect of this Ordinance, the Grantee shall file its acceptance hereof with the Grantor's Clerk within 30 days of adoption of this Ordinance. The "Effective Date" of this Ordinance shall be the Closing Date, a condition of which shall be the filing with the Grantor's City Clerk of acceptance of this Ordinance by the Grantee on or before the Closing Date.

****

This Ordinance was read for the first time on the ___ day of _____ 2017, and was advertised on the ___ day of _____ 2017, for a public hearing to be held on the ___ day of 2017, at the conclusion of which hearing it was moved for adoption by Councilmember _____, seconded by Councilmember _____, and adopted by the following vote of the City Council:

ATTEST:

Print Name:_____
City Clerk

(CITY SEAL)

Approved as to form and
legal sufficiency:

Print name:_____
City Attorney

CITY OF VERO BEACH, FLORIDA

Print Name:_____
Mayor

Approved as conforming to
municipal policy:

Print name:_____
City Manager

EXHIBIT F

Form of Termination of Agreements

EXHIBIT F

FORM OF TERMINATION OF AGREEMENTS

THIS TERMINATION OF AGREEMENTS (this "***Agreement***"), dated as of [___], 201_, is made and entered into by and between the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida ("***Seller***"), and FLORIDA POWER & LIGHT COMPANY, a corporation organized under the laws of the State of Florida ("***Buyer***"). Seller and Buyer are referred to herein individually as a "***Party***," and together as the "***Parties***."

W I T N E S S E T H:

WHEREAS, Seller and Buyer have entered into an Asset Purchase and Sale Agreement, dated as of [___], 2017, for the sale and purchase of substantially all of the assets of Seller's electric system (the "***APA***");

WHEREAS, Seller and Buyer have heretofore entered into [(i) that certain Territorial Boundary Agreement, dated June 11, 1980, as amended prior to the date hereof, and (ii) that certain Joint Use Agreement, dated July 5, 1956, as supplemented by that certain Supplemental Joint Use Agreement, dated January 29, 1964, and as the same may have been further amended prior to the date hereof][1] (such agreements and all amendments thereto, collectively the "***Applicable Agreements***");

WHEREAS, pursuant to the terms of the APA, Seller and Buyer are required to terminate the Applicable Agreements; and

WHEREAS, this Agreement effectuates the termination by Seller and Buyer of the Applicable Agreements;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

1. Definitions. All capitalized terms used, but not defined herein, shall have the meanings ascribed to such terms in the APA.

2. Termination of Applicable Agreements. Provided that the Closing occurs: (a) the Applicable Agreements are each terminated effective as of the Effective Time; (b) as of the Effective Time the Applicable Agreements will be of no further force or effect; and (c) neither of the Parties will have any further rights against, or obligations or liabilities to, the other Party or to any other Person under either of the Applicable Agreements, all of which rights, obligations and liabilities are hereby released and waived by the Parties.

[1] NTD: Subject to confirmation.

4. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

5. Section Headings. The descriptive headings herein are inserted for convenience only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

6. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS RELATED TO THE SUBJECT MATTER OF THIS AGREEMENT SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT. EACH OF THE PARTIES IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS AGREEMENT, AND SHALL SURVIVE THE CLOSING.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized officers as of the day and year first set forth above.

SELLER:

ATTEST:

CITY OF VERO BEACH, FLORIDA

_____

Name:
City Clerk

_____

Name:
Mayor

(City Seal)

Approved as to form and legal sufficiency:

Approved as conforming to municipal policy:

_____

Name:
City Attorney

_____

Name:
City Manager

BUYER:

FLORIDA POWER & LIGHT COMPANY

By: _____

Name: _____

Title: _____

Exhibit I-1A

Form of Airport 5 Substation Lease Agreement and Memorandum of Lease

[*Exhibit begins on the following page.*]

Prepared by and return to:
Nathaniel L. Doliner
Carlton Fields
4221 W. Boy Scout Blvd., Ste. 1000
Tampa, Florida 33607-5780

AIRPORT SUBSTATION 5 LEASE AGREEMENT

THIS AIRPORT SUBSTATION 5 LEASE AGREEMENT (the "**Lease**"), made and entered into as of [_____ __], 201[__] (the "**Effective Date**") is between THE CITY OF VERO BEACH, FLORIDA, a Florida municipal corporation (herein called "**Landlord**"), with an address of 1053 20th Place, Vero Beach, FL 32960, and FLORIDA POWER & LIGHT COMPANY, a Florida corporation (herein called "**Tenant**"), with an address of 700 Universe Boulevard, Juno Beach, FL 33408. Landlord and Tenant are sometimes together referred to herein as the "**Parties**" and individually as a "**Party.**"

RECITALS

A. As of the Effective Date, Landlord has sold, assigned and conveyed certain electric utility assets of Landlord to Tenant, and Tenant has commenced providing retail electric service to the City of Vero Beach's electric utility customers as contemplated under that certain Asset Purchase and Sale Agreement, dated [_____], 201[__], by and between Landlord and Tenant (the "**Asset Purchase and Sale Agreement**"). As used in this Lease, the "**Vero Beach Electric Utility**" means the electric utility system of electricity transmission and distribution owned or operated by Tenant providing retail electric service to the City of Vero Beach's electric utility customers on and after the Effective Date.

B. In order to provide retail electric services to the electric utility customers as contemplated by the Asset Purchase and Sale Agreement, Tenant desires to lease from Landlord, and Landlord desires to lease to Tenant, for use exclusively as an electrical substation, the real property more commonly known as "**Substation #5**" (the "**Substation**") and more particularly described and depicted on attached **Exhibit "A"** made a part hereof, together with all improvements and fixtures located thereon, and all appurtenances pertaining thereto (collectively, the "**Premises**").

C. To provide ingress and egress for the Premises during the Term, as defined below, Landlord desires to provide a temporary non-exclusive access easement (the "**Access Easement**") in favor of Tenant and benefitting the Premises, across property adjacent to the Premises, as legally described and depicted on **Exhibit "B"** attached hereto and made a part hereof (the "**Access Parcel**").

D. It is intended that the Rent provided for in this Lease shall be absolutely net to Landlord throughout the Term, free of any taxes, costs, utilities, insurance expenses, liabilities,

charges or other deductions whatsoever with respect to the Premises and Access Parcel and the operation, maintenance, repair, rebuilding, use or occupation thereof all of which shall be Tenant's sole responsibility during the entire Term.

NOW THEREFORE, in consideration of and subject to the terms, covenants, agreements, provision and limitations set forth in this Lease, Landlord and Tenant agree as follows:

1. Recitals. The above-stated recitals are true and correct and are incorporated herein by this reference.

2. Lease of Premises. Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord. Tenant will rely exclusively upon its own investigation into the title relating to the Premises and the Access Parcel and Landlord makes no warranty of title relating to the Premises or the Access Parcel. Tenant's leasehold and easement interest in the Premises and Access Parcel pursuant to this Lease is made subject to the Permitted Encumbrances (as defined in the Asset Purchase and Sale Agreement).

3. Access to Premises. Landlord grants and conveys to Tenant, its permitted successors and assigns under this Lease, for the duration of the Term, the Access Easement benefitting the Premises and providing ingress and egress to and from the Premises over and across the Access Parcel. This Lease also includes the right, during the Term, as defined below, to use all existing easements and appurtenances, if any, benefitting the Premises and necessary or now used to operate the Substation. Such existing easements benefitting the Premises and the Access Easement granted by this Lease are herein referred to collectively as the "**Easements**".

(a) **Nature of the Easements**. All Easements shall be non-exclusive, appurtenant to the Premises, shall run with the Premises, and shall continue in full force and effect for the Term and any extension or diminution thereof unless a shorter period is provided in any instrument creating any such Easement. Tenant's rights in or to the Easements shall terminate on the Expiration Date, defined below.

(b) **Non-Interference with Easements**. Landlord covenants and agrees not to use the Access Parcel in a way that interferes with Tenant's operation of the Substation.

4. Triple Net Lease. This is a triple net lease and the Rent required to be paid to Landlord pursuant to this Lease shall be completely net rent to Landlord. During the entire Term, Landlord shall have absolutely no cost, obligation, responsibility or liability whatsoever relating to the Premises or the Access Parcel. Without limiting the generality of the foregoing, Landlord shall have no obligations for repairing or maintaining any portion of the Premises or any systems with respect thereto. All Rent shall be paid by Tenant to Landlord without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction whatsoever and Tenant shall pay any and all applicable sales and use tax, local surtaxes, any and all ad valorem taxes on the Premises, and any documentary stamp tax or other taxes on the Rent or the grant of rights described in this Lease.

5. Use. The Premises may be used by Tenant for operation and maintenance of a functioning electrical substation for the distribution of electric power, with related amenities and facilities, in the business of the Vero Beach Electric Utility, and for no other use whatsoever. Tenant covenants that it shall comply with all applicable building, zoning, fire and other governmental laws, ordinances, regulations and rules in its use and operation of the Premises.

6. FAA and FDOT. Tenant acknowledges that the Premises and the Access Parcel are under the regulatory jurisdiction of the Federal Aviation Administration (the "**FAA**") and Florida Department of Transportation (the "**FDOT**"), and this Lease is made expressly subject to the regulatory authority, rules and regulations of the FAA and the FDOT as may be applicable.

7. Term. Unless otherwise provided by this Lease, the term of this Lease shall be for a period of thirty (30) years beginning on the Effective Date (the "**Initial Term**") and can be extended by Tenant at Tenant's sole option for up to two (2) additional terms of ten (10) years each (each, an "**Extended Term**") provided that Tenant shall deliver to Landlord notice of Tenant's intent to extend the Term of this Lease not less than thirty (30) days prior to the expiration the then-current Initial Term or Extended Term, as the case may be. The Initial Term and each Extended Term, if Tenant exercises its option, under the terms of this Lease, as to one or both of the Extended Terms, shall be collectively referred to herein as the "**Term**." For purposes of this Lease, the term "**Lease Year**" shall mean: (a) that period, during the Term, commencing upon the Effective Date and continuing until and including the last day of the month of the twelfth (12th) full month following the Effective Date; (b) each such successive twelve (12) month period during the Term; and (c) in the event that this Lease terminates prior to the end of a Lease Year, that period commencing on the first date of such Lease Year and ending on the date of termination of this Lease. The expiration date of the Term (the "**Expiration Date**") shall be the last day of the 30th Lease Year, the last day of the 40th Lease Year or the last day of the 50th Lease Year, whichever shall be applicable depending on whether Tenant shall exercise any option as to the first or both Extended Terms. Notwithstanding the foregoing, at any time during the Term, Tenant may terminate this Lease at its sole option provided that: (i) Tenant shall deliver to Landlord notice of Tenant's intent to terminate (the "**Termination Notice**") not less than thirty (30) days prior to the date of termination, and (ii) contemporaneously with the Termination Notice, Tenant shall deliver to Landlord a termination fee, together with all applicable taxes, in an amount equal to three (3) times the annual Rent then due pursuant to this Lease.

8. Rent. The rent (the **"Rent"**) to be paid under this Lease shall be paid in the amounts as set forth below, plus any and all applicable sales and use tax, local surtaxes, and any documentary stamp tax or other taxes on the Rent, or rights granted to Tenant by this Lease, and shall be paid to Landlord in advance without demand or offset:

(a) **Rent During Initial Term**. Rent during the Initial Term shall be in an amount approved by the FAA and equal to the fair market rental value of the Premises and Access Parcel as determined by an appraiser selected by Landlord, with the cost of such appraisal split equally by the Parties, and with such appraisal being performed no more than six (6) months prior to the Effective Date. The Rent shall be paid in thirty (30) equal annual installments of [_____ ($_____)] commencing on the Effective Date and continuing on each subsequent anniversary date of the Effective Date for each of the subsequent Lease Years of

the Initial Term thereafter. Beginning on October 1st of the second Lease Year, and annually on each October 1st thereafter, including any Extended Term pursuant to an option to renew or extend the Term, if any, exercised by Tenant under this Lease, the Rent shall be adjusted and increased in accordance with any increase in the annual percentage change for the prior year in the index known on the Effective Date as the "United States Bureau of Labor Statistics Consumer Price Index ("**CPI**") for All Urban Consumers," using the July to July report. If the CPI ceases to be published, Landlord shall select an alternative index measuring price increases in its reasonable discretion. In no event shall the Rent decline due to any change in the CPI, and in the event of a decline in the CPI for any applicable annual period, there will be no adjustment to the Rent for that Lease Year.

9. Representations and Warranties.

(a) Landlord represents and warrants to Tenant as follows:

(i) Landlord has full power and authority to enter into this Lease.

(ii) The person executing and delivering this Lease on Landlord's behalf is acting pursuant to proper authorization and this Lease is the valid, binding and enforceable obligation of Landlord enforceable against Landlord in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

(b) Tenant represents and warrants to Landlord as follows:

(i) Tenant is a corporation duly incorporated, validly existing and having active status under the laws of the State of Florida, with the necessary corporate power and authority to enter into this Lease.

(ii) The person executing and delivering this Lease on Tenant's behalf is acting pursuant to proper authorization, and this Lease is the valid, binding and enforceable obligation of Tenant enforceable against Tenant in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

10. Hazardous Materials and Pre-Existing Conditions.

(a) For purposes of this Lease:

(i) "***Environmental Claim***" means any and all communications, whether written or oral, alleging potential Liability, administrative or judicial actions,

suits, orders, liens, notices alleging Liability, notices of violation, investigations which have been disclosed to Landlord, complaints, requests for information relating to the Release or threatened Release into the Environment of Hazardous Substances, proceedings, or other communication, whether criminal or civil, pursuant to or relating to any applicable Environmental Law, by any person (including any governmental authority) based upon, alleging, asserting, or claiming any actual or potential (i) violation of, or Liability under any Environmental Law, (ii) violation of any Environmental Permit, or (iii) Liability for investigatory costs, cleanup costs, removal costs, remedial costs, response costs, monitoring costs, natural resource damages, property damage, personal injury, fines, or penalties arising out of, based on, resulting from, or related to the presence, Release, or threatened Release into the environment of any Hazardous Substances at the Premises or Access Parcel including any off-Site location to which Hazardous Substances, or materials containing Hazardous Substances, were sent.

(ii) "***Environmental Laws***" means all Laws regarding pollution or protection of the Environment, the conservation and management of land, natural resources and wildlife or human health and safety or the Occupational Safety and Health Act (only as it relates to Hazardous Substances), including Laws regarding Releases or threatened Releases of Hazardous Substances (including Releases to ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, Release, transport, disposal or handling of Hazardous Substances, including the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§ 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.), the Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. §§ 2601 et seq.), the Oil Pollution Act (33 U.S.C. §§ 2701 et seq.), the Emergency Planning and Community Right-to-Know Act (42 U.S.C. §§ 11001 et seq.), and all other Laws analogous to any of the above.

(iii) "***Environmental Permit***" means any Permit under or in connection with any Environmental Law, including any and all orders, consent orders or binding agreements issued or entered into by a governmental authority under any applicable Environmental Law, that is used in, or necessary for, (i) the business of the Vero Beach Electric Utility, or (ii) the ownership, use or operation of the Premises, in each case under clause (i) or (ii), as conducted prior to the Effective Date.

(iv) "***Hazardous Substances***" means: (i) any petroleum, asbestos, asbestos-containing material, and urea formaldehyde foam insulation and transformers or other equipment that contains polychlorinated biphenyls; (ii) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous

substances," "toxic substances," "contaminants," "pollutants," "toxic pollutants," "hazardous air pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law; and (iii) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

(v) "***Liability***" means any direct or indirect liability, commitment, indebtedness or obligation (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or un-accrued, whether liquidated or un-liquidated, and whether due or to become due) of any kind, character or nature, or any demand, claim or action asserted or brought against the relevant Party.

(vi) ***"Law"*** means any foreign, federal, state or local law, constitutional provision, statute, charter, ordinance or other law, rule, regulation, code (including any zoning code, fire code or health and safety code), or interpretation of any governmental authority or any order of or by any governmental authority, including all Environmental Laws, requirements and regulations, applicable to the Premises or the Vero Beach Electric Utility.

(vii) "***Loss***" or "***Losses***" means any and all damages, fines, fees, penalties, deficiencies, losses, Liabilities, interest, awards, judgments, actions and expenses (whether or not involving a third party claim), including all remediation costs, reasonable fees of attorneys, accountants and other experts, or other expenses of litigation or proceedings or of any claim, default or assessment relating to the foregoing.

(viii) "***Release***" means any actual, threatened or alleged spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dumping or disposing of a Hazardous Substance into the environment or within any building, structure, facility or fixture.

(ix) "***Remediation***" means any action of any kind required by applicable Law to address the presence or Release of Hazardous Substances, including: (i) monitoring, investigation, assessment, treatment, cleanup containment, removal, mitigation, response or restoration work, as well as obtaining any permits necessary to conduct any such activity; (ii) preparing and implementing any plans or studies for any such activity; and (iii) obtaining a written notice from a governmental authority with competent jurisdiction under Environmental Laws, that no material additional work is required.

(b) As may be more fully described in the Asset Purchase and Sale Agreement and this Lease, except to the extent exacerbated or contributed to by Tenant, Landlord agrees to be responsible for any and all Losses of Tenant, and pay and perform when due any and all Liabilities of Tenant:

(i) under Environmental Laws, Environmental Permits or Environmental Claims with respect to the Premises arising from any event, condition, circumstance, act or omission that occurred prior to the Effective Date; or

(ii) arising from the presence of Hazardous Substances that originated on the Premises prior to the Effective Date or the Release of Hazardous Substances at, on, in, under, or migrating from the Premises prior to the Effective Date (such Losses or Liabilities under this Section 10(b)(i) or Section 10(b)(ii) hereof, the "**Environmental Liabilities**");

Provided, however, that as an absolute condition to such responsibility, Tenant must give to Landlord notice (the "**Environmental Notice**") of any claim of Environmental Liabilities no later than thirty (30) days prior to the anticipated Effective Date and, solely with respect to any Environmental Liability which Tenant demonstrates occurred subsequent to Tenant's Phase II environmental testing described below, Tenant must give the Environmental Notice prior to the Effective Date, which Environmental Notice, in either case, must contain the estimated total amount of the Environmental Liabilities and a summary of facts then known to Tenant that support such claim; and provided, further, that in no event shall Landlord be liable or responsible for any Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate, from all sources as described in the Asset Purchase and Sale Agreement, (the "**Aggregate Environmental Cap**"). Tenant hereby releases Landlord from, and Landlord shall not be liable or responsible for, any and all Environmental Liabilities as to which Tenant does not give Landlord the Environmental Notice or Environmental Notices prior to the time required in the immediately preceding sentence. Tenant also hereby releases Landlord from, and Landlord shall not be responsible for, any and all Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate from all sources as described in the Asset Purchase and Sale Agreement. The limitations on Landlord's liability or responsibility for Environmental Liabilities under this Section 10 are absolute limitations and will control over any other provisions in this Lease or other agreements between the Parties that are or may be to the contrary.

(c) In order to make a claim against Landlord pursuant to Section 10 (b) above, Tenant must have completed its environmental testing, including Phase II environmental testing, on the Premises and, if so performed, must have submitted the results of such testing to Landlord at least thirty (30) days prior to the Effective Date (collectively, "**Tenant's Phase II Environmental Testing**"). If Tenant has not performed such actions by the within the time periods specified, Tenant shall be deemed to have waived its right to make a claim against Landlord under Section 10 (b) above with respect to the Premises.

(d) Tenant shall not cause or permit the Release in any manner of any Hazardous Substances upon the Premises, the Access Parcel or upon adjacent lands, which violates any Environmental Laws. Tenant shall give prompt notice to Landlord of any Release of a Hazardous Substance in violation of Environmental Laws, whether caused by Tenant or, to the knowledge of Tenant, any third party.

(e) To evidence any changes to the environmental condition of the Premises at the expiration or termination of this Lease, Tenant shall perform an environmental assessment, including soils and groundwater sampling, of the Premises (the **"Closure Environmental Assessment")** as close in time as practical to the Expiration Date or the earlier termination of this Lease, at its expense and provide a copy thereof to Landlord as soon as practical. Tenant's obligation to provide the Closure Environmental Assessment shall survive the expiration or termination of this Lease.

(f) Except to the extent of Landlord's responsibility as described in Section 10 (b) above, Tenant shall be responsible, at Tenant's sole cost and expense, for commencing and thereafter performing, or causing to be performed, any and all assessments, Remediation, cleanup and monitoring of all Hazardous Substances existing or Released on, in, under, from or related to the Premises during the Term in violation of Environmental Laws; provided, however, that the foregoing shall not in any way limit or expand any liability, obligations or rights of Tenant or Landlord, to the extent expressly provided in the Agreement for Sale and Purchase. In the event any Remediation is required in the previous sentence, Tenant shall furnish to Landlord, within a reasonable period of time, written proof from the appropriate local, state or federal agency with jurisdiction over the Remediation that the Remediation has been satisfactorily completed in full compliance with all Environmental Laws. Tenant's obligation to provide Remediation as required by this Section 10 shall survive the expiration or termination of this Lease.

(g) Tenant shall indemnify, defend and hold harmless Landlord from and against, and pay, reimburse and fully compensate as the primary obligor Landlord for, any and all claims, suits, judgments, loss, damage, and liability which may be incurred by Landlord including, without limitation, Landlord's reasonable attorney's fees and costs, arising in any way from Hazardous Substances existing or Released on, in, under, from the Premises by Tenant, its employees, agents or contractors, or related to Tenant's use of the Premises or the Access Parcel during the Term in violation of Environmental Laws, or any violation of the Environmental Laws, by Tenant, its agents, licensees, invitees, subcontractors or employees on, in, under or related to the Premises or the Access Parcel during the Term. This responsibility shall continue to be in effect for any such Release or presence of Hazardous Substances as to which Landlord gives notice to Tenant on or before the fifth (5^{th}) anniversary of the Expiration Date. Tenant's obligation to provide the indemnity, defense and hold harmless required by this Lease shall survive the expiration or termination of this Lease.

(h) With respect to Remediation of any Releases at the Premises or migrating from the Premises, Tenant will remediate such Release, including any Baseline Recognized Environmental Conditions or Hazardous Substances migrating from the Premises (such Baseline Recognized Environmental Conditions and Hazardous Substances migrating from onto the Premises (but excluding any impacts to extent of any contribution or exacerbation by Tenant), the **"Landlord Responsible Environmental Conditions"**) as required by the Florida Department of Environmental Protection or Environmental Protection Agency, subject the following conditions:

(i) Unless otherwise agreed by the Parties, Tenant will remediate a Release to the least stringent standard permitted by the Florida Department of

Environmental Protection and Environmental Protection Agency, as applicable, and obtain a final non-appealable agency action approving such remediation, if applicable (such remediation standard, the **"Minimum Required Standard"**). The Landlord may direct Tenant to remediate to a higher (cleaner) standard in which case the incremental cost (the **"Incremental Cost"**) will be the Landlord's responsibility.

(ii) If the cost of remediating any Landlord Responsible Environmental Conditions to the Minimum Required Standard, or such higher standard as may be requested or required by the Landlord, will exceed $50,000 as reasonably estimated by Tenant based on reasonable bids from a third party contractor in accordance with Tenant's standard procurement practices, the total cost of remediating the Landlord Responsible Environmental Condition will be the responsibility of Landlord; subject to the limitation set forth in Section 10 (b) above.

(iii) If the Florida Department of Environmental Protection or Environmental Protection Agency requires remediation or other actions (e.g., monitoring), Tenant has the sole right to direct such Remediation activities regardless of the estimated cost and the Landlord shall be responsible for the costs associated with Remediating the Landlord Responsible Environmental Conditions, subject to the limitation set forth in Section 10 (b) above.

(iv) With respect to the Landlord's payment obligations set forth in Section 8 (h)(ii)-(iii), the Landlord shall reimburse Tenant within fifteen (15) calendar days of Tenant's providing to the Landlord an invoice for the costs incurred by Tenant along with copies of the underlying invoices from the contractors who performed the work. Notwithstanding anything herein to the contrary, in no event shall the Landlord shall be responsible for the costs to remediate Landlord Responsible Environmental Conditions in excess of the Aggregate Environmental Cap as defined in Section 6.22 of the Asset Purchase and Sale Agreement and Section 8 (b) above except for Incremental Costs that exceed the Aggregate Environmental Cap.

11. Non-interference. Landlord covenants and agrees not to use or construct any improvements on, under or over the Premises.

12. Assumption of Risk; Indemnification. Tenant agrees as follows:

(a) Tenant will rely exclusively upon its own investigation into the title relating to the Premises and the Access Parcel and Landlord makes no warranty of title relating to the Premises or the Access Parcel. Tenant's leasehold and easement interest in the Premises and Access Parcel pursuant to this Lease is made subject to the Permitted Encumbrances (as defined in the Asset Purchase and Sale Agreement).

(b) Except as specifically provided in this Lease, Tenant acknowledges and agrees that Landlord has not made, does not make and specifically negates and disclaims any

representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future of, as to, concerning or with respect to the Premises and Access Parcel and that the rights granted with respect to the Premises provided for in this Lease are made on an "as is" condition and basis and with all faults. Without in any way limiting the generality of the foregoing, the grant of easement rights contemplated hereby is without any warranty other than Landlord's express representations and warranties in this Lease; and Landlord and Landlord's elected and appointed officials, officers, directors, employees, and affiliates (collectively the "**Landlord's Related Parties**") have made no, and expressly and specifically disclaim, and Tenant accepts that Landlord and the Landlord's Related Parties have disclaimed, any and all representations, guaranties or warranties, express or implied, or arising by operation of law (except for the representations and warranties, if any, expressly made by Landlord in this Lease), of or relating to: (i) the use, expenses, operation, characteristics or condition of the Premises and Access Parcel, or any portion thereof, including, without limitation, warranties of suitability, habitability, merchantability, design or fitness for any specific or particular purpose, or good and workmanlike construction; (ii) the environmental condition of the Premises or Access Parcel, or contamination by hazardous materials, or the compliance of any portion of the Premises or Access Parcel with any or all Environmental Laws; or (iii) the soil conditions, drainage, flooding characteristics, accessibility or other conditions existing in, on or under any portion of the Premises or Access Parcel. Tenant acknowledges and agrees that it is not relying on any representations or statements (oral or written) which may have been made or may be made by Landlord or any of the Landlord's Related Parties (except for Landlord's representations and warranties expressly set forth in this Lease), and is relying solely upon Tenant's or Tenant's representatives' own physical inspection of the Premises and Access Parcel and other investigations by Tenant or Tenant's representatives. Tenant acknowledges that any condition of the Premises or Access Parcel, whether apparent or latent, which Tenant discovers or desires to correct or improve on or after the Effective Date shall be subject to Landlord's review and approval rights, as set forth in this Lease, and shall be at Tenant's sole expense.

(c) Tenant recognizes and hereby expressly and fully assumes all risks, known and unknown, that arise or might arise incidental to or in any way connected with the condition or use of the Premises or access to the Premises. This assumption of risk by Tenant is made for and on behalf of Tenant and Tenant's successors, and permitted assigns.

(d) Tenant agrees to indemnify, defend and hold harmless Landlord and Landlord's Related Parties against any and all claims, including costs and expenses, of any kind or nature, including, without limitation, costs of investigation, attorneys' fees, paralegal fees, experts' fees and costs through regulatory proceedings, trial and review or appeal, including but not limited to claims for personal injury, death of persons and property damage, or other liability to the extent arising from Tenant's use, improvement, operation, condition or maintenance of the Substation or the Premises, provided however that this indemnity shall not apply to the negligence or willful misconduct of the Landlord and/or the Landlord's Related Parties as determined by a court of competent jurisdiction.

(e) Tenant's obligations under this Section 12 shall survive the termination of this Lease.

13. Construction, Mechanics and Materialmen's Liens; Notice of Work. Tenant will make no alteration, change, improvement or addition to the landscaping or exterior of the Premises without the prior written consent of Landlord which will not be unreasonably withheld, conditioned or delayed. Tenant will be responsible for payment of any and all work performed on Tenant's behalf on the Premises and Access Parcel. In no event will Landlord be responsible for payment of any work relating to the Premises nor will the Premises or Access Parcel, or any interest therein, be subject to any lien for payment of any construction or similar work performed by or for Tenant on or for the Premises or Access Parcel. Further, Tenant shall promptly notify the contractor performing any such work or alterations on the Premises or Access Parcel at Tenant's request or making such improvements to the Premises or Access Parcel at Tenant's request of this provision exculpating Landlord of responsibility for payment and liens. Notwithstanding the foregoing, if any mechanic's lien or other lien, attachment, judgment, execution, writ, charge or encumbrance is filed or recorded against any portion of the Premises or Access Parcel as a result of any work performed on or materials delivered to the Premises or Access Parcel at Tenant's direction, Tenant shall, within sixty (60) days following written notice of any such lien, cause same to be paid, discharged or otherwise removed of record. In the event that Tenant fails to remove any such mechanics or materialmen's lien relating to Tenant's work at the Premises or Access Parcel, the Landlord may cause such lien to be removed and Tenant shall reimburse Landlord for all reasonable costs and expenses, including attorney's or paralegal fees incurred by Landlord within forty-five (45) days following receipt of Landlord's written invoice and supporting documentation.

14. Insurance. Landlord understands that Tenant self-insures, and that prior to accessing the Premises or Access Parcel, Tenant will provide Landlord with a letter of such self-insurance. In the event that Tenant ceases to self-insure, then, during the Term of this Lease, and thereafter so long as Tenant operates, uses or maintains any portion of the Substation:

(a) Tenant shall procure and maintain, at Tenant's sole cost and expense, commercial general liability insurance providing coverage which protects Tenant and Landlord and the Landlord's Related Parties from and against any and all claims and liabilities for bodily injury, death and property damage arising from operations, premises liability, fire with respect to the Substation. Such insurance shall provide minimum coverage of $1,000,000.00 per occurrence and $2,000,000.00 aggregate. Tenant shall be and remain liable for and pay all deductibles and other amounts not covered, paid or reimbursed under the insurance policies.

(b) Tenant shall procure and maintain, at Tenant's sole cost and expense, workers' compensation insurance as required by applicable law, and employers' liability insurance, with coverage amounts with a limit of (i) One Million Dollars ($1,000,000) for bodily injury per accident, (ii) One Million Dollars ($1,000,000) for bodily injury by disease per policy and (iii) One Million Dollars ($1,000,000) for bodily injury by disease per employee.

(c) The certificate of insurance required herein for commercial general liability insurance, including, without limitation, all renewals, shall include a blanket additional insured endorsement and provide for at least thirty (30) days advance notice to Landlord of any non-renewal or cancellation. Tenant shall provide Landlord with a copy of certificates of insurance stating that the coverage as required herein is in full force and effect no later than the Effective

Date. Tenant shall cause certificates of insurance or a self-insured letter in conformance with the requirements hereof to be promptly provided to Landlord for each subsequent policy renewal.

(d) Tenant's insurance in all instances shall be primary and any insurance that may be maintained by Landlord shall be in excess of and shall not contribute with Tenant's insurance. All insurance policies shall be issued by a company or companies licensed to do business in the State of Florida.

(e) Landlord shall have the right to periodically review the adequacy of the required insurance, its forms and types, the amounts of coverage and, notwithstanding any other provision of this Lease, unilaterally modify the insurance requirements of this Section 12 by giving notice of such modification to Tenant. Such modification shall be as found reasonably necessary in the sole discretion of Landlord. Factors which may be considered by Landlord include, without limitation, changes in generally accepted insurance industry standards and practices, changes in use of the Premises, changes in risk exposure, measurable changes in local and national economic indicators and changes in Landlord's policies and procedures.

(f) Tenant understands and acknowledges that the responsibility and obligation to provide and maintain insurance in the forms, types and coverages required herein are solely Tenant's responsibilities and obligations which continue for the entire Term of this Lease, and until such time as Tenant no longer operates the Substation or enters the Premises, whichever date is later.

(g) In the event that Tenant fails for any reason to procure or maintain insurance in the forms, types or coverages required and to name Landlord as an additional insured on the certificates of insurance, Tenant shall cure such material breach within fifteen (15) calendar days after Tenant is given notice of such breach. Should Tenant fail to cure the breach within such period or such other time as may be agreed to by the Parties in writing, Landlord in Landlord's sole discretion may, but is not obligated to, secure replacement insurance coverage at Tenant's sole expense. Should Landlord elect to secure replacement insurance, Tenant shall thereafter reimburse Landlord within fifteen (15) calendar days of Landlord's providing to Tenant an invoice for the costs and premiums incurred by Landlord for the replacement insurance coverage, plus an administrative charge of ten percent (10%) or $250.00, whichever is greater. Tenant shall continue to be responsible for the payment of all deductibles applicable to the insurance policies and all losses incurred with respect to any lapse in coverage. Should Tenant subsequently obtain the required insurance, Tenant shall remain responsible for and reimburse Landlord for all costs and expenses to Landlord for the insurance premiums incurred by Landlord and the administrative charges set forth in this Section 14(g).

(h) Tenant's obligations under this Section 14 shall survive the termination or expiration of this Lease.

15. No Consequential Damages. Notwithstanding any other provisions in this Lease to the contrary, neither Party nor any of its elected officials, directors, officers, employees, lenders, shall be liable to the other Party for consequential, incidental, exemplary, punitive, anticipatory profits or indirect loss or damage of any nature, including, without limitation, loss of profit, loss

of use, loss of operating time, loss of revenue, increased costs of producing revenues, cost of capital or loss of goodwill whether arising in tort, contract, warranty, strict liability, by operation of law or otherwise, even if by such Party's, its representatives', agents', contractors', subcontractors', invitees' or licensees' negligence or fault, in connection with this Lease, except to the extent claimed by third parties. The Parties further agree that the waivers and disclaimers of liability, indemnities, releases from liability, sole remedy provisions and limitations on liability expressed in this Lease shall survive termination or expiration of this Lease and shall extend to the parent, affiliates, and subsidiaries of each Party and their respective, partners, directors, officers, and employees and elected officials.

16. Taxes. Tenant shall pay any and all real property taxes for the Premises for the entire Term. As used herein, the term "**real property tax**" shall include any form of real estate tax or assessment, general, special, ordinary or extraordinary, and any license fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income or estate taxes) imposed on the Premises or any portion thereof by any authority having the direct or indirect power to tax, including, without limitation, any city, county, state or federal government, or any school, agricultural, sanitary, fire, street, drainage or other improvement district thereof, as against any legal or equitable interest of Landlord or Tenant in the Premises or in any portion thereof. Tenant shall pay the real property taxes and shall deliver to Landlord official receipts evidencing such payment, which payment of real property taxes shall be made and the receipts delivered at least thirty (30) days before the real property taxes would become delinquent in accordance with the law then in force governing the payment of such real property taxes. If, however, Tenant desires to contest the validity of any real property taxes, Tenant may do so without being in default hereunder, provided Tenant gives Landlord notice of Tenant's intention to do so and provided the real property taxes are paid before any such real property taxes become delinquent after any applicable contest or appeal period.

17. Utilities. Tenant shall pay for all water, gas, heat, light, power, telephone and other utilities and services supplied to the Premises, together with any taxes thereon.

18. Compliance with Laws. During the Term, Tenant shall, at its expense, comply with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Premises. Further, during the Term, Tenant shall, at its expense, cause the Premises to attain compliance or remain in compliance with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Premises.

19. Assignment and Subletting. Landlord acknowledges that this Lease and Tenant's interests hereunder shall be subject to the encumbrance of Tenant's pre-existing mortgage with Deutsche Bank Trust Company Americas. Tenant shall not otherwise mortgage or assign its interest in this Lease without the prior written consent of Landlord, and such consent may be withheld in Landlord's unfettered discretion unless such proposed assignment is to the purchaser of all or substantially all of the assets of Florida Power & Light Company, as a part of a bona fide sale by Florida Power & Light Company to a third party purchaser for value and in such event Landlord's consent will not be unreasonably withheld or delayed. Notwithstanding any assignment of this Lease, Tenant will not be released from any of its obligations hereunder

unless such assignee executes an assignment and assumption agreement in form reasonably acceptable to Landlord agreeing to be bound by the terms of this Lease and Landlord determines in its reasonable discretion that such assignee is creditworthy. Further, any assignment in violation of this Section 17 shall be deemed void and a breach of this Lease by Tenant.

20. Relocation of Premises or Access Parcel. Landlord may elect to relocate the Premises or the Access Parcel as follows:

(a) Tenant agrees that at any time before or during the Term, and upon at least two (2) years prior written notice (the "**Relocation Notice**"), Landlord shall have the right to relocate the Premises described herein (the "**Existing Premises**") to another area (the "**New Premises**"), as determined by Landlord in its commercially reasonable discretion using prudent electric utility industry practice after consultation with Tenant. The New Premises shall include reasonable vehicular access, be suitable for placement of an electric substation and of sufficient size to accommodate the substation equipment then placed on the Premises. Landlord shall bear any and all direct costs and expenses of such relocation, including (i) providing the New Premises, (ii) moving all Tenant's equipment from the Existing Premises to the New Premises, and (iii) the installation of such substation equipment together with any and all lines or other equipment necessary for the use and operation of an electric substation on the New Premises. In no event shall Landlord be liable to Tenant for any consequential damages as a result of any such relocation, including, but not limited to, loss of business income or opportunity. Landlord and Tenant shall promptly execute an amendment to this Lease reciting the relocation of the Premises which shall be recorded in the Public Records.

(b) Tenant agrees that at any time before or during the Term, and upon at least two (2) years prior written notice (the "**Access Relocation Notice**"), Landlord shall have the right to relocate the Access Easement and Access Parcel described herein (the "**Existing Access Parcel**") to another area (the "**New Access Parcel**"), as determined by Landlord in its commercially reasonable discretion using prudent electric utility industry practice after consultation with Tenant. The New Access Parcel shall include reasonable vehicular access to the Premises. Landlord shall bear any and all direct costs and expenses of such relocation, including (i) providing the New Access Parcel, (ii) moving all Tenant's equipment, if any, in the Existing Access Parcel to the New Access Parcel as is necessary for the use and operation of the Substation. In no event shall Landlord be liable to Tenant for any consequential damages as a result of any such relocation, including, without limitation, loss of business income or opportunity. Landlord and Tenant shall promptly execute an amendment to this Lease reciting the relocation of the Access Parcel which shall be recorded in the Public Records.

21. Default and Remedies.

(a) **Tenant Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by Tenant**" under this Lease by Tenant:

(i) The failure by Tenant to make any payment of Rent or any other payment required to be made by Tenant hereunder, as and when due, which failure continues for a period of ten (10) days following notice given by Landlord to Tenant.

(ii) Failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant, where such failure shall continue for a period of forty-five (45) days after notice thereof given by Landlord to Tenant. In the event the default cannot reasonably be cured within such forty-five (45) day period, Tenant shall not be in default if Tenant commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(iii) (A) The making by Tenant of any general arrangement or general assignment for the benefit of creditors; (B) Tenant becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within sixty (60) days.

(b) **Landlord Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by Landlord**" under this Lease by Landlord:

(i) Failure by Landlord to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Landlord, where such failure shall continue for a period of forty-five (45) days after notice thereof is given by Tenant to Landlord. In the event the default cannot reasonably be cured within such forty-five (45) day period, Landlord shall not be in default if Landlord commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by Landlord of any general arrangement or general assignment for the benefit of creditors; (B) Landlord becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Landlord, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Landlord 's assets, where possession is not restored to Landlord within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of Landlord's assets, where such seizure is not discharged within sixty (60) days.

(c) **Remedies.** If an Event of Default by Tenant or an Event of Default by Landlord occurs hereunder, the non-defaulting Party shall have the right at its option and without further notice, but subject to the limitations set forth in the last sentence of this subsection, to exercise any remedy available at law or in equity, including, without limitation, a suit for specific performance of any obligations set forth in this Lease or any appropriate injunctive or other equitable relief, or for damages resulting from such event of default. The Parties agree that remedies at law may be inadequate to protect against any actual or threatened breach of this

Lease. In the event of any breach or threatened breach, either Party shall have the right to apply for the entry of an immediate order to restrain or enjoin the breach and otherwise specifically enforce the provisions of this Lease. If an Event of Default by Tenant occurs, Landlord may, in addition to any other remedies set forth in this Lease or available under applicable law, accelerate the Rent due under this Lease for the period of three (3) years after the date of the Default by Tenant, which amount shall be due and payable immediately.

Notwithstanding the foregoing or anything to the contrary contained in this Lease, in no event shall any Event of Default by Tenant or Event of Default by Landlord, terminate, or entitle any Party to terminate, rescind or cancel this Lease or the rights granted hereunder. In the event that Tenant, by failing or neglecting to do or perform any act or thing herein provided by it to be done or performed, shall be in default under this Lease, then Landlord may, but shall not be required to, do or perform or cause to be done or performed such act or thing, and Tenant shall repay to Landlord on demand the entire expense incurred within forty-five (45) days following receipt of Landlord's invoice and supporting documentation. Any act or thing done by Landlord pursuant to the provisions of this subsection shall not be or be construed as a waiver of any such Event of Default by Tenant, or as a waiver of any covenant, term or condition herein contained or the performance thereof, or of any other right or remedy of Landlord, hereunder or otherwise. Except for Landlord's obligations set forth in Section 10 of this Lease, Landlord's liability under this Lease shall be at all times limited to the fair market value of Landlord's interest in the Premises. All amounts payable by Tenant to Landlord under this Lease, if not paid when the amounts become due under this Lease, shall bear interest from the date they become due until paid at the highest rate allowed by law.

22. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of such power (all of which are herein called "**condemnation**"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If so much of the Premises is taken under the power of eminent domain such that the Premises is no longer suitable for its intended use or suitable access cannot be provided to the Premises, Tenant may, at Tenant's option, to be exercised in writing only within ten (10) days after Landlord shall have given Tenant notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Tenant does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining. Any award for the taking of all or any part of the Premises under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Landlord; provided, however, that Tenant shall be entitled to any award for loss of Tenant's leasehold interest.

23. Severability. If any provision or portion of this Lease shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (a) such portion or provision shall be deemed separate and independent, (b) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling or adjudication, and (c) the remainder of this Lease shall remain in full force and effect.

24. Repair Obligations. Landlord shall have absolutely no obligations of any kind for the repair or maintenance of any part of the Premises or Access Parcel or any improvement or equipment thereon. During the Term, Tenant shall maintain the Premises, and the improvements and equipment thereon, in a neat, clean, safe and sanitary condition. Tenant shall be solely responsible at its own expense for regular removal and disposal of all refuse, garbage, debris, trash and other discarded materials and shall not allow an accumulation thereof on, in or adjacent to the Premises.

25. Termination. On the Expiration Date, or earlier termination of this Lease, Tenant shall peaceably and quietly deliver possession of the Premises to Landlord. At Landlord's request, Tenant shall remove any and all improvements, fixtures and equipment from the Premises and deliver the Premises to Landlord free of any improvements or equipment of any kind. Tenant agrees that, upon expiration or termination of this Lease, Tenant will, within thirty (30) days of request by Landlord, execute and deliver to Landlord a release of this Lease in recordable form. The foregoing provisions shall survive expiration or earlier termination of this Lease.

26. Waivers. Any waiver by either Party with respect to this Lease must be in writing, signed by the Party granting the waiver, and shall be limited to the express terms set forth in the waiver.

27. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity. Any and all sums due from Tenant to Landlord under this Lease shall be considered rent.

28. Binding Effect. This Lease shall bind the Parties, and their respective successors and permitted assigns.

29. Signs. Subject to applicable rules and regulations, Tenant will be permitted, without Landlord's consent, to have one or more signs on the Premises which identify the Premises as a Florida Power & Light Company Substation.

30. Quiet Possession. Upon Tenant paying the Rent for the Premises and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises and use of the Premises from any interference from Landlord for the entire Term.

31. Right of Entry. Subject to Landlord's duties, if any, relating to police, fire and other municipal services for which no advance notice is required, Landlord, or any of its agents, shall have the right to enter the Premises during reasonable hours to examine the same but only when accompanied by a qualified or designated employee of Tenant.

32. Force Majeure. In the event that either Party is unable to fulfill, or shall be delayed or restricted in the fulfillment of any obligation, or the curing of a default, under any provision of this Lease due to reasons outside of its reasonable control, or not wholly or mainly within such Party's reasonable control, including strike, lock-out, war, acts of military authority, acts of terrorism, sabotage, rebellion or civil commotion, fire or explosion, flood, wind, storm, hurricane, water, earthquake, acts of God or other casualty or by reason of any statute or law or

any regulation or order passed or made, or by reason of any order or direction of any administrator, controller, board or any governmental department or officer or other authority (other than, in the case of Landlord claiming relief under this Section 32, any statute or law or any regulation or order passed or made, or by reason of any order or direction of, any administrator, controller, board or any governmental department or officer or other authority of Landlord), and whether of the foregoing character or not, such Party shall, so long as any such impediment exists, be relieved from the fulfillment of such obligation and the other Party shall not be entitled to compensation for any damage, inconvenience, nuisance or discomfort thereby occasioned or to terminate this Lease.

33. Counterparts. This Lease may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

34. Brokerage. Landlord and Tenant each represent and warrant one to the other that neither of them has employed any broker in connection with the negotiations of the terms of this Lease or the execution thereof. Landlord and Tenant hereby agree to indemnify and to hold each other harmless against any loss, expense or liability with respect to any claims for commissions or brokerage fees arising from or out of any breach of the foregoing representation and warranty. This provision shall survive the expiration or earlier termination of this Lease.

35. Attorneys' Fees. In the event Tenant or Landlord defaults in the performance of any of the terms, covenants, conditions, agreements, or provisions contained in this Lease and Landlord or Tenant employs attorneys and brings suit in connection with the enforcement of this Lease or any provision hereof or the exercise of any of its remedies hereunder, then the prevailing Party in any suit so instituted shall be promptly reimbursed by the other Party for all reasonable attorneys' fees and expenses so incurred, including, without limitation, any such fees and expenses incurred in appellate, bankruptcy and post-judgment proceedings. Any monetary judgment rendered in any litigation concerning this Lease shall bear interest at the highest rate allowed by applicable law. The foregoing provisions shall survive expiration or earlier termination of this Lease.

36. Estoppel Certificate. Landlord and Tenant shall, from time to time and without additional consideration, execute and deliver to each other or to any person whom the requesting Party may designate, within twenty (20) days after the request therefor: (a) an estoppel certificate consisting of statements, if true, that (i) this Lease is in full force and effect, with Rent current through the date of the certificate; (ii) this Lease has not been modified or amended (or setting forth all modifications and amendments); and (iii) to the best of such Party's knowledge and belief, the other Party is not then in default (or if in default, specifying such default), and Tenant and Landlord have fully performed all of Tenant's and Landlord's obligations, respectively, required to have been performed under this Lease as of the date of the certificate; and (b) such further consents and instruments of a similar nature evidencing the agreement (subject to the provisions of this Lease) of Landlord or Tenant to the mortgage or other hypothecation by Tenant of the leasehold estate created hereby, as may be reasonably requested by Tenant or any approved leasehold mortgagee, or authorized assignee or transferee of the interest of Landlord or Tenant, as applicable. Notwithstanding the foregoing, neither Party may make excessive requests for estoppel certificates, and neither Party shall be obligated to provide more than two (2) estoppel certificates in any Lease Year.

37. Notices. Every notice, approval, consent or other communication required or permitted under this Lease shall be in writing, shall be deemed to have been duly given on the date of receipt, and shall be deemed delivered if either served personally on the Party to whom notice is to be given, or sent to the Party to whom notice is to be given, by overnight courier or by first class registered or certified mail (return receipt requested), postage prepaid, and addressed to the addressee at the address stated opposite its name below, or at the most recent address specified by notice given to the other Party in the manner provided in this Section.

To Landlord:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Manager
With a required copy to:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Attorney
To Tenant:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Corporate Real Estate
With a required copy to:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Law Department

38. Recording. This Lease shall be recorded in the Public Records of Indian River County, Florida at Tenant's expense.

39. No Personal Liability. Excluding any successor-in-interest to Tenant or Landlord under this Lease, notwithstanding anything to the contrary in this Lease, no present or future parent, subsidiary, affiliate, member, principal, shareholder, manager, officer, official, director, or employee of Tenant or Landlord will be personally liable, directly or indirectly, under or in connection with this Lease, or any document, instrument or certificate securing or otherwise executed in connection with this Lease, or any amendments or modifications to any of the foregoing made at any time or times, or with respect to any matter, condition, injury or loss related to this Lease, and each of the Parties, on behalf of itself and each of its successors and assignees, waives and does hereby waive any such personal liability.

40. Entire Agreement. This Lease and any exhibits, schedules or addenda attached hereto and forming a part hereof, contains the entire agreement between the Parties hereto with respect to the subject matter of this Lease, and supersedes all previous negotiations leading thereto, and it may be modified only by an agreement in writing executed and delivered by Landlord and Tenant. All exhibits, schedules or addenda attached to this Agreement are expressly incorporated herein by this reference.

41. Governing Law; Forum. This Lease shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES OR THE ACCESS PARCEL, OR ANY CLAIM FOR INJURY OR DAMAGE, SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.

42. WAIVER OF JURY TRIAL. THE PARTIES HERETO SHALL, AND THEY HEREBY DO, IRREVOCABLY WAIVE TRIAL BY JURY IN ANY AND EVERY ACTION OR PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES OR THE ACCESS PARCEL, AND ANY CLAIM FOR INJURY OR DAMAGE. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.

43. Radon Gas. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present a health risk to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

44. Holding Over. If Tenant remains in possession of the Premises after this Lease expires or terminates for any reason:

(a) Tenant shall be deemed to be occupying the Premises as a tenant from month-to-month at the sufferance of Landlord. Tenant will continue to be subject to and comply with all of the provisions of this Lease, except that, at Landlord's discretion, the rent will be at a monthly rate up to an amount equal to 1/12th of the fair market annual rental value of the Premises, including all improvements and fixtures, calculated at the time of the expiration or termination, and paid by Tenant on the first day of each month subsequent to the expiration or termination.

(b) Tenant shall reimburse Landlord and indemnify and hold Landlord harmless for any and all additional losses and damages which Landlord suffers by reason of Tenant's continued occupancy.

(c) Tenant shall indemnify Landlord from and against all claims made by any

successor tenant insofar as such delay is occasioned by Tenant's failure to surrender possession of the Premises.

45. Landlord/Tenant Relationship; and Third Party Beneficiaries. This Lease creates a landlord/tenant relationship, and no other relationship, between the Parties. This Lease is for the sole benefit of the Parties hereto and, except for assignments permitted hereunder, no other person or entity shall be a third party beneficiary hereunder.

46. No Waiver of Regulatory Authority. Nothing in this Lease constitutes a waiver of Landlord's regulatory, public safety or other municipal authority with respect to the Premises, the Access Parcel or any other matter. Further, nothing in this Lease shall be deemed to waive Landlord's or Tenant's right of eminent domain.

47. Sovereign Immunity. Landlord is a Florida municipal corporation whose limits of liability are set forth in section 768.28, Florida Statutes, and nothing herein shall be construed to extend the liabilities of Landlord beyond that provided in section 768.28, Florida Statutes. Further, nothing herein is intended as a waiver of Landlord's sovereign immunity under section 768.28, Florida Statutes. Nothing hereby shall inure to the benefit of any third party for any purpose, including but not limited to, anything that might allow claims otherwise barred by sovereign immunity or operation of law.

48. Time, Interpretation. In computing any period of time pursuant to this Lease, the day of the act, event, or default from which the designated period of time begins to run shall not be included, but the time shall begin to run on the next succeeding day. The last day of the period so computed shall be included, unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or legal holiday. A legal holiday as used in this Lease includes days on which banks in Vero Beach, Florida are not open for regular business. Time is of the essence. The captions in this Lease are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Lease or any of the provisions hereof. This Lease shall not be construed more strongly against or for either Party regardless of the drafter. Unless the context otherwise requires, (a) all references to Sections or Exhibits are to Sections or Exhibits in or to this Lease, and (b) words in the singular or plural include the singular and plural and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter and the term "including" shall mean by way of example and not by way of limitation.

[Remainder of page intentionally blank; Signature pages follows]

City of Vero Beach Execution Pages

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Lease to be executed as of the Effective Date.

ATTEST: **CITY OF VERO BEACH**

_____ By:_____
Tammy K. Bursick Laura Moss
City Clerk Mayor

[SEAL]

WITNESSES:

_____
Print
name:_____

_____
Print
name:_____

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing Lease Agreement was acknowledged before me this _____ day of _____ 2016 by **Laura Moss, as Mayor**, and attested by **Tammy K. Bursick, as City Clerk**, of the City of Vero Beach, Florida. They are both known to me.

_____
NOTARY PUBLIC
Print name:
Commission No. [SEAL]
My Commission Expires:

ADMINISTRATIVE REVIEW
(For Internal Use Only–Sec. 2-77 COVB Code)

Approved as to form and legal sufficiency:

Wayne R. Coment
City Attorney

Approved as conforming to municipal policy:

James R. O'Connor
City Manager

Approved as to technical requirements:

Ted Fletcher
Director of Electric Utility Operations

Approved as to technical requirements:

Cynthia D. Lawson
Director of Finance

Approved as to technical requirements:

Timothy J. McGarry
Director of Planning and Development

Florida Power & Light Company Execution Page

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Lease to be executed as of the Effective Date specified in this Lease.

WITNESSES:

TENANT:

FLORIDA POWER & LIGHT COMPANY, a Florida corporation

_____
Print
name:_____

_____
Print
name:_____

By:_____
Name:_____
Title:_____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this day of _____, 20__, by , the of **FLORIDA POWER & LIGHT COMPANY**, a Florida corporation, who [ ] is personally known to me or [ ] has produced as identification.

Seal:

_____
Notary Public, State of Florida at Large
Print Name: _____
Notary Commission No.: _____
My Commission Expires: _____

Lease by and between the City of Vero Beach, Florida and Florida Power & Light Company

Exhibit "A"

Premises Legal Description and Map

SUBJECT TO REVISION

PROPERTY DESCRIPTION
VERO BEACH AIRPORT PARCEL #45
Southern Portion of Parcel #32-39-26-00011-0440-00001.0

Situated in the State of Florida, County of Indian River, City of Vero Beach, and being a portion of Section 3, Township 33 South, Range 39 East and being more particularly bounded and described as follows:

Commencing at the Northeast corner of Section 3-33-39, run North 89°45'39" West along the North line of said Section 3 for a distance of 633.00 feet to a point of intersection with the West line of a 55 foot wide drainage right-of-way;

Thence South 0°09'00" West along the West line of said drainage right-of-way for a distance of 92.09 feet to the Point of Beginning;

Thence from the Point of Beginning, continue South 0°09'00" West along said West right-of-way line for a distance of 180.35 feet;

Thence South 21°18'00" East along said West right-of-way line for a distance of 122.79 feet to a point of intersection with the North right-of-way line of the Main Canal;

Thence South 69°21'47" West along said North right-of-way line of the Main Canal for a distance of 360.18 feet;

Thence North 20°41'28" West for a distance of 290.73 feet;

Thence North 69°15'05" East for a distance of 423.10 feet to the Point of Beginning;

Containing 109,956 square feet more or less.

Said parcel subject to a 25-foot drainage and maintenance easement across the East 25 feet;

SUBJECT TO REVISION

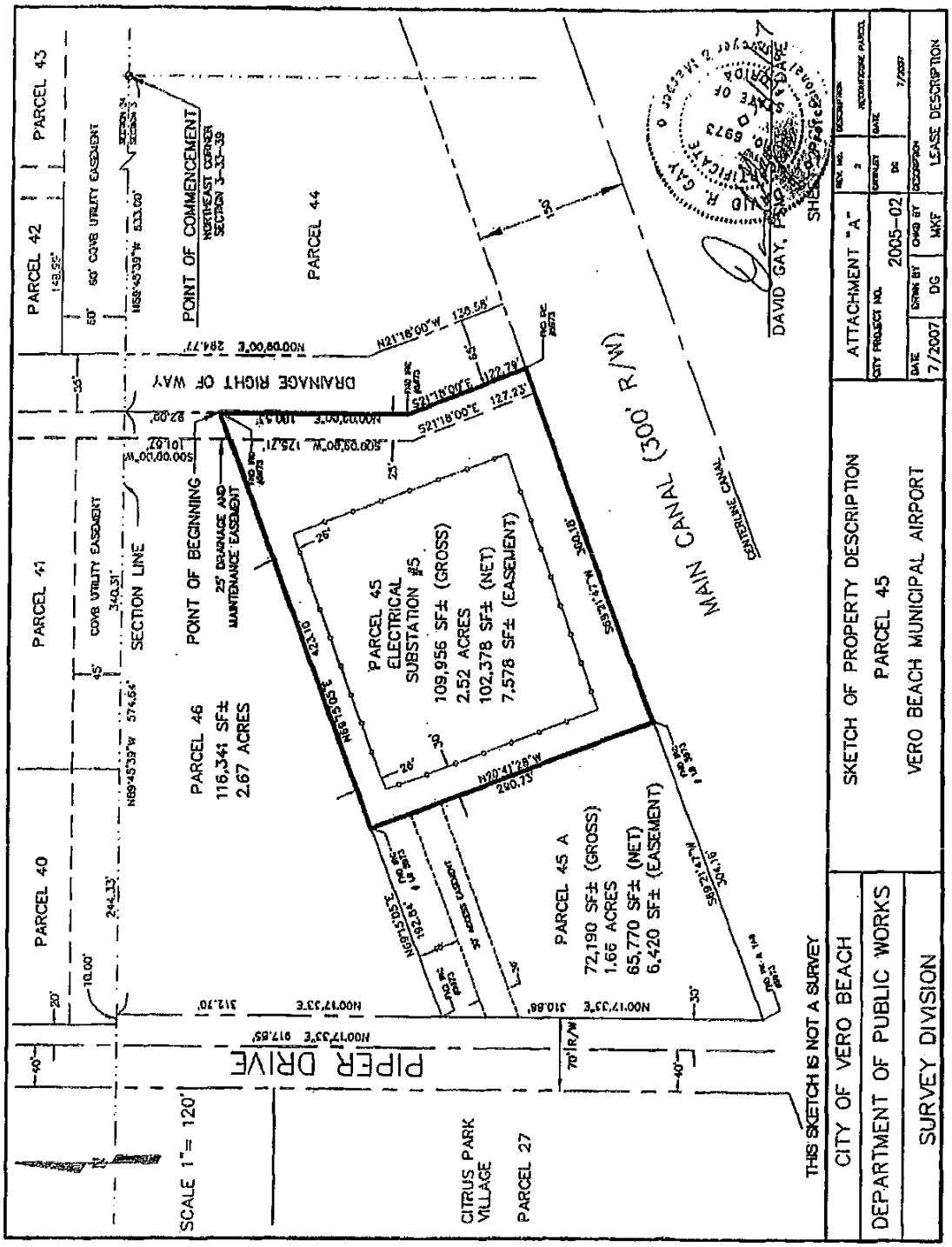

Exhibit "B"

Access Easement Legal Description and Map

SUBJECT TO REVISION

SUBJECT TO REVISION

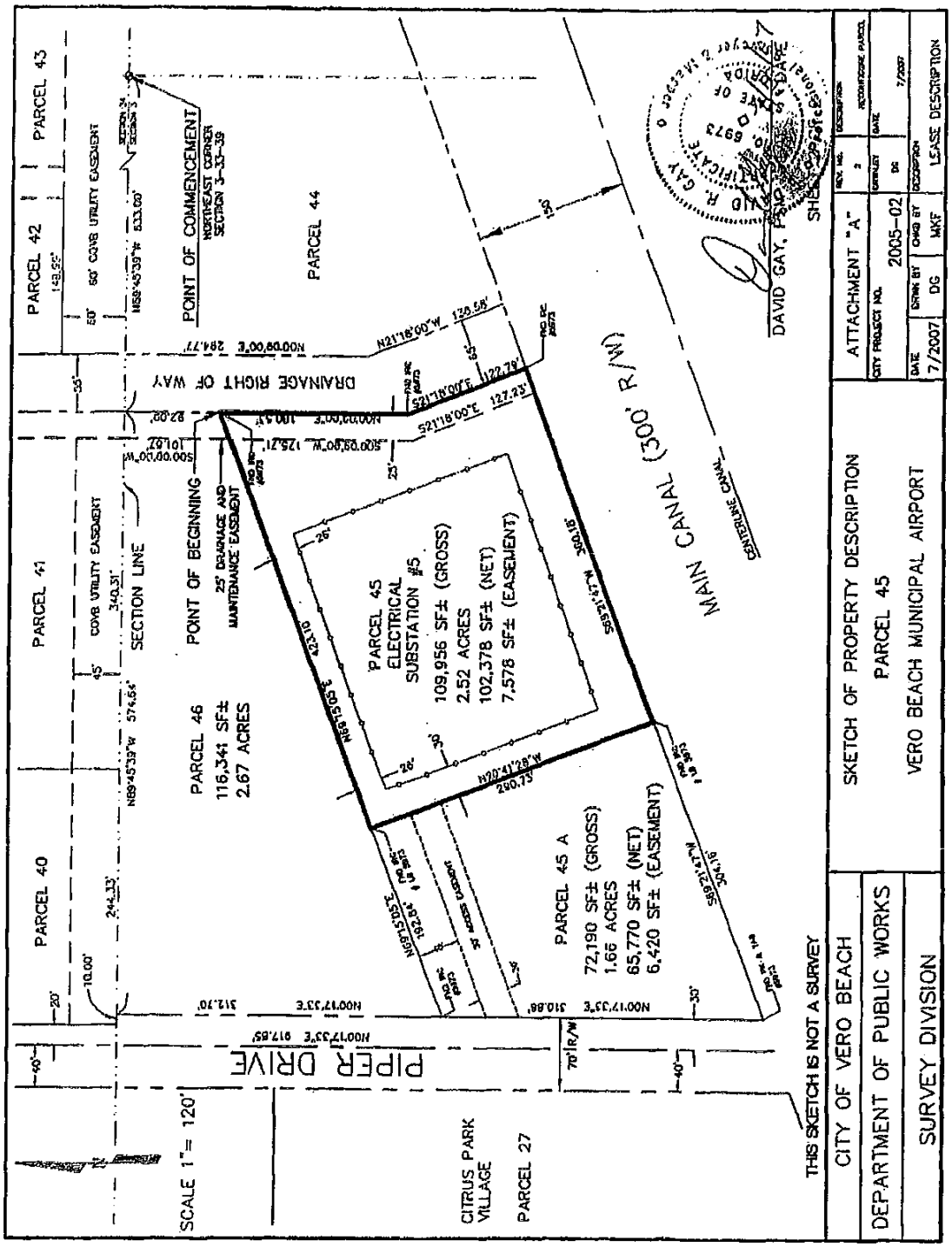

Exhibit I-1B

Form of Airport 6 Substation Lease Agreement and Memorandum of Lease

[*Exhibit begins on the following page.*]

Prepared by and return to:
Nathaniel L. Doliner
Carlton Fields
4221 W. Boy Scout Blvd., Ste. 1000
Tampa, Florida 33607-5780

AIRPORT SUBSTATION 6 LEASE AGREEMENT

THIS AIRPORT SUBSTATION 6 LEASE AGREEMENT (the "**Lease**"), made and entered into as of [_____ __], 201[__] (the "**Effective Date**") is between THE CITY OF VERO BEACH, FLORIDA, a Florida municipal corporation (herein called "**Landlord**"), with an address of 1053 20th Place, Vero Beach, FL 32960, and FLORIDA POWER & LIGHT COMPANY, a Florida corporation (herein called "**Tenant**"), with an address of 700 Universe Boulevard, Juno Beach, FL 33408. Landlord and Tenant are sometimes together referred to herein as the "**Parties**" and individually as a "**Party.**"

RECITALS

A. As of the Effective Date, Landlord has sold, assigned and conveyed certain electric utility assets of Landlord to Tenant, and Tenant has commenced providing retail electric service to the City of Vero Beach's electric utility customers as contemplated under that certain Asset Purchase and Sale Agreement, dated [_____], 201[__], by and between Landlord and Tenant (the "**Asset Purchase and Sale Agreement**"). As used in this Lease, the "**Vero Beach Electric Utility**" means the electric utility system of electricity transmission and distribution owned or operated by Tenant providing retail electric service to the City of Vero Beach's electric utility customers on and after the Effective Date.

B. In order to provide retail electric services to the electric utility customers as contemplated by the Asset Purchase and Sale Agreement, Tenant desires to lease from Landlord, and Landlord desires to lease to Tenant, for use exclusively as an electrical substation, the real property more commonly known as "**Substation #6**" (the "**Substation**") and more particularly described and depicted on attached **Exhibit "A"** made a part hereof, together with all improvements and fixtures located thereon, and all appurtenances pertaining thereto (collectively, the "**Premises**").

C. To provide ingress and egress for the Premises during the Term, as defined below, Landlord desires to provide a temporary non-exclusive access easement (the "**Access Easement**") in favor of Tenant and benefitting the Premises, across property adjacent to the Premises, as legally described and depicted on **Exhibit "B"** attached hereto and made a part hereof (the "**Access Parcel**").

D. It is intended that the Rent provided for in this Lease shall be absolutely net to Landlord throughout the Term, free of any taxes, costs, utilities, insurance expenses, liabilities,

charges or other deductions whatsoever with respect to the Premises and Access Parcel and the operation, maintenance, repair, rebuilding, use or occupation thereof all of which shall be Tenant's sole responsibility during the entire Term.

NOW THEREFORE, in consideration of and subject to the terms, covenants, agreements, provision and limitations set forth in this Lease, Landlord and Tenant agree as follows:

1. Recitals. The above-stated recitals are true and correct and are incorporated herein by this reference.

2. Lease of Premises. Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord. Tenant will rely exclusively upon its own investigation into the title relating to the Premises and the Access Parcel and Landlord makes no warranty of title relating to the Premises or the Access Parcel. Tenant's leasehold and easement interest in the Premises and Access Parcel pursuant to this Lease is made subject to the Permitted Encumbrances (as defined in the Asset Purchase and Sale Agreement).

3. Access to Premises. Landlord grants and conveys to Tenant, its permitted successors and assigns under this Lease, for the duration of the Term, the Access Easement benefitting the Premises and providing ingress and egress to and from the Premises over and across the Access Parcel. This Lease also includes the right, during the Term, as defined below, to use all existing easements and appurtenances, if any, benefitting the Premises and necessary or now used to operate the Substation. Such existing easements benefitting the Premises and the Access Easement granted by this Lease are herein referred to collectively as the "**Easements**".

(a) **Nature of the Easements**. All Easements shall be non-exclusive, appurtenant to the Premises, shall run with the Premises, and shall continue in full force and effect for the Term and any extension or diminution thereof unless a shorter period is provided in any instrument creating any such Easement. Tenant's rights in or to the Easements shall terminate on the Expiration Date, defined below.

(b) **Non-Interference with Easements**. Landlord covenants and agrees not to use the Access Parcel in a way that interferes with Tenant's operation of the Substation.

4. Triple Net Lease. This is a triple net lease and the Rent required to be paid to Landlord pursuant to this Lease shall be completely net rent to Landlord. During the entire Term, Landlord shall have absolutely no cost, obligation, responsibility or liability whatsoever relating to the Premises or the Access Parcel. Without limiting the generality of the foregoing, Landlord shall have no obligations for repairing or maintaining any portion of the Premises or any systems with respect thereto. All Rent shall be paid by Tenant to Landlord without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction whatsoever and Tenant shall pay any and all applicable sales and use tax, local surtaxes, any and all ad valorem taxes on the Premises, and any documentary stamp tax or other taxes on the Rent or the grant of rights described in this Lease.

5. Use. The Premises may be used by Tenant for operation and maintenance of a functioning electrical substation for the distribution of electric power, with related amenities and facilities, in the business of the Vero Beach Electric Utility, and for no other use whatsoever. Tenant covenants that it shall comply with all applicable building, zoning, fire and other governmental laws, ordinances, regulations and rules in its use and operation of the Premises.

6. FAA and FDOT. Tenant acknowledges that the Premises and the Access Parcel are under the regulatory jurisdiction of the Federal Aviation Administration (the "**FAA**") and Florida Department of Transportation (the "**FDOT**"), and this Lease is made expressly subject to the regulatory authority, rules and regulations of the FAA and the FDOT as may be applicable.

7. Term. Unless otherwise provided by this Lease, the term of this Lease shall be for a period of thirty (30) years beginning on the Effective Date (the "**Initial Term**") and can be extended by Tenant at Tenant's sole option for up to two (2) additional terms of ten (10) years each (each, an "**Extended Term**") provided that Tenant shall deliver to Landlord notice of Tenant's intent to extend the Term of this Lease not less than thirty (30) days prior to the expiration the then-current Initial Term or Extended Term, as the case may be. The Initial Term and each Extended Term, if Tenant exercises its option, under the terms of this Lease, as to one or both of the Extended Terms, shall be collectively referred to herein as the "**Term**." For purposes of this Lease, the term "**Lease Year**" shall mean: (a) that period, during the Term, commencing upon the Effective Date and continuing until and including the last day of the month of the twelfth (12th) full month following the Effective Date; (b) each such successive twelve (12) month period during the Term; and (c) in the event that this Lease terminates prior to the end of a Lease Year, that period commencing on the first date of such Lease Year and ending on the date of termination of this Lease. The expiration date of the Term (the "**Expiration Date**") shall be the last day of the 30th Lease Year, the last day of the 40th Lease Year or the last day of the 50th Lease Year, whichever shall be applicable depending on whether Tenant shall exercise any option as to the first or both Extended Terms. Notwithstanding the foregoing, at any time during the Term, Tenant may terminate this Lease at its sole option provided that: (i) Tenant shall deliver to Landlord notice of Tenant's intent to terminate (the "**Termination Notice**") not less than thirty (30) days prior to the date of termination, and (ii) contemporaneously with the Termination Notice, Tenant shall deliver to Landlord a termination fee, together with all applicable taxes, in an amount equal to three (3) times the annual Rent then due pursuant to this Lease.

8. Rent. The rent (the **"Rent"**) to be paid under this Lease shall be paid in the amounts as set forth below, plus any and all applicable sales and use tax, local surtaxes, and any documentary stamp tax or other taxes on the Rent, or rights granted to Tenant by this Lease, and shall be paid to Landlord in advance without demand or offset:

(a) **Rent During Initial Term**. Rent during the Initial Term shall be in an amount approved by the FAA and equal to the fair market rental value of the Premises and Access Parcel as determined by an appraiser selected by Landlord, with the cost of such appraisal split equally by the Parties, and with such appraisal being performed no more than six (6) months prior to the Effective Date. The Rent shall be paid in thirty (30) equal annual installments of [_____ ($_____)] commencing on the Effective Date and continuing on each subsequent anniversary date of the Effective Date for each of the subsequent Lease Years of

the Initial Term thereafter. Beginning on October 1st of the second Lease Year, and annually on each October 1st thereafter, including any Extended Term pursuant to an option to renew or extend the Term, if any, exercised by Tenant under this Lease, the Rent shall be adjusted and increased in accordance with any increase in the annual percentage change for the prior year in the index known on the Effective Date as the "United States Bureau of Labor Statistics Consumer Price Index ("**CPI**") for All Urban Consumers," using the July to July report. If the CPI ceases to be published, Landlord shall select an alternative index measuring price increases in its reasonable discretion. In no event shall the Rent decline due to any change in the CPI, and in the event of a decline in the CPI for any applicable annual period, there will be no adjustment to the Rent for that Lease Year.

9. Representations and Warranties.

(a) Landlord represents and warrants to Tenant as follows:

(i) Landlord has full power and authority to enter into this Lease.

(ii) The person executing and delivering this Lease on Landlord's behalf is acting pursuant to proper authorization and this Lease is the valid, binding and enforceable obligation of Landlord enforceable against Landlord in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

(b) Tenant represents and warrants to Landlord as follows:

(i) Tenant is a corporation duly incorporated, validly existing and having active status under the laws of the State of Florida, with the necessary corporate power and authority to enter into this Lease.

(ii) The person executing and delivering this Lease on Tenant's behalf is acting pursuant to proper authorization, and this Lease is the valid, binding and enforceable obligation of Tenant enforceable against Tenant in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

10. Hazardous Materials and Pre-Existing Conditions.

(a) For purposes of this Lease:

(i) "***Environmental Claim***" means any and all communications, whether written or oral, alleging potential Liability, administrative or judicial actions,

suits, orders, liens, notices alleging Liability, notices of violation, investigations which have been disclosed to Landlord, complaints, requests for information relating to the Release or threatened Release into the Environment of Hazardous Substances, proceedings, or other communication, whether criminal or civil, pursuant to or relating to any applicable Environmental Law, by any person (including any governmental authority) based upon, alleging, asserting, or claiming any actual or potential (i) violation of, or Liability under any Environmental Law, (ii) violation of any Environmental Permit, or (iii) Liability for investigatory costs, cleanup costs, removal costs, remedial costs, response costs, monitoring costs, natural resource damages, property damage, personal injury, fines, or penalties arising out of, based on, resulting from, or related to the presence, Release, or threatened Release into the environment of any Hazardous Substances at the Premises or Access Parcel including any off-Site location to which Hazardous Substances, or materials containing Hazardous Substances, were sent.

(ii) "***Environmental Laws***" means all Laws regarding pollution or protection of the Environment, the conservation and management of land, natural resources and wildlife or human health and safety or the Occupational Safety and Health Act (only as it relates to Hazardous Substances), including Laws regarding Releases or threatened Releases of Hazardous Substances (including Releases to ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, Release, transport, disposal or handling of Hazardous Substances, including the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§ 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.), the Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. §§ 2601 et seq.), the Oil Pollution Act (33 U.S.C. §§ 2701 et seq.), the Emergency Planning and Community Right-to-Know Act (42 U.S.C. §§ 11001 et seq.), and all other Laws analogous to any of the above.

(iii) "***Environmental Permit***" means any Permit under or in connection with any Environmental Law, including any and all orders, consent orders or binding agreements issued or entered into by a governmental authority under any applicable Environmental Law, that is used in, or necessary for, (i) the business of the Vero Beach Electric Utility, or (ii) the ownership, use or operation of the Premises, in each case under clause (i) or (ii), as conducted prior to the Effective Date.

(iv) "***Hazardous Substances***" means: (i) any petroleum, asbestos, asbestos-containing material, and urea formaldehyde foam insulation and transformers or other equipment that contains polychlorinated biphenyls; (ii) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous

substances," "toxic substances," "contaminants," "pollutants," "toxic pollutants," "hazardous air pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law; and (iii) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

(v) "***Liability***" means any direct or indirect liability, commitment, indebtedness or obligation (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or un-accrued, whether liquidated or un-liquidated, and whether due or to become due) of any kind, character or nature, or any demand, claim or action asserted or brought against the relevant Party.

(vi) ***"Law"*** means any foreign, federal, state or local law, constitutional provision, statute, charter, ordinance or other law, rule, regulation, code (including any zoning code, fire code or health and safety code), or interpretation of any governmental authority or any order of or by any governmental authority, including all Environmental Laws, requirements and regulations, applicable to the Premises or the Vero Beach Electric Utility.

(vii) "***Loss***" or "***Losses***" means any and all damages, fines, fees, penalties, deficiencies, losses, Liabilities, interest, awards, judgments, actions and expenses (whether or not involving a third party claim), including all remediation costs, reasonable fees of attorneys, accountants and other experts, or other expenses of litigation or proceedings or of any claim, default or assessment relating to the foregoing.

(viii) "***Release***" means any actual, threatened or alleged spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dumping or disposing of a Hazardous Substance into the environment or within any building, structure, facility or fixture.

(ix) "***Remediation***" means any action of any kind required by applicable Law to address the presence or Release of Hazardous Substances, including: (i) monitoring, investigation, assessment, treatment, cleanup containment, removal, mitigation, response or restoration work, as well as obtaining any permits necessary to conduct any such activity; (ii) preparing and implementing any plans or studies for any such activity; and (iii) obtaining a written notice from a governmental authority with competent jurisdiction under Environmental Laws, that no material additional work is required.

(b) As may be more fully described in the Asset Purchase and Sale Agreement and this Lease, except to the extent exacerbated or contributed to by Tenant, Landlord agrees to be responsible for any and all Losses of Tenant, and pay and perform when due any and all Liabilities of Tenant:

(i) under Environmental Laws, Environmental Permits or Environmental Claims with respect to the Premises arising from any event, condition, circumstance, act or omission that occurred prior to the Effective Date; or

(ii) arising from the presence of Hazardous Substances that originated on the Premises prior to the Effective Date or the Release of Hazardous Substances at, on, in, under, or migrating from the Premises prior to the Effective Date (such Losses or Liabilities under this Section 10(b)(i) or Section 10(b)(ii) hereof, the "**Environmental Liabilities**");

Provided, however, that as an absolute condition to such responsibility, Tenant must give to Landlord notice (the "**Environmental Notice**") of any claim of Environmental Liabilities no later than thirty (30) days prior to the anticipated Effective Date and, solely with respect to any Environmental Liability which Tenant demonstrates occurred subsequent to Tenant's Phase II environmental testing described below, Tenant must give the Environmental Notice prior to the Effective Date, which Environmental Notice, in either case, must contain the estimated total amount of the Environmental Liabilities and a summary of facts then known to Tenant that support such claim; and provided, further, that in no event shall Landlord be liable or responsible for any Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate, from all sources as described in the Asset Purchase and Sale Agreement, (the "**Aggregate Environmental Cap**"). Tenant hereby releases Landlord from, and Landlord shall not be liable or responsible for, any and all Environmental Liabilities as to which Tenant does not give Landlord the Environmental Notice or Environmental Notices prior to the time required in the immediately preceding sentence. Tenant also hereby releases Landlord from, and Landlord shall not be responsible for, any and all Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate from all sources as described in the Asset Purchase and Sale Agreement. The limitations on Landlord's liability or responsibility for Environmental Liabilities under this Section 10 are absolute limitations and will control over any other provisions in this Lease or other agreements between the Parties that are or may be to the contrary.

(c) In order to make a claim against Landlord pursuant to Section 10 (b) above, Tenant must have completed its environmental testing, including Phase II environmental testing, on the Premises and, if so performed, must have submitted the results of such testing to Landlord at least thirty (30) days prior to the Effective Date (collectively, "Tenant's Phase II Environmental Testing"). If Tenant has not performed such actions by the within the time periods specified, Tenant shall be deemed to have waived its right to make a claim against Landlord under Section 10 (b) above with respect to the Premises.

(d) Tenant shall not cause or permit the Release in any manner of any Hazardous Substances upon the Premises, the Access Parcel or upon adjacent lands, which violates any Environmental Laws. Tenant shall give prompt notice to Landlord of any Release of a Hazardous Substance in violation of Environmental Laws, whether caused by Tenant or, to the knowledge of Tenant, any third party.

(e) To evidence any changes to the environmental condition of the Premises at the expiration or termination of this Lease, Tenant shall perform an environmental assessment, including soils and groundwater sampling, of the Premises (the **"Closure Environmental Assessment")** as close in time as practical to the Expiration Date or the earlier termination of this Lease, at its expense and provide a copy thereof to Landlord as soon as practical. Tenant's obligation to provide the Closure Environmental Assessment shall survive the expiration or termination of this Lease.

(f) Except to the extent of Landlord's responsibility as described in Section 10 (b) above, Tenant shall be responsible, at Tenant's sole cost and expense, for commencing and thereafter performing, or causing to be performed, any and all assessments, Remediation, cleanup and monitoring of all Hazardous Substances existing or Released on, in, under, from or related to the Premises during the Term in violation of Environmental Laws; provided, however, that the foregoing shall not in any way limit or expand any liability, obligations or rights of Tenant or Landlord, to the extent expressly provided in the Agreement for Sale and Purchase. In the event any Remediation is required in the previous sentence, Tenant shall furnish to Landlord, within a reasonable period of time, written proof from the appropriate local, state or federal agency with jurisdiction over the Remediation that the Remediation has been satisfactorily completed in full compliance with all Environmental Laws. Tenant's obligation to provide Remediation as required by this Section 10 shall survive the expiration or termination of this Lease.

(g) Tenant shall indemnify, defend and hold harmless Landlord from and against, and pay, reimburse and fully compensate as the primary obligor Landlord for, any and all claims, suits, judgments, loss, damage, and liability which may be incurred by Landlord including, without limitation, Landlord's reasonable attorney's fees and costs, arising in any way from Hazardous Substances existing or Released on, in, under, from the Premises by Tenant, its employees, agents or contractors, or related to Tenant's use of the Premises or the Access Parcel during the Term in violation of Environmental Laws, or any violation of the Environmental Laws, by Tenant, its agents, licensees, invitees, subcontractors or employees on, in, under or related to the Premises or the Access Parcel during the Term. This responsibility shall continue to be in effect for any such Release or presence of Hazardous Substances as to which Landlord gives notice to Tenant on or before the fifth (5^{th}) anniversary of the Expiration Date. Tenant's obligation to provide the indemnity, defense and hold harmless required by this Lease shall survive the expiration or termination of this Lease.

(h) With respect to Remediation of any Releases at the Premises or migrating from the Premises, Tenant will remediate such Release, including any Baseline Recognized Environmental Conditions or Hazardous Substances migrating from the Premises (such Baseline Recognized Environmental Conditions and Hazardous Substances migrating from onto the Premises (but excluding any impacts to extent of any contribution or exacerbation by Tenant), the **"Landlord Responsible Environmental Conditions"**) as required by the Florida Department of Environmental Protection or Environmental Protection Agency, subject the following conditions:

(i) Unless otherwise agreed by the Parties, Tenant will remediate a Release to the least stringent standard permitted by the Florida Department of

Environmental Protection and Environmental Protection Agency, as applicable, and obtain a final non-appealable agency action approving such remediation, if applicable (such remediation standard, the **"Minimum Required Standard"**). The Landlord may direct Tenant to remediate to a higher (cleaner) standard in which case the incremental cost (the **"Incremental Cost"**) will be the Landlord's responsibility.

(ii) If the cost of remediating any Landlord Responsible Environmental Conditions to the Minimum Required Standard, or such higher standard as may be requested or required by the Landlord, will exceed $50,000 as reasonably estimated by Tenant based on reasonable bids from a third party contractor in accordance with Tenant's standard procurement practices, the total cost of remediating the Landlord Responsible Environmental Condition will be the responsibility of Landlord; subject to the limitation set forth in Section 10 (b) above.

(iii) If the Florida Department of Environmental Protection or Environmental Protection Agency requires remediation or other actions (e.g., monitoring), Tenant has the sole right to direct such Remediation activities regardless of the estimated cost and the Landlord shall be responsible for the costs associated with Remediating the Landlord Responsible Environmental Conditions, subject to the limitation set forth in Section 10 (b) above.

(iv) With respect to the Landlord's payment obligations set forth in Section 8 (h)(ii)-(iii), the Landlord shall reimburse Tenant within fifteen (15) calendar days of Tenant's providing to the Landlord an invoice for the costs incurred by Tenant along with copies of the underlying invoices from the contractors who performed the work. Notwithstanding anything herein to the contrary, in no event shall the Landlord shall be responsible for the costs to remediate Landlord Responsible Environmental Conditions in excess of the Aggregate Environmental Cap as defined in Section 6.22 of the Asset Purchase and Sale Agreement and Section 8 (b) above except for Incremental Costs that exceed the Aggregate Environmental Cap.

11. Non-interference. Landlord covenants and agrees not to use or construct any improvements on, under or over the Premises.

12. Assumption of Risk; Indemnification. Tenant agrees as follows:

(a) Tenant will rely exclusively upon its own investigation into the title relating to the Premises and the Access Parcel and Landlord makes no warranty of title relating to the Premises or the Access Parcel. Tenant's leasehold and easement interest in the Premises and Access Parcel pursuant to this Lease is made subject to the Permitted Encumbrances (as defined in the Asset Purchase and Sale Agreement).

(b) Except as specifically provided in this Lease, Tenant acknowledges and agrees that Landlord has not made, does not make and specifically negates and disclaims any

representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future of, as to, concerning or with respect to the Premises and Access Parcel and that the rights granted with respect to the Premises provided for in this Lease are made on an "as is" condition and basis and with all faults. Without in any way limiting the generality of the foregoing, the grant of easement rights contemplated hereby is without any warranty other than Landlord's express representations and warranties in this Lease; and Landlord and Landlord's elected and appointed officials, officers, directors, employees, and affiliates (collectively the "**Landlord's Related Parties**") have made no, and expressly and specifically disclaim, and Tenant accepts that Landlord and the Landlord's Related Parties have disclaimed, any and all representations, guaranties or warranties, express or implied, or arising by operation of law (except for the representations and warranties, if any, expressly made by Landlord in this Lease), of or relating to: (i) the use, expenses, operation, characteristics or condition of the Premises and Access Parcel, or any portion thereof, including, without limitation, warranties of suitability, habitability, merchantability, design or fitness for any specific or particular purpose, or good and workmanlike construction; (ii) the environmental condition of the Premises or Access Parcel, or contamination by hazardous materials, or the compliance of any portion of the Premises or Access Parcel with any or all Environmental Laws; or (iii) the soil conditions, drainage, flooding characteristics, accessibility or other conditions existing in, on or under any portion of the Premises or Access Parcel. Tenant acknowledges and agrees that it is not relying on any representations or statements (oral or written) which may have been made or may be made by Landlord or any of the Landlord's Related Parties (except for Landlord's representations and warranties expressly set forth in this Lease), and is relying solely upon Tenant's or Tenant's representatives' own physical inspection of the Premises and Access Parcel and other investigations by Tenant or Tenant's representatives. Tenant acknowledges that any condition of the Premises or Access Parcel, whether apparent or latent, which Tenant discovers or desires to correct or improve on or after the Effective Date shall be subject to Landlord's review and approval rights, as set forth in this Lease, and shall be at Tenant's sole expense.

(c) Tenant recognizes and hereby expressly and fully assumes all risks, known and unknown, that arise or might arise incidental to or in any way connected with the condition or use of the Premises or access to the Premises. This assumption of risk by Tenant is made for and on behalf of Tenant and Tenant's successors, and permitted assigns.

(d) Tenant agrees to indemnify, defend and hold harmless Landlord and Landlord's Related Parties against any and all claims, including costs and expenses, of any kind or nature, including, without limitation, costs of investigation, attorneys' fees, paralegal fees, experts' fees and costs through regulatory proceedings, trial and review or appeal, including but not limited to claims for personal injury, death of persons and property damage, or other liability to the extent arising from Tenant's use, improvement, operation, condition or maintenance of the Substation or the Premises, provided however that this indemnity shall not apply to the negligence or willful misconduct of the Landlord and/or the Landlord's Related Parties as determined by a court of competent jurisdiction.

(e) Tenant's obligations under this Section 12 shall survive the termination of this Lease.

13. Construction, Mechanics and Materialmen's Liens; Notice of Work. Tenant will make no alteration, change, improvement or addition to the landscaping or exterior of the Premises without the prior written consent of Landlord which will not be unreasonably withheld, conditioned or delayed. Tenant will be responsible for payment of any and all work performed on Tenant's behalf on the Premises and Access Parcel. In no event will Landlord be responsible for payment of any work relating to the Premises nor will the Premises or Access Parcel, or any interest therein, be subject to any lien for payment of any construction or similar work performed by or for Tenant on or for the Premises or Access Parcel. Further, Tenant shall promptly notify the contractor performing any such work or alterations on the Premises or Access Parcel at Tenant's request or making such improvements to the Premises or Access Parcel at Tenant's request of this provision exculpating Landlord of responsibility for payment and liens. Notwithstanding the foregoing, if any mechanic's lien or other lien, attachment, judgment, execution, writ, charge or encumbrance is filed or recorded against any portion of the Premises or Access Parcel as a result of any work performed on or materials delivered to the Premises or Access Parcel at Tenant's direction, Tenant shall, within sixty (60) days following written notice of any such lien, cause same to be paid, discharged or otherwise removed of record. In the event that Tenant fails to remove any such mechanics or materialmen's lien relating to Tenant's work at the Premises or Access Parcel, the Landlord may cause such lien to be removed and Tenant shall reimburse Landlord for all reasonable costs and expenses, including attorney's or paralegal fees incurred by Landlord within forty-five (45) days following receipt of Landlord's written invoice and supporting documentation.

14. Insurance. Landlord understands that Tenant self-insures, and that prior to accessing the Premises or Access Parcel, Tenant will provide Landlord with a letter of such self-insurance. In the event that Tenant ceases to self-insure, then, during the Term of this Lease, and thereafter so long as Tenant operates, uses or maintains any portion of the Substation:

(a) Tenant shall procure and maintain, at Tenant's sole cost and expense, commercial general liability insurance providing coverage which protects Tenant and Landlord and the Landlord's Related Parties from and against any and all claims and liabilities for bodily injury, death and property damage arising from operations, premises liability, fire with respect to the Substation. Such insurance shall provide minimum coverage of $1,000,000.00 per occurrence and $2,000,000.00 aggregate. Tenant shall be and remain liable for and pay all deductibles and other amounts not covered, paid or reimbursed under the insurance policies.

(b) Tenant shall procure and maintain, at Tenant's sole cost and expense, workers' compensation insurance as required by applicable law, and employers' liability insurance, with coverage amounts with a limit of (i) One Million Dollars ($1,000,000) for bodily injury per accident, (ii) One Million Dollars ($1,000,000) for bodily injury by disease per policy and (iii) One Million Dollars ($1,000,000) for bodily injury by disease per employee.

(c) The certificate of insurance required herein for commercial general liability insurance, including, without limitation, all renewals, shall include a blanket additional insured endorsement and provide for at least thirty (30) days advance notice to Landlord of any non-renewal or cancellation. Tenant shall provide Landlord with a copy of certificates of insurance stating that the coverage as required herein is in full force and effect no later than the Effective

Date. Tenant shall cause certificates of insurance or a self-insured letter in conformance with the requirements hereof to be promptly provided to Landlord for each subsequent policy renewal.

(d) Tenant's insurance in all instances shall be primary and any insurance that may be maintained by Landlord shall be in excess of and shall not contribute with Tenant's insurance. All insurance policies shall be issued by a company or companies licensed to do business in the State of Florida.

(e) Landlord shall have the right to periodically review the adequacy of the required insurance, its forms and types, the amounts of coverage and, notwithstanding any other provision of this Lease, unilaterally modify the insurance requirements of this Section 12 by giving notice of such modification to Tenant. Such modification shall be as found reasonably necessary in the sole discretion of Landlord. Factors which may be considered by Landlord include, without limitation, changes in generally accepted insurance industry standards and practices, changes in use of the Premises, changes in risk exposure, measurable changes in local and national economic indicators and changes in Landlord's policies and procedures.

(f) Tenant understands and acknowledges that the responsibility and obligation to provide and maintain insurance in the forms, types and coverages required herein are solely Tenant's responsibilities and obligations which continue for the entire Term of this Lease, and until such time as Tenant no longer operates the Substation or enters the Premises, whichever date is later.

(g) In the event that Tenant fails for any reason to procure or maintain insurance in the forms, types or coverages required and to name Landlord as an additional insured on the certificates of insurance, Tenant shall cure such material breach within fifteen (15) calendar days after Tenant is given notice of such breach. Should Tenant fail to cure the breach within such period or such other time as may be agreed to by the Parties in writing, Landlord in Landlord's sole discretion may, but is not obligated to, secure replacement insurance coverage at Tenant's sole expense. Should Landlord elect to secure replacement insurance, Tenant shall thereafter reimburse Landlord within fifteen (15) calendar days of Landlord's providing to Tenant an invoice for the costs and premiums incurred by Landlord for the replacement insurance coverage, plus an administrative charge of ten percent (10%) or $250.00, whichever is greater. Tenant shall continue to be responsible for the payment of all deductibles applicable to the insurance policies and all losses incurred with respect to any lapse in coverage. Should Tenant subsequently obtain the required insurance, Tenant shall remain responsible for and reimburse Landlord for all costs and expenses to Landlord for the insurance premiums incurred by Landlord and the administrative charges set forth in this Section 14(g).

(h) Tenant's obligations under this Section 14 shall survive the termination or expiration of this Lease.

15. No Consequential Damages. Notwithstanding any other provisions in this Lease to the contrary, neither Party nor any of its elected officials, directors, officers, employees, lenders, shall be liable to the other Party for consequential, incidental, exemplary, punitive, anticipatory profits or indirect loss or damage of any nature, including, without limitation, loss of profit, loss

of use, loss of operating time, loss of revenue, increased costs of producing revenues, cost of capital or loss of goodwill whether arising in tort, contract, warranty, strict liability, by operation of law or otherwise, even if by such Party's, its representatives', agents', contractors', subcontractors', invitees' or licensees' negligence or fault, in connection with this Lease, except to the extent claimed by third parties. The Parties further agree that the waivers and disclaimers of liability, indemnities, releases from liability, sole remedy provisions and limitations on liability expressed in this Lease shall survive termination or expiration of this Lease and shall extend to the parent, affiliates, and subsidiaries of each Party and their respective, partners, directors, officers, and employees and elected officials.

16. Taxes. Tenant shall pay any and all real property taxes for the Premises for the entire Term. As used herein, the term "**real property tax**" shall include any form of real estate tax or assessment, general, special, ordinary or extraordinary, and any license fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income or estate taxes) imposed on the Premises or any portion thereof by any authority having the direct or indirect power to tax, including, without limitation, any city, county, state or federal government, or any school, agricultural, sanitary, fire, street, drainage or other improvement district thereof, as against any legal or equitable interest of Landlord or Tenant in the Premises or in any portion thereof. Tenant shall pay the real property taxes and shall deliver to Landlord official receipts evidencing such payment, which payment of real property taxes shall be made and the receipts delivered at least thirty (30) days before the real property taxes would become delinquent in accordance with the law then in force governing the payment of such real property taxes. If, however, Tenant desires to contest the validity of any real property taxes, Tenant may do so without being in default hereunder, provided Tenant gives Landlord notice of Tenant's intention to do so and provided the real property taxes are paid before any such real property taxes become delinquent after any applicable contest or appeal period.

17. Utilities. Tenant shall pay for all water, gas, heat, light, power, telephone and other utilities and services supplied to the Premises, together with any taxes thereon.

18. Compliance with Laws. During the Term, Tenant shall, at its expense, comply with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Premises. Further, during the Term, Tenant shall, at its expense, cause the Premises to attain compliance or remain in compliance with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Premises.

19. Assignment and Subletting. Landlord acknowledges that this Lease and Tenant's interests hereunder shall be subject to the encumbrance of Tenant's pre-existing mortgage with Deutsche Bank Trust Company Americas. Tenant shall not otherwise mortgage or assign its interest in this Lease without the prior written consent of Landlord, and such consent may be withheld in Landlord's unfettered discretion unless such proposed assignment is to the purchaser of all or substantially all of the assets of Florida Power & Light Company, as a part of a bona fide sale by Florida Power & Light Company to a third party purchaser for value and in such event Landlord's consent will not be unreasonably withheld or delayed. Notwithstanding any assignment of this Lease, Tenant will not be released from any of its obligations hereunder

unless such assignee executes an assignment and assumption agreement in form reasonably acceptable to Landlord agreeing to be bound by the terms of this Lease and Landlord determines in its reasonable discretion that such assignee is creditworthy. Further, any assignment in violation of this Section 17 shall be deemed void and a breach of this Lease by Tenant.

20. Relocation of Premises or Access Parcel. Landlord may elect to relocate the Premises or the Access Parcel as follows:

(a) Tenant agrees that at any time before or during the Term, and upon at least two (2) years prior written notice (the "**Relocation Notice**"), Landlord shall have the right to relocate the Premises described herein (the "**Existing Premises**") to another area (the "**New Premises**"), as determined by Landlord in its commercially reasonable discretion using prudent electric utility industry practice after consultation with Tenant. The New Premises shall include reasonable vehicular access, be suitable for placement of an electric substation and of sufficient size to accommodate the substation equipment then placed on the Premises. Landlord shall bear any and all direct costs and expenses of such relocation, including (i) providing the New Premises, (ii) moving all Tenant's equipment from the Existing Premises to the New Premises, and (iii) the installation of such substation equipment together with any and all lines or other equipment necessary for the use and operation of an electric substation on the New Premises. In no event shall Landlord be liable to Tenant for any consequential damages as a result of any such relocation, including, but not limited to, loss of business income or opportunity. Landlord and Tenant shall promptly execute an amendment to this Lease reciting the relocation of the Premises which shall be recorded in the Public Records.

(b) Tenant agrees that at any time before or during the Term, and upon at least two (2) years prior written notice (the "**Access Relocation Notice**"), Landlord shall have the right to relocate the Access Easement and Access Parcel described herein (the "**Existing Access Parcel**") to another area (the "**New Access Parcel**"), as determined by Landlord in its commercially reasonable discretion using prudent electric utility industry practice after consultation with Tenant. The New Access Parcel shall include reasonable vehicular access to the Premises. Landlord shall bear any and all direct costs and expenses of such relocation, including (i) providing the New Access Parcel, (ii) moving all Tenant's equipment, if any, in the Existing Access Parcel to the New Access Parcel as is necessary for the use and operation of the Substation. In no event shall Landlord be liable to Tenant for any consequential damages as a result of any such relocation, including, without limitation, loss of business income or opportunity. Landlord and Tenant shall promptly execute an amendment to this Lease reciting the relocation of the Access Parcel which shall be recorded in the Public Records.

21. Default and Remedies.

(a) **Tenant Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by Tenant**" under this Lease by Tenant:

(i) The failure by Tenant to make any payment of Rent or any other payment required to be made by Tenant hereunder, as and when due, which failure continues for a period of ten (10) days following notice given by Landlord to Tenant.

(ii) Failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant, where such failure shall continue for a period of forty-five (45) days after notice thereof given by Landlord to Tenant. In the event the default cannot reasonably be cured within such forty-five (45) day period, Tenant shall not be in default if Tenant commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(iii) (A) The making by Tenant of any general arrangement or general assignment for the benefit of creditors; (B) Tenant becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within sixty (60) days.

(b) **Landlord Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by Landlord**" under this Lease by Landlord:

(i) Failure by Landlord to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Landlord, where such failure shall continue for a period of forty-five (45) days after notice thereof is given by Tenant to Landlord. In the event the default cannot reasonably be cured within such forty-five (45) day period, Landlord shall not be in default if Landlord commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by Landlord of any general arrangement or general assignment for the benefit of creditors; (B) Landlord becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Landlord, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Landlord 's assets, where possession is not restored to Landlord within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of Landlord's assets, where such seizure is not discharged within sixty (60) days.

(c) **Remedies.** If an Event of Default by Tenant or an Event of Default by Landlord occurs hereunder, the non-defaulting Party shall have the right at its option and without further notice, but subject to the limitations set forth in the last sentence of this subsection, to exercise any remedy available at law or in equity, including, without limitation, a suit for specific performance of any obligations set forth in this Lease or any appropriate injunctive or other equitable relief, or for damages resulting from such event of default. The Parties agree that remedies at law may be inadequate to protect against any actual or threatened breach of this

Lease. In the event of any breach or threatened breach, either Party shall have the right to apply for the entry of an immediate order to restrain or enjoin the breach and otherwise specifically enforce the provisions of this Lease. If an Event of Default by Tenant occurs, Landlord may, in addition to any other remedies set forth in this Lease or available under applicable law, accelerate the Rent due under this Lease for the period of three (3) years after the date of the Default by Tenant, which amount shall be due and payable immediately.

Notwithstanding the foregoing or anything to the contrary contained in this Lease, in no event shall any Event of Default by Tenant or Event of Default by Landlord, terminate, or entitle any Party to terminate, rescind or cancel this Lease or the rights granted hereunder. In the event that Tenant, by failing or neglecting to do or perform any act or thing herein provided by it to be done or performed, shall be in default under this Lease, then Landlord may, but shall not be required to, do or perform or cause to be done or performed such act or thing, and Tenant shall repay to Landlord on demand the entire expense incurred within forty-five (45) days following receipt of Landlord's invoice and supporting documentation. Any act or thing done by Landlord pursuant to the provisions of this subsection shall not be or be construed as a waiver of any such Event of Default by Tenant, or as a waiver of any covenant, term or condition herein contained or the performance thereof, or of any other right or remedy of Landlord, hereunder or otherwise. Except for Landlord's obligations set forth in Section 10 of this Lease, Landlord's liability under this Lease shall be at all times limited to the fair market value of Landlord's interest in the Premises. All amounts payable by Tenant to Landlord under this Lease, if not paid when the amounts become due under this Lease, shall bear interest from the date they become due until paid at the highest rate allowed by law.

22. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of such power (all of which are herein called "**condemnation**"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If so much of the Premises is taken under the power of eminent domain such that the Premises is no longer suitable for its intended use or suitable access cannot be provided to the Premises, Tenant may, at Tenant's option, to be exercised in writing only within ten (10) days after Landlord shall have given Tenant notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Tenant does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining. Any award for the taking of all or any part of the Premises under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Landlord; provided, however, that Tenant shall be entitled to any award for loss of Tenant's leasehold interest.

23. Severability. If any provision or portion of this Lease shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (a) such portion or provision shall be deemed separate and independent, (b) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling or adjudication, and (c) the remainder of this Lease shall remain in full force and effect.

24. Repair Obligations. Landlord shall have absolutely no obligations of any kind for the repair or maintenance of any part of the Premises or Access Parcel or any improvement or equipment thereon. During the Term, Tenant shall maintain the Premises, and the improvements and equipment thereon, in a neat, clean, safe and sanitary condition. Tenant shall be solely responsible at its own expense for regular removal and disposal of all refuse, garbage, debris, trash and other discarded materials and shall not allow an accumulation thereof on, in or adjacent to the Premises.

25. Termination. On the Expiration Date, or earlier termination of this Lease, Tenant shall peaceably and quietly deliver possession of the Premises to Landlord. At Landlord's request, Tenant shall remove any and all improvements, fixtures and equipment from the Premises and deliver the Premises to Landlord free of any improvements or equipment of any kind. Tenant agrees that, upon expiration or termination of this Lease, Tenant will, within thirty (30) days of request by Landlord, execute and deliver to Landlord a release of this Lease in recordable form. The foregoing provisions shall survive expiration or earlier termination of this Lease.

26. Waivers. Any waiver by either Party with respect to this Lease must be in writing, signed by the Party granting the waiver, and shall be limited to the express terms set forth in the waiver.

27. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity. Any and all sums due from Tenant to Landlord under this Lease shall be considered rent.

28. Binding Effect. This Lease shall bind the Parties, and their respective successors and permitted assigns.

29. Signs. Subject to applicable rules and regulations, Tenant will be permitted, without Landlord's consent, to have one or more signs on the Premises which identify the Premises as a Florida Power & Light Company Substation.

30. Quiet Possession. Upon Tenant paying the Rent for the Premises and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises and use of the Premises from any interference from Landlord for the entire Term.

31. Right of Entry. Subject to Landlord's duties, if any, relating to police, fire and other municipal services for which no advance notice is required, Landlord, or any of its agents, shall have the right to enter the Premises during reasonable hours to examine the same but only when accompanied by a qualified or designated employee of Tenant.

32. Force Majeure. In the event that either Party is unable to fulfill, or shall be delayed or restricted in the fulfillment of any obligation, or the curing of a default, under any provision of this Lease due to reasons outside of its reasonable control, or not wholly or mainly within such Party's reasonable control, including strike, lock-out, war, acts of military authority, acts of terrorism, sabotage, rebellion or civil commotion, fire or explosion, flood, wind, storm, hurricane, water, earthquake, acts of God or other casualty or by reason of any statute or law or

any regulation or order passed or made, or by reason of any order or direction of any administrator, controller, board or any governmental department or officer or other authority (other than, in the case of Landlord claiming relief under this Section 32, any statute or law or any regulation or order passed or made, or by reason of any order or direction of, any administrator, controller, board or any governmental department or officer or other authority of Landlord), and whether of the foregoing character or not, such Party shall, so long as any such impediment exists, be relieved from the fulfillment of such obligation and the other Party shall not be entitled to compensation for any damage, inconvenience, nuisance or discomfort thereby occasioned or to terminate this Lease.

33. Counterparts. This Lease may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

34. Brokerage. Landlord and Tenant each represent and warrant one to the other that neither of them has employed any broker in connection with the negotiations of the terms of this Lease or the execution thereof. Landlord and Tenant hereby agree to indemnify and to hold each other harmless against any loss, expense or liability with respect to any claims for commissions or brokerage fees arising from or out of any breach of the foregoing representation and warranty. This provision shall survive the expiration or earlier termination of this Lease.

35. Attorneys' Fees. In the event Tenant or Landlord defaults in the performance of any of the terms, covenants, conditions, agreements, or provisions contained in this Lease and Landlord or Tenant employs attorneys and brings suit in connection with the enforcement of this Lease or any provision hereof or the exercise of any of its remedies hereunder, then the prevailing Party in any suit so instituted shall be promptly reimbursed by the other Party for all reasonable attorneys' fees and expenses so incurred, including, without limitation, any such fees and expenses incurred in appellate, bankruptcy and post-judgment proceedings. Any monetary judgment rendered in any litigation concerning this Lease shall bear interest at the highest rate allowed by applicable law. The foregoing provisions shall survive expiration or earlier termination of this Lease.

36. Estoppel Certificate. Landlord and Tenant shall, from time to time and without additional consideration, execute and deliver to each other or to any person whom the requesting Party may designate, within twenty (20) days after the request therefor: (a) an estoppel certificate consisting of statements, if true, that (i) this Lease is in full force and effect, with Rent current through the date of the certificate; (ii) this Lease has not been modified or amended (or setting forth all modifications and amendments); and (iii) to the best of such Party's knowledge and belief, the other Party is not then in default (or if in default, specifying such default), and Tenant and Landlord have fully performed all of Tenant's and Landlord's obligations, respectively, required to have been performed under this Lease as of the date of the certificate; and (b) such further consents and instruments of a similar nature evidencing the agreement (subject to the provisions of this Lease) of Landlord or Tenant to the mortgage or other hypothecation by Tenant of the leasehold estate created hereby, as may be reasonably requested by Tenant or any approved leasehold mortgagee, or authorized assignee or transferee of the interest of Landlord or Tenant, as applicable. Notwithstanding the foregoing, neither Party may make excessive requests for estoppel certificates, and neither Party shall be obligated to provide more than two (2) estoppel certificates in any Lease Year.

37. Notices. Every notice, approval, consent or other communication required or permitted under this Lease shall be in writing, shall be deemed to have been duly given on the date of receipt, and shall be deemed delivered if either served personally on the Party to whom notice is to be given, or sent to the Party to whom notice is to be given, by overnight courier or by first class registered or certified mail (return receipt requested), postage prepaid, and addressed to the addressee at the address stated opposite its name below, or at the most recent address specified by notice given to the other Party in the manner provided in this Section.

To Landlord:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Manager
With a required copy to:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Attorney
To Tenant:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Corporate Real Estate
With a required copy to:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Law Department

38. Recording. This Lease shall be recorded in the Public Records of Indian River County, Florida at Tenant's expense.

39. No Personal Liability. Excluding any successor-in-interest to Tenant or Landlord under this Lease, notwithstanding anything to the contrary in this Lease, no present or future parent, subsidiary, affiliate, member, principal, shareholder, manager, officer, official, director, or employee of Tenant or Landlord will be personally liable, directly or indirectly, under or in connection with this Lease, or any document, instrument or certificate securing or otherwise executed in connection with this Lease, or any amendments or modifications to any of the foregoing made at any time or times, or with respect to any matter, condition, injury or loss related to this Lease, and each of the Parties, on behalf of itself and each of its successors and assignees, waives and does hereby waive any such personal liability.

40. Entire Agreement. This Lease and any exhibits, schedules or addenda attached hereto and forming a part hereof, contains the entire agreement between the Parties hereto with respect to the subject matter of this Lease, and supersedes all previous negotiations leading thereto, and it may be modified only by an agreement in writing executed and delivered by Landlord and Tenant. All exhibits, schedules or addenda attached to this Agreement are expressly incorporated herein by this reference.

41. Governing Law; Forum. This Lease shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES OR THE ACCESS PARCEL, OR ANY CLAIM FOR INJURY OR DAMAGE, SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.

42. WAIVER OF JURY TRIAL. THE PARTIES HERETO SHALL, AND THEY HEREBY DO, IRREVOCABLY WAIVE TRIAL BY JURY IN ANY AND EVERY ACTION OR PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES OR THE ACCESS PARCEL, AND ANY CLAIM FOR INJURY OR DAMAGE. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.

43. Radon Gas. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present a health risk to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

44. Holding Over. If Tenant remains in possession of the Premises after this Lease expires or terminates for any reason:

(a) Tenant shall be deemed to be occupying the Premises as a tenant from month-to-month at the sufferance of Landlord. Tenant will continue to be subject to and comply with all of the provisions of this Lease, except that, at Landlord's discretion, the rent will be at a monthly rate up to an amount equal to 1/12th of the fair market annual rental value of the Premises, including all improvements and fixtures, calculated at the time of the expiration or termination, and paid by Tenant on the first day of each month subsequent to the expiration or termination.

(b) Tenant shall reimburse Landlord and indemnify and hold Landlord harmless for any and all additional losses and damages which Landlord suffers by reason of Tenant's continued occupancy.

(c) Tenant shall indemnify Landlord from and against all claims made by any

successor tenant insofar as such delay is occasioned by Tenant's failure to surrender possession of the Premises.

45. Landlord/Tenant Relationship; and Third Party Beneficiaries. This Lease creates a landlord/tenant relationship, and no other relationship, between the Parties. This Lease is for the sole benefit of the Parties hereto and, except for assignments permitted hereunder, no other person or entity shall be a third party beneficiary hereunder.

46. No Waiver of Regulatory Authority. Nothing in this Lease constitutes a waiver of Landlord's regulatory, public safety or other municipal authority with respect to the Premises, the Access Parcel or any other matter. Further, nothing in this Lease shall be deemed to waive Landlord's or Tenant's right of eminent domain.

47. Sovereign Immunity. Landlord is a Florida municipal corporation whose limits of liability are set forth in section 768.28, Florida Statutes, and nothing herein shall be construed to extend the liabilities of Landlord beyond that provided in section 768.28, Florida Statutes. Further, nothing herein is intended as a waiver of Landlord's sovereign immunity under section 768.28, Florida Statutes. Nothing hereby shall inure to the benefit of any third party for any purpose, including but not limited to, anything that might allow claims otherwise barred by sovereign immunity or operation of law.

48. Time, Interpretation. In computing any period of time pursuant to this Lease, the day of the act, event, or default from which the designated period of time begins to run shall not be included, but the time shall begin to run on the next succeeding day. The last day of the period so computed shall be included, unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or legal holiday. A legal holiday as used in this Lease includes days on which banks in Vero Beach, Florida are not open for regular business. Time is of the essence. The captions in this Lease are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Lease or any of the provisions hereof. This Lease shall not be construed more strongly against or for either Party regardless of the drafter. Unless the context otherwise requires, (a) all references to Sections or Exhibits are to Sections or Exhibits in or to this Lease, and (b) words in the singular or plural include the singular and plural and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter and the term "including" shall mean by way of example and not by way of limitation.

[Remainder of page intentionally blank; Signature pages follows]

City of Vero Beach Execution Pages

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Lease to be executed as of the Effective Date.

ATTEST: **CITY OF VERO BEACH**

_____ By:_____
Tammy K. Bursick Laura Moss
City Clerk Mayor

[SEAL]

WITNESSES:

_____
Print
name:_____

_____
Print
name:_____

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing Lease Agreement was acknowledged before me this _____ day of _____ 2016 by **Laura Moss, as Mayor**, and attested by **Tammy K. Bursick, as City Clerk**, of the City of Vero Beach, Florida. They are both known to me.

_____
NOTARY PUBLIC
Print name:
Commission No. [SEAL]
My Commission Expires:

ADMINISTRATIVE REVIEW
(For Internal Use Only–Sec. 2-77 COVB Code)

Approved as to form and legal sufficiency:

Wayne R. Coment
City Attorney

Approved as conforming to municipal policy:

James R. O'Connor
City Manager

Approved as to technical requirements:

Ted Fletcher
Director of Electric Utility Operations

Approved as to technical requirements:

Cynthia D. Lawson
Director of Finance

Approved as to technical requirements:

Timothy J. McGarry
Director of Planning and Development

Florida Power & Light Company Execution Page

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Lease to be executed as of the Effective Date specified in this Lease.

WITNESSES:

TENANT:

FLORIDA POWER & LIGHT COMPANY, a Florida corporation

_____
Print
name:_____

_____
Print
name:_____

By:_____
Name:_____
Title:_____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this day of _____, 20__, by , the of **FLORIDA POWER & LIGHT COMPANY**, a Florida corporation, who [ ] is personally known to me or [ ] has produced as identification.

Seal:

_____
Notary Public, State of Florida at Large
Print Name: _____
Notary Commission No.: _____
My Commission Expires: _____

Lease by and between the City of Vero Beach, Florida and Florida Power & Light Company

Exhibit "A"

Premises Legal Description and Map

SUBJECT TO REVISION

Indian River County GIS

East 225.0' of the North 350.0' of the West 260.0' of the NE 1/4 of the SE 1/4 of section 27 township 32 South range 39 East Indian River County, Florida, less right of way.

Lease by and between the City of Vero Beach, Florida and Florida Power & Light Company

Exhibit "B"

Access Easement Legal Description and Map

Subject to Revision to Provide for Separate Access Parcel

Exhibit I-2

Form of Airport Warehouse Lease Agreement and Memorandum of Lease

[*Exhibit begins on the following page.*]

Prepared by and return to:
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AIRPORT WAREHOUSE LEASE AGREEMENT

THIS AIRPORT WAREHOUSE LEASE AGREEMENT (the "**Lease**"), made and entered into as of [_____ __], 201[__] (the "**Effective Date**") is between THE CITY OF VERO BEACH, FLORIDA, a Florida municipal corporation (herein called "**Landlord**"), with an address of 1053 20th Place, Vero Beach, FL 32960, and FLORIDA POWER & LIGHT COMPANY, a Florida corporation (herein called "**Tenant**"), with an address of 700 Universe Boulevard, Juno Beach, FL 33408. Landlord and Tenant are sometimes together referred to herein as the "**Parties**" and individually as a "**Party.**"

RECITALS

A. As of the Effective Date, Landlord has sold, assigned and conveyed certain electric utility assets of Landlord to Tenant, and Tenant has commenced providing retail electric service to the City of Vero Beach's electric utility customers as contemplated under that certain Asset Purchase and Sale Agreement, dated [_____], 201[__], by and between Landlord and Tenant (the "**Asset Purchase and Sale Agreement**"). As used in this Lease, the "**Vero Beach Electric Utility**" means the electric utility system of electricity transmission and distribution owned or operated by Tenant providing retail electric service to the City of Vero Beach's electric utility customers on and after the Effective Date.

B. In order to provide retail electric services to the electric utility customers as contemplated by the Asset Purchase and Sale Agreement, Tenant desires to lease from Landlord, and Landlord desires to lease to Tenant, for use exclusively as a warehouse supporting Tenant's electrical utility assets, the real property more commonly known as the "**Airport Warehouse Property**" (the "**Warehouse**") and more particularly described and depicted on attached **Exhibit "A"** made a part hereof, together with all improvements and fixtures located thereon, and all appurtenances pertaining thereto (collectively, the "**Premises**").

C. It is intended that the Rent provided for in this Lease shall be absolutely net to Landlord throughout the Term, free of any taxes, costs, utilities, insurance expenses, liabilities, charges or other deductions whatsoever with respect to the Premises and the operation, maintenance, repair, rebuilding, use or occupation thereof all of which shall be Tenant's sole responsibility during the entire Term.

NOW THEREFORE, in consideration of and subject to the terms, covenants, agreements, provision and limitations set forth in this Lease, Landlord and Tenant agree as follows:

1. Recitals. The above-stated recitals are true and correct and are incorporated herein by this reference.

2. Lease of Premises. Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord. Tenant will rely exclusively upon its own investigation into the title relating to the Premises and the Access Parcel and Landlord makes no warranty of title relating to the Premises or the Access Parcel. Tenant's leasehold and easement interest in the Premises and Access Parcel pursuant to this Lease is made subject to the Permitted Encumbrances (as defined in the Asset Purchase and Sale Agreement). This Lease also includes the right, during the Term, as defined below, to use all existing easements and appurtenances, if any, benefitting the Premises and necessary or now used to operate the Premises.

3. Intentionally Deleted.

4. Triple Net Lease. This is a triple net lease and the Rent required to be paid to Landlord pursuant to this Lease shall be completely net rent to Landlord. During the entire Term, Landlord shall have absolutely no cost, obligation, responsibility or liability whatsoever relating to the Premises. Without limiting the generality of the foregoing, Landlord shall have no obligations for repairing or maintaining any portion of the Premises or any systems with respect thereto. All Rent shall be paid by Tenant to Landlord without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction whatsoever and Tenant shall pay any and all applicable sales and use tax, local surtaxes, any and all ad valorem taxes on the Premises, and any documentary stamp tax or other taxes on the Rent or the grant of rights described in this Lease.

5. Use. The Premises may be used by Tenant as a warehouse to support Tenant's electrical utility assets in the business of the Vero Beach Electric Utility, and for no other use whatsoever. Tenant covenants that it shall comply with all applicable building, zoning, fire and other governmental laws, ordinances, regulations and rules in its use and operation of the Premises.

6. FAA and FDOT. Tenant acknowledges that the Premises and the Access Parcel are under the regulatory jurisdiction of the Federal Aviation Administration (the "**FAA**") and Florida Department of Transportation (the "**FDOT**"), and this Lease is made expressly subject to the regulatory authority, rules and regulations of the FAA and the FDOT as may be applicable.

7. Term. Unless otherwise provided by this Lease, the term of this Lease shall be for a period of one (1) calendar year beginning on the Effective Date (the "**Initial Term**"),and can be extended by Tenant at Tenant's sole option for up to nine (9) additional terms of one (1) year each (each, an "**Extended Term**") provided that Tenant shall deliver to Landlord notice of Tenant's intent to extend the Term of this Lease not less than thirty (30) days prior to the expiration the then-current Initial Term or Extended Term, as the case may be. The Initial Term and each Extended Term, if Tenant exercises its option, under the terms of this Lease, as to any of the Extended Terms, shall be collectively referred to herein as the "**Term**." For purposes of

this Lease, the term "**Lease Year**" shall mean: (a) that period, during the Term, commencing upon the Effective Date and continuing until and including the last day of the month of the twelfth (12th) full month following the Effective Date; (b) each such successive twelve (12) month period of the Term in the event the Initial Term is extended under this Section; and (c) in the event that this Lease terminates prior to the end of a Lease Year, that period commencing on the first date of such Lease Year and ending on the date of termination of this Lease. The expiration date of the Term (the "**Expiration Date**") shall be the last day of the Initial Term, or the last day of the last Extended Term, whichever shall be applicable depending on whether Tenant shall exercise any option as to any Extended Terms.

8. Rent. The rent (the **"Rent"**) to be paid under this Lease shall be paid in the amounts as set forth below, plus any and all applicable sales and use tax, local surtaxes, and any documentary stamp tax or other taxes on the Rent, or rights granted to Tenant by this Lease, and shall be paid to Landlord in advance without demand or offset:

(a) **Rent During Initial Term**. Rent during the Initial Term shall be an amount approved by the FAA and equal to the fair market rental value as determined by an appraiser selected by Landlord, with the cost of that appraisal split equally between the Parties, and with such appraisal being performed no more than six (6) months prior to the Effective Date] and shall be paid in equal monthly installments of [_____ ($_____)] commencing on the Effective Date and continuing on each subsequent month. Beginning annually on the first day of each Extended Term pursuant to an option to renew or extend the Term, if any, exercised by Tenant under this Lease, the Rent shall be adjusted and increased in accordance with any increase in the annual percentage change for the prior year in the index known on the Effective Date as the "United States Bureau of Labor Statistics Consumer Price Index ("**CPI**") for All Urban Consumers," using the July to July report. If the CPI ceases to be published, Landlord shall select an alternative index measuring price increases in its reasonable discretion. In no event shall the Rent decline due to any change in the CPI, and in the event of a decline in the CPI for any applicable annual period, there will be no adjustment to the Rent for that Lease Year.

9. Representations and Warranties.

(a) Landlord represents and warrants to Tenant as follows:

(i) Landlord has full power and authority to enter into this Lease.

(ii) The person executing and delivering this Lease on Landlord's behalf is acting pursuant to proper authorization and this Lease is the valid, binding and enforceable obligation of Landlord enforceable against Landlord in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

(b) Tenant represents and warrants to Landlord as follows:

(i) Tenant is a corporation duly incorporated, validly existing and having active status under the laws of the State of Florida, with the necessary corporate power and authority to enter into this Lease.

(ii) The person executing and delivering this Lease on Tenant's behalf is acting pursuant to proper authorization, and this Lease is the valid, binding and enforceable obligation of Tenant enforceable against Tenant in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

10. Hazardous Materials and Pre-Existing Conditions.

(a) For purposes of this Lease:

(i) "***Environmental Claim***" means any and all communications, whether written or oral, alleging potential Liability, administrative or judicial actions, suits, orders, liens, notices alleging Liability, notices of violation, investigations which have been disclosed to Landlord, complaints, requests for information relating to the Release or threatened Release into the Environment of Hazardous Substances, proceedings, or other communication, whether criminal or civil, pursuant to or relating to any applicable Environmental Law, by any person (including any governmental authority) based upon, alleging, asserting, or claiming any actual or potential (i) violation of, or Liability under any Environmental Law, (ii) violation of any Environmental Permit, or (iii) Liability for investigatory costs, cleanup costs, removal costs, remedial costs, response costs, monitoring costs, natural resource damages, property damage, personal injury, fines, or penalties arising out of, based on, resulting from, or related to the presence, Release, or threatened Release into the environment of any Hazardous Substances at the Premises including any off-Site location to which Hazardous Substances, or materials containing Hazardous Substances, were sent.

(ii) "***Environmental Laws***" means all Laws regarding pollution or protection of the Environment, the conservation and management of land, natural resources and wildlife or human health and safety or the Occupational Safety and Health Act (only as it relates to Hazardous Substances), including Laws regarding Releases or threatened Releases of Hazardous Substances (including Releases to ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, Release, transport, disposal or handling of Hazardous Substances, including the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§ 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.), the Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Toxic Substances

Control Act (15 U.S.C. §§ 2601 et seq.), the Oil Pollution Act (33 U.S.C. §§ 2701 et seq.), the Emergency Planning and Community Right-to-Know Act (42 U.S.C. §§ 11001 et seq.), and all other Laws analogous to any of the above.

(iii) "***Environmental Permit***" means any Permit under or in connection with any Environmental Law, including any and all orders, consent orders or binding agreements issued or entered into by a governmental authority under any applicable Environmental Law, that is used in, or necessary for, (i) the business of the Vero Beach Electric Utility, or (ii) the ownership, use or operation of the Premises, in each case under clause (i) or (ii), as conducted prior to the Effective Date.

(iv) "***Hazardous Substances***" means: (i) any petroleum, asbestos, asbestos-containing material, and urea formaldehyde foam insulation and transformers or other equipment that contains polychlorinated biphenyls; (ii) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "contaminants," "pollutants," "toxic pollutants," "hazardous air pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law; and (iii) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

(v) ***"Law"*** means any foreign, federal, state or local law, constitutional provision, statute, charter, ordinance or other law, rule, regulation, code (including any zoning code, fire code or health and safety code), or interpretation of any governmental authority or any order of or by any governmental authority, including all Environmental Laws, requirements and regulations, applicable to the Premises or the Vero Beach Electric Utility.

(vi) "***Liability***" means any direct or indirect liability, commitment, indebtedness or obligation (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or un-accrued, whether liquidated or un-liquidated, and whether due or to become due) of any kind, character or nature, or any demand, claim or action asserted or brought against the relevant Party.

(vii) "***Loss***" or "***Losses***" means any and all damages, fines, fees, penalties, deficiencies, losses, Liabilities, interest, awards, judgments, actions and expenses (whether or not involving a third party claim), including all remediation costs, reasonable fees of attorneys, accountants and other experts, or other expenses of litigation or proceedings or of any claim, default or assessment relating to the foregoing.

(viii) "***Release***" means any actual, threatened or alleged spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching,

migrating, dumping or disposing of a Hazardous Substance into the environment or within any building, structure, facility or fixture.

(ix) "***Remediation***" means any action of any kind required by applicable Law to address the presence or Release of Hazardous Substances, including: (i) monitoring, investigation, assessment, treatment, cleanup containment, removal, mitigation, response or restoration work, as well as obtaining any permits necessary to conduct any such activity; (ii) preparing and implementing any plans or studies for any such activity; and (iii) obtaining a written notice from a governmental authority with competent jurisdiction under Environmental Laws, that no material additional work is required.

(b) As may be more fully described in the Asset Purchase and Sale Agreement and this Lease, except to the extent exacerbated or contributed to by Tenant, Landlord agrees to be responsible for any and all Losses of Tenant, and pay and perform when due any and all Liabilities of Tenant:

(i) under Environmental Laws, Environmental Permits or Environmental Claims with respect to the Premises arising from any event, condition, circumstance, act or omission that occurred prior to the Effective Date; or

(ii) arising from the presence of Hazardous Substances that originated on the Premises prior to the Effective Date or the Release of Hazardous Substances at, on, in, under, or migrating from the Premises prior to the Effective Date (such Losses or Liabilities under this Section 10(b)(i) or Section 10(b)(ii) hereof, the "**Environmental Liabilities**");

Provided, however, that as an absolute condition to such responsibility, Tenant must give to Landlord notice (the "**Environmental Notice**") of any claim of Environmental Liabilities no later than thirty (30) days prior to the anticipated Effective Date and, solely with respect to any Environmental Liability which Tenant demonstrates occurred subsequent to Tenant's Phase II environmental testing described below, Tenant must give the Environmental Notice prior to the Effective Date, which Environmental Notice, in either case, must contain the estimated total amount of the Environmental Liabilities and a summary of facts then known to Tenant that support such claim; and provided, further, that in no event shall Landlord be liable or responsible for any Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate, from all sources as described in the Asset Purchase and Sale Agreement, (the "**Aggregate Environmental Cap**"). Tenant hereby releases Landlord from, and Landlord shall not be liable or responsible for, any and all Environmental Liabilities as to which Tenant does not give Landlord the Environmental Notice or Environmental Notices prior to the time required in the immediately preceding sentence. Tenant also hereby releases Landlord from, and Landlord shall not be responsible for, any and all Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate from all sources as described in the Asset Purchase and Sale Agreement. The limitations on Landlord's liability or responsibility for Environmental Liabilities under this Section 10 are absolute limitations and will control over any

other provisions in this Lease or other agreements between the Parties that are or may be to the contrary

(c) In order to make a claim against Landlord pursuant to Section 10 (b) above, Tenant must have completed its environmental testing, including Phase II environmental testing, on the Premises and, if so performed, must have submitted the results of such testing to Landlord at least thirty (30) days prior to the Effective Date (collectively, "**Tenant's Phase II Environmental Testing**"). If Tenant has not performed such actions by the within the time periods specified, Tenant shall be deemed to have waived its right to make a claim against Landlord under Section 10 (b) above with respect to the Premises.

(d) Tenant shall not cause or permit the Release in any manner of any Hazardous Substances upon the Premises or upon adjacent lands, which violates any Environmental Laws. Tenant shall give prompt notice to Landlord of any Release of a Hazardous Substance in violation of Environmental Laws, whether caused by Tenant or, to the knowledge of Tenant, any third party.

(e) To evidence any changes to the environmental condition of the Premises at the expiration or termination of this Lease, Tenant shall perform an environmental assessment, including soils and groundwater sampling, of the Premises (the **"Closure Environmental Assessment")** as close in time as practical to the Expiration Date or the earlier termination of this Lease, at its expense and provide a copy thereof to Landlord as soon as practical. Tenant's obligation to provide the Closure Environmental Assessment shall survive the expiration or termination of this Lease.

(f) Except to the extent of Landlord's responsibility as described in Section 10 (b) above, Tenant shall be responsible, at Tenant's sole cost and expense, for commencing and thereafter performing, or causing to be performed, any and all assessments, Remediation, cleanup and monitoring of all Hazardous Substances existing or Released on, in, under, from or related to the Premises during the Term in violation of Environmental Laws; provided, however, that the foregoing shall not in any way limit or expand any liability, obligations or rights of Tenant or Landlord, to the extent expressly provided in the Agreement for Sale and Purchase. In the event any Remediation is required in the previous sentence, Tenant shall furnish to Landlord, within a reasonable period of time, written proof from the appropriate local, state or federal agency with jurisdiction over the Remediation that the Remediation has been satisfactorily completed in full compliance with all Environmental Laws. Tenant's obligation to provide Remediation as required by this Section 10 shall survive the expiration or termination of this Lease.

(g) Tenant shall indemnify, defend and hold harmless Landlord from and against, and pay, reimburse and fully compensate as the primary obligor Landlord for, any and all claims, suits, judgments, loss, damage, and liability which may be incurred by Landlord including, without limitation, Landlord's reasonable attorney's fees and costs, arising in any way from Hazardous Substances existing or Released on, in, under, from the Premises by Tenant, its employees agents or contractors, or related to Tenant's use of the Premises during the Term in violation of Environmental Laws, or any violation of the Environmental Laws, by Tenant, its agents, licensees, invitees, subcontractors or employees on, in, under or related to the Premises

during the Term. This responsibility shall continue to be in effect for any such Release or presence of Hazardous Substances as to which Landlord gives notice to Tenant on or before the fifth (5th) anniversary of the Expiration Date. Tenant's obligation to provide the indemnity, defense and hold harmless required by this Lease shall survive the expiration or termination of this Lease.

(h) With respect to Remediation of any Releases at the Premises or migrating from the Premises, Tenant will remediate such Release, including any recognized environmental conditions identified in Tenant's Phase II Environmental Testing (the "**Baseline Recognized Environmental Conditions**") or Hazardous Substances migrating from the Premises (such Baseline Recognized Environmental Conditions and Hazardous Substances migrating from onto the Premises (but excluding any impacts to extent of any contribution or exacerbation by Tenant), the **"Landlord Responsible Environmental Conditions"**) as required by the Florida Department of Environmental Protection or Environmental Protection Agency, subject the following conditions:

(i) Unless otherwise agreed by the Parties, Tenant will remediate a Release to the least stringent standard permitted by the Florida Department of Environmental Protection and Environmental Protection Agency, as applicable, and obtain a final non-appealable agency action approving such remediation, if applicable (such remediation standard, the **"Minimum Required Standard"**). The Landlord may direct Tenant to remediate to a higher (cleaner) standard in which case the incremental cost (the **"Incremental Cost"**) will be the Landlord's responsibility.

(ii) If the cost of remediating any Landlord Responsible Environmental Conditions to the Minimum Required Standard, or such higher standard as may be requested or required by the Landlord, will exceed $50,000 as reasonably estimated by Tenant based on reasonable bids from a third party contractor in accordance with Tenant's standard procurement practices, the total cost of remediating the Landlord Responsible Environmental Condition will be the responsibility of Landlord; subject to the limitation set forth in Section 10 (b) above.

(iii) If the Florida Department of Environmental Protection or Environmental Protection Agency requires remediation or other actions (e.g., monitoring), Tenant has the sole right to direct such Remediation activities regardless of the estimated cost and the Landlord shall be responsible for the costs associated with Remediating the Landlord Responsible Environmental Conditions, subject to the limitation set forth in Section 10 (b) above.

(i) (iv) With respect to the Landlord's payment obligations set forth in Section 10 (h)(ii)-(iii), the Landlord shall reimburse Tenant within fifteen (15) calendar days of Tenant's providing to the Landlord an invoice for the costs incurred by Tenant along with copies of the underlying invoices from the contractors who performed the work. Notwithstanding anything herein to the contrary, in no event shall the Landlord shall be responsible for the costs to remediate Landlord Responsible Environmental Conditions in excess of the Aggregate

Environmental Cap as defined in Section 6.22 of the Asset Purchase and Sale Agreement and Section 10 (b) above except for Incremental Costs that exceed the Aggregate Environmental Cap.

11. Non-interference. Landlord covenants and agrees not to use or construct any improvements on, under or over the Premises.

12. Acceptance of Premises, Assumption of Risk; and Indemnification. Tenant agrees as follows:

(a) Except as specifically provided in this Lease, Tenant acknowledges and agrees that Landlord has not made, does not make and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future of, as to, concerning or with respect to the Premises and that the rights granted with respect to the Premises provided for in this Lease are made on an "as is" condition and basis and with all faults. Without in any way limiting the generality of the foregoing, the grant of leasehold rights contemplated hereby is without any warranty other than Landlord's express representations and warranties in this Lease; and Landlord and Landlord's elected and appointed officials, officers, directors, employees, and affiliates (collectively the "**Landlord's Related Parties**") have made no, and expressly and specifically disclaim, and Tenant accepts that Landlord and the Landlord's Related Parties have disclaimed, any and all representations, guaranties or warranties, express or implied, or arising by operation of law (except for the representations and warranties, if any, expressly made by Landlord in this Lease), of or relating to: (i) the use, expenses, operation, characteristics or condition of the Premises, or any portion thereof, including, without limitation, warranties of suitability, habitability, merchantability, design or fitness for any specific or particular purpose, or good and workmanlike construction; (ii) the environmental condition of the Premises, or contamination by hazardous materials, or the compliance of any portion of the Premises with any or all Environmental Laws; or (iii) the soil conditions, drainage, flooding characteristics, accessibility or other conditions existing in, on or under any portion of the Premises. Tenant acknowledges and agrees that it is not relying on any representations or statements (oral or written) which may have been made or may be made by Landlord or any of the Landlord's Related Parties (except for Landlord's representations and warranties expressly set forth in this Lease), and is relying solely upon Tenant's or Tenant's representatives' own physical inspection of the Premises and other investigations by Tenant or Tenant's representatives. Tenant acknowledges that any condition of the Premises, whether apparent or latent, which Tenant discovers or desires to correct or improve on or after the Effective Date shall be subject to Landlord's review and approval rights, as set forth in this Lease, and shall be at Tenant's sole expense.

(b) Tenant recognizes and hereby expressly and fully assumes all risks, known and unknown, that arise or might arise incidental to or in any way connected with the condition or use of the Premises or access to the Premises. This assumption of risk by Tenant is made for and on behalf of Tenant and Tenant's successors, and permitted assigns.

(c) Tenant agrees to indemnify, defend and hold harmless Landlord and Landlord's Related Parties against any and all claims, including costs and expenses, of any kind or nature,

including, without limitation, costs of investigation, attorneys' fees, paralegal fees, experts' fees and costs through regulatory proceedings, trial and review or appeal, including but not limited to claims for personal injury, death of persons and property damage, or other liability to the extent arising from Tenant's use, improvement, operation, condition or maintenance of the Premises, provided however that this indemnity shall not apply to the negligence or willful misconduct of the Landlord and/or the Landlord's Related Parties as determined by a court of competent jurisdiction.

(d) Tenant's obligations under this Section 12 shall survive the termination of this Lease.

13. Construction, Mechanics and Materialmen's Liens; Notice of Work. Tenant will make no alteration, change, improvement or addition to the Premises without the prior written consent of Landlord which will not be unreasonably withheld, conditioned or delayed. Tenant will be responsible for payment of any and all work performed on Tenant's behalf on the Premises. In no event will Landlord be responsible for payment of any work relating to the Premises, or any interest therein, be subject to any lien for payment of any construction or similar work performed by or for Tenant on or for the Premises. Further, Tenant shall promptly notify the contractor performing any such work or alterations on the Premises at Tenant's request or making such improvements to the Premises at Tenant's request of this provision exculpating Landlord of responsibility for payment and liens. Notwithstanding the foregoing, if any mechanic's lien or other lien, attachment, judgment, execution, writ, charge or encumbrance is filed or recorded against any portion of the Premises as a result of any work performed on or materials delivered to the Premises at Tenant's direction, Tenant shall, within sixty (60) days following written notice of any such lien, cause same to be paid, discharged or otherwise removed of record. In the event that Tenant fails to remove any such mechanics or materialmen's lien relating to Tenant's work at the Premises, the Landlord may cause such lien to be removed and Tenant shall reimburse Landlord for all reasonable costs and expenses, including attorney's or paralegal fees incurred by Landlord within forty-five (45) days following receipt of Landlord's written invoice and supporting documentation.

14. Insurance. Landlord understands that Tenant self-insures, and that prior to accessing the Premises, Tenant will provide Landlord with a letter of such self-insurance. In the event that Tenant ceases to self-insure, then, during the Term of this Lease, and thereafter so long as Tenant operates, uses or maintains any portion of the Premises:

(a) Tenant shall procure and maintain, at Tenant's sole cost and expense, commercial general liability insurance providing coverage which protects Tenant and Landlord and the Landlord's Related Parties from and against any and all claims and liabilities for bodily injury, death and property damage arising from operations, premises liability, and fire with respect to the Premises. Such insurance shall provide minimum coverage of $1,000,000.00 per occurrence and $2,000,000.00 aggregate. Tenant shall be and remain liable for and pay all deductibles and other amounts not covered, paid or reimbursed under the insurance policies.

(b) Tenant shall procure and maintain, at Tenant's sole cost and expense, workers' compensation insurance, as required by applicable law, and employers' liability insurance, with coverage amounts with a limit of (i) One Million Dollars ($1,000,000) for bodily injury per

accident, (ii) One Million Dollars ($1,000,000) for bodily injury by disease per policy and (iii) One Million Dollars ($1,000,000) for bodily injury by disease per employee.

(c) Tenant shall procure and maintain, at Tenant's sole cost and expense, insurance with respect to all buildings, improvements, equipment and machinery constituting a part of the Premises against loss or damage by perils customarily included under standard "all risk" (including windstorm) policies, in an amount equal to one hundred percent (100%) of the then full replacement value (without deducting depreciation) of such buildings, improvements, equipment and machinery, including the cost of removal of debris and Landlord shall be named as additional insured. Tenant has the right to self-insure this exposure.

(d) The certificate of insurance required herein for commercial general liability insurance, including, without limitation, all renewals, shall include a blanket additional insured endorsement and provide for at least thirty (30) days advance notice to Landlord of any non-renewal or cancellation. Tenant shall provide Landlord with a copy of certificates of insurance stating that the coverage as required herein is in full force and effect no later than the Effective Date. Tenant shall cause certificates of insurance or a self-insured letter in conformance with the requirements hereof to be promptly provided to Landlord for each subsequent policy renewal.

(e) Tenant's insurance in all instances shall be primary and any insurance that may be maintained by Landlord shall be in excess of and shall not contribute with Tenant's insurance. All insurance policies shall be issued by a company or companies licensed to do business in the State of Florida.

(f) Landlord shall have the right to periodically review the adequacy of the required insurance, its forms and types, the amounts of coverage and, notwithstanding any other provision of this Lease, unilaterally modify the insurance requirements of this Section 14 by giving notice of such modification to Tenant. Such modification shall be as found reasonably necessary in the sole discretion of Landlord. Factors which may be considered by Landlord include, without limitation, changes in generally accepted insurance industry standards and practices, changes in use of the Premises, changes in risk exposure, measurable changes in local and national economic indicators and changes in Landlord's policies and procedures.

(g) Tenant understands and acknowledges that the responsibility and obligation to provide and maintain insurance in the forms, types and coverages required herein are solely Tenant's responsibilities and obligations which continue for the entire Term of this Lease, and until such time as Tenant no longer operates or enters the Premises, whichever date is later.

(h) In the event that Tenant fails for any reason to procure or maintain insurance in the forms, types or coverages required and to name Landlord as an additional insured on the certificates of insurance, Tenant shall cure such material breach within fifteen (15) calendar days after Tenant is given notice of such breach. Should Tenant fail to cure the breach within such period or such other time as may be agreed to by the Parties in writing, Landlord in Landlord's sole discretion may, but is not obligated to, secure replacement insurance coverage at Tenant's sole expense. Should Landlord elect to secure replacement insurance, Tenant shall thereafter reimburse Landlord within fifteen (15) calendar days of Landlord's providing to Tenant an

invoice for the costs and premiums incurred by Landlord for the replacement insurance coverage, plus an administrative charge of ten percent (10%) or $250.00, whichever is greater. Tenant shall continue to be responsible for the payment of all deductibles applicable to the insurance policies and all losses incurred with respect to any lapse in coverage. Should Tenant subsequently obtain the required insurance, Tenant shall remain responsible for and reimburse Landlord for all costs and expenses to Landlord for the insurance premiums incurred by Landlord and the administrative charges set forth in this Section 14(h).

(i) Tenant's obligations under this Section 14 shall survive the termination or expiration of this Lease.

15. No Consequential Damages. Notwithstanding any other provisions in this Lease to the contrary, neither Party nor any of its elected officials, directors, officers, employees, lenders, shall be liable to the other Party for consequential, incidental, exemplary, punitive, anticipatory profits or indirect loss or damage of any nature, including, without limitation, loss of profit, loss of use, loss of operating time, loss of revenue, increased costs of producing revenues, cost of capital or loss of goodwill whether arising in tort, contract, warranty, strict liability, by operation of law or otherwise, even if by such Party's, its representatives', agents', contractors', subcontractors', invitees' or licensees' negligence or fault, in connection with this Lease, except to the extent claimed by third parties. The Parties further agree that the waivers and disclaimers of liability, indemnities, releases from liability, sole remedy provisions and limitations on liability expressed in this Lease shall survive termination or expiration of this Lease and shall extend to the parent, affiliates, and subsidiaries of each Party and their respective, partners, directors, officers, and employees and elected officials.

16. Taxes. Tenant shall pay any and all real property taxes for the Premises for the entire Term. As used herein, the term "**real property tax**" shall include any form of real estate tax or assessment, general, special, ordinary or extraordinary, and any license fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income or estate taxes) imposed on the Premises or any portion thereof by any authority having the direct or indirect power to tax, including, without limitation, any city, county, state or federal government, or any school, agricultural, sanitary, fire, street, drainage or other improvement district thereof, as against any legal or equitable interest of Landlord or Tenant in the Premises or in any portion thereof. Tenant shall pay the real property taxes and shall deliver to Landlord official receipts evidencing such payment, which payment of real property taxes shall be made and the receipts delivered at least thirty (30) days before the real property taxes would become delinquent in accordance with the law then in force governing the payment of such real property taxes. If, however, Tenant desires to contest the validity of any real property taxes, Tenant may do so without being in default hereunder, provided Tenant gives Landlord notice of Tenant's intention to do so and provided the real property taxes are paid before any such real property taxes become delinquent after any applicable contest or appeal period.

17. Utilities. Tenant shall pay for all water, gas, heat, light, power, telephone and other utilities and services supplied to the Premises, together with any taxes thereon.

18. Compliance with Laws. During the Term, Tenant shall, at its expense, comply with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning,

fire and other governmental laws, ordinances, regulations and rules applicable to the Substation. Further, during the Term, Tenant shall, at its expense, cause the Premises to attain compliance or remain in compliance with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Premises.

19. Assignment and Subletting. Landlord acknowledges that this Lease and Tenant's interests hereunder shall be subject to the encumbrance of Tenant's pre-existing mortgage with Deutsche Bank Trust Company Americas. Tenant shall not otherwise mortgage or assign its interest in this Lease without the prior written consent of Landlord, and such consent may be withheld in Landlord's unfettered discretion unless such proposed assignment is to the purchaser of all or substantially all of the assets of Florida Power & Light Company, as a part of a bona fide sale by Florida Power & Light Company to a third party purchaser for value and in such event Landlord's consent will not be unreasonably withheld or delayed. Notwithstanding any assignment of this Lease, Tenant will not be released from any of its obligations hereunder unless such assignee executes an assignment and assumption agreement in form reasonably acceptable to Landlord agreeing to be bound by the terms of this Lease and Landlord determines in its reasonable discretion that such assignee is creditworthy. Further, any assignment in violation of this Section 18 shall be deemed void and a breach of this Lease by Tenant.

20. Intentionally deleted.

21. Default and Remedies.

(a) **Tenant Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by Tenant**" under this Lease by Tenant:

(i) The failure by Tenant to make any payment of Rent or any other payment required to be made by Tenant hereunder, as and when due, which failure continues for a period of ten (10) days following notice given by Landlord to Tenant.

(ii) Failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant, where such failure shall continue for a period of forty-five (45) days after notice thereof given by Landlord to Tenant. In the event the default cannot reasonably be cured within such forty-five (45) day period, Tenant shall not be in default if Tenant commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(iii) (A) The making by Tenant of any general arrangement or general assignment for the benefit of creditors; (B) Tenant becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within sixty (60) days; or (D) the attachment,

execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within sixty (60) days.

(b) **Landlord Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by Landlord**" under this Lease by Landlord:

(i) Failure by Landlord to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Landlord, where such failure shall continue for a period of forty-five (45) days after notice thereof is given by Tenant to Landlord. In the event the default cannot reasonably be cured within such forty-five (45) day period, Landlord shall not be in default if Landlord commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by Landlord of any general arrangement or general assignment for the benefit of creditors; (B) Landlord becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Landlord, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Landlord 's assets, where possession is not restored to Landlord within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of Landlord's assets, where such seizure is not discharged within sixty (60) days.

(c) **Remedies.** If an Event of Default by Tenant or an Event of Default by Landlord occurs hereunder, the non-defaulting Party shall have the right at its option and without further notice, but subject to the limitations set forth in the last sentence of this subsection, to exercise any remedy available at law or in equity, including, without limitation, a suit for specific performance of any obligations set forth in this Lease or any appropriate injunctive or other equitable relief, or for damages resulting from such event of default. The Parties agree that remedies at law may be inadequate to protect against any actual or threatened breach of this Lease. In the event of any breach or threatened breach, either Party shall have the right to apply for the entry of an immediate order to restrain or enjoin the breach and otherwise specifically enforce the provisions of this Lease. If an Event of Default by Tenant occurs, Landlord may, in addition to any other remedies set forth in this Lease or available under applicable law, accelerate the Rent due under this Lease for the entire remaining Term, which amount shall be due and payable immediately. Notwithstanding the foregoing or anything to the contrary contained in this Lease, in no event shall any Event of Default by Tenant or Event of Default by Landlord, terminate, or entitle any Party to terminate, rescind or cancel this Lease or the rights granted hereunder. In the event that Tenant, by failing or neglecting to do or perform any act or thing herein provided by it to be done or performed, shall be in default under this Lease, then Landlord may, but shall not be required to, do or perform or cause to be done or performed such act or thing, and Tenant shall repay to Landlord on demand the entire expense incurred within forty-five (45) days following receipt of Landlord's invoice and supporting documentation thereof. Any act or thing done by Landlord pursuant to the provisions of this subsection shall not be or be construed as a waiver of any such Event of Default by Tenant, or as a waiver of any

covenant, term or condition herein contained or the performance thereof, or of any other right or remedy of Landlord, hereunder or otherwise. Except for Landlord's obligations set forth in Section 10 of this Lease, Landlord's liability under this Lease shall be at all times limited to the fair market value of Landlord's interest in the Premises. All amounts payable by Tenant to Landlord under this Lease, if not paid when the amounts become due under this Lease, shall bear interest from the date they become due until paid at the highest rate allowed by law.

22. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of such power (all of which are herein called "**condemnation**"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If so much of the Premises is taken under the power of eminent domain such that the Premises is no longer suitable for its intended use or suitable access cannot be provided to the Premises, Tenant may, at Tenant's option, to be exercised in writing only within ten (10) days after Landlord shall have given Tenant notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Tenant does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining. Any award for the taking of all or any part of the Premises under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Landlord; provided, however, that Tenant shall be entitled to any award for loss of Tenant's leasehold interest.

23. Severability. If any provision or portion of this Lease shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (a) such portion or provision shall be deemed separate and independent, (b) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling or adjudication, and (c) the remainder of this Lease shall remain in full force and effect.

24. Repair Obligations. Landlord shall have absolutely no obligations of any kind for the repair or maintenance of any part of the Premises or any improvement or equipment thereon. During the Term, Tenant shall repair any damage or casualty to and maintain the Premises, and the improvements and equipment thereon. Tenant shall be solely responsible at its own expense for regular removal and disposal of all refuse, garbage, debris, trash and other discarded materials and shall not allow an accumulation thereof on, in or adjacent to the Premises.

25. Termination. On the Expiration Date, or earlier termination of this Lease, Tenant shall peaceably and quietly deliver possession of the Premises to Landlord and the Premises shall be in substantially the same condition as on the Effective Date, reasonable wear and tear accepted. At Landlord's request, Tenant shall remove any and all improvements, fixtures and equipment from the Premises and deliver the Premises to Landlord free of any improvements or equipment of any kind. Tenant agrees that, upon expiration or termination of this Lease, Tenant will, within thirty (30) business days of request by Landlord, execute and deliver to Landlord a release of this Lease in recordable form. The foregoing provisions shall survive expiration or earlier termination of this Lease.

26. Waivers. Any waiver by either Party with respect to this Lease must be in writing, signed by the Party granting the waiver, and shall be limited to the express terms set forth in the waiver.

27. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity. Any and all sums due from Tenant to Landlord under this Lease shall be considered rent.

28. Binding Effect. This Lease shall bind the Parties, and their respective successors and permitted assigns.

29. Signs. Subject to applicable rules and regulations, Tenant will be permitted, without Landlord's consent, to have one or more signs on the Premises which identify the Premises as a Florida Power & Light Company Warehouse.

30. Quiet Possession. Upon Tenant paying the Rent for the Premises and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises and use of the Premises from any interference from Landlord for the entire Term.

31. Right of Entry. Subject to Landlord's duties, if any, relating to police, fire and other municipal services for which no advance notice is required, Landlord, or any of its agents, shall have the right to enter the Premises during reasonable hours to examine the same but only when accompanied by a qualified or designated employee of Tenant.

32. Force Majeure. In the event that either Party is unable to fulfill, or shall be delayed or restricted in the fulfillment of any obligation, or the curing of a default, under any provision of this Lease due to reasons outside of its reasonable control, or not wholly or mainly within such Party's reasonable control, including strike, lock-out, war, acts of military authority, acts of terrorism, sabotage, rebellion or civil commotion, fire or explosion, flood, wind, storm, hurricane, water, earthquake, acts of God or other casualty or by reason of any statute or law or any regulation or order passed or made, or by reason of any order or direction of any administrator, controller, board or any governmental department or officer or other authority (other than, in the case of City claiming relief under this Section 27, any statute or law or any regulation or order passed or made, or by reason of any order or direction of, any administrator, controller, board or any governmental department or officer or other authority of City), and whether of the foregoing character or not, such Party shall, so long as any such impediment exists, be relieved from the fulfillment of such obligation and the other Party shall not be entitled to compensation for any damage, inconvenience, nuisance or discomfort thereby occasioned or to terminate this Lease.

33. Counterparts. This Lease may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

34. Brokerage. Landlord and Tenant each represent and warrant one to the other that neither of them has employed any broker in connection with the negotiations of the terms of this Lease or the execution thereof. Landlord and Tenant hereby agree to indemnify and to hold each other

harmless against any loss, expense or liability with respect to any claims for commissions or brokerage fees arising from or out of any breach of the foregoing representation and warranty. This provision shall survive the expiration or earlier termination of this Lease.

35. Attorneys' Fees. In the event Tenant or Landlord defaults in the performance of any of the terms, covenants, conditions, agreements, or provisions contained in this Lease and Landlord or Tenant employs attorneys and brings suit in connection with the enforcement of this Lease or any provision hereof or the exercise of any of its remedies hereunder, then the prevailing Party in any suit so instituted shall be promptly reimbursed by the other Party for all reasonable attorneys' fees and expenses so incurred, including, without limitation, any such fees and expenses incurred in appellate, bankruptcy and post-judgment proceedings. Any monetary judgment rendered in any litigation concerning this Lease shall bear interest at the highest rate allowed by applicable law. The foregoing provisions shall survive expiration or earlier termination of this Lease.

36. Estoppel Certificate. Landlord and Tenant shall, from time to time and without additional consideration, execute and deliver to each other or to any person whom the requesting Party may designate, within twenty (20) days after the request therefor: (a) an estoppel certificate consisting of statements, if true, that (i) this Lease is in full force and effect, with Rent current through the date of the certificate; (ii) this Lease has not been modified or amended (or setting forth all modifications and amendments); and (iii) to the best of such Party's knowledge and belief, the other Party is not then in default (or if in default, specifying such default), and Tenant and Landlord have fully performed all of Tenant's and Landlord's obligations, respectively, required to have been performed under this Lease as of the date of the certificate; and (b) such further consents and instruments of a similar nature evidencing the agreement (subject to the provisions of this Lease) of Landlord or Tenant to the mortgage or other hypothecation by Tenant of the leasehold estate created hereby, as may be reasonably requested by Tenant or any approved leasehold mortgagee, or authorized assignee or transferee of the interest of Landlord or Tenant, as applicable. Notwithstanding the foregoing, neither Party may make excessive requests for estoppel certificates, and neither Party shall be obligated to provide more than two (2) estoppel certificates in any Lease Year.

37. Notices. Every notice, approval, consent or other communication required or permitted under this Lease shall be in writing, shall be deemed to have been duly given on the date of receipt, and shall be deemed delivered if either served personally on the Party to whom notice is to be given, or sent to the Party to whom notice is to be given, by overnight courier or by first class registered or certified mail (return receipt requested), postage prepaid, and addressed to the addressee at the address stated opposite its name below, or at the most recent address specified by notice given to the other Party in the manner provided in this Section.

To Landlord: City of Vero Beach
1053 20th Place
Vero Beach, FL 32960
Attention: City Manager

With a required copy to:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Attorney
To Tenant:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Corporate Real Estate
With a required copy to:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Law Department

38. Recording. This Lease shall be recorded in the Public Records of Indian River County, Florida at Tenant's expense.

39. No Personal Liability. Excluding any successor-in-interest to Landlord or Tenant under this Lease, notwithstanding anything to the contrary in this Lease, no present or future parent, subsidiary, affiliate, member, principal, shareholder, manager, officer, official, director, or employee of Tenant or Landlord will be personally liable, directly or indirectly, under or in connection with this Lease, or any document, instrument or certificate securing or otherwise executed in connection with this Lease, or any amendments or modifications to any of the foregoing made at any time or times, or with respect to any matter, condition, injury or loss related to this Lease, and each of the Parties, on behalf of itself and each of its successors and assignees, waives and does hereby waive any such personal liability.

40. Entire Agreement. This Lease and any exhibits, schedules or addenda attached hereto and forming a part hereof, contains the entire agreement between the Parties hereto with respect to the subject matter of this Lease, and supersedes all previous negotiations leading thereto, and it may be modified only by an agreement in writing executed and delivered by Landlord and Tenant. All exhibits, schedules or addenda attached to this Lease are expressly incorporated herein by this reference.

41. Governing Law; Forum. This Lease shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, OR ANY CLAIM FOR INJURY OR DAMAGE, SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR

PROCEEDING. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.

42. WAIVER OF JURY TRIAL. THE PARTIES HERETO SHALL, AND THEY HEREBY DO, IRREVOCABLY WAIVE TRIAL BY JURY IN ANY AND EVERY ACTION OR PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, AND ANY CLAIM FOR INJURY OR DAMAGE. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.

43. Radon Gas. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present a health risk to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

44. Holding Over. If Tenant remains in possession of the Premises after this Lease expires or terminates for any reason:

(a) Tenant shall be deemed to be occupying the Premises as a tenant from month-to-month at the sufferance of Landlord. Tenant will continue to be subject to and comply with all of the provisions of this Lease, except that, at Landlord's discretion, the rent will be at a monthly rate up to an amount equal to 1/12th of the fair market annual rental value of the Premises, including all improvements and fixtures, calculated at the time of the expiration or termination, and paid by Tenant on the first day of each month subsequent to the expiration or termination.

(b) Tenant shall reimburse Landlord and indemnify and hold Landlord harmless for any and all additional losses and damages which Landlord suffers by reason of Tenant's continued occupancy.

(c) Tenant shall indemnify Landlord from and against all claims made by any successor tenant insofar as such delay is occasioned by Tenant's failure to surrender possession of the Premises.

45. Landlord/Tenant Relationship; and Third Party Beneficiaries. This Lease creates a landlord/tenant relationship, and no other relationship, between the Parties. This Lease is for the sole benefit of the Parties hereto and, except for assignments permitted hereunder, no other person or entity shall be a third party beneficiary hereunder.

46. No Waiver of Regulatory Authority. Nothing in this Lease constitutes a waiver of Landlord's regulatory, public safety or other municipal authority with respect to the Premises or any other matter. Further, nothing in this Lease shall be deemed to waive Landlord's or Tenant's right of eminent domain.

47. Sovereign Immunity. Landlord is a Florida municipal corporation whose limits of liability are set forth in section 768.28, Florida Statutes, and nothing herein shall be construed to extend the liabilities of Landlord beyond that provided in section 768.28, Florida Statutes. Further, nothing herein is intended as a waiver of Landlord's sovereign immunity under section 768.28, Florida Statutes. Nothing hereby shall inure to the benefit of any third party for any purpose, including but not limited to, anything that might allow claims otherwise barred by sovereign immunity or operation of law.

48. Time, Interpretation. In computing any period of time pursuant to this Lease, the day of the act, event, or default from which the designated period of time begins to run shall not be included, but the time shall begin to run on the next succeeding day. The last day of the period so computed shall be included, unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or legal holiday. A legal holiday as used in this Lease includes days on which banks in Vero Beach, Florida are not open for regular business. Time is of the essence. The captions in this Lease are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Lease or any of the provisions hereof. This Lease shall not be construed more strongly against or for either Party regardless of the drafter. Unless the context otherwise requires, (a) all references to Sections or Exhibits are to Sections or Exhibits in or to this Lease, and (b) words in the singular or plural include the singular and plural and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter and the term "including" shall mean by way of example and not by way of limitation.

[Remainder of page intentionally blank; Signature pages follows]

City of Vero Beach Execution Pages

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Lease to be executed as of the Effective Date.

ATTEST: **CITY OF VERO BEACH**

_____ By:_____
Tammy K. Bursick Laura Moss
City Clerk Mayor

[SEAL]

WITNESSES:

_____
Print
name:_____

_____
Print
name:_____

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing Lease Agreement was acknowledged before me this _____ day of _____ 2017 by **Laura Moss, as Mayor**, and attested by **Tammy K. Bursick, as City Clerk**, of the City of Vero Beach, Florida. They are both known to me.

_____
NOTARY PUBLIC
Print name:
Commission No. [SEAL]
My Commission Expires:

ADMINISTRATIVE REVIEW
(For Internal Use Only–Sec. 2-77 COVB Code)

Approved as to form and legal sufficiency:

Wayne R. Coment
City Attorney

Approved as conforming to municipal policy:

James R. O'Connor
City Manager

Approved as to technical requirements:

Ted Fletcher
Director of Electric Utility Operations

Approved as to technical requirements:

Cynthia D. Lawson
Director of Finance

Approved as to technical requirements:

Timothy J. McGarry
Director of Planning and Development

Florida Power & Light Company Execution Page

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Lease to be executed as of the Effective Date specified in this Lease.

WITNESSES:

TENANT:

FLORIDA POWER & LIGHT COMPANY, a Florida corporation

_____
Print
name:_____

_____
Print
name:_____

By:_____
Name:_____
Title:_____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this day of _____, 20__, by , the of **FLORIDA POWER & LIGHT COMPANY**, a Florida corporation, who [ ] is personally known to me or [ ] has produced as identification.

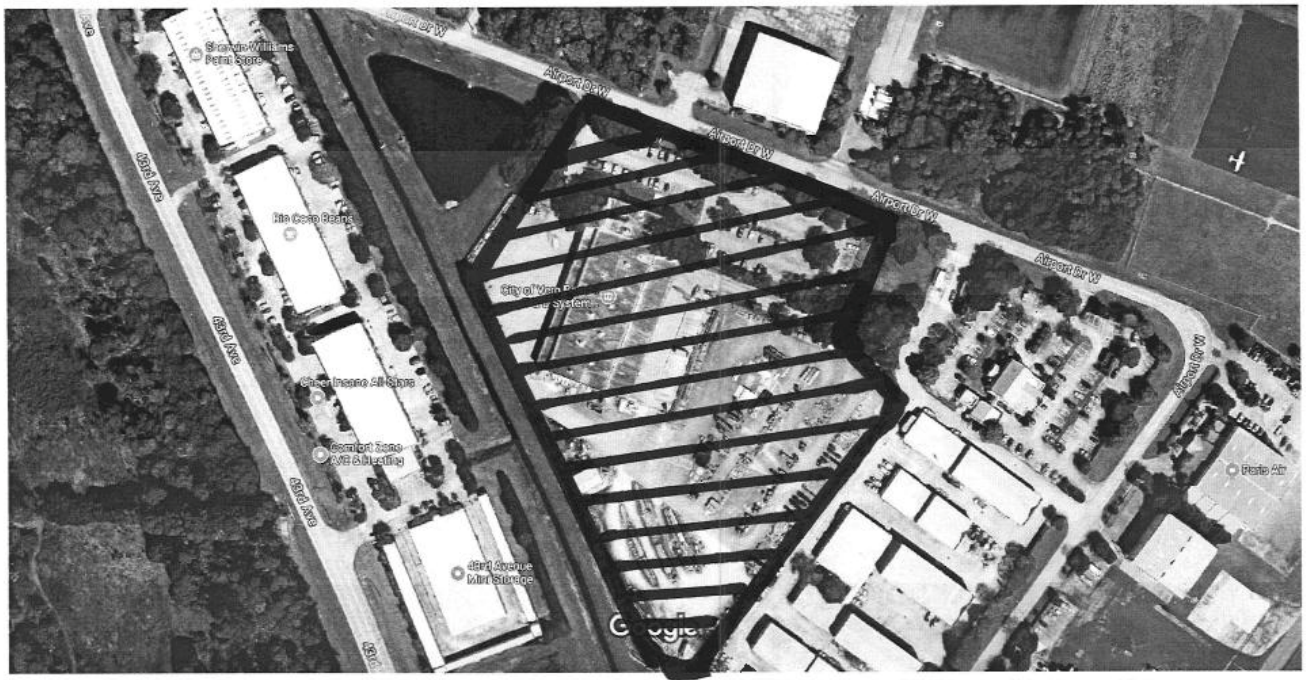
Seal:

_____
Notary Public, State of Florida at Large
Print Name: _____
Notary Commission No.: _____
My Commission Expires: _____

Lease by and between the City of Vero Beach, Florida and Florida Power & Light Company

Exhibit "A"

Google Maps



HATCH MARKED AREA DEPICTS PREMISES
DIMENSIONS TO BE SUPPLIED

Exhibit J

Current Form of Streetlight Agreement

[*Exhibit begins on the following page.*]

FPL Account Number:
FPL Work Order Number:

STREET LIGHTING AGREEMENT

In accordance with the following terms and conditions, ___ (hereinafter called the Customer), requests on this ___ day of ___, ___ , from FLORIDA POWER & LIGHT COMPANY (hereinafter called FPL), a corporation organized and existing under the laws of the State of Florida, the following installation or modification of street lighting facilities at (general boundaries) ___, located in ___, Florida.
(city/county)

(a) Installation and/or removal of FPL-owned facilities described as follows:

Lights Installed

Fixture Rating (in Lumens)	Fixture Type	# Installed

Lights Removed

Fixture Rating (in Lumens)	Fixture Type	# Removed

Poles Installed

Pole Type	# Installed

Poles Removed

Pole Type	# Removed

Conductors Installed

Feet not Under Paving

Feet Under Paving

Conductors Removed

Feet not Under Paving

Feet Under Paving

(b) Modification to existing facilities other than described above (explain fully):

That, for and in consideration of the covenants set forth herein, the parties hereto covenant and agree as follows:

FPL AGREES:

1. To install or modify the street lighting facilities described and identified above (hereinafter called the Street Lighting System), furnish to the Customer the electric energy necessary for the operation of the Street Lighting System, and furnish such other services as are specified in this Agreement, all in accordance with the terms of FPL's currently effective street lighting rate schedule on file at the Florida Public Service Commission (FPSC) or any successive street lighting rate schedule approved by the FPSC.

THE CUSTOMER AGREES:

2. To pay a contribution in the amount of $___ prior to FPL's initiating the requested installation or modification.

3. To purchase from FPL all of the electric energy used for the operation of the Street Lighting System.

4. To be responsible for paying, when due, all bills rendered by FPL pursuant to FPL's currently effective street lighting rate schedule on file at the FPSC or any successive street lighting rate schedule approved by the FPSC, for facilities and service provided in accordance with this agreement.

5. To provide access, final grading and, when requested, good and sufficient easements, suitable construction drawings showing the location of existing and proposed structures, identification of all non-FPL underground facilities within or near pole or trench locations, and appropriate plats necessary for planning the design and completing the construction of FPL facilities associated with the Street Lighting System.

6. To perform any clearing, compacting, removal of stumps or other obstructions that conflict with construction, and drainage of rights-of-way or easements required by FPL to accommodate the street lighting facilities.

IT IS MUTUALLY AGREED THAT:

7. Modifications to the facilities provided by FPL under this agreement, other than for maintenance, may only be made through the execution of an additional street lighting agreement delineating the modifications to be accomplished. Modification of FPL street lighting facilities is defined as the following:

   a. the addition of street lighting facilities:
   b. the removal of street lighting facilities; and
   c. the removal of street lighting facilities and the replacement of such facilities with new facilities and/or additional facilities.

   Modifications will be subject to the costs identified in FPL's currently effective street lighting rate schedule on file at the FPSC, or any successive schedule approved by the FPSC.

8. FPL will, at the request of the Customer, relocate the street lighting facilities covered by this agreement, if provided sufficient right-of-ways or easements to do so. The Customer shall be responsible for the payment of all costs associated with any such Customer- requested relocation of FPL street lighting facilities. Payment shall be made by the Customer in advance of any relocation.

9. FPL may, at any time, substitute for any luminaire/lamp installed hereunder another luminaire/lamp which shall be of at least equal illuminating capacity and efficiency.

10. This Agreement shall be for a term of ten (10) years from the date of initiation of service, and, except as provided below, shall extend thereafter for further successive periods of five (5) years from the expiration of the initial ten (10) year term or from the expiration of any extension thereof. The date of initiation of service shall be defined as the date the first lights are energized and billing begins, not the date of this Agreement. This Agreement shall be extended automatically beyond the initial the (10) year term or any extension thereof, unless either party shall have given written notice to the other of its desire to terminate this Agreement. The written notice shall be by certified mail and shall be given not less than ninety (90) days before the expiration of the initial ten (10) year term, or any extension thereof.

11. In the event street lighting facilities covered by this agreement are removed, either at the request of the Customer or through termination or breach of this Agreement, the Customer shall be responsible for paying to FPL an amount equal to the original installed cost of the facilities provided by FPL under this agreement less any salvage value and any depreciation (based on current depreciation rates as approved by the FPSC) plus removal cost.

12. Should the Customer fail to pay any bills due and rendered pursuant to this agreement of otherwise fail to perform the obligations contained in this Agreement, said obligations being material and going to the essence of this Agreement, FPL may cease to supply electric energy or service until the Customer has paid the bills due and rendered or has fully cured such other breach of this Agreement. Any failure of FPL to exercise its rights hereunder shall not be a waiver of its rights. It is understood, however, that such discontinuance of the supplying of electric energy or service shall not constitute a breach of this Agreement by FPL, nor shall it relieve the Customer of the obligation to perform any of the terms and conditions of this Agreement.

13. The obligation to furnish or purchase service shall be excused at any time that either party is prevented from complying with this Agreement by strikes, lockouts, fires, riots, acts of God, the public enemy, or by cause or causes not under the control of the party thus prevented from compliance and FPL shall not have the obligation to furnish service if it is prevented from complying with this Agreement by reason of any partial, temporary or entire shut-down of service which, in the sole opinion of FPL, is reasonably necessary for the purpose of repairing or making more efficient all or any part of its generating or other electrical equipment.

14. This Agreement supersedes all previous Agreements or representations, either written, oral or otherwise between the Customer and FPL, with respect to the facilities referenced herein and constitutes the entire Agreement between the parties. This Agreement does not create any rights or provide any remedies to third parties or create any additional duty, obligation or undertakings by FPL to third parties.

15. This Agreement shall inure to the benefit of, and be binding upon the successors and assigns of the Customer and FPL.

16. This Agreement is subject to FPL's Electric Tariff, including, but not limited to, the General Rules and Regulations for Electric Service and the Rules of the FPSC, as they are written, or as they may be hereafter revised, amended or supplemented. In the event of any conflict between the terms of this Agreement and the provisions of the FPL Electric Tariff or the FPSC Rules, the provisions of the Electric Tariff and FPSC Rules shall control, as they are now written, or as they may be hereafter revised, amended or supplemented.

IN WITNESS WHEREOF, the parties hereby caused this Agreement to be executed in triplicate by their duly authorized representatives to be effective as of the day and year first written above.

Charges and Terms Accepted:

Customer (Print or type name of Organization)

By:_____
Signature (Authorized Representative)

_____
(Print or type name)

Title:_____

FLORIDA POWER & LIGHT COMPANY

By:_____
(Signature)

(Print or type name)

Title: Construction Services Representative

EXHIBIT L-1

Form of Fiber License Agreement

L-1

FIBER LICENSE AGREEMENT BETWEEN THE CITY OF VERO BEACH AND FLORIDA POWER & LIGHT COMPANY

THIS FIBER LICENSE AGREEMENT (this "License Agreement") is made this ___ day of _____, 20__ by and between the City of Vero Beach, Florida, a municipal corporation organized under the laws of the State of Florida (hereinafter "LICENSOR"), with an address of 1053 20th Place, Vero Beach, Florida and Florida Power & Light Company, a Florida corporation (hereinafter "Licensee"), with a principal office at 700 Universe Boulevard, Juno Beach, Florida 33408. LICENSOR AND LICENSEE may individually be referred to herein as a "Party", and together as the "Parties".

WITNESSETH

WHEREAS, the Parties have entered into an Asset Purchase and Sale Agreement dated as of _____, 2017(the "APA") in connection with Licensee's acquisition of substantially all of the assets of LICENSOR's electric system; and

WHEREAS, the APA requires that the Parties enter into and deliver this Agreement at the Closing, as defined in the APA;

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

ARTICLE I
ADOPTION AND INCORPORATION OF RECITALS

The above recitals are true and correct and by this reference are incorporated herein and made a part of this License Agreement.

ARTICLE II
DEFINITIONS

Each defined term shall have the meaning set forth in this Article II, except that all terms used herein and not defined herein shall have the meanings assigned to them in the APA. When used herein with initial or complete capitalization whether in the singular or in the plural, the following terms shall have the following meanings:

"Consortium" means the School District of Indian River County, Indian River County, and LICENSOR, all of which are parties to the Interlocal Agreement.

"Fiber Acceptance Date" means the date that LICENSEE accepts or conditionally accepts the Licensor Fiber Optic Strands as set forth Article VII herein.

"Interlocal Agreement" means the Revised and Restated Joint Fiber Optics Project Interlocal Agreement, made as of May 19, 2015, by and among the School District of Indian River County, Indian River County, and LICENSOR, as such Agreement may be amended or superseded from time to time.

"Licensee Facilities" means any telecommunications equipment owned by LICENSEE, including the cables, conduit, bays, panels, jacks, ironworks, associated electronics, fiber optic termination equipment, regenerators, power sources and other related equipment owned by LICENSEE, but excluding the Licensor Fiber Optic Strands and Licensor Facilities.

"License Fee" means, as more particularly described in Article IV below, the amount paid by LICENSEE to LICENSOR for the license and privilege of using, directly, certain Licensor Fiber Optic Strands and, indirectly, certain other parts of the Licensor Facilities necessary to LICENSEE'S stated use in Section 4.4 hereof.

"Licensor Facilities" means the fiber optic strands and those facilities owned by LICENSOR, either individually or together with one or both other members of the Consortium, including equipment, cables, conduit, bays, panels, jacks, ironworks, associated electronics, fiber optic termination equipment, regenerators, power sources and other related equipment owned by LICENSOR, structures, rights-of-way and easements.

"Licensor Fiber Optic Strands" means all dark fiber optic strands owned by LICENSOR, either individually or together with one or both other members of the Consortium, and which may or may not be licensed to LICENSEE depending upon the terms of this License Agreement.

"Make-Ready Work" means the work necessary with respect to the Licensor Facilities in order to accommodate the relocations of the Licensor Fiber Optic Strands or the construction of new installations of Licensor Fiber Optic Strands.

"Relocation" means any adjustment, rearrangement or relocation of the Licensor Fiber Optic Strands licensed to LICENSEE.

"Splice" means a point where two separate sections of Fibers are physically connected.

"Term" means the initial five-year term of this License Agreement, and any extension term, as described in Article III of this Agreement.

ARTICLE III
TERM AND EXTENSION

This License Agreement shall commence on the date of this Agreement and shall continue for an initial term of five (5) years, unless earlier terminated as provided in this Agreement. Unless earlier terminated as provided in this Agreement, LICENSEE, at its sole option, may extend this License Agreement, after the initial term, for up to five (5) successive five-year terms by providing notice to LICENSOR not less than eighteen (18) months prior to expiration of the initial term or any extension term, as the case may be.

ARTICLE IV
SCOPE OF LICENSE; AND LICENSE FEES

4.1 License of Fibers.

The routes with respect to which the Licensor Fiber Optic Strands are configured are described in Exhibit A, Route Diagram. LICENSOR shall provide LICENSEE not less than one hundred twenty (120) days prior notice of any proposed changes in right-of-way configurations that affect, in any material respect, the license granted under this Agreement. All of the Licensor Fiber Optic Strands are, or, to the extent not yet installed, will be, engineered and constructed in substantial compliance with Exhibit B. The following Exhibits, attached hereto, are by this reference incorporated herein:

Exhibit A	Route Diagram
Exhibit B	Fiber Specifications and connections
Exhibit C	Contact List and Outage Notice Form
Exhibit D	Sample Notice of Acceptance

4.2 Number of Fibers, License Fee and Payment.

LICENSOR hereby licenses to LICENSEE, and LICENSEE hereby licenses from LICENSOR, exclusive use of certain Licensor Fiber Optic Strands previously used by LICENSOR in the operation of its electric system, which specifically consist of: (a) not less than twenty-four (24) Licensor Fiber Optic Strands previously used by LICENSOR for protection of all existing substations; and (b) not less than twenty (20) Licensor Fiber Optic Strands previously used by LICENSOR for supervisory control and data acquisition (SCADA) functions necessary in the operation of the substations and other electric utility assets. LICENSEE shall have the exclusive use of such Licensor Fiber Optic Strands along routes as set forth in Exhibit A, Route Diagram, at a License Fee of Four and 54/100 Dollars ($4.54) per Licensor Fiber Optic Strand per mile per month. Notwithstanding anything to the contrary herein: (a) in no event shall the maximum License Fee due and owing to LICENSOR for all Licensor Fiber Optic Strands exceed Twenty-Three Thousand Eight Hundred Forty-seven Dollars ($23,847.00) per month; and (b) LICENSOR shall reserve not less than two (2) spare Licensor Fiber Optic Strands for LICENSEE's use solely as set forth in Section 4.4, and LICENSEE's use shall be rolled to such spare fibers should any activity undertaken by LICENSOR pursuant to this License Agreement cause an outage on, or any impairment of, the Licensor Fiber Optic Strands originally licensed to LICENSEE hereunder. Upon exercising any option to extend this License Agreement as more fully described in Article III above, LICENSEE shall have the right in its reasonable discretion to relinquish its license to any of the Licensor Fiber Optic Strands licensed to LICENSEE hereunder and which constitute the subject matter of this License Agreement, and the License Fee thereafter due and owing shall be reduced proportionately. The License Fee paid hereunder shall be inclusive of all charges, and shall begin on the Fiber Acceptance Date. LICENSEE shall pay the License Fee to LICENSOR for each calendar month within five days after the beginning of such calendar month. Payments for partial calendar months shall be pro-rated accordingly. Any amounts due and not paid in full when due shall be deemed delinquent and shall accrue interest at a rate equal to one percent (1%) per month.

4.3 CPI Adjustment.

The License Fee shall be subject to an annual adjustment. The first adjustment shall occur as of the January 1 that next follows a full year of the initial five-year term. Subsequent adjustments shall occur as of January 1 of each subsequent calendar year during the Term. The adjustment shall be determined in accordance with the percentage change in index known as the "United States Bureau of Labor Statistics Consumer Price Index (CPI) For All Urban Consumers" (the "Index") using the most recent October to October Reports by applying the following formula: (Current monthly License Fee) x (annual percentage increase (October to October) as reported in the most recent Index (or if the Index no longer is published, then as reported in its successor index). The adjustment for any calendar year shall not exceed five percent (5%). In no event shall the License Fee for any calendar year be less than the License Fee for the immediately preceding calendar year.

4.4 Use.

LICENSEE shall use the Licensor Fiber Optic Strands solely for the protection, control and monitoring of LICENSEE's electric transmission and distribution system that formerly was operated by LICENSOR. Nothing herein shall preclude LICENSEE from sub-licensing any excess fiber or capacity to third parties in accordance with all applicable laws and regulations, provided that LICENSEE submits a proposal for such sub-licensing and obtains the approval of LICENSOR as more fully described in Section 14 of the Interlocal Agreement. In case of such sub-licensing, LICENSEE shall remain primarily liable to LICENSOR under this License Agreement. In the case of such sub-licensing, LICENSEE shall remain bound by all of its covenants and obligations under this License Agreement, and shall be liable to LICENSOR for violation of its covenants and obligations contained in this License Agreement and any applicable laws and regulations. If LICENSEE chooses to sublicense to a third party then, in the event that LICENSOR knows of an outage, LICENSOR shall notify LICENSEE in accordance with Exhibit C, and LICENSEE shall be responsible for notifying all of its sub-licensees of such outage.

ARTICLE V
OWNERSHIP OF EXISTING FIBER OPTIC STRANDS

5.1 Ownership.

The Licensor Fiber Optic Strands and cable, including jacket, structure, attachments and conduits and which constitute the Licensor Facilities along the designated route, shall at all times remain the sole and exclusive property of, and legal title shall be held by, LICENSOR or the Consortium, as the case may be. LICENSEE's license of the Licensor Fiber Optic Strands is a right of use only and neither such use nor payment to LICENSOR for such use shall create or vest in LICENSEE any easement or any ownership right in the Licensor Facilities or the Licensor Fiber Optic Strands.

5.2 LICENSEE's Equipment.

Notwithstanding any contrary provisions of this License Agreement, LICENSEE shall own all of the Licensee Facilities in the exercise of, or associated with, LICENSEE's use under Section 4.4 of this License Agreement.

ARTICLE VI
NEW INSTALLATIONS

6.1 Construction.

If, at any point during the Term, replacement of existing Licensor Fiber Optic Strands is required in any route identified in Exhibit A, as reasonably determined by LICENSOR or pursuant to the requirements of any governmental entity, LICENSOR shall construct such new fiber optic strands, at the sole cost and expense of LICENSOR, in accordance with the specifications in Exhibit B attached hereto including Make-Ready Work associated with such installations. Make-Ready Work shall include any and all improvements to the Licensor Facilities necessary to physically accommodate the given route identified in Exhibit A and to maintain electrical and operating safety standards and fiber circuit continuity. LICENSOR shall perform, or cause to be performed, any engineering, cable installation, splicing, material procurement, installation and testing required to complete the installation of the fiber optic strands using LICENSOR's specifications and subject to LICENSEE's approval, which shall not be unreasonably withheld or delayed. LICENSOR and LICENSEE shall each assign a project engineer as a point of contact for all necessary approvals and will assign construction inspectors for review of all construction activities to assure compliance with the approved design.

6.2 Connections.

In the event of a new installation of fiber optic cable, LICENSOR shall install Splices as agreed to by the Parties at specified locations along the routes. LICENSOR shall be responsible for its network electronics, fiber Splices, and the Licensor Facilities. LICENSEE shall be responsible for its network electronics, fiber Splices and Licensee Facilities.

6.3 Specifications and Documentation.

All permits required for LICENSOR's construction of new installations are the responsibility of LICENSOR. LICENSOR shall provide to LICENSEE as-built drawings on the newly-installed route, and relocation of any routes shall be documented on the as-built drawings and made part of this License Agreement. The newly-installed fiber optic strands shall be in substantial compliance with the performance standards and criteria set forth in Exhibit B. LICENSOR and LICENSEE may be present, observe and participate in the analysis and testing of the fiber optic strands. Acceptance of newly-installed fiber optic strands shall be undertaken and shall be subject to the provisions of Article VII herein.

ARTICLE VII
ACCEPTANCE

7.1 Acceptance of Licensor Fiber Optic Strands.

Upon completion of construction of the newly-installed replacement fiber optic strands, if any, and any LICENSEE Make-Ready Work, LICENSOR shall test the Licensor Fiber Optic Strands to insure that the new fiber optic strands meet or exceed the Licensor Fiber Optic Strand specifications outlined in Exhibit B. In the event the new fiber optic strands meet such specifications, LICENSOR shall notify LICENSEE in writing of the availability of the fiber optic strands (the "Fiber Notice"). Within five (5) Business Days of LICENSEE receiving the Fiber Notice, LICENSEE shall give LICENSOR notice of any failure of the fiber optic strands to satisfy any acceptance test, or to otherwise meet specifications.

7.2 Corrections.

If LICENSEE gives LICENSOR notice of any failure as described in Section 7.1, LICENSOR shall use its Commercially Reasonable Efforts to correct such failure within five Business Days or such longer time as may be mutually agreed upon by the Parties whereupon LICENSEE and LICENSOR shall jointly conduct another acceptance test. This procedure shall be repeated until all new fiber optic strands are in substantial compliance with the performance standards and criteria set forth in Exhibit B.

7.3 Conditional Acceptance.

In the event a failure continues to be identified after the third round of testing pursuant to Section 7.2, LICENSEE may, at its option, conditionally accept the new fiber optic strands. LICENSOR shall have an obligation nonetheless to correct any such deficiencies within sixty (60)days of conditional acceptance.

7.4 Acceptance by Default.

If LICENSEE does not give LICENSOR notice of any such failure within five Business Days of LICENSEE receiving the Fiber Notice, it shall be deemed that LICENSEE has accepted the new fiber optic strands and they shall constitute Licensor Fiber Optic Strands.

7.5 Fiber Acceptance Date.

The date on which LICENSEE has accepted or conditionally accepted the new fiber optic strands will be considered the Fiber Acceptance Date.

ARTICLE VIII
RELOCATION OF FIBER OPTIC CABLE; LICENSOR'S OBLIGATION TO MAINTAIN AND RESTORE FIBER OPTIC CABLE

8.1 Requests of LICENSOR or Third Party.

If relocation of any Licensor Facilities, including any Licensor Fiber Optic Strands licensed to LICENSEE hereunder, is required by LICENSOR or by a third party (e.g., the Department of Transportation) the relocation expenses of the LICENSOR Fiber Optic Strands (including engineering, materials, construction, and Make-Ready Work) shall be borne by LICENSOR except to the extent that LICENSOR may obtain reimbursement from a third party.

8.2 Requests of LICENSEE.

If relocation of any Licensor Facilities, including any Licensor Fiber Optic Strands licensed to LICENSEE hereunder, is required by LICENSEE and is not caused by a third party or LICENSOR, LICENSEE shall pay or reimburse LICENSOR for the total cost of such relocation, including engineering, material, construction and Make-Ready Work.

8.3 Avoidance of Interruptions.

During any relocation of the Licensor Facilities, LICENSOR and LICENSEE shall use good faith efforts to avoid interruption of or interference with the use by the other Party of such Licensor Facilities for the purposes herein described.

8.4 Duty to Maintain.

LICENSOR shall be responsible for the maintenance and restoration of the Licensor Fiber Optic Strands and LICENSOR shall pay all costs associated with the maintenance and restoration of all of the Licensor Fiber Optic Strands; *provided, however*, that in the event that LICENSOR cannot commit to restoration within the timeframes in Section 9.1.4 below, LICENSEE may restore the LICENSEE Fiber Optic Strands within the Licensor Facilities as set forth in Section 9.1.4.

8.5 Maintenance of LICENSOR Fiber Optic Strands.

Maintenance and restoration provided by LICENSOR shall be limited to the Licensor Fiber Optic Strands. LICENSOR shall have no obligation to perform maintenance or restoration on any electronics or other equipment not owned by the Consortium or one or more members thereof.

ARTICLE IX
COVENANTS

9.1 LICENSOR Covenants.

9.1.1 Periodic Inspections, Maintenance and Scheduled Repairs. LICENSOR agrees to perform annual inspections of the Licensor Facilities. LICENSOR further agrees to perform annual inspections, testing and any and all maintenance required for the provision of the Licensor Fiber Optic Strands licensed to LICENSEE hereunder and to maintain and provide adequate spare equipment and parts as is appropriate for its obligations hereunder. LICENSOR shall use Commercially Reasonable Efforts to schedule maintenance from midnight to 6:00 A.M., Eastern Time, and to avoid performing maintenance during the period beginning two days prior to Thanksgiving and ending on the following January 3. LICENSOR shall notify LICENSEE, as set forth in Exhibit C, at least five (5) Business Days in advance of any such work.

9.1.2 Notice of Unscheduled Outage.

In the event of any unscheduled outage, LICENSEE shall notify LICENSOR promptly and LICENSOR shall as soon as reasonably practicable perform an assessment of the outage. Upon completion of such assessment, LICENSOR shall notify LICENSEE, as soon as reasonably practicable and in the manner set forth in Exhibit C, of the results of such assessment and include in its notification to LICENSEE the nature and cause of the interruption, the extent of the repairs required, and the estimated time to restore, if known.

9.1.3 LICENSOR Restoration of Fiber.

LICENSOR shall use its Commercially Reasonable Efforts to restore the provision of the Licensor Fiber Optic Strands on an expedited basis, and to restore the route segment and any splicing of the Licensor Fiber Optic Strands in a systematic and rotational manner, with the Licensor Fiber Optic Strands licensed to LICENSEE having equal priority to other fibers within the cable, to the extent permitted by the Interlocal Agreement and applicable law. LICENSOR further agrees that it shall use Commercially Reasonable Efforts to dispatch repair technicians to the affected site within two (2) hours after LICENSEE's notification of outage to LICENSOR and to use its reasonable efforts to keep the outage to less than four (4) hours from the time notification of the outage was received by LICENSOR. All permanent repair work shall be performed by LICENSOR during a maintenance window mutually agreed upon by the Parties.

9.1.4 LICENSEE Restoration of Licensee Fiber.

If LICENSOR fails to dispatch repair technicians within two (2) hours following LICENSEE's notification of outage to LICENSOR, LICENSEE, at its sole discretion and after notification to LICENSOR, may dispatch repair technicians to assess the situation and temporarily repair the Licensor Fiber Optic Strands licensed to LICENSEE hereunder. If LICENSEE's repair technicians are dispatched to repair any Licensor Fiber Optic Strands pursuant to the immediately preceding sentence, LICENSEE shall use reasonable efforts to perform the work under the supervision of LICENSOR. LICENSEE's repair, which shall be solely on the Licensor Fiber Optic Strands licensed to LICENSEE hereunder and will be of a temporary nature. LICENSOR shall be responsible for the permanent repair work in the Licensor Facilities, including the Licensor Fiber Optic Strands licensed to LICENSEE hereunder. LICENSEE's work shall be performed according to current industry standards and in accordance with applicable law, including all necessary covering to protect the repaired area(s). All reasonable costs incurred by LICENSEE in undertaking LICENSOR's duty to repair or restore the Licensor Fiber Optic Strands licensed to LICENSEE hereunder shall constitute an offset, on a dollar for dollar basis, against any one or more payments due to be made to LICENSOR by LICENSEE as License Fees hereunder. Nothing herein shall diminish or excuse the initial duty of LICENSOR to make Commercially Reasonable Efforts to dispatch repair technicians within two (2) hours after notification of an outage. Except as provided herein, no liability shall accrue to LICENSOR on account of the failure of LICENSOR to dispatch repair technicians or to repair the damage within the time specified hereon, except to the extent of LICENSOR'S willful misconduct, subject to the limitations of section 768.28, Florida Statutes.

9.1.5 Credits.

In the event that an outage exceeds eight (8) hours, except in the case of a force majeure as defined in Section 19.0 below, LICENSOR shall extend to LICENSEE a credit equal to one day's License Fee for the strands affected (to be considered 1/30th of the then current monthly rate) for each consecutive eight (8) hour outage interval, or fraction thereof, in excess of the initial eight (8) hours. By way of example, an eight (8) hour outage = I day credit; an 10 hour outage = 1 day credit; and a 17 hour outage = 2 days credit). The credit shall apply whether or not LICENSEE dispatched repair technicians to the repair site, and shall constitute an offset against LICENSEE's payment of License Fees to LICENSOR.

9.2 LICENSEE Covenants.

9.2.1 LICENSEE Responsibilities. LICENSEE shall be solely responsible, at its own expense, for the purchase, installation, operation, maintenance and repair of all LICENSEE equipment and Licensee Facilities required in connection with its use of the Licensor Fiber Optic Strands licensed to LICENSEE hereunder.

9.2.2 Future Splices.

In the future, LICENSEE may require additional Splice into the Licensor Fiber Optic Strands licensed to LICENSEE hereunder. LICENSOR shall perform the future Splice and LICENSEE shall provide LICENSOR with not less than forty-eight (48) hours prior notice of the need for such splicing activities. LICENSEE shall bear all costs of such splicing.

9.2.3 Taxes Franchise Fees.

LICENSEE shall pay, when they become due, any and all taxes, assessments, and governmental charges of any kind whatsoever (whether sales tax, use tax, excise tax or other tax) lawfully levied or assessed and attributable to LICENSOR'S license to LICENSEE hereunder, LICENSEE's use of the Licensor Facilities or the Licensor Fiber Optic Strands licensed to LICENSEE hereunder, or any portion thereof, with regard to the licensing, operation or use of the Licensor Facilities or the Licensor Fiber Optic Strands. LICENSEE shall include with each month's License Fee, and in addition thereto, any and all sales or use tax amounts thereon (currently at the rate of ___%). LICENSEE shall pay without apportionment any taxes levied on it that are based on LICENSEE's business profits. In addition, LICENSEE shall pay, or as appropriate, reimburse LICENSOR, without apportionment, for any ad valorem taxes, fees, assessments or other charges which are assessed against LICENSOR that arise from LICENSEE's use of the Licensor Facilities or Licensor Fiber Optic Strands licensed to LICENSEE hereunder or any portion thereof. LICENSOR shall be responsible for or pay any taxes, fees, or charges attributable to its ownership of the Licensor Facilities and Licensor Fiber Optic Strands, if any, when such taxes, fees, or charges are not based on or imposed by virtue of LICENSEE's use of any such facilities or its receipt of License Fees from LICENSEE under this License Agreement.

ARTICLE X
COMPLIANCE WITH LAWS

10.0 By LICENSOR.

LICENSOR shall have and maintain in effect at all times, all necessary franchises, consents, rights-of-way, easements, permits and authorizations applicable to this License Agreement from Federal, State, County, City and other regional or local authorities, to construct, maintain, operate and use LICENSOR'S Facilities.

10.1 By LICENSEE.

LICENSEE shall have and maintain in effect at all times, all necessary franchises, consents, permits and authorizations applicable to this License Agreement from Federal, State, county, City and other regional or local authorities.

10.2 All Applicable Laws.

LICENSEE and LICENSOR each shall comply with all applicable federal, state and local laws and regulations, including those of the Federal Communications Commission and the Florida Public Service Commission.

ARTICLE XI
NO CONSEQUENTIAL DAMAGES

Notwithstanding any other provisions of this License Agreement, and irrespective of any fault or negligence or gross negligence, neither party shall be liable to the other for any indirect, incidental, consequential exemplary, punitive or special damages (including damages for harm to business, lost revenues, lost savings or lost profits), regardless of the form of action, whether based on statute, contract, warranty or tort (including, without limitation, negligence of any kind whether active or passive and strict liability). Each Party hereby releases the other Party (and its respective parents, subsidiaries, and affiliated companies, and each of their respective agents, officers, employees, and representatives) from any claim or liability for any indirect, incidental, consequential, exemplary, punitive or special damages incurred as a result of or in connection with the performance or nonperformance of this License Agreement.

ARTICLE XII
NO THIRD PARTY BENEFICIARIES

This License Agreement does not provide third parties (including, without limitation, customers of LICENSOR or of LICENSEE) with any remedy, claim, liability, reimbursement, cause of action or other right or privilege, except that the provisions hereof involving indemnification or limitation of liability of either Party shall also inure to the benefit of that Party's employees, officers, agents, affiliates and with respect to LICENSOR, also to the benefit of the other members of the Consortium, including, without limitation, their respective employees, officers, agents and affiliates.

ARTICLE XIII
INDEMNITY, HOLD HARMLESS

13.1 LICENSEE Indemnity of LICENSOR.

LICENSEE shall indemnify, hold harmless and defend LICENSOR, and the other members of the Consortium, and their respective governing body members, directors, officers, employees and agents against any claim, action, loss, damage, injury liability, cost or expense, including, without limitation, reasonable attorneys' fees and court costs, arising out of injury to persons, including, without limitation, death or damage to property, caused by the negligence of LICENSEE, or its directors, officers, employees or agents, in connection with this License Agreement or any breach of this License Agreement by LICENSEE or its officers, employees or agents.

13.2 LICENSOR Indemnity of LICENSEE.

Subject to the limitations of section 768.28, Florida Statutes and subsequent amendments thereto, LICENSOR shall indemnify, defend and hold harmless LICENSEE, its affiliates, and respective directors, officers, employees and agents against any claim, action, loss, damage, injury, liability, cost or expense, including, without limitation, reasonable attorneys' fees and court costs, arising out of injury to persons, including, without limitation, death or damage to property, caused by the negligence of LICENSOR, its directors, officers, employees or agents in connection with this License Agreement.

13.3 Additional Remedies.

The remedies in this Article XIII shall be in addition to any other remedy available under this License Agreement, or at law or equity, and shall survive the termination or expiration of this License Agreement, with respect to any circumstance or event occurring before such termination; *provided however*, under no circumstances shall LICENSOR be liable for damages of any kind or nature, other than personal injury or death, to LICENSEE, its successors, assigns or sub-licensees in excess of one year's License Fees due under or with respect to this License Agreement. This Section 13.3 shall not be deemed a waiver of the liability limitations of section 768.28, Florida Statutes.

ARTICLE XIV
INSURANCE

14.1 LICENSOR understands that LICENSEE self-insures, and that LICENSEE has provided LICENSOR with a letter of such self-insurance. In the event that LICENSEE ceases to self-insure, then, during the Term:

(a) LICENSEE shall procure and maintain, at LICENSEE's sole cost and expense, commercial general liability insurance providing coverage which protects LICENSEE and LICENSOR from and against any and all claims and liabilities for bodily injury, death and property damage arising from operations, premises liability, and fire with respect to the Substation. Such insurance shall provide minimum coverage of $1,000,000.00 per occurrence and $2,000,000.00 aggregate. LICENSEE shall be and remain liable for and pay all deductibles and other amounts not covered, paid or reimbursed under the insurance policies.

(b) LICENSEE shall procure and maintain, at LICENSEE's sole cost and expense, workers' compensation insurance and employers' liability insurance with coverage amounts with a limit of (i) One Million Dollars ($1,000,000) for bodily injury per accident, (ii) One Million

Dollars ($1,000,000) for bodily injury by disease per policy and (iii) One Million Dollars ($1,000,000) for bodily injury by disease per employee .

(c) The certificates of insurance required herein for commercial general liability insurance, including, without limitation, all renewals, shall include LICENSOR as an additional insured, and provide for at least thirty (30) days advance notice to LICENSOR by the insurer prior to any non-renewal or cancellation. LICENSEE shall provide LICENSOR with a copy of certificates of insurance stating that the coverage as required herein is in full force and effect no later than the date of this Agreement. LICENSEE shall cause certificates of insurance or self-insured letter in conformance with the requirements hereof to be promptly provided to LICENSOR for each subsequent policy renewal.

(d) LICENSEE's insurance in all instances shall be primary and any insurance that may be maintained by LICENSOR shall be in excess of and shall not contribute with LICENSEE's insurance. All insurance policies shall be issued by a company or companies licensed to do business in the State of Florida.

(e) LICENSEE understands and acknowledges that the responsibility and obligation to provide and maintain insurance in the forms, types and coverages required herein are solely LICENSEE's responsibilities and obligations which continue during the Term.

(f) In the event that LICENSEE fails for any reason to procure or maintain insurance in the forms, types or coverages required and to name the LICENSOR as an additional insured on the certificates of insurance, LICENSEE shall cure such material breach within fifteen (15) calendar days after LICENSEE is given notice of such breach. Should LICENSEE fail to cure the breach within such period or such other time as may be agreed to by the Parties in writing, LICENSOR in LICENSOR's sole discretion may, but is not obligated to, secure replacement insurance coverage at LICENSEE's sole expense. Should LICENSOR elect to secure replacement insurance, LICENSEE shall thereafter reimburse LICENSOR within fifteen (15) calendar days of LICENSOR's providing to LICENSEE an invoice for the costs and premiums incurred by LICENSOR for the replacement insurance coverage, plus an administrative charge of ten percent (10%) or $250.00, whichever is greater. LICENSEE shall continue to be responsible for the payment of all deductibles applicable to the insurance policies and all losses incurred with respect to any lapse in coverage. Should LICENSEE subsequently obtain the required insurance, LICENSEE shall remain responsible for and reimburse LICENSOR for all costs and expenses to LICENSOR for the insurance premiums incurred by LICENSOR and the administrative charges set forth in this Section 14.1(f).

(g) LICENSEE's obligations under this Article XIV shall survive the termination or expiration of this License Agreement.

ARTICLE XV
TERMINATION

15.1 Termination.

Except as may be provided elsewhere in this License Agreement, this License Agreement may be terminated prior to expiration of the Term as set forth in this Article XV:

15.2 By LICENSEE.

LICENSEE may terminate this License Agreement as follows:

15.2.1 Upon 60 days' Notice.

LICENSEE may terminate this License Agreement at any time after the initial five-year term, as described in Article III, with or without cause, upon providing LICENSOR with not less than sixty (60) days' notice. After five (5) days' prior notice to LICENSEE and upon the sixtieth (60th) day after notice of termination is given by LICENSEE under this Section, LICENSOR, at the sole discretion of LICENSOR, may disconnect the Licensor Fiber Optic Strands licensed to LICENSEE under this License Agreement without recourse to LICENSOR by LICENSEE and LICENSOR shall not be held liable by LICENSEE or LICENSEE's sub-licensees, if any, as a result of such disconnection.

15.2.2 If LICENSEE as Telecommunications Company.

By entering into this License Agreement, LICENSEE does not intend to, and shall not, be classified as a telecommunications company, telecommunications carrier, telecommunications service or any other telecommunications entity, or come under the jurisdiction or existing or future regulation of any state or Federal regulatory agency as a telecommunications company, including, without limitation, the Federal Communications Commission or the Florida Public Service Commission. If, however, a proceeding is commenced in which it is sought to classify LICENSEE as a telecommunications company, LICENSOR and LICENSEE shall cooperate with each other to determine whether and to what extent this License Agreement can be amended to remove that classification. If this License Agreement cannot be so amended or if there is no agreement as to such amendment, then LICENSEE may terminate this License Agreement immediately upon agency or court order approving such termination, or, at the sole discretion of LICENSEE, after five (5) days' prior notice to LICENSOR. if the proceeding described in this Section has been pending for not less than sixty 60) days. Upon such termination, LICENSOR may disconnect the Licensor Fiber Optic Strands licensed to LICENSEE under this License Agreement as provided in Section 15.2.1 above.

15.3 By LICENSOR.

LICENSOR may terminate this License Agreement as follows:

15.3.1 Default of LICENSEE.

Upon a default by LICENSEE under this Agreement including, without limitation, a payment default, LICENSOR shall be entitled to terminate this Agreement, by giving notice of termination to LICENSEE, if LICENSOR has previously given LICENSEE notice of such default and LICENSEE has not cured such default within thirty (30) days after notice of such default was given.

If LICENSOR terminates this License Agreement under this Section 15.3.1, LICENSOR shall have the right to disconnect the Licensor Fiber Optic Strands licensed to LICENSEE under this License Agreement without recourse to LICENSOR by LICENSEE. Furthermore LICENSOR shall not be liable to LICENSEE or LICENSEE's sub-licensees as a result of such disconnection.

15.3.2 If LICENSOR is Found to be a Telecommunications Company. By entering into this License Agreement, LICENSOR does not intend to, and shall not, be classified as a telecommunications company, telecommunications carrier, telecommunications service or any other telecommunications entity, or come under the existing or future jurisdiction or regulation of any State or Federal regulatory agency as a telecommunications company, including, without limitation, the Federal Communications Commission or the Florida Public Service Commission. If, however, a proceeding is commenced in which it is sought to classify LICENSOR as a telecommunications company, LICENSEE and LICENSOR shall cooperate with each other to determine whether and to what extent this License Agreement can be amended to remove that classification. If this License Agreement cannot be so amended or if there is no Agreement as to such amendment, then LICENSOR may terminate this License Agreement immediately upon agency or court order approving such termination, or at the sole discretion of LICENSOR, after five (5) days' prior notice to LICENSEE if the proceeding described in this Section has been pending for not less than sixty 60) days. Notwithstanding the preceding provisions of this Section 15.3.2, if LICENSOR becomes certified by the Florida Public Service Commission as a telecommunication company, this License Agreement shall remain in full force and effect.

ARTICLE XVI
RESTRICTIONS AGAINST TRANSFER

Neither Party shall sell, assign, transfer, or otherwise alienate or dispose of this License Agreement or the privileges hereby granted, without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed.

ARTICLE XVII
FAILURE TO ENFORCE PROVISIONS IS NOT A WAIVER

The consent by a Party to any act by the other Party shall not be deemed to imply consent or to constitute the waiver of a breach of any provision hereof or continuing waiver of any subsequent breach of the same or any other provision, nor shall any custom or practice which may arise between the Parties in the administration of any part of the provisions hereof be construed to waive or lessen the right of a Party to insist upon the performance by the other Party in strict accordance with the provisions hereof.

ARTICLE XIII
SEVERABILITY

In the event that any provision of this License Agreement shall be held unconscionable, unenforceable, or void for any reason by any tribunal of competent jurisdiction, it is agreed that the provision in question shall be modified to eliminate the elements of concern to the tribunal

and as modified shall be binding on the Parties. The remaining provisions of this License Agreement shall not be affected by the action of any tribunal or modification of such provision, and shall remain in full force and effect.

ARTICLE XIX
FORCE MAJEURE

Except as otherwise expressly provided herein, neither Party shall be liable for any failure or delay in the performance of its obligations under this License Agreement due to causes not reasonably within its control, including, without limitation, acts of courts and regulatory agencies, superior governmental authority, acts of God, war, riot or insurrection, inability to obtain required construction permits, blockages, embargoes, sabotages, terrorism, epidemics, fires, floods, strikes, lockouts or other labor difficulties, provided such labor difficulties do not arise from inequitable labor practices. In the event of any failure or delay resulting from any of such causes, upon notice of such force majeure being given to the other Party, the time for performance hereunder shall be extended for a period of time reasonably necessary to overcome the effects of such delays. In the event any such failure or delay shall last for a period of more than one hundred eighty (180) days, then either Party may terminate this License Agreement forthwith, in whole or in part, by notice thereof to the other.

ARTICLE XX
NOTICE

Except for notifications relating to construction, outages or maintenance which shall be as provided in Exhibit C attached hereto, any notice, request, instruction, demand, consent, or other communication required or permitted to be given under this License Agreement shall be in writing and shall be delivered either by hand or by certified mail, postage prepaid, and certified return receipt requested to the following address or such other address as the Parties may provide to each other in writing:

To LICENSEE:

Florida Power & Light Company
Attn: _____
700 Universe Boulevard
Juno Beach, Florida 33408

To LICENSEE:

Florida Power & Light Company
Attn: General Counsel
700 Universe Boulevard
Juno Beach, Florida 33408

To Vero Beach:	City Manager City of Vero Beach 1053 20th place Vero Beach, Florida 32960
With a Copy to:	Carlton Fields P.O. Box 3239, Tampa, Florida 33601 Attention: Nathaniel L. Doliner, Attorney at Law (if by mail) or 4221 West Boy Scout Boulevard Tampa, FL 33607 Attention: Nathaniel L. Doliner, Attorney at Law (if by other than mail)

ARTICLE XXI
CHOICE OF LAW; VENUE; NO JURY TRIAL

21.1 This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including matters of validity, construction, effect, performance and remedies.

21.2 THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS RELATED TO THE SUBJECT MATTER OF THIS AGREEMENT SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT.

21.3 EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES HERETO TO ENTER INTO THIS AGREEMENT, AND SHALL SURVIVE THE CLOSING OR TERMINATION OF THIS AGREEMENT.

ARTICLE XXII
ENTIRE AGREEMENT; AMENDMENTS

This License Agreement constitutes the entire Agreement between the Parties and supersedes all prior agreements, whether written or oral, with respect to the subject matter hereof. There are no representations, warranties, agreements or understandings (whether oral or written) between the Parties relating to the subject matter hereof which are not fully expressed herein. No provision of this License Agreement may be changed or amended except by written agreement signed by both Parties.

ARTICLE XXIII
PARTIES BOUND

This License Agreement shall be binding upon the Parties hereto and their respective successors and permitted assigns.

ARTICLE XXIV
CONSTRUCTION OF AGREEMENT

24.1. Ambiguities Not To Be Resolved Against Drafting Party.

Each Party and its counsel have reviewed this License Agreement. Accordingly, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the construction and interpretation hereof.

25.2 Captions.

The captions are inserted for convenience of reference only and shall have no effect on the construction or interpretation of this License Agreement.

25.3 Usage.

Unless the context otherwise requires, the word "including" shall mean "including, without limitation." The fact that in certain instances in this Agreement, the phrase "including, without limitation" appears shall not affect the interpretation of the preceding sentence.

The terms "hereof", "hereunder" and "herein" shall refer to this License Agreement as a whole.

[*Signature Pages Follow*]

The Parties hereto have caused these presents to be executed, by their respective officers thereunto duly authorized, on the day, month and year first above written.

ATTEST:

Sign: _____

Print: _____

Title: _____

LICENSOR: CITY OF VERO BEACH

Sign: _____

Print: _____

Title: _____

Approved as to form
and legal sufficiency

_____
City Attorney

Approved as conforming to
municipal policy:

_____
City Manager

[SEAL]

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing instrument was acknowledged before me this day ____ of _____, 2013, by _____ as Mayor, and attested by _____, as City Clerk, of the City of Vero Beach, Florida. They are both known to me and did not take an oath.

NOTARY PUBLIC

Sign:_____
Print:_____
State of Florida at Large [SEAL]
My Commission Number:___
My Commission Expires:____

Corporation: THIS LICENSE AGREEMENT MUST BE EXECUTED BY THE CHIEF EXECUTIVE OFFICER, OR PRESIDENT OR VICE-PRESIDENT, AND THE SECRETARY OR ASSISTANT SECRETARY, UNLESS THE BYLAWS OR A RESOLUTION OF THE BOARD OF DIRECTORS SHALL OTHERWISE PROVIDE, IN WHICH EVENT A CERTIFIED COPY OF THE BYLAWS OR RESOLUTION, AS THE CASE MAY BE, MUST BE FURNISHED. ALSO, THE CORPORATE SEAL OF LICENSEE, IF LICENSEE HAS SUCH A SEAL, MUST BE AFFIXED.

ATTEST:

Sign: _____

Print:_____

Title: Secretary

LICENSEE

Sign: _____

Print: _____

Title: President

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing instrument was acknowledged before me this ____ day of _____, 2013, by _____, as President, and attested by _____, as Secretary, on behalf of _____. They are personally known to me or produced _____as identification and did / did not take an oath.

NOTARY PUBLIC

Sign:_____
Print:_____
State of Florida at Large [SEAL]
My Commission Number:_____
My Commission Expires:_____

EXHIBIT "A"
ROUTE DIAGRAM

[PLEASE INSERT]

EXHIBIT "B"
FIBER SPECIFICATIONS AND CONNECTION DETAILS

FIBER:

All Fiber will meet or exceed the Corning SMF-28, dual 1310/1550 window optical glass specifications:

Maximum attenuation for 1310 nm systems will be .35 dB/km

Maximum attenuation for 1550 nm systems will be .25 dB/km

SPAN SPECIFICATIONS:

Discontinuities (known as steps, Splices, or attenuation non-uniformities) shall be measured with an Optical Time Domain Reflectometer (OTDR) to determine the loss for the localized attenuation.

No Fiber shall show a point discontinuity greater than 1.0 dB. However, a Fiber Span that includes a discontinuity in excess of specifications may still be considered acceptable, with mutual agreement of LICENSOR and LICENSEE, provided said Fiber still meets LICENSEE's overall attenuation and dispersion specifications.

Performance levels will be maintained as accepted through the duration of the Agreement.

GENERAL CONSTRUCTION:

OPTICAL SYSTEM LOSS TABLE					
WAVE LENGTH NM	MAXIMUM FIBER Loss/KM	MAXIMUM CONNECTOR Loss	AVERAGE Loss PER SECTION	MAXIMUM Loss PER SPLICE	AVERAGE Loss PER SPLICE
1310	.35dB	.5 dB	.06 dB	.2 dB	.06 dB
1550	.25 dB	.5 dB	.06 dB	.2 dB	.06 dB

The Fiber will be constructed in accordance with sound commercial practices. The National Electric Safety Code will be followed in every case except where local regulations are more stringent, in which case local regulations shall govern.

Optical and span test data, including OTDR traces, will be submitted by LICENSOR to LICENSEE at an agreed upon schedule.

EXHIBIT "C"

NOTICES

Notifications to FPL:

All notifications relating to construction, outage, or maintenance should be relayed to Licensee through this number:[1]

Notifications to Vero Beach:

All notifications relating to construction, outage, or maintenance should be relayed to the LICENSOR through this number:

[1] NTD: Needs to be provided for both parties.

EXHIBIT "D"

SAMPLE NOTICE OF ACCEPTANCE

Date:

To [Person Specified in Article 20]

Re: Notice of Acceptance of Licensed Fibers

Dear [Person Specified in Article 20]:

Our technician tested the licensed fibers, today, and confirmed that they meet the Performance Specifications required by our Agreement. Accordingly, today, we accepted the Licensed Fibers as operational.

In accordance with our Agreement, I have enclosed, herewith, the first installment of the License Fee ($_____.__).

Sincerely yours,

_____

By:

cc: [Person Specified in Article 20]

Exhibit L-2

Form of Substation Easement Agreement

[*Exhibit begins on the following page.*]

Prepared by and return to:
Nathaniel L. Doliner
Carlton Fields
4221 W. Boy Scout Blvd., Ste. 1000
Tampa, Florida 33607-5780

SUBSTATION EASEMENT AGREEMENT

THIS SUBSTATION EASEMENT AGREEMENT (the "**Agreement**"), made and entered into as of [_____ __], 201[__] (the "**Effective Date**"), is between CITY OF VERO BEACH, FLORIDA, a Florida municipal corporation (herein called "**City**"), with an address of 1053 20th Place, Vero Beach, FL 32960, and FLORIDA POWER & LIGHT COMPANY, a Florida corporation (herein called "**FPL**"), with an address of 700 Universe Boulevard, Juno Beach, FL 33408. City and FPL are sometimes together referred to herein as the "**Parties**" and individually as a "**Party.**"

RECITALS

A. As of the Effective Date, City has sold, assigned and conveyed certain electric utility assets of City to FPL, as contemplated under that certain Asset Purchase and Sale Agreement, dated [_____], 2017, by and between City and FPL (the "**Asset Purchase and Sale Agreement**"). As used in this Agreement, the "**Vero Beach Electric Utility**" means the electric utility system of electricity transmission and distribution owned or operated by FPL providing retail electric service to City of Vero Beach's electric utility customers on and after the Effective Date.

B. To operate the Vero Beach Electric Utility efficiently, FPL seeks to establish an electric substation on the real property consisting of approximately 1.75 acres described and depicted on attached **Exhibit "A"** (the "**Substation Premises**").

C. To provide ingress and egress for the Substation Premises, the City desires to provide a non-exclusive access easement (the "**Access Easement**") in favor of FPL and benefitting the Substation Premises, across property adjacent to the Substation Premises, as legally described and depicted on **Exhibit "B"** attached hereto and made a part hereof (the "**Access Parcel**").

D. The equipment and improvements constructed or placed on the Substation Premises by or for FPL from time to time are referred to in this Agreement collectively as the "**Facilities**." The Substation Premises together with the Facilities, are described in this Agreement collectively as the "**Substation**." In accordance with the Asset Purchase and Sale

Agreement, City has agreed to grant an easement to FPL over the Substation Premises subject to the provisions of this Agreement.

NOW THEREFORE, for $10.00 and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Parties, and in consideration of and subject to the terms, covenants, agreements, provisions and limitations set forth in this Agreement, City and FPL agree as follows:

1. Recitals. The above-stated recitals are true and correct and are incorporated herein by this reference.

2. Grant of Easements.

(a) **Substation Premises**. Subject to the provisions of this Agreement, City does hereby grant unto FPL, the exclusive, perpetual right, privilege and easement to install, operate and maintain in perpetuity, the Facilities on, under or over the Substation Premises together with all rights necessary of convenient for the full use and enjoyment of the Substation Premises for the purposes granted herein, (subject to the provisions of this Agreement), including without limitation, the right: (a) to patrol, inspect, alter, improve, add to, repair, rebuild, relocate and remove the Facilities; (b) to increase or decrease the voltage and to change the quantity and type of Facilities; (c) of ingress and egress over the Substation Premises; (d) to trim, cut or remove from the Substation Premises, at any time, trees, limbs, undergrowth, structures or other obstructions; and (e) to trim, cut or remove and to keep trimmed or remove dead, diseased, weak or leaning trees or limbs outside of the Substation Premises which, in the commercially reasonable discretion of FPL, might interfere with or fall upon the Facilities. Excluding removal of vegetation and obstructions as provided herein, any physical damage to the City's adjoining property caused by FPL or its contractors shall be repaired to a condition equal to or better than the previous condition.

(b) **Access Parcel**. City grants and conveys to FPL, for the duration of the Term, the Access Easement benefitting the Substation Premises and providing ingress and egress to and from the Substation Premises over and across the Access Parcel.

3. Use of Substation. The Substation Premises shall be used solely and exclusively for the purpose of electric power purposes as a part of the Vero Beach Electric Utility, and the Facilities shall be installed, repaired, replaced and maintained by FPL, at FPL's sole cost and expense.

4. City Access to Substation Premises/Non-Exclusive Access Easement. The City may, with FPL's prior consent, and accompanied by an FPL representative, access the Substation Premises from time to time. Further, City may use the Access Parcel for any purpose which does not interfere with FPL's use and enjoyment of the easement rights granted herein. FPL acknowledges and agrees that the Access Parcel may be used as a common driveway for ingress, egress, and utilities serving multiple parcels of real property, and that neither FPL, the City or any subsequent user of the Access Parcel shall construct any fences, gates or other impediments to the common use of the Access Parcel. Further, City reserves the right to grant rights to others affecting the Access Parcel provided that all such third parties enter into a road maintenance agreement between FPL, City and all users of the Access Parcel, and provided that such rights do

not block FPL's access to the Substation Premises, create an unsafe condition or conflict with the rights granted to FPL herein.

5. Cash Consideration. The cash consideration to be paid by FPL to City for this Agreement shall be Two Million Dollars ($2,000,000.00), and shall be paid to City in a single payment at the Closing, as defined in, and in accordance with, the Asset Purchase and Sale Agreement as a part of the Purchase Price under the Asset Purchase and Sale Agreement. FPL shall also pay any and all applicable documentary stamp tax or other taxes on the consideration for this Agreement or the conveyance of the easements described herein.

6. Representations and Warranties.

(a) City represents and warrants to FPL as follows:

(i) City has full power and authority to enter into this Agreement.

(ii) The person executing and delivering this Agreement on City's behalf is acting pursuant to proper authorization and this Agreement is the valid, binding and enforceable obligation of City enforceable against City in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

(b) FPL represents and warrants to City as follows:

(i) FPL is a corporation duly incorporated, validly existing and having active status under the laws of the State of Florida, with the necessary corporate power and authority to enter into this Agreement.

(ii) The person executing and delivering this Agreement on FPL's behalf is acting pursuant to proper authorization, and this Agreement is the valid, binding and enforceable obligation of FPL enforceable against FPL in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

7. Improvements to Substation Premises/Relocation of Fiber Optic Lines.

(a) As described in the Substation Equipment Operating and Dismantling Agreement between the Parties, FPL shall relocate the portion of the Fiber Optic System, as defined in the Asset Purchase and Sale Agreement, to the Substation Premises or otherwise, at City's direction so that the Fiber Optic System will have continuous connectivity at all times without any interruption. Such relocation of the Fiber Optic System shall be completed in connection with or prior to the construction of improvements to the Substation Premises or Access Parcel described in this Section 7.

(b) In addition to City's regulatory authority, if any, FPL acknowledges that City, as the owner of lands adjacent to the Substation Premises and Access Parcel, has an interest in the manner in which the Substation Premises and Access Parcel are developed. Accordingly, prior to construction, FPL shall provide the City with four (4) copies of the site plan, landscape plan and civil design for the Substation Premises (collectively, the "Plans"), and City shall have the right to review and approve such Plans within forty-five (45) days following City's receipt of such plans. Failure of the City to provide FPL with written approval of the Plans such forty-five (45) days period, or if the Plans are not approved, to provide FPL with written comments to the Plans within such forty-five (45) day period, shall be deemed an approval of the Plans. The City's approval of the Plans shall not be deemed to be an assumption of the responsibility by City for the accuracy, sufficiency or propriety of the Plans.

The Plans will show the following: (i) location of any buildings, fixtures or equipment; (ii) the areas and related improvements (including, without limitation, ingress and egress, curb cuts, signage, utility lines and lighting); (iii) the location and nature of decorative features, including, without limitation, landscaping, planters and walls; (iv) setback lines; (v) proposed height of the proposed Facilities, and the area of any building; (vi) grading and drainage plans; and (vii) exterior dimensions, exterior design concept, the type, grade, color and texture of exterior materials and the basic exterior painting design, and any and all exterior signs or other signs contemplated for location on the Substation Premises.

City shall at all times act reasonably and in good faith in its review of and comments to the Plans.

8. Hazardous Materials and Pre-Existing Conditions.

(a) For purposes of this Agreement :

(i) "***Environmental Claim***" means any and all communications, whether written or oral, alleging potential Liability, administrative or judicial actions, suits, orders, liens, notices alleging Liability, notices of violation, investigations which have been disclosed to City, complaints, requests for information relating to the Release or threatened Release into the Environment of Hazardous Substances, proceedings, or other communication, whether criminal or civil, pursuant to or relating to any applicable Environmental Law, by any person (including any governmental authority) based upon, alleging, asserting, or claiming any actual or potential (i) violation of, or Liability under any Environmental Law, (ii) violation of any Environmental Permit, or (iii) Liability for investigatory costs, cleanup costs, removal costs, remedial costs, response costs, monitoring costs, natural resource damages, property damage, personal injury, fines, or penalties arising out of, based on, resulting from, or related to the presence, Release, or threatened Release into the environment of any Hazardous Substances at the Substation Premises or Access Parcel including any off-Site location to which Hazardous Substances, or materials containing Hazardous Substances, were sent.

(ii) "***Environmental Laws***" means all Laws regarding pollution or protection

of the Environment, the conservation and management of land, natural resources and wildlife or human health and safety or the Occupational Safety and Health Act (only as it relates to Hazardous Substances), including Laws regarding Releases or threatened Releases of Hazardous Substances (including Releases to ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, Release, transport, disposal or handling of Hazardous Substances, including the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§ 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.), the Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. §§ 2601 et seq.), the Oil Pollution Act (33 U.S.C. §§ 2701 et seq.), the Emergency Planning and Community Right-to-Know Act (42 U.S.C. §§ 11001 et seq.), and all other Laws analogous to any of the above.

(iii) "***Environmental Permit***" means any Permit under or in connection with any Environmental Law, including any and all orders, consent orders or binding agreements issued or entered into by a governmental authority under any applicable Environmental Law, that is used in, or necessary for, (i) the business of the Vero Beach Electric Utility, or (ii) the ownership, use or operation of the Substation Premises, in each case under clause (i) or (ii), as conducted prior to the Effective Date.

(iv) "***Hazardous Substances***" means: (i) any petroleum, asbestos, asbestos-containing material, and urea formaldehyde foam insulation and transformers or other equipment that contains polychlorinated biphenyls; (ii) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "contaminants," "pollutants," "toxic pollutants," "hazardous air pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law; and (iii) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

(v) "***Liability***" means any direct or indirect liability, commitment, indebtedness or obligation (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or un-accrued, whether liquidated or un-liquidated, and whether due or to become due) of any kind, character or nature, or any demand, claim or action asserted or brought against the relevant Party.

(vi) ***"Law"*** means any foreign, federal, state or local law, constitutional provision, statute, charter, ordinance or other law, rule, regulation, code (including any zoning code, fire code or health and safety code), or interpretation of any governmental authority or any order of or by any governmental authority,

including all Environmental Laws, requirements and regulations, applicable to the Substation Premises or the Vero Beach Electric Utility.

(vii) "***Loss***" or "***Losses***" means any and all damages, fines, fees, penalties, deficiencies, losses, Liabilities, interest, awards, judgments, actions and expenses (whether or not involving a third party claim), including all remediation costs, reasonable fees of attorneys, accountants and other experts, or other expenses of litigation or proceedings or of any claim, default or assessment relating to the foregoing.

(viii) "***Release***" means any actual, threatened or alleged spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dumping or disposing of a Hazardous Substance into the environment or within any building, structure, facility or fixture.

(ix) "***Remediation***" means any action of any kind required by applicable Law to address the presence or Release of Hazardous Substances, including: (i) monitoring, investigation, assessment, treatment, cleanup containment, removal, mitigation, response or restoration work, as well as obtaining any permits necessary to conduct any such activity; (ii) preparing and implementing any plans or studies for any such activity; and (iii) obtaining a written notice from a governmental authority with competent jurisdiction under Environmental Laws, that no material additional work is required.

(b) As may be more fully described in the Asset Purchase and Sale Agreement, except to the extent exacerbated or contributed to by FPL, City agrees to be responsible for any and all Losses of FPL, and pay and perform when due any and all Liabilities of FPL:

(i) under Environmental Laws, Environmental Permits or Environmental Claims with respect to the Substation Premises arising from any event, condition, circumstance, act or omission that occurred prior to the Effective Date; or

(ii) arising from the presence of Hazardous Substances that originated on the Substation Premises prior to the Effective Date or the Release of Hazardous Substances at, on, in, under, or migrating from the Substation Premises prior to the Effective Date (such Losses or Liabilities under this Section 8(b)(i) or Section 8(b)(ii) hereof, the "**Environmental Liabilities**");

Provided, however, that as an absolute condition to such responsibility, FPL must give to City notice (the "**Environmental Notice**") of any claim of Environmental Liabilities no later than thirty (30) days prior to the anticipated Effective Date and, solely with respect to any Environmental Liability which FPL demonstrates occurred subsequent to FPL's Phase II Environmental Testing described below, FPL must give the Environmental Notice prior to the Effective Date, which Environmental Notice, in either case, must contain the estimated total amount of the Environmental Liabilities and a summary of facts then known to FPL that support such claim; and provided, further, that in no event shall City be liable or responsible for any

Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate, from all sources as described in the Asset Purchase and Sale Agreement, (the "**Aggregate Environmental Cap**"). FPL hereby releases City from, and City shall not be liable or responsible for, any and all Environmental Liabilities as to which FPL does not give City the Environmental Notice or Environmental Notices prior to the time required in the immediately preceding sentence. FPL also hereby releases City from, and City shall not be responsible for, any and all Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate from all sources as described in the Asset Purchase and Sale Agreement. The limitations on City's liability or responsibility for Environmental Liabilities under this Section 8 are absolute limitations and will control over any other provisions in this Agreement or other agreements between the Parties that are or may be to the contrary.

(c) In order to make a claim against City pursuant to Section 8 (b) above, FPL must have completed its environmental testing, including Phase II environmental testing, on the Substation Premises and the Access Parcel and, if so performed, must have submitted the results of such testing to City at least thirty (30) days prior to the Effective Date (collectively, "**FPL's Phase II Environmental Testing**"). If FPL has not performed such actions by the within the time periods specified, FPL shall be deemed to have waived its right to make a claim against City under Section 8 (b) above with respect to the Substation Premises and the Access Parcel.

(d) FPL shall not cause or permit the Release in any manner of any Hazardous Substances upon the Substation Premises, the Access Parcel or upon adjacent lands, which violates any Environmental Laws. FPL shall give prompt notice to City of any Release of a Hazardous Substance in violation of Environmental Laws, whether caused by FPL or, to the knowledge of FPL, any third party.

(e) To evidence any changes to the environmental condition of the Substation Premises at the expiration or termination of this Agreement, FPL shall perform an environmental assessment, including soils and groundwater sampling, of the Substation Premises (the **"Closure Environmental Assessment")** as close in time as practical to the Expiration Date or the earlier termination of this Agreement, at its expense and provide a copy thereof to City as soon as practical. FPL's obligation to provide the Closure Environmental Assessment shall survive the expiration or termination of this Agreement.

(f) Except to the extent of City's responsibility as described in Section 8 (b) above, FPL shall be responsible, at FPL's sole cost and expense, for commencing and thereafter performing, or causing to be performed, any and all assessments, Remediation, cleanup and monitoring of all Hazardous Substances existing or Released on, in, under, from or related to the Substation Premises during the Term in violation of Environmental Laws; provided, however, that the foregoing shall not in any way limit or expand any liability, obligations or rights of FPL or City, to the extent expressly provided in the Agreement for Sale and Purchase. In the event any Remediation is required in the previous sentence, FPL shall furnish to City, within a reasonable period of time, written proof from the appropriate local, state or federal agency with jurisdiction over the Remediation that the Remediation has been satisfactorily completed in full compliance with all Environmental Laws. FPL's obligation to provide Remediation as required by this Section 8 shall survive the expiration or termination of this Agreement .

(g) FPL shall indemnify, defend and hold harmless City from and against, and pay, reimburse and fully compensate as the primary obligor City for, any and all claims, suits, judgments, loss, damage, and liability which may be incurred by City including, without limitation, City's reasonable attorney's fees and costs, arising in any way from Hazardous Substances existing or Released on, in, under, from the Substation Premises by FPL, its employees agents or contractors, or related to FPL's use of the Substation Premises or the Access Parcel during the Term in violation of Environmental Laws, or any violation of the Environmental Laws, by FPL, its agents, licensees, invitees, subcontractors or employees on, in, under or related to the Substation Premises or the Access Parcel during the Term. This responsibility shall continue to be in effect for any such Release or presence of Hazardous Substances as to which City gives notice to FPL on or before the fifth (5^{th}) anniversary of the Expiration Date. FPL's obligation to provide the indemnity, defense and hold harmless required by this Agreement shall survive the expiration or termination of this Agreement .

9. Abandonment and Termination. The term of this Agreement (the "Term") begins on the Effective Date and continues perpetually, unless terminated as described in this Agreement. FPL may terminate this Agreement without charge or penalty by giving not less than six (6) months prior notice to City. Furthermore, the Parties acknowledge that technology may change the methods for the delivery of electric power in the future. Accordingly, if FPL abandons the Substation or ceases to use the Substation as a actively functioning electrical substation for the distribution of electric power, and such abandonment or cessation of use continues for a period of not less than two (2) consecutive years, then this Agreement shall be deemed terminated. In the event of such termination, City and FPL shall promptly execute a Notice of Easement Termination, in form and substance that is mutually agreeable, reciting the termination of this Agreement and removing this Agreement as an encumbrance on the Substation Premises and Access Parcel, which shall be recorded in the Public Records. If this Agreement is terminated, for any reason whatsoever, whether in whole or in part, FPL shall not be entitled to any proration or return of the consideration for this Agreement. In addition, within six (6) months after termination of this Agreement, FPL shall, at its sole cost and expense, remove all Facilities from the Substation Premises and during such time FPL shall be deemed to be occupying the Substation Premises and Access Parcel as a licensee and FPL will continue to be subject to and comply with all of the provisions of this Agreement. FPL's obligations to remove the Facilities from the Substation Premises include the obligation to remove any and all fixtures and any and all improvements that may exist on, over or under the Substation Premises, installed by or for FPL, such as, but not limited to, lines, structures, poles, concrete slabs, footers, reinforcements, walls, gates and fences.

10. Assumption of Risk; Indemnification. FPL agrees as follows:

(a) FPL will rely exclusively upon its own investigation into the title relating to the Substation Premises and the Access Parcel and City makes no warranty of title relating to the Substation Premises or the Access Parcel. FPL's easement interest in the Substation Premises and Access Parcel pursuant to this Agreement is made subject to the Permitted Encumbrances (as defined in the Asset Purchase and Sale Agreement).

(b) Except as specifically provided in this Agreement, FPL acknowledges and agrees that City has not made, does not make and specifically negates and disclaims any

representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future of, as to, concerning or with respect to the Substation Premises and Access Parcel and that the rights granted with respect to the Substation Parcel provided for in this Agreement are made on an "as is" condition and basis and with all faults. Without in any way limiting the generality of the foregoing, the grant of easement rights contemplated hereby is without any warranty other than City's express representations and warranties in this Agreement; and City and City's elected and appointed officials, officers, directors, employees, and affiliates (collectively the "**City's Related Parties**") have made no, and expressly and specifically disclaim, and FPL accepts that City and the City's Related Parties have disclaimed, any and all representations, guaranties or warranties, express or implied, or arising by operation of law (except for the representations and warranties, if any, expressly made by City in this Agreement), of or relating to: (i) the use, expenses, operation, characteristics or condition of the Substation Premises and Access Parcel, or any portion thereof, including, without limitation, warranties of suitability, habitability, merchantability, design or fitness for any specific or particular purpose, or good and workmanlike construction; (ii) the environmental condition of the Substation Premises or Access Parcel, or contamination by hazardous materials, or the compliance of any portion of the Substation Premises or Access Parcel with any or all Environmental Laws; or (iii) the soil conditions, drainage, flooding characteristics, accessibility or other conditions existing in, on or under any portion of the Substation Premises or Access Parcel. FPL acknowledges and agrees that it is not relying on any representations or statements (oral or written) which may have been made or may be made by City or any of the City's Related Parties (except for City's representations and warranties expressly set forth in this Agreement), and is relying solely upon FPL's or FPL's representatives' own physical inspection of the Substation Premises and Access Parcel and other investigations by FPL or FPL's representatives. FPL acknowledges that any condition of the Substation Premises or Access Parcel, whether apparent or latent, which FPL discovers or desires to correct or improve on or after the Effective Date shall be subject to City's review and approval rights, as set forth in this Agreement, and shall be at FPL's sole expense.

(c) FPL recognizes and hereby expressly and fully assumes all risks, known and unknown, that arise or might arise incidental to or in any way connected with the condition or use of the Substation Premises or access to the Substation Premises. This assumption of risk by FPL is made for and on behalf of FPL and FPL's successors, and permitted assigns.

(d) FPL agrees to indemnify, defend and hold harmless City and City's Related Parties against any and all claims, including costs and expenses, of any kind or nature, including, without limitation, costs of investigation, attorneys' fees, paralegal fees, experts' fees and costs through regulatory proceedings, trial and review or appeal, including but not limited to claims for personal injury, death of persons and property damage, or other liability to the extent arising from FPL's use, improvement, operation, condition or maintenance of the Substation or the Substation Premises, provided however that this indemnity shall not apply to the negligence or willful misconduct of the City and/or the City's Related Parties as determined by a court of competent jurisdiction.

(e) FPL's obligations under this Section 10 shall survive the termination of this Agreement.

11. Construction, Mechanics and Materialmen's Liens. FPL will make no alteration, change, improvement or addition to the landscaping or exterior of the Substation without the prior written consent of City which will not be unreasonably withheld, conditioned or delayed. FPL will be responsible for payment of any and all work performed on FPL's behalf on the Substation Premises and Access Parcel. In no event will City be responsible for payment of any work relating to the Substation nor will the Substation Premises or Access Parcel, or any interest therein, be subject to any lien for payment of any construction or similar work performed by or for FPL on or for the Substation or Access Parcel. Further, FPL shall promptly notify the contractor performing any such work or alterations on the Substation Premises or Access Parcel at FPL's request or making such improvements to the Substation Premises or Access Parcel at FPL's request of this provision exculpating City of responsibility for payment and liens. Notwithstanding the foregoing, if any mechanic's lien or other lien, attachment, judgment, execution, writ, charge or encumbrance is filed or recorded against any portion of the Substation or Access Parcel as a result of any work performed on or materials delivered to the Substation Premises or Access Parcel at FPL's direction, FPL shall, within sixty (60) days following written notice of any such lien, cause same to be paid, discharged or otherwise removed of record. In the event that FPL fails to remove any such mechanics or materialmen's lien relating to FPL's work at the Substation Premises or Access Parcel, the City may cause such lien to be removed and FPL shall reimburse City for all reasonable costs and expenses, including attorney's or paralegal fees incurred by City within forty-five (45) days following receipt of City's written invoice and supporting documentation.

12. Insurance. City understands that FPL self-insures, and that prior to accessing the Substation Premises or Access Parcel, FPL will provide City with a letter of such self-insurance. In the event that FPL ceases to self-insure, then, during the Term of this Agreement, and thereafter so long as FPL operates, uses or maintains any portion of the Substation:

(a) FPL shall procure and maintain, at FPL's sole cost and expense, commercial general liability insurance providing coverage which protects FPL and City and the City's Related Parties from and against any and all claims and liabilities for bodily injury, death and property damage arising from operations, premises liability, fire with respect to the Substation. Such insurance shall provide minimum coverage of $1,000,000.00 per occurrence and $2,000,000.00 aggregate. FPL shall be and remain liable for and pay all deductibles and other amounts not covered, paid or reimbursed under the insurance policies.

(b) FPL shall procure and maintain, at FPL's sole cost and expense, workers' compensation insurance as required by applicable law, and employers' liability insurance, with coverage amounts with a limit of (i) One Million Dollars ($1,000,000) for bodily injury per accident, (ii) One Million Dollars ($1,000,000) for bodily injury by disease per policy and (iii) One Million Dollars ($1,000,000) for bodily injury by disease per employee.

(c) The certificate of insurance required herein for commercial general liability insurance, including, without limitation, all renewals, shall include a blanket additional insured endorsement and provide for at least thirty (30) days advance notice to City of any non-renewal or cancellation. FPL shall provide City with a copy of certificates of insurance stating that the coverage as required herein is in full force and effect no later than the Effective Date. FPL shall

cause certificates of insurance or a self-insured letter in conformance with the requirements hereof to be promptly provided to City for each subsequent policy renewal.

(d) FPL's insurance in all instances shall be primary and any insurance that may be maintained by City shall be in excess of and shall not contribute with FPL's insurance. All insurance policies shall be issued by a company or companies licensed to do business in the State of Florida.

(e) City shall have the right to periodically review the adequacy of the required insurance, its forms and types, the amounts of coverage and, notwithstanding any other provision of this Agreement, unilaterally modify the insurance requirements of this Section 12 by giving notice of such modification to FPL. Such modification shall be as found reasonably necessary in the sole discretion of City. Factors which may be considered by City include, without limitation, changes in generally accepted insurance industry standards and practices, changes in use of the Substation Premises, changes in risk exposure, measurable changes in local and national economic indicators and changes in City's policies and procedures.

(f) FPL understands and acknowledges that the responsibility and obligation to provide and maintain insurance in the forms, types and coverages required herein are solely FPL's responsibilities and obligations which continue for the entire Term of this Agreement, and until such time as FPL no longer operates the Substation or enters the Substation Premises, whichever date is later.

(g) In the event that FPL fails for any reason to procure or maintain insurance in the forms, types or coverages required and to name City as an additional insured on the certificates of insurance, FPL shall cure such material breach within fifteen (15) calendar days after FPL is given notice of such breach. Should FPL fail to cure the breach within such period or such other time as may be agreed to by the Parties in writing, City in City's sole discretion may, but is not obligated to, secure replacement insurance coverage at FPL's sole expense. Should City elect to secure replacement insurance, FPL shall thereafter reimburse City within fifteen (15) calendar days of City's providing to FPL an invoice for the costs and premiums incurred by City for the replacement insurance coverage, plus an administrative charge of ten percent (10%) or $250.00, whichever is greater. FPL shall continue to be responsible for the payment of all deductibles applicable to the insurance policies and all losses incurred with respect to any lapse in coverage. Should FPL subsequently obtain the required insurance, FPL shall remain responsible for and reimburse City for all costs and expenses to City for the insurance premiums incurred by City and the administrative charges set forth in this Section 12(g).

(h) FPL's obligations under this Section 12 shall survive the termination or expiration of this Agreement.

13. No Consequential Damages. Notwithstanding any other provisions in this Agreement to the contrary, neither Party nor any of its elected officials, directors, officers, employees, lenders, shall be liable to the other Party for consequential, incidental, exemplary, punitive, anticipatory profits or indirect loss or damage of any nature, including, without limitation, loss of profit, loss of use, loss of operating time, loss of revenue, increased costs of producing revenues, cost of

capital or loss of goodwill whether arising in tort, contract, warranty, strict liability, by operation of law or otherwise, even if by such Party's, its representatives', agents', contractors', subcontractors', invitees' or licensees' negligence or fault, in connection with this Agreement, except to the extent claimed by third parties. The Parties further agree that the waivers and disclaimers of liability, indemnities, releases from liability, sole remedy provisions and limitations on liability expressed in this Agreement shall survive termination or expiration of this Agreement and shall extend to the parent, affiliates, and subsidiaries of each Party and their respective, partners, directors, officers, and employees and elected officials.

14. Taxes. FPL shall pay any and all real property taxes for the Substation Premises during the entire Term of this Agreement. As used herein, the term "**real property tax**" shall include any form of real estate tax or assessment, general, special, ordinary or extraordinary, and any license fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income or estate taxes) imposed on the Substation Premises or any portion thereof by any authority having the direct or indirect power to tax, including, without limitation, any city, county, state or federal government, or any school, agricultural, sanitary, fire, street, drainage or other improvement district thereof, as against any legal or equitable interest of City or FPL in the Substation Premises or in any portion thereof. If separately assessed to FPL, FPL shall pay such real property taxes directly to the taxing authorities. FPL shall pay the real property taxes and shall deliver to City official receipts evidencing such payment, which payment of real property taxes shall be made and the receipts delivered at least thirty (30) days before the real property taxes would become delinquent in accordance with the law then in force governing the payment of such real property taxes. If, however, FPL desires to contest the validity of any real property taxes, FPL may do so without being in default hereunder, provided FPL gives City notice of FPL's intention to do so and provided the real property taxes are paid before any such real property taxes become delinquent after any applicable contest or appeal period.

15. Utility and Service Charges Associated with Substation. FPL shall be responsible for the payment of any and all water, gas, heat, light, power, telephone and other utilities and services supplied to the Substation Premises at FPL's request, together with any taxes on such services.

16. Compliance with Laws. During the Term, FPL shall, at its expense, comply with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Substation. Further, during the Term, FPL shall, at its expense, cause the Substation to attain compliance or remain in compliance with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Substation.

17. Assignment. City acknowledges that this Agreement and FPL's interests hereunder shall be subject to the encumbrance of FPL's pre-existing mortgage with Deutsche Bank Trust Company Americas. FPL shall not otherwise mortgage or assign its interest in this Agreement without the prior written consent of City, and such consent may be withheld in City's unfettered discretion unless such proposed assignment is to the purchaser of all or substantially all of the assets of Florida Power & Light Company, as a part of a bona fide sale by Florida Power & Light

Company to a third party purchaser for value and in such event City's consent will not be unreasonably withheld or delayed. Notwithstanding any assignment of this Agreement, FPL will not be released from any of its obligations hereunder unless such assignee executes an assignment and assumption agreement in form reasonably acceptable to City agreeing to be bound by the terms of this Agreement and City determines in its reasonable discretion that such assignee is creditworthy. Further, any assignment in violation of this Section 17 shall be deemed void and a breach of this Agreement by FPL.

18. Default and Remedies.

(a) **FPL Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by FPL**" under this Agreement by FPL:

(i) Failure by FPL to observe or perform any of the covenants, conditions or provisions of this Agreement to be observed or performed by FPL, where such failure shall continue for a period of forty-five (45) days after notice thereof given by City to FPL. In the event the default cannot reasonably be cured within such forty-five (45) day period, FPL shall not be in default if FPL commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by FPL of any general arrangement or general assignment for the benefit of creditors; (B) FPL becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against FPL, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of FPL's assets or of FPL's interest in this Agreement, where possession is not restored to FPL within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of FPL's assets or of FPL's interest in this Agreement, where such seizure is not discharged within sixty (60) days.

(b) **City Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by City**" under this Agreement by City:

(i) Failure by City to observe or perform any of the covenants, conditions or provisions of this Agreement to be observed or performed by City, where such failure shall continue for a period of forty-five (45) days after notice thereof is given by FPL to City. In the event the default cannot reasonably be cured within such forty-five (45) day period, City shall not be in default if City commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by City of any general arrangement or general assignment for the benefit of creditors; (B) City becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against City, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of City 's assets, where possession

is not restored to City within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of City's assets, where such seizure is not discharged within sixty (60) days.

(c) **Remedies.** If an Event of Default by FPL or an Event of Default by City occurs hereunder, the non-defaulting Party shall have the right at its option and without further notice, to exercise any remedy available at law or in equity, including, without limitation, a suit for specific performance of any obligations set forth in this Agreement or any appropriate injunctive or other equitable relief, or for damages resulting from such event of default. The Parties agree that remedies at law may be inadequate to protect against any actual or threatened breach of this Agreement. In the event of any breach or threatened breach, either Party shall have the right to apply for the entry of an immediate order to restrain or enjoin the breach and otherwise specifically enforce the provisions of this Agreement. In no event shall any Event of Default by FPL or Event of Default by City, terminate, or entitle either Party to terminate, rescind or cancel this Agreement or the rights granted hereunder. In the event that FPL or City, fail or neglect to do or perform any act that they are required to perform under this Agreement, following forty-five (45) days prior written notice (except in the event of an emergency), the other party may cure such default and be reimbursed by the other party within forty-five (45) days following receipt of the performing party's invoice and supporting documentation.

21. Condemnation. If the Substation Premises or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of such power (all of which are herein called "condemnation"), this Agreement shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If so much of the Substation Premises is taken under the power of eminent domain such that the Substation Premises is no longer suitable for its intended use or suitable access cannot be provided to the Substation Premises, FPL may, at FPL's option, to be exercised in writing only within ten (10) days after City shall have given FPL written notice of such taking (or in the absence of such written notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Agreement as of the date the condemning authority takes such possession. If FPL does not terminate this Agreement in accordance with the foregoing, this Agreement shall remain in full force and effect as to the portion of the Substation Premises remaining. Any award for the taking of all or any part of the Substation Premises under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of City; provided, however, that FPL shall be entitled to any award for loss of FPL's easement interest in the Substation Premises created by this Agreement.

19. Recording. This Agreement shall be recorded in the Public Records of Indian River County, Florida at FPL's expense.

20. Radon Gas. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present a health risk to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

21. Severability. If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or

other governmental authority: (a) such portion or provision shall be deemed separate and independent; (b) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling or adjudication; and (c) the remainder of this Agreement shall remain in full force and effect.

22. Repairs, Trash and Storage. City shall have absolutely no obligations of any kind for the repair, replacement, or maintenance of any part of the Substation or Access Parcel. FPL shall maintain the Substation and Access Parcel in a neat, clean, safe and sanitary condition. During the term of this Agreement FPL shall be solely responsible at its own expense for the regular removal from the Substation Premises and disposal of all refuse, garbage, debris, trash and other discarded materials and shall not allow refuse, garbage, debris and trash to accumulate on the Substation Premises. FPL shall not use the Substation Premises or Access Parcel for the storage of any materials, vehicles or equipment.

23. Waivers. Any waiver by either Party with respect to this Agreement must be in writing, signed by the Party granting the waiver, and shall be limited to the express terms set forth in the waiver.

24. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

25. Binding Effect. This Agreement shall bind the Parties, and their respective successors and permitted assigns.

26. Right of Entry. Subject to City's duties, if any, relating to police, fire and other municipal services for which no advance notice is required, City, or any of its agents, shall have the right to enter the Substation Premises during reasonable hours to examine the same but only when accompanied by a qualified or designated employee of FPL.

27. Force Majeure. In the event that either Party is unable to fulfill, or shall be delayed or restricted in the fulfillment of any obligation, or the curing of a default, under any provision of this Agreement due to reasons outside of its reasonable control, or not wholly or mainly within such Party's reasonable control, including strike, lock-out, war, acts of military authority, acts of terrorism, sabotage, rebellion or civil commotion, fire or explosion, flood, wind, storm, hurricane, water, earthquake, acts of God or other casualty or by reason of any statute or law or any regulation or order passed or made, or by reason of any order or direction of any administrator, controller, board or any governmental department or officer or other authority (other than, in the case of City claiming relief under this Section 27, any statute or law or any regulation or order passed or made, or by reason of any order or direction of, any administrator, controller, board or any governmental department or officer or other authority of City), and whether of the foregoing character or not, such Party shall, so long as any such impediment exists, be relieved from the fulfillment of such obligation and the other Party shall not be entitled to compensation for any damage, inconvenience, nuisance or discomfort thereby occasioned or to terminate this Agreement.

28. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

29. Attorneys' Fees. In the event of any dispute between the Parties relating to this Agreement, each Party shall pay its own legal fees except as otherwise provided herein. Any monetary judgment rendered in any litigation concerning this Agreement shall bear interest at the highest rate allowed by applicable law. The foregoing provisions shall survive expiration or earlier termination of this Agreement.

30. Notices. Every notice, approval, consent or other communication required or permitted under this Agreement shall be in writing, shall be deemed to have been duly given on the date of receipt, and shall be deemed delivered if either served personally on the Party to whom notice is to be given, or sent to the Party to whom notice is to be given, by overnight courier or by first class registered or certified mail (return receipt requested), postage prepaid, and addressed to the addressee at the address stated opposite its name below, or at the most recent address specified by notice given to the other Party in the manner provided in this Section.

To City:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Manager
With a required copy to:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Attorney
To FPL:	Florida Power & Light Company 700 Universe Boulevard, LAW/JB Juno Beach, Florida 33408 Attention: Corporate Real Estate
With a required copy to:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Law Department

31. No Personal Liability. Excluding any successor-in-interest to FPL or City under this Easement, notwithstanding anything to the contrary in this Agreement, no present or future parent, subsidiary, affiliate, member, principal, shareholder, manager, officer, official, director, or employee of FPL or City will be personally liable, directly or indirectly, under or in connection with this Agreement, or any document, instrument or certificate securing or otherwise executed in connection with this Agreement, or any amendments or modifications to any of the foregoing made at any time or times, or with respect to any matter, condition, injury or loss related to this Agreement, and each of the Parties, on behalf of itself and each of its successors and assignees, waives and does hereby waive any such personal liability.

32. Entire Agreement. This Agreement and any exhibits, schedules or addenda attached hereto and forming a part hereof, contains the entire agreement between the Parties hereto with respect to the subject matter of this Agreement, and supersedes all previous negotiations leading

thereto, and it may be modified only by an agreement in writing executed and delivered by City and FPL. All exhibits, schedules or addenda attached to this Agreement are expressly incorporated herein by this reference.

33. Governing Law; Forum. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF CITY AND FPL, FPL'S USE OF THE SUBSTATION, OR ANY CLAIM FOR INJURY OR DAMAGE, SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. THE FOREGOING PROVISIONS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

34. WAIVER OF JURY TRIAL. THE PARTIES HERETO SHALL, AND THEY HEREBY DO, IRREVOCABLY WAIVE TRIAL BY JURY IN ANY AND EVERY ACTION OR PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF CITY AND FPL, FPL'S USE OR OPERATION OF THE SUBSTATION, AND ANY CLAIM FOR INJURY OR DAMAGE. THE FOREGOING PROVISIONS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

35. City/FPL Relationship; No Third Party Beneficiaries. This Agreement creates a grantor/grantee relationship, and no other relationship, between the Parties. This Agreement is for the sole benefit of the Parties hereto and, except for assignments permitted hereunder, no other person or entity shall be a third party beneficiary hereunder.

36. No Waiver of Regulatory Authority or Right of Eminent Domain. Nothing in this Agreement constitutes a waiver of City's regulatory, public safety or other municipal authority with respect to the construction of improvements or any other matter. Further, nothing in this Agreement shall be deemed to waive City's or FPL's right of eminent domain.

37. Sovereign Immunity. City is a Florida municipal corporation whose limits of liability are set forth in section 768.28, Florida Statutes, and nothing herein shall be construed to extend the liabilities of City beyond that provided in section 768.28, Florida Statutes. Further, nothing herein is intended as a waiver of City's sovereign immunity under section 768.28, Florida Statutes, or otherwise. Nothing hereby shall inure to the benefit of any third party for any purpose, including, without limitation, anything that might allow claims otherwise barred by sovereign immunity or operation of law.

38. Time, Interpretation. In computing any period of time pursuant to this Agreement, the day of the act, event or default from which the designated period of time begins to run shall not be included, but the time shall begin to run on the next succeeding day. The last day of the period so computed shall be included, unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or legal holiday. A legal holiday as used in this Agreement includes days on which banks in Vero Beach, Florida are not open for regular business. Time is of the essence. The captions in this Agreement are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof. This Agreement shall not be construed more strongly against or for either Party regardless of the drafter. Unless the context otherwise requires, (a) all references to Sections or Exhibits are to Sections or Exhibits in or to this Agreement, and (b) words in the singular or plural include the singular and plural and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter and the term "including" shall mean by way of example and not by way of limitation.

[Remainder of page intentionally blank; Signature pages follows]

City of Vero Beach Execution Pages

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the Effective Date.

CITY:

ATTEST: **CITY OF VERO BEACH**

_____ By:_____
Tammy K. Bursick Laura Moss
City Clerk Mayor

[SEAL]

WITNESSES:

_____
Print
name:_____

_____
Print
name:_____

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing instrument was acknowledged before me this _____ day of _____ _____ 2016 by **Laura Moss, as Mayor**, and attested by **Tammy K. Bursick, as City Clerk**, of the City of Vero Beach, Florida. They are both known to me.

_____
NOTARY PUBLIC
Print name:
Commission No. [SEAL]
My Commission Expires:

ADMINISTRATIVE REVIEW
(For Internal Use Only–Sec. 2-77 COVB Code)

Approved as to form and legal sufficiency:

_____
Wayne R. Coment
City Attorney

Approved as conforming to municipal policy:

_____
James R. O'Connor
City Manager

Approved as to technical requirements:

_____
Ted Fletcher
Director of Electric Utility Operations

Approved as to technical requirements:

_____
Cynthia D. Lawson
Director of Finance

Approved as to technical requirements:

_____
Timothy J. McGarry
Director of Planning and Development

Florida Power & Light Company Execution Page

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the Effective Date specified in this Agreement.

WITNESSES:

FPL:

FLORIDA POWER & LIGHT COMPANY, a Florida corporation

_____
Print
name:_____

By:_____
Name:_____
Title:_____

_____
Print
name:_____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this day of _____, 20__, by , the of **FLORIDA POWER & LIGHT COMPANY**, a Florida corporation, who [ ] is personally known to me or [ ] has produced as identification.

_____
Notary Public, State of Florida at Large
Seal: Print Name: _____
Notary Commission No.: _____
My Commission Expires: _____

Substation Easement Agreement by and between the City of Vero Beach, Florida and Florida Power & Light Company

Exhibit "A"

Substation Premises Legal Description and Map

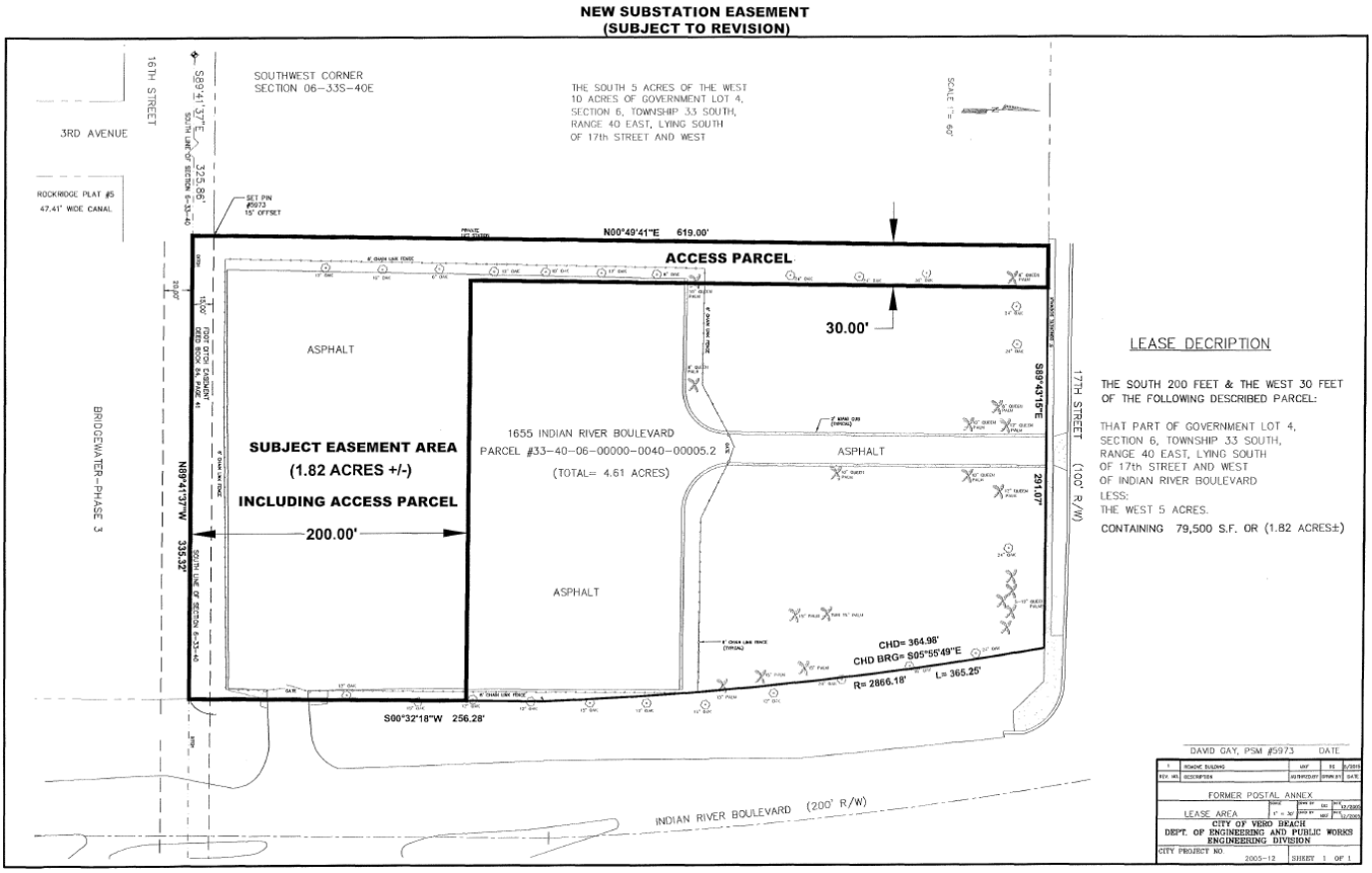

NEW SUBSTATION EASEMENT
(SUBJECT TO REVISION)
SOUTHWEST CORNER
SECTION 06-33S-40E
THE SOUTH 5 ACRES OF THE WEST
10 ACRES OF GOVERNMENT LOT 4,
SECTION 6, TOWNSHIP 33 SOUTH,
RANGE 40 EAST, LYING SOUTH
OF 17th STREET AND WEST
16TH STREET
3RD AVENUE
ROCKRIDGE PLAT #5
47.41' WIDE CANAL
BRIDGEWATER-PHASE 3
S89°41'37"E 325.86'
SOUTH LINE OF SECTION 6-33-40
SET PIN #5973 15' OFFSET
N00°49'41"E 619.00'
ACCESS PARCEL
30.00'
ASPHALT
SUBJECT EASEMENT AREA
(1.82 ACRES +/-)
INCLUDING ACCESS PARCEL
200.00'
1655 INDIAN RIVER BOULEVARD
PARCEL #33-40-06-00000-0040-00005.2
(TOTAL= 4.61 ACRES)
ASPHALT
ASPHALT
S89°43'15"E
291.07'
17TH STREET (100' R/W)
N89°41'37"W 335.32'
SOUTH LINE OF SECTION 6-33-40
CHD= 364.98'
CHD BRG= S05°55'49"E
R= 2866.18'
L= 365.25'
S00°32'18"W 256.28'
INDIAN RIVER BOULEVARD (200' R/W)
SCALE 1" = 60'
LEASE DECRIPTION
THE SOUTH 200 FEET & THE WEST 30 FEET
OF THE FOLLOWING DESCRIBED PARCEL:
THAT PART OF GOVERNMENT LOT 4,
SECTION 6, TOWNSHIP 33 SOUTH,
RANGE 40 EAST, LYING SOUTH
OF 17th STREET AND WEST
OF INDIAN RIVER BOULEVARD
LESS:
THE WEST 5 ACRES.
CONTAINING 79,500 S.F. OR (1.82 ACRES±)
DAVID GAY, PSM #5973 DATE
FORMER POSTAL ANNEX
LEASE AREA
CITY OF VERO BEACH
DEPT. OF ENGINEERING AND PUBLIC WORKS
ENGINEERING DIVISION
CITY PROJECT NO. 2005-12
SHEET 1 OF 1

Exhibit "B"
Access Parcel Legal Description and Map

NEW SUBSTATION EASEMENT
(SUBJECT TO REVISION)

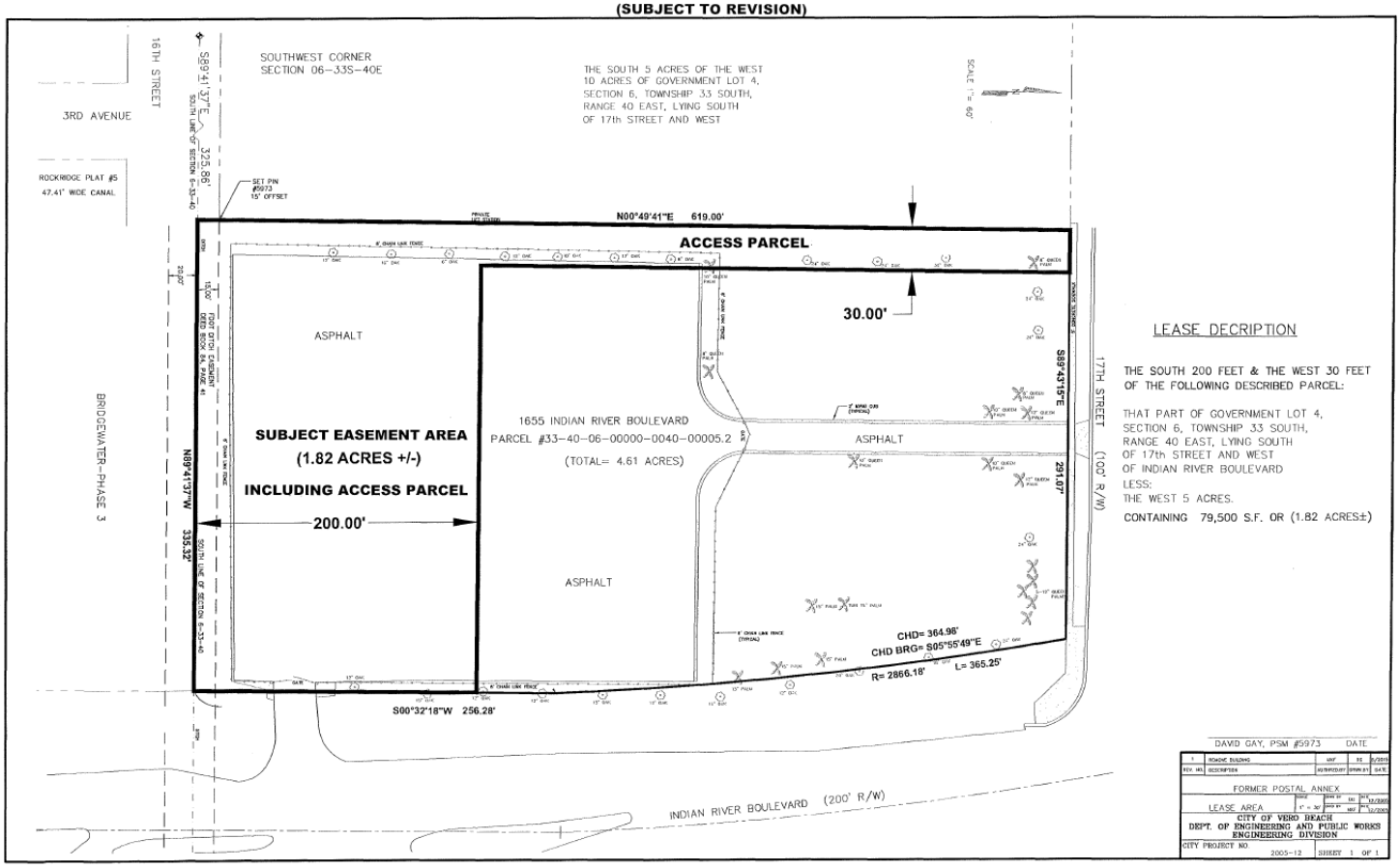


Exhibit L-3

Form of Substation Equipment Operating and Dismantling Agreement

[*Exhibit begins on the following page.*]

SUBSTATION EQUIPMENT OPERATING AND DISMANTLING AGREEMENT

THIS SUBSTATION EQUIPMENT OPERATING AND DISMANTLING AGREEMENT (the "**Agreement**"), made and entered into as of [_____ __], 201[__] (the "**Effective Date**"), is between CITY OF VERO BEACH, FLORIDA, a Florida municipal corporation (herein called "**City**"), with an address of 1053 20th Place, Vero Beach, FL 32960, and FLORIDA POWER & LIGHT COMPANY, a Florida corporation (herein called "**FPL**"), with an address of 700 Universe Boulevard, Juno Beach, FL 33408. City and FPL are sometimes together referred to herein as the "**Parties**" and individually as a "**Party.**"

RECITALS

A. As of the Effective Date, City has sold, assigned and conveyed certain electric utility assets of City to FPL, as contemplated under that certain Asset Purchase and Sale Agreement, dated [_____], 2017, by and between City and FPL (the "**Asset Purchase and Sale Agreement**"). As used in this Agreement, the "**Vero Beach Electric Utility**" means the electric utility system of electricity transmission and distribution owned or operated by FPL providing retail electric service to City of Vero Beach's electric utility customers on and after the Effective Date.

B. However, City has retained ownership of the real property located in the area described and depicted on attached **Exhibit "A"** (the "**Substation Premises**") and all of the equipment, poles, lines and improvements located thereon (collectively, the "**Substation Equipment**"). A list identifying the Substation Equipment is attached hereto as **Exhibit "B."** The Substation Premises together with the Substation Equipment may be referred to collectively as the "**Substation**."

C. Prior to execution of the Asset Purchase and Sale Agreement, FPL obtained a Phase I environmental assessment of the Substation Premises that identified various recognized environmental conditions identified on **Schedule "1"** attached hereto.

D. Prior to the Effective Date, FPL may have obtained an Phase II environmental assessment and all recognized environmental conditions set forth in such Phase II are identified on **Schedule "2"** attached hereto (the "**Baseline Recognized Environmental Conditions**").

E. FPL intends to construct a new substation (the "**New Substation**") on property west of Indian River Boulevard in Vero Beach pursuant to that certain Substation Easement Agreement between the Parties, the "**New Substation Easement Agreement**")] to replace the Substation, but, in order for FPL to provide reliable retail electric services to its electric utility customers as contemplated by the Asset Purchase and Sale Agreement, the Substation Equipment must remain in operation until the New Substation is completed.

F. City seeks to have the Substation Equipment dismantled and removed from the Substation Premises as soon as practical, but FPL has requested that City permit the continued operation of the Substation Equipment for a limited period of time (the "**Construction Period**") described herein.

G. City desires its citizens to have reliable electric service and, for that reason, is willing to delay dismantling the Substation Equipment for the Construction Period, so that the Substation Equipment may be used as a part of the Vero Beach Electric Utility on the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of and subject to the terms, covenants, agreements, provisions and limitations set forth in this Agreement, City and FPL agree as follows:

1. Recitals. The above-stated recitals are true and correct and are incorporated herein by this reference.

2. City's Continued Ownership of Substation Equipment. For the duration of the Construction Period, the Substation Equipment will remain owned by City, and City will take no action to remove the Substation Equipment from the Substation Premises or to dismantle the Substation Equipment.

3. FPL's Appointment as Bailee of the Substation Equipment. City hereby appoints FPL as its bailee of the Substation Equipment during the Construction Period, and FPL hereby accepts such appointment. As a result of its appointment as bailee, FPL hereby accepts from City the right to possess and control the Substation Equipment during the Construction Period for the limited purposes described in this Agreement. Except as may be set forth in this Agreement, FPL accepts and assumes all responsibilities, obligations and liabilities associated with the Substation Equipment during the Construction Period.

4. Access to Substation Equipment. The Parties acknowledge that FPL will have control of the Substation Equipment during the Construction Period and will require access to the Substation in order to exercise its obligations under this Agreement. Accordingly, during the Construction Period, City will take no action to prevent FPL from accessing the Substation, and, to the extent practical, City will provide FPL with reasonable access to the Substation so that FPL can perform its duties relating to the Substation Equipment at all times during the Construction Period.

5. FPL Duty to Protect and Maintain. At all times during the Construction Period, and at its own expense, FPL shall protect and maintain the Substation Equipment in good working condition in accordance with electric utility industry standard best practices and all federal and state regulations, orders and other requirements applicable to the Substation Equipment. To protect the Substation Equipment, and to protect the general public from the dangers inherent in the operation of the Substation Equipment, at all times during the Construction Period, and at its own expense, FPL shall restrict access to the Substation to those with a reasonable need for such access. At all times during the Construction Period, and at its own expense, FPL shall protect and maintain the Substation Premises including any fencing or other barrier around the Substation Premises in accordance with electric utility industry standard best practices and all federal and state regulations, orders and other requirements applicable to the Substation Premises.

6. Use of Substation Equipment. City consents to FPL's use of the Substation Equipment as an operating part of the Vero Beach Electric Utility during the Construction Period, but FPL may not use the Substation for any other purpose.

7. Construction Period. Unless otherwise provided by this Agreement, the Construction Period shall commence on the Effective Date and shall terminate (the "**Termination Date**") on the earliest of the following: (i) the date that is thirty (30) calendar months after the Effective Date, as may be extended to account for delays in the commencement of operations of the new Substation to the extent provided for in the New Substation Easement Agreement; (ii) the date that is eighteen (18) calendar months after the New Substation first begins to operate as a part of the Vero Beach Electric Utility; or (iii) the date that is eighteen (18) calendar months after the Substation Equipment ceases to be used as an operating part of the Vero Beach Electric Utility.

8. Dismantling Substation Equipment and Relocation of Fiber Optic Lines Prior to Termination Date.

(a) On or before the Termination Date, FPL shall, at its sole cost and expense, remove all the Substation Equipment from the Substation Premises. FPL's obligations to remove the Substation Equipment from the Substation Premises include the obligation to remove any and all fixtures and any and all improvements that may exist on, over or under the Substation Premises such as, but not limited to, lines, structures, poles, concrete slabs, footers, reinforcements, gates and fences. After removal of the Substation Equipment from the Substation Premises, FPL shall place sod, or other ground covering as City may approve, over and across the entire Substation Premises. To the extent the Substation Equipment has any salvage value or otherwise may be used by FPL, FPL will be entitled to retain the Substation Equipment after it is removed from the Substation Premises and may retain any and all sums it may receive from salvaging the Substation Equipment. Furthermore, City will assign to FPL any right, title and interest City may have in or to the Substation Equipment effective as of the time it is removed from the Substation Premises so that FPL may deal with such Substation Equipment as it deems appropriate.

(b) A portion of the Fiber Optic System, as defined in the Asset Purchase and Sale Agreement, is serving, connected with or existing on or under the Substation Premises. As a part of its work to dismantle the Substation Equipment, FPL shall remove and relocate or replace the portions of the Fiber Optic System serving, connected with or existing on or under the Substation Premises either along the new electrical distribution poles that are installed to facilitate the replacement of the existing Substation Equipment with equipment to be located in New Substation or to be dead-ended at an existing and remaining distribution pole, as decided by the City (the "***Fiber Optic Substitution Work***"). To the extent the City desires to relocate the fiber optic lines and equipment through an alternate location, the incremental cost above relocating the fiber optic lines to the new distribution poles and equipment to a location adjacent to the New Substation shall be at the City's expense. To the extent the dismantlement of the Substation Equipment will prevent the Fiber Optic System from remaining fully operational, FPL will perform the Fiber Optic Substitution Work in a manner that allows the Fiber Optic System to remain fully operational at all times in order to provide municipal services, and FPL's work to remove and relocate, replace or dead-end the affected portions of the Fiber Optic System shall be performed in accordance with this Agreement, subject to agreement by the other owners of the

Fiber Optic System. Within the Construction Period, subject to the City's timely direction as to whether the Fiber Optic System will be relocated to the new distribution poles and adjacent to the New Substation or dead-ended, FPL shall, at its sole cost and expense, remove and relocate the portion of the Fiber Optic System serving or on the Substation Premises, dead-end the existing fiber optic lines at the direction of the City, or install new fiber optic lines as may be necessary or expedient to relocate the fiber optic lines serving or on the Substation Premises to the new distribution poles, or to such new location (subject to the City's reimbursement obligation as set forth above). The Parties shall exercise commercially reasonable efforts to develop the plan for relocation and construction involving the Fiber Optic System as described in this Section 8 (b) including reimbursement procedures, the selection of contractors and procurement of equipment to perform the Fiber Optic Substitution Work, and the review and approval of plans and specifications, in accordance with each Parties' standard practices.

(c) With respect to remediation of any Releases at the Substation Premises or migrating from the Power Plant Site, FPL will remediate such Release, including any Baseline Recognized Environmental Conditions or Hazardous Substances migrating from the Power Plant Site (such Baseline Recognized Environmental Conditions and Hazardous Substances migrating from the Power Plant Site (but excluding any impacts to extent of any contribution or exacerbation by FPL), the "**City Responsible Environmental Conditions**") as part of dismantling the Substation or earlier if required by the Florida Department of Environmental Protection or Environmental Protection Agency, as applicable, subject the following conditions:

(1) Unless otherwise agreed by the Parties, FPL will remediate a Release to the least stringent standard permitted by the Florida Department of Environmental Protection and Environmental Protection Agency, as applicable, and obtain a final non-appealable agency action approving such remediation, if applicable (such remediation standard, the "**Minimum Required Standard"**). The City may direct FPL to remediate to a higher (cleaner) standard in which case the incremental cost (the "**Incremental Cost**") will be the City's responsibility.

(2) If the cost of remediating any City Responsible Environmental Conditions to the Minimum Required Standard, or such higher standard as may be requested or required by the City, will exceed $50,000 as reasonably estimated by FPL based on reasonable bids from a third party contractor in accordance with FPL's standard procurement practices, the total cost of remediating the City Responsible Environmental Condition will be the responsibility of City ; subject to the limitation set forth in Section 8(c)(4), below.

(3) If the Florida Department of Environmental Protection or Environmental Protection Agency requires remediation or other actions (e.g., monitoring) prior to dismantling the Substation, FPL has the sole right to direct such remediation activities regardless of the estimated cost and the City shall be responsible for the costs associated with remediating the City Responsible Environmental Conditions, subject to the limitation set forth in Section 8(c)(4), below.

(4) With respect to the City's payment obligations set forth in Section 8(c)(2)-(3), the City shall reimburse FPL within fifteen (15) calendar days of FPL's providing to the City an invoice for the costs incurred by FPL along with copies of the underlying invoices from the contractors who performed the work. Notwithstanding anything herein to the contrary, in no

event shall the City shall be responsible for the costs to remediate City Responsible Environmental Conditions in excess of the Aggregate Environmental Cap as defined in Section 6.22 of the Asset Purchase and Sale Agreement, except for Incremental Costs that exceed the Aggregate Environmental Cap.

9. Representations and Warranties.

(a) City represents and warrants to FPL as follows:

(i) City has full power and authority to enter into this Agreement.

(ii) The person executing and delivering this Agreement on City's behalf is acting pursuant to proper authorization and this Agreement is the valid, binding and enforceable obligation of City enforceable against City in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

(b) FPL represents and warrants to City as follows:

(i) FPL is a corporation duly incorporated, validly existing and having active status under the laws of the State of Florida, with the necessary corporate power and authority to enter into this Agreement.

(ii) The person executing and delivering this Agreement on FPL's behalf is acting pursuant to proper authorization, and this Agreement is the valid, binding and enforceable obligation of FPL enforceable against FPL in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

10. Hazardous Materials.

(a) For purposes of this Agreement:

(i) "***Environmental Laws***" means all applicable federal, state or local laws, statutes, ordinances, rules, regulations or other governmental restrictions regarding pollution or protection of the environment, the conservation and management of land, natural resources and wildlife or human health and safety or the Occupational Safety and Health Act (only as it relates to Hazardous Substances), including laws regarding Releases or threatened Releases of Hazardous Substances (including Releases to ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, Release, transport, disposal or handling of Hazardous Substances.

(ii) "***Hazardous Substances***" means: (i) any petroleum, asbestos, asbestos-containing material, and urea formaldehyde foam insulation and transformers or other equipment that contains polychlorinated biphenyls; (ii) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "contaminants," "pollutants," "toxic pollutants," "hazardous air pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law; and (iii) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

(iii) ***"Power Plant Site"*** has the meaning set forth in the Asset Purchase and Sale Agreement.

(iv) "***Release***" means any actual, threatened or alleged spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dumping or disposing of a Hazardous Substance into the environment or within any building, structure, facility or fixture.

(b) FPL shall indemnify, defend and hold harmless City from and against, and pay, reimburse and fully compensate as the primary obligor City for, any and all claims, suits, judgments, loss, damage and liability which may be incurred by City including, without limitation, City's reasonable attorneys' fees, paralegal fees, expert fees, and costs, through regulatory proceedings, trial, and review or appeal, arising in any way from Hazardous Substances existing or Released on, in, under, from or related to the Substation during the Construction Period in violation of Environmental Laws, or any violation of the Environmental Laws, by FPL, its agents, licensees, invitees, subcontractors or employees on, in, under or related to the Substation during the Construction Period; provided, however, FPL assumes no liability with respect to any City Responsible Environmental Conditions, and no duty or obligation to indemnify, defend and hold harmless City or any of the City's Related Parties with respect to such City Responsible Environmental Conditions except as expressly set forth herein. FPL's responsibility to the extent explicitly set forth in this Agreement and subject to the express limitations contained in this Agreement shall continue to be in effect for any such Release or presence of Hazardous Substances as to which City gives notice to FPL on or before the fifth (5^{th}) anniversary of the Expiration Date. In no event shall FPL be liable for any Release that occurs after the Construction Period except to the extent such Release is caused by FPL, its agents, licensees, invitees, subcontractors or employees. FPL's obligation to provide the indemnity, defense and hold harmless required by this Agreement shall survive the expiration or termination of this Agreement.

11. Assumption of Risk; Indemnification. FPL agrees as follows:

(a) Except as specifically provided in this Agreement, FPL acknowledges and agrees that City has not made, does not make and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future of, as to,

concerning or with respect to the Substation Equipment and that the rights granted with respect to the Substation Equipment provided for in this Agreement are made on an "as is" condition and basis and with all faults. Without in any way limiting the generality of the foregoing, the grant of rights contemplated hereby is without any warranty other than City's express representations and warranties in this Agreement; and City and City's elected and appointed officials, officers, directors, employees, and affiliates (collectively the "**City's Related Parties**") have made no, and expressly and specifically disclaim, and FPL accepts that City and the City's Related Parties have disclaimed, any and all representations, guaranties or warranties, express or implied, or arising by operation of law (except for the representations and warranties, if any, expressly made by City in this Agreement), of or relating to: (i) the use, expenses, operation, characteristics or condition of the Substation Equipment, or any portion thereof, including, without limitation, warranties of suitability, habitability, merchantability, design or fitness for any specific or particular purpose, or good and workmanlike construction; (ii) the environmental condition of the Substation Premises, or contamination by hazardous materials, or the compliance of any portion of the Substation Premises with any or all Environmental Laws; or (iii) the soil conditions, drainage, flooding characteristics, accessibility or other conditions existing in, on or under any portion of the Substation Premises. FPL acknowledges and agrees that it is not relying on any representations or statements (oral or written) which may have been made or may be made by City or any of the City's Related Parties (except for City's representations and warranties expressly set forth in this Agreement), and is relying solely upon FPL's or FPL's representatives' own physical inspection of the Substation Equipment and Premises and other investigations by FPL or FPL's representatives. FPL acknowledges that any condition of the Substation Equipment or Premises, whether apparent or latent, which FPL discovers or desires to correct or improve on or after the Effective Date shall be subject to City's review and approval rights, as set forth in this Agreement, and shall be at FPL's sole expense.

(b) FPL recognizes and hereby expressly and fully assumes all risks, known and unknown, that arise or might arise incidental to or in any way connected with the condition or use of the Substation Equipment or Premises. This assumption of risk by FPL is made for and on behalf of FPL and FPL's successors, and permitted assigns.

(c) FPL agrees to indemnify, defend and hold harmless City and City's Related Parties against any and all claims, including costs and expenses, of any kind or nature, including, without limitation, costs of investigation, attorneys' fees, paralegal fees, experts' fees and costs through regulatory proceedings, trial and review or appeal, including but not limited to claims for personal injury, death of persons and property damage, or other liability to the extent arising from FPL's use, improvement, operation, condition or maintenance of the Substation Equipment or Premises, provided however that this indemnity shall not apply to the negligence or willful misconduct of the City and/or the City's Related Parties as determined by a court of competent jurisdiction.

(d) FPL's obligations under this Section 11 shall survive the termination of this Agreement.

12. Construction, Mechanics and Materialmen's Liens. FPL will make no alteration, change, improvement or addition to the Substation without the prior written consent of City which will not be unreasonably withheld, conditioned or delayed. FPL will be responsible for

payment of any and all work performed on FPL's behalf on the Substation Equipment or Premises. In no event will City be responsible for payment of any work relating to the Substation nor will the Substation, or any interest therein, be subject to any lien for payment of any construction or similar work performed by or for FPL on or for the Substation. Further, FPL shall promptly notify the contractor performing any such work or alterations on the Substation at FPL's request or making such improvements to the Substation at FPL's request of this provision exculpating City of responsibility for payment and liens. Notwithstanding the foregoing, if any mechanic's lien or other lien, attachment, judgment, execution, writ, charge or encumbrance is filed or recorded against any portion of the Substation as a result of any work performed on or materials delivered to the Substation Premises or Access Parcel at FPL's direction, FPL shall, within sixty (60) days following written notice of any such lien, cause same to be paid, discharged or otherwise removed of record. In the event that FPL fails to remove any such mechanics or materialmen's lien relating to FPL's work at the Substation, the City may cause such lien to be removed and FPL shall reimburse City for all reasonable costs and expenses, including attorney's or paralegal fees incurred by City within forty-five (45) days following receipt of City's written invoice and supporting documentation.

13. Insurance. City understands that FPL self-insures, and that prior to accessing the Substation, FPL will provide City with a letter of such self-insurance. In the event that FPL ceases to self-insure, then, during the Construction Period, and thereafter so long as FPL operates, uses or maintains any portion of the Substation:

(a) FPL shall procure and maintain, at FPL's sole cost and expense, commercial general liability insurance providing coverage which protects FPL and City and the City's Related Parties from and against any and all claims and liabilities for bodily injury, death and property damage arising from operations, premises liability, fire with respect to the Substation. Such insurance shall provide minimum coverage of $1,000,000.00 per occurrence and $2,000,000.00 aggregate. FPL shall be and remain liable for and pay all deductibles and other amounts not covered, paid or reimbursed under the insurance policies.

(b) FPL shall procure and maintain, at FPL's sole cost and expense, workers' compensation insurance as required by applicable law, and employers' liability insurance, with coverage amounts with a limit of (i) One Million Dollars ($1,000,000) for bodily injury per accident, (ii) One Million Dollars ($1,000,000) for bodily injury by disease per policy and (iii) One Million Dollars ($1,000,000) for bodily injury by disease per employee.

(c) The certificate of insurance required herein for commercial general liability insurance, including, without limitation, all renewals, shall include a blanket additional insured endorsement and provide for at least thirty (30) days advance notice to City of any non-renewal or cancellation. FPL shall provide City with a copy of certificates of insurance stating that the coverage as required herein is in full force and effect no later than the Effective Date. FPL shall cause certificates of insurance or a self-insured letter in conformance with the requirements hereof to be promptly provided to City for each subsequent policy renewal.

(d) FPL's insurance in all instances shall be primary and any insurance that may be maintained by City shall be in excess of and shall not contribute with FPL's insurance. All

insurance policies shall be issued by a company or companies licensed to do business in the State of Florida.

(e) City shall have the right to periodically review the adequacy of the required insurance, its forms and types, the amounts of coverage and, notwithstanding any other provision of this Agreement, unilaterally modify the insurance requirements of this Section 13 by giving notice of such modification to FPL. Such modification shall be as found reasonably necessary in the sole discretion of City. Factors which may be considered by City include, without limitation, changes in generally accepted insurance industry standards and practices, changes in use of the Substation Premises, changes in risk exposure, measurable changes in local and national economic indicators and changes in City's policies and procedures.

(f) FPL understands and acknowledges that the responsibility and obligation to provide and maintain insurance in the forms, types and coverages required herein are solely FPL's responsibilities and obligations which continue for the entire Term of this Agreement, and until such time as FPL no longer operates the Substation or enters the Substation Premises, whichever date is later.

(g) In the event that FPL fails for any reason to procure or maintain insurance in the forms, types or coverages required and to name City as an additional insured on the certificates of insurance, FPL shall cure such material breach within fifteen (15) calendar days after FPL is given notice of such breach. Should FPL fail to cure the breach within such period or such other time as may be agreed to by the Parties in writing, City in City's sole discretion may, but is not obligated to, secure replacement insurance coverage at FPL's sole expense. Should City elect to secure replacement insurance, FPL shall thereafter reimburse City within fifteen (15) calendar days of City's providing to FPL an invoice for the costs and premiums incurred by City for the replacement insurance coverage, plus an administrative charge of ten percent (10%) or $250.00, whichever is greater. FPL shall continue to be responsible for the payment of all deductibles applicable to the insurance policies and all losses incurred with respect to any lapse in coverage. Should FPL subsequently obtain the required insurance, FPL shall remain responsible for and reimburse City for all costs and expenses to City for the insurance premiums incurred by City and the administrative charges set forth in this Section 13(g).

(h) FPL's obligations under this Section 13 shall survive the termination or expiration of this Agreement.

14. No Consequential Damages. Notwithstanding any other provisions in this Agreement to the contrary, neither Party nor any of its elected officials, directors, officers, employees, lenders, shall be liable to the other Party for consequential, incidental, exemplary, punitive, anticipatory profits or indirect loss or damage of any nature, including, without limitation, loss of profit, loss of use, loss of operating time, loss of revenue, increased costs of producing revenues, cost of capital or loss of goodwill whether arising in tort, contract, warranty, strict liability, by operation of law or otherwise, even if by such Party's, its representatives', agents', contractors', subcontractors', invitees' or licensees' negligence or fault, in connection with this Agreement, except to the extent claimed by third parties. The Parties further agree that the waivers and disclaimers of liability, indemnities, releases from liability, sole remedy provisions and

limitations on liability expressed in this Agreement shall survive termination or expiration of this Agreement and shall extend to the parent, affiliates, and subsidiaries of each Party and their respective, partners, directors, officers, and employees and elected officials.

15. Charges Associated with Substation. FPL shall be responsible for the payment of any and all water, gas, heat, light, power, telephone and other utilities and services supplied to the Substation Premises at FPL's request, together with any taxes on such services. In addition, to the extent that any taxes are due on any consideration due to City under this Agreement and any taxes are assessed thereon or on the Substation Premises during the Construction Period, FPL shall pay all such taxes or reimburse City for such taxes at City's option.

16. Compliance with Laws. During the Construction Period, FPL shall, at its expense, comply with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Substation. Further, during the Construction Period, FPL shall, at its expense, cause the Substation to attain compliance or remain in compliance with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Substation.

17. Assignment and Subletting. City acknowledges that this Agreement and FPL's interests hereunder may be subject to the encumbrance of FPL's loan with Deutsche Bank Trust Company Americas. FPL shall not otherwise assign its interest in this Agreement without the prior written consent of City, and such consent may be withheld in City's unfettered discretion unless such proposed assignment is to the purchaser of all or substantially all of the assets of Florida Power & Light Company, as a part of a bona fide sale by Florida Power & Light Company to a third party purchaser for value and in such event City's consent will not be unreasonably withheld or delayed. Notwithstanding any assignment of this Agreement, FPL will not be released from any of its obligations hereunder unless such assignee executes an assignment and assumption agreement in form reasonably acceptable to City agreeing to be bound by the terms of this Agreement and City determines in its reasonable discretion that such assignee is creditworthy. Further, any assignment in violation of this Section 17 shall be deemed void and a breach of this Agreement by FPL.

18. Default and Remedies.

(a) **FPL Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by FPL**" under this Agreement by FPL:

(i) Failure by FPL to observe or perform any of the covenants, conditions or provisions of this Agreement to be observed or performed by FPL, where such failure shall continue for a period of forty-five (45) days after notice thereof given by City to FPL. In the event the default cannot reasonably be cured within such forty-five (45) day period, FPL shall not be in default if FPL commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by FPL of any general arrangement or general assignment for the benefit of creditors; (B) FPL becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against FPL, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of FPL's assets or of FPL's interest in this Agreement, where possession is not restored to FPL within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of FPL's assets or of FPL's interest in this Agreement, where such seizure is not discharged within sixty (60) days.

(b) **City Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by City**" under this Agreement by City:

(i) Failure by City to observe or perform any of the covenants, conditions or provisions of this Agreement to be observed or performed by City, where such failure shall continue for a period of forty-five (45) days after notice thereof is given by FPL to City. In the event the default cannot reasonably be cured within such forty-five (45) day period, City shall not be in default if City commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by City of any general arrangement or general assignment for the benefit of creditors; (B) City becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against City, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of City 's assets, where possession is not restored to City within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of City's assets, where such seizure is not discharged within sixty (60) days.

(c) **Remedies.** If an Event of Default by FPL or an Event of Default by City occurs hereunder, the non-defaulting Party shall have the right at its option and without further notice, but subject to the limitations set forth in the last sentence of this subsection, to exercise any remedy available at law or in equity, including, without limitation, a suit for specific performance of any obligations set forth in this Agreement or any appropriate injunctive or other equitable relief, or for damages resulting from such event of default. The Parties agree that remedies at law may be inadequate to protect against any actual or threatened breach of this Agreement. In the event of any breach or threatened breach, either Party shall have the right to apply for the entry of an immediate order to restrain or enjoin the breach and otherwise specifically enforce the provisions of this Agreement. Notwithstanding the foregoing or anything to the contrary contained in this Agreement, in no event shall any Event of Default by FPL or Event of Default by City, terminate, or entitle any Party to terminate, rescind or cancel this Agreement or the rights granted hereunder except that City may terminate this Agreement, at its option, for an Event of Default by FPL of the requirements of Section 6 of this Agreement. In the event that FPL, by failing or neglecting to do or perform any act or thing herein provided by it to be done or performed, shall be in default under this Agreement, then City may, but shall not be required to, do or perform or cause to be done or performed such act or thing, and FPL shall

repay to City on demand the entire expense thereof, including, without limitation, compensation to the agents and employees of City. Any act or thing done by City pursuant to the provisions of this subsection shall not be or be construed as a waiver of any such Event of Default by FPL, or as a waiver of any covenant or condition herein contained or the performance thereof, or of any other right or remedy of City, hereunder or otherwise.

19. Severability. If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority: (a) such portion or provision shall be deemed separate and independent; (b) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling or adjudication; and (c) the remainder of this Agreement shall remain in full force and effect.

20. Repairs, Trash and Storage. City shall have absolutely no obligations of any kind for the repair, replacement, or maintenance of any part of the Substation during the Construction Period. During the Construction Period, FPL shall maintain the Substation in a neat, clean, safe and sanitary condition. FPL shall be solely responsible at its own expense for regular removal and disposal of all refuse, garbage, debris, trash and other discarded materials and shall not allow an accumulation thereof on, in or adjacent to the Substation Premises. FPL shall not use the Substation Premises for the storage of any materials, vehicles or equipment.

21. Waivers. Any waiver by either Party with respect to this Agreement must be in writing, signed by the Party granting the waiver, and shall be limited to the express terms set forth in the waiver.

22. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

23. Binding Effect. This Agreement shall bind the Parties, and their respective successors and permitted assigns.

24. Right of Entry. Subject to City's duties, if any, relating to police, fire and other municipal services for which no advance notice is required, City, or any of its agents, shall have the right to enter the Substation Premises during reasonable hours to examine the same but only when accompanied by a qualified or designated employee of FPL.

25. Force Majeure. In the event that either Party is unable to fulfill, or shall be delayed or restricted in the fulfillment of any obligation, or the curing of a default, under any provision of this Agreement by reason of strike, lock-out, war, acts of military authority, acts of terrorism, rebellion or civil commotion, fire or explosion, flood, wind, storm, hurricane, water, earthquake, acts of God or other casualty or by reason of any statute or law or any regulation or order passed or made, or by reason of any order or direction of any administrator, controller, board or any governmental department or officer or other authority (other than, in the case of City claiming relief under this Section 25, any statute or law or any regulation or order passed or made, or by reason of any order or direction of, any administrator, controller, board or any governmental department or officer or other authority of City), or by reason of any other cause beyond such Party's reasonable control or not wholly or mainly within such Party's reasonable control,

whether of the foregoing character or not, such Party shall, so long as any such impediment exists, be relieved from the fulfillment of such obligation and the other Party shall not be entitled to compensation for any damage, inconvenience, nuisance or discomfort thereby occasioned or to terminate this Agreement.

26. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

27. Attorneys' Fees. In the event FPL or City defaults in the performance of any of the terms, covenants, conditions, agreements, or provisions contained in this Agreement and City or FPL employs an attorney and brings suit in connection with the enforcement of this Agreement or any provision hereof or the exercise of any of its remedies hereunder, then the prevailing Party in any suit so instituted shall be promptly reimbursed by the other Party for all reasonable attorneys' fees, paralegal fees, and expenses so incurred, including, without limitation, any such fees and expenses incurred in regulatory, appellate, bankruptcy and post-judgment proceedings. Any monetary judgment rendered in any litigation concerning this Agreement shall bear interest at the highest rate allowed by applicable law. The foregoing provisions shall survive expiration or earlier termination of this Agreement.

28. Notices. Every notice, approval, consent or other communication required or permitted under this Agreement shall be in writing, shall be deemed to have been duly given on the date of receipt, and shall be deemed delivered if either served personally on the Party to whom notice is to be given, or mailed to the Party to whom notice is to be given, by overnight courier or by first class registered or certified mail (return receipt requested), postage prepaid, and addressed to the addressee at the address stated opposite its name below, or at the most recent address specified by notice given to the other Party in the manner provided in this Section.

To City:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Manager
With a required copy to:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Attorney
To FPL:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Corporate Real Estate
With a required copy to:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Law Department

29. No Recording. Neither this Agreement, nor any memorandum, portion or copy hereof shall be recorded in the Public Records of Indian River County, Florida.

30. No Personal Liability. Excluding any successor-in-interest to FPL or City under this Agreement, notwithstanding anything to the contrary in this Agreement, no present or future parent, subsidiary, affiliate, member, principal, shareholder, manager, officer, official, director, or employee of FPL or City will be personally liable, directly or indirectly, under or in connection with this Agreement, or any document, instrument or certificate securing or otherwise executed in connection with this Agreement, or any amendments or modifications to any of the foregoing made at any time or times, or with respect to any matter, condition, injury or loss related to this Agreement, and each of the Parties, on behalf of itself and each of its successors and assignees, waives and does hereby waive any such personal liability.

31. Entire Agreement. This Agreement and any exhibits, schedules or addenda attached hereto and forming a part hereof, contains the entire agreement between the Parties hereto with respect to the subject matter of this Agreement, and supersedes all previous negotiations leading thereto, and it may be modified only by an agreement in writing executed and delivered by City and FPL. All exhibits, schedules or addenda attached to this Agreement are expressly incorporated herein by this reference.

32. Governing Law; Forum. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF CITY AND FPL, FPL'S USE OF THE SUBSTATION, OR ANY CLAIM FOR INJURY OR DAMAGE, SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

33. WAIVER OF JURY TRIAL. THE PARTIES HERETO SHALL, AND THEY HEREBY DO, IRREVOCABLY WAIVE TRIAL BY JURY IN ANY AND EVERY ACTION OR PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF CITY AND FPL, FPL'S USE OR OPERATION OF THE SUBSTATION OR THE SUBSTATION EQUIPMENT, AND ANY CLAIM FOR INJURY OR DAMAGE. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

34. City/FPL Relationship; No Third Party Beneficiaries. This Agreement creates a bailor/bailee relationship, and no other relationship, between the Parties. This Agreement is for

the sole benefit of the Parties hereto and, except for assignments permitted hereunder, no other person or entity shall be a third party beneficiary hereunder.

35. No Waiver of Regulatory Authority. Nothing in this Agreement constitutes a waiver of City's regulatory, public safety or other municipal authority with respect to the Substation or any other matter. Further, nothing in this Agreement shall be deemed to waive City's right of eminent domain.

36. Sovereign Immunity. City is a Florida municipal corporation whose limits of liability are set forth in section 768.28, Florida Statutes, and nothing herein shall be construed to extend the liabilities of City beyond that provided in section 768.28, Florida Statutes. Further, nothing herein is intended as a waiver of City's sovereign immunity under section 768.28, Florida Statutes, or otherwise. Nothing hereby shall inure to the benefit of any third party for any purpose, including, without limitation, anything that might allow claims otherwise barred by sovereign immunity or operation of law.

37. Time, Interpretation. In computing any period of time pursuant to this Agreement, the day of the act, event. or default from which the designated period of time begins to run shall not be included, but the time shall begin to run on the next succeeding day. The last day of the period so computed shall be included, unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or legal holiday. A legal holiday as used in this Agreement includes days on which banks in Vero Beach, Florida are not open for regular business. Time is of the essence. The captions in this Agreement are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof. This Agreement shall not be construed more strongly against or for either Party regardless of the drafter. Unless the context otherwise requires, (a) all references to Sections or Exhibits are to Sections or Exhibits in or to this Agreement, and (b) words in the singular or plural include the singular and plural and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter and the term "including" shall mean by way of example and not by way of limitation.

[Remainder of page intentionally blank; Signature pages follows]

City of Vero Beach Execution Pages

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the Effective Date.

ATTEST:

_____
Tammy K. Bursick
City Clerk

CITY OF VERO BEACH

By:_____
Laura Moss
Mayor

[SEAL]

ADMINISTRATIVE REVIEW
(For Internal Use Only–Sec. 2-77 COVB Code)

Approved as to form and legal sufficiency:

Wayne R. Coment
City Attorney

Approved as conforming to municipal policy:

James R. O'Connor
City Manager

Approved as to technical requirements:

Ted Fletcher
Director of Electric Utility Operations

Approved as to technical requirements:

Cynthia D. Lawson
Director of Finance

Approved as to technical requirements:

Timothy J. McGarry
Director of Planning and Development

Florida Power & Light Company Execution Page

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the Effective Date specified in this Agreement.

FPL:

FLORIDA POWER & LIGHT COMPANY, a Florida corporation

By:_____
Name:_____
Title:_____

Substation Equipment Operating and Dismantling Agreement by and between City of Vero Beach, Florida and Florida Power & Light Company

Exhibit "A"

Substation Premises Legal Description and Map

(To be Supplied)

Exhibit "B"

List of Substation Equipment

(To Be Supplied)

Schedule "1"

Phase 1 Recognized Environmental Conditions

- **Recognized Environmental Conditions**
  - REC-1: Leaking Transformer (Unit 1) – The transformer adjacent to Unit 1 has a leak on the southern side. Gravel stains were identified below the unit.
  - REC 2: Asbestos Containing Material – Potential asbestos-containing materials were identifies as Substation 01.
  - REC 3: Lead-Based Paint Containing Material – Lead containing materials were identified at Substation 01.
  - REC 4: Historic Leaky Transformer (Unit 5) – The transformer adjacent to Unit 5 has a report historic leak.
  - REC 5: Historic Use of PCBs – Based on the age of the substation and presence of leaking transformers, presence of PCBs are suspected.

- **Phase II Recommendations**
  - 2 soil samples, with analysis for PCBs and TRPH. Additive specific sampling.
  - Limited groundwater sampling pending soil sampling results
  - Quantitative sampling for asbestos, lead-based paint, PCBs in concrete

Schedule "2"

Phase II Recognized Environmental Conditions

EXHIBIT L-4

SUBSTATION LICENSE AND ACCESS AGREEMENT Error! Bookmark not defined.

THIS SUBSTATION LICENSE AND ACCESS AGREEMENT ("**License**"), is made this _____ day of [_____], 2017 (the "**Effective Date**") by and between Florida Power & Light Company, a Florida corporation ("**Licensor**"), whose mailing address is 700 Universe Blvd., CRE/JB, Juno Beach, Florida 33408-0420, and City of Vero Beach, a municipal corporation organized and existing under the laws of the state of Florida ("**Licensee**"), whose mailing address is 1053 20th Place, Vero Beach, Florida 32961. Licensor and Licensee each is called a "**Party**" and together are called the "**Parties**."

WITNESSETH

WHEREAS, the Parties have entered into and are contemporaneously herewith consummating an Asset Purchase and Sale Agreement, dated _____, 2017 (the "**APA**") in connection with Licensor's acquisition of certain assets of Licensee. this License; and

WHEREAS, immediately prior to the date of this License, Licensee has used substations numbered 10-Central Beach; 11- South Beach; 20-County Line; 3-Mall Substation; 5- Piper Substation; 6- Gifford Substation; 7- West Substation; 8-South Substation; and 9- North Substation and the real property on which such Substations are located (collectively, the "**Existing Substations**" for the housing, operation, maintenance, repair and replacement of Licensee's communication equipment which is unrelated to the operation, protection and control of the electric utility assets to be purchased by Licensor; and

WHEREAS Licensor intends to construct a new substation on real property which is the subject of the Substation Easement Agreement between the Parties ("**New Substation**") (the Existing Substations together with the New Substation are referred to collectively as the "**Licensed Premises**") and

WHEREAS, pursuant to the APA, Licensor will obtain title to, and easement for or a lease of the Licensed Premises; and

WHEREAS, pursuant to a Fiber License Agreement, dated the date hereof, between the Parties (the "**Fiber License Agreement**") Licensee has licensed the use of certain fiber assets (the "**Fibers**") to Licensor; and

WHEREAS, Licensee requires certain access to the Licensed Premises, and Licensor is willing to provide Licensee such access under the terms of this License;

WHEREAS, Licensor plans to relocate, under the terms of this License, the Communications Equipment, as defined below, and Licensor is willing for Licensee to do so;

NOW, THEREFORE, for good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows: :

TERMS, CONDITIONS, AND PROVISIONS

1. **Use**. Licensee may use the Licensed Premises solely for: (a) the transmission and reception of telecommunication signals pursuant to all applicable rules and regulations including without limitation, the Federal Communications Commission ("**FCC**"); (b) perform no less than annual inspections, testing, and all necessary maintenance, relocation and restoration required in order that the Fibers may operate within certain required parameters; and (c) the construction, installation, operation, alteration, maintenance, repair, removal, and replacement of communication equipment including horizontal and vertical conduits, cables, wires, fibers, junction boxes, hangers, pull boxes and other appurtenant facilities and improvements owned or operated by Licensee or by Licensee together with Indian River County and the School Board of Indian River County, Florida under the Revised and Restated Joint Fiber Optics Project Interlocal Agreement, made as of May 19, 2015, singularly and collectively (collectively, the "**Communications Equipment**") for the purpose of providing telecommunication services to or for the benefit of entities other than and in addition to Licensor, but not for any other purpose. Licensee and its authorized personnel and subcontractors may at any and all times, enter the Licensed Premises, including Licensor's substation control structures at those structures where Licensee's Communications Equipment is installed and/or for the specific purposes set forth above. Licensee shall, and shall ensure that its personnel and subcontractors, (i) only enter the Licensed Premises while being escorted by an FPL Transmission employee and (ii) at all times strictly comply with the instructions of such FPL Transmission employee. Licensee is the sole owner of substation 1, and nothing in this License will be deemed or construed as granting, acknowledging or conveying any interest is such substation to Licensor. However, operation of such substation is subject to the Substation Equipment Operating and Dismantling Agreement between the Parties and Licensor acknowledges and agrees that Licensee will continue to use the fiber optic system located at substation number 1 until such lines and system is modified, moved or relocated in accordance with the Substation Equipment Operating and Dismantling Agreement.

2. **Term**. This License shall continue in full force and effect until all of the following have occurred: (a) Licensor has relocated all Communications Equipment from the current location of such Communications Equipment to the locations approved by the parties as a part of the Change Plan, defined below, as to each parcel of the Licensed Premises and (b) the appropriate instrument or agreement is executed and delivered by Licensor permitting the Communication Equipment to remain at the location constructed in accordance with the Change Plan on a permanent basis as described in Section 5 (d) below, and (c). Licensee has accepted such relocated Communications Equipment. .

3. **Access Fees**. If access to the Licensed Premises, or any of them, is required by Licensee solely for the purpose of accessing the Licensee's Communications Equipment, and for no other purpose, Licensee shall have the right during the first year of the Term to make entry free of charge no more than two (2) trips per month and after the first year of the Term to make entry free of charge no more than one (1) trip per month, each trip not to exceed ten (10) hours, including travel time between substations ("Monthly Allowed Access"). Licensee may visit more than one substation during a particular trip. Should Licensee exceed the Monthly Allowed Access, Licensee shall be charged the sum of One Hundred Dollars and 00/100 ($100.00) per hour for each hour or partial hour access to any of the Licensed Premises is required (the "Access Fees"). Such Access Fees shall constitute an offset, on a dollar for dollar basis, against any one or more payments due to be made from Licensor to Licensee as License Fees pursuant to the terms of the Fiber License Agreement. Notwithstanding anything to the contrary herein, Licensee shall not be required to pay Access Fees if such access is required for Work to be performed on the Fibers. Licensee agrees to pay the fees specified in this section 3 as to its access to substation 1 to compensate Licensor for any

Licensor personnel needed to accompany Licensee employees or contractor at the substation for safety reasons.

4. Licensor's Rights. Licensee agrees to never claim any interest or estate of any kind or extent whatsoever to or in the Licensed Premises by virtue of this License or the occupancy or use hereunder. Licensee's use of the Licensed Premises shall always be subordinate to Licensor's rights to and in the Licensed Premises, except as may be otherwise provided in the Fiber License Agreement. Licensor reserves the right to enter upon the Licensed Premises at any time and Licensee shall notify its employees, agents, contractors, subcontractors, licensees, and invitees accordingly. Licensor, its employees and contractors are not and shall not be responsible or liable for any injury, damage or loss to Licensee resulting from Licensor's use and/or Licensee's use of the Licensed Premises. Licensor may at its sole discretion, install and/or permit others to install facilities upon, over and/or under the surface of the Licensed Premises.

5. Conditions and Restrictions On Use.

(a) With respect to any work undertaken by Licensee in or around the Licensed Premises, Licensee shall at its sole cost and expense comply with all laws, rules, and regulations of all governmental authorities having jurisdiction over the Licensed Premises or use of the Licensed Premises. Licensee shall not within the Licensed Premises construct or erect any permanent or temporary building, structure, fixture, fence, shelter, attachment or improvement without prior written permission from Licensor. All work to be performed by Licensee upon the Licensed Premises shall be in accordance with detailed plans and specifications to be prepared by Licensee and submitted to Licensor for written approval thereof. Licensee shall not commence any such work until plans and specifications have been approved by Licensor. Licensee shall pay directly on its own behalf for all costs associated with construction and maintenance of all improvements and facilities that it constructs, operates and maintains upon the Licensed Premises. Licensee shall not cause or allow any waste of the Licensed Premises and shall not remove soil, import soil or alter the existing surface elevation of the Licensed Premises without first obtaining written permission of Licensor. Licensee shall pay for all utility and other services furnished to or for Licensee upon the Licensed Premises.

(b) Licensee shall not use the Licensed Premises in any manner which, in the sole opinion of Licensor, might interfere with Licensor's use of the Licensed Premises or might reasonably be expected to cause a hazardous condition to exist. Licensee acknowledges that electrical equipment and appurtenances including, but not limited to utility poles, overhead and underground wires, cables, circuits, insulators, transformers, guy wires, and guy wire anchors (collectively "**Licensor Facilities**"), are installed or may be installed over, upon and under the surface of the Licensed Premises by Licensor and by others and are conductors of high-voltage electricity. Licensee understands that contact with or disturbance of any of these Licensor Facilities may cause a condition hazardous to persons and/or property. Licensee shall exercise extraordinary precautions to prevent injury or damage to persons and/or property that could result from contact with or disturbance of Licensor Facilities. Licensee shall notify its employees, agents, contractors, subcontractors, licensees and invitees of the existence of Licensor Facilities when working in the vicinity of the Licensed Facilities.

(c) Licensee shall not cause or allow anything to exceed fourteen (14) feet in height above the surface of the Licensed Premises, nor allow any equipment capable of extending greater than fourteen (14) feet above the surface of the Licensed Premises to be brought upon the Licensed Premises, except that this provision shall not apply to equipment and items brought onto the Licensed Premises by Licensor or Licensor's employees, agents, and contractors. Licensee shall utilize effective dust control measures to prevent contamination of high-voltage circuit insulators. In each and every location where an

electrical circuit exists above the surface of the Licensed Premises, Licensee shall not allow to be planted in the ground within less than fifty (50) lateral feet of such circuit, any type of vegetation that is capable of growing to a height greater than fourteen (14) feet above the ground surface. Licensor shall have the right, but no form of obligation, to inspect the Licensed Premises to determine if Licensee is in compliance with all terms, conditions and provisions of this License.

(d) Within five (5) years after the Effective Date, Licensor shall remove all of Licensee's Communications Equipment from the relay vaults in each of the Licensed Premises and relocate such Communications Equipment in each case to an enclosure provided by Licensor in an area approved by Licensor and Licensee which does not require escorted access, and in such manner as Licensor shall determine in its sole but reasonable discretion ("**Change Plan**"). Licensor shall be responsible for the payment of all costs associated with the removal of Licensee's Communication Equipment from the relay vaults to a mutually agreeable area upon the Licensed Premises that does not require escorted access under the Plan. Licensor shall prepare a detailed design to accomplish the Change Plan and submit it to Licensee for review and approval, which will not be unreasonably withheld by Licensee. Upon Licensee's approval of the Change Plan, Licensor shall commence and complete such work in a safe manner consistent with generally accepted construction standards, in a good and workmanlike manner employing materials of good quality and in compliance with all applicable laws, approvals and authorizations. Licensee's approval of any portion of the Change Plan is not a representation that such Change Plan is in compliance with applicable legal requirements or that the Communications Equipment will not cause interference with other communications operations on or near the Licensed Premises, or that the Communications Equipment will function appropriately for Licensee's purposes following execution of the Change Plan. Licensor shall be solely responsible for performing all work under the Plan in a manner that does not unreasonably cause interference with or impair the function of the Communications Equipment for Licensee's purposes and, upon reasonable notice from Licensee, Licensor shall perform at its sole expense all work reasonably necessary to restore the functionality of the Communications Equipment or resolve any interference with the Communications Equipment.. In no event, however, shall Licensor, or any of Licensor's employees, agents, contractors, subcontractors or suppliers be liable for any indirect, consequential, incidental, or special damages, however caused and regardless of the theory of liability asserted (including negligence or tort) arising out of this License, or any work, facilities or equipment provided hereunder, even if Licensee has been informed of the possibility of such damages. As the Change Plan is completed for each parcel comprising the Licensed Premises, Licensor will grant an easement or other property right as may be reasonably necessary or expedient, and to the extent of Licensor's interest in the Licensed Premises, to permit the Communication Equipment to remain permanently at the new location as constructed in accordance with the Change Plan.

6. <u>Environmental</u>.

(a) Licensee agrees that no hazardous substance, as the term is defined in Section 101 (14) of the Comprehensive Environmental Response Compensation and Liability Act ("**CERCLA**") (42 USC Section 9601 [14]), petroleum products, liquids or flammables shall be placed upon, under, transported across, or stored upon the Licensed Premises, which restricts, impairs, interferes with, or hinders the use of the Licensed Premises by Licensor or the exercise by Licensor of any of its rights thereto.

(b) After the Effective Date, Licensee may perform a Phase I and/or Phase II environmental site assessment as per ASTM criteria to investigate the existing environmental condition of the Licensed Premises that is the subject of this License. The performance or the failure to perform an environmental site assessment does not relieve the Licensee from compliance with any other provision of this section.

Licensee shall maintain copies of any local, state or federal permits, licenses or other authorizations required for any and all of its activities on the Licensed Premises and present copies of such permits, licenses or other authorizations to Licensor and to any local, state and federal governmental agency official that requests to see the same.

(c) Licensee shall not create or contribute to any Environmental Contamination, Unauthorized or Unpermitted Wetland Impacts, Unpermitted Groundwater Wells, Illegal Use of Ground or Surface Waters or any Other Environmental Impacts, (collectively, referred to as "**Environmental Conditions**") as a result of its use of the Licensed Premises.

(1) Environmental Contamination is defined as any spilling or discharge of any chemical constituent by the Licensee to the environment that results in any pollution, sheen or contamination of the groundwater, surface water, soil, or any other environmental media, on or from the Licensed Premises, above the federal, state or local regulatory levels; including, (a) for groundwater: Chapters 62-777, Table I, 62-520, or 62-550 of the Florida Administrative Code ("**FAC**"); (b) for surface waters: Chapters 62-777, Table I, or 62-302 of the FAC; and (c) for soils: Chapters 62-777, FAC, Table II; or above natural background levels.

(2) Wetland Impacts are defined as activities impacting areas defined as "**wetland**" under the following: (a) federal law (for example, Section 404 of the Clean Water Act); (b) federal rules (for example, current approved Army Corps of Engineers ("**ACOE**") Delineation Manual); (c) federal guidance; (d) state law (for example, Section 373.019(22), Florida Statutes); (e) state rules (for example, Chapter 62-340, FAC); (f) state guidance; (g) case law as formulated that further explains wetland jurisdictional criteria; or (h) local law (for example, Miami-Dade County Ordinances; (i) local guidance; or (j) local policy. Unauthorized or Unpermitted Wetland Impacts shall mean the failure to obtain all required federal, state and local permits to impact the wetland or undertaking any action or activity in violation of any such permits. Some examples of permits needed to impact the wetland are the Miami-Dade County Department of Environmental Resources Management Permits, the State of Florida Department of Environmental Protection or Water Management District Permits, and the Federal ACOE Permits.

(3) Unpermitted Groundwater Wells means the installation or the use of an existing groundwater well without obtaining the appropriate state and local permits for the well installation and/or well pumping for use of groundwater or surface water in the area.

(4) Illegal Use of Ground or Surface Waters means the withdrawal or use of either ground water or surface water without obtaining any required consumptive use or water use permits from the St. Johns River Water Management District ("**SJRWMD**") or in violation of any consumptive use or water use permit issued by the SJRWMD.

(5) Other Environmental Impacts, include, but are not limited to; failure to apply pesticides consistent with labeling instructions; failure to dispose of pesticide containers as per label instructions; failure to have licensed and trained personnel applying pesticides; failure to properly manage pesticide mix/load sites to avoid pesticide release to soils or surface waters in quantities or concentrations other than that specified on the label application instructions; or any violations of Federal Insecticide, Fungicide, and Rodenticide Act, or its state law equivalent; or any violations of the Florida Department of Agriculture and Consumer Services rules or Best Management Practices for the activities contemplated by this License.

(d) If the Licensee causes any Environmental Conditions to occur because of the performance of activities contemplated by this License, Licensee shall notify Licensor immediately upon discovery. Licensee acknowledges that the failure to deliver such notification may cause Licensor to file a damage claim against Licensee and confers to Licensor the right to terminate this License as set forth in Section 8. Within seventy-two (72) hours of discovering such Environmental Conditions, Licensee shall, at its sole cost and expense, correct such condition or situation; provided that the Licensor retains the right to enter upon the Licensed Premises and correct any such condition or situation at any time. Any release notifications required to be submitted to federal, state or local regulatory agencies, because of the actions of Licensee pursuant to this License or any other notifications based on Environmental Conditions, shall be coordinated with Licensor.

(e) If Licensee, or its employees, contractors, subcontractors or anyone else working at the direction of the Licensee causes Environmental Conditions on the Licensed Premises, or causes contamination that originates on the Licensed Premises, the Licensee, on its own behalf and on behalf of its shareholders, officers, directors, employees, servants, agents, and affiliates, shall and hereby does forever hold harmless, indemnify, and release Licensor, and its parent, subsidiaries, shareholders, officers, directors, employees, servants, agents and affiliates (collectively "**Licensor Entities**"), not including Licensee which is part of Licensor Entities, of and from all claims, demands, costs, loss of services, compensation, actions or investigations on account of or in any way growing out of the Environmental Conditions, and from any and all known and unknown, foreseen and unforeseen damages, and the consequences thereof, resulting from the Environmental Conditions, including but not limited to, restoration of the site to the condition existing prior to the Environmental Conditions.

7. **Right to Cure**. Licensor, at its sole discretion, may remove or cause to be removed by it or by its employees, agents, contractors, subcontractors, licensees, and invitees, all objects, materials, debris, or structures that could create a condition hazardous to persons or property or interfere with Licensor's use of its Licensed Premises or with Licensor Facilities. All costs expended by Licensor pursuant to this section which are caused by Licensee, its employees, agents, contractors, subcontractors, licensees, and invitees, are and shall be the sole obligation of Licensee, who shall reimburse Licensor upon demand. If any of Licensee's activities or Licensee's use of the Licensed Premises results in an interruption of electric utility service, then Licensee shall reimburse Licensor for all costs to restore electric utility service, not to exceed $1 million.

8. **Default.** A party shall be in default under this License if such party fails to perform any obligation required under this License and such failure continues for more than thirty (30) days after written notice, provided that if the breach is of such a nature that it cannot be cured within thirty (30) days, then such party shall not be in default so long as it commences to cure within such period of time and thereafter diligently and continuously pursues such cure to completion. Upon the occurrence of a default, the non-defaulting party shall not have the right to terminate the License, but may seek any and all other remedies available at law and/or equity, including but not limited to an action for recovery of monetary damages or specific performance. Except as set forth to the contrary herein, any right or remedy of Licensor and Licensee shall be cumulative and without prejudice to any other right or remedy, whether contained herein or not.

9. **Surrender**. Upon termination or expiration of this License, Licensee shall vacate and leave the Licensed Premises in as good a condition as existed prior to the Effective Date excluding any change in conditions resulting from the work performed by Licensor under the Change Plan. No later than thirty (30) calendar days following the date upon which this License becomes expired, terminated or revoked, Licensee shall remove all remaining personal property and improvements, if any, placed in areas

requiring escorted access within the Licensed Premises by Licensee and shall repair and restore and save Licensor harmless from all damage caused by such removal. If all such personal property and improvements placed in areas requiring escorted access within the Licensed Premises by Licensee are not so removed by Licensee within the above prescribed thirty (30) day period, then Licensor shall have the right to take possession of and appropriate unto itself, without any payment or offset thereof, any remaining personal property and improvements placed in areas requiring escorted access within the Licensed Premises by Licensee or any other entity acting on Licensee's behalf, and/or Licensor shall have the right to effect removal of such personal property and improvements at Licensee's sole cost and expense, the amount of which Licensee agrees to reimburse to Licensor immediately upon Licensor's demand. It expressly understood and agreed by Licensor and Licensee that the surrender rights under the section of the Substation License Agreement do not apply to any Licensee personal property or improvements relocated to areas that do not require escorted access upon the Licensed Premises under the Change Plan.

10. **No Encumbrances**. Licensee expressly covenants and agrees that the Licensed Premises shall not be subject to any encumbrance by any mortgage, lien, financial instrument or other agreement outside of or in addition to this License, nor shall the Licensed Premises be liable to satisfy any indebtedness that may result from Licensee's operation or activity. Licensor expressly covenants and agrees that the Licensee's Communications Equipment shall not be subject to any encumbrance by any mortgage, lien, financial instrument or other agreement outside of or in addition to this License, nor shall the Licensee's Communications Equipment be liable to satisfy any indebtedness that may result from Licensor's operation or activity.

11. **Indemnity**. Each party (each an "Indemnifying Party") shall exercise its respective rights and privileges herein at its sole risk and agrees to indemnify and save harmless the other party (each an "Indemnified Party"), from all liability, loss, cost, and expense, including attorneys' fees, which may be sustained by the Indemnified Party, incurred by any person, natural or artificial, by reason of the death of or injury to any person or damage to any property arising from or in connection with the use of the Licensed Premises by such Indemnifying Party and its employees, agents, contractors, subcontractors, licensees, and invitees. Such Indemnifying Party agrees to defend, at its sole cost and expense, but at no cost and expense to the Indemnified Party, any and all suits or actions instituted against the Indemnified Party for the imposition of such liability, loss, cost, and expense arising from the use of the Licensed Premises by the Indemnifying Party and its employees, agents, contractors, subcontractors, licensees, and invitees. Notwithstanding the foregoing, Licensee's obligations under this Section 11 shall be subject to the limitations set forth and provided for in Section 768.28 of the Florida Statutes with respect to injury to or death of employees or agents of Licensor or property damage of Licensor or its employees or agents, in each case caused directly by employees of Licensee.

12. **Insurance**. During the Term, Licensor and Licensee shall maintain, at their respective sole cost and expense, a liability policy with minimum limits of $1,000,000.00 for bodily injury or death of a person(s), and $1,000,000.00 for property damage arising out of each single occurrence, and workers compensation coverage as mandated by the applicable laws of the State of Florida. Said policy shall be endorsed to insure against obligations assumed by Licensor or Licensee, respectively, in the indemnity herein. A certificate of insurance shall be furnished to Licensor and Licensee evidencing that said policy of insurance is in force and will not be cancelled or materially changed so as to affect the interests of Licensor or Licensee Entities, as the case may be, until ten (10) days advance written notice has been furnished to Licensor. Upon request, copies of said policy will be furnished to Licensor or Licensee, respectively.

13. **No Transfer**. Licensee shall not, without the prior written consent of Licensor, allow any other entity or party to occupy or use the Licensed Premises or in any way transfer, assign, lease, sublease, license, sublicense or in any other manner, convey this License to any entity or party not specifically named herein by Licensor as a party to this License. Licensee shall not hypothecate this License, nor enter into any license, concession agreement, mortgage, contract or other agreement which conflicts with or is contradictory to the terms and provisions of this License.

14. **Holding Over**. If Licensee continues to occupy and/or use the Licensed Premises, or any part thereof, after expiration, termination or revocation of this License, then no tenancy, ownership or other legal interest in the Licensed Premises to the benefit of Licensee shall result therefrom, but such holding over shall be an unlawful detainer and all parties occupying and/or using the Licensed Premises shall be subject to immediate eviction and removal and Licensee shall upon demand pay to Licensor, as liquidated damages, a monthly sum equal to the monthly License Fees owed by Licensor to Licensee pursuant to the Fiber License Agreement for and during any and all period(s) which Licensee and/or its employees, agents, contractors, subcontractors, licensees, and invitees fail to vacate the Licensed Premises after the date upon which this License becomes expired, terminated, or revoked.

15. **Waiver of Jury Trial**. **Licensee and Licensor knowingly, voluntarily and intentionally waive any and all right(s) they may have to a trial by jury with respect to any litigation based upon, or arising from, under, or in connection with this License, or any document contemplated to be executed in conjunction herewith, or any course of conduct, course of dealing, statement (whether oral or written) or action of Licensee or Licensor.** In any and all litigation arising out of or in connection with enforcement of the terms, conditions or provisions of this License, the prevailing party in such litigation shall be entitled to recovery of each and all of its costs, including reasonable attorneys' fees.

16. **Applicable Law and Venue**. This License, including each and all of its terms, conditions and provisions, is governed by and interpreted according to the laws of the State of Florida. Venue for all legal matters arising out of, or in connection with this License are and shall be the courts of the State of Florida in Indian River County, Florida, which court shall have exclusive jurisdiction for such purpose**.** If any term, condition or provision, or any part thereof, is found by a Florida court to be unlawful, void or unenforceable, then that term, condition, provision or part thereof shall be deemed severable and will not affect the validity and enforceability of any of the remaining terms, conditions and provisions of this License.

17. **Time and Entire Agreement**: Time is of the essence, and no extension of time shall be deemed granted unless made in writing and executed by both Licensor and Licensee. This instrument constitutes the entire agreement between the parties hereto and relative to the License, and any agreement or representation which is not expressly set forth herein and covered hereby is null and void. All amendments, modifications, changes, alterations and supplements to this License must be in writing and executed by both Licensor and Licensee in order to be deemed valid and enforceable. If Licensor or Licensee fails or elects to not enforce the other party's breach of any term, condition or provision of this License, then Licensor's or Licensee's failure or election to not enforce the other party's breach shall not be deemed a waiver of the non-breaching party's right to enforce one or more subsequent breaches of the same or any other term, condition or provision of this License.

18. **Notices**. All notices associated with and related to this License shall be deemed to have been served upon the date and time received by Licensor or Licensee at the addresses set forth in the Preamble by: government postal service, private delivery service, electronic email or facsimile transmission. Either party

may, at any time, designate in writing a substitute address for the address first written above, and thereafter notices shall be directed to such substituted address.

19. **Counterparts**. This License may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute a single instrument.

IN WITNESS WHEREOF, Licensor and Licensee have caused this License to be signed and executed effective as of the Effective Date.

Witnesses for Licensor:

Signature: _____
Print Name: _____

Signature: _____
Print Name: _____

Licensor:
Florida Power & Light Company,
a Florida corporation

By: _____
Name: _____
Title: _____

Witnesses for Licensee:

Signature: _____
Print Name: _____

Signature: _____
Print Name: _____

Licensee:
City of Vero Beach, Florida, a municipal corporation

By: _____
Name: _____
Title: _____

EXHIBIT P

Prepared by/Return to:
_____
_____
_____
_____

PERMIT AND INTERLOCAL AGREEMENT
(No. VB-[_])

THIS PERMIT AND INTERLOCAL AGREEMENT (the "Agreement"), dated this [___] day of [_____], 201[__], by and between **INDIAN RIVER FARMS WATER CONTROL DISTRICT**, a drainage district organized and existing under the General Drainage Laws of the State of Florida, whose address is 7305 4th Street, Vero Beach, Florida (the "**District**"), and the **CITY OF VERO BEACH, FLORIDA**, a municipal corporation of the State of Florida, whose address is 1053 20th Place, P.O. Box 1389, Vero Beach, Florida 32961-1389 (the "**Permittee**").

NOW, THEREFORE, the District does hereby grant unto the Permittee a permit and license (collectively, the "**Permit**"), which Permit shall be effective from the date hereof and continue for a period of fifty (50) years (collectively, the "**Term**"), for the purpose of installing, maintaining, inspecting, operating, repairing and using electrical transmission lines, utility poles and related improvements collectively, (the "**Electrical Facilities**") on, over and across District right-of-way along the Main Canal at the locations (the "**Permit Area**") and in accordance with the plans and specifications attached hereto as "**Exhibit A**" signed by the parties and, incorporated herein by reference, together with the right of ingress and egress on and over the property at said locations.

Permittee agrees to and with the District as follows:

1. That the rights herein granted shall extend into the Permit Area from utility pole to utility pole in the locations and widths, which vary from utility pole to utility pole, as shown on the plans approved by the District in accordance with said "**Exhibit A**". Unless otherwise agreed to by District, the rights shall extend only for Electrical Facilities owned and used exclusively by Permittee or its sublicensee pursuant to Paragraph 19 herein, and Permittee, except as specifically permitted pursuant to Paragraph 19 herein, shall not have any right to

otherwise assign, sublet, grant a sub-permit or sublicense of the Permit or this Agreement or any part thereof unto a third party.

2. Permittee assumes full responsibility for the operation and maintenance of said Electrical Facilities and shall save and hold harmless District from any expense, loss, damage or claim in regard thereto, and the District assumes and shall have no liability in connection therewith.

3. Permittee and District acknowledge and agree that each operates critical infrastructure and provides necessary services to Florida residents. As a result, Permittee and District agree to work together in good faith to ensure that neither interferes with the facilities or operations of the other, and to work together in a cooperative fashion following any storm event to ensure prompt restoration of critical services. Each party will provide the other with a direct emergency contact number to be used for purposes of addressing issues arising in the field. All such field issues will be addressed by the parties within twenty-four (24) hours of the affected party's notice to the other party. Notwithstanding the foregoing, Permittee agrees and acknowledges that the Permit is subject always to the paramount right of the District to keep and maintain its drainage district functions and operations, and should the occupation or use by Permittee of District's property by Permittee hinder or prevent District's water control function, then Permittee's use or occupation of such property must and will yield to water control functions, and is subject to revocation and cancelation following a default by Permittee herein and Permittee's failure to cure such default. The parties further agree that within sixty (60) days following the District's delivery of written notice to Permittee advising of an interference, problem or obstruction caused by Permittee's use or occupation of District's property that is adversely affecting District's functions Permittee shall cure the problem, interference or obstruction, provided, however, in the event the functional loss, problem, interference or obstruction is not reasonably capable of cure within sixty (60) days following the delivery of written notice from the District to Permittee of such loss and Permittee, within sixty (60) days of the receipt of such notice, commences to cure such loss and thereafter diligently and continuously prosecutes such cure to completion, Permittee shall not be in default under this Agreement.

4. In no event shall the District be liable for any damages done or caused by the Permittee to the public or any other person using the Permit Area under the Permit, and Permittee shall, to the extent provided and allowed by law, save the District, its officers, agents, supervisors, and employees harmless from any costs, charge, expense, claim or demand of any person against the District for bodily injury, death or property damage arising from or pertaining to Permittee's exercise of rights under the Permit. Permittee shall, prior to accessing the Permit Area, provide the District with evidence satisfactory to District, of adequate reserves held or owned by Permittee or Sublicensee, as self-insurer, to protect the interests of District.

5. Permittee is cautioned that electrical, water, sewer, gas or other installations or utilities may be located within the Permit Area, and Permittee shall use diligent efforts to first detect and locate all such installations and shall coordinate construction with all other lawful users of the right-of-way within the Permit Area. Permittee shall be liable for all damages proximately resulting from its interference with or interruption of services provided by other lawful right-of-way users within the Permit Area. District shall ensure that this provision is

included in all permits issued to water, sewer, gas or other installations or utilities that are or may be located within the Permit Area.

6. Any construction on the Permit Area by Permittee and related cleanup shall be completed promptly by Permittee and in a workmanlike manner with minimum disturbance to existing berm, channel slopes and grade, with proper restoration and planting of any disturbed areas to prevent erosion occurring within thirty (30) days after completion of Permittee construction or installation of Electrical Facilities.

7. District and Permittee acknowledge that Permittee's Electrical Facilities currently exist within the Permit Area. For all replacements of Permittee's Electric lines, Permittee shall at all times maintain cable markers above ground at 100 foot intervals to show the location of the electrical transmission cables. For all newly replaced Electrical Facilities, the replacement of electrical transmission lines and utility poles shall be constructed and installed to permit the crossing of heavy equipment used by the District for the maintenance of its laterals, sublaterals and canals and for any similar heavy equipment used by land owners within the District. In any case i) where replacement Electrical Facilities, including electrical transmission lines, cross a pipe or culvert used for drainage or irrigation purposes, or ii) where a pipe or culvert is needed hereafter for drainage or irrigation of adjacent lands, and the pipe or culvert is deemed by District to be in need of repair or replacement, then District will provide Permittee with written notice of such event, and Permittee and District will devise a mutually agreeable schedule for the implementation of such work. Permittee agrees to make personnel and equipment available at the time of such repair or replacement work, at no cost to the District, to insure that the transmission lines do not interfere with such activities. District agrees that all District contractors and employees will attend a Permittee Safety Six presentation (which will be provided without cost to the District or its contractors) prior to commencing any such work in the vicinity of the Electrical Facilities. The District has the right to approve the location of each new electrical transmission pole installed within the Permit Area, which approval will not be unreasonably withheld, conditioned or delayed, to ensure that such installation will not interfere with the District's functions and operations.

8. Permittee shall provide advance notice to the District's office of any planned construction, or the anticipated completion date of all new construction.

9. Permittee shall not discharge any pollutants or contaminants into waters or canals owned or maintained by, or subject to the jurisdiction of District, nor shall Permittee permit Permittee's employees, contractors and agents to obstruct the flow of water within the District's canals. Permittee shall save and hold District harmless from any expense, loss or damage incurred by the District as a result of Permittee, its employees, contractors or agents discharging pollutants or contaminants into the waters or canals owned, operated or maintained by the District in violation of applicable environmental law, or obstructing the flow of waters in such canals. Permittee shall cure, or commence to cure, any such default within thirty (30) days following written notice of such default from District to Permittee.

10. Permittee shall comply with all applicable requirements of the Department of Environmental Protection for the State of Florida, as such requirements relate to Permittee's use of the District's Permit Area under the Permit, and if, at any time, the Permittee shall fail to meet

such requirements, which failure continues beyond the applicable cure period as set forth in paragraph 3 of this Agreement, Permittee shall be in default of this Agreement.

11. Permittee shall reimburse District, within forty-five (45) days of District's demand together with detailed, supporting documentation, for any reasonable fees for testing or other professional services, costs or expenses to District associated with or arising from Permittee's use of District's Permit Area.

12. The Permittee shall pay to the District for the use of the Permitted area [$12,015 for VB-2/$1,950 for VB-5/$5,280 for VB-6], payable in advance, as the first year's rent. District may increase the amount due hereunder by the annual cost of living over that of the first year hereof, or by 3% per year, whichever is greater.

13. [Reserved].

14. District and Permittee shall be entitled to exercise any remedy available at law or in equity, including without limitation, a suit for specific performance of any obligations set forth in this Agreement or any appropriate injunctive or other equitable relief, or for damages resulting from a default or breach. Notwithstanding the foregoing or anything to the contrary contained in this Agreement or applicable law, in no event shall any default or breach of this Agreement, or any failure to perform any obligations under this Agreement, terminate, or entitle the District or Permittee to terminate, rescind or cancel the Permit or the rights granted under this Agreement.

15. Following termination of the Permit, the Permittee shall, at its expense, promptly remove all Electrical Facilities from the Permit Area.

16. The Permit shall be considered to be a license only for the Term, for the limited purpose of installation, maintenance, inspection, operation, repair and use of the Electrical Facilities specified in this Agreement, and does not convey any other right, title or interest of the District in the subject right-of-way property.

17. In the event of any dispute arising hereunder, the parties agree that, as a condition precedent to litigation, the parties shall first submit the same to non-binding mediation for resolution.

18. Permittee assumes all risks of its use of the Permit Area under this Agreement, which use is at Permittee's sole risk. Any loss or damage to Permittee's Electrical Facilities or bodily injury or death of Permittee's personnel while on the Permit Area, regardless of the cause of the same, is Permittee's responsibility and not District's and, as a condition of the Permit, Permittee promises, covenants and agrees to release District from any such Permittee claims and indemnify District, to the extent provided and allowed by law, against any claims by Permittee's employees against District by reason of bodily injury, death or property damage suffered by such Permittee employees, including reasonable attorney's fees, fines and penalties. The parties hereto further acknowledge and agree that this hold harmless, indemnification and release is further consideration to the District for Permittee's use of the Permit Area under the Permit.

19. Concurrent with the sale of all or substantially all of Permittee's electrical power system, Permittee may enter into a sub-license of the Permit of Permittee's rights and obligations

under this Agreement (a "**Sublicense**") with the new owner of Permittee's electrical power system (the "**Sublicensee**"). Permittee shall not grant or attempt to grant any greater rights or powers to the Sublicensee than are permitted or granted to Permittee herein. Permittee shall not charge Sublicensee more than the amounts set forth in paragraph 12 of this Agreement. In the event Permittee enters into a Sublicense as provided herein, the following terms shall apply:

a. within three (3) business days following the execution of the Sublicense by Permittee and Sublicensee, an original of the fully executed Sublicense shall be delivered to the District;

b. the District, Sublicensee and Permittee shall be subject to all of the terms, conditions and obligations imposed upon District and Permittee pursuant to the Permit;

c. a Sublicense of Permittee's interests under this Agreement shall not release Permittee from any of the terms or conditions of this Agreement, provided, however, that if the District makes any claim against Licensee for indemnification hereunder and such claim is based on the acts or omissions of Sublicensee, Permittee shall enforce such claim against Sublicensee pursuant to the terms of the Sublicense, and the liability of Permittee to the District shall be limited to the amount of its recovery from Sublicensee;

d. in the event any of Sublicensee's Electrical Facilities within the Permit Area described in the Permit are abandoned by the Sublicensee, the Sublicensee shall provide District and Permittee with written notice of such abandonment within ten (10) business days of such event, and Sublicensee shall promptly cause all Electrical Facilities within the abandoned Permit Area to be removed within ninety (90) days from Sublicensee's notice of abandonment, and the Permit shall terminate as to the abandoned Permit Area;

e. the District may not amend, release or terminate the Permit without at least ninety (90) days prior written notice to Sublicensee and receipt of Sublicensee's written consent to such amendment, release or terminations, which written consent not to be unreasonably withheld, conditioned or delayed;

f. District agrees to provide Sublicensee with written notice of any default by Permittee under this Agreement simultaneously with any notice of default to Permittee. Sublicensee shall have an additional thirty (30) days following the expiration of Permittee's cure period within which to cure or, as the case may be, commence the cure, of the Permittee default.

g. Except for the Sublicense to the Sublicensee, neither the Permit, nor any portion thereof, may be otherwise assigned, sublet, licensed or otherwise conveyed (collectively, a "**Conveyance**") by Permittee to a third party without the District's prior written consent, which consent can be withheld in the District's sole and absolute discretion. A Conveyance without the District's consent shall be a default by Permittee herein.

20. If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each

Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

21. In consideration of the grant of the Permittee, for itself, its successors and assigns, of the right to use and occupy District's property without acquiring the same, Permittee expressly waives and relinquishes power of eminent domain or condemnation of the property as to which the Permit applies for the use for which the Permit is granted. This clause shall survive termination or expiration of the Permit for so long as Permittee has the right to use and occupy District's property for the use for which the Permit is granted.

[remainder of page intentionally left blank]

[signatures on following page]

IN WITNESS WHEREOF, said District has caused these present to be executed in its name, by its Secretary and its corporate seal hereto affixed, by due authority of its Board of Supervisors, this ____ day of _____, 201__.

Signed, Sealed and delivered
in the presence of:

_____

_____
as to District

(SEAL)

INDIAN RIVER FARMS WATER CONTROL DISTRICT

By: _____
David E. Gunter, Secretary

[Permittee acceptance on following page]

Permittee hereby accepts the terms of this Agreement, and covenants and agrees that it will comply with the terms and condition of this Agreement and the Permit.

Dated this __ day of _____, 201__.

Signed, Sealed and delivered
in the presence of:

_____

_____
as to Permittee

_____

_____
as to Permittee

CITY OF VERO BEACH

By: _____
Mayor

Attest: _____
City Clerk

(SEAL)

"**Exhibit A**"

Plans and Specifications

EXHIBIT Q

Prepared by/Return to:
_____
_____
_____
_____

SUBLICENSE AGREEMENT
(No. VB-2, VB-5, and VB-6)

THIS SUBLICENSE AGREEMENT ("**Agreement**"), dated as of this [___] day of [_____], 201[__] (the "**Effective Date**"), by and between the **CITY OF VERO BEACH, FLORIDA**, a municipal corporation of the State of Florida, whose address is 1053 20th Place, P.O. Box 1389, Vero Beach, Florida 32961-1389 (the "**Sublicensor**") and **FLORIDA POWER & LIGHT COMPANY**, a corporation organized under the laws of the State of Florida whose address is 700 Universe Blvd, Juno Beach, FL 33408 (the "**Sublicensee**"). The Sublicensor and the Sublicensee are sometimes collectively referred to herein as the "**Parties**" and individually as a "**Party**."

WHEREAS, the Sublicensor and Indian River Farms Water Control District, a drainage district organized and existing under the General Drainage Laws of the State of Florida (the "**District**"), have entered into that certain Permit and Interlocal Agreement (No. VB-2, VB-5 and VB-6), dated 1, 201[__] (the "**License Agreement**"), pursuant to which the District has granted unto the Sublicensor a permit and license (collectively, the "**Permit**"), which Permit is effective from the date of the License Agreement and continues for a period of fifty (50) years (collectively, the "**Term**"), for the purpose of installing, maintaining, inspecting, operating, repairing and using electrical transmission lines, utility poles and related improvements (collectively, the "**Electrical Facilities**") on, over and across the District's right-of-way along the North side of the Main Canal, South Relief Canal & Lat. "B", and Lat. J Canal R/W at the locations (the "**Permit Area**") and in accordance with the plans and specifications attached hereto and thereto as "**Exhibit A** signed by the District and the Sublicensor and incorporated in this Agreement and the License Agreement by reference, together with the right of ingress and egress on and over the property at said locations;

WHEREAS, as of the Effective Date, the Sublicensor has either conveyed or leased to Sublicensee all right, title and interest in and to certain electric utility assets of the City of Vero Beach, and the Sublicensee will commence on the Effective Date providing retail electric service to the City of Vero Beach's electric utility customers as contemplated under that certain Asset Purchase and Sale Agreement, dated as of [_____], 201[__], by and between the Sublicensor and the Sublicensee (the "**Asset Purchase and Sale Agreement**");

WHEREAS, in order to provide retail electric services to said electric utility customers as contemplated by the Asset Purchase and Sale Agreement, the Sublicensee desires to sublicense from the Sublicensor, and the Sublicensor desires to sublicense to the Sublicensee, all of the Sublicensor's rights and obligations under the Permit for the remainder of the Term, as permitted by and in accordance with paragraph 19 of the License Agreement.

NOW, THEREFORE, in consideration of and subject to the terms, covenants, agreements, provision and limitations set forth in this Agreement, the Sublicensor and the Sublicensee agree as follows:

1. Capitalized terms used in this Agreement and not otherwise defined herein shall have the same meanings when used herein as in the License Agreement.

2. Subject to all of the terms, conditions and obligations set forth in the License Agreement, the Sublicensor does hereby grant unto the Sublicensee an exclusive sub-permit and sub-license of all of the Sublicensor's rights and obligations under the Permit and under the License Agreement for the remainder of the Term for the purpose of installing, maintaining, inspecting, operating, repairing and using the Electrical Facilities on, over and across the Permit Area. If the License Agreement is hereafter extended, renewed or replaced upon the expiration of the Term, then, at the option of the Sublicensee exercised by written notice to the Sublicensor, the Parties agree that this Agreement shall be extended, renewed or replaced on terms and conditions equivalent to those set forth in the extension, renewal or replacement of the License Agreement. Notwithstanding the foregoing and for purposes of clarity, Sublicensor shall maintain all rights under the Permit, if any, necessary for Sublicensor to provide municipal services other than providing electricity, including without limitation providing water and sewer services.

3. The Sublicensee, except as specifically permitted pursuant to paragraph 18 herein, shall not have any right to otherwise assign, sublet, grant a further sub-permit or sub-license of the Permit or any part thereof unto a third party. The Sublicensor agrees that it will not, without the prior written consent of the Sublicensee, which consent may be withheld in the Sublicensee's sole and absolute discretion, amend, release or terminate the License Agreement or the Permit.

4. Beginning on the Effective Date, Sublicensee assumes full responsibility for all future payments due to the District under the License Agreement, and, except as set forth below, for all responsibilities and indemnity obligations of Sublicensor under the License Agreement. Sublicensor shall remain responsible for its municipal facilities, including water and sewer facilities, installed on District property under the License, if any, and Sublicensor shall be responsible for indemnity obligations to the District under the License to the extent arising from

Sublicensor's ownership, use or operation of its municipal facilities on the Permit Area.. Without limiting the foregoing, from and after the Effective Date, the Sublicensee assumes full responsibility for the operation and maintenance of the Electrical Facilities and use of the Permit Area by Sublicensee for the Electrical Facilities. Sublicensee agrees to indemnify, defend and hold harmless Sublicensor and Sublicensor's elected and appointed officials, officers, directors, employees, and affiliates (collectively the "**Sublicensor's Related Parties**") against any and all claims, including costs and expenses, of any kind or nature, including, without limitation, costs of investigation, attorneys' fees, paralegal fees, experts' fees and costs through regulatory proceedings, trial and review or appeal, including but not limited to claims for personal injury, death of persons and property damage, or other liability to the extent arising from Sublicensee's use, improvement, operation, condition or maintenance of the Electrical Facilities or entry onto the Permit Area or other District property, provided however that this indemnity shall not apply to the negligence or willful misconduct of the Sublicensor and/or the Sublicensor's Related Parties as determined by a court of competent jurisdiction. Such right of indemnity and defense shall include the right to be paid by the Sublicensee reasonable expenses incurred in investigating or defending any such claim in advance of its final disposition within forty-five (45) days following Sublicensee's receipt of Sublicensor's invoice and supporting documentation.

In no event shall the Sublicensor or the District be liable for any damages done or caused by the Sublicensee to the public, to the Sublicensor or any other person, using the right-of-way or Permit Area under the Permit.

5. Notwithstanding any other provisions in this Agreement to the contrary, neither Party nor any of its elected officials, directors, officers, employees, lenders, shall be liable to the other Party for consequential, incidental, exemplary, punitive, anticipatory profits or indirect loss or damage of any nature, including, without limitation, loss of profit, loss of use, loss of operating time, loss of revenue, increased costs of producing revenues, cost of capital or loss of goodwill whether arising in tort, contract, warranty, strict liability, by operation of law or otherwise, even if by such Party's, its representatives', agents', contractors', subcontractors', invitees' or licensees' negligence or fault, in connection with this Agreement, except to the extent claimed by third parties. The Parties further agree that the waivers and disclaimers of liability, indemnities, releases from liability, sole remedy provisions and limitations on liability expressed in this Agreement shall survive termination or expiration of this Agreement and shall extend to the parent, affiliates, and subsidiaries of each Party and their respective, partners, directors, officers, and employees and elected officials.

6. The Sublicensee is cautioned that electrical, water, sewer, gas or other installations or utilities may be located within the Permit Area, and the Sublicensee shall use diligent efforts to first detect and locate all such installations and shall coordinate construction with all other lawful users of the right-of-way within the Permit Area. The Sublicensee shall be liable for all damages proximately resulting from its interference with or interruption of services provided by other lawful right-of-way users within the Permit Area. The Sublicensee acknowledges that the District has agreed in the License Agreement to ensure that this provision is included in all permits issued to water, sewer, gas or other installations or utilities that are or may be located within the Permit Area. The Parties covenant to one another, that their respective activities related to this

Agreement or the Permit will not interfere with the other's right or ability to provide electrical or municipal services, including without limitation providing water and sewer services.

7. Any construction on the Permit Area and cleanup shall be completed promptly by the Sublicensee and in a workmanlike manner with minimum disturbance to existing berm, channel slopes and grade, with proper restoration and planting of any disturbed areas to prevent erosion occurring within thirty (30) days after completion of the Sublicensee construction or installation of Electrical Facilities.

8. Electrical Facilities acquired by the Sublicensee from the Sublicensor pursuant to the Asset Purchase and Sale Agreement currently exist within the Permit Area. For all newly installed Electric Facilities, the Sublicensee shall at all times maintain cable markers above ground at 100 foot intervals to show the location of the electrical transmission cables. For all newly installed Electrical Facilities, the electrical transmission lines and utility poles shall be constructed and installed to permit the crossing of heavy equipment used by the District for the maintenance of its laterals, sublaterals and canals and for any similar heavy equipment used by land owners within the District. In any case i) where newly installed Electric Facilities, including electrical transmission lines, cross a pipe or culvert used for drainage or irrigation purposes, or ii) where a pipe or culvert is needed hereafter for drainage or irrigation of adjacent lands, and the pipe or culvert is deemed by the District to be in need of repair or replacement, then the Sublicensor will provide the Sublicensee with a copy of any written notice of such event received from the District, and the Sublicensee and the District will devise a mutually agreeable schedule for the implementation of such work. The Sublicensee agrees to make personnel and equipment available at the time of such repair or replacement work, at no cost to the District and Sublicensor, to insure that the transmission lines do not interfere with such activities. The Sublicensee acknowledges that the District has agreed that all District contractors and employees will attend a Sublicensee Safety Six presentation (which will be provided without cost to the District or its contractors or Sublicensor) prior to commencing any such work in the vicinity of the Electrical Facilities. The Sublicensee acknowledges that the District has the right to approve the location of each new electrical transmission line installed within the Permit Area, which approval will not be unreasonably withheld, conditioned or delayed, to ensure that such installation will not interfere with the District's functions and operations.

9. The Sublicensee shall provide advance notice to the District's office of any planned construction, or the anticipated completion date of all new construction.

10. The Sublicensee shall not discharge any pollutants or contaminants into waters or canals owned or maintained by, or subject to the jurisdiction of the District, nor shall the Sublicensee permit the Sublicensee's employees, contractors and agents to obstruct the flow of water within the District's canals. The Sublicensee shall indemnify, defend and save and hold harmless the District and the Sublicensor from any and all expense, loss, damage or claim of any kind or nature whatsoever and incurred by or against the District or the Sublicensor to the extent it is as a result of the Sublicensee, its employees, contractors or agents discharging pollutants or contaminants into the canals owned, operated or maintained by the District in violation of applicable environmental law, or obstructing the flow of waters in such canals. Such right of

indemnity and defense shall include the right to be paid by the Sublicensee reasonable expenses incurred in investigating any such claim in advance of its final disposition within forty-five (45) days following Sublicensee's receipt of an invoice and adequate supporting documentation. The Sublicensee shall cure, or commence to cure, any such discharge, release or obstruction by Sublicensee, its employees, contractors or agents within thirty (30) days following written notice of such default from the District or the Sublicensor to the Sublicensee.

11. The Sublicensee shall comply with all applicable requirements of the Department of Environmental Protection for the State of Florida, as such requirements relate to the Sublicensee's use of the Permit Area under this Agreement, and if, at any time, the Sublicensee shall fail to meet such requirements, the Sublicensee shall be in default under this Agreement if such failure continues beyond the applicable cure period available to the Sublicensee as set forth in paragraph 19(f) of the License Agreement.

12. The Sublicensee shall reimburse the District, within forty-five (45) days of the District's demand together with detailed, supporting documentation, for any reasonable fees for testing or other professional services, costs or expenses to the District associated with or arising from the Sublicensee's use of the Permit Area. The Sublicensee acknowledges that the Permit may be suspended by the District for so long as such costs or expenses remain unpaid beyond such forty-five (45) day period.

13. The Sublicensee shall pay to the District on behalf of the Sublicensor the amounts payable under paragraphs 12 of the License Agreement as and when due from the Sublicensor to the District under the License Agreement as consideration (except as otherwise provided in Section 16 of this Agreement) for the sub-permit and sub-license granted hereunder by the Sublicensor to the Sublicensee.

14. The Sublicensor and the Sublicensee shall be entitled to exercise any remedy available at law or in equity, including without limitation, a suit for specific performance of any obligations set forth in this Agreement or any appropriate injunctive or other equitable relief, or for damages resulting from a default or breach. Notwithstanding the foregoing or anything to the contrary contained in this Agreement or applicable law, in no event shall any default or breach of this Agreement, or any failure to perform any obligations under this Agreement, terminate, or entitle the Sublicensor or the Sublicensee to terminate, rescind or cancel this Agreement or the rights granted hereunder. Notwithstanding any provision of this Agreement or the License Agreement to the contrary, the Sublicensee shall have the right at all times during the Term to take any and all actions it deems necessary or appropriate to maintain the License Agreement in full force and effect, including, without limitation, the right to cure any and all breaches or defaults by the Sublicensor thereunder whether during or after any cure period granted to the Sublicensor pursuant to the License Agreement and with or without notice from the District of the occurrence of any such breach or default, and the Sublicensor shall reimburse the Sublicensee for the cost of the cure of any such breach or default caused by Sublicensor or any employee, agent or subcontractor thereof within thirty (30) days after demand therefor. In addition, if the District defaults in any of its obligations under the License Agreement or seeks to terminate or repudiate the License Agreement, the Sublicensor agrees that Sublicensee may, at its expense, pursue a

claim against the District in the name of the Sublicensor to enforce the rights of the Sublicensor under the License Agreement and Sublicensor agrees to cooperate with Sublicensee in pursuit of such claim.

15. This Agreement shall be considered to be an irrevocable sub-permit and sub-license only for the Term, for the limited purpose of installation, maintenance, inspection, operation, repair and use of the Electrical Facilities specified in the License Agreement, and does not convey any other right, title or interest of the District in the subject right-of-way property.

16. The Sublicensee assumes all risks of its use of the Permit Area under this Agreement, which use is at Sublicensee sole risk. Any loss or damage to Sublicensee's Electrical Facilities or bodily injury or death of Sublicensee's personnel while on the Permit Area, regardless of the cause of the same, is not District's responsibility and, as a condition of this Agreement, Sublicensee promises, covenants and agrees to release District from any such Sublicensee claims and indemnify District, to the extent provided and allowed by law, against any claims by Sublicensee's employees against District by reason of bodily injury, death or property damage suffered by such Sublicensee employees, including reasonable attorney's fees, fines and penalties. The Parties hereto further acknowledge and agree that this hold harmless, indemnification and release is further consideration for Sublicensee's use of the Permit Area under this Agreement.

17. In the event any of the Sublicensee's Electrical Facilities within the Permit Area are abandoned by the Sublicensee, the Sublicensee shall provide the District and the Sublicensor with written notice of such abandonment within ten (10) business days of such event, and the Sublicensee shall promptly cause all Electrical Facilities within the abandoned Permit Area to be removed within ninety (90) days from the Sublicensee's notice of abandonment, and this Agreement shall terminate as to the abandoned Permit Area.

18. Sublicensor acknowledges that this Agreement and FPL's interests hereunder shall be subject to the encumbrance of FPL's pre-existing mortgage with Deutsche Bank Trust Company Americas. Except for the rights granted to the Sublicensee pursuant to this Agreement, neither the Permit, nor any portion thereof, may be otherwise assigned, sublet, licensed or otherwise conveyed (collectively, a "**Conveyance**") by the Sublicensor and any Conveyance in contravention of this sentence by the Sublicensor shall be null and void and without force or effect. The Sublicensee shall not, without the consent of the District, enter into any Conveyance with respect to the Sublicensee's rights, title or interest in the Permit, nor any portion thereof, nor of or under this Agreement.

19. Sublicensor agrees to deliver to the District a fully executed counterpart of this Agreement within three (3) business days following the Effective Date.

20. If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each

Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

21. No waiver by any Party of any provision of this Agreement shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by the other Party of the same or any other provision.

22. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

23. This Agreement shall bind the Parties, and their respective successors and permitted assigns.

24. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

25. In the event the Sublicensee or the Sublicensor defaults in the performance of any of the terms, covenants, conditions, agreements, or provisions contained in this Agreement and the Sublicensor or the Sublicensee employs attorneys and brings suit in connection with the enforcement of this Agreement or any provision hereof or the exercise of any of its remedies hereunder, then the prevailing Party in any suit so instituted shall be promptly reimbursed by the other Party for all reasonable attorneys' fees so incurred.

26. [Reserved]

27. Every notice, approval, consent or other communication required or permitted under this Agreement shall be in writing, shall be deemed to have been duly given on the date of receipt, and shall be deemed delivered if either served personally on the Party to whom notice is to be given, or mailed to the Party to whom notice is to be given, by overnight courier or by first class registered or certified mail (return receipt requested), postage prepaid, and addressed to the addressee at the address stated opposite its name below, or at the most recent address specified by written notice given to the other Party in the manner provided in this paragraph.

To the Sublicensor: City of Vero Beach
1053 20th Place
Vero Beach, FL 32960
Attention: City Manager

With a copy to: City of Vero Beach
1053 20th Place
Vero Beach, FL 32960
Attention: City Attorney

To the Sublicensee: Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
Attention: Corporate Real Estate

With a copy to: Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, Florida 33408
Attention: Law Department

28. This Agreement and the Asset Purchase and Sale Agreement contain the entire agreement between the Parties hereto as to the subject matter hereof and supersedes all previous negotiations leading hereto, and it may be modified only by an agreement in writing executed and delivered by the Sublicensor and the Sublicensee. Any formally executed addendum to or modification of this Agreement shall be expressly deemed incorporated by reference herein unless a contrary intention is clearly stated therein.

29. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF THE SUBLICENSOR AND THE SUBLICENSEE, THE SUBLICENSEE'S USE OR OCCUPANCY OF THE PERMIT AREA, OR ANY CLAIM FOR INJURY OR DAMAGE, SHALL BE IN THE COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT.

30. THE PARTIES HERETO SHALL, AND THEY HEREBY DO, IRREVOCABLY WAIVE TRIAL BY JURY IN ANY AND EVERY ACTION OR PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF THE SUBLICENSOR AND THE SUBLICENSEE, THE SUBLICENSEE'S USE OR OCCUPANCY OF THE PERMIT AREA, AND ANY CLAIM FOR INJURY OR DAMAGE.

31. In consideration of the grant to the Sublicensee of the rights under this Agreement, Sublicensee expressly waives and relinquishes the power of eminent domain or condemnation of the property as to which the Permit applies for the use for which the Permit is granted. This clause shall survive termination or expiration of the Permit for so long as Sublicensee has the rights under this Agreement.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the date first set forth above.

Sublicensor:	**Sublicensee**:
CITY OF VERO BEACH, FLORIDA	FLORIDA POWER & LIGHT COMPANY, a Florida Corporation
By: _____ Name: Title: _____	By: _____ Name: _____ Title: _____
_____ Witness:	_____ Witness:
_____ Witness:	_____ Witness:

Sublicense Agreement by and between The City of Vero Beach, Florida and Florida Power
&
Light Company

Exhibit "A"

Description of Permit Area

Exhibit R

Substation 20 Transmission R/W

Undivided one-half interest held by the City of Vero Beach, Florida in and to two (2) parcels of land and one (1) easement lying in Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida, more particularly described as follows:

Parcel 1

The North 60 feet of the West one-half (W 1/2) of the East two-fifths (E 2/5) of the North one-half (N 1/2) of the North one-half (N 1/2) of the Northeast one-quarter (NE 1/4) of the Northeast one-quarter (NE 1/4) of the Northwest one-quarter (NW 1/4) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida.

Parcel 2

The North 60 feet of the East one-fifth (E 1/5) of the North one-half (N 1/2) of the North one-half (N 1/2) of the Northeast one-quarter (NE 1/4) of the Northeast one-quarter (NE 1/4) of the Northwest one-quarter (NW 1/4) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida.

Parcel 3

A one-half (1/2) undivided interest as a tenant in common in that certain easement created by Easement Deed granted by Violet Klatt and Bill R. Winchester, as a majority of the Special Trustees of the Revocable Trust Agreement created by Ernest F. Klatt, also known as Ernest Klatt, dated May 18, 1990, in favor of the City of Vero Beach, a municipal corporation of the State of Florida, said Easement dated March 18, 1993, recorded April 2, 1993, in Official Records Book 834, Page 2265, in the Public Records of St. Lucie County, Florida, over, across and upon the following described property situate in the County of St. Lucie, State of Florida and being more particularly bounded and described as follows:

> The North 60 feet of the following described parcel of land as recorded in Official Records Book 767, Page 550, St. Lucie County Public Records lying in Section 6, Township 34 South, Range 40 East:
>
> West one-third of the East three-fifths of the North one-half of the North one-half of the Northeast one-quarter of the Northeast one-quarter of the Northwest one-quarter of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 18, as shown on Location Map "A" as drawn by McLaughlin Engineering Co., dated April 8, 1966.)

AND

The North 35 feet of the West 235 feet of the Northwest one-quarter of the Northwest one-quarter of the Northeast one-quarter of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida; the North 60 feet of the Northwest one-quarter of the Northwest one-quarter of the Northeast one-quarter, LESS the West 235 feet thereof, in Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida.

AND

The North 60 feet of the Northeast one-quarter of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida, lying West of the West right-of-way line of U.S. Highway No. 1, LESS the Northwest one-quarter of the Northwest one-quarter of the Northeast one-quarter thereof in said Section 6. Said land lying and being in St. Lucie County, Florida.

Exhibit S

Power Plant Site Property Description

POWER PLANT SITE:

That portion of Government Lot 4, Section 6, Township 33 South, Range 40 East, Indian River County, Florida, lying North of State Road 656 (17th Street Causeway Boulevard), East of Indian River Boulevard and West of Indian River, LESS AND EXCEPT therefrom that portion thereof conveyed by City Deed recorded in Official Records Book 1406, Page 2289, of the Public Records of Indian River County, Florida.

POWER PLANT SUBSTATION SITE:

Portion of Government Lot 4, Section 6-33-40, Parcel #33-40-06-00000-0040-00005.0

Situated in the State of Florida, County of Indian River, City of Vero Beach, and being a part of Government Lot 4 lying East of Indian River Boulevard and North of 17th Street, Section 6, Township 33 South, Range 40 East, according to the Last General Plat of Lands of the Indian River Farms Company as recorded in Plat Book 2, Page 25, of the Public Records of St. Lucie County, Florida, said lands now lying and being in Indian River County, Florida, and being more particularly bounded and described as follows:

Commencing at the North West corner of Government lot 4, Section 6, Township 33 South, Range 40 East;

Run South 60°25’50” East for a distance of 858.38 feet to a point on the East right of way of Indian River Boulevard and the Point of Beginning;

Thence South 90°00’00” East for a distance of 35.51 feet;

Thence run North 00°00’00” East for a distance of 220.11 feet;

Thence run North 90°00’00” East for a distance of 207.73 feet;

Thence run South 00°00’00” East for a distance of 250.11 feet;

Thence run North 90°00’00” West for a distance of 234.94 feet more or less to a point on the east right of way of Indian River Boulevard;

Thence run North 15°28’28” West along said East right of way for a distance of 31.13 feet to the Point of beginning.

Exhibit T

Grant Harbor Property Description

[*Exhibit begins on the following page.*]

480332

QUIT-CLAIM DEED FROM CORPORATION

RAMCO FORM 42

This Quit-Claim Deed, *Executed this* 17 *day of* October *, A. D. 19* 86*, by*

GRAND HARBOR, INC.,

a corporation existing under the laws of the State of Florida *, and having its principal place of business at* 660 Beachland Boulevard, Vero Beach, Florida 32963 *, first party, to*

THE CITY OF VERO BEACH, a municipal corporation of the State of Florida,

whose postoffice address is P.O. Box 1389, Vero Beach, Florida 32961-1389 *, second party:*

(Wherever used herein the terms "first party" and "second party" shall include singular and plural, heirs, legal representatives, and assigns of individuals, and the successors and assigns of corporations, wherever the context so admits or requires.)

Witnesseth, *That the said first party, for and in consideration of the sum of $* 10.00 *in hand paid by the said second party, the receipt whereof is hereby acknowledged, does hereby remise, release and quit-claim unto the said second party forever, all the right, title, interest, claim and demand which the said first party has in and to the following described lot, piece or parcel of land, situate, lying and being in the County of* Indian River *State of* Florida *, to wit:*

SEE SKETCH AND DESCRIPTION ATTACHED HERETO AS EXHIBIT A.

The described property is subject to the following Mortgages:

SEE EXHIBIT B ATTACHED HERETO.

Title of the property shall revert to the Grantor should the Grantee utilize the property for any purpose other than use as a utility substation site.

DOC ST. - AMT. $ 50
FRED A. WRIGHT, Clerk of Circuit Court
Indian River County - by Agnes Karaney D.C.

To Have and to Hold *the same together with all and singular the appurtenances thereunto belonging or in anywise appertaining, and all the estate, right, title, interest, lien, equity and claim whatsoever of the said first party, either in law or equity, to the only proper use, benefit and behoof of the said second party forever.*

In Witness Whereof *the said first party has caused these presents to be executed in its name, and its corporate seal to be hereunto affixed, by its proper officers thereunto duly authorized, the day and year first above written.*

(CORPORATE SEAL)

ATTEST: ..... Secretary

GRAND HARBOR, INC.,

By ..... RICHARD G. SCHAUB, Jr., President

Signed, sealed and delivered in the presence of:

.....

.....

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements personally appeared

RICHARD G. SCHAUB, Jr.,

well known to me to be the President of the corporation named as first party in the foregoing deed and that they severally acknowledged executing the same in the presence of two subscribing witnesses freely and voluntarily under authority duly vested in them by said corporation and that the seal affixed thereto is the true corporate seal of said corporation.

WITNESS my hand and official seal in the County and State last aforesaid this 17 day of October A. D. 19 86.

(Notarial Seal)

NOTARY PUBLIC, STATE OF FLORIDA AT LARGE

Notary Public, State of Florida at Large

My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA
MY COMMISSION EXPIRES APRIL 4, 1988

This instrument prepared by: STEVE L. HENDERSON, Esq.
Address P.O. Box 3406, Vero Beach, Florida 32964-3406

RETURN TO: CITY ATTORNEY

O.R. 0751 PG 1269

DESCRIPTION

1. Beginning on the center 1/4 section corner of Section 23, Township 32 South, Range 39 East and run S 00°01'26" W, 663.16 feet to the Northwest corner of the West 1/2 of the South 1/2 of the Northwest 1/4 of the Southeast 1/4 of Section 23, Township 32 South, Range 39 East, said point being the Northwest corner of that property deeded by Barnes to Barnes, et al, as recorded in Official Record Book 171 on page 660, public records of Indian River County, Florida;

2. thence, continue S 00°01'26" W, 663.16 feet on the West boundary of said Barnes property;

3. and S 89°50'15" E, 665.92 feet on the South boundary of said Barnes property to the Southeast corner thereof and the True Point of Beginning;

4. thence, N 00°01'16" E, 577.14 feet on the East boundary of the Barnes property to an intersection with the West right-of-way line of Indian River Boulevard (200 ft. right-of-way);

5. thence, on a nontangent curve, concave to the West, run Southeasterly 456.00 feet to a point of reverse curvature on a curve having a radius of 5,000 feet, the chord to said curve bears S 22°30'45" E, 455.83 feet;

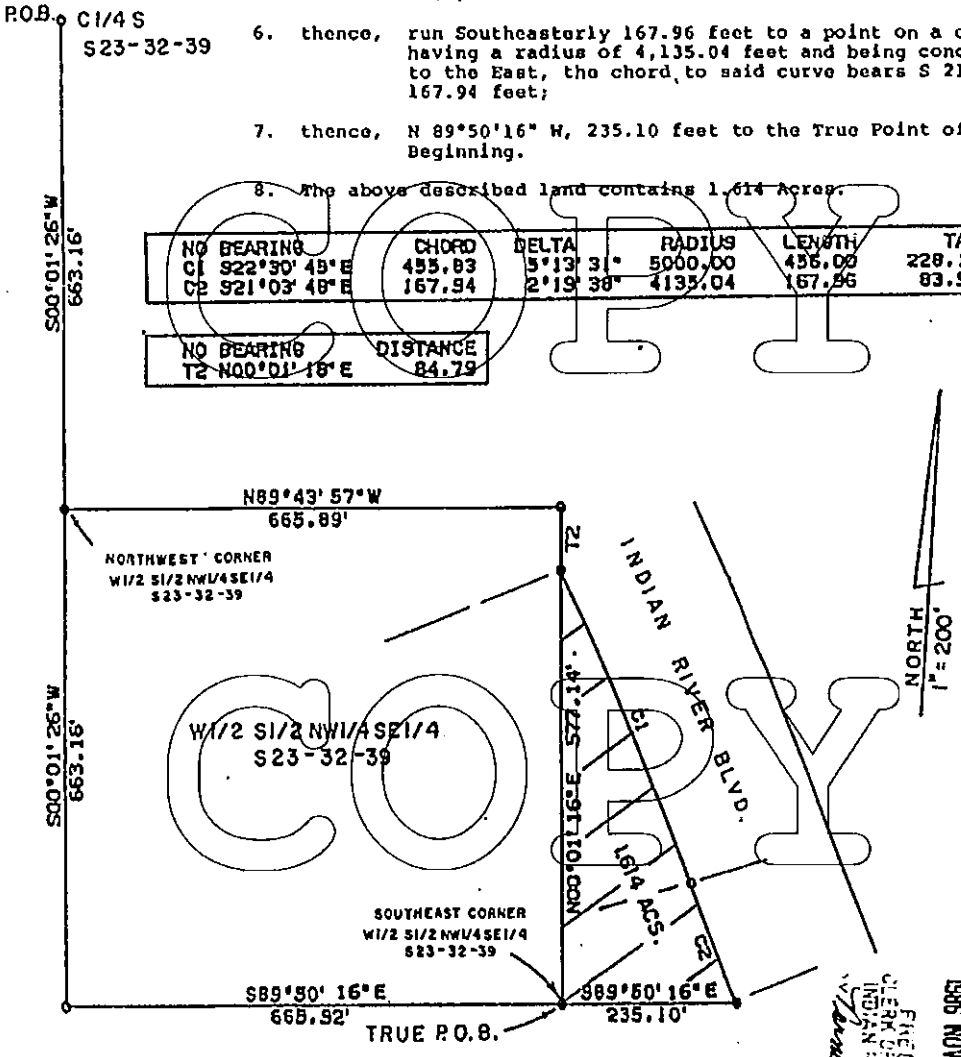
6. thence, run Southeasterly 167.96 feet to a point on a curve having a radius of 4,135.04 feet and being concave to the East, the chord to said curve bears S 21°03'48" E, 167.94 feet;

7. thence, N 89°50'16" W, 235.10 feet to the True Point of Beginning.

8. The above described land contains 1.614 Acres.

NO	BEARING	CHORD	DELTA	RADIUS	LENGTH	TAN
C1	S22°30'45"E	455.83	5°13'31"	5000.00	456.00	228.16
C2	S21°03'48"E	167.94	2°19'38"	4135.04	167.96	83.99

NO	BEARING	DISTANCE
T2	N00°01'16"E	84.79

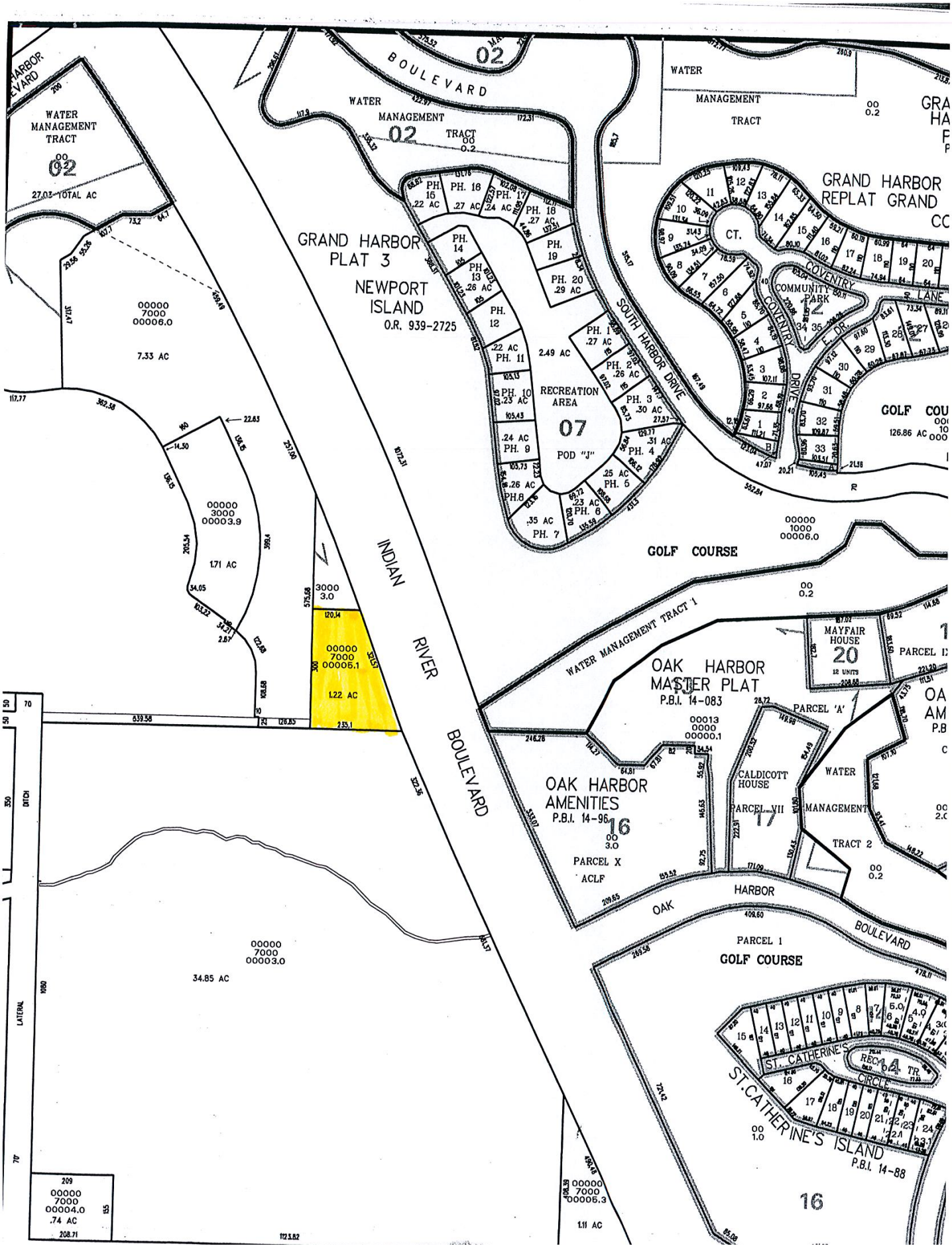


LLOYD & ASSOCIATES, INC.
CONSULTING ENGINEERS, SURVEYORS, PLANNERS
1018 20TH STREET
VERO BEACH, FLORIDA 32960
(561) 569-1115

PART "B"

PROPERTY DESCRIPTION AND SKETCH

FILED FOR RECORD
BOOK AND PAGE ABOVE
RECORD VERIFIED
CLERK OF CIRCUIT COURT
INDIAN RIVER CO., FLA.
1986 NOV 12 AM 11: 25
O.R. 0751 PG 1220


HARBOR BLVARD
WATER MANAGEMENT TRACT
00 02
27.03 TOTAL AC
00000 7000 00006.0
7.33 AC
00000 3000 00003.9
1.71 AC
3000 3.0
00000 7000 00006.1
1.22 AC
00000 7000 00003.0
34.85 AC
209 00000 7000 00004.0 .74 AC
00000 7000 00006.3
1.11 AC
BOULEVARD
WATER MANAGEMENT 02 TRACT 00 0.2
GRAND HARBOR PLAT 3
NEWPORT ISLAND
O.R. 939-2725
PH. 16 .22 AC
PH. 17 .27 AC
PH. 18 .24 AC
PH. 16 .27 AC
PH. 14
PH. 13 .26 AC
PH. 19
PH. 20 .29 AC
PH. 12 .22 AC
PH. 11
PH. 10 .23 AC
2.49 AC
RECREATION AREA
07
POD "J"
PH. 9 .24 AC
PH. 8 .26 AC
PH. 7 .35 AC
PH. 1 .27 AC
PH. 2 .26 AC
PH. 3 .30 AC
PH. 4 .31 AC
PH. 5 .25 AC
PH. 6 .23 AC
SOUTH HARBOR DRIVE
INDIAN RIVER BOULEVARD
WATER MANAGEMENT TRACT
00 0.2
GRAND HARBOR REPLAT GRAND
COVENTRY PARK
COMMUNITY
COVENTRY DRIVE
CT.
E. DR.
S. LANE
GOLF COURSE
00000 1000 00006.0
WATER MANAGEMENT TRACT 1
MAYFAIR HOUSE 20 12 UNITS
PARCEL I
OAK HARBOR MASTER PLAT
P.B.I. 14-083
00013 0000 00000.1
PARCEL 'A'
OAK HARBOR AMENITIES
P.B.I. 14-96
16
00 3.0
PARCEL X
ACLF
CALDICOTT HOUSE
PARCEL VII
17
WATER MANAGEMENT TRACT 2
00 0.2
OAK HARBOR BOULEVARD
PARCEL 1
GOLF COURSE
ST. CATHERINE'S CIRCLE
RECR. TR.
ST. CATHERINE'S ISLAND
P.B.I. 14-88
00 1.0
16
DITCH
LATERAL

Print | Back

Indian River County GIS

ParcelID	OwnerName	PropertyAddress
32392300000700000005.1	CITY OF VERO BEACH	INDIAN RIVER BLVD VERO BEACH, FL 32967

Notes

Form 2046
Quit Claim Deed
(from corporation)

Blackstone Legal Supplies Jr
Ft. Lauderdale, Florida 3331

498895

1300
50

This Quit-Claim Deed, Executed this 19th day of March, 1987, by THE CITY OF VERO BEACH, FLORIDA, a municipal corporation existing under the laws of the state of Florida, having its principal place of business in the county of Indian River and state of Florida, and lawfully authorized to transact business in the state of Florida, Grantor* to GRAND HARBOR, INC., a corporation of the State of Florida existing under the laws of the State of Florida, 660 Beachland Blvd., Vero Beach, Florida 32963
Grantee

Witnesseth: That the said Grantor, for and in consideration of the sum of $ 10.00 (Ten Dollars) and no/100---------- in hand paid by the said Grantee, the receipt whereof is hereby acknowledged, does hereby remise, release and quit-claim unto the said Grantee forever, all the right, title, interest, claim and demand which the said Grantor has in and to the following described lot, piece or parcel of land, situate, lying and being in the County of Indian River, State of Florida, to-wit:

The land described in the description and sketch attached hereto as Exhibit "A" LESS the land described in the description and sketch attached hereto as Exhibit "B".

1987 MAR 19 PM 2:15

Return To: City Attorney

DOC. ST. - INT. $ .50
Clerk of Circuit Court
Indian River County - by Arnola K. Branch D.C.

To Have and to Hold the same together with all and singular the appurtenances thereunto belonging or in anywise appertaining, and all the estate, right, title, interest, lien, equity and claim whatsoever of the said Grantor, either in law or equity, to the only proper use, benefit and behoof of the said Grantee forever.

*"Grantor" and "Grantee" are used for singular or plural, as context requires.

In Witness Whereof, Grantor hereunto set Grantor's hand and seal the day and year first above written.

Attest: Phyllis A. Neuberger
CITY CLERK

By William H. Cochrane
MAYOR

Signed, sealed and delivered in presence of:

Tammy K. Hock

(Corporate Seal)

CITY OF VERO BEACH FLORIDA SEAL

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

I Hereby Certify, that on this 19th day of March 19 87, before me personally appeared William H. Cochrane and Phyllis A. Neuberger Mayor and City Clerk respectively of THE CITY OF VERO BEACH, a municipal corporation under the laws of the State of Florida, to me known to be the persons who signed the foregoing instrument as such officers and severally acknowledged the execution thereof to be their free act and deed as such officers for the uses and purposes therein mentioned and that they affixed thereto the official seal of said corporation, and that the said instrument is the act and deed of said corporation.

WITNESS my hand and official seal at Vero Beach in the County of Indian River and State of Florida, the day and year last aforesaid.

IRENE B. MOORE NOTARY PUBLIC STATE OF FLORIDA

Notary Public
My commission expires:
Notary Public, State of Florida at Large
My Commission Expires Sept. 21, 1988

This instrument prepared by:
Terrence P. O'Brien, Esq.
P.O. Box 1389
Vero Beach, Fl. 32961-1389

O.R. 0763 PG 0877

EXHIBIT "A"

DESCRIPTION

1. Beginning on the center 1/4 section corner of Section 23, Township 32 South, Range 39 East and run S 00°01'26" W, 663.16 feet to the Northwest corner of the West 1/2 of the South 1/2 of the Northwest 1/4 of the Southeast 1/4 of Section 23, Township 32 South, Range 39 East, said point being the Northwest corner of that property deeded by Barnes to Barnes, et al, as recorded in Official Record Book 171 on page 660, public records of Indian River County, Florida;

2. thence, continue S 00°01'26" W, 663.16 feet on the West boundary of said Barnes property;

3. and S 89°50'15" E, 665.92 feet on the South boundary of said Barnes property to the Southeast corner thereof and the True Point of Beginning;

4. thence, N 00°01'16" E, 577.14 feet on the East boundary of the Barnes property to an intersection with the West right-of-way line of Indian River Boulevard (200 ft. right-of-way);

5. thence, on a nontangent curve, concave to the West, run Southeasterly 456.00 feet to a point of reverse curvature on a curve having a radius of 5,000 feet, the chord to said curve bears S 22°30'45" E, 455.83 feet;

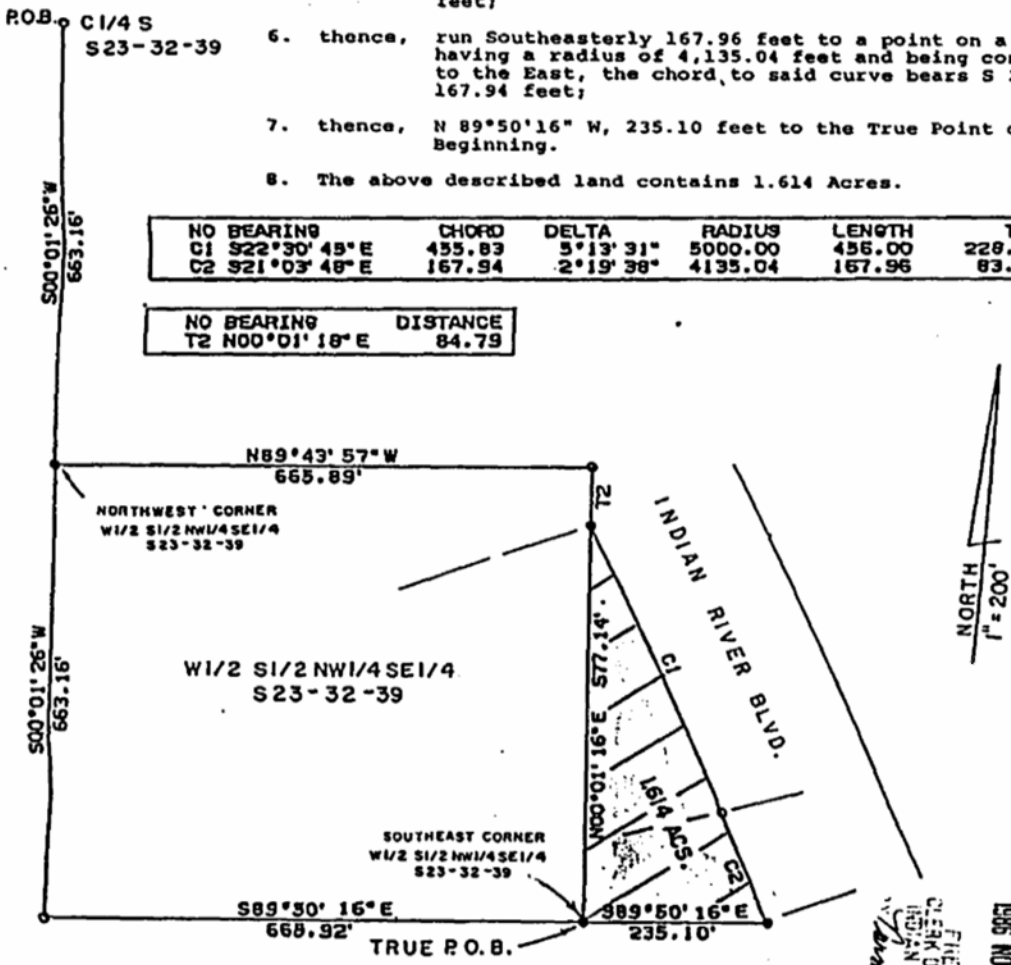
6. thence, run Southeasterly 167.96 feet to a point on a curve having a radius of 4,135.04 feet and being concave to the East, the chord to said curve bears S 21°03'48" E, 167.94 feet;

7. thence, N 89°50'16" W, 235.10 feet to the True Point of Beginning.

8. The above described land contains 1.614 Acres.

NO	BEARING	CHORD	DELTA	RADIUS	LENGTH	TAN
C1	S22°30'45"E	455.83	5°13'31"	5000.00	456.00	228.16
C2	S21°03'48"E	167.94	2°19'38"	4135.04	167.96	83.99

NO	BEARING	DISTANCE
T2	N00°01'16"E	84.79



ASSOCIATES, INC.

PART "B"

PROPERTY DESCRIPTION AND SKETCH

FILED FOR RECORD
BOOK AND PAGE ABOVE
RECORD VERIFIED
1986 NOV 12 AM 11:25
FILED & RECORDED
CLERK OF CIRCUIT COURT
INDIAN RIVER CO. FLA.
O.R. 0751 PG 1220
O.R. 0763 PG 0878

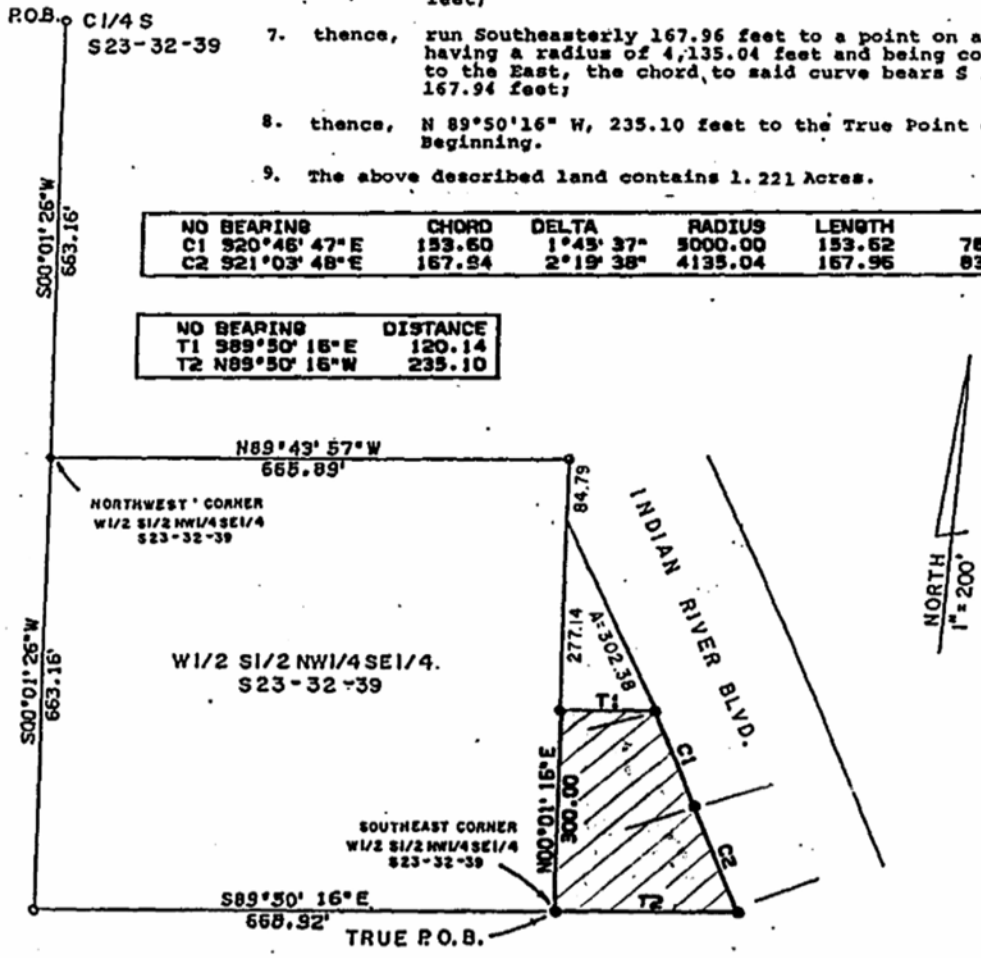
EXHIBIT "B"

DESCRIPTION

1. Beginning on the center 1/4 section corner of Section 23, Township 32 South, Range 39 East and run S 00°01'26" W, 663.16 feet to the Northwest corner of the West 1/2 of the South 1/2 of the Northwest 1/4 of the Southeast 1/4 of Section 23, Township 32 South, Range 39 East, said point being the Northwest corner of that property deeded by Barnes to Barnes, et al, as recorded in Official Record Book 171 on page 660, public records of Indian River County, Florida;
2. thence, continue S 00°01'26" W, 663.16 feet on the West boundary of said Barnes property;
3. and S 89°50'16" E, 665.92 feet on the South boundary of said Barnes property to the Southeast corner thereof and the True Point of Beginning;
4. thence, N 00°01'16" E, 300.00 feet on the East boundary of the Barnes property;
5. thence, S 89°50'16" E, 120.14 feet to an intersection with the West right-of-way line of Indian River Boulevard (200 ft. right-of-way);
6. thence, on a nontangent curve, concave to the West, run Southeasterly 153.62 feet to a point of reverse curvature on a curve having a radius of 5,000 feet, the chord to said curve bears S 20°46'47" E, 153.60 feet;
7. thence, run Southeasterly 167.96 feet to a point on a curve having a radius of 4,135.04 feet and being concave to the East, the chord to said curve bears S 21°03'48" E, 167.94 feet;
8. thence, N 89°50'16" W, 235.10 feet to the True Point of Beginning.
9. The above described land contains 1.221 Acres.

NO	BEARING	CHORD	DELTA	RADIUS	LENGTH	TAN
C1	S20°46'47"E	153.60	1°45'37"	5000.00	153.62	76.81
C2	S21°03'48"E	167.94	2°19'38"	4135.04	167.96	83.99

NO	BEARING	DISTANCE
T1	S89°50'16"E	120.14
T2	N89°50'16"W	235.10



LLOYD & ASSOCIATES, INC.
[illegible]

O.R. 0763 PG 0879

PROPERTY DESCRIPTION AND SKETCH

Exhibit U

Acquired Substations
and Certain Other FPUA Joint Facilities Related Property Descriptions

SUBSTATION 3:

That portion of the Northeast quarter (NE ¼) of the Northeast quarter (NE ¼) of Section 5, Township 33 ·South, Range 39 East, Indian River County, Florida, being more particularly described as follows: Beginning at a point that is 30.00 feet South of and 25.00 feet West of the Northeast corner of said Section 5; Thence South and parallel with the East line of said Section 5 a distance of 235.00 feet; Thence West and parallel with the North line of said Section 5 a distance of 367.95 feet; Thence North and parallel with the said East line of Section 5 a distance of 235.00 feet to a point, said point being 30 feet South of, as measured perpendicular to, the said North line of Section 5; Thence East and parallel with the said North line of Section 5 a distance of 367.95 feet to the POINT OF BEGINNING;

LESS AND EXCEPT:
The East 35.00 feet thereof for additional road right-of-way purposes.

SUBSTATION 7:

A parcel of land being a portion of Tracts 12 and 13, Section 4, Township 33 South, Range 39 East, Indian River County, Florida, according to the last general plat of lands of the INDIAN RIVER FARMS COMPANY SUBDIVISION, recorded in Plat Book 2, Page 25, of the Public Records of St. Lucie County, Florida, said lands now situate, lying and being in Indian River County, Florida, being more particularly described as follows:

From the Southwest corner of said Tract 12, run East along the South line of said Tract 12 a distance of 30 feet to the East right-of-way of Kings Highway and POINT OF BEGINNING; thence run North on a line parallel to the West line of said Tract 12 a distance of 50 feet; thence run East parallel to the South line of said Tract 12 a distance of 242.05 feet; thence run South on a line parallel to the West line of said Tract 12 and Tract 13, a distance of 199.35 feet to the North right-of-way of the Main Relief Canal; thence run Southwest along said canal right-of-way a distance of 258.70 feet to the East right-of-way of Kings Highway; thence run North along said East right-of-way a distance of 245.45 feet to the POINT OF BEGINNING.

SUBSTATION 8:

Two (2) parcels of land lying in Section 13, Township 33 South, Range 39 East, Indian River County, Florida, being more particularly described as follows:

Parcel 1
Commencing at the Southeast corner of the Southwest quarter of Section 13, Township 33 South, Range 39 East, Indian River County, Florida; run North along the quarter Section line a distance of 399.84 feet to the POINT OF BEGINNING; thence continue North along the quarter Section line a distance of 200.0 feet to a point on the South right-of-way line of the South Relief Canal; thence run Southwesterly along said South right-of-way line a distance of 200.0 feet; thence run South and parallel to the aforesaid quarter Section line a distance of 200.0 feet; thence run Northeasterly and parallel to the aforesaid South right-of-way line a distance of 200.0 feet to the POINT OF BEGINNING.

Parcel 2
Beginning at the intersection of the South right of way of the South Relief Canal with the West line of the Southwest one-quarter of the Southeast one-quarter of Section 13, Township 33 South, Range 39 East, Indian River County Florida; thence run Northeasterly along said South right of way line a distance of 240.0 feet; thence run South and parallel to said West line of Southwest one-quarter of Southeast one-quarter a distance of 337.0 feet; thence run West a distance of 230.97 feet to a point on the said West line of Southwest one-quarter of Southeast one-quarter; said point lying 271.78 feet South of the point of beginning; thence run North along said West line a distance of 271.78 feet to the POINT OF BEGINNING.

SUBSTATION 9:

The Southeast one acre of Government Lot 10, Section 18, Township 32 South, Range 40 East, Indian River County, Florida, shown as the Water Plant Site on the Plat of Fred R. Tuerk Drive as filed in Plat Book 7, Page 86, of the Public Records of Indian River County, Florida, LESS the Northerly 60 feet of the Easterly 90 feet thereof and more particularly described as follows:

1. Beginning at the Southeast corner of said Government Lot 10, Section 18, Township 32 South, Range 40 East, run North 0º02’54” East, 148.50 feet along the Easterly boundary of said Government Lot 10 to the Southeast corner of land conveyed to the City of Vero Beach in Official Record Book 306, page 56, public records of Indian River County, Florida;

2. Thence South 89º55’40” West, 90 feet along the Southerly boundary of said lands conveyed to the City of Vero Beach to the southwest corner thereof;

3. Thence, North 0º02'54" East, 60 feet along the westerly boundary of said City of Vero Beach land to the Northwest corner thereof and to an intersection with the Northerly line of the Water Plant Site sown on said plat of Fred R. Tuerk Drive;

4. Thence, South 89º55'40" West, 18.50 feet to the Northwest corner of the Water Plant site;

5. Thence South 0º02'54" West, 208.50 feet to the Southwest corner of the Water Plant Site and the Southerly boundary of said Government Lot 10;

6. Thence, North 89º55'40" East, 208.50 feet to the Point of Beginning.

AND

Commence at the Southeast corner of Government Lot 10, Section 18, Township 32 South, Range 40 East, Town of Indian River Shores, Indian River County, Florida; thence proceed North 00º02'54" East along the East line of Government Lot 10 a distance of 151.26 feet to the Point of Beginning; Thence proceed South 88º27'53" West a distance of 86.03 feet; Thence proceed North 03º0739" West a distance of 59.52 feet; Thence proceed North 89º55'40" East a distance of 89.29 feet to the east line of Government Lot 10; Thence proceed South 00º02'54" West along the East line of Government Lot 10 a distance of 57.24 feet to the Point of Beginning.

The above legal description is subject to changes based on future surveys.

SUBSTATION 10:

That portion of Tract A, PELICAN COVE, according to the Plat thereof, as recorded in Plat Book 3, Page 75, of the Public Records of Indian River County, Florida, being more particularly described as follows:

From the Northeast corner of Government Lot 7, Section 5, Township 33 South, Range 40 East run Westerly along the North boundary of said Government Lot 7 a distance of 45 feet to the West right-of-way line of Avenue "K", said point being the Northeast corner of Tract A; PELICAN COVE, recorded in Plat Book 3, Page 75 in the office of the Clerk of the Circuit Court of Indian River County, Florida; thence run South 0°4' 32" East along the West right-of-way line of Avenue "K", which said line is also the East boundary line of said Tract A, a distance of 352.76 feet to the POINT OF BEGINNING; thence continuing along the said West right-of-way line of Avenue "K" and the East boundary line of said Tract A in a Southerly direction, a distance of 98 feet; thence run South 89° 56' 28" West, a distance of 140.48 feet to the West boundary line of said Tract A, which is also the East boundary line of State Road A1A; thence run North 16° 54' 02" West along the Western boundary line of said Tract A, which is also the Easterly right-of-way line of said State

Road, a distance of 100 feet; thence run North 89°56' 28" East, a distance of 170 feet more or less to the POINT OF BEGINNING.

-AND-

From the Northeast corner of Government Lot 7, Section 5, Township 33 South, Range 40 East, run Westerly along the North boundary of said Government Lot 7 a distance of 45 feet to the West right-of-way line of Club Drive, said point being the Northeast corner of said Tract A; PELICAN COVE, recorded in Plat Book 3, Page 75 in the office of the Clerk of the Circuit Court of Indian River County, Florida; thence run South 0° 04' 32" East along the West right-of-way line of Club Drive which said line is also the East boundary of said Tract A, a distance of 277.62 feet to the TRUE POINT OF BEGINNING; thence continue along the West right-of-way line of Club Drive which said line is also the East boundary line of said Tract A, on a line which bears South 0°04' 32" East, a distance of 75.00 feet to a point, said point being the Northeast corner of that certain parcel of Tract A described in the official records, book number 55, page 149, public records of Indian River County, Florida; thence, South 89° 10'05" West, along the North boundary of that certain parcel of Tract A hereinbefore described, a distance of 169.70 feet to the East right-of-way of State Road A-1-A; said point also being the Northwest corner of that certain parcel of Tract A, hereinabove described; thence, run North 16°54' 25" West along the East right-of-way line of State Road A-1-A, a distance of 78.05 feet; thence, run parallel to the North boundary of that certain parcel of Tract A hereinbefore described, on a line which bears North 89° 10' 05" East, a distance of 192.37 feet to the TRUE POINT OF BEGINNING.

The above legal description is subject to changes based on future surveys.

SUBSTATION 11:

The North one-half (N ½) of Government Lot 3, Section 16, Township 33 South, Range 40 East, Indian River County, Florida, lying West of State Highway A-1-A, less the North 546.245 feet thereof; and the North one-half (N ½) of Government Lot 2, Section 17, Township 33 South, Range 40 East, Indian River County, Florida, less the North 546.245 feet thereof, and also, the South 10 acres of the North 40 acres of Government Lot 2, Section 17, Township 33 South, Range 40 East, Indian River County, Florida.

SUBSTATION 20:

One-half interest in:

Four (4) parcels of land and an easement lying in Section 31, Township 33 South, Range 40 East, Indian River County, Florida, and Section 36, Township 33 South, Range 39 East, Indian River County, Florida, being more particularly described as follows:

Parcel 1
The South 404.00 feet of the Southwest one-quarter (SW ¼) of Section 31, Township 33 South, Range 40 East, Indian River County, Florida, lying East of the East right-of-way line of Lateral "J" Canal, LESS AND EXCEPT therefrom the East 25 feet thereof for road right-of-way purposes.

Parcel 2
Easement for the benefit of Parcel 1, over, under and across the following described parcel of land:

An easement 40 feet in width lying parallel and adjacent to the East right-of-way line of the Lateral "J" Canal extending from the North line of said Southwest one-quarter (SW ¼) South to a point 416.82 feet North of the South line of said Southwest one-quarter (SW ¼) as measured along the said East right-of-way line of Lateral "J" Canal in Section 31, Township 33 South, Range 40 East, Indian River County, Florida.

Parcel 3
Tract "B", VERO BEACH HIGHLANDS UNIT FIVE, according to the Plat thereof, as recorded in Plat Book 8, Page 56, of the Public Records of Indian River County, Florida.

Parcel 4
Tract "C", VERO BEACH HIGHLANDS UNIT FIVE, according to the Plat thereof, as recorded in Plat Book 8, Page 56, of the Public Records of Indian River County, Florida.

Parcel 5
The North 25 feet of the South 145 feet of the Southwest one-quarter (SW ¼} of Section 31, Township 33 South, Range 40 East, Indian River County, Florida, lying West of the West right-of-way line of Lateral "J" Canal, LESS AND EXCEPT therefrom the West 40 feet thereof for road right-of-way purposes.

FORT PIERCE CO-OWNED PROPERTY:

One-half Interest in:
Two (2) parcels of land lying in the North one-half (N ½) of the Southeast one-quarter (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida, more particularly described as follows:

Parcel A

The South 200 feet of the South 863.18 feet of the North (N ½) of the Southeast (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida, LESS the West 60 feet and the East 775 feet thereof.

Parcel B

The West 40 feet of the East 775 feet of the North 460 feet of the South 660 feet of the North (N ½) of the Southeast (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida.

TOGETHER WITH THE FOLLOWING LAND:

Two (2) parcels of land and easements lying in Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida, more particularly described as follows:

Parcel 1

The North 60 feet of the West one-half (W ½) of the East two-fifths (E 2/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 19, as shown on Location Map "A" as drawn by Mclaughlin Engineering Co., dated April 8, 1966.)

Parcel 2

The North 60 feet of the East one-fifth (E 1/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 20, as shown on Location Map "A" as drawn by Mclaughlin Engineering Co., dated April 8, 1966.)

Parcel 3

An undivided one-half (1/2) interest as a tenant in common to that certain easement created by Easement Deed granted by Violet Klatt and Bill R. Winchester, as a majority of the Special Trustees of the Revocable Trust Agreement created by Ernest F. Klatt, also known as Ernest Klatt, dated May 18, 1990, in favor of the City of Vera Beach, a municipal corporation of the State of Florida, said Easement dated March 18, 1993, recorded April 2, 1993, in Official Records Book **834,** Page **2265**, in the Public Records of St. Lucie County, Florida, over, across and upon the following described property situate in the County of St. Lucie, State of Florida and being more particularly bounded and described as follows:

The North 60 feet of the West one-third (W 1/3) of the East three-fifths (E 3/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼)

of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 18, as shown on location Map "A" as drawn by Mclaughlin Engineering Co., dated April 8, 1966.)

AND

The North 35 feet of the West 235 feet of the Northwest one-quarter (NW ¼) of the Northwest one- quarter (NW ¼) of the Northeast one-quarter (NE ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida.

AND

The North 60 feet of the Northwest one-quarter (NW ¼) of the Northwest one-quarter (NW ¼) of the Northeast one-quarter (NE ¼) , LESS the West 235 feet thereof, in Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida.

AND

The North 60 feet of the Northeast one-quarter (NE ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida, lying West of the West right-of-way line of U.S. Highway No. 1, LESS the Northwest one-quarter (NW ¼) of the Northwest one-quarter (NW ¼) of the Northeast one-quarter (NE ¼) thereof in said Section 6.

Exhibit V

Form of Grounding License Agreement

[*Exhibit begins on the following page.*]

GROUNDING LICENSE AGREEMENT

THIS GROUNDING LICENSE AGREEMENT (the "**Agreement**"), made and entered into as of [_____ __], 201[__] (the "**Effective Date**"), is between THE CITY OF VERO BEACH, FLORIDA, a Florida municipal corporation (the "**City**"), the SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA (the "**School District**"), and INDIAN RIVER COUNTY, a political subdivision of the State of Florida (the "**County**") (the City, School District and the County herein collectively called "**Licensor**"), with an address of 1053 20th Place, Vero Beach, FL 32960, and FLORIDA POWER & LIGHT COMPANY, a Florida corporation (herein called "**Licensee**"), with an address of 700 Universe Boulevard, Juno Beach, FL 33408. Licensor and Licensee are sometimes together referred to herein as the "**Parties**" and individually as a "**Party.**"

RECITALS

A. As of the Effective Date, City has sold, assigned and conveyed certain electric utility assets of City to Licensee, and Licensee has commenced providing retail electric service to the City of Vero Beach's electric utility customers as contemplated under that certain Asset Purchase and Sale Agreement, dated [_____], 201[__], by and between City and Licensee (the "**Asset Purchase and Sale Agreement**"). As used in this Agreement, the "**Vero Beach Electric Utility**" means the electric utility system of electricity transmission and distribution owned or operated by Licensee providing retail electric service to the City of Vero Beach's electric utility customers on and after the Effective Date.

B. In order to provide retail electric services to the electric utility customers as contemplated by the Asset Purchase and Sale Agreement, Licensee desires to license from Licensor, and Licensor desires to license to Licensee, the cable casing and other parts of the Fiber Optic System, as described in the Asset Purchase and Sale Agreement (the "**Fiber Optic System**"), that are owned by Licensor and used as the grounding for any part of the Acquired Assets, as defined in the Asset Purchase and Sale Agreement (collectively, the "**Grounding Equipment**"). The Grounding Equipment shall be used by Licensee only for grounding its electric facilities used in the Vero Beach Electric Utility.

C. Licensors are parties to the Revised and Restated Joint Fiber Optics Project Interlocal Agreement, made as of May 19, 2015, and recorded in Official Records Book 290, Page 1151 of the Public Records of Indian River County, Florida, as such agreement may be amended or superseded from time to time (the "**Interlocal Agreement**").

D. As described in the Interlocal Agreement, the Fiber Optic System is owned by Licensors, and the Interlocal Agreement governs the use and operation of the Fiber Optic System.

E. Section 14 of the Interlocal Agreement authorizes the license of the Grounding Equipment to be used for electric utility system grounding.

F. Licensee has requested that Licensor permit the continued use of the Grounding Equipment as the Grounding Equipment has been used by the City in its past operation of the Vero

Beach Electric Utility and Licensor is willing to permit such use of the Grounding Equipment in accordance with the terms and conditions of this Agreement.

G. The License (as hereinafter defined) granted by this Agreement is non-exclusive to Licensor's retained right to use the Fiber Optic System for any and all purposes.

H. Because the Fiber Optic System may be changed or relocated as determined by Licensor, the Grounding Equipment may change over time and no right to any particular portion of the Fiber Optic System is granted by this Agreement or any rights to any particular portion of real property where the Fiber Optic System may now or hereafter exist. Instead, the rights granted to Licensee pursuant to this Agreement are limited to the right to use the Grounding Equipment, as needed, and as the Grounding Equipment may exist from time to time, for grounding its electric facilities used in the Vero Beach Electric Utility.

I. It is intended that the Fee (as hereinafter defined) provided for in this Agreement shall be absolutely net to Licensor throughout the Term (as hereinafter defined), free of any taxes, costs, utilities, insurance expenses, liabilities, charges or other deductions whatsoever with respect to the Grounding Equipment and the operation, maintenance, repair, rebuilding, use or occupation thereof all of which shall be Licensee's sole responsibility during the entire Term.

NOW THEREFORE, in consideration of and subject to the terms, covenants, agreements, provision and limitations set forth in this Agreement and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Licensor and Licensee agree as follows:

1. Recitals. The above-stated recitals are true and correct and are incorporated herein by this reference.

2. License of Grounding Equipment. Licensor hereby Licenses to Licensee the right to use the Grounding Equipment as described in this Agreement solely for grounding its electric facilities used in the Vero Beach Electric Utility (the "**License**"). The License is non-exclusive to Licensor's right to use the Grounding Equipment for any purpose. The License is made subject to any and all matters of record, any and all matters that would be disclosed by an accurate inspection, the rights of any owner of real property where any of the Grounding Equipment is located and the conditions or limitations of any real property rights associated with the locations where any of such Grounding Equipment may exist from time to time.

3. Access to Grounding Equipment. Licensor grants and conveys to Licensee, for the duration of the Term, the right to access the Grounding Equipment over and across property owned by any of the Licensors for maintenance, replacement and repair of the Grounding Equipment at reasonable times. In the event of entry onto property owned by any Licensor for access to the Grounding Equipment for repair or otherwise, in the event of any alteration of such property of Licensor, Licensee shall restore such property to its condition prior to such entry. In no circumstances will any work on the Grounding Equipment by Licensor cause any interruption in the communication through the Fiber Optic System.

4. No Expense to Licensor. During the entire Term, Licensor shall have absolutely no cost, obligation, responsibility or liability whatsoever relating to the Grounding Equipment, and no

obligation to Licensee to repair or maintain the Fiber Optic System. Without limiting the generality of the foregoing, Licensor shall have no obligations to Licensee for repairing or maintaining any portion of the Grounding Equipment or any systems with respect thereto. All sums due to Licensor shall be paid by Licensee to Licensor without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction whatsoever and Licensee shall pay any and all applicable sales and use tax, local surtaxes, any and any ad valorem taxes on the Grounding Equipment, or arising due to the License on the real property where the Grounding Equipment may exist from time to time, and any documentary stamp tax or other taxes on any fees payable to Licensor hereunder or the grant of rights described in this Agreement.

5. Use. Use of the Grounding Equipment is not exclusive to Licensee, but Licensee may use the Grounding Equipment for grounding the electric facilities of the Vero Beach Electric Utility and for no other purpose whatsoever. Licensee shall not use the Grounding Equipment in such a manner as to materially interfere with the operation, maintenance, repair or replacement of the Fiber Optic System. Licensee covenants that it shall comply with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Grounding Equipment and the real property where the Grounding Equipment may exist.

6. Term. This Agreement shall commence on the Effective Date of this Agreement and shall continue for an initial term of five (5) years, unless earlier terminated as provided in this Agreement. Unless earlier terminated as provided in this Agreement, Licensee, at its sole option, may extend this Agreement, after the initial term, for up to five (5) successive five-year terms by providing notice to Licensor not less than eighteen (18) months prior to expiration of the initial term or any extension term, as the case may be. The initial term of five (5) years, together with any extensions as provided herein, may be referred to this this Agreement and the "**Term**."

7. Termination Upon Abandonment or Termination of the Franchise Ordinance. The Parties acknowledge that technology may change the methods for the delivery of electric power in the future. Accordingly, if Licensee abandons the Grounding Equipment or ceases to use the Grounding Equipment in the Vero Beach Electric Utility, and such abandonment or cessation of use continues for a period of not less than two (2) consecutive years, then this Agreement and the License shall be deemed terminated. In addition, if the Franchise Ordinance between the City and Licensee described in the Asset Purchase and Sale Agreement (such Franchise Ordinance, together with any replacements, extensions or modifications thereof is described in this Agreement collectively as the "**Franchise Ordinance**") terminates or is not renewed for any reason then this Agreement shall terminate automatically contemporaneously with the termination of the Franchise Ordinance.

8. Fees. The fee (the **"Fee"**) to be paid under this Agreement shall be paid in a single installment in the sum of Ten and 00/100 Dollars ($10.00), plus any and all applicable sales and use tax, local surtaxes, and any documentary stamp tax or other taxes on the Fee, or rights granted to Licensee by this Agreement, and shall be paid to Licensor upon execution of this Agreement.

9. Representations and Warranties.

(a) Licensor represents and warrants to Licensee as follows:

(i) Licensor has full power and authority to enter into this Agreement.

(ii) The persons executing and delivering this Agreement on Licensors' behalf are acting pursuant to proper authorization and this Agreement is the valid, binding and enforceable obligation of Licensor enforceable against Licensor in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

(b) Licensee represents and warrants to Licensor as follows:

(i) Licensee is a corporation duly incorporated, validly existing and having active status under the laws of the State of Florida, with the necessary corporate power and authority to enter into this Agreement.

(ii) The person executing and delivering this Agreement on Licensee's behalf is acting pursuant to proper authorization, and this Agreement is the valid, binding and enforceable obligation of Licensee enforceable against Licensee in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

10. Acceptance of Condition of Grounding Equipment, Assumption of Risk; and Indemnification. Licensee agrees as follows:

(a) Except as specifically provided in this Agreement, Licensee acknowledges and agrees that Licensor has not made, does not make and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future of, as to, concerning or with respect to the Grounding Equipment and that the rights granted with respect to the Grounding Equipment provided for in this Agreement are made on an "as is" condition and basis and with all faults. Without in any way limiting the generality of the foregoing, the grant of rights contemplated hereby is without any warranty other than Licensor's express representations and warranties in this Agreement; and Licensor and Licensor's elected and appointed officials, officers, directors, employees, and affiliates (collectively the "**Licensor's Related Parties**") have made no, and expressly and specifically disclaim, and Licensee accepts that Licensor and the Licensor's Related Parties have disclaimed, any and all representations, guaranties or warranties, express or implied, or arising by operation of law (except for the representations and warranties, if any, expressly made by Licensor in this Agreement), of or relating to: (i) the use, expenses, operation, characteristics or condition of the Grounding Equipment, or any portion thereof,

including, without limitation, warranties of suitability, habitability, merchantability, design or fitness for any specific or particular purpose, or good and workmanlike construction; (ii) the environmental condition of the Grounding Equipment or the real property where the Grounding Equipment may exist, or the compliance of any portion of the Grounding Equipment with any or all Environmental Laws; or (iii) the soil conditions, drainage, flooding characteristics, accessibility or other conditions existing in, on or under any portion of the real property where the Grounding Equipment may exist. Licensee acknowledges and agrees that it is not relying on any representations or statements (oral or written) which may have been made or may be made by Licensor or any of the Licensor's Related Parties (except for Licensor's representations and warranties expressly set forth in this Agreement), and is relying solely upon Licensee's or Licensee's representatives' own physical inspections and other investigations by Licensee or Licensee's representatives of or related to the Grounding Equipment. Licensee acknowledges that any condition of the Grounding Equipment, whether apparent or latent, which Licensee discovers or desires to correct or improve on or after the Effective Date shall be subject to Licensor's review and approval rights, as set forth in this Agreement, and shall be at Licensee's sole expense.

(b) Licensee recognizes and hereby expressly and fully assumes all risks, known and unknown, that arise or might arise incidental to or in any way connected with the condition or use of the Grounding Equipment or access to the Grounding Equipment. This assumption of risk by Licensee is made for and on behalf of Licensee and Licensee's successors, and permitted assigns.

(c) Licensee agrees to indemnify, defend and hold harmless Licensor and Licensor's Related Parties against any and all claims, including costs and expenses, of any kind or nature, including, without limitation, costs of investigation, attorneys' fees, paralegal fees, experts' fees and costs through regulatory proceedings, trial and review or appeal, including but not limited to claims for personal injury, death of persons and property damage, or other liability to the extent arising from Licensee's use, improvement, operation, condition or maintenance of the Grounding Equipment, provided however that this indemnity shall not apply to the negligence or willful misconduct of the Licensor and/or the Licensor's Related Parties as determined by a court of competent jurisdiction.

(d) Licensee's obligations under this Section 12 shall survive the termination of this Agreement.

11. Construction, Mechanics and Materialmen's Liens; Notice of Work. Licensee will make no alteration, change, improvement or addition to the Grounding Equipment without the prior written consent of Licensor which will not be unreasonably withheld, conditioned or delayed. Licensee will be responsible for payment of any and all work performed on Licensee's behalf on the Grounding Equipment. In no event will Licensor be responsible for payment of any work relating to the Grounding Equipment, or any interest therein, be subject to any lien for payment of any construction or similar work performed by or for Licensee on or for the Grounding Equipment. Further, Licensee shall promptly notify the contractor performing any such work or alterations on the Grounding Equipment at Licensee's request or making such improvements to the Grounding Equipment at Licensee's request of this provision exculpating Licensor of responsibility for payment and liens. Notwithstanding the foregoing, if any mechanic's lien or other lien, attachment, judgment, execution, writ, charge or encumbrance is filed or recorded against any property of Licensor as a result of any work performed relating to the Grounding Equipment by or

for Licensee or for materials delivered to any property of any Licensor at Licensee's direction, Licensee shall, within sixty (60) days following written notice of any such lien, cause same to be paid, discharged or otherwise removed of record. In the event that Licensee fails to remove any such mechanics or materialmen's lien relating to Licensee's work relating to the Grounding Equipment, the Licensor may cause such lien to be removed and Licensee shall reimburse Licensor for all reasonable costs and expenses, including attorney's or paralegal fees incurred by Licensor within forty-five (45) days following receipt of Licensor's written invoice and supporting documentation.

12. Insurance. Licensor understands that Licensee self-insures, and that prior to accessing or using the Grounding Equipment, Licensee will provide each Licensor with a letter of such self-insurance. In the event that Licensee ceases to self-insure, then, during the Term of this Agreement, and thereafter so long as Licensee operates, uses or maintains any portion of the Grounding Equipment:

(a) Licensee shall procure and maintain, at Licensee's sole cost and expense, commercial general liability insurance providing coverage which protects Licensee and Licensor and the Licensor's Related Parties from and against any and all claims and liabilities for bodily injury, death and property damage arising from operations, Grounding Equipment liability, and fire with respect to the Grounding Equipment. Such insurance shall provide minimum coverage of $1,000,000.00 per occurrence and $2,000,000.00 aggregate. Licensee shall be and remain liable for and pay all deductibles and other amounts not covered, paid or reimbursed under the insurance policies.

(b) Licensee shall procure and maintain, at Licensee's sole cost and expense, workers' compensation insurance, as required by applicable law, and employers' liability insurance, with coverage amounts with a limit of (i) One Million Dollars ($1,000,000) for bodily injury per accident, (ii) One Million Dollars ($1,000,000) for bodily injury by disease per policy and (iii) One Million Dollars ($1,000,000) for bodily injury by disease per employee.

(c) Licensee shall procure and maintain, at Licensee's sole cost and expense, insurance with respect to the Grounding Equipment against loss or damage by perils customarily included under standard "all risk" (including windstorm) policies, in an amount equal to one hundred percent (100%) of the then full replacement value (without deducting depreciation) of such buildings, improvements, equipment and machinery, including the cost of removal of debris and Licensor shall be named as additional insured. Licensee has the right to self-insure this exposure.

(d) The certificate of insurance required herein for commercial general liability insurance, including, without limitation, all renewals, shall include a blanket additional insured endorsement and provide for at least thirty (30) days advance notice to Licensor of any non-renewal or cancellation. Licensee shall provide Licensor with a copy of certificates of insurance stating that the coverage as required herein is in full force and effect no later than the Effective Date. Licensee shall cause certificates of insurance or a self-insured letter in conformance with the requirements hereof to be promptly provided to Licensor for each subsequent policy renewal.

(e) Licensee's insurance in all instances shall be primary and any insurance that may be maintained by Licensor shall be in excess of and shall not contribute with Licensee's insurance. All insurance policies shall be issued by a company or companies licensed to do business in the State of Florida.

(f) Licensor shall have the right to periodically review the adequacy of the required insurance, its forms and types, the amounts of coverage and, notwithstanding any other provision of this Agreement, unilaterally modify the insurance requirements of this Section 12 by giving notice of such modification to Licensee. Such modification shall be as found reasonably necessary in the sole discretion of Licensor. Factors which may be considered by Licensor include, without limitation, changes in generally accepted insurance industry standards and practices, changes in use of the Grounding Equipment, changes in risk exposure, measurable changes in local and national economic indicators and changes in Licensor's policies and procedures.

(g) Licensee understands and acknowledges that the responsibility and obligation to provide and maintain insurance in the forms, types and coverages required herein are solely Licensee's responsibilities and obligations which continue for the entire Term of this Agreement, and until such time as Licensee no longer operates or enters the Grounding Equipment, whichever date is later.

(h) In the event that Licensee fails for any reason to procure or maintain insurance in the forms, types or coverages required and to name Licensor as an additional insured on the certificates of insurance, Licensee shall cure such material breach within fifteen (15) calendar days after Licensee is given notice of such breach. Should Licensee fail to cure the breach within such period or such other time as may be agreed to by the Parties in writing, Licensor in Licensor's sole discretion may, but is not obligated to, secure replacement insurance coverage at Licensee's sole expense. Should Licensor elect to secure replacement insurance, Licensee shall thereafter reimburse Licensor within fifteen (15) calendar days of Licensor's providing to Licensee an invoice for the costs and premiums incurred by Licensor for the replacement insurance coverage, plus an administrative charge of ten percent (10%) or $250.00, whichever is greater. Licensee shall continue to be responsible for the payment of all deductibles applicable to the insurance policies and all losses incurred with respect to any lapse in coverage. Should Licensee subsequently obtain the required insurance, Licensee shall remain responsible for and reimburse Licensor for all costs and expenses to Licensor for the insurance premiums incurred by Licensor and the administrative charges set forth in this Section 12(h).

(i) Licensee's obligations under this Section 12 shall survive the termination or expiration of this Agreement.

13. No Consequential Damages. Notwithstanding any other provisions in this Agreement to the contrary, neither Licensor (and none of Licensor's elected officials, directors, officers, employees, or lenders) nor Licensee (and none of Licensee's elected officials, directors, officers, employees, or lenders) shall be liable to the other Party for consequential, incidental, exemplary, punitive, anticipatory profits or indirect loss or damage of any nature, including, without limitation, loss of profit, loss of use, loss of operating time, loss of revenue, increased costs of producing revenues, cost of capital or loss of goodwill whether arising in tort, contract, warranty,

strict liability, by operation of law or otherwise, even if by such Party's, its representatives', agents', contractors', subcontractors', invitees' or licensees' negligence or fault, in connection with this Agreement, except to the extent claimed by third parties. The Parties further agree that the waivers and disclaimers of liability, indemnities, releases from liability, sole remedy provisions and limitations on liability expressed in this Agreement shall survive termination or expiration of this Agreement and shall extend to the parent, affiliates, and subsidiaries of each Party and their respective, partners, directors, officers, and employees and elected officials.

14. Removal or Sale of Grounding Equipment. Licensor may modify or abandon the Grounding Equipment as a part of a modification, relocation or other change to the Fiber Optic System. If Licensor permanently ceases to use the Fiber Optic System, or any portion thereof, and the Grounding Equipment is at that time reasonably needed in the Vero Beach Electric Utility, then Licensor will, upon request of Licensee, convey all its right, title and interest, if any, in or to the Grounding Equipment to Licensee, and Licensee will pay Licensor the fair market value of the Grounding Equipment to be conveyed to Licensee. Licensee will enter into a written agreement in connection with the conveyance of the Grounding Equipment whereby Licensee will agree to assume any and all responsibilities of Licensor associated with the Grounding Equipment and will indemnify Licensor from and against any losses associated therewith. In the event Licensor conveys title to the Grounding Equipment to a third party, the transferee shall be required to accept such conveyance subject to this Agreement.

15. Assignment. Licensor acknowledges that the License and Licensee's interests hereunder may be subject to the encumbrance of Licensee's pre-existing mortgage with Deutsche Bank Trust Company Americas. Licensee shall not otherwise mortgage or assign its License granted pursuant to this Agreement without the prior written consent of Licensor, and such consent may be withheld in Licensor's unfettered discretion unless such proposed assignment is to the purchaser of all or substantially all of the assets of Florida Power & Light Company, as a part of a bona fide sale by Florida Power & Light Company to a third party purchaser for value and in such event Licensor's consent will not be unreasonably withheld or delayed. Notwithstanding any assignment of this Agreement, Licensee will not be released from any of its obligations hereunder unless such assignee executes an assignment and assumption agreement in form reasonably acceptable to Licensor agreeing to be bound by the terms of this Agreement and Licensor determines in its reasonable discretion that such assignee is creditworthy. Further, any assignment in violation of this Section 16 shall be deemed void and a breach of this Agreement by Licensee.

16. Default and Remedies.

(a) **Licensee Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by Licensee**" under this Agreement by Licensee:

(i) The failure by Licensee to make any payment of the Fee or any other payment required to be made by Licensee hereunder, as and when due, which failure continues for a period of ten (10) days following notice given by Licensor to Licensee.

(ii) Failure by Licensee to observe or perform any of the covenants, conditions or provisions of this Agreement to be observed or performed by Licensee, where

such failure shall continue for a period of forty-five (45) days after notice thereof given by Licensor to Licensee. In the event the default cannot reasonably be cured within such forty-five (45) day period, Licensee shall not be in default if Agreement commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion. Notwithstanding the foregoing, if Licensor reasonably expects the default by Licensee to interfere with the regular operation of the Fiber Optic System, Licensee shall only be entitled to a notice of two (2) days to cure such default.

(iii) (A) The making by Licensee of any general arrangement or general assignment for the benefit of creditors; (B) Licensee becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Licensee, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Licensee's assets or of Licensee's interest in this Agreement, where possession is not restored to Licensee within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of Licensee's assets or of Licensee's interest in this Agreement, where such seizure is not discharged within sixty (60) days.

(b) **Licensor Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by Licensor**" under this Agreement by Licensor:

(i) Failure by Licensor to observe or perform any of the covenants, conditions or provisions of this Agreement to be observed or performed by Licensor, where such failure shall continue for a period of forty-five (45) days after notice thereof is given by Licensee to Licensor. In the event the default cannot reasonably be cured within such forty-five (45) day period, Licensor shall not be in default if Licensor commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by Licensor of any general arrangement or general assignment for the benefit of creditors; (B) Licensor becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Licensor, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Licensor 's assets, where possession is not restored to Licensor within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of Licensor's assets, where such seizure is not discharged within sixty (60) days.

(c) **Remedies.** If an Event of Default by Licensee or an Event of Default by Licensor occurs hereunder, the non-defaulting Party shall have the right at its option and without further notice, but subject to the limitations set forth in the last sentence of this subsection, to exercise any remedy available at law or in equity, including, without limitation, a suit for specific performance of any obligations set forth in this Agreement or any appropriate injunctive or other equitable relief, or for damages resulting from such event of default. The Parties agree that remedies at law may be inadequate to protect against any actual or threatened breach of this Agreement. In the

event of any breach or threatened breach, either Party shall have the right to apply for the entry of an immediate order to restrain or enjoin the breach and otherwise specifically enforce the provisions of this Agreement. If an Event of Default by Licensee occurs, Licensor may, in addition to any other remedies set forth in this Agreement or available under applicable law, accelerate any and all unpaid Fee due under this Agreement for the entire remaining Term, which amount shall be due and payable immediately. Notwithstanding the foregoing or anything to the contrary contained in this Agreement, in no event shall any Event of Default by Licensee or Event of Default by Licensor, terminate, or entitle any Party to terminate, rescind or cancel this Agreement or the rights granted hereunder. In the event that Licensee, by failing or neglecting to do or perform any act or thing herein provided by it to be done or performed, shall be in default under this Agreement, then Licensor may, but shall not be required to, do or perform or cause to be done or performed such act or thing, and Licensee shall repay to Licensor on demand the entire expense incurred within forty-five (45) days following receipt of Licensor's invoice and supporting documentation thereof. Any act or thing done by Licensor pursuant to the provisions of this subsection shall not be or be construed as a waiver of any such Event of Default by Licensee, or as a waiver of any covenant, term or condition herein contained or the performance thereof, or of any other right or remedy of Licensor, hereunder or otherwise. Licensor's liability under this Agreement shall be at all times limited to the fair market value of Licensor's interest in the Grounding Equipment. All amounts payable by Licensee to Licensor under this Agreement, if not paid when the amounts become due under this Agreement, shall bear interest from the date they become due until paid at the highest rate allowed by law.

17. Condemnation. If the Grounding Equipment or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of such power (all of which are herein called "**condemnation**"), this Agreement shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If so much of the Grounding Equipment is taken under the power of eminent domain such that the Grounding Equipment is no longer suitable for its intended use or suitable access cannot be provided to the Grounding Equipment, Licensee may, at Licensee's option, to be exercised in writing only within ten (10) days after Licensor shall have given Licensee notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Agreement as of the date the condemning authority takes such possession. If Licensee does not terminate this Agreement in accordance with the foregoing, this Agreement shall remain in full force and effect as to the portion of the Grounding Equipment remaining. Any award for the taking of all or any part of the Grounding Equipment under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Licensor; provided, however, that Licensee shall be entitled to any award for loss of Licensee's License.

18. Severability. If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (a) such portion or provision shall be deemed separate and independent, (b) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling or adjudication, and (c) the remainder of this Agreement shall remain in full force and effect.

19. Repair Obligations. Licensor shall have absolutely no obligations of any kind for the repair or maintenance of any part of the Grounding Equipment or any improvement or equipment related thereto. During the Term, Licensee shall repair any damage or casualty to and maintain the Grounding Equipment.

20. Termination. On the Expiration Date, or earlier termination of this Agreement, Licensee shall peaceably and quietly deliver possession of the Grounding Equipment to Licensor. Licensee agrees that, upon expiration or termination of this Agreement, Licensee will, within ten (10) business days of request by Licensor, execute and deliver to Licensor a release of this Agreement in recordable form. The foregoing provisions shall survive expiration or earlier termination of this Agreement.

21. Waivers. Any waiver by any Party with respect to this Agreement must be in writing, signed by the Party granting the waiver, and shall be limited to the express terms set forth in the waiver.

22. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

23. Binding Effect. This Agreement shall bind the Parties, and their respective successors and permitted assigns.

24. Force Majeure. In the event that either Licensor or Licensee is unable to fulfill, or shall be delayed or restricted in the fulfillment of any obligation, or the curing of a default, under any provision of this Agreement due to reasons outside of its reasonable control, or not wholly or mainly within such Party's reasonable control, including strike, lock-out, war, acts of military authority, acts of terrorism, sabotage, rebellion or civil commotion, fire or explosion, flood, wind, storm, hurricane, water, earthquake, acts of God or other casualty or by reason of any statute or law or any regulation or order passed or made, or by reason of any order or direction of any administrator, controller, board or any governmental department or officer or other authority (other than, in the case of Licensor claiming relief under this Section 25, any statute or law or any regulation or order passed or made, or by reason of any order or direction of, any administrator, controller, board or any governmental department or officer or other authority of Licensor), and whether of the foregoing character or not, such Party shall, so long as any such impediment exists, be relieved from the fulfillment of such obligation and the other Party shall not be entitled to compensation for any damage, inconvenience, nuisance or discomfort thereby occasioned or to terminate this Agreement.

25. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

26. Attorneys' Fees. In the event Licensee or Licensor defaults in the performance of any of the terms, covenants, conditions, agreements, or provisions contained in this Agreement and Licensor or Licensee employs attorneys and brings suit in connection with the enforcement of this Agreement or any provision hereof or the exercise of any of its remedies hereunder, then the prevailing Party in any suit so instituted shall be promptly reimbursed by the other Party for all reasonable attorneys' fees and expenses so incurred, including, without limitation, any such fees

and expenses incurred in appellate, bankruptcy and post-judgment proceedings. Any monetary judgment rendered in any litigation concerning this Agreement shall bear interest at the highest rate allowed by applicable law. The foregoing provisions shall survive expiration or earlier termination of this Agreement.

27. Notices. Every notice, approval, consent or other communication required or permitted under this Agreement shall be in writing, shall be deemed to have been duly given on the date of receipt, and shall be deemed delivered if either served personally on the Party to whom notice is to be given, or sent to the Party to whom notice is to be given, by overnight courier or by first class registered or certified mail (return receipt requested), postage prepaid, and addressed to the addressee at the address stated opposite its name below, or at the most recent address specified by notice given to the other Party in the manner provided in this Section.

To Licensor:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Manager
With a required copy to:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Attorney
To Licensee:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Corporate Real Estate
With a required copy to:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Law Department

28. Recording. A memorandum of this Agreement executed by Licensor and Licensee may be recorded in the public records.

29. No Personal Liability. Excluding any successor-in-interest to Licensor or Licensee under this Agreement, notwithstanding anything to the contrary in this Agreement, no present or future parent, subsidiary, affiliate, member, principal, shareholder, manager, officer, official, director, or employee of Licensee or Licensor will be personally liable, directly or indirectly, under or in connection with this Agreement, or any document, instrument or certificate securing or otherwise executed in connection with this Agreement, or any amendments or modifications to any of the foregoing made at any time or times, or with respect to any matter, condition, injury or loss related to this Agreement, and each of the Parties, on behalf of itself and each of its successors and assignees, waives and does hereby waive any such personal liability.

30. Entire Agreement. This Agreement contains the entire agreement between the Parties hereto with respect to the subject matter of this Agreement, and supersedes all previous negotiations leading thereto, and it may be modified only by an agreement in writing executed and delivered by Licensor and Licensee. Any formally executed addendum to or modification of this Agreement shall be expressly deemed incorporated by reference herein unless a contrary intention is clearly stated therein. All exhibits attached to this Agreement are expressly incorporated herein by this reference.

31. Governing Law; Forum. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF LICENSOR AND LICENSEE, LICENSEE'S USE OF THE GROUNDING EQUIPMENT, OR ANY CLAIM FOR INJURY OR DAMAGE, SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

32. WAIVER OF JURY TRIAL. THE PARTIES HERETO SHALL, AND THEY HEREBY DO, IRREVOCABLY WAIVE TRIAL BY JURY IN ANY AND EVERY ACTION OR PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF LICENSOR AND LICENSEE, LICENSEE'S USE OF THE GROUNDING EQUIPMENT, AND ANY CLAIM FOR INJURY OR DAMAGE. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

33. Licensor/Licensee Relationship; and Third Party Beneficiaries. This Agreement creates a Licensor/Licensee relationship, and no other relationship, between the Licensor and Licensee. This Agreement is for the sole benefit of the Parties hereto and, except for assignments permitted hereunder, no other person or entity shall be a third party beneficiary hereunder.

34. No Waiver of Regulatory Authority. Nothing in this Agreement constitutes a waiver of Licensors' regulatory, public safety or other municipal or governmental authority with respect to the Grounding Equipment or any other matter. Further, nothing in this Agreement shall be deemed to waive any Party's right of eminent domain.

35. Sovereign Immunity. Licensors are entities whose limits of liability are set forth in section 768.28, Florida Statutes, and nothing herein shall be construed to extend the liabilities of any Licensor beyond that provided in section 768.28, Florida Statutes. Further, nothing herein is intended as a waiver of any Licensor's sovereign immunity under section 768.28, Florida Statutes. Nothing hereby shall inure to the benefit of any third party for any purpose, including but not

limited to, anything which might allow claims otherwise barred by sovereign immunity or operation of law.

36. Time, Interpretation. In computing any period of time pursuant to this Agreement, the day of the act, event, or default from which the designated period of time begins to run shall not be included, but the time shall begin to run on the next succeeding day. The last day of the period so computed shall be included, unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or legal holiday. A legal holiday as used in this Agreement includes days on which banks in Vero Beach, Florida are not open for regular business. Time is of the essence. The captions in this Agreement are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof. This Agreement shall not be construed more strongly against or for either Party regardless of the drafter. Unless the context otherwise requires, (a) all references to Sections or Exhibits are to Sections or Exhibits in or to this Agreement, and (b) words in the singular or plural include the singular and plural and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter and the term "including" shall mean by way of example and not by way of limitation.

[Remainder of page intentionally blank; Signature pages follows]

City of Vero Beach Execution Pages

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the Effective Date.

ATTEST:

_____
Tammy K. Bursick
City Clerk

CITY OF VERO BEACH

By:_____
Laura Moss
Mayor

[SEAL]

ADMINISTRATIVE REVIEW

(For Internal Use Only–Sec. 2-77 COVB Code)

Approved as to form and legal sufficiency:

Wayne R. Coment
City Attorney

Approved as conforming to municipal policy:

James R. O'Connor
City Manager

Approved as to technical requirements:

Ted Fletcher
Director of Electric Utility Operations

Approved as to technical requirements:

Cynthia D. Lawson
Director of Finance

Approved as to technical requirements:

Timothy J. McGarry
Director of Planning and Development

Indian River County Execution Page

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the Effective Date.

ATTEST:

INDIAN RIVER COUNTY,
a political subdivision of the State of Florida

_____

By:_____

[SEAL]

School Board of Indian River County, Florida Execution Page

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the Effective Date.

ATTEST:	**SCHOOL BOARD OF INDIAN RIVER COUNTY FLORIDA**
_____	By:_____

[SEAL]

Florida Power & Light Company Execution Page

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the Effective Date specified in this Agreement.

LICENSEE:

FLORIDA POWER & LIGHT COMPANY,
a Florida corporation

By:_____
Name:_____
Title:_____

SCHEDULES

TO THE

ASSET PURCHASE AND SALE AGREEMENT

BY AND BETWEEN

THE CITY OF VERO BEACH, FLORIDA,
AS SELLERS

AND

FLORIDA POWER & LIGHT COMPANY,
AS BUYER

These Disclosure Schedules (the "***Schedules***" and each, a "***Schedule***") are delivered by the City of Vero Beach, a municipal corporation organized under the laws of the State of Florida ("***Seller***") and Florida Power & Light Company, a corporation organized under the laws of the State of Florida ("***Buyer***") in connection with the execution and delivery of that certain Asset Purchase and Sale Agreement dated as of [_____], by and between Buyer and Seller (the "***Agreement***"). Unless otherwise defined herein, capitalized terms used but not defined in these Schedules shall have the meanings given to such capitalized terms in the Agreement. The representations and warranties set forth in the Agreement are made and given subject to the disclosures in these Schedules. These Schedules are arranged in sections corresponding to the numbered and lettered sections and subsections contained in the Agreement, provided that any fact or item disclosed on one Schedule shall be deemed to be disclosed on all other Schedules if the relevance or applicability of such fact or information to such other Schedules is reasonably apparent on its face (it being understood that to be so reasonably apparent, it is not required that such other Schedules and/or subsections be cross-referenced).

Any fact or item disclosed on any Schedule to the Agreement shall not by reason of such disclosure be deemed to be material and shall not be employed as a point of reference in determining any standard of materiality under the Agreement. Certain agreements and other matters are listed in these Schedules for informational purposes only, notwithstanding the fact that, because they do not rise above applicable materiality thresholds or otherwise, they are not required to be listed herein by the terms of the Agreement. These Schedules are qualified in their entirety by reference to specific sections and subsections of the Agreement. In no event shall the listing of such agreements or other matters in these Schedules be deemed or interpreted to broaden or otherwise amplify, or to detract from or limit (except as expressly provided in the applicable representation, warranty, covenant or agreement contained in the Agreement that refers to such Schedule), any of the representation, warranties, covenants or agreements contained in the Agreement and nothing in these Schedules shall influence the construction or interpretation of any of the representation, warranties, covenants or agreements contained in the Agreement.

In disclosing this information, each of Seller and Buyer, as the case may be, expressly does not waive any attorney client privilege associated with such information or any protection afforded by the work product doctrine with respect to any of the matters disclosed herein. The mere inclusion of information in these Schedules regarding the possible existence of a violation, right of termination, default, liability or other obligation of any kind with respect to any item or as an exception to a representation or warranty will not, by itself, be construed as, and will not constitute an admission or agreement that any such violation, right of termination, default, liability or other obligation of any kind exists or be deemed an admission of liability or obligation of Seller or Buyer, as the case may be, or an admission or evidence that such item represents a material fact, event or circumstance nor shall it establish a standard of materiality for any purpose whatsoever.

Schedule 1.1(17)

Assumed Contracts

1. Emerson 138 KV Interconnection Agreement among Buyer, Fort Pierce Utilities Authority, and Seller dated March 24, 1993 [grants a ROFR – Section 4.13(a)(iv)]
2. Agreement dated as of September 15, 1959 by and between the City of Vero Beach and Florida Cablevision, Corp., as amended by the Addendum Agreement dated as of May 31, 1960
3. Joint Use Agreement dated as of March 2, 1982 by and between Southern Bell Telephone and Telegraph Company and the City of Vero Beach
4. Permit and Interlocal Agreement (No. VB-2) dated as of March 21, 2012 by and between Indian River Farms Water Control District and the City of Vero Beach
5. Permit and Interlocal Agreement (No. VB-5) dated as of March 21, 2012 by and between Indian River Farms Water Control District and the City of Vero Beach
6. Permit and Interlocal Agreement (No. VB-6) dated as of March 21, 2012 by and between Indian River Farms Water Control District and the City of Vero Beach
7. Service Agreement for Network Integration Transmission Service between Florida Power & Light Company and the City of Vero Beach dated February 16, 2009]
8. Contract for Interchange Service Between Florida Power & Light Company and the City of Vero Beach dated November 10, 1981
9. Emerson 138 KV Interconnection Agreement among Buyer, Fort Pierce Utilities Authority, and Seller dated March 24, 1993
10. Tie-Line Agreement Between Fort Pierce Utilities Authority and Seller dated May 5, 1992, as amended by that certain First Amendment to Fort Pierce-Vero Beach Tie-Line Agreement dated as of April 19, 2016
11. PCS Site Agreement between MetroPCS California/Florida, Inc. and the City of Vero Beach August 2, 2005
12. Lease Agreement between Bellsouth Mobility, Inc. and the City of Vero Beach dated January 20, 1993, as amended by Amendment to Lease dated August 10, 1993, assigned by Bellsouth Mobility, Inc. to Crown Castle International
13. Blanket License Agreement between Florida East Coast Railway Company and the City of Vero Beach dated August 8, 1996

Schedule 1.1(50)

Specific Customer Service Assets

[1. Four (4) Itron used by meter readers

2. Access cards and keys to access metered devices

3. Meter Readers (3)

4. Vehicles (4)

5. Hand held radios (4)

6. Computers (13)

7. Desk/Chair (13)]

Schedule 1.1(61)

Easements

[See next [___] pages]

BOOK/PAGE RECORDED	NATURE OF GRANT	SECTION LOCATION
DB 7, Page 342 10/27/1938	Easement from Belle Didlake for construction and maintenance of electric transmission line	N end of W 19.54 Acres of Tract 9 05-33-39
MTGB 14, Page 6 08/27/1947	Subordination from Elwin A, & Mildred Ross for .... sewers, poles, water pipes, drains, telephone & electric cables	Fanitha Place PBI 1- 96, N 5' of W 100 Tract A 01-33-39
MTGB 14, Page 9 09/27/1940	Subordination from Mary Anthony, easement for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Palm Addition PBS 4-8, St. Lucie. S 5' Lots 9,10 01-33-39
DB 20, Page 435 06/08/1948	Easement from Michael & Ria Rueter for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision PBS 4-38, St. Lucie, S 5' Lots 6,7; Blk 4 01-33-39.
DB 20, Page 437 06/07/1948	Easement from Josephine& Louis LaCava for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision PBS 4-38 St. Lucie, S 5' Lots 3,4; Blk4 01-33-39.
DB 20, Page 439 07/27/1948	Perpetual Easement from Buelah & AR Michael [much cannot be read; poor quality]...for .... poles, water pipes, drains, telephone & electric cables	Keystone Subdivision Plat Bk 4-P 38 St. Lucie, 5' 01-33-39
DB 20, Page 440 07/27/1948	Easement from Margaret Godel, Widow — easement for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision PB4-38, 5',St. Lucie 01-33-39
DB 20, Page 441 07/27/1948	Easement from Charles & Viola Seraphine for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision PB 4-38 , 5'St. Lucie 01-33-39
DB 20, Page 442 07/27/1948	Easement from Carl & Corinne Clyatt for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision PB 4-38 , 5' St. Lucie 01-33-39
DB 20, Page 443 07/27/1948	Easement for Orla and Leah Shelton for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision PB 4-38, 5' St. Lucie 01-33-39
DB 20, Page 444 07/27/1948	Easement from AO and Ruth MacConnell for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision PB 4-38 , 5'St. Lucie 01-33-39
DB 20, Page 445 07/27/1948	Easement from Henry & Alice Murray for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision PB 4-38 , 5' St. Lucie 01-33-39
DB 20, Page 446 07/27/1948	Easement from Jessie & WR Rye for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision PB 4-38, 5' St. Lucie 01-33-39
DB 20, Page 447 07/27/1948	Easement from John & Mildred Beck for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision PB4-38 , 5' St. Lucie 01-33-39
DB 20, Page 448	Easement from George & Eva Titus for	Keystone Subdivision

07/27/1948	sewers, poles, water pipes, drains, telephone & electric cables or ducts	PB4-38 , 5' St. Lucie 01-33-39
DB 20, Page 449 07/27/1948	Perpetual Easement from Lars & Julia Reese for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision PB4-38, 5' St. Lucie 01-33-39
DB 20, Page 450 07/27/1948	Perpetual Easement from Royal Park Service CO. for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Hiko Park P131-79, 5' 1-33-39
DB 20, Page 452 7/27/1948	Perpetual Easement from Stephen & Theresa Russ for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Hiko Prk PB1-79, 5' 1-33-39
DB 20, Page 453 07/27/1948	Perpetual Easement from GC Bartlett & Anna Bartlett for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Frasier Park PB1-4, 5' 01-33-39
DB 20, Page 454 07/27/1948	Perpetual Easement Matthew & Katherine Faerber for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Frasier Park PB1-4, 5' 01-33-39
DB 20, Page 455 07/27/1948	Perpetual Easement from Frank & Mary Powers for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Frasier Park PB1-4, 5' 01-33-39
DB 20, Page 456 07/27/1948	Perpetual Easement from Janet Halcrow for Sewers, poles, water pipes, drains, telephone & electric cables or ducts	Frasier Park PB 1-4, 5' 01-33-39
DB 20, Page 457 07/27/1948	Perpetual Easement PW & Millie Lorenz for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Orange Grove Park Re-plat PB2-25, 5' 01-33-39
DB 20, Page 458 07/27/1948	Perpetual Easement from Carl & Corrinne Clyatt for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Orange Grove Park Re-plat 2-25, 5' 01-33-39
DB 20, Page 459 07/27/1948	Perpetual Easement from MK & MJ Young for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Palm Addition 4-8 , 5 St. Lucie 01-33-39
DB 20, Page 460 07/27/1948	Perpetual Easement from Benjamin Hodgson for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Palm Addition 4-8 , 5' St. Lucie 01-33-39
DB 20, Page 461 07/27/1948	Perpetual Easement Benjamin & Genevieve Hodgson for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Palm Addition PB 4-8, 5' St. Lucie 01-33-39
DB 20, Page 462 07/27/1948	Perpetual Easement from Lois E & OP Ward for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Palm Addition 4-8 , 5' St. Lucie 01-33-39
DB 20, Page 463 07/27/1948	Perpetual Easement from Clyde & Wylene Stansel for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Palm Addition 4-8, 5' St. Lucie 01-33-39
DB 20, Page 464 07/27/1948	Perpetual Easement from Mary Miles for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Palm Addition 4-8 , 5 St. Lucie 01-33-39
DB 20, Page 465 07/27/1948	Perpetual Easement from Viola Ferguson, Burdella Ferguson & James Ferguson for sewers, poles, water pipes, drains, telephone	W. V. Rogers Subdivision 4-51 , 5' St. Lucie 01-33-39

	& electric cables or ducts	
DB 20, Page 466 07/27/1948	Perpetual Easement from WF & Fannie Cox for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Fanithia Place 1-96, 5' 01-33-39
DB 20, Page 467 07/27/1948	Perpetual Easement from SL & Enid Morris for sewers, poles, water pipes, drains, telephone & electric cables or ducts	H.T. Gifford Estate 1-13, 5' & 10', St. Lucie 01-33-39
DB 20, Page 468 07/27/1948	Perpetual Easement form Oliver & Lydia DeCoteau for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Tuten's Subdivision 4-10 , 5'St. Lucie 01-33-39
DB 20 Page 469 07/27/1948	Perpetual Easement from Oliver & Lydia DeCoteau for sewers, poles, water pipes, drains, telephone & electric cables or ducts	King's Subdivision 4-9 , 5' St. Lucie 01-33-39
DB 20, Page 470 07/27/1948	Perpetual Easement Lula Goodknight for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Tuten's Subdivision 4-10, 5' St. Lucie 01-33-39
DB 20, Page 471 07/27/1948	Perpetual Easement Charles & Liney Bird for sewers, poles, water pipes, drains, telephone & electric cables or ducts	King's Subdivision 4-9, 5' St. Lucie 01-33-39
DB 20, Page 472 07/27/1948	Perpetual Easement from Waldo & "Elisebeth" Sexton for sewers, poles, water pipes, drains, telephone & electric cables or ducts	East Side Subdivision 4-12 , 5' St. Lucie 01-33-39
DB 20, Page 473 07/27/1948	Perpetual Easement from Vero Beach Dairy, Inc. for sewers, poles, water pipes, drains, telephone & electric cables or ducts	East Side Subdivision 4.12 , 5' St. Lucie 01-33-39
DB 20, Page 474 07/27/1948	Perpetual Easement from Thelma Hart for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Citrus Park 5-28 , 5' St. Lucie 01-33-39
DB 20, Page 475 07/27/1948	Perpetual Easement from Lois & JO Ward for sewers, poles, water pipes, drains, telephone & electric cables or ducts	East Side Subdivision 4-12 St. Lucie 01-3, 5'3-39
DB 20, Page 476 07/27/1948	Perpetual Easement from AC & Ruth MacConnell for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-66 , 5' St. Lucie 01-33-39
DB 20, Page 477 07/27/1948	Perpetual Easement from Paul & Frances Seller for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-66 , 5' St. Lucie 01-33-39
DB 20, Page 478 07/27/1948	Perpetual Easement from Florence & Clarence Johnson for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks I, 2 & 3 4-66, 5' St. Lucie 01-33-39
DB 20, Page 479 07/27/1948	Perpetual Easement from Arthur & Nora Talbert for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-66 , 5' St. Lucie 01-33-39
DB 20, Page 480 07/27/1948	Perpetual Easement from Joshua & Ada Carney for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-66, 5' St. Lucie 01-33-39
DB 20, Page 481 07/27/1948	Perpetual Easement from Josephine Zorn for sewers, poles, water pipes, drains, telephone	Royal Park Plat No. 3 4-88 , 5' St. Lucie

	& electric cables or ducts	36-32-39
DB 20, Page 482 07/27/1948	Perpetual Easement from Clifton & Jennie Phillips for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-79, 5' St. Lucie 36-32-39 31-32-40 01-33-39 06-33-40
DB 20, Page 483 07/27/1948	Perpetual Easement from Glades & Ormond Taylor for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 PB 4-79 St. Lucie , 5' 36-32-39 31-32-40 01-33-39 06-33-40
DB 20, Page 484 07/27/1948	Perpetual Easement from Alfred & Effie Strong for sewers, poles, water pipes, drains, telephone & electric cables or ducts	1-33-39, 5'
DB 20, Page 485 07/27/1948	Perpetual Easement from Charles & Grace Spear for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3 4-88 , 5' St. Lucie 36-32-39
DB 20, Page 503 07/29/1948	Dedication from Alice Lee Pfarr & DA Pfarr ...right to enter and use for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Citrus Park 5-28, 5' St. Lucie 01-33-39
DB 28, Page 210 03/14/1938	Perpetual Easement from Alfred Warren for electric power line and appurtenances...vegetation maintenance and for guy wires	16-33-39, as described
DB 28, Page 231 03/24/1938	Perpetual Easement from Allen & Lena Reams for electric power line and appurtenances...vegetation maintenance and for guy wires	13-33-39, as described
DB 28, Page 426 12/19/1938	Perpetual Easement from OC & Amanda Helseth for an easement & ROW for the construction & maintenance of an electric transmission line and appurtenances, together with access	50' 24-33-39 19-33-40
DB 28, Page 427 12/19/1938	Perpetual Easement George & Mary Helseth for an easement & ROW for the construction & maintenance of an electric transmission line and appurtenances, together with access	30-33-40. as described
DB 28, Page 428 12/19/1938	Perpetual Easement from Albert & Ruth Helseth for an easement & ROW for the construction & maintenance of an electric transmission line and appurtenances, together with access	19-33-40, as described
DB 28, Page 498 03/15/1939	Perpetual Easement from CE and Harrietta Cobb for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Groveland 1-25, 5' 03-33-39
DB 32, Page 243	Perpetual Easement from L. Thompson King	01-33-39, 5'

01/13/1941	& Eunice King for water lines, poles, electric cables and other public utilities, together with access	
DB 32, Page 261 02/24/1941	Agreement from Indian River Farms Drainage District to City for Easement to use all ROW owned by the District which lie within Section 35-T32S-R39E & North of the Main Canal within said section. The ROW being the N side of the Main Cana of Later I, Sub-lateral I-1 & 1-2 within such section.....details how runways for the airport shall cross laterals	35-32-39
DB 32, Page 272 03/06/1941	Perpetual Easement from Eugene & Cora Gollnick for an easement & ROW for the construction & maintenance of an electric transmission line and appurtenances, together with access	09-33-39
DB 32, Page 273 03/06/1941	Perpetual Easement from Chris & Cava Robertson for an easement & ROW for the construction & maintenance of an electric transmission line and appurtenances, together with access	West part of Tract [15? 13?] 09-33-39
DB 32, Page 284 03/10/1941	Perpetual Easement from Alfred & Ruby Warren for an easement & ROW for the construction & maintenance of an electric transmission line and appurtenances, together with access	North end of the West 20 acres of Tract 5 (3?) in 16-33-39 appx. 35' S of the S ROW line of the Indian River Farms Drainage District along Osceola Blvd.)
DB 32, Page 316 04/04/1941	Perpetual Easement from TA & Lola Stewart for an easement & ROW for the construction & maintenance of an electric transmission line and appurtenances, together with access	N ½ of E 20 acres of Tract 9, 05-33-39
DB 36, Page 259 08/17/1943	Perpetual Easement from Louis & Ella Dellerman for public utilities, drainage ditches & other municipal purposes	Osceola Park Home Sites Addition to Vero West 1 'A ' of Lots 3 & 4, Block 6 and N 2' of Lot 37 (32?), Block 8 3-58 St. Lucie 02-33-39
DB 44, Page 507 01/27/1947	Easement Lee & Minnie Sell for erection of power lines, telephone poles, sewers, drains, and any public utility purposes	Vero Original Town, PBS 2-12, St Lucie; N 15' of Lot 6; Blk 47 2-33-39
DB 44, Page 514 08/18/1947	Easement Edgar & Maxine MacWilliam for erection of power lines, telephone poles, sewers, drains, and any public utility purposes	Vero Original Town, PBS 2-12, St Lucie; W 17.85' of N 13.1' of E 50' of Lot 6, Blk 47 2-33-39
DB 44, Page 517 01/27/1947	Easement Lee & Minnie Sell for erection of power lines, telephone poles, sewers, drains, and any public utility purposes	Vero Original Town, PBS 2-12, St Lucie; W 5' of Lot 7; & W 5' of S 35' Lot 6; Blk 47 2-33-39

DB 50, Page 123 04/24/1948	Easement P.W. & Millie Lorenz for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Original Town, PBS 2-12, St Lucie; Rear 5' of Lots 8,9; Blk 12 & Lots 12-14; Blk 25 2-33-39
DB 51, Page 77 08/18/1948	Perpetual Easement from Roy & Arline Cameron for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Palm Addition 4-8 , 5' St. Lucie 01-33-39
DB 51, Page 78 08/18/1948	Perpetual Easement from Fred & Lynda' Mills for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-66 , 5' St. Lucie 01-33-39
DB 51, Page 79 08/18/1948	Perpetual Easement from Theresa Battenfiled for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Orange Grove Park 1-55, 5' 1-33-39
DB 51, Page 80 08/18/1948	Perpetual Easement Marie & HH Gifford for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Hiko Park 1-79, 5' 1-33-39
DB 51, Page 81 08/18/1948	Perpetual Easement from HS & Doris Malm for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Hiko Park 1-79, 5'. 1-33-39
DB 51, Page 82 08/18/1948	Perpetual Easement AR & Valeree Odom for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision 4-38 , 5' St. Lucie 01-33-39
DB 51, Page 83 08/18/1948	Perpetual Easement from Ray & Wilma Williams for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision 4-38, 5' St. Lucie 01-33-39
DB 51, Page 84 08/18/1948	Perpetual Easement from JL & Alyine Burk for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision- Plat Book 4 P 38 St. Lucie, rear 5' of Lots 11 & 12, Block 4, 01-33-39
DB 51, Page 85 08/18/1948	Perpetual Easement from Wanda Sober for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Anthony's Addition Plat Bk 1, P 20—Rear 5' of Lots 3 through 25, 1-33-39
DB 51, Page 86 08/18/1948	Perpetual Easement from John & Myrtle McCall for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Anthony's Addition Plat Bk 1 P-20, South 5' of Lots 11 & 12 1-33-39
DB 51, Page 87 08/18/1948	Perpetual Easement Virginia & John Gaston for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Palm Addition Plat Bk 4 P-8 St. Lucie, South 5' of Lots 9 & 10 01-33-39
DB 51, Page 88 08/18/1948	Perpetual Easement from Mattie Orice for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Palm Addition Plat Bk 4 P-8 , Rear 5' of Lots 13 & 14 St. Lucie 01-33-39
D13 51, Page 89 08/18/1948	Perpetual Easement from Joseph & Nora Rogers for sewers, poles, water pipes, drains, telephone & electric cables or ducts	W. V. Rogers Subdivision 4-51 , N 5' of Lots 4 & 5, St. Lucie 01-33-39
DB 51, Page 90 08/18/1948	Perpetual Easement from Ralph & Wilma Galvin for sewers, poles, water pipes, drains, telephone & electric cables or ducts	H.T. Gifford Estate 1-13 , S5' of Lot 13 & N5' of Lot 13 St. Lucie

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DB 51, Page 91 08/18/1948	Perpetual Easement from Morris & Anna Moore for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Booker T. Washington Addition To The Town Of Vero 2-34 , W5' of Lot 2 Block 7, St. Lucie 35-32-39
DB 51, Page 92 08/18/1948	Perpetual Easement from Harry & Mary Jackson for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Booker T. Washington Addition To The Town Of Vero 2-34 , E 5' of Lots 9 & 10 St. Lucie 35-32-39
DB 51, Page 93 08/18/1948	Perpetual Easement from Henry & Tessie Benton for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Booker T. Washington Addition To The Town Of Vero 2-34 , E5' of Lots 9 of Block 2 St. Lucie 35-32-39
DB 51, Page 94 08/18/1948	Perpetual Easement from Harrison Parker for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Booker T. Washington Addition To The Town Of Vero 2-34 , E5' of Lot 14, Block 2 St. Lucie 35-32-39
DB 51, Page 95 08/18/1948	Perpetual Easement from Julius Johnson for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Booker T. Washington Addition To The Town Of Vero 2-34 , E5' of Lot 5 , Block 4 St. Lucie 35-32-39
DB 51, Page 96 08/18/1948	Perpetual Easement from Alice Thomas for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Booker T. Washington Addition To The Town Of Vero 2-34 , W5' of Lot 8 Block2 St. Lucie 35-32-39
DB 51, Page 97 08/18/1948	Perpetual Easement from Henry & Anna Meyer for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Duncan's Re-Subdivision 4-70 , S5', Lot 1 St. Lucie 01-33-39
DB 51, Page 98 08/18/1948	Perpetual Easement from LM & Ruby Bell for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Dr. Richard E. Bullington's Subdivision Plat Bk 2, P-5, E 5' of property described St. Lucie 01-33-39
DB 51, Page 99 08/18/1948	Perpetual Easement from Gilmore & Eunice LaForrest for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 4 Plat Book 5-P 30 St. Lucie, Rear 5 ' Lots 33 & 37, Block 21 36-32-39 01-33-39
DB 51, Page 100 08/18/1948	Perpetual Easement MD Council for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2. Plat Bk 4 P-79 St. Lucie, rear 5' of Lot 32, Block 16 36-32-39 31-32-40 01-33-39 06-33-40
DB 51, Page 101 08/18/1948	Perpetual Easement from Harold & Eleanor Smith for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2, Plat Bk 4-P79 St. Lucie, S 5' of Lots 14, 15,16, Block 15 36-32-39 31-32-40 01-33-39

		06-33-40
DB 51, Page 102 08/18/1948	Perpetual Easement from Wilfred & Grace Beardsley for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2, Plat Bk 4-P 79 St. Lucie, Rear 5' Lots 20 & 21, Block 15 36-32-39 31-32-40 01-33-39 06-33-40
DB 51, Page 103 08/18/1948	Perpetual Easement Mildred & Clarence Fuller for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2, Plat Bk 4-P79 St. Lucie S 5', Lots 1 to 6, Block 15 36-32-39 31-32-40 01-33-39 06-33-40
DB 51, Page 104 08/18/1948	Perpetual Easement J. Lee & Mary Austin for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2, Plat Bk 4-P 79 St. Lucie, S 5' Lots 17, 16, 19, Block 15 36-32-39 31-32-40 01-33-39 06-33-40
DB 51, Page 105 08/18/1948	Perpetual Easement TE & Verdie Hogan for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Fair Park Plat Bk 2-P61 N5' Lots 1-5, Block 1, 36-32-39
DB 51, Page 106 08/18/1948	Perpetual Easement Frank & Dorothy Cox for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Fair Park 2-61, N5' Lot 7, Block 2 36-32-39
DB 51, Page 107 08/18/1948	Perpetual Easement from Fred & Odessa Mae Collier for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3, Plat Bk 4-P88 St. Lucie, Rear 5', Lot 12, B6 36-32-39
DB 51, Page 108 08/18/1948	Perpetual Easement from Robert & Lillian Carter for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3, Plat Bk 4-P 88 St. Lucie, rear 5' Lot 1, Bl5 36-32-39
DB 51, Page 109 08/18/1948	Perpetual Easement from William & Anna Coffey for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3, P1 Bk 4-P 88 St. Lucie, rear 5' of S2 Lot 14 & Rear 5' Lot 13, Bl5 36-32-39
DB 51, Page 110 08/18/1948	Perpetual Easement from Harry & Gladys Damerow for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2, Plat bk 4-P79 St. Lucie, Rear 5' of Lot 5, Bl5 36-32-39 31-32-40 01-33-39 06-33-40
DE 51, Page 111 08/18/1948	Perpetual Easement from Gordon & Ruby Beatty for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Nat No. 3, Plat Bk4-P88 St. Lucie, Rear 5' Lots 20,22, Block 4; 24, Bl 5; 23 [29?], BI 5; Lot 15,16, Bl 6 36-32-39
DB 51, Page 112 08/18/1948	Perpetual Easement from Mary Bushnell for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-66 ,E5' Lot 17 bl2 St. Lucie

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DB 51, Page 113 08/18/1948	Perpetual Easement from Ervan & Nora Wetmore for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-66 ,S5' of Lots 4,5,6 ; W5' & N5' Lot 7; E5' of S 18' of Lot4, bll St. Lucie 01-33-39
DB 51, Page 114 08/18/1948	Perpetual Easement from Horace & Grace Bishop for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Tuten's Subdivision 4-10, rear 5' lot 23 St. Lucie 01-33-39
DB 51, Page 115 08/18/1948	Perpetual Easement from John & Juliaette for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Tuten's Subdivision 4-10 St. Lucie, s 5' OF LOT 4 01-33-39
DB 51, Page 116 08/18/1948	Perpetual Easement from SW & Hattie Wall for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Tuten's Subdivision 4-10 St. Lucie S5' Lot 10 01-33-39
DB 51, Page 117 08/18/1948	Perpetual Easement from Ray & Edna McCarty for sewers, poles, water pipes, drains, telephone & electric cables or ducts	King's Subdivision 4-9 St. Lucie, rear 5' lots 21 & 22 01-33-39
DB 51, Page 118 08/18/1948	Perpetual Easement from OD & Verna Rymer for sewers, poles, water pipes, drains, telephone & electric cables or ducts	King's Subdivision 4-9 St. Lucie, rear 5' lot 24 01-33-39
DB 51, Page 119 08/18/1948	Perpetual Easement from Louis & Margaret Votzi for sewers, poles, water pipes, drains, telephone & electric cables or ducts	King's Subdivision 4-9 St. Lucie S5' lots 1 & 2 01-33-39
DB 51, Page 120 08/18/1948	Perpetual Easement from WC & Rose King for sewers, poles, water pipes, drains, telephone & electric cables or ducts	King's Subdivision 4-9 St. Lucie S5' of Lots 3 & 4, N5' lot 23 01-33-39
DB 51, Page 121 08/18/1948	Perpetual Easement from Clark & Gladys Rice for sewers, poles, water pipes, drains, telephone & electric cables or ducts	H.T. Gifford Estate 1-13 St. Lucie 10' strip running E/W over center of Lot 22 01-33-39
DB 51, Page 122 08/18/1948	Perpetual Easement Joseph & Nora for sewers, poles, water pipes, drains, telephone & electric cables or ducts	H.T. Gifford Estate 1-13 St. Lucie S5' of N2 of W 132.19' Lot 27 01-33-39
DB 51, Page 123 08/18/1948	Perpetual Easement from Elwin & Mildred Ross, JR. for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Fanithia Place 1-96, N5' of W100', Tract A 01-33-39
DB 51, Page 279 09/14/1948	Perpetual Easement Homer & Vallie Fletcher for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Duncan's Re-Subdivision 4-70 St. Lucie, rear 5', lot 9 01-33-39
DB 51, Page 281 09/14/1948	Perpetual Easement from Jerry & Dodie McCall for an alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Joel Knight's Addition To Vero 3-13 St. Lucie, W5' of Lot 4, bl 1 01-33-39
DB 51, Page 282 09/14/1948	Perpetual Easement from Addie Vaughn for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Steele's Re-subdivision of Part of Section 1-33-39 3-7 St. Lucie, E5' Lot 18 01-33-39

DB 51, Page 283 09/14/1948	Perpetual Easement from Daniel Buchli for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Joel Knight's Addition To Vero 3-13 St, Lucie, E5' of Lots 3 & 6 01-33-39
DB 51, Page 284 09/14/1948	Perpetual Easement from Rover & Edda Whittier for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Duncan's Re-Subdivision 4-70 St. Lucie rear 5' of lot 10 01-33-39
DB 51, Page 285 09/14/1948	Perpetual Easement from Leslie & Loye Gato for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Joel Knight's Addition To Vero 3-13 St. Lucie, W5' of Lot 1, E5' Lot 2, BL 1 01-33-39
DB 51, Page 286 09/14/1948	Perpetual Easement from Anna E. Gustafson for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Steele's Re-subdivision of Part of Section 1-33-39 3-7 St. Lucie ,rear 5' lots 24 & 25 01-33-39
DB 51, Page 287 09/14/1948	Perpetual Easement from Ella Jay & WH Jay for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Duncan's Re-Subdivision 4-70 St. Lucie, rear 5' of lot 11 01-33-39
DB 51, Page 288 09/14/1948	Perpetual Easement Thomas & Marie Kersey for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Steele's Re-subdivision of Part of Section 1-33-39 3-7 St. Lucie, W5' of area between Lot 11 & 4 & unnamed lot on Maple Ave (now 10`11 Court) with a 50' frontage 01-33-39
DB 51, Page 289 09/14/1948	Perpetual Easement from Rosser & Lucille Richardson for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Joel Knight's Addition To Vero 3-13 St. Lucie, W5' of lot 5 cl 1 01-33-39
DB 51, Page 290 09/14/1948	Perpetual Easement from Kilgore Seed Company for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Steele's Re-subdivision of Part of Section 1-33-39 3-7 St. Lucie, W5' Lots 1 & 6 01-33-39
DB 51, Page 291 09/14/1948	Perpetual Easement from Robert & Lillian Carter for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Booker T. Washington Addition To The Town Of Vero 2-34 St. Lucie, W 5' of Lots 3,4,5, BL 5 & E5' Lots 7 & 8, Bl6; W 5' lot 3, bl 6; W 5'Lot 4, bl 7 & E5' Lots 6 &7, bl 7 35-32-39
DB 51, Page 292 09/14/1948	Perpetual Easement from Alvory Casteel for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Booker T. Washington Addition To The Town Of Vero 2-34 St. Lucie, W5' Lot 1 bl6 35-32-39
DB 51, Page 293 09/14/1948	Perpetual Easement from Robert & Lillian Carter for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Booker T. Washington Addition To The Town Of Vero 2-34 St. Lucie, E5' lots it -16, bl1; W5' lots 1-7, bl2; E5' lots 10-13, bl2; W5' Lots 1, 3,4,5,6, BL3; E5' . lots 7-11,, bl3; W5' lots 1,2,3,

		bl4; E5' lots 6 & 7, Bl 4 35-32-39
DB 51, Page 294 09/14/1948	Perpetual Easement from Ester & Richard Riley for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Booker T. Washington Addition To The Town Of Vero 2-34 St. Lucie W5' of S2 lot 2 bl 3 35-32-39
DB 51, Page 295 09/14/1948	Perpetual Easement Clarence & Cora Bartscht for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Duncan's Re-Subdivision 4-70 St. Lucie, E5' lot 13 01-33-39
DB 51, Page 296 09/14/1948	Perpetual Easement from Roy & Florence Hilliard for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Original Map of Blocks 1, 2, 15, 16, 17, 32 & 33 1-11; N 10' of W50' of E98.91' of described lot 2-33-39
DB 51, Page 297 09/14/1948	Perpetual Easement From Paul & Theresa Luther for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2 4-79 St. Lucie; S5' of Lots 10 & 11, bl 15 36-32-39 31-32-40 01-33-39 06-33-40
DB 51, Page 298 09/14/1948	Perpetual Easement from SS & Mary Scott for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2 4-79 St. Lucie, W5' lot 17 bl 17 36-32-39 31-32-40 01-33-39 06-33-40
DB 51, Page 299 09/14/1948	Perpetual Easement Charlie & Mable Pinson for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2 4-79 St. Lucie, E5' lot 16, bl 17 36-32-39 31-32-40 01-33-39 06-33-40
DB 51, Page 300 09/14/1948	Perpetual Easement from GB & Trixie Law for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Fair Park 2-61, Rear 5' lots 1-6, 8,11-16; S5' lots 6-11,BL 2 36-32-39
DB 51, Page 301 09/14/1948	Perpetual Easement from Mike & Bonnie Votzi for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Fair Park 2-61, N5' lot 9 bl2 36-32-39
DB 51, Page 302 09/14/1948	Perpetual Easement PB *& Eunice Johnson for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Court 1-15, ES' lot 4, bl5 36-32-39
DB 51, Page 303 09/14/1948	Perpetual Easement Ida Collins & Sara Barbour for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Terrace 4-83 St. Lucie, N5' lots 8&9, bl3 36-32-39
DB 51, Page 304 09/14/1948	Perpetual Easement from Alfred & Margaret Fletcher for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Terrace 4-83 St. Lucie, N5' lots 10 & 11, Bl3 36-32-39
DB 51, Page 305 09/14/1948	Perpetual Easement Arthur & Iva Peace for sewers, poles, water pipes, drains, telephone	Royal Park Plat No. 3 4-88 St. Lucie, rear 5' Lots 2&3; S5' of

	& electric cables or ducts	w45' lot3; S5' of w45' Lot 3 36-32-39
DB 51, Page 306 09/14/1948	Perpetual Easement from WA & Agnes Frost for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-66 St. Lucie, S5' Lot 22 bl2 01-33-39
DB 51, Page 307 09/14/1948	Perpetual Easement from Lola West for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-66 St. Lucie, S5' Lot 21,1912 01-33-39
DB 51, Page 308 09/14/1948	Perpetual Easement from Joseph & Sarah Roschach for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-66 St. Lucie, E5' lot 18, bl2 01-33-39
DB 51, Page 309 09/14/1948	Perpetual Easement from Dorothy & John Wheeler for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-66 St. Lucie, W5' lot 3, bl 2 01-33-39
DB 51, Page 310 09/14/1948	Perpetual Easement Maude Gregory, Conservator of the Estate of Henry F. Gregory for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-66 St. Lucie, W5' Ito 5 bl2 01-33-39
DB 51, Page 311 09/14/1948	Perpetual Easement from Joseph & Henrietta Mavon for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-66 St. Lucie S5' of Lot 1, bl2 01-33-39
DB 51, Page 312 09/14/1948	Perpetual Easement from Anna McGreary for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-66 St. Lucie, W5' lot 3, bl2 01-33-39
DB 51, Page 313 09/14/1948	Perpetual Easement from Stanley & Floried Franks for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-66 St. Lucie, Rear 5' lots 17 & 18, bll 01-33-39
DB 51, Page 314 09/14/1948	Perpetual Easement Mary Ann & Walter Skiscim for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-66 St. Lucie, S5' lots 1,2,3, bll 01-33-39
DB 51, Page 315 09/14/1948	Perpetual Easement from Herman Washington for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Tuten's Subdivision 4-10 St. Lucie, N5' lot 24, 01-33-39
DB 51, Page 316 09/14/1948	Perpetual Easement from FS & Annie Martin for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Tuten's Subdivision 4-10 St. Lucie, S 5' lot 1 01-33-39
DB 51, Page 317 09/14/1948	Perpetual Easement from Paul & Mildred Long for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	H.T. Gifford Estate 1-13 St. Lucie, N5' of S2, lot 24 01-33-39
DB 51, Page 318 09/14/1948	Perpetual Easement from Henry & Beulah Brumley for alley, sewers, poles, water pipes,	H.T. Gifford Estate 1-13 St. Lucie, 10' strip, running E/W

	drains, telephone & electric cables or ducts	through center of lot 25 01-33-39
DB 51, Page 319 09/14/1948	Perpetual Easement from George & Maude Waggoner, Sr. for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Palm Addition 4-8 St. Lucie, S5' of Lot 4 01-33-39
DB 51, Page 320 09/14/1948	Perpetual Easement from Luella Beecher for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Frasier Park Replat 2-18, S5' lot 3 bl3 01-33-39
DB 51, Page 321 09/14/1948	Perpetual Easement from May & Joseph Reilly for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision 4-38 St. Lucie, N5' lots 42-48, bl5 01-33-39
DB 51, Page 322 09/14/1948	Perpetual Easement from Thomas & Clara Steele for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision 4-38 St. Lucie, S5' lots 27-31, bl4 01-33-39
DB 51, Page 323 09/14/1948	Perpetual Easement from Herman & Mary Cooper for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision 4-38 St. Lucie, N5' of lots 21 & 22, bl4 01-33-39
DB 51, Page 324 09/14/1948	Perpetual Easement from John Ashroam for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision 4-38 St. Lucie, N5' lots 13-16, bl4 01-33-39
DB 53, Page 131 04/02/1949	Perpetual Easement from Forrest & Lenore Graves, Ormond & Glades Taylor for public utility purposes	Vero Beach Estates 5-8 , St. Lucie, over West 15' of Lot 36, bl5 32-32-40
DB 53, Page 141 04/04/1949	Perpetual Easement from the Board of Public Instruction, Indian River County, FL for 5' wide ROW Easement ..N/S over lot 3, b12 , Lot 13, b13, E5' of lots 6-11, b12 and E5' of W 476.7 ' of SEQ of SEQ of Section 2-33s-39w...for public utilities,	Knight's Addition to Edgewood Re-plat of Blocks 3, 4 & 7 4-16 St. Lucie, 5' 02-33-39
DB 55, Page 93 09/01/1949	Perpetual Easement from Harvey Blank for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Frasier Park Re-plat 2-18, S 5' of lot 2, bl3 01-33-39
DB 55, Page 94 09/01/1949	Perpetual Easement from ES & Anne Moore for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Terrace 4-83 St. Lucie, N5' of Lot 7 bl3 36-32-39
DB 55, Page 97 09/01/1949	Perpetual Easement from JM & Augusta Conn , t/d/b/a Sunglo Company for sewers, poles, water pipes, drains, telephone & electric cables or ducts	H.T. Gifford Estate 1-13 St. Lucie, N5' of West 304' lot 13 01-33-39
DB 55, Page 98 09/01/1949	Perpetual Easement from Maurice & Annie Cameron for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Palm Addition 4-8 St. Lucie, s5' lot 7 01-33-39
DB 55, Page 99 09/01/1949	Perpetual Easement William & Flora Charles for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision 4-38 St. Lucie, S5' lots 8.9.10, bl4 01-33-39
DB 55, Page 100 09/01/1949	Perpetual Easement from Alice & DA Pfarr for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Citrus Park 5-28 St. Lucie, S5' lots 1-11 & N5' of W39' of lot 20; E62 ' of N5' of Lot 10, bl3 01-33-39

DB 55, Page 101 09/01/1949	Perpetual Easement from Lillian Anthony for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Palm Addition 4-8 St. Lucie, s5' lots 11 & 12 01-33-39
DB 55, Page 104 09/01/1949	Perpetual Easement from Albert Bristol Mayes for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Booker T. Washington Addition To The Town Of Vero 2-34 St. Lucie, W5' of Lot 4, bl6 35-32-39
DB 55, Page 105 09/01/1949	Perpetual Easement from Mable Thorne for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Booker T. Washington Addition To The Town Of Vero 2-34 St. Lucie, W5' of Lot 5, bl6 35-32-39
DB 55, Page 106 09/01/1949	Perpetual Easement from Hezkiah Simons for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Booker T. Washington Addition To The Town Of Vero 2-34 St. Lucie, W5' lot 2, bl 6 35-32-39
DB 55, Page 107 09/01/1949	Perpetual Easement from Clyde Kemp for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Booker T. Washington Addition To The Town Of Vero 2-34 St. Lucie, W5' lots 1 & 3, bl7 35-32-39
DB 55, Page 108 09/01/1949	Perpetual Easement Wyman & Susie Blake for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Booker T. Washington Addition To The Town Of Vero 2-34 St. Lucie, E3' of Lot [6?] BL [6?] 35-32-39
DB 55, Page 109 09/01/1949	Perpetual Easement from Lucile & Gerald Wright for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Booker T. Washington Addition To The Town Of Vero 2-34 St. Lucie, E5' lots 9 & 10, bl 6 (?) 35-32-39
DB 55, Page 110 09/01/1949	Perpetual Easement from LG & Helen Treadway for sewers, poles, water pipes, drains, telephone & electric cables or ducts	DB 55, Page 105 Royal Park Subdivision, Plat Bok 4 P 66, St. Lucie County...now Indian River County: rear 5' of lots 4,5,6, bl4; S 5' lots 13 to 17, bl3; N5' lot 12, bl3; rear 5' lot 1, bl3;E 10' of W136' lots 11 & 12, Bl 3; W5' lots 8 & 9 bl1 09/01/1949
DB 55, Page 111 09/01/1949	Perpetual Easement from Earl & Eloise Jenkins for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Tuten's Subdivision 4-10 St. Lucie, N5' of Lots 15 & 16 01-33-39
DB 55, Page 112 09/01/1949	Perpetual Easement Francis & Ruby Hamilton for sewers, poles, water pipes, drains, telephone & electric cables or ducts	King's Subdivision 4-9 St. Lucie, N 5' lots 15 & 16 01-33-39
DB 55, Page 113 09/01/1949	Perpetual Easement from Dessie & James Weaver for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3 4-88 St. Lucie, rear 5' of Lot 7, cl 6 36-32-39
DB 55, Page 114 09/01/1949	Perpetual Easement from Harry & Gladys Damerow for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Tuten's Subdivision 4-10 St. Lucie, S 5' of lots 6,7,8,9 & 11 01-33-39
DB 55, Page 115 09/01/1949	Perpetual Easement From Charles & Rose Weber for sewers, poles, water pipes, drains,	36-32-39, N 5' of N 10' of S 165' and strip of land 10'

	telephone & electric cables or ducts	running N/S in center of the N300' of south 465' of described property in the above section
DB 55, Page 118 09/01/1949	Perpetual Easement from Royal Park Inn, Inc. for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-66 St. Lucie, N5' of lots 2 & 18; E10' of W136' of Lot 10, bl 3; E10' of West 136' of N 10' of lot 9, bl3 01-33-39
DB 55, Page 119 09/01/1949	Perpetual Easement from Louis & Ella Dellerman for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Dr. Richard E. Bullington's Subdivision of Part of Section 1-33-39 Plat Bk 2 P-5 St. Lucie, E5' of described land in 1-33-39
DB 55, Page 120 09/01/1949	Perpetual Easement from William & Murtice Davis for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Court 1-15, last 2½ ` of Lot 5 bl 5 36-32-39
DB 55, Page 121 09/01/1949	Perpetual Easement from Joseph & Mildred Girard for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Palm Addition 4-8 St. Lucie, N 5' of lot 17 01-33-39
DB 55, Page 122 09/01/1949	Perpetual Easement from Leon & Marie Jennings for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Palm Addition 4-8 St. Lucie, S2' of Lot 8 01-33-39
DB 55, Page 123 09/01/1949	Perpetual Easement from AW Rohrbach for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 1 4-66 01-33-39 Royal Park Plat No. 3 4-88 St. Lucie, rear 5' of lots designated 36-32-39 Tuten's Subdivision 4-10 St. Lucie 01-33-39
DB 55, Page 124 09/01/1949	Perpetual Easement Richard & Caroline Hennig for sewers, poles, water pipes, drains, telephone & electric cables or ducts	H.T. Gifford Estate 1-13 St. Lucie, 10' strip 01-33-39
DB 55, Page 125 09/01/1949	Perpetual Easement Charles & Liney Bird for sewers, poles, water pipes, drains, telephone & electric cables or ducts	King's Subdivision 4-9 St. Lucie, N5' lot 19 01-33-39
DB 55, Page 126 09/01/1949	Perpetual Easement from Ervan & Nora Wetmore for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3 4-88 St. Lucie, rear 5' lots 7 & 13, Bl 4 36-32-39
DB 55, Page 127 09/01/1949	Perpetual Easement from Dale & Camille Talber for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3 4-88 St. Lucie, rear 5' lots 4,5,6, 36-32-39
DB 55, Page 129 09/01/1949	Perpetual Easement from NW Loan & Mortgage Company for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat of Blocks 1, 2 & 3 4-66 St. Lucie, N5' of Lot 19, bl2 01-33-39
DB 55, Page 130 09/01/1949	Perpetual Easement WC & Louise Stalvey for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Court 1-15, S5' Lot 12 bl6 36-32-39
DB 55, Page 131	Perpetual Easement from BL & Dorabell	Ward's Subdivision 2-12, E10'

09/01/1949	Holman for sewers, poles, water pipes, drains, telephone & electric cables or ducts	of Lot 4 01-33-39
DB 55, Page 132 09/01/1949	Perpetual Easement from Veebee Theaters, Inc, for sewers, poles, water pipes, drains, telephone & electric cables or ducts	H.T. Gifford Estate 1-13 St. Lucie 6' wide strip as described 01-33-39
DB 55, Page 134 09/01/1949	Perpetual Easement from Carl & Corinne Clyatt for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Orange Grove Park 1-55, 5' strips as described 1-33-39
DB 55, Page 135 09/01/1949	Perpetual Easement from Harry & Melba Walter for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision 4-38 St. Lucie, S5' of lots 1 &2, bl4 01-33-39
DB 55, Page 281 10/04/1949	Perpetual Easement Forrest & Lenore Graves and Ormand & Glades Taylor for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates 5-8 St. Lucie, rear 5' of lots enumerated 32-32-40
DB 55, Page 283 10/04/1949	Perpetual Easement from Wilton & Lillie Roger for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates 5-8 St. Lucie, rear 5' lots 1 through 6 & 18 through 21, bl 14 32-32-40
DB 55, Page 483 10/07/1949	Perpetual Easement from Dorothy Wheeler , executrix of Estate of N McCreary for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates 5-8 St. Lucie, rear 5' lots 5 & 11, Bl5 32-32-40
DB 55, Page 484 10/07/1949	Perpetual Easement from Hazel Grandfiled for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates 5-8 St. Lucie, rear 5' lots 15 & 16, Bl5 32-32-40
DB 55, Page 485 10/07/1949	Perpetual Easement Jessie & Mary Vocalic for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates 5-8 St. Lucie, rear 5' lot 3, bl 5 32-32-40
DB 55, Page 486 10/07/1949	Perpetual Easement from Paul & Theresa Luther for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates 5-8 St. Lucie, rear 5' lot4, bl5 32-32-40
DB 55, Page 487 10/07/1949	Perpetual Easement Axel & Lillian Peterson for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates Plat bk 5-P 8 St. Lucie, rear 5' lots 19 & 20, Bl?
DB 56, Page 369 01/10/1950	Perpetual Easement from Antony & Helen Locke for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Groveland 1-25, rear 5' Lots 1 through 9 , Bl 1 03-33-39
DB 56, Page 370 01/10/1950	Perpetual Easement Ryan & Ruth Wilson for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Groveland 1-25, rear 5' Lots 3,4,10,11. Bl 1 03-33-39
DB 56, Page 371 01/10/1950	Perpetual Easement from William & Helen Hayes for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates 5-8 St. Lucie, rear 5' lot (?), BL 14 32-32-40
DB 56, Page 372 01/10/1950	Perpetual Easement from Edgar & Bessie Fleener for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Groveland 1-25, rear 5' Lot 13, bl1 03-33-39
DB 56, Page 373 01/10/1950	Perpetual Easement Roland & Martha Miller for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates 5-8 St. Lucie, rear 5' lots 14 through 17, bl14

		32-32-40
DB 57, Page 107 02/08/1950	Perpetual Easement Frank & Mary Link for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2 4-79 St. Lucie, rear 5' lot 13, bl 15 36-32-39 31-32-40 01-33-39 06-33-40
DB 57, Page 207 02/20/1950	Perpetual Easement D. Hollis & Corine Graham for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Steele's Re-subdivision of Part of Section 1-33-39, Lots 12& 13,Bl1 3-7 St. Lucie 01-33-39
DB 57, Page 210 02/20/1950	Perpetual Easement from TIITF for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Dr. Richard E. Bullington's Subdivision 2-5 St, Lucie, East 5' of parcel described 01-33-39
DB 57, Page 213 02/20/1950	Perpetual Easement from John & Anna Mallooh for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Palm Addition 4-8 St. Lucie, S5' of lot3 01-33-39
DB 57, Page 214 02/20/1950	Perpetual Easement from Ruth Gallion, administratrix of Estate of Sarah Pennington, deceased for sewers, poles, water pipes, drains, telephone & electric cables or ducts	King's Subdivision Plat Bk 4-P 9 St. Lucie, rear 5' of Lot 14 01-33-39
DB 57, Page 239 02/20/1950	Perpetual Easement from James Frantz for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Schepman's Subdivision 1-54, rear 5' of El 50' & W5' of S 20.8' of the E 150' of described property 01-33-39
DB 61, Page 160 08/19/1950	Perpetual Easement Ray * Ruby Neville for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates 5-8 St. Lucie, rear 5' lots 45 to 50, bl 3 32-32-40
DB 62, Page 249 11/09/1950	Perpetual Easement from JR & Martha Furlong for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2; Plat Bk 4- P 79 St. Lucie, E 10' of Lot 16, Bl 17 36-32-39 31-32-40 01-33-39 06-33-40
DB 62, Page 283 11/13/1950	Perpetual Easement from Frank & Linda McGlashan for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Mc Ansh Park Plat No. No. 3 Plat Bk 1-P 30, 3' SW side of the NE side of Lot line (lot 9), described 02-33-39 35-32-39
DB 62, Page 285 11/13/1950	Perpetual Easement from Duncan & Millie McGlashan for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Mc Ansh Park Plat No. 3, Plat Bkl-P 30 3' NW side of SW side of described lot line 02-33-39 35-32-39
DB 64, Page 24 02/06/1951	Perpetual Easement from D.M. & Assunta Petrell for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Groveland Subdivision, PBI 1-25; Rear 5' of Lots 3-10 & 13-16; Blk 4; W 3' of Lot 3, Blk 4

		03-33-39
DB 64, Page 369 03/10/1951	Perpetual Easement from Arthur & Ethel Crandall for alley, sewers, light & telephone poles, waterlines, drains, telephone	Belle Vista Subdivision Plat Bk 1-P 1, W5' of Lot 2, bl 2 03-33-39
DB 64, Page 441 03/17/1951	Perpetual Easement from William &Margaret McGauran for sewers, poles, water pipes, drains, telephone & electric cables or ducts	College Heights 5-29 St. Lucie, E5' lot4 bl 3 03-33-39
DB 64, Page 510 03/21/1951	Perpetual Easement from James Frantz for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Schepman's Subdivision Plat Bk 1-P54, as described 01-33-39 J.H. Howard Subdivision 5-20 St. Lucie 01-33-39
DB 65, Page 3 03/21/1951	Perpetual Easement from RA Martin for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Dr. Richard E. Bullington's Subdivision 2-5 St. Lucie, W10' lot 3, bl3 01-33-39
DB 65, Page 4 03/21/1951	Perpetual Easement from Lillie Anthony for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Duncan's Re-Subdivision 4-70 St. Lucie, E5' lot 19, 01-33-39
DB 65, Page 5 03/21/1951	Perpetual Easement from John & Helen Morse for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Dr. Richard E. Bullington's Subdivision 2-5 St. Lucie, W5' of described parcel 01-33-39
DB 65, Page 6 03/21/1951	Perpetual Easement from Charles & Della Myles for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	H.T. Gifford Estate 1-13 St. Lucie, N5' of S170' of E47.5' lot 23 01-33-39
DB 65, Page 7 03/21/1951	Perpetual Easement from Pearl Pittman for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3 4-88 St. Lucie 36-32-39
DB 65, Page 9 09/14/1949	Easement from R.J. & Sarah Holland for sewers, poles, water pipes, drains, telephone & electric cables or ducts	King's Subdivision, PBS 4-9 St Lucie; N 5' of Lot 17 01-33-39
DB 65, Page 11 07/25/1947	Subordination from Edwin Gabler sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Subdivision, Plat No. 6, PBI 1-13; W 5' Lot 11, Blk 8 01-33-39
DB 65, Page 13 03/21/1951	Perpetual Easement from NC Law for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Dr. Richard E. Bullington's Subdivision 2-5 St, Lucie, E5' of N5' of E70' of described land 01-33-39
DB 65, Page 14 01/20/1947	Subordination from North-West Loan and Mortgage Co. sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Subdivision, Plat No. 2, PBS 4-79, St Lucie; N 5' Lot 20, Blk 2 01-33-39
DB 65, Page 16 03/21/1951	Perpetual Easement from Wanda Sober for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Anthony's Addition Re-plat 2-23, NI0' fo S 141.45' of E 115.25' Tract B 1-33-39

DB 65, Page 17 03/21/1951	Perpetual Easement from Royal Palm Motors, Inc. for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Citrus Park 5-28 St. Lucie, S5' Lots 1 to 6 01-33-39
DB 65, Page 19 03/21/1951	Perpetual Easement from Horace & Rita Volz for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision 4-38 St. Lucie, S5' of lots 33 through 36, bl 5 01-33-39
DB 65, Page 20 03/21/1951	Perpetual Easement Harvey Oltman for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Fanithia Place 1-96, N5', E139.84', Tract A 01-33-39
DB 65, Page 21 03/21/1951	Perpetual Easement from AW Rohrbach for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3 4-88 St. Lucie, N5' lots 10 through 12, bl5 36-32-39
DB 65, Page 22 09/14/1449	Subordination from R.J. & Sarah Holland, sewers, poles, water pipes, drains, telephone & electric cables or ducts	King's Subdivision, PBS 4-9, St Lucie; N 5' of Lot 17 01-33-39
DB 65, Page 24 03/21/1951	Perpetual Easement MA Gibbons, III & Gloria Gibbons for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2 4-79 St. Lucie, S5' hos 7 to 9, bl15 36-32-39 31-32-40 01-33-39 06-33-40
DB 65, Page 25 03/21/1951	Perpetual Easement from RJ & Sarah Holland for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	King's Subdivision 4-9 St. LuciN5' lot 17 e 01-33-39
DB 65, Page 26 03/21/1951	Perpetual Easement from WW & Elizabeth Rogers for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	H.T. Gifford Estate 1-13 St. Lucie, S5' of N2 Lot 26 01-33-39
DB 65, Page 27 03/21/1951	Perpetual Easement from WR & Artie Duncan for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Steele's Re-subdivision of Part of Section 1-33-39 3-7 St. Lucie, formerly Lemon Avenue... vacated 1923... 01-33-39
DB 65, Page 29 03/21/1951	Perpetual Easement Lillie Anthony for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Dr. Richard E. Bullington's Subdivision Plat Bk 2 P -5 St. Lucie, E5' of described land S of the NEQ of Lot 3, bl3 01-33-39
DB 65, Page 30 03/21/1951	Perpetual Easement from Wilma Coker for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2, Plat Bk 4-P 79 St. Lucie, W5' lot 4 bl 2 36-32-39 31-32-40 01-33-39 06-33-40
DB 65, Page 31 03/21/1951	Perpetual Easement from AC & Ruth MacConnell for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Steele's Re-subdivision of Part of Section 1-33-39 3-7 St. Lucie, E5' Ito 7 01-33-39
DB 65, Page 32	Perpetual Easement from Clifford Knight for	Fair Park Plat Bk 2- P61, N5'

03/21/1951	sewers, poles, water pipes, drains, telephone & electric cables or ducts	lot 10 bl 2(?) 36-32-39
DB 65, Page 33 03/21/1951	Perpetual Easement from WF & Fannie Cox for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Fanithia Place PB1-P96, E5' ;pts 4 & 5 01-33-39
DB 65, Page 34 03/21/1951	Perpetual Easement from Sheldon & Mary Waddell for sewers, poles, water pipes, drains, telephone & electric cables or ducts	East Side Subdivision 4-12 St. Lucie, N5' and W 5' of N 44.5' of described land 01-33-39
DB 65, Page 35 03/21/1951	Perpetual Easement from CJ & Cora Kersey for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Steele's Re- subdivision of Part of Section 1-33-39 3-7 St. Lucie, E5' lot 19 01-33-39
DB 65, Page 36 03/21/1951	Perpetual Easement from Schuyler & Alma Baldwin for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 7. PB1-P 36, E5' ;pts 3 & 4, bl 24 36-32-39 01-33-39
DB 65, Page 37 03/21/1951	Perpetual Easement from Nat & Margaret Pendleton for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2, PB 4-P 79, St.. Lucie, S5' lot 23, bl 2 36-32-39 31-32-40 01-33-39 06-33-40
DB 65, Page 38 03/21/1951	Perpetual Easement from Ervin & Nora Wetmore for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3, PB 4-P 88 St. Lucie, N5' lots 9 through 12, bl4 36-32-39
DB 65, Page 39 03/21/1951	Perpetual Easement from Robert & Eleanor Amos for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 7, PB1-P36, NW 5' & NE5' Lot 16 & NW 5' of lots 17 though 21, bl28 36-32-39 01-33-39
DB 65, Page 40 03/21/1951	Perpetual Easement from WR & Clifford Duncan for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2, PB 4-P79 St. Lucie, S5' lots 22 to 24, bl15 36-32-39 31-32-40 01-33-39 06-33-40
DB 65, Page 42 03/21/1951	Perpetual Easement from Mamie Perter for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Jones' Re-subdivision 3-53 St. Lucie, E5' Lot 1 01-33-39
DB 65, Page 43 03/21/1951	Perpetual Easement from J. Stuart & Katharine Massey for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2, PB4-P 79 St. Lucie, S5' lot 23, bl2 36-32-39 31-32-40 01-33-39 06-33-40
DB 65, Page 44 03/21/1951	Perpetual Easement from. John & Dolores Brugnone for sewers, poles, water pipes,	Royal Park Plat No. 5; PB1P-2, N5' lot 28, bl 16

	drains, telephone & electric cables or ducts	01-33-39
DB 65, Page 45 03/21/1951	Perpetual Easement from North-West Loan & Mortgage Company for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2, PB4-P79 St. Lucie, N5' Lot 20, bl 9 36-32-39 31-32-40 01-33-39 06-33-40
DB 65, Page 47 03/21/1951	Perpetual Easement from LG & Helen Treadway for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. No. 6, PB1-P13 E5' lots 29 to 33, bl 8 01-33-39 06-32-39
DB 65, Page 49 03/21/1951	Perpetual Easement from Edward Gaber for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. No. 6, PBI-P13, W5' lot 11, bl8 01-33-39 06-32-39
DB 65, Page 51 6/8/1950	Perpetual Easement from Emil & Helen Reese for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision PB4-P38, Indian River, S5' of Lot 12, bl 5 01-33-39
DB 65, Page 52 03/21/1951	Perpetual Easement from Emil & Helen Reese for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision PB 4-P 38 Indian River County, S 5' lot 12,bl5 01-33-39
DB 65, Page 53 03/21/1951	Perpetual Easement from Adelaide Briggs for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision PB1 P 15 St. Lucie, S5' lot 6, bl 6 01-33-39
DB 65, Page 54 03/21/1951	Perpetual Easement from Earl & Emma Thatcher for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	H.T. Gifford Estate 1-13 St. Lucie 10' esmt , lot 21 as described 01-33-39
DB 65, Page 55 03/21/1951	Perpetual Easement from Karl & Virgie Hobbs & Evie Hobbs, Earl Hobbs Jr. & Pauline Hobbs for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Dr. Richard E. Bullington's Subdivision 2-5 St. Lucie, 10' esmt, West line of lot 1, bl 3 01-33-39
DB 65, Page 57 03/21/1951	Perpetual Easement from Rose MacFarland for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 7, PB 1-P36, 5' on N or rear of Lots 19 through 25, BL 34 36-32-39 01-33-39
DB 65, Page 58 03/21/1951	Perpetual Easement from Sammie Burke for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Keystone Subdivision PB 4-P 38 St. Lucie, S5' of lots 32 to 36, bl 4 01-33-39
DB 65, Page 59 03/21/1951	Perpetual Easement from Gordon & Ruby Beatty for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3, PB 4-P 88 St. Lucie, E5' Lot 22, BL 5 36-32-39
DB 65, Page 60 03/21/1951	Perpetual Easement from George & Ruby Beatty for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3, PB4-P 88 St. Lucie, E5' of Lot 15, b16 & W5' of Lot 2 & 25 bl 5

		36-32-39
DB 65, Page 61 03/21/1951	Perpetual Easement from Elizabeth Robert for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2, PB4-P79 St. Lucie, Rear 5' lot 7, bl2; S5' of W30.4 of Lot 7, bl2 36-32-39 31-32-40 01-33-39 06-33-40
DB 65, Page 62 03/21/1951	Perpetual Easement from WB Rogers & Gladys Rogers for sewers, poles, water pipes, drains, telephone & electric cables or ducts	H.T. Gifford Estate 1-13 St. Lucie, N 10' of S170' of Lot 23 &N10' of S170' 01-33-39
DB 65, Page 63 03/21/1951	Perpetual Easement from Annie & David White for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Booker T. Washington Addition To The Town Of Vero 2-34 St. Lucie, 10' easement over lots 9 & 10, bl7 35-32-39
DB 65, Page 64 03/21/1951	Perpetual Easement from Henry & Frances Rumrill for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No, 3 4-88 St. Lucie, W5' lot 8 bl13 36-32-39
DB 65, Page 65 03/21/1951	Perpetual Easement from Charles & Ann Alpress for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No, 3, PB4-P88 St. Lucie, E5' of Lot 19, BL 13 36-32-39
DB 65, Page 66 03/21/1951	Perpetual Easement from Florence Lee for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3, PB4-P 88 St. Lucie, E5' Lot 22 to 24, Bl 13 36-32-39
DB 65, Page 67 03/21/1951	Perpetual Easement from Don & Katherine Herold for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3, PB4P-88 St. Lucie, W5' of Lots 5 to 7, BL 13 36-32-39
DB 65, Page 68 03/21/1951	Perpetual Easement from William & Vida Scott for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Terrace 4-83 St. Lucie E5' of Lots 13 through 17, Bl 3 36-32-39
DB 65, Page 69 03/21/1951	Perpetual Easement from Don & Katherine for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3, PB4-P88 St. Lucie, E5' lots 25 to 27, Bl 13 36-32-39
DB 65, Page 70 03/21/1951	Perpetual Easement from WL & Margaret Forster, Jr. for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3, PB4-P88 St. Lucie, N5' lot 8, bl 4 36-32-39
DB 65, Page 150 03/27/1951	Perpetual Easement from Louis & Alma Wodtke for sewers, poles, water pipes, drains, telephone & electric cables or ducts	1-33-39, N5' of described land
DB 65, Page 151 03/27/1951	Perpetual Easement from Madeline & Vincent Shea for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. No. 6, PB1-P13 E5' of lots 24 to 28, bl 8 01-33-39 06-32-39
DB 65, Page 152 03/27/1951	Perpetual Easement from Anderson King, Administrator of the Estate of Mary King,	King's Subdivision PB4-9 St. Lucie, N5' lots 15 & 18, S5' lots

	deceased for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	5 to 11 01-33-39
DB 65, Page 269 04/05/1951	Perpetual Easement from Mayme Wilson for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3 PB 4-88 St. Lucie, W 4' of Lots 9 & 10, bl 1 3 36-32-39
DB 65, Page 309 04/09/1951	Perpetual Easement from Paul & Bland Dana for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3 PB 4-88 St. Lucie,, W 5' of Lots 11, 12, 13 bl13 36-32-39
DB 65, Page 485 04/24/1951	Perpetual Easement from JW Boring, Admin. Of the estate of Louise Road deceased for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2 PB 4-79 St. Lucie, rear 5' of Lot 7, bl2 & S 5' of W 30.4' lot 7 bl2 36-32-39 31-32-40 01-33-39 06-33-40
DB 66, Page 31 05/01/1951	Perpetual Easement from SS & Nellie Skelton for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3 PB 4-88 St. Lucie, E 5' lots 28 to 31. bl13 36-32-39
DB 71, Page 479 3/11/1952	Easement from D.M. &Asunta Petrell for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Groveland Subdivision PBI 1-25; W 5' Lot 14, Blk 4 03-33-39
DB 74, Page 247 06/21/1952	Perpetual Easement from Board of Public Instruction, Indian River County ..vacated 15th Avenue and granted easement to City for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Knight's Addition to Edgewood Re-plat of Blocks 3, 4 & 7 PB4-16 St. Lucie, E 10' lots 6 to 11, 02-33-39
DB 74, Page 323 06/27/1952	Easement from J. Austin & Margaret Tayler	10-33-39
DB 75, Page 347 08/18/1952	Perpetual Easement Merrill & Helen Barber for sewers, poles, water pipes, drains, telephone & electric cables or ducts and other municipal purposes	Royal Park Plat No. 5, PB1-2, 01-33-39
DB 76, Page 29 09/12/1952	Perpetual Easement William & Lillian Bender for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Mc Ansh Park Plat No. 2, PB 1-29, 6' 02-33-39 35-32-39
DB 76, Page 315 10/11/1952	Perpetual Easement from MJ & [Martha?) Osborne for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Mc Ansh Park Plat No. 1, PB 1-28, appears to be 3' 02-33-39 35-32-39
DB 77, Page 389 12/18/1952	Perpetual Easement from Vero Beach Golfer's Assn. for sewers, poles, water pipes, drains, telephone & electric cables or ducts	29th Street, 36-32-39 01-33-39
DB 77, Page 425 12/19/1952	Perpetual Easement from Waldo & Elizabeth Burton for sewers, poles, water pipes, drains, telephone & electric cables or ducts	East Side Subdivision 4-12 St. Lucie 01-33-39

DB 77, Page 426 12/19/1952	Perpetual Easement from Vero Beach Dairy, Inc. for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	East Side Subdivision 4-12 St. Lucie 01-33-39
DB 77, Page 477 12/30/1952	Perpetual Easement from Frank & Verla Vargin for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2 PB 4-79 St. Lucie, 5' on each rear lot line & 3' on each side lot line 36-32-39 31-32-40 01-33-39 06-33-40
DB 78, Page 83 01/12/1953	Perpetual Easement from The River Corporation for a street, sewers, poles, water pipes, drains, telephone & electric cables or ducts	05-33-40, 25'
DB 78, Page 211 01/22/1953	Perpetual Easement from Wade & Burnadette Rapp for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Little Acre Farms PB 2-27 St. Lucie, 5' 02-33-39
DB 78, Page 273 01/08/1953	Easement from Joseph & Grace Ach for public utilities, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Groveland Subdivision PBI 1-25; W 5' M&B Lot 18, Blk 4 03-33-39
DB 79, Page 41 02/25/1953	Perpetual Easement from Edward & Violet Woodward for electric transmission line	27-32-39, as described
DB 79, Page 182 03/11/1953	Perpetual Easement AA Weidman for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Giltogra Park PB 1-8, s5' lots 2 & 21, bl 4 03-33-39
DB 80, Page 61 04/11/1953	Perpetual Easement from JC & Clee Swan for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Valencia Park PB 1-46, N 10' of S 30' lot 7, bl 1 10-33-39
DB 80, Page 397 05/12/1953	Perpetual Easement from Winton & Mary Roschack for electric transmission line and appurtenances , together with access	04-33-39, E3' of El0 acres of Tract 7
DB 80, Page 399 05/12/1953	Perpetual Easement from TA & Lola Stewart for electric transmission line & appurtenances , together with access	04-33-39, E5'of El0 acres of Tract 7
DB 82, Page 395 08/20/1953	Perpetual Easement from George Hannah & Alexander McPrice for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Groveland PB 1-25, 3' 03-33-39
DB 82, Page 421 08/22/1953	Perpetual Easement from James & Ruth Rohrbach for electric transmission line *[poor copy]*	Rivenbark Subdivision PB3-P28, S5' lot 11 & N5' Lot 12, BL 1 11-33-39
DB 86, Page 69 02/16/1954	Perpetual Easement from Wade & Bernadette Ropp for sewers, poles, water pipes, drains, telephone & electric cables or ducts	J. S. Evans And Sons' PB 4-2 St. Lucie, four 5', two 3' and one 10' 02-33-39
DB 87, Page 253 04/17/1954	Perpetual Easement from Joseph & Mary Walker for electric transmission line, with access	23-32-39, South 10'

DB 87, Page 167 03/26/1954	Easement from Schoolsites, Inc, for public utilities, and drainage facilities	Brea Burn Park, Unit No.2, PBI 3-41; E 12' Blks 1 & 4 03-33-39
DB 88, Page 494 06/17/1954	Perpetual Easement from First Presbyterian Church of Vero Beach for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 5 PB 1-2, W 15' , PB 47. BL 21 01-33-39
DB 94, Page 488 03/19/1955	Perpetual Easement from Indian River County, FL for sewers, poles, water pipes, drains, telephone & electric cables or ducts	11-33-39, E 50' of the NWQ of the NEQ of section
DB 96, Page 124 04/29/1955	Perpetual Easement from [S. Girard} & Patricia Bradley for sewers, poles, water pipes, drains, telephone & electric cables or ducts	03-33-39, 5'
DB 96, Page 125 04/29/1955	Perpetual Easement from Russell & Barbara Burke for sewers, poles, water pipes, drains, telephone & electric cables or ducts	03-33-39, 5'
DB 96, Page 126 04/29/1955	Perpetual Easement from Russel & Barbara Burke for sewers, poles, water pipes, drains, telephone & electric cables or ducts	03-33-39, 5'
DB 97, Page 432 06/24/1955	Perpetual Easement from Orval Skelton & Frances Skelten & E Linton Hold & Geraldine Holt for electric cables or ducts, sewers, poles, water pipes, drains and telephone	Mc Ansh Park Re-plat of Blocks 26, 33, 34 & 35, PB 2-63, 02-33-39 35-32-39
DB 98, Page 99 07/09/1955	Re-Recorded Easement from Orval Shelton et al	Mc Ansh Park Replat of Blocks 26, 33, 34 & 35, PB 2-63, appears to be 6' 02-33-39 35-32-39
DB 98, Page 487 08/09/1955	Deed of Conveyance from Royal Park Company to City its successors and assigns of reserved right [easement] to erect and maintain poles & wires and other equipment for electric, telegraph, telephone & public utilities and easement to construct sewers, water, gas mains	Royal Park Plat No. 2 PB 4-79 St. Lucie, rear 5' of lots and 3' of side lots 36-32-39 31-31-40 01-33-39 06-33-40
DB 99, Page 267 08/29/1955	"Easement" from Vero Beach Country Club , over property VBCC leases from Indian River Farms Drainage District, Easement for underground cable and ducts	36-32-39
DB 99, Page 497 09/17/1955	Perpetual Easement from Robert & Laura Werwick for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates 5-8 St. Lucie 32-32-40, 3'
DB 99, Page 498 09/17/1955	Perpetual Easement from Elizabeth F[?] for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates PB 5-8 St. Lucie, 5' 32-32-40
DB 99, Page 499 09/17/1955	Perpetual Easement from Aubrey & Lillie Waddell for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates 5-8 St. Lucie 32-32-40, 5'

DB 100, Page 165 10/05/1955	Perpetual Easement from George & Geraldine Fry for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates PB 5-8 St. Lucie, rear 5' of lots 20 to 23, bl6 32-32-40
DB 100, Page 166 10/05/1955	Perpetual Easement from Mary Martin for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates PB 5-8 St. Lucie, 32-32-40
DB 100, Page 195 10/06/1955	Perpetual Easement Alfred & Ramona Hamilton for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates 5-8 St. Lucie 32-32-40, 5'
DB 100, Page 227 10/10/1955	Perpetual Easement from George & Harriet Coote for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates PB 5-8 St. Lucie, rear 5' of Lots 14 & 15, bl 6 32-32-40, 5'
DB 100, Page 228 10/10/1955	Perpetual Easement from Angelo & Marcelle Marinelli for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates 5-8 St. Lucie 32-32-40 37 'A'
DB 100, Page 446 10/25/1955	Perpetual Easement from Margaret Partner for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates 5-8 St. Lucie 32-32-40, 5'
DB 100, Page 449 10/25/1955	Perpetual Easement from Harry & Gladys Damerow for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates 5-8 St. Lucie 32-32-40, 5'
DB 102, Page 197 12/19/1955	Perpetual Easement from J. Frank & Helen Edwards for electric transmission line & appurtenances with access	05-33-39, West 10.7 acres of Tract 10, 10'?
DB 102, Page 251 12/22/1955	Perpetual Easement from George & Elizabeth Saunders for electric, telephone & telegraph lines & appurtenances	24-33-39, SEQ of NEQ
DB 102, Page 269 12/23/1955	Perpetual Easement from Rose & Glenn Sullivan for electric, telephone & telegraph lines & appurtenances, with access	24-33-39, SEQ of NEQ
DB 102, Page 307 12/29/1955	Perpetual Easement from William & Mary Rorshack for electric, telephone & telegraph lines & appurtenances	Dixie Gardens PB4-P 21 19-33-40, 10'
DB 102, Page 313 12/29/1955	Perpetual Easement Indian River Farms Drainage District an easement and ROW over, along and across District lands comprising the Main Canal of the district	E300' of S 300' of the NEQ of the SEQ of 36-32s-39E & S300' of Gov. Lot 5, 31-32s-40E; and all that part of Gove lot 5, Section 31-32s-40E described in DB 71, P329...Except certain designated parcels 36-32-39 31-32-40
DB 102, Page 339 12/30/1955	Perpetual Easement from J. Austin & Margaret Taylor for sewers, poles, water pipes, drains, telephone & electric cables or ducts	10-33-39, as described
DB 102, Page 500 01/12/1956	Perpetual Easement from Board of Public Instruction of Indian River County for	30-33-40, NWQ of NWQ

	electric, telephone & telegraph lines and appurtenances with access	
DB 102, Page 510 01/12/1956	Perpetual Easement from Marie Helseth for electric, telephone & telegraph lines and appurtenances with access	30-33-40, N 440' of SWQ of NEQ & S 6 acres of NWQ of NWQ
DB 103, Page 37 01/16/1956	Perpetual Easement from Johanne Huberth for electric, telephone & telegraph lines and appurtenances with access	34-33-39, NEQ of SEQ
DB 103, Page 158 01/24/1956	Perpetual Easement from John & Nellie Waters for electric, telephone & telegraph lines and appurtenances with access	31-33-40, NEQ of SEQ
DB 103, Page 160 01/24/1956	Perpetual Easement from Joh & Nellie Waters for electric, telephone & telegraph lines and appurtenances with access	Florida Ridge Subdivision PB 3-93, 12' rear of lot lines, blocks 4 &8 31-33-40
DB 103, Page 220 01/30/1956	Perpetual Easement from Jonas & Claire Brotman for Electric power lines & appurtenances	30-33s-40e, 40' strip, western boundary of which is existing centerline of Old Dixie Highway/SR 605
DB 103, Page 243 02/01/1956	Perpetual Easement from S. Richard & Evelyn DeKold for electric cables & ducts, sewers, poles, water pipes, sidewalks, drains, telephone	03-33-39, 5'
DB 103, Page 248 02/02/1956	Perpetual Easement Perpetual Easement from Inga Olla Helseth for electric power lines, telephone & telegraph and appurtenances	19-33-40, SWQ of SWQ
DB 103, Page 349 02/09/1956	Perpetual Easement from Charles & Vanta Frick for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates 5-8 , 5' St. Lucie 32-32-40, SWQ of SWQ
DB 103, Page 410 02/14/1956	Perpetual Easement from Alfreda & Norma Hendrickson for electric power lines, telephone & telegraph and appurtenances	30-33-40, 5440' of N830 ' of SWQ of NWQ
DB 104, Page 68 02/28/1956	Perpetual Easement from TR & Alice Helleso for electric power lines, telephone & telegraph and appurtenances	19-33-40, NWQ of SWQ
DB 104, Page 131 03/02/1956	Perpetual Easement from George & Mary K. Helseth for electric power lines, telephone & telegraph and appurtenances	30-33-40, NWQ of NWQ
DB 104, Page 137 03/02/1956	Perpetual Easement from G(?) & E(?) Blaceton{?} for electric power lines, telephone & telegraph and appurtenances	24-33-39 19-33-40 NWQ of NWQ..Section 19 & SEQ section 24
DB 104, Page 139 03/02/1956	Perpetual Easement Elise & Anna Helseth for electric power lines, telephone & telegraph and appurtenances	19-33-40, NWQ of SWQ
DB 105, Page 87 03/27/1956	Perpetual Easement from Easement Hallstrom for electric power lines, telephone & telegraph and appurtenances	31-33-40, NEQ of NWQ
DB 105, Page 89	Perpetual Easement from Axel Hallestrom	30-33-40, NEQ of NWQ

03/27/1956	for electric power lines, telephone & telegraph and appurtenances	
DB 105, Page 338 04/06/1956	Perpetual Easement from Frank & Alma Carraway for "easement and ROW"	04-33-39, W5' of E 25' of W one acres of South 2 acres of E 20 acres
DB 105, Page 375 04/10/1956	Perpetual Easement from Charles & Martha Palmer, Jr. for electric power lines, telephone & telegraph and appurtenances	30-33-40, SWQ of NWQ
DB 105, Page 383 04/11/1956	Perpetual Easement from John & Evelyn Gifford for sewers, poles, water pipes, drains, telephone & electric cables or ducts	03-33-39, 5'
DB 105, Page 465 04/16/1956	Perpetual Easement from WC & [__] Burkettte for electric power lines, telephone & telegraph and appurtenances	24-33-39, lies within 35' of the center line of the Old Dixie Highway in NEQ of NEQ.
DB 106, Page 547 05/19/1956	Perpetual Easement from Morris & Bessie Schwartz for electric power lines, telephone & telegraph and appurtenances	31-33-40, NEQ
DB 109, Page 343 08/14/1956	Perpetual Easement from Josephine Zora for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates PB 5-8, (15'?) St. Lucie 32-32-40
DB 112, Page 441 12/04/1956	Perpetual Easement from Russell & Barbara Burks for construction of an electric transmission line & appurtenances, with access	Country Club Pointe Unit No. 2, PB4-60, S 5' of Lot ' & 16, bl 3; S 5' of Lot 1 &16, bl 4; 36-32-39
OR 4, Page 168 02/07/1957	Perpetual Easement from Silver Shores, Inc. for electric power lines, telephone & telegraph and appurtenances, with access	Silver Shores Unit No. 1, PB4-P 45, E10' of lots 6 & 7 29-32-40 30-32-40
OR 10, Page 35 04/19/1957	Perpetual Easement from Pine Metto Park Realty Corp. for an electric transmission line & appurtenances, with access	Pine-Metto Park PB3-P87, #10' of the W20' of Lots 1 through 11 32-32-39
OR 10, Page 355 04/26/1957	Perpetual Easement from J. Frank & Helen Edwards for electric power lines, telephone & telegraph and appurtenances, with access	05-33-39, E10' of W10.07 acres, Tract 10
OR 10, Page 357 04/26/1957	Perpetual Easement from Henry & Jenny Helsken for electric power lines, telephone & telegraph and appurtenances, with access	01-33-38, 10'
OR 11, Page 537 05/18/1957	Perpetual Easement from Clyde & Mary Holtsclaw for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Groveland PB1 P-25, ES' Lots 1 to 4, 6 , bl8 03-33-39
OR 13, Page 431 06/14/1957	Perpetual Easement AB & Florence Crqwford for electric power lines, telephone & telegraph and appurtenances, with access	31-32-40, W 10'
OR 15, Page 553 07/13/1957	Perpetual Easement from John & Martha Furlong for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 2, PB4-P79 St. Lucie, W 10' 36-32-39 31-32-40

		01-33-39 06-33-40
OR 18, Page 85 08/13/1957	Release Of Easement And Easement City of Vero to Rose McFarland Finley	Sunnyside Park 1-7 St. Lucie 03-33-39
OR 18, Page 126 08/14/1957	Release Of Easement And Easement City to CH & Maybelle Barker From City to Frank & Helen Smith	Royal Park Plat No. 7 1-36 36-32-39 01-33-39
OR 18, Page 214 08/15/1957	Release Of Easement And Easement From City to Frank & Helen Smith	Weaver & Young Subdivision 4-22 02-33-39
OR 19, Page 341 09/04/1957	Perpetual Easement Ralph & Madeline Profeta for electric power lines, telephone & telegraph and appurtenances, with access	Briggs-Tierney Subdivision PB 4-2, S 10' of Lots S,T,U,V & W 32-32-40
OR 26, Page 23 09/24/1957	Release of Easement and Easement from Gloria & Alex Krasotkin for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Pines Development PBI 3-56; E 3' 68' Lot 2 & E 32' Lot 3 11-33-39
OR 30, Page 329 12/07/1957	Release of Easement and Easement from A.E. Weaver for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Weaver & Young Subdivision PBI 4-22; Center 10' running E & W Lot6, Blk 2 02-33-39
OR 33, Page 467 01/28/1958	Release of Easement and Easement from H.C. & G. M. Long for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 6 PBI 1-13; 6' strip center on N 30' Lot 28, Blk 25 01-33-39
OR 34, Page 187 03/06/1958	Perpetual Easement From NB & Helen Ryall for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Original Map of Blocks 1, 2, 15, 16, 17, 32 & 33 PB 1-11, as described 02-33-39
OR 35, Page 239 03/21/1958	Perpetual Easement from Orville Green for the location of utility poles & wire	H.T. Gifford Estate PB1-13 St. Lucie, 10' 01-33-39
OR 41, Page 384 06/10/1958	Perpetual Easement from Orla & Leah Shelton for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Hennig's Subdivision Re-plat PB 2-11, 15' 01-33-39
OR 41, Page 385 06/10/1958	Perpetual Easement from Vernon & Sara Fromang for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Hiko Park Re-plat PB2-P13, S 7.5' 01-33-39
OR 41, Page 386 06/10/1958	Perpetual Easement from Vernon & Sara Fromang for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Conn Addition Re-plat, PB3-5, 15' 01-33-39
OR 42, Page 56 06/17/1958	Perpetual Easement from Burnell & Gertrude Emlet for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Hennig's Subdivision Re-plat 2-11 01-33-39
OR 42, Page 57 06/17/1958	Perpetual Easement from Less & Laye Cato for sewers, water mains & public utilities; for	J.A. Frere Subdivision, PB4-30 St. Lucie, N7 1/4' lot 3

	sewers, poles, water pipes, drains, telephone & electric cables or ducts	01-33-39 02-33-39
OR 42, Page 387 06/23/1958	Release of Easement And Easement from City to Devlin	Vero Pines Development 3-56 11-33-39
OR 43, Page 4 06/26/1958	Perpetual Easement Max & Mary Gerstel for Hennig's Subdivision sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Re-plat PB2-11, S 15' 01-33-39
OR 43, Page 101 06/27/1958	Perpetual Easement from John & Myra Seiler for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Hennig's Subdivision Re-plat 2-11, N 9' 01-33-39
OR 43, Page 309 07/03/1958	Release of Easement and Easement from Carl & Helen Bullwinkel for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Kennedy Terrace PB1-3, S 10' of N41' lots 10 to 12 & ES' of N41' lot 9 03-33-39
OR 44, Page 239 07/17/1958	Perpetual Easement from Henry & Beulah Brumley for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	H.T. Gifford Estate PB 1-13 St. Luck, N10' lot 25 01-33-39
OR 44, Page 342 07/21/1958	Perpetual Easement Elizabeth Rogers for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	H.T. Gifford Estate 1-13 , N 10' St. Lucie 01-33-39
OR 44, Page 403 07/22/1958	Release of Easement [N5' Lot 19] and Easement from North West Loan & Mortgage Co for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Subdivision DB 55, Page 105 5' strip adjacent to NE side lot line of Lot 14, bl2 09/01/1949
OR 44, Page 406 07/22/1958	Release of Easement [E10' Lot 4] and Easement from Bud & Dorabelle Holman for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Ward's Subdivision PB2-12, EIO' S50' of alley on plat, E of Lot 4 01-33-39
OR 45, Page 112 07/25/1958	Subordination from First Federal Savings and Loan for sewers, poles, water pipes, drains, telephone & electric cables or ducts	S 15' of N 126.3' of M&B; 01-33-39
OR 49, Page 114 09/19/1958	Release of Easement [prior over lots 7 & 6] and easement from Vero Pines Development Co. for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Pines Development PB3-56, E3' of W6' Lot 6 & W3' of E72 ' Lot 6 & W10' lot 7 11-33-39
OR 49, Page 115 9/17/1958	Perpetual Easement from Vero Pines Development Company for sewers, water mains & public utilities; for sewers, poles,	Vero Pines Development PB3-56, E 3' 11-33-39

	water pipes, drains, telephone & electric cables or ducts	
OR 52, Page 326 10/31/1958	Perpetual Easement from Beulah Cutter for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts.... subject to existing buildings & eaves	J.A. Frere Subdivision, PB4-30 St. Lucie, N3.91' lots 4 &5 1-33-39 02-33-39
OR 53, Page 350 11/14/1958	Perpetual Easement from Robert & Elizabeth Harris for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Belmont Park PB3-92, N3' lot 12 03-33-39
OR 60, Page 471 02/06/1959	Perpetual Easement from Augusta Conn for sewers, water mains & public utilities; for alley, sewers, poles, water pipes, drains, telephone & electric cables or ducts	Orange Park Subdivision **Unrecorded** S71/2 ' of W15' of E400.35', bl6
OR 63, Page 335 09/11/1958	Subordination from First Federal Savings and Loan for sewers, poles, water pipes, drains, telephone & electric cables or ducts	J.A. Frere Subdivision, PBS 4, Page 30, St. Lucie; N 7.5' Lots 1 & 2, Blk ?; 01-33-39
OR 66, Page 337 04/14/1959	Release Of Easement [rear 5' lots 34 & 35] and Easement from Pipe & Virginia Dodge for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Riomar Subdivision 2-I8PB, E5' of W50'...Lot 34 & 35 05-33-40
OR 72, Page 153 06/18/1959	Perpetual Easement from Walter & Elvira Buckingham for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Buckinghammock PB6-3 , 5' either side of line between Lots 10 & 11 36-32-39
OR 78, Page 343 08/28/1959	Perpetual Easement from MD & Blanch Hartsook for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Groveland PB1-25, S5' of E25' Lot 6 03-33-39
OR 78, Page 344 08/28/1959	Perpetual Easement from JB & Ada Carney for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Groveland PB1-25, S5' lot 14 03-33-39
OR 86, Page 131 11/27/1959	Perpetual Easement from Granada Construction Corp. for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Granada Estates PB5-25, N5' lot 12 36-32-39
OR 92, Page 182 01/27/1960	Perpetual Easement from Joseph & Bertha MacCrone and Ralph for electrical poles & electrical service	Gifford School Park PB3-53, %' each side, rear lot lines of Lots I through 18 22-32-39
OR 93, Page 298 02/10/1960	Perpetual Easement from Grace Roberts for sewers, water mains-& public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Shadow Lawn PB5-18 St. Lucie, S5' lot 3 03-33-39

OR 93, Page 299 02/10/1960	Perpetual Easement from Indian River County Board of Public Instruction for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	03-33-39, N60' of E60' of W20 acres, tract 14
OR 93, Page 300 02/10/1960	Perpetual Easement from Clifton & Annie Garrison for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Shadow Lawn 5-18 St. Lucie, S5' of E25' lot 6 03-33-39
OR 93, Page 301 02/10/1960	Perpetual Easement from Harry & Evelyn Coumine for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Groveland PB1-25 , S5' lot 7 03-33-39
OR 93, Page 302 02/10/1960	Perpetual Easement from George Hannah & Alexander Morrice for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Groveland PB1-25 , N5' lot 3 03-33-39
OR 93, Page 325 02/10/1960	Perpetual Easement from W. Harrison Lee, Trustee 11 for poles, telephone and electric [Poor quality copy]	Golf View Estates PB5-80, N5' lot 16; S5' lot 17, SE 10' lot 2, SE 10' lot 1; NE 5' lot 2 36-32-39
OR 94, Page 528 02/25/1960	Perpetual Easement from Earl & Frances Groth for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	04-33-39, as described
OR 94, Page 530 02/25/1960	Perpetual Easement from John & Dorothy Tri;;in for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	04-33-39, 5'(N & E)
OR 100, Page 186 04/18/1960	Perpetual Easement from Vero Beach Tropic Estates, Inc. for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Valencia Park PB1-46, N ½ of S ½ Lot 7 Bl A & N 10' of S 30' Blocks 2,7 & 8 10-33-39
OR 100, Page 187 04/18/1960	Perpetual Easement from Elton & Juanita Mill for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Valencia Park PB 1-46, S 2.5' of N 27.5' of Lot 7, bl 6 10-33-39
OR 102, Page 287 05/19/1960	Perpetual Easement from [Sigrid] & Frederick Norman Transmission Line Easement	Valencia Park PB1-P46, N10' of the S30' of Lot 7 Bl 5 10-33-39
OR 104, Page 74 06/15/1960	Perpetual Easement from Alfreda & Norman Hendrickson for electric power lines, telephone & telegraph and appurtenances, with access	Vero Beach Estates PB 5-8 St. Lucie, S440' of N880' of SWQ of NWQ, Section 30-32s-40e 30-32-40
OR 104, Page 76	Perpetual Easement from Forrest & Lenore	Vero Beach Estates

06/15/1960	Graves for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	PB5-8 St. Lucie, part of lot 26 [or 36?] 32-32-40, appears to be 15'
OR 104, Page 78 06/15/1960	Perpetual Easement from A' & Ruth Schumann for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates 5-8 St. Lucie 32-32-40, appears to be 15'
OR 104, Page 80 06/15/1960	Perpetual Easement from Vero Builders Inc. for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates PB5-8 St. Lucie, part of lot 38 32-32-40, appears to be 15'
OR 104, Page 82 06/15/1960	Perpetual Easement from Fred & Adriana Tuerk for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates PB5-8 St. Lucie, part of Lot 38 32-32-40, appears to be 15'
OR 104, Page 84 06/15/1960	Perpetual Easement from J. Douglas & Marion Baker for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Beach Estates PB5-8 St. Lucie, Part of Lots 14 & 35 32-32-40 [exhibit missing]
OR 116, Page 411 01/04/1961	Perpetual Easement from W. Harrison & Lillian Iles for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Veromar Plat 1 PB1-88, W5' of Lots 9 through 17 31-32-40
OR 117, Page 186 01/11/1961	Perpetual Easement from Walter & Elvira Buckingham for an electric transmission line and appurtenances with access	E10' of W155' of the SEQ of the NWQ of Section 36 36-32-39
OR 118, Page 277 01/30/1961	Perpetual Easement from Baptist Retirement Centers for an electric transmission line and appurtenances with access	Buckinghammock PB6-3, (area N of 32nd St as shown on plat of subdivision)... E 10' of W155' of SEQ of NWQ of Section 36 36-32-39
OR 119, Page 274 02/13/1961	Perpetual Non-Exclusive Easement from James & Mary Wallace for public utility or drainage purposes	05-33-39, 10' over described areas
OR 120, Page 35 02/24/1961	Perpetual Easement from Russell & [Theresa] Moore Iles for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Highland Park Plat No. 3, PB2-4, 5' width 01-33-39 02-33-39 11-33-39 12-33-39
OR 120, Page 36 02/24/1961	Perpetual Easement from Wade Ropp for the serial location of communications & electric cables over the surface	Waburna Village PB6-44, N 4' of Lot 1, B1 B & N4' of Lot 1, B1 C 03-33-39
OR 126, Page 334 06/09/1961	Perpetual Easement J. Austin & Margaret Taylor for the location of poles, water pipes, drains, telephone & electric cables or ducts	S 70' of N 704' of E 10 acres of tract 2 10-33-39
OR 126, Page 335 06/09/1961	Perpetual Easement from Helen Kieley for the location of poles, water pipes, drains,	11-33-39, N49' of S643.85' of W200',

	telephone & electric cables or ducts	Tract 3
OR 126, Page 636 06/19/1961	Perpetual Easement from GW & Lousetta Blanton for transmission line and appurtenances with access	27-32-39, N10' of the South 605.(?)' of the West 231.161' of the E ½ of the NWQ of the NEQ of Section 27
OR 127, Page 186 06/26/1961	Perpetual Easement from J. Kenneth Prince for alley, sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Manor PB3-31, E4' of Lot 1 & W5' lot A 01-33-39
OR 134, Page 408 10/18/1961	Perpetual Easement from Miracle Plaza, Inc., Earl & Helen Peterman for sewers, water mains & public utilities; for sewers, poles, water pipes, drains, telephone & electric cables or ducts	01-33-39, as described
OR 147, Page 438 05/03/1962	Release of Easement and Easement from Joseph & Ada Grable for location of public utilities	McAnsh Park, Plat No. 1 PBI 1-28,29; 3' adjacent to n line of M&B, Lots 2, 20, 21, Blk 22 02-33-39
OR 148, Page 101 05/17/1962	Perpetual Easement from Jessie Rogers, Executrix of Estate of Lon Rogers, et al for transmission line and appurtenances with access; Grant is also for benefit of Southern Bell [AT&T)	23-32-39 24-32-39 15'
OR 149, Page 654 06/19/1962	Perpetual Easement from Donald Allen [purpose not stated]	32-32-39, 10'
OR 149, Page 655 06/19/1962	Perpetual Easement from Frank & Mary Schlitt, et al [purpose not stated]	32-32-39, 10'
OR 150, Page 33 06/21/1962	Perpetual Easement from David & Dorothy Albrecht for utility easement	Highland Park Plat No. 3, PB2-4, N 10' of S 30' lot 12 & S 10' of Lot 20, b1 20 01-33-39 02-33-39 11-33-39 12-33-39
OR 156, Page 1 09/24/1962	Perpetual Easement from Elbert & Frances Pickrill for all municipal purposes	11-33-39, 5' width
OR 162, Page 111 01/07/1963	Perpetual Easement from Glades Taylor for sewers, poles, water pipes, drains, telephone & electric cables or ducts	04-33-39 10'
OR 166, Page 346 03/13/1963	Perpetual Easement from William Alexander for a utility easement	11-33-39, E10' of the M2 of the E 10.49 acres of the West 20.49 acres of tract 5
OR 166, Page 359 03/13/1963	Release of Easement and Easement from George Fry for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Hiko Park PB 1-79, as described in 01-33-39 Conn Addition Re-plat 3-5

		01-33-39
OR 167, Page 193 12/17/1962	Subordination from First Federal Savings and Loan for municipal purposes	Vero Beach Estates PBS 5-8 St. Lucie, Rear 5' Lots 17,18, Blk 5 32-32-40
OR 167, Page 195 03/27/1963	Perpetual Easement from Viola Mathews for all municipal purposes	Vero Beach Estates PB5-8 St. Lucie, 5' wide over lots 9 &10 32-32-40
OR 167, Page 196 03/27/1963	Perpetual Easement from Lois Gray for all municipal purposes	Vero Beach Estates PB5-8 St. Lucie, 5' 32-32-40
OR 167, Page 197 03/27/1963	Perpetual Easement from Viola Mathews for all municipal purposes	Vero Beach Estates 5-8 , 5' St. Lucie 32-32-40
OR 167, Page 198 03/27/1963	Perpetual Easement from Lois Gray for all. municipal Purposes	Vero Beach Estates 5-8, 5' St. Lucie 32-32-40
OR 167, Page 199 03/27/1963	Perpetual Easement from Robert Bellchambers for municipal purposes	Vero Beach Estates 5-8 , 5' St. Lucie 32-32-40
OR 167, Page 200 03/27/1963	Perpetual Easement from Ernest Rabuano for all municipal purposes	Vero Beach Estates PB5-8, 5' St. Lucie 32-32-40
OR 167, Page 201 03/27/1963	Perpetual Easement from Esther Dingemans for all municipal purposes	Vero Beach Estates PB5-8 , 5' St. Lucie, 5' 32-32-40
OR 167, Page 202 03/27/1963	Perpetual Easement from Virgil Bailey, individually & as Trustee for all municipal purposes	Vero Beach Estates 5-8 , W 6' lto 37, bl 13 St. Lucie 32-32-40
OR 167, Page 204 03/27/1963	Perpetual Easement from Chester & Joyce Whitfield for the location of public utilities	Vero Beach Estates PB5-8 St. Lucie, 5' wide 32-32-40
OR 167, Page 205 12/17/1962	Subordination from First Federal Savings and Loan for municipal purposes	Vero Beach Estates PBS 5-8 St. Lucie; Rear 5' Lots 31,32, & W 10' 33, Blk 13 32-32-40
OR 167, Page 207 03/27/1963	Perpetual Easement from Kenneth & Yvonne Wright for all municipal purposes	Vero Beach Estates 5-8 , 5' St. Lucie 32-32-40
OR 167, Page 208 03/27/1963	Perpetual Easement from Joseph Maher for municipal purposes	Vero Beach Estates 5-8 , 5' St. Lucie 32-32-40
OR 167, Page 209 03/27/1963	Perpetual Easement from Al & Edna Sabol for municipal purposes	Vero Beach Estates 5-8 St. Lucie 32-32-40
OR 167, Page 210 03/27/1963	Perpetual Easement from William & Ann Raydo for all municipal purposes	Vero Beach Estates PB 5-8 , 5' St. Lucie 32-32-40 5'

OR 167, Page 211 12/17/1962	Subordination from First Federal Savings and Loan for municipal purposes	Vero Beach Estates PBS 5-8 St. Lucie; Rear 5' Lots 25,26, Blk 14 32-32-40
OR 167, Page 215 03/27/1963	Perpetual Easement from Kenneth & Elsie Moses for all municipal purposes	Vero Beach Estates 5-8, 5' St. Lucie 32-32-40 5'
OR 167, Page 216 03/27/1963	Perpetual Easement from Kenneth & Elsie Moses for all municipal purposes	Vero Beach Estates PB5-8, 5' St. Lucie, 5' 32-32-40
OR 167, Page 217 03/27/1963	Perpetual Easement from Albert & Edna Sabol for all municipal purposes	Vero Beach Estates PB5-8, 5' St. Lucie 5' 32-32-40
OR 167, Page 218 12/17/1962	Subordination from First Federal Savings and Loan for municipal purposes	Vero Beach Estates PBS 5-8 St. Lucie; Rear 5' Lot 7, Blk 14 32-32-40
OR 167, Page 211 12/17/1962	Subordination from First Federal Savings and Loan for municipal purposes	Vero Beach Estates PBS 5-8 St. Lucie; Rear 5' Lots 8,9, Blk 14 32-32-40
OR 168, Page 720 04/23/1963	Perpetual Easement from Perry & Katherine Helseth for all municipal purposes	Osceola Park Home Sites Addition to Vero PB3-58 St. Lucie, 5' 02-33-39
OR 168, Page 721 04/23/1963	Perpetual Easement from Harold & Carrie Feigenholtz for all municipal purposes	Osceola Park Home Sites Addition to Vero PB 3-58 St. Lucie, 5' 02-33-39
OR 168, Page 722 04/23/1963	Perpetual Easement from John & Evelyn Gifford for all municipal Purposes	Osceola Park Home Sites Addition to Vero PB3-58 St. Lucie, 5' 02-33-39
OR 169, Page 286 04/29/1963	Perpetual Easement from William Blocker, Jr., Margaret Blocker et al for a utilities	Orange Grove Park PB1-55, W (?)' 1-33-39
OR 169, Page 288 04/19/1963	Perpetual Easement Thomas & Barbara Waggaman for utilities	Orange Grove Park PB1-P55, 5' 1-33-39
OR 180, Page 686 08/28/1963	Subordination from First Federal Savings and Loan	S 5' of N 35' of N 2 ac of W 10 ac GL4 06-33-40
OR 172, Page 268 06/13/1963	Perpetual Easement from Joseph & Anne McLoughlin for all municipal purposes	Vero Beach Estates PB 5-8 St. Lucie, 5' 32-32-40
OR 172, Page 269 06/13/1963	Perpetual Easement from Helen Odell for all municipal purposes	Vero Beach Estates PB 5-8 St. Luck, 5' 32-32-40
OR 172, Page 270	Perpetual Easement from Harold & Nelda	Vero Beach Estates

06/13/1963	Barton and Robert & Martha Daniel for all municipal purposes	PB5-8 St. Lucie, 5' 32-32-40
OR 172, Page 271 06/13/1963	Perpetual Easement from Marion Hawes for all municipal purposes	Vero Beach Estates PB5-8 St. Lucie, 5' 32-32-40
OR 172, Page 272 06/13/1963	Perpetual Easement from Robert & Kathryn Smyth for all municipal purposes	Vero Beach Estates PB5-8 St. Lucie, 5' 32-32-40
OR 172, Page 273 06/13/1963	Perpetual Easement Elmer & Helen Matthews for all municipal purposes	Vero Beach Estates PBS-8 St. Lucie, 5' 32-32-40
OR 172, Page 274 06/13/1963	Perpetual Easement from Frances Jackson for all municipal purposes	Vero Beach Estates PB 5-8, E 12' of Lot 34 & all of Lot 35, bl 13 St. Lucie (also temporary 20' construction esmt) 32-32-40
OR 172, Page 275 06/13/1963	Perpetual Easement from Indian River Products Company for all municipal purposes	Vero Beach Estates PBS-8 St. Lucie, 5' 32-32-40
OR 172, Page 276 06/13/1963	Perpetual Easement from Ellis & Wanda Roberts for all municipal purposes	Vero Beach Estates PB5-8 St. Lucie, 5' 32-32-40
OR 172, Page 277 06/13/1963	Perpetual Easement from Michael & Anna Panulla for all municipal purposes	Vero Beach Estates PB 5-8 St. Lucie, 5' 32-32-40
OR 180, Page 688 10/31/1963	Perpetual Easement from Ralph & Faye Vedder for an OVERHEAD POWER TRANSMISSION LINE	Dr. Richard E. Bullington's Subdivision PB2-P5 St. Lucie, S20' of the N35' of described property 01-33-39
OR 180, Page 689 10/31/1963	Perpetual Easement from Melvin & Josephine Trumble et al for all municipal purposes	Dr. Richard E. Bullington's Subdivision PB 2-5 St. Lucie, S 20' of N35' of Lot 3 01-33-39
OR 180, Page 690 10/31/1963	Perpetual Easement from Richard & Lavon Schaefer for utility purposes	Dr. Richard E. Bullington's Subdivision PB2-P5 St. Lucie, S20' of N35' of described land 01-33-39
OR 180, Page 691 10/31/1963	Perpetual Easement from Dosia Baker for all utility purposes	Dr. Richard E. Bullington's Subdivision PB2-P5 St. Lucie, S20' of N35' of W21/2 acres of lot 1 01-33-39
OR 180, Page 692 10/31/1963	Perpetual Easement from Mildred Tillis for municipal purposes	Dr. Richard E. Bullington's Subdivision PB2-5 St. Lucie, S20' of N35' of E40' & W15' of N150' of E

		21/ acres of W 5 acres of lot 1 01-33-39
OR 180, Page 693 10/31/1963	Perpetual Easement from Mildred Tillis [purpose not stated]	Dr. Richard E. Bullington's Subdivision PB 2-5, S 20' of N 35' of described lands St. Lucie 01-33-39
OR 180, Page 694 10/31/1963	Perpetual Easement William & Wynelle Driskell for all municipal purposes	Dr. Richard E. Bullington's Subdivision PB 2-5 , S 20' of N 35' of described lands St. Lucie 01-33-39
OR 180, Page 695 10/31/1963	Perpetual Easement from Glynn & Jeanette Harp for all municipal purposes	06-33-40, S 5' of N 35' of N 2 acres of W 10 acres Gov Lot 4
OR 182, Page 34 11/18/1963	Declaration Of Taking for an Electric Transmission Line connecting the two electric power plants of the City... for a Perpetual Easement	Dr. Richard E. Bullington's Subdivision 2-5 St. Lucie, Parcel 1 = S 20' of N35' of described property in Lot 4, Bl 2; Parcel 2 = S20' of N35' of East 4 acres of Lot 1, Bl 2 01-33-39
OR 183, Page 491 12/17/1963	Order Of Taking	Dr. Richard E. Bullington's Subdivision PB2-5, 20' easements as described St. Lucie 01-33-39
OR 192, Page 3 04/23/1964	Perpetual Easement Rudolf & Dagney Stomberg for electric transmission line, with access	Dr. Richard E. Bullington's Subdivision 2-5 , 20' St. Lucie 01-33-39
OR 192, Page 464/465 April 16, 1964	Release of Easement & Perpetual EASEMENT from American Telephone & Telegraph Company	Intersection of the Western ROW line of Dixie Avenue & North ROW line of 18th Street, as described, Indian River County
OR 194, Page 150 05/27/1964	Perpetual Easement from Laura Loy for the location & extension of electric transmission line and necessary pole and for maintenance, with access	Dr. Richard E. Bullington's Subdivision PB 2-5, 20' of described land St. Lucie 01-33-39
OR 195, Page 107 06/12/1964	Perpetual Easement from Saddle River Oaks, Inc. for all public utility purposes	Dr. Richard E. Bullington's Subdivision Plat Bk 2-5 St. Lucie, as described 01-33-39
OR 195, Page 109 06/12/1964	Perpetual Easement from Southeastern Equipment Corporation of Vero Beach	01-33-39, S 7.5' of described lands in the NE corner of Lot 8, Block 14, Highland Park Subdivision, St. Lucie County

OR 197, Page 274 07/24/1964	Release of Easement & Perpetual Easement from George Heath, executor of Estate of Elizabeth Rogers, deceased, for the location of sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3., Plat Bk 4-88 St. Lucie, S3' of Lot 17, Bl 5 & N3' of Lot 20, Bl 5 36-32-39
OR 202, Page 230 10/13/1964	Guy Wire or Wires Consent by undersigned owners	Vero Land Company PBI 3 Page 19; N 20' of 35' M&B, Lot 9 12-33-39
OR 203, Page 329 11/12/1964	Guy Wire or Wires Consent [4 individual owners, poor quality copy, names unclear]	Dr. Richard E. Bullington's Subdivision Plat BK 2-5 St. Lucie, described acres a SE corner of NEQ of SWQ of SEQ of Section 01-33-39
OR 207, Page 551 01/25/1965	Perpetual Easement Joe & Lucille Reams for Overhead Utility Line	Gabler's Subdivision Plat Bk 2-80, N 10' of Lot 1 12-33-39
OR 207, Page 552 01/25/1965	Perpetual Easement Robert * Shirley Bays for an Overhead Utility Line	Gabler's Subdivision Plat Bk 2-80, N 10' of Lots 2 & 3 12-33-39
OR 207, Page 553 01/25/1965	Perpetual Easement MJ & Roberta McCullers for an Overhead Utility Line	Gabler's Subdivision Plat Bk 2-80, N10' of Lot 8 12-33-39
OR 212, Page 485 04/28/1965	Release of Easement & Perpetual Easement Kenneth Tomlinson for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Briggs-Tierney Subdivision Plat bk 4-2, W3' of E41' of Lot "O" 32-32-40
OR 212, Page 740 05/04/1965	Perpetual Easement CC & Marie Sumeral for an overhead utility line	Gabler's Subdivision Plat bk 2-80, N10' of Lots 4 & 5 12-33-39
OR 218, Page 747 10/25/1965	Perpetual Easement Elbert & Frances Pickerill for utility purposes	W10' as described in 11-33-39
OR 226, Page 17 04/04/1965	Perpetual Easement HMS & Marion Richards to be used solely for the overhanging wires from utility poles for utility and other wires	**Air space** over S 5' of Redstone Building
OR 238, Page 83 09/13/1966	Subordination from Royal Palm Convalescent Center, Inc. for sewers, poles, water pipes, drains, telephone & electric cables or ducts	H. T. Gifford Estates, PBS 6-18; S 5' of Lot 13 01-33-39
OR 257, Page 158 06/07/1967	Perpetual Easement from Stavros Pachus for utility lines, poles, guy wires and supports	12-33-39, 5' on each side of a described line
OR 257, Page 301 06/09/1967	Perpetual Easement from Hoyle & Reditha Lyda for electric utility lines, poles, guy wires and supports	El Vero Villa Subdivision Plat bk 4-97 St. Lucie, Rear 5' of lots 9 through 11, B13; rear 5' lots 1 through 12 , bl 5 04-33-39

OR 263, Page 195 08/23/1967	Perpetual Easement from Saddle River Oaks, Inc. for all municipal purposes in the city	Dr. Richard E. Bullington's Subdivision Plat bk 2-5 St. Lucie, S 45' of lots 7 & 8, Bl 1 01-33-39
OR 263, Page 196 08/23/1967	Perpetual Easement Saddle River Oaks, Inc. for all municipal purposes in the city	Pelican Cove Plat Bk 3-75, E 10' of Lot 1-A,Bl 7 05-33-40
OR 263, Page 197 08/23/1967	Perpetual Easement from Our Savior Lutheran Church of the Floria Synod of the Lutheran Church in America	Dr. Richard E. Bullington's Subdivision Plat Bk 2-5 St. Lucie, a Parcel of land 30', extending East and West across described land in the W2 of Lot 7, Bl 1 AND, 20' wide parcel, North/South over described land in the W2 of Lot 7, BL 1 01-33-39
OR 264, Page 407 09/08/1967	Perpetual Easement from Harriet Jackson for electric utility lines, poles, guy wires and supports	13-33-29, described land in the SWQ of NEQ of the above section
OR 264, Page 466 09/12/1967	Perpetual Easement from Eleanor Froscher for electric utility lines, poles, guy wires and supports	Vero Land Company's Subdivision Plat bk 3-19 St. Lucie, described area in NEQ of Lot 5 12-33-39
OR 265, Page 221 09/19/1967	Perpetual Easement from RH Juve for electric utility lines, poles guy wires & supports	31-33-40, S 15 acres of the NWQ of SEQ
OR 265, Page 222 09/19/1967	Perpetual Easement from Clifford & Laura Jones for electric utility lines, poles, guy wires and supports	Florida Ridge Subdivision Plat bk 3-93, part of SEQ of SEQ between RR and Old Dixie Highway- Lot B 31-33-40
OR 265, Page 393 09/21/1967	Perpetual Easement from John & Nellie Water	Florida Ridge Subdivision Plat bk 3-93, SWQ of SEQ, between RR & Old Dixie Highway, Lot B 31-33-40
OR 281, Page 347 04/01/1968	Perpetual Easement from Jack & Linda Metz for utility & drainage purposes	11-33-39, over described land
OR 282, Page 277 04/10/1968	Corrective Perpetual Easement Jack & Linda Metz for utility & drainage purposes	11-33-39, as described
~~OR 282, Page 230~~ ~~April 3, 1968~~	~~Perpetual Easement from Chester & Tilley Clem~~ **Release of easement only**	~~3' on either side of the lots 12 through 15, B1 28, Royal Park Unit No. 7~~
OR 282, Page 502 04/16/1968	Perpetual Easement from Ruth Allbee, Esther Nesbit, Mina Hoven for utility purposes	01-33-38, E10' of E165' of W 10.68 acres of Tract 10
OR 291 Page 250	**Subordination of Easement to FDOT** [for State Rd 8-607]... Easement from Wade &	Section 8857-=2601; Parcel 195...W15' of N5' of Lot 10,

April 17, 1968	Bernadette Ropp, DB 86/ P 69, 2-15-54	bl2, JS Evans & Sons Subdivision, Pl Bk 5, P 50; & W15' of S10' of N116' of Lot 6, Bl2 of the above subdivision
OR 292, Page 526 08/15/1968 October 16, 1968	Release Of Easement and Easement from Vlasta Booth for public utility purposes	Riverside Park No. 2 Plat Bk 6-16, 3' on each side of described line, Lot 5 30-32-40 31-32-40
OR 298, Page 138	**Subordination of Easement** to FDOT Rights, ...Easement from PI Holseth, et ux OR Bk 168 P 720	N20' of W5' of lot 2, bl 3, Osceola Park , Plat bk 3, P 58
OR 301, Page 48 11/27/1968	Release Of Easement and Easement from Virginia Applegate for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Vero Pines Development Plat bk 3-56, W3' of W12' of lot 6, blB 11-33-39
OR 303, Page 345 12/31/1968	Perpetual Easement from Nicholas & Helen Biondo for electric utility poles & lines for the transmission electric current & other municipal services	Town of Indian River Plat Bk 2-12 St. Lucie, E5' of Lot 10, bl 38 02-33-39
OR 312, Page 439 04/10/1969	Perpetual Easement from Floyd & Mamie Harris for electric utility lines, poles, guy wires and supports	Keystone Subdivision Plat Bk 4-38 St. Lucie, S5' of Lots 1-6, Bl 6 of Keystone Subdivision 01-33-39
OR 312, Page 440 04/10/1969	Perpetual Easement Carl & Ruby Heintzelman for electric utility lines, poles, guy wires & supports	Keystone Subdivision Plat Bk 4-38 St. Lucie, N5' of Lots 7 & 8, B16 01-33-39
OR 312, Page 441 04/10/1969	Perpetual Easement from Charles & Thelma Lehr for electric utility lines, poles, guy wires & supports	Keystone Subdivision Plat Bk. 4-38 St. Lucie, N5' of Lots 9 & 10, B16 01-33-39
OR 312, Page 442 04/10/1969	Perpetual Easement Christopher Kathryn Ekonomou for electric utility lines, poles, guy wires & supports	Keystone Subdivision Plat bk 4-38 St, Lucie, N 5' lots 11 & 12, B1 6 01-33-39
OR 321, Page 180 07/07/1969	Perpetual Easement Margaret Taylor for poles, water pipes, drains, sewers, telephone & eclectic poles or ducts	10-33-39, strip 60' wide, the W60' of the E 195' of the E 10 acres of Tract 2
OR 323, Page 375 07/31/1969	Perpetual Easement from Edgar Schlitt, Trustee (under identified trust agreement) for municipal purposes	Vero Plaza PB7-42, "N 146' of W 30'...."??? 01-33-39 06-33-40
OR 350, Page 149 05/11/1969	Perpetual Easement from Stanley & Ann Harte for Underground for storm water drainage, Surface & Utility Easements for water and sewage as described	H.T. Gifford Estate PB1-13 , as described, St. Lucie 01-33-39 Indian River Estates 5-7 St. Lucie

		01-33-39 Park View Replat 2-19 01-33-39
OR 369, Page 424 12/10/1969	Perpetual Easement from Frank & Gwendolyn Zorc for utility purposes	2-33-39, as described
OR 372, Page 356 01/08/1971	Perpetual Easement from Sunquest, Inc. for laying water lines, drains, sewers & electric light poles	Dr. Richard E. Bullington's Subdivision Plat Bk 2-5 St. Lucie, 20' easements over described areas 01-33-39
OR 377, Page 154 01/29/1971	Easement from St Lucie Bank. for providing utility services	Royal Park Plat No.1, PBS 4-79, St. Lucie; 6' strip across Lots 2-5, Blk 3 01-33-39
OR 377, Page 217 02/23/1971	Perpetual Easement Wyn Cove, Inc. for municipal purposes	Wyn Cove Plat Bk 4-61, E5' of Lots 4 & 11 and W5' of Lots 5 & 12 16-33-40
~~OR 380, Page 281~~ ~~January 5, 1971~~	~~Release of Easement & Easement from Frank & Bessie Gigante for a utility & drainage easement~~ **Release only**	~~E3' of Lot T and W3' of Lot U, Briggs-Tierney Subdivision~~
OR 382, Page 780 01/29/1971	Easement from Edward & Alice Borro. for providing public utility and drainage purposes	Royal Park Plat No.3, PBS 4-88, St. Lucie; N 6' of S 45' of E 45.86 Lot 18, Blk 10 01-33-39
OR 384, Page 870 05/19/1971	Perpetual Easement from James & Bettie MacBain for utility purposes	Veromar Plat 1 Plat Bk 1-88, N 20' of Lots 19 through 22, Bl 13 31-32-40
OR 385, Page 61 05/24/1971	Perpetual Easement from William Patten, David Anderson, Edwin Butterfield, Trustees & First Assembly of God Church	03-33-39, S50' of N718.10 " of FW 5 acres of E 15.15 acres of Tract 14
OR 389, Page 924 08/04/1971	Perpetual Easement from Trinity Episcopal Church for municipal purposes	Royal Park Plat No. 6, Plat Bk 1-13, N5' of Lot 10, Bl 8 & S5' lot9, bl 8 01-33-39 06-32-39
OR 395, Page 970 11/08/1971	Perpetual Easement Edgar Schlitt, Trustee for ingress & egress for garbage & trash collection and for sewers, water mains and pipes and electric wires, ducts and poles	Vero Plaza P{lat Bk 7-42, as described, 01-33-39 & 06-33-40
OR 398, Page 489 12/17/1971	Perpetual Easement from Wyn Cove Subdivision , Inc. for water, electric and sewer, transmission lines and mains	Wyn Cove Plat BK, 4-61, W10' of E21.2 ' of Lot 11; 16-33-40
OR 401, Page 166 01/28/1972	Perpetual Easement Eugene & Cora Goldnick municipal purposes	20-33-39, NEQ of Tract 8 80' W of the section line in the centerline of the Lateral "B" canal as described
OR 402, Page 190	Perpetual Utility Easement from Virgil &	23-32-39, E10' of N35 acres of

02/15/1972	Janie Thompson for electric distribution line	S quarter of NWQ, W of the ROW of the RR in above section
OR 402, Page 191 02/15/1972	Perpetual Easement from the Moorings Development Company for utility purposes	Floralton Beach Plat No. 1, Plat Bk 3-20, E 10' of Lot 10, Bl C 21-33-40
OR 402, Page 192 02/15/1972	Perpetual Easement from the Morrings Development Company for utility purposes	Floralton Beach Plat No. 1, Plat Bk 3-20, E 10' of Lot 7, Bl C 21-33-40
OR 402, Page 193 02/15/1972	Perpetual Easement from the Moorings Development Company for utility purposes	Floralton Beach Plat No. 1, Plat Bk 3-20, E 10' of Lot 7, Bl D 21-33-40
OR 402, Page 194 02/15/1972	Perpetual Easement from Milton & Marie Feeney	Floralton Beach Plat No. 1, PB 3-20, E 10' lot 6, bl D 21-33-40
OR 402, Page 195 02/15/1972	Perpetual Easement from Edward & Lona Buttenbock for utility easement	Floralton Beach Plat No. 1, Plat bk 3-20, EIO' of Lot8, Bl C 21-33-40
OR 403, Page 259 02/29/1972	Perpetual Easement from Ervin & Billie Messersmith for utility purposes	Floralton Beach Plat No. 1, Plat Bk 3-20, E10' Lot 9, Bl C 21-33-40
OR 403, Page 713 03/07/1972	Perpetual Easement from Glenn-Terrill Development Corp. for municipal purposes	Royal Park Plat No. 5, Plat Bk 1-2, as described 01-33-39
OR 404, page 900 03/24/1972	Perpetual Easement from Glenn-Terrill Development Corp. for municipal purposes	Royal Park Plat No. 5, Plat Bk 1-2, as described 01-33-39
OR 405, Page 628 04/05/1972	Perpetual Easement from Albert & Sophie Arendas for water, electrical and sewer transmission lines and mains	03-33-39, E 10' of N 608.2' of W5 acres of E20.13 acres less described area
OR 410, Page 83 06/05/1972	Easement from Nina Haynes for poles, electric cables or ducts, electric wires, …	Smuggler's Cove, PBI 8-29; S 5' of W 150 of Lot 20 16-33-40
OR 410, Page 954 06/16/1972	Perpetual Easement from Margaret Allmer for water, electrical & sewer transmission lines and mains	Sunnyside Park Plat Bk 1-7 St. Lucie, E5' of W10' of Lot 6, bl 4 03-33-39
OR 410, Page 955 06/16/1972	Perpetual Easement Albert & Sophie Arendas for water, electrical & sewer transmission lines and mains	03-33-39, E10' of N608.2' of W 5 acres on E 20.15 acres less described area, Tract 14
OR 410, Page 956 06/16/1972	Perpetual Easement from Max & Katherine Allmer for water, electrical & sewer transmission lines and mains	Sunnyside Park Plat Bk 1-7 St. Lucie, W5' of E10' of Lot 15, Bl 4 03-33-39
OR 410, Page 957 06/16/1972	Perpetual Easement from Rose Marie Aviles for water, electrical & Sewer Transmission lines and mains	Valencia Park Plat Bk 1-46 10-33-39, E10' of Lot 13, bl4
OR 410, Page 958 06/16/1972	Perpetual Easement from Camille & Samuel Alwine for water, electrical & sewer	Brae Burn Park Subdivision Plat Bk 3-23, W5' of E10' of

	transmission lines and mains	Lot 9, bl 2 11-33-39
OR 410, Page 959 06/16/1972	Perpetual Easement from D. Virginia Brothers for water, electrical & sewer transmission lines and mains	Brae Burn Park Subdivision Plat Bk 3-23, E5' of W10' of Lot 1, bl 3 11-33-39
OR 410, Page 960 06/16/1972	Perpetual Easement from G. Gerald & Louise Brey for water, electrical & sewer transmission lines and mains	Brae Burn Park Subdivision Plat Bk 3-23, W5' of E10, lot 7, b14 11-33-39
OR 410, Page 961 06/16/1972	Perpetual Easement John & Beatrice Brennan for water, electrical & sewer transmission lines and mains	Brae Burn Park Subdivision Plat bk 3-23, W5' of E10' of Lot 5, bl 1 11-33-39
OR 410, Page 962 06/16/1972	Perpetual Easement from Olive Bree for water, electrical & sewer transmission lines and mains	Brae Burn Park Subdivision Plat bk 3-23, E5' of W10', Lot 6, bl 2 11-33-39
OR 410, Page 963 06/16/1972	Perpetual Easement from Thomas & Faye Begley for water, electrical & sewer transmission lines and mains	Brentwood Subdivision Unit 2 4-100 Plat bk , N2.5' of S 10' of lot 2 , b12 11-33-39
OR 410, Page 964 06/16/1972	Perpetual Easement from Emilia Corcoran for water, electric & sewer transmission lines and mains	Brae Burn Park Subdivision PB3-23, W 5' of E 10' lot 14, bl 2 11-33-39
OR 410, Page 965 06/16/1972	Perpetual Easement from Andrew & Camille Catalano for water, electrical & sewer transmission lines and mains	Brae Burn Park Subdivision Unit No. 2, Plat bk 3-41, W[3' or 5'?]of W10' of lot2, bl1 11-33-39
OR 410, Page 966 06/16/1972	Perpetual Easement from Evelyn & George Connors for water, electrical & sewer transmission lines & mains	Brae Burn Park Subdivision Plat Bk 3-23, W5' of E10 Lot 1, bl 1 11-33-39
OR 410, Page 967 06/16/1972	Perpetual Easement from Rosaria Calise for water, electrical & sewer transmission lines & mains	Brae Burn Park Subdivision 3-23Plat bk , W5' of W10', lot 15, bl2 11-33-39
OR 410, Page 968 06/16/1972	Perpetual Easement from EM & Bernice Collard for water, electrical & sewer transmission lines & mains	Brae Burn Park Subdivision Unit No. 2, Plat Bk 3-41, E3' of W8' and S10' of all of Tract A except part described 11-33-39
OR 410, Page 969 06/16/1972	Perpetual Easement from Dudley & Barbara Cornell for water, electrical & sewer transmission lines & mains	Sunnyside Park Addition Replat of East Half of Block 5 Plat Bk 1-68, E5' of W10' of lots 10 & 11 & E5' ofW10' of S24' lot 9, bl 5 03-33-39
OR 410, Page 970 06/16/1972	Perpetual Easement from Cecil & Beatrice Chambless for water, electrical & sewer transmission lines & mains	03-33-39, E20', 10' on each side of described line

OR 410, Page 971 06/16/1972	Perpetual Easement Levi Colvin for water, electrical & sewer transmission lines & mains	11-33-39, W10' of described land
OR 410, Page 972 06/16/1972	Perpetual Easement from Levi Colvin for water, electrical & sewer transmission lines & mains	11-33-39, W 10' of N25' of property described
OR 410, Page 973 06/16/1972	Perpetual Easement Sweets' Realty, Inc. for water, electrical & sewer transmission lines & mains	Section 35-32-39 & Section 2-33-39 Plat Bk 4-39 St. Lucie, S 171.1 feet of W 10' of Tract C 35-32-39 02-33-39
OR 411, Page 122 06/19/1972	Perpetual Easement from Raymond & Linda DuBose for water, electrical & sewer transmission lines & mains	Brae Burn Park Subdivision PB3-23, E5' of W10' lot 4, bl3 11-33-39
OR 411, Page 123 06/19/1972	Perpetual Easement from S. Richard DeKold for water, electrical & sewer transmission lines & mains	03-33-39, E 10' of W 10 acres of E 20 acres, tract 15
OR 411, Page 124 06/19/1972	Perpetual Easement from Wilbur & Margaret Dumars for water, electrical & sewer transmission lines & mains	Brentwood Subdivision Unit 2 PB4-100, S 2.5' of N10', lot 6, bl2 11-33-39
OR 411, Page 125 06/19/1972	Perpetual Easement from Donna Ehrgott for water, electrical & sewer transmission lines & mains	Wade C. Ropp Subdivision Unit 1 PB5-5, N5' of S 10' lot 8 03-33-39
OR 411, Page 126 06/19/1972	Perpetual Easement from Hazel Bubanks for water, electrical & sewer transmission lines & mains	Brae Burn Park Subdivision PB3-23, E5' of W10' lot 2 bl3 11-33-39
OR 411, Page 127 06/19/1972	Perpetual Easement William & Virginia Patten et al for water, electrical & sewer transmission lines & mains	03-33-39, E 10' of S 170.6' exclusive of canal and Road ROW of W 5 acres of E ½ of Tract 14
OR 411, Page 128 06/19/1972	Perpetual Easement from Evelyn Gifford et al for water, electrical & sewer transmission lines & mains	03-33-39, E 10' of S 200' of N 1017.+'of W 10 acres of E 20 acres of tract 13
OR 411, Page 130 06/19/1972	Perpetual Easement from Robert & Margaret Gibb for water, electrical & sewer transmission lines & mains	Valencia Park PB1-46, W5' of E 10' lot 13, bl1 10-33-39
OR 411, Page 131 06/19/1972	Perpetual Easement from Mollie Green for water, electrical & sewer transmission lines & mains	Brae Burn Park Subdivision PB3-23, W 5' of E 10' lot 8, bl 1 11-33-39
OR 411, Page 325 06/21/1972	Perpetual Easement from Earl & Virginia Hobbs for use as a public street and thoroughfare and for all purposes connected therewith	Dr. Richard E. Bullington's Subdivision PB2-5, E 25' of Lot 1, bl 3 & S 25' lot 1, bl 3 St. Lucie 01-33-39
OR 411, Page 328	Perpetual Easement from Albert & Jean	Brae Burn Park Subdivision

06/21/1972	Hippert for water, electrical & sewer transmission lines & mains	Unit No. 2, PB3-41, E 3' of W 10' lot 1, bl 3 11-33-39
OR 411, Page 329 06/21/1972	Perpetual Easement from Justine House for water, electrical & sewer transmission lines & mains	Brae Burn Park Subdivision PB3-23, E 5' of W 10' lot 4, bl 2 11-33-39
OR 411, Page 330 06/21/1972	Perpetual Easement from Beatrice Irwin for water, electrical & sewer transmission lines & mains	Brae Burn Park Subdivision PB3-23, W 3' of E 10' of Lot 7, bl 1 11-33-39
OR 411, Page 331 06/21/1972	Perpetual Easement from David & Martha Johnson for water, electrical & sewer transmission lines & mains	Brae Burn Park Subdivision PB3-23, W 5' of E 10' of Lot 8, bl 4 11-33-39
OR 411, Page 332 06/21/1972	Perpetual Easement from Niels Johnson for water, electrical & sewer transmission lines & mains	Sunnyside Park PB1-7 St. Lucie, W 5' of E 10' lot 16, bl 4 03-33-39
OR 411, Page 333 06/21/1972	Perpetual Easement from Sadie Johnson for water, electrical & sewer transmission lines & mains	03-33-39, 20' wide & a 2nd the W 35' of described parcel
OR 411, Page 334 06/21/1972	Perpetual Easement from Big Homes, Inc. for water, electrical & sewer transmission lines & mains	03-33-39, part of tract 16
OR 411, Page 335 06/21/1972	Perpetual Easement from Kenneth & Gladys Jorgensen for water, electrical & sewer transmission lines & mains	Sunnyside Park PB1-7 St. Lucie, W 5' of E 10 lot 11 03-33-39
OR 411, Page 336 06/21/1972	Perpetual Easement from Margaret Hersey for water, electrical & sewer transmission lines & mains	Brae Burn Park Subdivision PB3-23, E 5' of W 10' lot 5, bl 2 11-33-39
OR 411, Page 337 06/21/1972	Perpetual Easement from Wynnie Knight for water, electrical & sewer transmission lines & mains	Valencia Park PB1-46, E 7' of W 10' of S 100' lot 10, bl 1 10-33-39
OR 411, Page 338 06/21/1972	Perpetual Easement from Weik-Chek Realty Company, Inc. for water, electrical & sewer transmission lines & mains	Sunnyside Park PB1-7 St. Lucie, S 5' of N 10' of E 50' lot 19, bl 4 03-33-39
OR 411, Page 339 06/21/1972	Perpetual Easement from Kwik-Chek Realty Company, Inc.l for water, electrical & sewer transmission lines & mains	Sunnyside Park PB 1-7 St. Lucie, W 5' of E 10 lots 17 & 18, BL 4 03-33-39
OR 411, Page 766 06/27/1972	Perpetual Easement from George & Irene Leach for water, electrical & sewer transmission lines & mains	03-33-39, 20' wide
OR 411, Page 767	Perpetual Easement from Fred & Emma	03-33-39, 10' wide

06/27/1972	Larson for water, electrical & sewer transmission lines & mains	
OR 411, Page 768 06/27/1972	Perpetual Easement from Morton & Fannie Molinsky for water, electrical & sewer transmission lines & mains	Silver Shores Unit No. 1, PB 4-45, 10' 29-32-40 30-32-40
OR 411, Page 769 06/27/1972	Perpetual Easement from Joseph & Mary Moretti et al. for water, electrical & sewer transmission lines & mains	06-33-40, as described
OR 411, Page 771 06/27/1972	Perpetual Easement from Lois Minchew for water, electrical & sewer transmission lines & mains	Brae Burn Park Subdivision Unit No. 2 3-41 11-33-39
OR 411, Page 772 06/27/1972	Perpetual Easement from Jerry & Gaye Metcalf for water, electrical & sewer transmission lines & mains	Brae Burn Park Subdivision Plat bk 3-23, E 5' of W 10' lot 8, bl 3 11-33-39
OR 411, Page 773 06/27/1972	Perpetual Easement from Morton & Fanny Molinsky for water, electrical & sewer transmission	Silver Shores Unit No. 1, Plat Bk 4-45, E 10' of Lot 4, bl 2 29-32-40 30-32-40
OR 411, Page 774 06/27/1972	Perpetual Easement from Iris Moffett for water, electrical & sewer transmission	03-33-39, W 10' of S490 ' of S 5 acres of E 10 acres of tract 15
OR 411, Page 775 06/27/1972	Perpetual Easement from Frances Moore for water, electrical & sewer transmission	Brentwood Subdivision Unit 2 PN4-100, N 2.5' of S 10' & E 3' of W8; of Lot 6(?), bl 2 11-33-39
OR 411, Page 776 06/27/1972	Perpetual Easement from Franklin & Bessie Melton for water, electrical & sewer transmission	Valencia Park 1-46 10-33-39
OR 411, Page 777 06/27/1972	Perpetual Easement from Thomas Matthews for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23, W 5' of E 10', Lot 16, bl 3 11-33-39
OR 411, Page 778 06/27/1972	Perpetual Easement Carl & Coretha Nees for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23, E 5' of W 10' of Lot 2 bl 2 11-33-39
OR 412, Page 126 07/03/1972	Perpetual Easement from JIG Homes, Inc. for utility purposes	03-33-39, 10' wide along E side of Tract 16
OR 412, Page 127 07/03/1972	Perpetual Easement from PHYL-CO Homes, Inc. for water, electrical & sewer transmission	Brentwood Subdivision Unit 2 PB 4-100, S 2.5' of N 10' of Lot 6 & S 2.5' of N 10' of Lot 7 11-33-39
OR 412, Page 128 07/03/1972	Perpetual Easement from Louis & Shelby Perkins for water, electrical & sewer transmission	Sunnyside Park 1-7 St. Lucie 03-33-39
OR 412, Page 129 07/03/1972	Perpetual Easement from Elbert & Frances Pickerill for water, electrical & sewer transmission	Valencia Park PB1-46, E 5' of W 10' of Lot 4, Bl 4

		10-33-39
OR 412, Page 130 07/03/1972	Perpetual Easement from Ernest & Janet Pugliese for water, electrical & sewer transmission	Seminole Park PBI-26, S 5' of N10' of Lots 6,7,8, bl 3 03-33-39
OR 412, Page 131 07/03/1972	Perpetual Easement from Sara Packard for water, electrical & sewer transmission	Brae Burn Park Subdivision PB3-23, W 5' of E 10' of Lot 4 11-33-39
OR 412, Page 132 07/03/1972	Perpetual Easement from Lawrence & Wynn Radford for water, electrical & sewer transmission	Brentwood Subdivision Unit 2 PB 4-100, S 2.5' of N 10' & E 3' of W 8' of Lot 4 11-33-39
OR 412, Page 133 07/03/1972	Perpetual Easement from Edward & Frances Rotunda for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23, W 5' of E 10' of Lot 2, bl 4 11-33-39
OR 412, Page 134 07/03/1972	Perpetual Easement from Kathleen Reynolds for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23, W 5' of E 10' of Lot 16, Bl 2 11-33-39
OR 412, Page 135 07/03/1972	Perpetual Easement from Edwin & Roxie Riverbark for water, electrical & sewer transmission	03-33-39, 20' wide on each side of described line.
OR 412, Page 136 07/03/1972	Perpetual Easement from Edward & Gladys Presson for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23, W 5' of E 10', lot 12, bl 2 11-33-39
OR 412, Page 137 07/03/1972	Perpetual Easement from Helen & Nathan Reichart for water, electrical & sewer transmission	Sunnyside Park Addition Re-plat of East Half of Block 5 PB 1-68, E 5' of W 10' lots 3 & 4, bl 5 03-33-39
OR 412, Page 429 07/07/1972	Perpetual Easement from Peter Gaidon for water, electrical & sewer transmission	Valencia Park PB 1-46, W 5' of E 10' of Lot 1, bl 2 10-33-39
OR 412, Page 430 07/07/1972	Perpetual Easement Ilio & Ethel Scardigli for water, electrical & sewer transmission	Brae Burn Park Subdivision Unit No. 2, PB, E 5' of W 10' lot 6, bl 33-41 11-33-39
OR 412, Page 431 07/07/1972	Perpetual Easement from Myrtle Slappey for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23, W 5' of E 10' lot 3, bl 1 11-33-39 Brae Burn Park Subdivision Unit No. 2 3-41 11-33-39
OR 412, Page 432	Perpetual Easement from Colin & Jessie	Brae Burn Park Subdivision

07/07/1972	Sampson for water, electrical & sewer transmission	PB 3-23, W 5' of E 10' lot 2, bl 1 11-33-39
OR 412, Page 433 07/07/1972	Perpetual Easement Marvin & Marjorie Setzer for water, electrical & sewer transmission	Brae Burn Park Subdivision Unit No. 2, PB 3-41, E 5' of W 10' of Lot 4, bl 3 11-33-39
OR 412, Page 434 07/07/1972	Perpetual Easement from Leah Shelton & Arlene Stanton for water, electrical & sewer transmission	Brae Burn Park Subdivision Unit No. 2, PB 3-41, E 5' of W 10', Lot 5, Bl 2 11-33-39
OR 412, Page 436 07/07/1972	Perpetual Easement Robert Sessions for water, electrical & sewer transmission	Brae Burn Park Subdivision Unit No. 2, PB3-41, E 5' of W 10' of Lot 2, bl 3 11-33-39
OR 412, Page 437 07/07/1972	Perpetual Easement Josephine Soule for water, electrical & sewer transmission	03-33-39, 20' wide
OR 412, Page 438 07/07/1972	Perpetual Easement Norman& Cherrie Schreiber for water, electrical & sewer transmission	Sunnyside Park Addition Re-plat of East Half of Block 5 PB 1-68, E 5' of W 10' of N 26', Lot 9 & E 5' of W 10' of Lot 8, bl 5 03-33-39
OR 412, Page 439 07/07/1972	Perpetual Easement John & Carol Schlitt for water, electrical & sewer transmission	03-33-39, Part of Tract 16 as described
OR 412, Page 440 07/07/1972	Perpetual Easement from R.B. Schnee & Margaret Thomas for water, electrical & sewer transmission	Sunnyside Park PB 1-7, W 5' of E 10' of lot 12, bl 5 St. Lucie 03-33-39
OR 412, Page 441 07/07/1972	Perpetual Easement from Sexton, Inc. formerly known as Vero Beach Dairy for water, electrical & sewer transmission	Sunnyside Park PB 1-7 , W 5' of E 10' lots 13 & 14, bl 4 St. Lucie 03-33-39
OR 412, Page 442 07/07/1972	Perpetual Easement from Sexton Talbert Products Co. for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero, PB 3-58, W 5' of Lot 6, bl 6 St. Lucie 02-33-39
OR 412, Page 443 07/07/1972	Perpetual Easement from Sexton, Inc. formerly known as Vero Beach Dairy, Inc. for water, electrical & sewer transmission	Sunnyside Park PB 1-7, W 5' of E 10', lot 20, bl 5 St. Lucie 03-33-39
OR 412, Page 666 07/11/1972	Perpetual Easement from Harold & Carrie Feigenholtz for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero, PB 3-58, E 5' of Lot 12, bl 3 St. Lucie 02-33-39
OR 412, Page 667	Perpetual Easement from Gladys Varney for	03-33-39, 20' wide as described

07/11/1972	water, electrical & sewer transmission	
OR 412, Page 668 07/11/1972	Perpetual Easement from EJ & Janye Vann and JC & Mary Robertson for water, electrical & sewer transmission	Poinsettia Park PB 1-14, N 5' of S 10', lots 1,2,3 & S 5' of N 10' of lots 4,5,6, Block 3 03-33-39
OR 412, Page 669 07/11/1972	Perpetual Easement Curtis & Frankie Tanner for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23, W 5' of E 10' of Lot 13, Bl 2 11-33-39
OR 412, Page 670 07/11/1972	Perpetual Easement from Leslie & Rebecca Thorne for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23, E 5' of W 10' lot 3, bl 3 11-33-39
OR 413, Page 178 07/17/1972	Perpetual Easement from G. Gordon & Violet Sowers for a Non-Exclusive Utility Easement	01-33-38, S 10' of W 10' of S 150' of S 541' of W 5.02 acres of Tract (9?0,
OR 413, Page 179 07/17/1972	Perpetual Easement from W. Autry & Betty Thomas for a Non- Exclusive Utility Easement	01-33-38, S 10' of E 10 acres of W 15 acres, Tract 9
OR 413, Page 623 07/21/1972	Perpetual Easement from 202 Eddy Building , Inc. for water, electrical & sewer transmission	07-33-40, 10' easement as described
OR 413, Page 624 07/21/1972	Perpetual Easement from Irene Wagner a "Free Dealer" for water, electrical & sewer transmission	03-33-39, 20' wide as described
OR 413, Page 625 07/21/1972	Perpetual Easement from Morton White for water, electrical & sewer transmission	Valencia Park PB 1-46, W 5' of E 10', lot 13 10-33-39
OR 414, Page 350 08/01/1972	Perpetual Easement Stephen & Mary Blanchard for all municipal purposes	Pine Terrace PB 1-9, 5' as described 10-33-39
OR 418, Page 28 09/22/1972	Perpetual Easement from Juanita Keene for water, electrical & sewer transmission	Mc Ansh Park Plat No. 3, PB 1-30, NW 7' (?), SE 10' of Lot 1 02-33-39 35-32-39
OR 420, Page 532 10/25/1972	Perpetual Easement from Talmage & Betty Sparks for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida PB 4-3, E 3' of Lot 9, Bl 1 St. Lucie 02-33-39
OR 421, Page 298 11/02/1972	Perpetual Easement Daintrey Grove Corporation for water, electrical & sewer transmission	Sunnyside Park PB 1-7, E 5' of W 10' of lots 8,9,20 & W5' of E 10' of Lots 11 & 12, bl 4 St. Lucie 03-33-39
OR 421, Page 980 11/14/1972	Perpetual Easement William & Marjorie Roe for Utility Purposes	27-33-40, S 10' of S 110' of N 715' of Gov. Lot 3
OR 422, Page 59	Perpetual Easement from SR Husbard & BQ	Town of Indian River

11/15/1972	Waddell for water, electrical & sewer transmission	PB 2-12, W 5' of vacated alley St. Lucie 02-33-39
OR 423, Page 29 11/28/1972	Perpetual Easement from AT&T for water, electrical & sewer transmission	Knight's Addition to Edgewood Re-plat of Blocks 3, 4 & 7 PB 4-16, as described St. Lucie 02-33-39
OR 423, Page 209 11/30/1972	Perpetual Easement from Annie McClellan for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida PB 4-3, W 5' of Lots 14, 15,16, Bl 3 St. Lucie 02-33-39
OR 423, Page 210 11/30/1972	Perpetual Easement from Ver Ingalls for water, electrical & sewer transmission	Town of Indian River PB 2-12, E 5' of vacated alley St. Lucie 02-33-39
OR 423, Page 211 11/30/1972	Perpetual Eisement from Norman Bonewitz for water, electrical & sewer transmission	Walter Kitching's Subdivision PB 4-5, E 5' lot 8, bl 3 St. Lucie 32-32-40
OR 423, Page 212 11/30/1972	Perpetual Easement from William Brown for water, electrical & sewer transmission	Walter Kitching's Subdivision PB 4-5 , N 10' of S 25' of abandoned St. Hibiscus Lane St. Lucie 32-32-40
OR 423, Page 409 12/04/1972	Perpetual Easement from Indian River Little House Association, Inc. for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida PB 4-3, E 3' of Lots 6 & 7 , Bl 1 St. Lucie 02-33-39
OR 423, Page 410 12/04/1972	Perpetual Easement from Louise Alderson for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida PB 4-3, E 10' of S 25' of Lot 7, bl 3 St. Lucie 02-33-39
OR 423, Page 411 12/04/1972	Perpetual Easement from Sunquest, Inc. for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58, E5' of Lot 9, Bl 3 St. Lucie 02-33-39
OR 423, Page 412 12/04/1972	Perpetual Easement from Robert Rollins and Eugene & Berta Pesant for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida PB 4-3, E 3' of Lot 10, bl 1 St. Lucie 02-33-39
OR 423, Page 413 12/04/1972	Perpetual Easement from Sterline & Lois Dangler for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58, W 5' of Lot 6, bl 1 St. Lucie 02-33-39
OR 423, Page 605 12/06/1972	Perpetual Easement from Theresa Luther for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida PB 4-3, E 3' of Lot 8, bl 1 St.

		Lucie 02-33-39
OR 423, Page 606 12/06/1972	Perpetual Easement from Walter & Sadie Sahlin for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida PB 4-3, E 3' of Lots 10 & 11, bl 2 St. Lucie 02-33-39
OR 423, Page 607 12/06/1972	Perpetual Easement from Virginia Freemyer for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58, W 5', Lot 6, Bl 3 St. Lucie 02-33-39
OR 423, Page 795 12/08/1972	Perpetual Easement from Emanuel & Joyce Block for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58,, W 5' of Lot 2, bl 1 St. Lucie 02-33-39
OR 423, Page 936 12/11/1972	Perpetual Easement from William & WR Brosn, Trustees of Eunice Brown for water, electrical & sewer transmission	Walter Kitching's Subdivision PB 4-5, S 10' of N 25' of Abandoned St-Hibiscus Land St. Lucie 32-32-40
OR 423, Page 938 12/11/1972	Perpetual Easement from Edna Wodtke for water, electrical & sewer transmission	Town of Indian River PB 2-12, E 5' of vacated alley St. Lucie 02-33-39
OR 423, Page 939 12/11/1972	Perpetual Easement from Alexander & Fannie Wilson for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58, W 5' of Lot 5, bl 3 St. Lucie 02-33-39
OR 424, Page 258 12/14/1972	Perpetual Easement from Earl & Evelyn Hendrickson for water, electrical & sewer transmission	Town of Indian River PB 2-12, as described St. Lucie 02-33-39
OR 424, Page 259 12/14/1972	Perpetual Easement from Jesse & Jeanne White for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida PB 4-3, E 3' of lot 11, bl 1 St. Lucie 02-33-39
OR 424, Page 375 12/15/1972	Perpetual Easement from Clarence & Ruth Monks for a Non-Exclusive Utility Easement	01-33-38, S 10' of W ½ of the E 25.61 acres of Tract (& W 10' of the South 660' of the E ½ of the E 25.61 acres of Tract 9
OR 424, Page 475 12/18/1972	Perpetual Easement from Lenore Dillon for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida PB 4-3, W 12' of Lot 16, bl 2 St. Lucie 02-33-39
OR 424, Page 476 12/18/1972	Perpetual Easement from Evelyn Jackson for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida

		PB 4-3 W 12' of Lot 17, bl 2 St. Lucie 02-33-39
OR 424, Page 635 12/19/1972	Perpetual Easement from Juanita & JR Rorabaugh and Annie McClellan for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida PB 4-3, W 5' of Lots 12 & 13, bl 3 St. Lucie 02-33-39
OR 424, Page 637 12/19/1972	Perpetual Easement from JR & Ruth Schumann, Martha Taylor & JR Sedgwick for water, electrical & sewer transmission	Town of Indian River PB 2-12, E 5' of vacated alley St. Lucie 02-33-39
OR 424, Page 939 12/21/1972	Perpetual Easement from Virginia Applegate for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58, E 10' of Lot 7, bl 1 St. Lucie 02-33-39
OR 424, Page 940 12/21/1972	Perpetual Easement John & Rubye Callan for water, electrical & sewer transmission	Knight's Addition to Edgewood Re-plat of Blocks 3, 4 & 7 PB 4-16, E 20' of W 22.5' of Lot 3 St. Lucie 02-33-39
OR 425, Page 65 12/26/1972	Perpetual Easement from Glen & Nancy Gillespie for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida PB 4-3, E 3' of Lot 9, bl 2 St. Lucie 02-33-39
OR 425, Page 66 12/26/1972	Perpetual Easement L. Glen & Nancy Gillespie for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida PB 4-3, E 3' lot 7, bl 2 St. Lucie 02-33-39
OR 425, Page 67 12/26/1972	Perpetual Easement from Florence Reitz for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida PB 4-3, W 5' Lot 17, bl 3 St. Lucie 02-33-39
OR 425, Page 289 12/29/1972	Perpetual Easement from Orval Shelton for all municipal purposes	Royal Park Plat No. 5 PB 1, E 12.5' of Lot 5, W 12.5' lot 4, E 10' lot 7-2 01-33-39
OR 425, Page 602 01/02/1973	Perpetual Easement Nicholas & Vicki Limberis for water, electrical & sewer transmission	Knight's Addition to Edgewood Re-plat of Blocks 3, 4 & 7 PN 4-16, W 5' of Lot 16, bl 2 St. Lucie 02-33-39
OR 425, Page 603 01/02/1973	Perpetual Easement from Virginia Freemyer for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58, W 5' of Lot 6, bl 3 St. Lucie 02-33-39

OR 425, Page 670 01/03/1973	Perpetual Easement from Georgeanne Salmons for water, electrical & sewer transmission	Knight's Addition to Edgewood Re-plat of Blocks 3, 4 & 7 PB 4-16, W 5' of Lot 15, Bl 2 St. Lucie 02-33-39
OR 425, Page 671 01/03/1973	Perpetual Easement from James & Eva Conits for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58, E 10' of Lot 9 & E 10' Lot 10, bl 1 St. Lucie 02-33-39
OR 426, Page 57 01/09/1973	Perpetual Easement from Jack M. Berry & Co. , Inc. for water, electrical & sewer transmission	Town of Indian River PB 2-12, easement in lot 22, bl 49 as described St. Lucie 02-33-39
OR 426, Page 212 01/10/1973	Perpetual Easement from Constance Sayer for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58, W 5' lot 7, Bl 3 St. Lucie 02-33-39
OR 426, Page 536 01/15/1973	Perpetual Easement from Horizon Properties, Inc. [purpose not stated]	Mc Ansh Park Plat No. No. 3 PB 1-30, over E 12' of Lots 2 & 3, Bl 25 02-33-39 35-32-39
OR 429, Page 338 02/16/1973	Perpetual Easement from Helen Budd et al for water, electrical & sewer transmission	Silver Shores Unit No. 1, PB4-45, E 10' of Lot 5, bl 3 29-32-40 30-32-40
OR 429, Page 391 02/16/1973	Perpetual Easement from Thomas & Nadine Greenaway for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58, W 5' of Lot 3, bl 3 St. Lucie 02-33-39
OR 429, Page 392 02/16/1973	Perpetual Easement from Albert & Valeria Heamdon for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida PB 4-3, W 12' of Lots 12 & 13, bl 2 St. Lucie 02-33-39
OR 429, Page 741 02/22/1973	Perpetual Easement from Joseph & Christa Lewis for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida PB 4-3, W 12' of Lots 14 & 15, bl 2 St. Lucie 02-33-39
OR 429, Page 742 02/22/1973	Perpetual Easement from Joseph & Christa Lewis for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida PB 4-3 , W 3' of Lot 8,b bl 2 St. Lucie 02-33-39
OR 429, Page 743 02/22/1973	Perpetual Easement from James & Kate Lyons for water, electrical & sewer	Brae Burn Park Subdivision PB 3-23, W 5' of E 10' of Lot 1,

	transmission	bl 4 11-33-39
OR 429, Page 744 02/22/1973	Perpetual Easement from Kate Tyson & James Lyons for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23. E 5' of W 10' Lot 1 bl 2 11-33-39
OR 429, Page 745 02/22/1973	Perpetual Easement From James & Kate Lyons for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23, E 5' of W 10' Lot 8, Bl 2 11-33-39
OR 429, Page 746 02/22/1973	Perpetual Easement from Raymond & Louise Smith for water, electrical & sewer transmission	Brentwood Subdivision Unit 2 PB 4-100 , S 2.5' of N 10' & E 3' of W 8' lot 5 bl 2 11-33-39
OR 429, Page 747 02/22/1973	Perpetual Easement from Henry & Agnes Homketh for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58 St. Lucie, E 10' lot 8, bl 1 02-33-39
OR 429, Page 748 02/22/1973	Perpetual Easement Ralph & Helen Hindman for water, electrical & sewer transmission	Walter Kitching's Subdivision PB 4-5 St. Lucie, S 10' of Lot 4, bl 4 32-32-40
OR 429, Page 749 02/22/1973	Perpetual Easement From Grace Walker for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida PB 4-3 St. Lucie, W 12' lots 13 & 14, bl 1 02-33-39
OR 429, page 949 02/26/1973	Perpetual Easement from Curtis & Frankie Tanner	Brae Burn Park Subdivision PB 3-23 W 5' of E 10' lot 13, bl 2 11-33-39
OR 429, Page 950 02/26/1973	Perpetual Easement from Louise Smith for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58 St. Lucie, W 5' Lot 10, bl 3 02-33-39
OR 429, Page 951 02/26/1973	Perpetual Easement Everett & Shirley Tracy for water, electrical & sewer transmission	Brentwood Subdivision Unit 2 PB 4-100, N 2.5' of S 10' lot 3 bl 3 11-33-39
OR 429, Page 953 02/26/1973	Perpetual Easement Mary Waddell for water, electrical & sewer transmission	Knight's Addition to Edgewood Re-plat of Blocks 3, 4 & 7 PB 4-16 St. Lucie, E 10' lot 7 & N 20' of E 10' Lot 8 Bl 1 02-33-39
OR 429, Page 954 02/26/1973	Perpetual Easement from Charles & Ruth Harvey, St. for water, electrical & sewer transmission	Brae Burn Park Subdivision Unit No. 2, PB3-41, E5' of AW 10' lot 8, bl 2

		11-33-39
OR 429, Page 955 02/26/1973	Perpetual Easement from Robert & Leonora Phillip for water, electrical & sewer transmission	Brae Burn Park Subdivision Unit No. 2, PB 3-41, E 5' of W 10' 11-33-39
OR 431, Page 631 03/15/1973	Perpetual Easement from Sara Packard for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23 W5' of E10' 1 to 4, bl 1 11-33-39
OR 431, Page 632 03/15/1973	Perpetual Easement from Sarah Rawls for water, electrical & sewer transmission	Brentwood Subdivision Unit 2 PB 4-100, N 2.5' of S 10' lot 3, bl 2 11-33-39
OR 431, Page 823 03/19/1973	Perpetual Easement from George & Esther Paxton for all municipal purposes	Ocean Corporation Subdivision PB 3-9 S 10' of E 10', lot 15, bl 5 &a 10' wide by 20' strip in SEQ of Lot 2, bl 5 05-33-40 08-33-40
OR 431, Page 949 03/20/1973	Perpetual Easement from WC Graves, JR for Transmission Lines	04-33-39, as described
OR 432, Page 317 03/23/1973	Perpetual Easement Jose & Mary Ella Boneta for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23, E 5' of W 10' lot 7, bl 2 11-33-39
OR 432, Page 604 03/27-1973	Perpetual Easement from Abraham & Charlotte Barkett, et al for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58 St. Lucie, W 5' of Lot 4, bl 3 02-33-39
OR 432, Page 703 03/28/1973	Perpetual Easement from Glenn-Terrill Development Corp. for poles, wires, electric, power, telegraph, telephone & other public utilities and for sewers, water mains, gas mains and access	Royal Park Plat No. 4 5-30 St. Lucie Within 3' of the W lot line of Lot 16 & 3' on either side of the dividing line between lots 12 & 13, Bl 19 36-32-39 01-33-39
OR 432, Page 773 03/29/1973	Perpetual Easement from Evelyn Neville, Inc. for utility easement	21-33-40 22-33-40, as described
OR 432, Page 782 03/28/1973	Easement from Steven & Betty Huber for water, electrical and sewer transmission lines	Brae Burn Park Unit No. 1, PBI 3-23, W 5' of W 10' Lot 10, Blk 2 11-33-39
OR 434, Page 460 04/16/1973	Perpetual Easement from Robert & Florence Shipway for water, electrical & sewer transmission	Sunnyside Park PB 1-7 St. Lucie, E 5' of W 10' 03-33-39
OR 435, Page 545 04/26/1973	Perpetual Easement Carl & Lillian Wilder for water, electrical & sewer transmission	Brae Burn Park Subdivision Unit No. 2,

		PB 3-41, E 5’ of W 10’ 11-33-39
OR 436, Page 266 05/07/1973	Perpetual Easement from Robert & Donna Ballard for the location of electric transmission lines	Fan ithia Place PB 1-96, W 10’ of Tract A 01-33-39
OR 436, Page 316 05/07/1973	Perpetual Easement from HB & CJ Grover for water, electrical & sewer transmission	Edgewood’s Second Addition to Vero, Florida PB 4-3 St. Lucie, E 10’ of Lot 6, bl 3 & E 10’ of N 25’ of Lot 7 bl 3 02-33-39
OR 436, Page 317 05/07/1973	Perpetual Easement from David & Ann Dunn for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23, W 5’ of E 10’ lot 15, bl 3 11-33-39
OR 436, Page 318 05/07/1973	Perpetual Easement from Carl & Kathryn Obenaus for water, electrical & sewer transmission	Edgewood’s Second Addition to Vero, Florida PB 4-3 St. Lucie, E 10’ of S 25’ of Lot 10, bl 3 & E 10’ of Lot 11, bl 3 02-33-39
OR 436, Page 645 05/10/1973	Perpetual Easement from Wayne & Sally Ohler for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23, W 5’ of E 10’ of Lot 11, bl 2 11-33-39
OR 436, Page 646 05/10/1973	Perpetual Easement Robert & Louise Cavender for water, electrical & sewer transmission	Edgewood’s Second Addition to Vero, Florida PB 4-3 St. Lucie, E 10’ of lot9, bl 3 & E 10’ of N 25’ lot 10 bl 3 02-33-39
OR 443, Page 195 07/26/1973	Perpetual Easement from William & Susan Freeman for water, electrical & sewer transmission	Brentwood Subdivision Unit 2 PB 4-100 S 2.5’ of N 10’ 1 to 3, bl 1 11-33-39
OR 445, Page 175 08/16/1973	Perpetual Easement from Donald & Mary Weber for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58 St. Lucie, E 5’ of Lot *11, Bl 3 02-33-39
OR 445, Page 176 08/16/1973	Perpetual Easement from HA & Doris Peterson for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23 W 5’ of E 10’ lot 3 bl 4 11-33-39
OR 446, Page 406 08/31/1973	Perpetual Easement from First Federal S&L Assn of Indian River Cty. for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58 St. Lucie, E 10’ of lot 11, bl 1 02-33-39
OR 446, Page 407 08/31/1973	Perpetual Easement from Byron & Mary Weaver for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58 St. Lucie, E 10’ of Lot

		11, bl 1 02-33-39
OR 446, Page 408 08/31/1973	Perpetual Easement from Ronald & Manda Smith for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58 St. Lucie, W 5' of Lot 5, bl 1 02-33-39
OR 446, Page 409 08/31/1973	Perpetual Easement First Federal S& L Assn; for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58 St. Lucie, W 5' of Lot 5 bl 1 02-33-39
OR 446, Page 410 08/31/1973	Perpetual Easement from Milbourne & Ellen Arnsmeier for water, electrical & sewer transmission	Edgewood's Second Addition to Vero, Florida PB 4-3 St. Lucie, W 12' of Lots 15, 16, 17, bl 1 02-33-39
OR 446, Page 411 08/31/1973	Perpetual Easement First Federal*S&L Assn of Indian River for water, electrical & sewer transmission	Brae Burn Park Subdivision PB3-23, W 5' of E 10' lotl 1, bl 3 11-33-39
OR 446, Page 412 08/31/1973	Perpetual Easement Kermit & Ruby Weller for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23, W 5' of E 10' lot 9 bl 3 11-33-39
OR 446, Page 413 08/31/1973	Perpetual Easement from Stanley & Clinton Stocker for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23, W 5' of E 10' lot 10, bl 3 11-33-39
OR 446, Page 414 08/31/1973	Perpetual Easement from Betty Heffner for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23 W5' of E 10' lot 13, bl 3 11-33-39
OR 446, Page 415 08/31/1973	Perpetual Easement First Federal S&L Assn for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23, W 5' of E 10', lot 13, bl 3 11-33-39
OR 446, Page 416 08/31/1973	Perpetual Easement Tropical Telco Federal Credit Union for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23, W 5' of E 10' lot 13, bl 3 11-33-39
OR 446, Page 417 08/31/1973	Perpetual Easement from Ernest & Phyllis Rovella for water, electrical & sewer transmission	Brae Burn Park Subdivision Unit No. 2, PB 3-41, E 5' of W 10' lot 8 bl 3 11-33-39
OR 446, Page 418 08/31/1973	Perpetual Easement Richard & Betty Williams for water, electrical & sewer transmission	Brentwood Subdivision Unit 2 PB -100, S 2.5' of N 10' lot 8 bl 3 11-33-39

OR 446, Page 419 08/31/1973	Perpetual Easement Lilah Nelson for water, electrical & sewer transmission	Brentwood Subdivision Unit 2 PB4-100, S 2.5' of N 10' lot 8 bl 3 11-33-39
OR 446, Page 420 08/31/1973	Perpetual Easement from EL & Fannie Little for water, electrical & sewer transmission	Osceola Park Home Sites Addition to Vero PB 3-58 St. Lucie, W 5' of lot 3 bl 1 02-33-39
OR 446, Page 793 09/06/1973	Perpetual Easement from Jack & Linda Metz for utility & drainage purposes	Grove Circle Subdivision PB 8-21, S 10' lot 5 & W 10' of N 10' as described 11-33-39
OR 447, Page 908 09/20/1973	Perpetual Easement from Ruth Scharfschwedt for water, electrical & sewer transmission	Brentwood Subdivision Unit 2 PB 4-100, S 2.5' of N 10' of Lot 1 bl 1 11-33-39
OR 449, Page 348 10/10/1973	Perpetual Easement from Central Savings Bank of NY for water, electrical & sewer transmission	Brentwood Subdivision Unit 2 PB 4-100, S 2.5' of N 10' lot 2 bl 1 11-33-39
OR 455, Page 936 11/29/1973	Perpetual Easement WC Brown Company Publishers for water, electrical & sewer transmission	Silver Shores Unit No. 1, PB 4-45, 10' strip as described (adjacent to E boundary of A1A) 29-32-40 30-32-40
OR 455, Page 938 01/16/1974	Perpetual Easement from The Spanish Main, Incorporated et al for water, electrical & sewer transmission	Silver Shores Unit No. 1, PB 4-45, 10' strip as described, adjacent to E boundary of A1A 29-32-40 30-32-40
OR 456, Page 35 01/17/1974	Perpetual Easement from Ruby Bennett & Jewel Mulkey for water, electrical & sewer transmission	Edgewood Addition to Vero Florida PB 2-28 St. Lucie, E 3.5' of W 5' of Lot 19, bl 3 02-33-39
OR 457, Page 440 02/07/1974	Perpetual Easement from Charters & Delorese Hill for water, electrical & sewer transmission	Brentwood Subdivision Unit 2 PB 4-100, S 2.5' of N 10' of Lot 2, bl 1 11-33-39
OR 457, Page 898 02/14/1974	Perpetual Easement Grace Hopwood for electrical transmission lines (aerial)	16-33-40, 5' wide aerial esmt E side of AlA as described
OR 457, Page 899 02/14/1974	Perpetual Easement George & Carrie Cavalier for electrical transmission lines (aerial)	Silver Shores Unit No. 1, PB 4-45, 5' wide aerial easement on W side of A1A as described 29-32-40 30-32-40
OR 457, Page 900	Perpetual Easement from George & Carrie	Silver Shores Unit No. 1,

02/14/1974	Cavalier for electrical transmission lines (aerial)	PB 4-45, 5' wide aerial easement, W side of A1A 29-32-40 30-32-40
OR 458, Page 238 02/20/1974	Perpetual Easement from Estate of Edna Mae Herlich for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23, W 5' of E 10' 1 to 6, bl 4 11-33-39
OR 460, Page 841 03/26/1974	Perpetual Easement Edwin Schmucher, individually & as President of Total Development Inc. et al for water, electrical & sewer transmission	Knight's Addition to Edgewood Replat of Blocks 3, 4 & 7 PB 4-16 , W 5' of Lot 12 St. Lucie 02-33-39
OR 462, Page 139 04/11/1974	Perpetual Easement from Harry & Sylvia Titman et al for water, electrical & sewer transmission	Knight's Addition to Edgewood Replat of Blocks 3, 4 & 7 PB 4-16 St. Lucie, E 10' lot 6, bl 1 02-33-39
OR 462, Page 140 04/11/1974	Perpetual Easement from John & Allene Walker for water, electrical & sewer transmission	Brae Burn Park Subdivision PB 3-23, W 5' of E 10' lot 11, bl 3 11-33-39
OR 462, Page 202 04/12/1974	Perpetual Easement from Amoskeag Savings Bank for water, electrical & sewer transmission	Brentwood Subdivision Unit 2 PB 4-100, S 2.5' of N 10' lot 7, bl 2 11-33-39
OR 464, Page 605 05/07/1974	Perpetual Easement from Arthur & Dorothy Myers for "drainage and such other purposes as may become necessary"	Royal Park Plat No. 5 PB 1-2, S 5' lot 34, bl 19 01-33-39
OR 469, Page 99 06/25/1974	Perpetual Easement from Beatrice Knight for water, electrical & sewer transmission	Knight's Addition to Edgewood Re-plat of Blocks 3, 4 & 7 PB 4-16 St. Lucie, W 10' as described 02-33-39
OR 471, Page 423 07/17/1974	Perpetual Easement from Edgar Schlitt, Trustee for Road ROW & Utility Purposes	Vero Plaza PB 7-42, W 38' of Lot 10 01-33-39 06-33-40
OR 473, Page 155 07/31/1974	Perpetual Easement Ernest & Janet Pugliese a 5' wide aerial easement for utilities	16-33-40, W 5' of S 135' of N 405 ' of part of Gov Lot 3
OR 473, Page 156 07/31/1974	Perpetual Easement from Alvaro Carta 5' wide aerial easement for utilities	16-33-40, W 5' of N 135' of part of Gov Lot 3 E of E ROW line of A1A
OR 473, Page 157 07/31/1974	Perpetual Easement WC & Audrey Graves for utilities	16-33-40, E 5' of part of S 100' of N 200', W of W ROW line of A1A
OR 473, Page 158 07/31/1974	Perpetual Easement Carlo & Fortuna° DeChellis for a 5' wide Aerial easement for utilities	Ocean Corporation Subdivision PB 3-9, NE 5' of Lot 5, bl 12 05-33-40 08-33-40

OR 473, Page 159 07/31/1974	Perpetual Easement Frances Pagano for 5' wide aerial easement for utilities	Ocean Corporation Subdivision PB 3-9, NE 5' of Lot 4, bl 6 05-33-40 08-33-40
OR 473, Page 160 07/31/1974	Perpetual Easement from Samuel & Frances Pagano 5' Aerial Easement for utilities	Ocean Corporation Subdivision PB 3-9, NE 5' of Lot 4, bl 11 05-33-40 08-33-40
OR 473, Page 161 07/31/1974	Perpetual Easement from the City of Vero Beach to the City of Vero Beach for a 5' wide easement for utilities	Vero Beach Estates PB 5-8 St. Lucie, W5' of E 15' of Lot 25, bl 17 32-32-40
OR 473, Page 162 07/31/1974	Perpetual Easement Phyllis Rotenberg Desche et al for a 5' aerial easement for utilities	Silver Shores Unit No. 1., PB4-45, E 5' of Lots 1 & 2, bl 4 29-32-40 30-32-40
OR 473, Page 163 07/31/1974	Perpetual Easement Helen Budd et al for a 5' wide aerial easement for utilities	Silver Shores Unit No, 1, PB 4-45, E 5' of Lot 2 bl 2 29-32-40 30-32-40
OR 473, Page 164 07/31/1974	Perpetual Easement from May Properties of Florida, Inc. for a 5' wide aerial easement for utilities	19-32-40, E 5' of S '1/2 leess S 38.19 of pt of Gov Lot 9, W of W ROW line of A1A
OR 473, Page 165 07/31/1974	Perpetual Easement from Grace Hopwood for 5' aerial easement for utilities	16-33-40, W 5' of part of Gov Lot 33 as described, E of E ROW line of A1A
OR 473, Page 230 08/01/1974	Perpetual Easement from Philip Epifano , trustee for a 5' aerial easement for utilities	Indian River Shores Unit No. 1 PB -73, E 5' of lots 2 & 3, bl 1 19-32-40
OR 473, Page 231 08/01/1974	Perpetual Easement from Phiip Epifano, Trustee for utilities together with an aerial easement & Guy easement [4 easements]	18-32-40 19-32-40, over described properties
OR 473, Page 328 08/01/1974	Perpetual Easement from John Cook for an 8' wide aerial easement for utilities	Silver Shores Unit No. 1, PB 4-45, E 8' of Lot 3 bl 1 Silver Shores 29-32-40 30-32-40
OR 473, Page 476 07/26/1974	Easement from Reverend William Borders, Diocese of Orlando for location and maintenance of utilities	E 5' of S 300' Of GL8 32-32-40
OR 473, Page 589 08/06/1974	Perpetual Easement from John & Barbara Brewster a 5' wide aerial easement for utilities	Wyn Cove PB 4-61, W 5' of Lot 26 16-33-40
OR 473, Page 760 08/07/1974	Perpetual Easement John & Ellen Lowe for a 5' wide easement for utilities	Vero Beach Estates PB 5-8 St. Lucie, W 5' of E 15' of Lot 25, bl 10...less State ROW 32-32-40
OR 474, Page 157 08/13/1974	Perpetual Easement from Frank & Marcia Clements a 5' wide aerial easement for utilities	River Oaks Estates Unit No. One PB 6-80, W 5' of E 15' of Lot 1

		bl 1 32-32-40
OR 474, Page 158 08/13/1974	Corrective Easement- Perpetual-from Cavalier Construction Company, Inc. for a 5' aerial easement for utilities	Silver Shores Unit No. 1, PB 4-45, E 5' of Lot 3, bl 2 29-32-40 30-32-40
OR 474, Page 159 08/13/1974	Corrective Easement from George Cavalier Construction Company, Inc. for a 5' wide aerial easement	Silver Shores Unit No. 1, PB 4-45, E 5' of Lots 1 & 2, Bl 2 29-32-40 30-32-40
OR 474, Page 633 08/21/1974	Perpetual Easement from Charles Davis Jr. for a 5' wide aerial easement	I.D. Jandreau Subdivision PB 3-41, E 5' of S 1/2 of Lot 5, W of W ROW of A1A St. Lucie 29-32-40
OR 474, Page 634 08/21/1974	Perpetual Easement Christ Methodist by the Sea, Inc. for a 5' wide aerial easement for utilities	Veromar Plat 2 PB 1-89, W 5' of E 15' of Lots 8 & 9 less State ROW area 32-32-40
OR 474, Page 635 08/21/1974	Perpetual Easement Marjorie Arnold for a 5' wide aerial easement for utilities	17-33-40, E 5' of Part of Gov lot 1, W and adjacent to W ROW of A1A
OR 474, Page 636 08/21/1974	Perpetual Easement from Stewart Rushton for a 5' wide easement for utilities	Vero Beach Estates PB 5-8 St. Lucie, W 5' of E 15' of Lot 25 bl 16 32-32-40
OR 474, Page 727 08/22/1974	Perpetual Easement from Sarah Fuller Erskine for a 5' wide aerial easement	16-33-40, W 5' of S 100' of N 800' of part of Gov Lot 1, E of E ROW line of A1A
OR 475, Page 889 09/12/1974	Perpetual Easement from Philip Epifano, Trustee for a 5' wide aerial easement for utilities	19-32-40, strip W of and adjacent to W ROW line of A1A as described
OR 477, Page 312 10/04/1974	Perpetual Easement from Carl Walter & William Simmons for a 5' wide aerial easement for transmission facilities	Ocean Corporation Subdivision PB3-9. Lot 6, bl 13 05-33-40 08-33-40
OR 477, Page 784 10/15/1974	Perpetual Easement from Marilyn Grounds for a 10' guy easement	Southern Shores Replat No. 2, 10' guy PB 2-66 18-32-40
OR 477, Page 785 10/15/1974	Perpetual Easement from Barbara Walter for a 10' wide guy easement	Southern Shores RPB eplat No. 2 PB 2-66, 10' guy 18-32-40
OR 478, Page 653 10/31/1974	Perpetual Easement from Horace Gifford for a 5' wide aerial easement for utilities	16-33-40, W 5' of N 16.5' of S 134' of N 1/2 Gov Lot 3...E of E ROW of A1A
OR 478, Page 654 10/31/1974	Perpetual Easement H Bradley & Loraine Hocking for a 5' wide Aerial Easement	River Oaks Estates Unit No. Two PB 7-21 , E 5' of Lot 1 bl 4 32-32-40
OR 478, Page 655	Perpetual Easement from Larry Catron	Ocean Corporation Subdivision

10/31/1974	Investments for a 5' wide aerial easement for utilities	PB3-9 NE 5' of Tract C 05-33-40 08-33-40
OR 478, Page 656 10/31/1974	Perpetual Easement John Brannelly for a 5' wide Aerial Easement for utilities	Indian River Shores Unit No. 1, PB 4-73, E 5' of lot 1, bl 2 19-32-40
OR 478, Page 657 10/31/1974	Perpetual Easement from River Ridge Estates, Inc. for a 10' wide guy easement for utilities	16-33-40, 10' guy
OR 479, Page 39 11/06/1974	Perpetual Easement Albert & Ruth Helseth for a 5' wide aerial easement for utilities	Vero Beach Estates PB 5-8 St. Lucie, W 5' of E 15' of Lot 25 bl 12, less State ROW 32-32-40
OR 479, Page 40 11/06/1974	Perpetual Easement Raymond & Sylvia Ferro for a 5' wide aerial easement for utilities	Vero Beach Estates PB 5-8 St. Lucie, 5' aerial 32-32-40
OR 479, Page 41 11/06/1974	Perpetual Easement from Ray & Sylvia Ferro 5' wide aerial easement for utilities	Veromar Plat 2 PB 1-89. W 5' of E 15' lot 25, bl 18 32-32-40
OR 479, Page 266 11/12/1974	Perpetual Easement from KC Stevens for 5' wide aerial easement	16-33-40, W 5' of E 15' lot 9 bl 17 less State ROW..begins 20' above grd level
OR 479, Page 267 11/12/1974	Perpetual Easement from Susan Haynes et al for 5' wide aerial easement	Veromar Plat 2 PB1-89, W 5' of S 100' of N 900' of Gov Lot 1, E of E ROW of A1A 32-32-40
OR 479, Page 268 11/12/1974	Perpetual Easement from Stephen & Lucia Bailey for 8' wide Aerial Easement	Ocean Corporation Subdivision PB 3-9, W 8' of E 18' lot 12, bl 9 05-33-40 08-33-40
OR 479, Page 305 11/12/1974	Perpetual Easement William & Virginia Singer 5' wide aerial easement	Silver Shores Unit No. 1, PB4-45, NW 5' of Lot 5 bl 11 29-32-40 30-32-40
OR 479, Page 306 11/12/1974	Perpetual Easement from Edward & Halina Herman for an aerial easement as described (Appx. 5' wide)	River Oaks Estates Unit No, Two PB 7-21, appears to be 5' 32-32-40
OR 479, Page 544 11/15/1974	Perpetual Easement from James & Juanita Benson for a 5' wide aerial easement	Indian Bay PB3-43, E 5' of ot 1, bl 3 5-33-40 8-33-40
OR 479, Page 545 11/15/1974	Perpetual Easement from J Morton & Barbara Caldwell 5' wide aerial easement	Veromar Plat 2 PB 1-89, NE 5' lot 13, bl 1 32-32-40
OR 479, Page 579	Perpetual Easement from Davdi & Audrey	Silver Shores Unit No. 1,

11/15/1974	Gregg 5’ wide aerial easement	PB4-45, W 5’ of E 15’ lot 27, bl 5 29-32-40 30-32-40
OR 479, Page 580 11/15/1974	Perpetual Easement from Edward & Perry Forman appx 5’ wide aerial easement as described	Vero Beach Estates PB 5-8, W 5’ of E 15’ Lot 42, bl 13 St. Lucie 32-32-40
OR 479, Page 581 11/15/1974	Perpetual Easement from Oslo Pacing Company 5’ wide aerial easement	29-32-40, E 5’ of part of Gov Lot 3 as descried, W of W ROW line of A1A
OR 479, Page 582 11/15/1974	Perpetual Easement Elsebeth Sexton 5’ wide aerial easement	Vero Beach Estates PB 5-8, W 5’ of E 15’ lot 25, bl 15 St. Lucie 32-32-40
OR 479, Page 725 11/19/1974	Perpetual Easement from Della Stringham “for utilities”...but commences 20’ above ground...so aerial	16-33-40, W 5’ of S 200’ of N 1100 ‘ of Gov Lot 1, E of E ROW of A1A
OR 479, Page 726 11/19/1974	Perpetual Easement Samuel & Lori Burns 5’ wide aerial easement	Vero Beach Estates PB 5-8, W 5’ of E 15’ of Lot 25 Bl 11 St. Lucie 32-32-40
OR 479, Page 727 11/19/1974	Perpetual Easement from David & Sandra Dry 5’ wide aerial easement	Vero Beach Estates PB 5-8 , W 5’ of E 15’ of Lot 50 bl 17 St. Lucie 32-32-40
OR 479, Page 728 11/19/1974	Perpetual Easement from Virginia Goforth aerial easement as described	Bethel-By-The-Sea Unit No. 3, PB3-68, NE corner of Lot 12, bl 14 29-32-40 32-32-40
OR 479, Page 729 11/19/1974	Perpetual Easement from Wallace & Clara King 5’ wide aerial easement	Vero Beach Estates PB 5-8 , W 5’ of E 15’ lot 25, bl 13 St. Lucie 32-32-40
OR 479, Page 730 11/19/1974	Perpetual Easement from Kenneth & Yvonne Wright 5’ wide aerial easement	Vero Beach Estates PB, 5-8 St. Lucie, W 5’ of E 15’ of Lot 50, bl 15 32-32-40
OR 480, Page 659 12/05/1974	Perpetual Easement from Indian River Federal Savings & Loan Assn. 10’ Square utility Pole Easement	Vero Beach Estates 5-8 St. Lucie, 10’ square for pole 32-32-40
OR 480, Page 661 12/05/1974	Perpetual Easement from Indian River Federal Savings & Loan Assn. for 5’ wide aerial easement	Vero Beach Estates 5-8 St. Lucie, 5’ aerial over W 5’ of E 15’ Lot 17 bl 14 & W 5’ of E 15’ of Lot 42, bl 14 32-32-40
OR 480, Page 663 12/05/1974	Perpetual Easement from The Barbee Company 5’ wide aerial easement	Ocean Corporation Subdivision PB3-9, NE 5’ of Lots 1 & 2,bl 6,

		5’ 05-33-40 08-33-40
OR 480, Page 664 12/05/1974	Perpetual Easement from Wayne & Peggy Cruber 5’ wide aerial easement	16-33-40, W 5’ of N 135 ‘ of S 270 ‘ of N 405’ of part of Gov Lot 3, E of E ROW line of A1 A
OR 480, Page 665 12/05/1974	Perpetual Easement from Mar I of Vero Beach, Inc 5’ wide aerial easement	Bethel Isle Unit 1 PB 4-35. E 5’ of Lot 1, bl 2 29-32-40 30-32-40
OR 480, Page 666 12/05/1974	Perpetual Easement Riverside Gardens of Vero Beach, Inc	Bethel Isle Unit 1 PB 4-35, E 5’ of Lot 1, bl 2 29-32-40 30-32-40
OR 480, Page 918 12/10/1974	Perpetual Easement From Carl Walter & William Simmons, as Trustees (does not indicate trust) 5’ wide aerial easement	Ocean Corporation Subdivision PB 3-9. E 5’ of Lot 6, bl 13 05-33-40 08-33-40
OR 480, Page 920 12/10/1974	Perpetual Easement from Stewart Rushton 5’ wide aerial easement	Vero Beach Estates PB 5-8 St. Lucie, W 5’ of E 15’ of lot 50, bl 16 32-32-40
OR 481, Page 975 12/27/1974	Perpetual Easement Kenneith & Joan Mesure for water, electrical & sewer transmission lines and mains	Knight’s Addition to Edgewood Replat of Blocks 3, 4 & 7 PB 4-16, W 5’ of Lots 12, 13, 14, bl 2 St. Lucie 02-33-39
OR 483, Page 760 01/23/1975	Perpetual Easement from Indian River Products Co. utility easement for a 10’ square utility pole easement	Vero Beach Estates 5-8 St. Lucie, 10’ square utility pole easement 32-32-40
OR 484, Page 461 02/05/1975	Perpetual Easement from J Arthur & Edna Dloha Assignable	Bethel-By-The-Sea Unit No. 3 PB 3 -68, E 5’ lot 11, bl 13 29-32-40 32-32-40
OR 484, Page 842 02/12/1975	Perpetual Easement from Acousti Engineering Company of FL for a 5’ wide aerial easement	I.D. Jandreau Subdivision PB 3-41, part orf N½ of Lots 6 & 7 & 8 St. Lucie 29-32-40
OR 484, Page 843 02/06/1975	Easement from Acousti Engineering Company of FL for a 5’ wide aerial easement	I.D. Jandreau Subdivision PBS 3-41, St. Lucie; part of N½ of Lot 5 & S ½ Lot 6 29-32-40
OR 485, Page 111 02/17/1975	Perpetual Easement from Helen Wilkinson 7’ wide aerial easement	Veromar Plat 2 PB 1-89, W 7’ of E 17’ lot 11, bl 9 32-32-40

OR 485, Page 112 02/17./1975	Perpetual Easement from Lucille Sterner an aerial easement for electric, cable TW and telephone wires	Bethel-By-The-Sea Unit No. 3 PB 3-68, E 5' of Lot 10, bl 13 29-32-40 32-32-40
OR 485, Page 441 02/21/1975	Perpetual Easement from Christ Methodist by the Sea, Inc. an aerial easement as described for utilities	Bethel-By-The-Sea Unit No. 3, as described 3-68 29-32-40 32-32-40
OR 485, Page 442 02/21/1975	Perpetual Easement from First Federal Savings & Loan Assn of Fort Pierce an aerial easement for utilities	River Oaks Estates Unit No. One PB 6-80, E 5' of Lot 1, bl 2, E5' of lot 1, bl 2 32-32-40
OR 485, Page 869 03/03/1975	Perpetual Easement from the Diocese of Orlando for utilities, as described	32-32-40, appears to be 5' near W ROW line of A1A and south of Gov Lot 8
OR 485, Page 987 03/04/1975	Order of Taking... for Parcel 27, Aerial Easement over E 5' of Lot 5, 614; Parcel 28 Aerial Easement, E 5' lots 3 & 4 , bl 4	Silver Shores Unit No. 1, PB 4-45, E 5' of Lot 5, bl 4; Parcel 28 Aerial Easement, E 5' lots 3 & 4 , bl 4 29-32-40 30-32-40
OR 487, Page 960 04/05/1975	Order of Taking... for aerial easement over E 5' of Lot 3, bl 2; and Guy easements over described areas; Aerial easement over W 5' of E 15' of lot 50, bl 11 less state ROW	29-32-40 Bethel Isle Unit 1 PB 4-35, over E 5' of Lot 3, bl 2; and Guy easements over described areas; Aerial easement over W 5' of E 15' of lot 50, bl 11 less state ROW 29-32-40 30-32-40 Silver Shores Unit No. 1, PB 4-45 29-32-40 30-32-40 Vero Beach Estates PB 5-8 St. Lucie 32-32-40
OR 491, Page 991 06/03/1975	Perpetual Easement from Kent & Clara Brown for water, electrical & sewer transmission lines and mains	Brae Burn Park Subdivision PB 3-23, W 5' of E 10' lot 15, bl 3 11-33-39
OR 492, Page 213 06/06/1975	Perpetual Easement from Faye Keen for water, electrical & sewer transmission lines and mains	Brentwood Subdivision Unit 2 PB 4-100, S 2/5' of N 10' of Lot 7, bl 2 11-33-39
OR 492, Page 214 06/06/1975	Perpetual Easement from James& Barbara Huff for water, electrical & sewer transmission lines and mains	Osceola Park Home Sites Addition to Vero PB 3-58 , W 5' of Lot 4 bl 1 St. Lucie

		02-33-39
OR 493, Page 146 06/20/1975	Perpetual Easement from Mark I of Vero Beach, Inc. for electric transmission lines...describes 5' aerial easement	Bethel Isle Unit 1 PB 4-35, E 5' of Lot 2, bl 2 29-32-40 30-32-40
OR 494, Page 695 07/15/1975	Perpetual Easement from Ross Sweeney for water, electrical & sewer transmission lines and mains	Osceola Park Home Sites Addition to Vero PB 3-58, for W 5' of Lot 4, bl 1 St. Lucie 02-33-39
OR 494, Page 725 07/15/1975	Perpetual Easement from Alfred & Donna Scott to City & Southern Bell for the construction & maintenance of light and telephone poles along E 10' of described property	29-32-39, Tract 23, E 10'
OR 498, Page 386 09/04/1975	Perpetual Easement from Ronald W. Hadley, Inc. for utilities	01-33-38, E 15' of the S 15' of described land
OR 500, Page 196 09/26/1975	Perpetual Easement St. Pierre Enterprises, Inc. for utilities	Pine Terrace PB 1-9, E 6' of Lot 13, bl 1 10-33-39
OR 500, Page 782 10/06/1975	Perpetual Easement from Southern Bell Telephone & Telegraph for utility facilities	Vero Beach Estates PB 5-8, S 5' of Lot 6, bl 5 St. Lucie 32-32-40
OR 503, Page 174 11/07/1975	Perpetual Easement from John Vetter for utilities	Veromar Plat 1 PB 1-88 , N 5' of S 10' of Lots 1 & 2, bl 25 31-32-40
OR 503, Page 680 11/17/1975	Perpetual Easement from Community Federal Savings & Loan Association of Riviera Beach for utilities	Bethel-By-The-Sea Unit No. 1 PB 3-19, 20' strip of land between Lots 9, 10, 11, 1, 2 & 3, Bl 5, and Lots 4, 5, 6, 7, 8 & A, Bl 5 29-32-40 32-32-40
OR 504, Page 783 12/04/1975	Perpetual Easement from Bartlett & Margaret Baldwin for water, electric & sewer transmission lines & mains	Brae Burn Park Subdivision PB 3-23, W 5' of E 10' lot 5, bl 4 11-33-39
OR 506, Page 320 12/30/1975	Perpetual Easement from NF & Clara Lybrand for utilities	35-32-39, E 10' of described land
OR 506, Page 321 12/30/1975	Perpetual Easement from Chester Hogan et al for utilities	35-32-39, E 10' of described land
OR 506, Page 323 12/30/1975	Perpetual Easement from The Riomar Country Club for utilities	05-33-40, 5' (2.5' strip of land on each side of described centerline)
OR 506, Page 324 12/30/1975	Perpetual Easement from The Riomar Country Club for utilities	05-33-40, as described
OR 506, Page 325 12/30/1975	Perpetual Easement from the Riomar Country Club	05-33-40, as described

OR 506, Page 326 12/30/1975	Perpetual Easement The Riomar Country Club for utilities	Riomar Subdivision Plat No. 2-27, as described 05-3340
OR 506, Page 327 12/30/1975	Perpetual Easement from The Riomar Country Club 5' wide aerial easement	05-33-40, as described
OR 506, Page 328 12/30/1975	Perpetual Easement from The Riomar country Club for a 5' wide aerial easement	05-33-40, as described
OR 506, Page 726 01/06/1976	Perpetual Easement from Robert & Wanda Grice for utilities	Osceola Park Home Sites Addition to Vero PB 3-58, E 5' of Lot 14, Bl 2 St. Lucie 02-33-39
OR 509, Page 585 02/04/1976	Perpetual Easement Willard & Joan Siebert for any & all municipal purposes	Vero Beach Estates PB 5-8, N 5' of Lot 50 bl 2 St. Lucie 32-32-40
OR 509, Page 832 02/09/1976	Perpetual Easement from Claud & Ann Mathis " for ingress & egress for the purpose of installing & maintain utilities and electric distribution lines "on the land described	13-33-39, S 7.5' of N 728.5'
OR 509, Page 834 02/09/1976	Perpetual Easement from James & Gladys Dempsey "for ingress & egress for the purpose of installing & maintaining utilities and electric distribution liens on the " described land	13-33-39, S 7.5' of N 721'
OR 510, Page 366 02/17/1976	Perpetual Easement from William Hartley for utilities	12-33-39, N 7.5 ' of W 500' of E 535' of SEQ of SWQ
OR 513, Page 671 03/29/1976	Perpetual Easement from John Prentiss for utilities	Veromar Plat 1 PB -88, N 5' of S 10' of E 35' lot 8 & N 5' of S 10' lot 9, bl 25 31-32-40
OR 513, Page 672 03/29/1976	Perpetual Easement Valjean & Eithel Pinchbeck for utilities	Veromar Plat 1 PB 1-88, 5' as described 31-32-40
OR 513, Page 673 03/29/1976	Perpetual Easement from Charles Gaines, Jr. for utilities	Veromar Plat 1 PB 1-88, 5'wide 31-32-40
OR 513, Page 674 03/29/1976	Perpetual Easement from Theodore & Mary Andrews for utilities	Veromar Plat 1 PBI-88, 5' wide 31-3240
OR 513, Page 675 03/29/1976	Perpetual Easement from Howard & Yvonne Mickelson for utilities	Veromar Plat 1 PB 1-88, 5' wide 31-32-40
OR 513, Page 676 03/29/1976	Perpetual Easement from William & Josette Burnell for utilities	Veromar Plat 1 PB 1-88, 5' wide 31-32-40
OR 513, Page 678 03/29/1976	Perpetual Easement from Jane Whittemore for utilities	Veromar Plat 1 PB1-88, 5' wide 31-32-40
OR 513, Page 679	Perpetual Easement from John Vetter for	Veromar Plat 1

03/29/1976	utilities	PB 1-88, 5' wide 31-32-40
OR 513, Page 680 03/29/1976	Perpetual Easement from J Rooney & H Constance Roth for utilities	Veromar Plat 1 PB 1-88, 5' wide 31-32-40
OR 515, Page 73 04/13/1976	Perpetual Easement from El Vero Villa, Inc. for utilities	El Vero Villa Subdivision PB 4-97 , 20' wide, St. Lucie 04-33-39
OR 517, Page 200 05/06/1976	Perpetual Easement from Florida Baptist Convention for the location, construction & maintenance of electrical power lines, poles, guy lines and anchors	Buckinghammock PB 6-3, E 20' of W 35', Tract A 36-32-39
OR 521, Page 607 06/21/1976	Perpetual Easement from St. Vincent De Paul Society of Indian River County, Inc. for utility purposes	Highland Park Plat No. 3, PB2-4, W 5' of unplatted property designated as A on sketch 01-33-39 02-33-39 11-33-39 12-33-39
OR 523, Page 308 07/08/1976	Perpetual Easement from Bellah & Earnes Law for drainage and location of utilities	J.A. Frere Subdivision PB 4-30 St. Lucie, E 10' of S 431.37' of unnumbered lot 01-33-39 02-33-39
OR 527, Page 377 08/23/1976	Perpetual Easement from Carl & Martha Struever for all municipal purposes	Bethel-By-The-Sea Unit No. 3 PB 3-68, E 5' of Lot 7 bl 10 29-32-40 32-32-40
OR 528, Page 316 09/01/1976	Perpetual Easement from J. Caleb & Melvine Clarke for all municipal purposes	Bethel-By-The-Sea Unit No. 3., PB3-68, E 5' of Lot 2, bl 10 29-32-40 32-32-40
OR 530, Page 54 09/23/1976	Perpetual Easement from Riomar Bay, Inc. for utilities	05-33-40, 10' wide (2 locations as described)
OR 530, Page 55 09/23/1976	Perpetual Easement from Riomar Bay, Inc. for utilities	05-33-40, 10' wide as described
OR 530, Page 56 09/23/1976	Perpetual Easement from Riomar Bay, Inc. for guy easement for the location & maintenance of utilities	05-33-40, 10' wide as described, in 2 locations)
OR 530, Page 57 09/23/1976	Perpetual Easement from Riomar Bay, Inc. for a triangular aerial easement for utilities	05-33-40, as described
OR 532, Page 1 10/07/1976	Perpetual Easement from Ralmar Associates, Inc. for a utility easement	Bethel Isle Unit 2 PB4-71, as described 29-32-40 30-32-40 Bethel Isle Unit 2 Re-plat 5-33 29-32-40 30-32-40
OR 532, Page 3 10/07/1976	Perpetual Easement from Ralmar Associates, Inc. for access to service utilities	Bethel Isle Unit 2 PB4-71, as described

		29-32-40 30-32-40 Bethel Isle Unit 2 Re-plat 5-33 29-32-40 30-32-40
OR 532, Page 158 10/11/1976	Perpetual Easement from Florida Baptist Convention for the location, construction & maintenance of electrical power lines, poles, guys and anchors	Buckinghammock PB6-3, E 20' of W 35' of Tract A 36-32-39
OR 534, Page 905 11/12/1976	Perpetual Easement from Fred& Lois Carlsen for the location & maintenance of utilities	Mc Ansh Park Replat of Blocks 3, 4, 5, 31 & 32, PB2-55, W 3' of Lots J & K, Bl 3, less part of Lot K described 02-33-39 35-32-39
OR 537, Page 689 12/13/1976	Perpetual Easement from Riomar Bay, Inc. for aerial 5' wide for utilities	Riomar Subdivision PB2-18, 5'...E5' of Lot 31, bl 1 & E5' of Lot 22, Bl 1 05-33-40
OR 538, Page 540 12/21/1976	Perpetual Easement from Jack & Sarah Shaw for utilities	Bethel-By-The-Sea Unit No. 3, PB3-68, W 5' of Lot 8 bl 10 29-32-40 32-32-40
OR 553, Page 939 06/06/1977	Perpetual Easement from Ralmar Associates, Inc. for a utility easement for electric, water, sewer, telephone & cablevision as described	Bethel Isle Unit 2 Re-plat, PB5-33, 12' wide 29-32-40 30-32-40
OR 553, Page 941 06/06/1977	Perpetual Easement from Ralmar Associates for an underground electric utility easement	Bethel Isle Unit 2 Re-plat, PB5-33, 5' wide as described 29-32-40 30-32-40
OR 554, Page 1902 07/08/1977	Perpetual Easement from Vincent Rogers for utilities	Royal Gardens PB1-52, N 5' of E 20' of 10th Avenue, N of 29th St. 36-32-39
OR 558, Page 2386 10/21/1977	Perpetual Easement from Vincent Rogers for utilities	Royal Gardens PB1-52, N 5' of former 10th Ave, N of 29th Street 36-32-39
OR 558, Page 2390 10/21/1977	Perpetual Easement from Lucile II. Kersey for utilities	Royal Gardens PB1-52, W 25' of Former 10th Ave, N of 29th St. 36-32-39
OR 558, Page 2392 10/21/1977	Perpetual Easement from Lucile H. Kersey for utilities	Royal Gardens PB1-52, N 5' of Former 10th Ave, N of 29th St. 36-32-39
OR 559, Page 181 10/31/1977	Perpetual Easement from Robert Cox & John Lester for location, relocation , maintenance	12-33-39, as described (appears to be 5')

	and erection of electric lines, poles, guy wires, supports and other electrical facilities over described land	
OR 559, Page 2173 11/17/1977	Perpetual Easement from George & Sue Barkett for utilities	Royal Park Plat No. 7 PB1-36, 6' wide, 36-32-39 01-33-39
OR 562, Page 2115 02/02/1978	Perpetual Easement from River Ridge Estates, Inc. utilities and cablevision	River Ridge Estates PB8-80, S 7.5' of Block B & N 7.5' of Lot 19 16-33-40 17-33-40
OR 566, Page 2283 05/09/1978	Perpetual Easement from Tropic Groves Villas, Inc. drainage and utilities including cablevision	Vero Land Company's Subdivision PB 3-19, as described St. Lucie 12-33-39
OR 566, Page 2448 05/10/1978	Perpetual Easement from Arthur R. DeMarzo for the construction, location, horizontal & vertical relocation , maintenance, repair & reconstruction of utilities of any description whatsoever	Jacoby's Addition PB 4-54, W 5' of Lot 1, bl 2 St. Lucie 02-33-39
OR 570, Page 1870 08/01/1978	Deed of Right of Way from Glynn & Jeanette Harp for road, water mains, pipes sewers, storm sewers, electric lines "and other utility"	06-33-40, N 30' of N 2 acres of W 10 acres of Gov Lot 6, Section and/or use as a public street/thoroughfare 6
OR 570, Page 2619 08/04/1978	Perpetual Easement from William Scott for drainage and overhead & underground electric power line, and sanitary sewers, storm sewers, electric lines, electric poles, guys, "etc." and appurtenances	01-33-39, 10' in E-W direction along N 10'
OR 570, Page 3021 08/08/1978	Perpetual Easement from Fred T. Gallaher, Trustee of unnamed July 15, 1976 trust for"water, electrical and sewer transmission lines and mains"	Dr. Richard E. Bullington's Subdivision 2-5 St. Lucie, as described 01-33-39
OR 573, Page 2081 09/27/1978	Perpetual Easement from The Indian River County Hospital District for public utilities and drainage	36-32-39, W 20' of NWQ of NWQ 36 & S 10' of N 85' of NWQ of NWQ of Sect 36 &E 20' of NEQ of NWQ of 36 & S 20' of NWQ of NWQ of 36...subject to right of Indian River Hospital District to use road ROW over parcels for access
OR 573, Page 2083 09/27/1978	Perpetual Easement from Dorothy Cain for drainage and public utilities	35-32-39, E 10' of N 1/2 of NEQ of NEQ
OR 573, Page 2085 09/27/1978	Perpetual Easement from Dorothy Cain for drainage and public utilities	35-32-39, E 10' of N 1/2 of NEQ of NEQ
OR 574, Page 1434 10/11/1978	Perpetual Easement from Patricia Van Busch for electrical transmission lines	Pebble Beach Development No. 1 PB7-83, W 200' of S 5' of Lot

		34 19-32-40 20-32-40
OR 574, Page 1435 10/11/1978	Perpetual Easement from Robert & Betty Lloyd for electrical transmission lines	Pebble Beach Development No. 1, PB 7-83, E 207.5' of W 220' of N 5' of Lot 35 19-32-40 20-32-40
OR 574, Page 2098 10/16/1978	Perpetual Easement from John & Ruth Livingston for electric, telephone, cable lines...for underground utilities	Smuggler's Cove PB8-29, appears to be 10' 16-33-40
OR 577, Page 228 12/04/1978	Perpetual Easement from Robert & Kim McMichael for water mains, pipes, sewers, storm sewers, electric lines and other utilities	Kennedy Terrace PB1-3, W 5' of Lot 10, bl 8 03-33-39
OR 584, Page 1155 05/02/1979	Perpetual Right of Way from William Scott for road, water mains, pipes, sewers, storm sewers, electric lines and other utilities and for use as a public street	Highland Park PB4-69 St. Lucie, as described 01-33-39 02-33-39 12-33-39
OR 585, Page 2387 06/01/1979	Perpetual Easement from Donald Ames et al for electric service to a lift station	36-32-39, E 10'
OR 587, Page 2217 07/10/1979	Perpetual Easement from Country Village, Inc. for sewers, poles, water pipes, drains, telephone & electric cables or ducts	Royal Park Plat No. 3 PB4-88 St. Lucie, W 3' of Lot 7, Bl 6, Plat 3 36-32-39
OR 587, Page 2373 07/11/1979	Perpetual Easement from Indian River County for roads, water mains, pipes, sewers, storm sewers, electric lines and other utilities	Vero Beach Estates PB5-8 St. Lucie, N 5' and E 25' of W 35' of lot 13, bl 10 32-32-40
OR 588, Page 827 07/20/1979	Perpetual Easement from David Shedd, trustee easement for public and private utilities with	River Ridge Estates PB 8-80, E 15' of Lot right of access 14 16-33-40 17-33-40
OR 590, Page 2748 09/18/1979	Perpetual Easement from Benjamin & Janice Block to City, Southern Bell Telephone, AT&T and Frank & Mary Schlitt (latter is for access).... for the installation, etc. of water mains, pipes, sewers, storm sewers, electric lines and other utilities	Joel Knight's Addition To Vero PB 3-13 St. Lucie, appears to be 7.5' 01-33-39
OR 590, Page 2751 09/18/1979	Perpetual Easement from Frank & Mary Schlitt to City, Southern Bell & AT&T and Ben and Janice Block ... for water mains, pipes, sewers, storm sewers, electric lines and other utilities	Steele's Re- subdivision of Part of Section 1-33-39, PB3-7 , appears to be 7.5' as described [[handwritten note says 100' x 7.5']] St. Lucie 01-33-39
OR 590, Page 2753 09/18/1979	Perpetual Easement from Thomas & Nellie Tahnoose for water mains, pipes, sewers,	Joel Knight's Addition To Vero PB 3-13 St. Lucie, appears to be

	storm sewers, electric lines, underground cables, wires and conduits, etc.	15' 01-33-39
OR 593, Page 1679 11/06/1979	Perpetual Easement from Vero Mar Development, Ltd. To City, Southern Bell Tele & Florida Cablevision ....for a general utility easement including for electric lines	16-33-40, specific descriptions for Lift Station & Force Main
OR 594, Page 440 11/19/1979	Perpetual Easement from Indian River County to City, Southern Bell and Florida Cablevision and future designees for City...for a general	Town of Indian River PB2-12 St. Lucie, Part of a 10' wide N-S utility easement that includes electric lines Alley between lots 20 through 23 & appx 92' long 02-33-39
OR 594, Page 1420 11/28/1979	Perpetual Easement from Barbara & Robert Latimer, Jr. to City, Bell South and FL, Cablevision and further designees of City, includes for electric lines	Joel Knight's Addition To Vero PB3-13 St. Lucie, as described, appears to be appx 20' with road access in S 15' of easement area 01-33-39
OR 594, Page 1423 11/28/1979	Perpetual Easement from Gourmet Associates to City, Bell South and FL, Cablevision and further designees of City, includes for electric lines	Vero Isles Unit 1 PB3-18. SW 5' of NE 1/2 of Lot3 bl 1 31-32-40 36-32-39
OR 594, Page 1425 11/28/1979	Perpetual Deed of Utility Facilities and Easements from "David Shed, Trustee" to City... includes access easement	River Ridge Estates 8-80 16-33-40 17-33-40
OR 594, Page 1427 11/28/1979	Perpetual Deed of Utility Facilities from Ralmar Associates, Inc. for lift stations, motors, pumps, electrical panels, force mains, sewer lines, manholes which exist in Treasure Cove subdivision & Ten Coins Subdivision	Treasure Cove Subdivision9-18 16-33-40 Ten Coins On The Ocean Subdivision 9-38 16-33-40
OR 596, Page 2402 01/18/1980	Perpetual Easement from Vero Beach YMCA< Inc. to City, Bell South and FL, Cablevision and further designees of City, includes for electric lines	10-33-39, 12' wide
OR 598, Page 2558 03/05/1980	Perpetual Easement from Global Paving Systems, Inc. to City, Bell South and FL, Cablevision and further designees of City, includes for electric lines	22-32-39, as described (appears to be 15')
OR 599, Page 384 03/12/1980	Perpetual Easement from Ralmar Associates, Inc. for utilities (attached Schedule provides for Underground Electric Service)	35-32-39, 17' wide Medical Arts Center Cluster 1
OR 599, Page 387 03/12/1980	Perpetual. Easement from Dorothy Cain for utilities (Schedule attached provides for Underground Electric Service)	35-32-39, 17' wide Medical Arts Center Cluster 1
OR 599, Page 390 03/12/1980	Perpetual Easement from Raymond Della Porta et al for utilities (attached Schedule provides for Underground Electric Service)	35-32-39, 17' wide Medical Arts Center Cluster 1
OR 599, Page 393	Perpetual Easement from Edward & Mary	35-32-39, 17' wide

03/12/1980	Lou Attarian for utilities (Schedule attached provides of Underground Electric Service)	Medical Arts Center, Cluster 1
OR 599, Page 2985 03/27/1980	Perpetual Easement from **Indian River Farms Water Control District** for utility construction, maintenance and use of General public	35-32-39, 10' wide 5' on either side of described line in S '1/2 of above Section, Beginning at northerly corner of Lot 1, Bl 34, Plat No 2, McAnsh Park Subdivision
OR 602, Page 2430 05/20/1980	Deed of Utility Facilities from Dominion Mortgage & Realty Trust & Great American Properties-Florida, Inc for water lines, electric lines, sewer lines and mains	06-33-40, 20' wide
OR 602, Page 2433 05/20/1980	Perpetual Easement from Dominion Mortgage & Realty Trust and Great American Properties- Florida, Inc. to City, Southern Bell and Florida Cable Vision, AT&T and further designees of City for utilities including electric lines	06-33-40, 20' wide
OR 602, Page 2641 05/21/1980	Perpetual Easement from Peter & Celia Liddell et al utility easement for access over W 26' of described property	31-32-39, 26' W 10 acres of E 20 acres, tract 6
OR 603, Page 141 05/28/1980	Right of Way from J. Thomas & Jacqueline Springer for road, water mains, pipes, sewers, storm sewers, electric lines and other utility use and for use as public street	03-33-39, E 25' of W 10 acres of E 20 acres, Tract 8....Less S 50' condemned for State Road 60
OR 603, Page 1656 06/10/1980	Perpetual Easement from Joseph & Grace Mezzina to City, Southern Bell, Florida Cablevision, AT&T and further designees of City for utilities including electric lines	Royal Park Plat No. 2 PB4-79 St. Luck, S 10' of Lot 21 & S 10'[of E 25' of Lot 20, bl 21 36-32-39 31-32-40 01-33-39 06-33-40
OR 603, Page 1659 06/10/1980	Perpetual Easement from The Indian River County School Board to City, Southern Bell, Florida Cablevision, AT&T and further designees of City for utilities including electric lines	11-33-39, W 15' of NWQ of NWQ
OR 605, Page 1044 07/24/1980	**PERMIT from Indian River Farms Water Control District for utilities**	36-32-39, W 25' of E 184' of S 300' of NWQ of SWQ
~~OR 605, Page 1047 07/24/1980~~	~~**PERMIT from Indian River Farms Water Control District for utilities**~~ **FOR WATER MAIN**	~~Booker T. Washington Addition To The Town Of Vero pb2-34 St. Lucie, 15' WIDE UTILITY EASEMENT, 3' e AND 12' w OF DESCRIBED LINE 35-32-39~~
OR 609, Page 1384 10/06/1980	Perpetual Easement From Vero Beach YMCA, Inc "15' utility easement	10-33-39, 15' wide
OR 617, Page 1223 02/19/1981	Easement from Freda Waltz for access and for electric transmission & distribution lines	E 10' of W 50' of N 10 ac Tract 12, M&B

	and appurtenances including guys and …	33-32-39
OR 617, Page 1225 02/19/1981	Easement from Henry & Deana Hartsfield for access and for electric transmission & distribution lines and appurtenances including guys and …	W 15' of W ½ of E 20.92 ac and Tract 4 33-32-39
OR 617, Page 2666 03/04/1981	Perpetual Easement from William & Barbara Glenn for access and for transmission & distribution lines and appurtenances including guys and anchors	Lasar Park PB2-20, S 15' of W 35' of E 45" , Lot 2, bl 2 32-32-39
OR 618, Page 135 03/06/1981	Perpetual Easement from Gourmet Associates to City, Southern Bell, Florida Cablevision and further designees of city for utility purposes including electric lines	Vero Isles Unit 1 PB 3-18, as described, appears to be 20' 31-32-40 36-32-39
OR 620, Page 2269 04/16/1981	Perpetual Easement Edward & Adele Papin for underground electric cable	Surfside Estate PB6-62, W 10' of Lot 13 21-33-40 22-33-40
OR 621, Page 1476 04/28/1981	Perpetual Easement from Brevco Properties, Inc. public utility easement	Highland Park Plat No. 2, PB 1-67, 15' wide easement 1-33-39 12-33-39
OR 623, Page 953 05/26/1981	Perpetual Exclusive (except for Grantor's, their successors and assigns right to use) Easement from Sam & Nancy Moon for electric transmission and distribution lines and appurtenances including guys and anchors	4-33-39, E 20' of W 50' of W 302' of Tract 12
OR 624, Page 1375 06/01/1981	Easement from Patrick & Patricia Michael for electric transmission and distribution lines and appurtenances including guys and anchors	E 20' of W 45' of W ½ Tract 5, less N 1120' & E 450' 33-32-39
OR 624, Page 1376 06/10/1981	Perpetual Exclusive (except for Grantor's their successors and assigns right to use) Easement from Benjamin Bailey III for electric transmission and distribution lines and appurtenances including guys and anchors	04-33-39, E 10' of W 50' of W 20 acres of Tract 4
OR 625, Page 297 06/22/1981	Perpetual Easement from Saddle River Oaks, Inc. for municipal purposes	Walter Kitching's Subdivision PB 4-5 St. Lucie, N 10' of part of S 25' of unnumbered Street North of Block 3 32-32-40
OR 628, Page 557 08/07/1981	Perpetual Easement from Robert & Marian Rice for electric facilities, telephone lines, cablevision lines	24-33-39, 5' strip in E ½ of N 15 acres of NEQ of SEQ Est of Old Dixie Highway, as described
OR 629, Page 2196 09/04/1981	Perpetual Easement from Rene VanDeVoorde, Trustee for electric facilities, telephone lines and cablevision lines	23-32-39, S 5' & S 25' of W 15' of described parcel in N 225.01' of SEQ of SWQ Est of new US

		1
OR 632, Page 595 10/16/1981	Perpetual Non-exclusive Easement from Indian River County Hospital District for "electrical supply and distribution system "	36-32-39, two 10' wide easements, one is around a transformer pad easement
OR 632, Page 1809 10/26/1981	Perpetual Easement from Frank & Joan Stawara for utility purposes	10-33-39, N 10' of the E 10' of the W 20 acres of Tract 6
OR 633, Page 133 11/02/1981	Perpetual Easement from Douglas & Pamela Mills et al for electric transmission and distribution lines, poles and appurtenances including guys and anchors, and access	27-32-39, the N 60' of the N half of E 10 acres of Tract 13 & N 60' of W 20.5 acres of Tract 14
OR 633, Page 829 11/05/1981	Perpetual Easement from Timber Ridge, Inc. for an electric power line and appurtenances, with access	24-33-39, E 200' of N 10' of S 660' of Tract 15
OR 633, Page 2327 11/16/1981	Perpetual Easement from Christopher & Kathryn Ekonomou for electric facilities, telephone lines and cablevision lines	12-33-39, N 5' of described land
OR 633, Page 2329 11/16/1981	Perpetual Easement from Christopher & Kathryn Ekonomou for electric facilities, telephone lines and cablevision lines	12-33-39, N 5' of described property
OR 633, Page 2331 11/16/1981	Perpetual Easement from Christopher & Kathryn Ekonomou for electric facilities, telephone lines and cablevision lines	12-33-39, 4'(?)
OR 633, Page 2902 11/19/1981	Perpetual Easement from the Moorings Development Company for electric facilities, telephone lines and cablevision lines	Moorings Unit Six PB10-63, as described 27-33-40 28-33-49
OR 633, Page 2904 11/19/1981	Perpetual Easement from the Moorings Development Company for electric facilities, telephone lines and cablevision lines	Moorings Unit Six PB10-63, as described 27-33-40 28-33-49
OR 634, Page 2371 12/09/1981	Perpetual Easement William Glenn Jr. & Barbara Glenn for electric transmission & distribution poles and appurtenances	Lasar Park PB 2-20, S 15' of W 35' of E 45' of Lot 12, bl 2 32-32-39
OR 635, Page 2378 12/30/1981	Perpetual Easement from John Patrick & Olga Malone for electric facilities, telephone lines and cablevision lines 20 acres of Tract 9	32-32-39, W 5' of E 250' of S 5 acres of E
OR 636, Page 2636 01/20/1982	Perpetual Easement from Rogers Brothers Groves, Inc. for electric facilities, telephone lines and cablevision lines	23-32-39, (10'?)
OR 637, Page 807 01/28/1982	Perpetual Easement from William Graves IV for electric facilities, telephone lines and cablevision liens	31-32-39, E 10' of W 7.38 acres of E 17.38 acres of Tract 5
OR 637, Page 2544 01/21/1982	Easement from Los Angeles Dodgers for electric transmission and distribution lines, poles and appurtenances	E 25' of W 50' of Tract 13 33-32-39
OR 637, Page 2546 01/21/1982	Easement from Los Angeles Dodgers for electric transmission and distribution lines, poles and appurtenances	E 25' of W 50' of Tract 12, Less … 33-32-39
OR 637, Page 2548	Easement from Aloma, Inc. for electric	E 25' of W 50' of N 10ac Tract

01/21/1982	transmission and distribution lines, poles and appurtenances	12 & S 55' of N 85'of E 30' of W 683.28' of N 10 ac, Tract 12 33-32-39
OR 637, Page 2550 01/21/1982	Easement from Peter O'Malley for electric transmission and distribution lines, poles and appurtenances	W 15' of E 20 ac of Tract 5, N 20' of S 50' of E 55' of W 70' of E 20 ac Tract 5, S 15' of N 45' of E ½ of E 20.92 ac Tract 4 33-32-39
OR 637, Page 2552 01/21/1982	Easement from Dodgertown, Inc. for electric transmission and distribution lines, poles and appurtenances	E 25' of W 50' of Tract 12 of M&B 33-32-39
OR 638, Page 1265 02/04/1982	Easement from Peter O'Malley for electric transmission and distribution lines, poles and appurtenances	E 15' of W 30' of W ½ of E 20.92 ac of Tract 4 33-32-39
OR 639, Page 1215 03/11/1982	Perpetual Easement from Frank Zorc, Trustee to Southern Bell, City, AT&T, Florida Cablevision and other public or private utilities as the City may determine for a general utility easement including for electric lines	Colonial Heights S/D PB10-97, 10' over lots 1 through 28 inclusive 15-33-39
OR 640, Page 691 03/26/1982	Perpetual Easement from Oceanridge Properties, Inc. et al for water lines, drains, sewers and access... installation of utilities for Oceanridge subdivision..	Oceanridge Subdivision 10-78 21-33-40 22-33-40
OR 640, Page 694 03/26/1982	Perpetual Easement from Oceanrigdge Properties, Inc et al for utility facilities	Oceanridge Subdivision PB10-78, as shown in Certificate of Dedication (not included) 21-33-40 22-33-40
OR 640, Page 2216 03/11/1982	Easement from Sun Banks of Florida for electric facilities, telephone lines and cablevision lines	Pelican Cove Subdivision, Unit No. 1, PB! 3-75; M&B Tract A 05-33-40
OR 646, Page 2158 07/22/1982	Perpetual Easement from Indian River County Hospital District for electrical supply and distribution system	36-32-39, 15' easement as described
OR 646, Page 2777 07/28/1982	Ordinance abandoning part of ROW in Lots 1,2,3 Ward's subdivision PB 2, P 12....Retaining a utility easement in Section 1	Ward's Subdivision PB 2-12 01-33-39
OR 646, Page 2780 07/28/1982	Ordinance abandoning part of Road ROW in 10[' alley N & S of 23tf Street as described....BUT retaining a utility easement in Section 1 property	Town of Indian River PB 2-12 St. Lucie 02-33-39
OR 647, Page 1201 08/06/1982	Perpetual Easement Earl Mackintosh, Jr. Individually & as trustee of Vero Beach Yacht Basin Joint Venture for drainage and utilities , with access over the easements	36-32-39 31-32-40 10' & 20' as described
OR 647, Page 2273 08/17/1982	Perpetual Easement from Nancy & Jack Townsend III for public utility and drainage	Quail Run PB9-39, N 20' of S 30' lot 9 & N 20' of S 30' lot 22 10-33-39

OR 649, Page 986 09/01/1982	Easement from Indian River County for electric facilities, telephone lines and cablevision lines	M&B from Lateral "J" Canal & South Relief Canal in Tract 3 24-33-39
OR 649, Page 987 09/01/1982	Easement from Indian River County for electric facilities, telephone lines and cablevision lines	M&B from Lateral "J" Canal & South Relief Canal 13-33-39
OR 649, Page 2765 09/13/1982	Easement from south Ocean Drive Condominium Assoc for underground easement for utility service	M&B from NW corner Lot 1, Blk 14 Ocean Corporation Subdivision
OR 650, Page 1315 10/12/19*82*	Perpetual Easement from H. William Whitacre for electric facilities, telephone lines and cablevision lines	34-33-40, N 10' of W 600' of land E of State Road A1A
OR 650, Page 2469 10/19/1982	Perpetual Easement from Justice Builders, Inc. for water mains, fire hydrants , utilities and telephone and cablevision	Victoria PB 10-84, as described 19-32-40
OR 650, Page 2471 10/19/1982	Perpetual Easement from Justice Builders, Inc. for electric facilities, telephone lines and cablevision lines	Victoria PB10-84, electric utility easement, beginning at intersection of of E ROW of State Road A1A & S line of Victoria Subdivision 19-32-40
OR 654, Page 325 12/21/1982	Perpetual Easement from Louis & Shelby Perkins for electric facilities, telephone lines and cablevision lines & aerial easement	Ten Coins On The Ocean Subdivision N 12' of Lot 10 & Aerial Esmt as described 9-38 16-33-40
OR 655, Page 2263 01/14/1983	Perpetual Easement from Arthur & Evelyn Smith for drainage, water, sewer, water, electric, telephone and cable facilities	Riomar Subdivision Plat No. 2 PB 2-27, S 10' of N 15' of Lot 18, bl 2 & 5' N 15' lot 19, bl 2 05-33-40
OR 655, Page 2266 01/14/1983	Perpetual Easement from Nancy Cook for drainage, water, sewer, water, electric, telephone and cable facilities	Riomar Subdivision Plat No. 2, PB 2-27, 5' of cured street know as Painted Bunting Land 05-33-40
OR 655, Page 2268 01/14/1983	Perpetual Easement C&L Construction Company for drainage, water, sewer, water, electric, telephone and cable facilities	Riomar Subdivision Plat No. 2, PB 2-27 , 10' of the N 15' of Lot 20 & a 15'[of W half of 50' curved street, Painted Bunting Lane, 15' E half of Painted Bunting Lane, 10' utility easement over N 15' sublot 20 bl 2 05-33-40
OR 661, Page 614 04/11/1983	Perpetual Easement from Florida-Vero Beach, Ltd for electric, telephone and cable facilities	12-33-39, two 5' strips , two 20' square, and described
OR 661, Page 616 04/11/1983	Perpetual Easement from Frank Bates Groves, Inc. electric, telephone and cable facilities...description provides for aerial easement	31-32-39, N 5' of S 20' of described parcel

OR 664, Page 821 05/31/1983	Perpetual Easement from James & Lora Adamson electric, telephone and cable facilities	31-32-39, S 20' of described parcels
OR 664, Page 823 05/31/1983	Perpetual Easement Edward Kaus electric, telephone and cable facilities	Vero Land Company's Subdivision PB 3-19 St. Lucie, N 5' 12-33-39
OR 664, Page 824 05/31/1983	Perpetual Easement from Dorothy Pearse electric, telephone and cable facilities... description provides restricted to an aerial easement	Vero Land Company's Subdivision PB3-19 St. Lucie, S 5' 12-33-39
OR 664, Page 825 05/31/1983	Perpetual Easement from Clara Morris electric, telephone and cable facilities	Vero Land Company's Subdivision PB3-19 St. Lucie, N 5' of described parcel 12-33-39
OR 664, Page 826 05/31/1983	Perpetual Easement from Martha & Gottried Mantek electric, telephone and cable facilities	Vero Land Company's Subdivision PB 3-19 St. Lucie, S 5' of described parcel 12-33-39
OR 664, Page 827 05/31/1983	Perpetual Easement from Arthur Kaus, for the Estate of Amelia Kaus, deceased electric, telephone and cable facilities	Vero Land Company's Subdivision PB 3-19 St. Lucie,(5'?) 12-33-39
OR 664, Page 828 05/31/1983	Perpetual Easement Arthur Kaus, for Estate of Amelia Kaus, deceased electric, telephone and cable facilities	Vero Land Company's Subdivision PB 3-19 St. Lucie, (5'?) 12-33-39
OR 664, Page 830 05/31/1983	Perpetual Easement for James & Lora Adamson electric, telephone and cable facilities	31-32-39, E 15'
OR 664, Page 831 05/31/1983	Perpetual Easement from Scotty's Inc. electric, telephone and cable facilities	13-33-39, N 10' of NWQ of NEQ
OR 672, Page 204 10/03/1983	Deed of Easement from Sam E. Moon & Nancy Moon- perpetual utility easement	Joel Knight's Addition To Vero PB 3-13 St, Lucie, as described 01-33-39
OR 672, Page 1777 10/11/1983	Deed of Easement from William & Helen Glenn- perpetual utility easement for electric, telephone & cablevision	Indian River Farms Co. Plat PB 2-25 St. Lucie, W 10' of E 9.91 acres of W 19.53 acres of Tract 5 32-32-39
OR 674, Page 765 11/10/1983	Deed of Easement from Joemax Smith d/b/a Hallmark Development - perpetual utility easement for electric, telephone & cablevision	12-33-39, S 7.5' of W 25' of S 148.5' of described land
OR 674, Page 766 11/10/1983	Deed of Easement from Central Assembly of God, Inc. perpetual utility easement for electric, telephone & cablevision	Indian River Farms Co. Plat PB 2-25 St. Lucie, W 15' of E 301' of Tract 9 06-33-39

OR 678, Page 2099 01/30/1984	Deed of Easement from Town Homes of Vero - perpetual utility easement for electric, telephone & cablevision	Vero Land Company's Subdivision PB 3-19 St. Lucie, 10' x 40' power pole easement; S 45' of W 90' of Lot 12 12-33-39
OR 679, Page 531 02/06/1984	Deed of Easement Ford Concepts, Inc. - perpetual utility easement for electric, telephone & cablevision	Waverly Place Subdivision PB 11-60, "All of Tracts A, B, C, D, E, F, G & H" no width stated 12-33-39
OR 680, Page 285 02/21/1984	Deed of Easement from Shelton-Rice, Inc.- perpetual utility easement for electric, telephone & cablevision ...UNDRGROUND ELECTRIC & TRANSFORMER PADS AT PINETREE CONDOMIUNIUM II	Pinetree Condominium II, 10' over described area (near Transformer Pad 2)
OR 680, Page 1737 02/20/1984	Easement from James & Gwen Diamond	Royal Park Plat No. 6, PBI 1-13; 5' along N line of Lot 7, Block 7 01-33-39
OR 681, Page 254 02/21/1984	Easement from Ford Concepts Inc. for overhead electric lines along S line of Waverly Pplace	M&B form SE corner Lot 14, Vero Land Company 12-33-39
OR 681, Page 2538 03/19/1984	Deed of Easement From C. John Rexford & Sara Rexford - perpetual utility easement for electric, telephone & cablevision	Pine Terrace PB 1-9, E 5' of W 10' of lots 3 through7, b19 10-33-39
OR 681, Page 2539 03/19/1984	Deed of Easement from Ronal C. Kutschinski & Normal Miller, HR- perpetual utility easement for electric, telephone & cablevision	01-33-39, E 5' of N 20' of W2 of W 12.12 acres of N 22.12 acres of SEQ of SEQ
OR 681, Page 2540 03/19/1984	Deed of Easement from Ford Concepts, Inc. perpetual utility easement for electric, telephone & cablevision	Vero Land Company's Subdivision PB 3-19 St. Lucie, OVERHEAD electric line esmt, as described 12-33-39
OR 681, Page 2544 03/19/1984	AERIAL & Access Easement from Marnie G. McLaughlin as Trustee for Meredith L. McLaughlin et al	Vero Beach Estates Plat Bk 5-Pg 8 St. Lucie 32-32-40.....South 5' of Lots 26 & 27, Block 1
OR 684, Page 1831 04/30/1984	Deed of Easement from Sam (Salman) Grand perpetual utility easement for electric, drainage, water, sewer, telephone & cable facilities	Highland Park Plat No. 3, PB 2-4, E 30' of described land 12-33-39
OR 684, Page 1832 04/30/1984	Deed of Easement from Pete Armfield, Richard Wagner & Elizabeth Gillick - perpetual utility easement for electric, telephone & cable	H.T. Gifford Estate PB 1-13 St. Lucie, W 2.5 ' of N 150' of Lot 22 & E 2/5' of N 150' of Lot 23 01-33-39
OR 686, Page 1698	Deed of Easement from Norman & Elizabeth	Treasure Cove Subdivision

05/29/1984	Hensick, Jr. - perpetual, UNDERGROUND utility easement for electric, telephone & cablevision s	PB 9-18, 5' for UNDERGROUND utility lines along N property line of Lot 21 16-33-40
OR 686, Page 1699 [or 686/16091 05/29/1984	Deed of Easement from Norman & Norine Hensick perpetual utility easement for electric, telephone & cable	Treasure Cove Subdivision PB 9-18, **aerial** easement – W 10' of Lot 23 16-33-40
OR 686, Page 1700 05/29/1984	Deed of Easement from Stephen C. Hale JR & Stephen C/ Hale III perpetual utility easement for electric, telephone & cable	30-32-39, E 15' of W 10 acres of E 20.49acres tract 14
OR 686, Page 1701 [or OR4606/P1701?] 05/29/1984	Deed of Easement from William Priestley - perpetual utility easement for electric, telephone & cable lines	Vero Land Company's Subdivision PB 3-19 St. Lucie, 10' UNDERGROUND utility easement only& and easement for a transformer pad as described 12-33-39
OR 688, Page 2017 06/28/1984	Grant of Easement TDC Corp. of FL- perpetual utility easement for UNDERGROUND electric utility lines	Sable Oaks Subdivision PB 11-54, 4' wide over common line of lots 22 & 23 08-32-40
OR 694, Page 1708 09/28/1984	Deed of Easement from John & Irene Moore- perpetual utility easement for electric, telephone & cable lines	Pelican Cove II PB 3-79, N 90' of E ' fo Lot 4 bl 4 05-33-40
OR 694, Page 1710 09/28/1984	Deed of Easement from KD Hedin- perpetual utility easement for electric, telephone & cable lines	Ridgewood Subdivision Replat PB 2-39, N 5' of tract 8 12-33-39
OR 694, Page 1711 09/28/1984	Easement from UMR Associates & Paul Minotty- perpetual utility easement for electric, telephone & cablevision	31-32-40 36-32-39 As described
OR 694, Page 1714 09/28/1984	Deed of Easement from Rax Properties - perpetual utility easement for electric, telephone & cable lines	12-33-39, N 8' of S 23'
OR 696, Page 2207 11/06/1984	Easement from First Bankers of Indian River County, FL AERIAL Easement for electric facilities	Edgewood Addition to Vero Florida PB 2-28 St. Lucie, as described 02-33-39
OR 696, Page 2209 11/06/1984	Easement from First Bankers of Indian River County, FL — for the construction & operation of electrical, telephone & cable facilities	Town of Indian River PB 2-12 St. Lucie, as described 02-33-39
OR 700, Page 1601 01/09/1985	Deed of Easement from Rentals & Realty, Inc. - perpetual utility easement for electric, drainage, water, sewer, telephone & cable	Vero Beach Estates 5-8 St. Lucie PB , S 5' of E 30' lots 15 facilities & 16 32-32-40

OR 700, Page 1603 01/09/1985	Deed of Easement from Sam & Nancy Moon - perpetual utility easement for electric, telephone & cablevision	04-33-39, E 5' of N 468' Parcel A & S 5' of N 200' of E 100' Parcel A
OR 701, Page 1502 01/24/1985	Deed of Easement from Tarpon Island Development Corporation - perpetual utility easement for electric, drainage, water, sewer, telephone & cable facilities	06-32-40, 10'
OR 701, Page 1505 01/24/1985	Deed of Easement from Christopher Ekonomou & Kathryn Ekonomou & Michael Ekonomou - perpetual utility easement for electric, telephone & cablevision	12-33-39, E 88' of N 5' of Parcel 2
OR 701, Page 1507 01/24/1985	Deed of Easement from The Southland Corporation - perpetual utility easement for electric, drainage, water, sewer, telephone & cable facilities	Vero Original Map of Blocks 1, 2, 15, 16, 17, 32 & 33 PB 1-11, As described (appears to be 8') 2-33-39
OR 701, Page 1509 01/24/1985	Deed of Easement from Florida Vero Beach, Ltd. - perpetual utility easement for electric, telephone & cable	12-33-39, as described (appears to be 10')
OR 701 Page 1511 01/24/1985	Deed of Easement from Bennet Macri - perpetual utility easement for electric, telephone & cablevision	Knight's Addition to Edgewood Replat of Blocks 3, 4 & 7 PB 4-16 St. Lucie, W 20' ofN 5' lot 6 02-33-39
OR 704, Page 2017 03/15/1985	Deed of Easement from Jack & Nancy Townsend, III - perpetual utility easement for electric, telephone & cablevision	PB Quail Run, S 4' Parcel F , S 20' lots 6 & 7 and N 17' lot 8 9-39 10-33-39
OR 704, Page 2018 03/15/1985	Deed of Easement from Jack & Nancy Townsend, III perpetual utility easement for electric, telephone & cablevision	Quail Run PB 9-39, N 4' Parcel G & S 75' Lot 5 &N 51' Lot 6 10-33-39
OR 704, Page 2019 03/15/1985	Deed of Easement from Jack & Nancy Townsend, III - perpetual utility easement for electric, telephone & cablevision	Quail Run PB 9-39, S 4' of Parcel H & S 41' of Lots 3 & 4 & N 5' of Lot 5 10-33-39
OR 704, Page 2020 03/15/1985	Deed of Easement from Jack & Nancy Townsend-, III perpetual utility easement for electric, telephone & cablevision	Quail Run PB 9-39, N 4' of Parcel A & S 42' of Lots 14 & 15 10-33-39
OR 704, Page 2021 03/15/1985	Deed of Easement from Jack & Nancy Townsend, III perpetual utility easement for electric, telephone & cablevision	Quail Run PB 9-39, S 4' of Parcel B & S 8' of Lots 12 & 13 10-33-39
OR 704, Page 2022 03/15/1985	Deed of Easement from Jack & Nancy Townsend, III - perpetual utility easement for electric, telephone & cablevision	Quail Run PB 9-39, N 4' of Parcel C & S 54' of Lot 11 10-33-39
OR 704, Page 2023 03/15/1985	Deed of Easement from Jack & Nancy Townsend, III - perpetual utility easement for electric, telephone & cablevision	Quail Run PB 9-39, S 4' of Parcel D & S 20' of Lots 9 and 10

		10-33-39
OR 704, Page 2024 03/15/1985	Deed of Easement from Jack F. Townsend III & Nancy Townsend - perpetual utility easement for electric, telephone & cablevision	Quail Run PB 9-39, N 4' of Lot 8 & N 60' of Lot 9 10-33-39
OR 707, Page 1915 04/29/1985	Deed of Easement from Floyd & Helen Grimm- perpetual utility easement for electric, telephone & cablevision	12-33-39, S 5' of parcel
OR 708, Page 505 05/06/1985	Deed of Easement from Betty A. Reeves, Trustee perpetual utility easement for electric, telephone & cablevision	Dr. Richard E. Bullington's Subdivision PB 2-5 St. Lucie, N 15' of W 5' of NWQ of lot 6 b12 01-33-39
OR 714, Page 705 07/31/1985	Deed of Easement from Vista Properties of Vero Beach, Inc. perpetual utility easement for electric, telephone & cablevision	06-33-39, as described
OR 714, Page 1215 08/02/1985	Deed of Easement from Vero Sands, Inc.- perpetual utility easement for electric, telephone & cablevision	Vero Beach Estates PB 5-8 St. Lucie, S 15' of W 10' lot 5 32-32-40
OR 714, Page 1216 08/02/1985	Deed of Easement from Ralph & Susan Jiller- perpetual utility easement for electric, telephone & cablevision	Rosewood School Subdivision PB 8-49, N 3' of Lot 8 & S 5' of Lot 7...Aerial Easement 03-33-39
OR 715, Page 789 08/15/1985	Deed of Easement from A-One Citrus, Inc. - perpetual utility easement for electric, telephone & cablevision	27-32-39, 10', Tract 1
OR 715, Page 792 08/15/1985	Deed of Easement from Richard & Nancy Knight - perpetual utility easement for electric, telephone & cablevision	Rosewood School Subdivision PB 8-49, S3' of Lot7...AERIAL EASEMENT 03-33-39
OR 716, Page 400 08/28/1985	Deed of Easement from Thomas & Anna Belle Barnes - perpetual utility easement for electric, telephone & cablevision	27-32-39, 10'
OR 716, Page 403 08/28/1985	Deed of Easement from Vista Properties of Vero Beach, Inc. for electric facilities, telephone lines and cablevision	06-33-39, 10'
OR 717, Page 670 09/12/1985	Deed of Easement from Gary & Lisa Purchase - perpetual utility easement for electric, telephone & cablevision	29-32-39, W10', parcel in Tract 27
OR 719, Page 1421 10/15/1985	Deed of Easement from The School Board of Indian River County, FL- perpetual utility easement for electric, drainage, water, sewer, telephone & cable facilities	Dr. Richard E. Bullington's Subdivision PB 2-5 St. Lucie, (7.5'?) 01-33-39
OR 719, Page 1424 10/15/1985	Deed of Easement from Ridgemead Realty Rentals, Inc. for drainage, water, sewer, electric, telephone and cable	N 10' of Part of NEQ of NWQ 26-32-39 East of E ROW line of US I
OR 719, Page 1426 10/15/1985	Deed of Easement from Timber Ridge, Inc. perpetual, non-exclusive easement for UNDERGROUND electric lines & related	24-32-39, 12'

	facilities	
OR 720, Page 509 10/25/1985	Deed of Easement from John Dmdak & Michael Adams- perpetual utility easement for electric, telephone & cablevision	26-32-39, N 10’
OR 721, Page 2879 11/20/1985	Deed of Easement & Bill of Sale from Wal-Mart Stores, Inc. — perpetual easement & ROW to City for overhead electric power lines & poles	13-33-39, 10’
OR 723, Page 2804 12/17/1985	Deed of Easement from Melvin & Sandra Cochran - perpetual utility easement for electric, telephone & cablevision	Albrecht Acres PB 2-74, S 5’ of Lot 4, S2 32-32-39
OR 723, Page 2805 12/17/1985	Deed of Easement from Robert & Lynn Lindsey- perpetual utility easement for electric, telephone & cable , drainage, sewer, water	Vero Land Company’s Subdivision PB 3-19 St. Lucie, S3’ of Lot 6 12-33-39
OR 723, Page 2806 12/17/1985	Deed of Easement from St. Edwards School, Inc.- perpetual utility easement for electric, telephone & cablevision	21-33-40, description is for sewer manhole and pipe
OR 725, Page 2154 01/10/1986	Deed of Easement from Barnett Bank of Indian River - perpetual utility easement for electric, telephone & cablevision	04-33-39, NIO’ of described
OR 727, Page 215 01/29/1986	Deed of Easement from William & Megan Miller - perpetual utility easement for electric, telephone & cablevision	Carlsward Subdivision PBI 1-53, N 5’ of lot 7 30-32-39
OR 727, Page 2262 02/07/1986	Deed of Easement from Indian County School District - perpetual utility easement	11-33-39, 15’ in NWQ of NEQ
OR 727, Page 2263 02/07/1986	Deed of Easement from First Church of God- perpetual utility easement for electric, telephone & cablevision	11-33-39, 10’ in NWQ of NWQ
OR 727, Page 2394 02/07/1986	Deed of Easement - from VB Holding Corp perpetual utility easement for electric, drainage, water, sewer, telephone & cable	Idlewild PB 7-72, W5’ of Lot 2, bl 1 facilities 09-33-39
OR 727, Page 2395 02/07/1986	Deed of Easement John & Kate Petersen- perpetual utility easement for electric, drainage, water, sewer, telephone & cable	Idlewild PB7-72, E5’ of Lot 3 bl 1 facilities 09-33-39
OR 730, Page 743 02/27/1986	Deed of Easement from Vero Sands, Inc. for electric, drainage, water, sewer, telephone & cable	Vero Beach Estates, PBS 5-8, St Lucie; S 15’ of W 10’ Lot 5, Blk 20 32-32-40
OR 732, Page 26 04/04/1986	Deed of Easement Chevron USA, Inc. - perpetual utility easement for electric, telephone & cablevision	J.H. Howard Subdivision PB 5-20 St. Lucie, 7.5’ of E 20’ of lots 1 to 7, Pt of Lot 8, bl 1 01-33-39
OR 732, Page 2394 04/16/1986	Deed of Easement from Henry & Dorothy Patterson - perpetual utility easement for electric, drainage, water, sewer, telephone & cable facilities	12-33-39, as described
OR 734, Page 39	Deed of Easement from Kennedy Groves,	31-32-39, E 10’ of W 10 acres

04/28/1986	Inc.- perpetual utility easement for electric, telephone & cablevision	of W 20 acres, Tract 3
OR 734, Page 40 04/28/1986	Deed of Easement- from J.A & Phyllis DuPree- perpetual utility easement for electric, telephone & cablevision	Royal Park Plat No. 3 PB 4-88 St. Lucie, W 10' of E 15' lots 25 & 26 36-32-39
OR 734, Page 1536 05/01/1986	Deed of Easement from Robert Grice- perpetual utility easement for electric, drainage, water, sewer, telephone & cable	Jacoby's Addition PB v4-54 St. Lucie, W 5' of lot2, b12 facilities 02-33-39
OR 735, Page 2012 05/19/1986	Deed of Easement from Ronald Hatala & Daryl Stenger - perpetual public utility easement	35-32-39, W11'
OR 740, Page 621 07/08/1986	Deed of Easement from Moorings Development Company- perpetual utility easement for electric, telephone & cablevision	The Moorings Unit One, PB8-6, W 703.90' of N 25' of Lot 55 27-33-40 28-33-40
OR 740, Page 622 07/08/1986	Deed of Easement-Joseph & Antoinette Cesareo -- perpetual utility easement for electric, telephone & cablevision Antoinette	12-33-39, E 5' of described land
OR 741, Page 2701 07/24/1986	Deed of Easement from St. Edward's School - perpetual easement for	05-33-40, S 10' of N 500'
OR 744, Page 2421 08/25/1986	Deed of Easement Mary Sue Barnes & TM Barnes- perpetual utility easement for electric, drainage, water, sewer, telephone & cable facilities	23-32-39, S 25'
OR 746, Page 1040 09/12/1986	Deed of Easement from Lawrence & Carmen Kincaid- perpetual utility easement for electric, telephone & cablevision	Indian River Farms Co. Plat PB 2-25 St. Lucie, E 10' of described land in tract 7 30-32-39
OR 746, Page 1041 09/12/1986	Deed of Easement from Robert & Steven Barnett- perpetual utility easement for electric, telephone & cablevision	12-33-39, as described
OR 747, Page 101 09/19/1986	Deed of Easement Fred & Elizabeth Van Zonneveld- perpetual utility easement for electric, telephone & cablevision	Indian River Farms Co. Plat PB 2-25 St. Lucie, E 10' of described Tract 20 land 29-32-39
OR 747, Page 103 09/19/1986	Deed of Easement from Total Development, Planning & Construction, Inc. - perpetual utility easement for electric, drainage, water, sewer, telephone & cable facilities-	Edgewood's Second Addition to Vero, Florida PB4-3 St. Lucie, 15' 02-33-39
OR 747, Page 104 09/19/1986	Deed of Easement from Alan Schommer- perpetual utility easement for electric, telephone & cablevision	26-32-39, S 5' of described land
OR 747, Page 106 09/19/1986	Deed of Easement- from Ronald Hatala & Daryl Stenger- perpetual utility easement for electric, telephone & cablevision-	35-32-39, S4' of N14' of described parcel
OR 747, Page 2714 09/30/1986	Deed of Easement from Vista Properties of Vero Beach, Inc. - perpetual utility easement	18-33-40, 15'

	for electric, telephone & cablevision	
OR 748, Page 508 10/02/1986	Deed of Easement- from Grand Harbor, Inc. - perpetual utility easement for electric & water lines	23-32-39 24-32-39 25' wide
OR 752, Page 90 11/19/1986	Deed of Easement from Noram Zinck, Carol Zinck and Ruth Sheffield for utility easement for electric facilities, telephone lines and cablevision lines	Indian River Farms Co. Plat PB 2-25 St. Lucie, N 105' of E 5' of W 1/2 of described land in SWQ of Tract 3 11-33-39
OR 753, Page 2134 12/08/1986	Deed of Easement & Bill of Sale- from Micro Cable Communications Corp d/b/a Florida Cablevision Corp to City of Vero Beach- Perpetual Easement & ROW for electric utility facilities	Utility Facilities a strip of land lying 7' Westerly and contiguous to etc
OR 753, Page 2136 12/08/1986	Deed of Easement- James & Diane Pulliam and Daniel & Patti Johnston- perpetual utility easement for electric, telephone & cablevision	Indian River Farms Co. Plat PB 2-25 St. Lucie, W 5' of described property 29-32-39
OR 757, Page 1281 01/16/1987	Deed of Easement- Benjamin Caskey, Jr.- perpetual utility easement for electric, telephone & cablevision	13-33-39, W 4' in SEQ of SEQ
OR 760, Page 655 02/13/1987	Deed of Easement- Robert & Elizabeth Yount- perpetual utility easement for electric, telephone & cablevision	27-32-39, N 10' of described land
OR 761, Page 1266 02/26/1987	Deed of Easement- The Morringins Development Company - perpetual utility easement for electric, drainage, water, sewer, telephone & cablevision	21-33-39, 15' wide
OR 761, Page 1268 02/26/1987	Deed of Easement- The Moorings Development Company- perpetual utility easement for electric, drainage, water, sewer, telephone & cablevision	21-33-40, 15' wide
OR 765, Page 728 04/10/1987	Deed of Easement from Jessie Crawford & Leroy Carter- perpetual utility easement for electric facilities	Espy's Subdivision PB 2-36 St. Lucie, N 25' of lot 1
OR 768, Page 1157 05/15/1987	Deed of Easement - from Grand Harbor, Inc.- perpetual utility easement for underground drainage, water & electric	23-32-39, S 25' of NEQ of SWQ
OR 770, Page 1196 06/09/1987	Deed of Easement from James J. O'Connor III - perpetual utility easement for electric, telephone & cablevision	John's Island - Plat 43, PB12-8, N 10' of Lot 9 18-32-40
OR 770, Page 1198 06/09/1987	Deed of Easement- from Waterford Assoc. - perpetual utility easement for electric, telephone & cablevision	06-33-39, series of easement, 10' wide
OR 770, Page 1201 06/09/1987	Deed of Easement from Waterford Assoc. - perpetual utility easement for electric, telephone -	06-33-39, 10' wide as described
OR 770, Page 1212 06/09/1987	Deed of Easement from Stephen M. Bailey - Perpetual utility esmt. for electric, telephone	Gloria Gardens PB 5-33 St. Lucie, 9' wide

	& cablevision	13-33-39
OR 777, Page 953 04/29/1987	Deed of Easement from The Shoppes of 17th Street for electric, telephone and cablevision	E 10' of W 75' of N 20' of M&B from NE corner Lot 5, Blk 2, Dr. R.E. Bullington's Subdivision 01-33-39
OR 778, Page 2781 09/18/1987	Deed of Easement from Asbury United Methodist Church, Inc. for perpetual utility easement for electric, telephone and cablevision	Indian River Farms Co. Plat2-25 St. Lucie, N 5' of the South 34.33 ' of S acre of N 5 acres of S 15 acres of W 20 acres of Tract 13 03-33-39
OR 778, Page 2782 09/18/1987	Deed of Easement for perpetual utility easement for electric, telephone and cablevision	Indian River Farms Co. Plat, E 10' Of N 5 acres of S 15 acres of W 20 acres, tract 13 03-33-39
OR 789, Page 152 01/27/1988	Dedication from Joseph & Florence Bergaminio to City for perpetual utility easement	Conline Subdivision PB12-9, 10' 10-33-39
OR 791, Page 1356 02/25/1988	Easement Deed - from Indian River County Hospital District - Non-Exclusive easement for installation/operation of an above ground pole line electrical supply & distribution system	36-32-39, 15' wide
OR 791, Page 1405 02/25/1988	Easement Dedication from Helen Vandevoir for aerial easement	I.D. Jandreau Subdivision PBS 3-41, St Lucie; E 5' of S ½ of W portion of Lot 5 29-32-40
OR 798, Page 1934 05/17/1988	Dedication to City from Sexton, Inc. for perpetual utility easement	Sunnyside Park PB 1-7 St. Lucie, N 10' of Lots 8 & 14, bl 4 03-33-39
OR 798, Page 1935 05/17/1988	Dedication to City from Buildex, Inc. for perpetual utility easement	Sunnyside Park Addition Replat of East Half of Block 5, S 10' of N2 Lot 6, in replat of E2 b15 1-68 03-33-39
OR 800, Page 678 06/03/1988	Dedication to City from Kenneth & Margaret Rocke for perpetual utility easement	Mc Ansh Park Plat No. 2, PB1-29, as described 02-33-39 35-32-39
OR 801, Page 2242 06/22/1988	Deed of Easement from Alan R. Schommer...for perpetual Esmt for electric utilities, telephone and cablevision	26-32-39, N 10' of described parcel
OR 801, Page 2243 06/22/1988	Deed of Easement from Vero Beach Alliance Church...for a public utility perpetual easement for electric facilities, telephone, cablevision	04-33-39, 7.5'

OR 804, Page 2011 07/25/1988	Ron DeGrazia. – Agreement for placement of Electric on Customer's premises	S 110' of N 770' of GL 4 27-33-34
OR 804, Page 2013 07/08/1988	Alex Macwilliam, Inc. - Deed of Easement for public drainage and electric utility facilities	Lucille Terrace PB3-10, W 5' of E 10' lots 1,2,3,4, bl 1 03-33-39
OR 813, Page 469 10/07/1988	Deed of Easement from Grand Harbor, Inc for electric facilities	15' easement, M&B from S line Grand Harbor, Plat No. 1 23-32-39
OR 820, Page 1455 01/04/1989	Deed of Easement from Roy Wissel for electric, telephone & cablevision	Replat of Blocks 3,4,&7 Knight's Addition, PBS 4-16 St Lucie; E 5' of Lots 8 & 9, Blk 3 03-33-39
OR 820, Page 1456 01/06/1989	Deed of Easement from J. R. & Addie Graves for drainage, water, sewer, electric, telephone & cablevision	College Heights, PBS 5-29 St Lucie & Kennedy Terrace, PBI 1-3; 5' M&B 03-33-39
OR 820, Page 1458 09/22/1989	Deed of Easement from Springrose, Inc for drainage, water, sewer, electric, telephone & cablevision	Walter Kitching's Subdivision PBS 4-5 St Lucie; E 5' of W 75' Lot 6, Blk 1 32-32-40
OR 825, Page 2 03/03/1989	Deed of Easement from Steven & Pegi Wilkes for drainage, water, sewer, electric, telephone & cablevision	College Heights, PBS 5-29 St Lucie; E 5' of Lot 2, Blk 3 03-33-39
OR 825, Page 3 03/08/1989	Deed of Easement from Jay Shoemaker for drainage, water, sewer, electric, telephone & cablevision	Linwwod Addition Subdivision , PBI 3-44; S 11.72' of N 16.72' of E 10' Lot 5 01-33-39
OR 826, Page 1951 03/08/1989	Deed of Easement from Westport Utilities Corp. for drainage, water, sewer, electric, telephone & cablevision	John's Island, Plat No. 1, PBI Subdivision , PBI 8-8; E 65' of S 55' of portion of Lot 34 01-33-39
OR 827, Page 2484 04/10/1989	Deed of Easement from Westfield Properties for drainage, water, sewer, electric, telephone & cablevision	Sandpointe Subdivision, PBI 12-67; M&B from NW corner of SD 16-33-40
OR 828, Page 1390 10/31/1989	Deed of Easement from Breezeway for drainage, water, sewer, electric, telephone & cablevision	Walter Kitching's Subdivision PBS 4-5 St Lucie; W 7.5' of S 100' of Lot 3, Blk 1 32-32-40
OR 828, Page 1391 10/31/1989	Deed of Easement from John & Jo Gwinnup for drainage, water, sewer, electric, telephone & cablevision …	Steele's Re-Subdivision PBS 3-07 St Lucie; 7.5' M&B from NE corner Lot 56 01-33-39
OR 828, Page 1392 03/20/1989	Deed of Easement from Thomas & Imogene Chatham for drainage, water, sewer, electric, telephone & cablevision	College Heights, PBS 5-29 St Lucie & Kennedy Terrace PBI 1-3; E 5' M&B from Lot 1, Blk 3 03-33-39

OR 828, Page 2118 04/19/1989	Deed of Easement from Wabasso Prtnership for drainage, water, sewer, electric, telephone & cablevision	Bethel Isles Subdivision PBI 4-35; 10'x10'' M&B from Lot 1, Blk 2 29-32-40
OR 831, Page 2032 05/08/1989	Deed of Easement from Edward Homan for drainage, water, sewer, electric, telephone & cablevision	Pine Terrace Subdivision PBI 1-9; S 5' Lot 23, Blk 2 10-33-39
OR 831, Page 2033 05/08/1989	Deed of Easement from Barnett Bank for drainage, water, sewer, electric, telephone & cablevision	Ocean Corporation Subdivision PBI 3-9; S 5' Lot 23, Blk 2 10-33-39
OR 831, Page 2035 02/17/1989	Deed of Easement from Ocean Plaza Corp. for drainage, water, sewer, electric, telephone & cablevision	Walter Kitching's Subdivision PBS 4-5 St Lucie; E 7.5' of S 100' of Lot 4, Blk 1 32-32-40
OR 831, Page 2037 04/18/1989	Deed of Easement from Jack Large for drainage, water, sewer, electric, telephone & cablevision	Vero Beach Estates, PBS 5-8 St Lucie; S 5' of Lot 16, Blk 15 32-32-40
OR 840, Page 2648 08/21/1989	Deed of Easement from Kenneth & Martha Damerow for drainage, water, sewer, electric, telephone & cablevision	Royal Park, Plat No. 4, PBS 5-30 St Lucie; E 6' of W 16' Lot 19 01-33-39
OR 840, Page 2650 08/23/1989	Deed of Easement from Royal Palm Villas for drainage, water, sewer, electric, telephone & cablevision	Royal Park, Plat No. 4, PBS 5-30 St Lucie; E 6' of W 16' Lot 13 01-33-39
OR 846, Page 1569 09/26/1989	Deed of Easement from Harold Rumsby for drainage, water, sewer, electric, telephone & cablevision	College Heights, PBS 5-29 St Lucie; E 5' of Lot 6, Blk 3 03-33-39
OR 853, Page 2667 01/22/1990 [	Indian River Packing Company, Inc. Perpetual Utility Easement	23-32-39, as described
OR 873, Page 158 07/29/1990	Deed of Easement from Jeffery Emlet for drainage, water, sewer, electric, telephone & cablevision	Bethel By The Sea, Plat No. 3 PBI 3-68; S 7' of Lot 10, Blk 11
OR 877, Page 1401 08/23/1990	Deed of Easement from David Cappelen for public utility	Replat of Blocks 26,33,34, and 35, McAnsh Park Subdivision PBI 2-63; E 10' M&B 02-33-39
OR 887, Page 593 01/17/1991	Deed of Easement from Palm Coast Elderly Housing, Inc. for drainage, water, sewer, electric, telephone & cablevision	5' M&B 35-32-39
OR 887, Page 2217 01/24/1991	Deed of Easement from Medical Service Center for electric, telephone & cablevision	Medical Service Center Subdivision PBI 13-18; N 10' Lots 13-16,21,22; S 10' Lots 1-11 25-32-39
OR 887, Page 2218 01/24/1991	Deed of Easement from Citrus Medical Plaza for electric, telephone & cablevision	Medical Service Center Subdivision PBI 13-18; N 10' Lots 17-20 25-32-39

OR 890, Page 2491 02/05/1991	Deed of Easement from Dr. Edward Attarian, Dr. Richard Franco, Dr. Robert McGovern & Paul Koehler for electric, telephone & cablevision	Medical Service Center Subdivision PBI 13-18; N 10' Lot 12 adjacent to 37th Pl 25-32-39
OR 896, Page 612 05/08/1991	Deed of Easement from Vero Beach Country Club, Inc. for electric, telephone & cablevision	Royal Park Subdivision, Plat No. 7 PBI 1-36; 6'M&B from SE corner Lot 24, Blk 28 01-33-39
OR 897, Page 242 05/07/1991	Quit Claim Deed from King Mango Corp. for easement	M&B from SW corner Section 31 31-32-40
OR 897, Page 243 05/07/1991	Deed of Easement from Indian River County for aerial easement for electric facilities	Town of Indian River PBS 2-12 St, Lucie, 6' M&B from NW corner Block 3 02-33-39
OR 913, Page 1021 04/12/1991	Deed of Easement from Westfield Properties for drainage, water, sewer, electric, telephone & cablevision	Sandpointe West Subdivision, PBI 13-31; M&B from NE corner of Lot 1 16-33-40
OR 914, Page 693 11/05/1991	Grant of Easement from to multiple utilities & the City of Vero Beach for UNDERGROUND lines from Westinghouse Treasure Coast Communities, Inc....for purposes including electric transmission & distribution lines	Indian Harbor PB10-79, 10' 18-32-40
OR 914, Page 698 11/5/1991	Grant of Easement to multiple utilities & the City of Vero Beach for UNDERGROUND lines from Westinghouse Treasure Coast Communities, Inc....for purposes including right for electric transmission & distribution lines	Bermuda Bay Oceanside PB 13-52, 10' 18-32-40 [Lots 16, 17,18 of Bermuda Pay
OR 927, Page 361 02/18/1992	Deed of Easement from Indian River County for electric facilities	M&B from SW ¼ of SW ¼ of Sec 13 Block 3 13-33-39
OR 936, Page 2092 05/19/1992	Deed of Easement from John's Island Water Management, Inc. for electric facilities (Exhibit A is for 15' Reuse main)	John's Island, Plat No. 29 PBI 11-50; M&B from NE corner Lot 72 13-32-39
OR 936, Page 2095 04/14/1992	Deed of Easement from Pamela Keen for electric, telephone & cablevision	John's Island, Plat No. 51 PBI 12-80; 10' M&B from southerly PRM of Plat 51 12-32-39
OR 941, Page 2149 06/19/1992	Deed of Easement from Legend Building & Drywall for electric, telephone & cablevision	Seaside Subdivision PBI 13-81; E 5' Lot 12 & W 5' Lot 11 27-33-40
OR 942, Page 1791 07/07/1992	Deed of Easement from Dennis & Diane Daige for electric facilities	Tenth Avenue Subdivision PBI 2-57; 6' M&B from SE corner Lot 5 01-33-39
OR 953, Page 2745	Deed of Easement from Gerado Fulchini for	Graves, Knight, and Graves

10/19/1992	electric facilities	Subdivision PBS 1-11 St Lucie; M&B from Intx US#1 & N line Blk 2 02-33-39
OR 964, Page 2673 11/12/1992	Deed of Easement from Cherry Lane Estates, Inc. for electric facilities	Indian River Farms Company PBS 2-25 St Lucie; M&B (2)-Tract 9 32-32-39
OR 998, Page 84 11/23/1993	Deed of Easement from Salvatore Mirabito for electric facilities	Oakmont Park Estates, Unit No. 1 PBI 7-38; N 5' Lot 4, Blk 3 01-33-39
OR 998, Page 2978 11/26/1993	Deed of Easement from Mildred Morgan for electric facilities	Oakmont Park Estates, Unit No. 1 PBI 7-38; S 5' Lot 3, Blk 3 01-33-39
OR 1007 Page 272 12/30/1993	Deed of Easement from Peter & Nancy Welter for electric facilities	Osceola Park Homesites, PBS 3-58 St Lucie; W 5' of W 59.57' Lot 1, Blk 8 & W 5' of E 100' Lots 1,2, Blk 8 02-33-39
OR 1012 Page 2871 03/25/1994	Deed of Easement from John & Patricia Morgenthein for public utility	Indian River Farms Company PBS 2-25 St Lucie; S 15' of S 466' of E ½ of W 10.42 ac Tract 14, Less… 33-32-39
OR 1026 Page 2337 06/17/1994	Deed of Easement from Ron DeGrazia for electric facilities	Kansas City Colony PBS 4-23 St Lucie; N 5' of E 195' Lot 8 Less N 60.4' & N 5' of N 30.2' of Lot 9 34-33-40
OR 1026 Page 2339 06/17/1994	Deed of Easement from Harold & Beverly Olsen for electric facilities	Kansas City Colony PBS 4-23 St Lucie; N 5' of E 195' Lot 8 Less N 60.4' & N 5' of N 30.2' of Lot 9 34-33-40
OR 1030, Page 290 08/11/1994	Easement from Indian River County---for UNDERGROUND facilities Grant of Easement from Indian River Farms	Town of Indian River PB 2-12 St, Lucie, N 10' , lot 9, bl 44 02-33-39 02-33-39
OR 1033, Page 1826 07/05/1994	Easement from Frank & Janie Hoover for underground utilities	Replat of Syrilla Pinar PBI 2-59; E 15' of S 2.5 ac of M&B 09-33-39
OR 1042, Page 2848 11/01/1994	Corrective Deed of Easement from Indian River County for electric facilities	M&B from SW ¼ of SW ¼ of Sec 13 Block 3 13-33-39
OR 1047, Page 546 12/16/1994	Deed of Easement from GHA Newport, LTD & Newport Island Clib Condominium for existing electric facilities	Grand Harbor, Plat 5 PBI 12-81; M&B from Easterly PRM 23-32-39
OR 1053, Page 2987	Water Control District for municipal utilities	03-33-39

04/07/1995		35-32-39, N 50’
OR 1064, Page 953 04/07/1995	Deed of Easement from Francois Marchetti for public utility	Little Acre Farms Addition Subdivision PBI 3-88; M&B from NE corner Lot 1 02-33-39
OR 1069, Page 308 08/16/1995	Deed of Easement from MF Indian River Holdings, LTD for electric facilities	S 10’ of Parcel “A”, Indian River Apartments, P.D. 07-33-40
OR 1085, Page 2177 12/29/1995	Sound & Vibration easement [from plant operation] Easement from Adolph & Betty Rankel ...over their entire property...continues for the life of the plant and other similar public uses or utility purposes	Treasure Coast Isles Condominium PB 444-20, as described 06-33-39
OR 1091, Page 1796 01/18/1996	Deed of Easement from Paul Ramsauer & Winifred Krasting for electric facilities	The Moorings, Unit No. 1 PBI 8-6; W 5’ Lot 33 27-33-40
OR 1091, Page 1799 02/01/1996	Deed of Easement from Doris Fowler for electric facilities	The Moorings, Unit No. 1 PBI 8-6; E 5’ Lot 7 27-33-40
OR 1100, Page 716 03/21/1996	Deed of Easement from Raymond & Cleona Wendling for electric facilities	Fisherman’s Village PBI 8-3; N 5’ of E 10’ Lot 4 06-33-40
OR 1100, Page 720 03/21/1996	Deed of Easement from Anne & Barbara Bogert for electric facilities	Fisherman’s Village PBI 8-3; S 5’ of E 10’ Lot 3 06-33-40
OR 1103, Page 775 03/27/1996	Deed of Easement from George & Son Osborn for electric facilities	Fisherman’s Village PBI 8-3; N 10’ of E 10’ Lot 8 06-33-40
OR 1103, Page 779 03/04/1996	Deed of Easement from Puttick Enterprises, Inc. for electric facilities	10’ M&B from intx US#1 and S RW 8th St 13-33-39
OR 1103, Page 1185 03/19/1996	Deed of Easement from Dennis & Olske Forbes for electric facilities	Fisherman’s Village PBI 8-3; N 10’ of E 10’ Lot 8 06-33-40
OR 1112, Page 2550 03/21/1996	Deed of Easement from Treasure Coast Isles Condominium, Inc. for electric facilities	Fisherman’s Village PBI 8-3; (10) Easements 06-33-40
OR 1134, Page 1471 09/24/1996	Deed of Easement from Welford & Gretchen Hardee for electric facilities	McAnsh Park Subdivision, PBI 1-29; M&B from SE corner Lot 9, Blk 7 02-33-39
OR 1146, Page 1840 03/20/1997	Deed of Easement from Central Assembly of God, Inc. for electric facilities, telephone and cablevision	M&B from SE corner W 20 ac Tract 9 06-33-39
OR 1146, Page 1844 03/20/1997	Deed of Easement from Central Assembly of God, Inc. for electric facilities, telephone and cablevision	E 12’ of W 20 ac Tract 9 06-33-39

OR 1146, Page 1847 02/25/1997	Deed of Easement from Peter MacWilliam for public utility easement	Town & Beach Estates Subdivision PBI 5-4; (3) easements over portion of former Cardinal Dr E of Lot 5, Blk 3 32-32-40
OR 1170, Page 167 06/25/1997	Deed of Easement from First United Methodist Church of Vero Beach, Inc. for utility easement	Town of Indian River PBS 2-12 St, Lucie, W 5' of N 155' of alley in Blk 41 together with … 02-33-39
OR 1172, Page 1028 09/25/1997	Electrical Easement from IR Mall Associates, Ltd. & Lowe's Home Centers, Inc.— perpetual, easement for electrical supply and distribution system...above & underground facilities as reflected in easement	Indian River Mall — The West Peripheral Subdivision PB 14-61, 10' wide 05-33-39 [Indian River DRI/Indian River Mall]
OR 1195, Page 1270 02/17/1998	Utility Easement retained over abandonment of RW of 21st Street, Ord 98-03	M&B from SW corner GL 2, Sec 6 01-33-39 & 06-33-40
OR 1199, Page 72 09/16/1997	Deed of Easement from James & Judy Turner for public utility	Easements shown on Exhibit "A" of easement 36-32-39
OR 1199, Page 75 01/08/1998	Deed of Easement from Seminole Ventures, Inc. for electric facilities	N 10' of S 70' of E 13.94 ac Tract 15 31-32-39
OR 1200, Page 734 10/30/1998	Deed of Easement from Timothy Campbell for electric facilities	W 10' of E 135' of W 20 ac Tract 13 30-32-39
OR 1218, Page 453 06/02/1998	Deed of Easement from Oak Point Development Group, Inc. for electric facilities	Oak Point subdivision PBI 14-34; 10' over Lots 1-3, M&B 25-32-39
OR 1218, Page 458 06/02/1998	Deed of Easement from Benart Oak Point Joint Venture for electric facilities	Oak Point subdivision PBI 14-34; 10' over Lots 1-3, M&B 25-32-39
OR 1220, Page 2537 06/19/1998	Deed of Easement from Richard & Linda Waddell for electric facilities	W 10' of E 30' of N 350' of S 380' of E 10 ac Tract 7 30-32-39
OR 1227, Page 2071 08/10/1998	Temporary Deed of Easement from Dodgertown, Inc. for electric facilities	S 10' of N 470' of E 20 ac Tract 5 33-32-39
OR 1247, Page 1635 10/07/1998	Temporary Deed of Easement from Michael Thorpe for electric facilities	Bethel Isles, Unit No. 2, PBI 4-71; S 6' of N 25' of Lot 22, Blk 6 29-32-40
OR 1253, Page 951 12/09/1998	Temporary Deed of Easement from Ulla Andersson for electric facilities	Indian River Farms Company PBS2-25 St Lucie; W 10' of E 26' of S 760' of N 790' of W 10.41 ac of Tract 2

		31-32-39
OR 1301, Page 1819 10/28/1999	Grant of Easement from River Tarpon, Inc. — perpetual easement for utilities including electric, telephone, cable, sewer and water	Tidewater Island Club 06-33-40, 10’
OR 1336, Page 2520 04/26/2000	Subordination Agreement from Indian River County Hospital District for water, waste water and electric facilities	(2) M&B easements 35-32-39 36-32-39
OR 1342, Page 733 06/15/2000	Deed of Easement from Vero Beach East, LTD for water, waste water and electric facilities	Easement “E” is for electric 06-33-40 01-33-39
OR 1374, Page 2145 12/19/2000	Deed of Easement from Venture No. 1,L.P. for electric facilities	20’ M&B from NE corner of A Replat and Addition to the Wal-Mart at Vero Beach PBI 15-5 04-33-39
OR 1402, Page 1400 05/18/2001	Utility Easement from VLM Associates, LLC— for perpetual public electrical utility easement	Indian River Mall- The West Peripheral Subdivision PB 14-61, 10’ wide 05-33-39
OR 1477, Page 1507 03/28/2002	Grant of Easement from Indian River Farms Water Control District- for encroachment of an existing structure and for access to maintain and repair such structure	03-33-39, appears to be 21.60’
OR 1477, Page 2646 04/01/2002	Grant of Easement from Indian River Farms Water Control District—for encroachment of an existing structure and for access to maintain and repair such	03-33-39appears to be 2.60’ at one end and appx. 23’ at other
OR 1517, Page 1175 09/03/2002	Utility Easement from Transocean Properties LC-- for perpetual utility easement	13-33-39, appears to be 3’
OR 1592, Page 643 04/28/2003	Deed of Easement from Lasker & Jeanette Morris for public utility (granted for Water Dept.)	Indian River Farms Company PBS2-25 St Lucie; 30’ M&B from NW corner Tract 6 10-33-39
OR 1594, Page 2465 05/14/2003	Deed of Easement from Manor Leasing, Inc. for public utility (granted for Water Dept.)	Indian River Farms Company PBS2-25 St Lucie; 30’ M&B from NW corner Tract 6 10-33-39
OR 1635, Page 1 08/29/2003	Deed of Easement from Carolina Trace, LLC for electrical distribution	10’ M&B from point 40’ N of SE corner of S 10 ac of W 20 ac Tract 13 03-33-39
OR 1642, Page 244 09/30/2003	Deed of Easement from William Dewey Walker & Delma Jean Walker -- for perpetual public utility easement	Town of Indian River PB 2-12 St. Lucie, 10’ 02-33-39
OR 1654, Page 311 11/03/2003	Deed of Easement from Barrier Island Management Consultants, Inc. for perpetual public utility easement	College Heights PB 5-29 St. Lucie, 5’ 03-33-39
OR 1664, Page 941 11/05/2003	Deed of Easement from Health Systems of Indian River, Inc. for public utility	N 15’ of SW ¼ of NW ¼, Less… 36-32-39

OR 1664, Page 945 11/05/2003	Deed of Easement from Health Systems of Indian River, Inc. for public utility	N 923' of W 60' of W 479.26' of SW ¼ of NW ¼, 36-32-39
~~OR 1680, Page 719 01/08/2004~~	~~Deed of Easement from Indian River County Hospital District -- for perpetual public utility easement~~ FOR SEWER	~~36-32-39~~
~~OR 1693, Page 433 02/16/2004~~	~~Deed of Easement from Joseph & Barbara Candler -- for perpetual public utility easement~~ FOR DRAINAGE	~~Bethel-By-The-Sea Unit No. 4 PB 3-94,~~ ~~30-32-40~~
OR 1728, Page 1114 05/10/2004	Deed of Easement from Howard & Colleen Brennan-- for perpetual public electrical utility easement	Giltogra Park Replat of Blocks 2 & 3 2-33, 8' wide 03-33-39
OR 1743, Page 2271 06/09/2004	Deed of Easement from Carol Ann Carroll - perpetual public drainage and utility easement	Oakmont Park Estates Unit No, 1 PB 7-38, S 5' lot 2 b13 01-33-39
OR 1743, Page 2275 06/09/2004	Deed of Easement from Anita R. Flinchum - perpetual public drainage and utility easement	Oakmont Park Estates Unit No. 1 PB 7-38, N 5' lot 3 b13 01-33-39
OR 1774, Page 928 08/10/2004	Deed of Easement from Xiujuan Enterprises, LLC for public utility (granted for Electric Dept.)	W.E. Geoffey's Subdivision PBS 2-32 St Lucie; E10' Lots 188,197, Blk 14 less RW 26-32-39
OR 1774, Page 932 08/10/2004	Deed of Easement from Indian River County for public utility (granted for Electric Dept.)	Indian River Farms Company PBS2-25 St Lucie; W 10' of E 30 ac of Tract 8 28-32-39
OR 1774, Page 936 08/10/2004	Deed of Easement from Indian River County for public utility (granted for Electric Dept.)	Indian River Farms Company PBS2-25 St Lucie; N 10' of S 850' of W 11.16 ac of Tract 8 28-32-39
OR 1903 Page 70 07/13/2005	Deed of Easement from Estuary Development, LTD for utility mains	The Estuary, Phase 2 PBI 18-84-86; M&B portion of Lot 3, Blk A from SE corner Lot 2, Blk A 19-32-40
OR 1904, Page 1331 07/18/2005	Deed of Easement from Bradford P. Smith, DND, MS, PA-for perpetual public electrical utility easement	35-32-39, 6' wide
OR 1907, Page 2039 07/22/2005 [	Easement from Indian River County, FL for perpetual, non-exclusive easement and ROW for utility purposes)	28-32-39, 10' wide
OR 1946, Page 674 10/03/2005	Deed of Easement from 43rd Avenue Trade Center, LLC for electric utility	N 10' of S 1 ac of E 10 ac Tract 9 28-32-39

OR 1969, Page 1622 05/20/1987	Quit Claim Deed, COVB to FP&L;	E 15' of S 115' Of W 10 ac Tract 11 01-33-38
OR 1987, Page 1573 01/26/2006	Deed of Easement from Indian River Plaza, LLC -perpetual public utility easement	Indian River Plaza PB 10-73, appears to be appx. 10' wide 01-33-39 12-33-39
OR 2078, Page 177 09/05/2006	Deed of Easement from Indian River County for public utility (granted for Electric Dept.)	10' M&B from SE corner Lot 16, Blk 4 Country Club Pointe, Unit No. 2 36-32-39
OR 2121, Page 1200 12/14/2006	Deed of Easement from LPL Holdings, LLC for public utility (granted for Water Dept.)	E 10' of S 185' of W 10.52 ac Tract 4, less RW 11-33-39
OR 2137, Page 1352 02/26/2007	Easement from Indian River County, FL - perpetual, non-exclusive easement & ROW for utility purposes	28-32-39, 10' wide
OR 2146, Page 2439 02/22/2007	Deed of Easement from Tropical Sun Square, LLC for public utility (granted for Water Dept.)	Travelers Square Subdivision PBI 14-63; M&B from NE corner Parcel-A-2, 01-33-39
OR 2161, Page 2416 04/16/2007	Deed of Easement from Indian River National Real Estate, LLC for public utility	Citrus Park PBS 5-28 St Lucie & Replat of Hennig's Subdivision PBI 2-11 (3) M&B easements 01-33-39
OR 2166, Page 1030 05/17/2007	Deed of Easement from Harold & Steven Brooks for public utility (granted for Water Dept.)	S 10' of S 660' of E 10 ac of Tract 1 04-33-39
OR 2166, Page 1034 05/15/2007	Deed of Easement from Indian River County for public utility (granted for Water Dept.)	Booker T Washington Subdivision PBS 2-34 St Lucie; (9) easements 35-32-39
OR 2170, Page 1732 05/22/2007	Deed of Easement from Indian River County School Board for public utility (granted for Water Dept.)	Replat of Blocks 3,4 and 7, Knight's Addition to Edgewood PBS 4-16 St Lucie; 15' M&B from SE corner Lot 12, Blk 1 Edgewood Second Addition to Vero 02-33-39
OR 2178, Page 525 06/18/2007	Deed of Easement from Royal Palm Park, LLC for public utility (granted for Electric Dept.)	Royal Park, Plat No. 2 PBS 4-66 Sat Lucie; M&M from SE corner Lot 9, Blk 1 01-33-39

OR 2189, Page 1338 07/12/2007	Deed of Easement from Premier Office Building, LLC for public utility and drainage	Zigrang Park PBI 1-47; S 10' of N 15' Lot 7, Blk 2 03-33-39
OR 2191, Page 218 07/18/2007	Deed of Easement from Salvatore & Nancy Sastri for public utility (granted for Water Dept.)	Lucille Terrace Subdivision PBI 3-1; N 10' Lot 5, Blk 1 03-33-39
OR 2206, Page 252 09/26/2007	Public Utility Easement from Second South Village Association, Inc. -public utility easement together with access	John's Island 1st South Village Golf Cottages 443-678, 10'
OR 2213, Page 637 10/02/2007	Deed of Easement from Indian River County for public utility. (granted for Water Dept.)	M&B from SE corner Lot 10, Blk 1,Booker T Washington Subdivision 35-32-39
OR 2260, Page 1073 03/28/2008	Deed of Easement from Panther IX, LLC for public utility (granted for ElectricDept.)	M&B from intx N RW College Lane and W line Tract 9 05-33-39
OR 2292, Page 1734 09/15/2008	Deed of Easement from Estuary Development, LTD for utility and access	Portions of Tracts C,E, F; The Estuary, PBI 15-7; M&B NE corner of Estuary 18-32-40
OR 2300, Page 2152 10/29/2008	Deed of Easement from 6350 Shoppes, LLC for public utility (granted for Electric Dept.)	Wallace Acres Subdivision, PBI 7-12; M&B from NE corner Lot 9 05-33-39
OR 2303, Page 1460 10/17/2008	Deed of Easement from James & Kristen Britt for public utility (granted for Electric Dept.)	Angler's Cove Subdivision, PBI 8-84; W 5' of Lot 10 & S 10' Lot 10 21-33-40
OR 2305, Page 1968 10/20/2008	Deed of Easement from Eric & Judith Wetzig for public utility (granted for Electric Dept.)	Angler's Cove Subdivision, PBI 8-84; E 5' of Lot 11 21-33-40
OR 2306, Page 547 10/24/2008	Deed of Easement from Cornelius & Annette Bohannon for public utility (granted for Electric Dept.)	Angler's Cove Subdivision, PBI 8-84; S 10' of W 105' Tract B 21-33-40
OR 2324, Page 2157 03/05/2009	Deed of Easement from Community Church of Vero Beach, FL -- perpetual, public utility easement	Town of Indian River 2-12 St. Lucie 02-33-39
OR 2351, Page 469 07/01/2009	Deed of Easement from Flamevine Properties I, LLC-perpetual, public utility easement	Ocean Park of Vero Beach Condominium, irregular as described
OR 2351, Page 475 07/01/2009	Deed of Easement from Flamevine Properties I, LLC-perpetual, public utility easement	Ocean Park of Vero Beach Condominium, appears to be 2.47'

OR 2354, Page 2351 07/13/2009	Deed of Easement from David Welles for public utility easement (granted for Electric Dept.)	Riomar Ocean Estates Subdivision PBI 18-87; 10' M&B from NW corner Lot 1 05-33-40
OR 2364, Page 1503 07/29/2009	Deed of Easement from ABG5 LLC for public utility easement (granted for Electric Dept.)	5' M&B from NW corner Parcel A, "Three Avenues", OR Bk 1772, Pg 1040 01-33-39
OR 2394, Page 2138 01/06/2010	Deed of Easement from Modern One, LLC for public utility easement (granted for Water Dept.)	Vero Plaza Subdivision PBI 7-42; M&B from NW corner Lot 7 01-33-39
OR 2397, Page 1761 02/04/2010	Deed of Easement from Kimley- Horn & Associates, Inc.-perpetual public utility easement	01-33-39, 10'
OR 2397, Page 1767 02/04/2010	Perpetual Easement from Vero Beach, LLC for a public utility easement	01-33-39, 10'
OR 2398, Page 1521 02/09/2010	Deed of Easement from VB Properties, LLC for public utility easement (granted for Water Dept.)	H.T. Gifford Estates Subdivision PBS 1-13 St Lucie; M&B from intx N line of SE ¼ of NE ¼ of Section 1 and W RW of Center Street 01-33-39
OR 2428, Page 1907 06/26/2010	Deed of Easement from Vero Beach, LLC - public utility easement	01-33-39, 15'
OR 2453, Page 192 10/21/2010	Utility & Access Easement Deed from Corporation of the Presiding Bishop of the Church of Jesus Christ of Latter-Day Saints---non-exclusive , perpetual easement for utility purposes with access	10-33-39, 5'
OR 2459, Page 1375 11/23/2010	Utility & Access Easement Deed from Indian River Plaza LLC-- non-exclusive , perpetual easement for utility purposes with access	Indian River Plaza 10-73, PB01-33-39, 20' 12-33-39
OR 2479, Page 1694 02/22/2011 [G 116 & G 126 (duplicate)]	Utility & Access Easement Deed from Catherine H. Daniel -non-exclusive , perpetual easement for utility purposes with access	Mc Ansh Park Replat of Blocks 3, 4, 5, 31 & 32, PB2-55, 5' 02-33-39 35-32-39
OR 2483, Page 764 03/09/2011	Utility & Access Easement Deed from Catherine H. Daniel —non-exclusive perpetual easement for utility purposes	Mc Ansh Park Replat of Blocks 3, 4, 5, 31 & 32, PB2-55, 5' 02-33-39 35-32-39
OR 2489, Page 934 04/05/2011	Deed of Easement from ABG5 LLC for public utility purposes for relocation of underground lines (granted for Electric Dept.)	M&B from SW corner GL 2, Sec 6 01-33-39 06-33-40
OR 2499, Page 372	Deed of Easement from Centerstate Bank of	Replat of Conn Addition PBI 3-

04/29/2011	Florida for public utility easement	5; M&B from intx N RW 20th Pl and E RW of 9th Avenue 01-33-39
OR 2504, Page 252 05/26/2011	Deed of Easement from McDonald's Corporation for public utility purposes	Fanithia Place Subdivision PBI 1-96; 10' M&B from SW corner Lot 5 01-33-39
OR 2513, Page 2228 07/26/2011	Utility Easement Deed from Lyndel R. & Terry R. Feming- - public utility easement with access	29-32-39, E 10' N 372 of S 412' of W2 of Tract 26
OR 2513, Page 2233 07/26/2011	Utility & Access Easement Deed from Indian River County- non-exclusive, perpetual easement for utility purposes with access	02-33-39, as described
OR 2520, Page 1952 08/31/2011	Utility & Access Easement Deed from Glenn & Dorothy Strunk — perpetual,, non-exclusive for utility purposes with access	01-33-39, as described
OR 2522, Page 1931 09/13/2011	Utility & Access Easement for Leasehold Property from the Boys & Girls Club of Indian River County, Inc. (as Lessee) under a lease with City	02-33-39 , 12.76' as described
OR 2522, Page 1944 09/13/2011	Utility Easement Deed from Orange Grove Park, Inc.- perpetual utility easement with	Orange Grove Park Replat access PB 2-25, 10' 01-33-39
OR 2527, Page 566 10/05/2011	"Utility Access Easement Deed" from Marty T. Gardner - for public utility access easement	Royal Gardens PB 1-52, over driveways, parking, common and open areas to access/maintain grantee's improvements 36-32-39
OR 2531, Page 1502 10/26/2011	Utility Easement Deed from CAC Vero I, LLC perpetual utility easement with access	22-32-39, 10' to 15' as described
OR 2563, Page 1674 10/26/2011	Utility and Access Easement Deed from The School Board of Indian River County, Florida utility purposes (granted for Electric Dept.)	(4) M&B easements in Section 11 11-33-39
OR 2577, Page 99 05/03/2012	Grant of non-exclusive Utility and Access Easement Deed from Indian River Plaza, LLC utility purposes (granted for Electric Dept.)	Indian River Plaza Subdivision PBI 10-73; M&B from NW corner Tract 2 01-33-39
OR 2591, Page 503 07/19/2012	Utility Easement Deed from McDonald's Restaurant of Florida, Inc. for public utility easement	Home Depot at Vero Beach Subdivision PBI 15-28; M&B from SE corner Lot 1 05-33-39
OR 2608, Page 660 08/21/2012	Utility Easement Deed from Indian River County. for public utility easement (granted for Electric Dept.)	M&B from NW corner Section 3 03-33-39
OR 2608, Page 666 08/21/2012	Utility Easement Deed from Indian River County. for public utility easement (granted for Electric Dept.)	M&B from NW corner Section 3 03-33-39

OR 2609, Page 228 09/04/2012	Utility Easement Deed from Frontier Vero, LLC for public utility easement (granted for Water Dept.)	Home Depot at Vero Beach Subdivision PBI 15-28; M&B from SW corner Lot 2 05-33-39
OR 2611, Page 2144 09/07/2012	Utility Easement Deed from First Presbyterian Church of Florida, Inc. for public utility easement (granted for Water Dept.)	Royal Park, Plat No. 4 PBS 5-30 St Lucie; M&B from NW corner Lot 24, Blk 21 01-33-39
OR 2636, Page 181 11/21/2012	Utility Easement Deed from 19th Street Group, LLC. for public utility easement (granted for Electric Dept.)	Knight's Addition to Edgewood subdivision PBS 3-55 St Lucie; M&B from NW corner Blk 1 02-33-39
OR 2637, Page 1495 08/31/2011	Utility Easement Deed from McDonald's Restaurant of Florida, Inc. for public utility easement (granted for Water Dept.)	Fanithia Place Subdivision PBI 1-96; M&B from SW corner Lot 3 01-33-39
OR 2637, Page 1500 11/05/2012	Utility Easement Deed from Gifford Estate, LLC for public utility easement (granted for Electric Dept.)	H.T. Gifford Estates Subdivision, PBS 1-13 St Lucie; M&B from NW corner Lot 20 01-33-39
OR 2640, Page 1683 11/05/2012	Utility Easement Deed from Indian River County Hospital District for public utility easement (granted for Water Dept.)	M&B from NW corner of NW ¼ of NW ¼ of Section 36 36-32-39
OR 2642, Page 1576 01/15/2013	Utility Easement Deed from LF2/MCP Harbor Point, LP for public utility easement (granted for Electric Dept.)	10' M&B from intx E RW US Hwy 1 and S line of land in OR Bk 2423, Pg 1890 23-32-39
OR 2647, Page 2387 02/27/2013	Utility Easement Deed from Oculina Bank for public utility easement (granted for Water Dept.)	M&B from Ne corner of SE ¼ of NE ¼ of Section 35 35-32-39
OR 2651, Page 1032 12/13/2012	Utility Easement Deed from Indian River County Hospital District for public utility easement (granted for Water Dept.)	15' M&B from SW corner of NW ¼ of NW ¼ of Section 36 36-32-39
OR 2651, Page 1042 07/10/2012	Utility Easement Deed from WM Real Estate, Inc. for public utility easement (granted for Water Dept.)	15' M&B from NE corner of SE ¼ of NE ¼ of Section 35 35-32-39
OR 2651, Page 1047 07/10/2012	Utility Easement Deed from Elsie & Sienna Holdings, LLC for public utility easement (granted for Water Dept.)	15' M&B from NE corner of SE ¼ of NE ¼ of Section 35 35-32-39
OR 2651, Page 1052 10/25/2012	Utility Easement Deed from Grove Place Medical Center Condominium Assoc., Inc. for public utility easement (granted for Water Dept.)	Grove Place Medical Park PBI 15-14; M&B from SE corner of Lot 2 35-32-39
OR 2651, Page 1057 12/21/2012	Utility Easement Deed from Health Systems of Indian River, Inc. for public utility easement (granted for Water Dept.)	N 15' of E 34.76' of SW ¼ of NW ¼ of Section 36 36-32-39

OR 2651, Page 1062 07/07/2012	Utility Easement Deed from WM Real Estate, Inc. for public utility easement (granted for Water Dept.)	M&B from NW corner of subject property 35-32-39
OR 2665, Page 1990 04/23/2013	Deed of Easement from Indian River County Habitat for Humanity, Inc. for public utility (granted for Electric Dept.)	Cannon Subdivision PBI 2-77; M&B from SE corner Lot 18 27-32-39
OR 2674, Page 837 04/23/2013	Deed of Easement from Autozone Stores, Inc. for public utility (granted for Electric Dept.)	E 10' of S 10' of E 125' of parcel described in OR BK 2630, Pg 1443 12-33-39
OR 2683, Page 107 05/20/2013	Utility Easement Deed from Indian River County Hospital District for public utility easement (granted for Water Dept.)	M&B from NW corner of SE ¼ of NW ¼ of Section 36 36-32-39
OR 2697, Page 2197 08/06/2013	Deed of Easement from Breath of Heaven Ministries of the Treasure Coast, Inc. for public utility (granted for Electric Dept.)	Albrecht Acres Subdivision PBI 2-74; W 10' Lot 3 & W 10' of N 115' Lot 4 32-32-39
OR 2703, Page 925 07/16/2013	Deed of Easement from Sovran Acquisition, LP for public utility (granted for Electric Dept.)	Highland Park Subdivision, Plat No. 2 PBI 1-67; 8' M&B from NW corner Lot 1, Blk 3 01-33-39
OR 2706, Page 2156 08/20/2013	Utility Easement Deed from KRG Indian River, LLC for public utility easement (granted for Electric Dept.)	M&B from SW corner of SE ¼ of NE ¼ of Section 5 36-32-39
OR 2721, Page 1581 10/17/2013	Deed of Easement from Sovran Acquisition, LP for public utility (granted for Water Dept.)	Highland Park Subdivision, Plat No. 2 PBI 1-67; 15' M&B from NW corner Lot 2, Blk 3 01-33-39
OR 2721, Page 1590 10/31/2013	Deed of Easement from ABG5 LLC for public utility (granted for Electric Dept.)	5' M&B from SW corner GL 2, Sec 6 01-33-39 06-33-40
OR 2721, Page 1596 11/01/2013	Deed of Easement from ABG5 LLC for public utility (granted for Electric Dept.)	5' M&B from SW corner GL 2, Sec 6 06-33-40
OR 2723, Page 651 11/19/2013	Utility and Access Easement Deed from The School Board of Indian River County, Florida utility purposes (granted for Water Dept.)	(2) M&B easements in Section 11 11-33-39
OR 2723, Page 663 11/11/2013	Utility Easement Deed from Beachlen II, LLC for public utility easement (granted for Water Dept.)	Kansas City Colony Subdivision, PBS 4-23 St Lucie; (2) M&B from SW corner Lot 24 34-33-40
OR 2730, Page 593	Utility Easement Deed from Old Oak Lane,	Old Oak Lane Subdivision, PBI

11/06/2013	LLC for public utility easement (granted for Water Dept.)	26-63; (2) M&B from SW corner S/D 05-33-40
OR 2730, Page 604 12/03/2013	Deed of Easement from ABG5 LLC for public utility (granted for Water Dept.)	5' M&B from SW corner Parcel A, 01-33-39
OR 2740, Page 969 01/23/2014	Deed of Easement from ABC Properties, LTD for public utility (granted for Electric Dept.)	Century Town Center Subdivision PBI 24-64; M&B from SE corner Lot 3 05-33-39
OR 2744, Page 267 02/11/2014	Deed of Easement from Steven & Erin Metz for public utility (granted for Electric Dept.)	10' M&B from SW corner Tract 29 29-32-39
OR 2750 Page 230 02/25/2014	Utility Easement Deed from LF2/MCP Harbor Point, LP for public utility easement (granted for Electric Dept.)	10' M&B from intx E RW US Hwy 1 and S line of land in OR Bk 2423, Pg 1890 23-32-39
OR 2753 Page 78 03/31/2014	Utility Easement Deed from Harbor Trade Center Property Owner's Assoc., Inc. for public utility easement (granted for Electric Dept.)	10' M&B from NW corner Section 26 26-32-39
OR 2753 Page 84 03/20/2014	Utility Easement Deed from Cole MT Vero Beach, Fl, LLC for public utility easement (granted for Electric Dept.)	Century Town Center Subdivision PBI 24-64; M&B from SE corner Lot 3 05-33-39
OR 2758 Page 966 04/23/2014	Utility Easement Deed from Harbor Trade Center Property Owner's Assoc., Inc. for public utility easement (granted for Electric Dept.)	10' M&B from NE corner of NW ¼ Section 26 26-32-39
OR 2776 Page 369 05/28/2014	Utility Easement Deed from S. Allan Luihn for public utility easement (granted for Electric Dept.)	10' M&B from NW corner Lot 14, Wyn Cove Subdivision 26-32-39
OR 2800 Page 1410 09/30/2014	Utility Easement Deed from Florida Veggies, LLC. for public utility easement (granted for Electric Dept.)	W 5' of N 400' of W 8.37 ac Tract 1 31-32-39
OR 2800 Page 1415 10/01/2014	Utility Easement Deed from Kenneth & Marsha Peterson for public utility easement (granted for Electric Dept.)	E 5' of N 400' of N 818.93 of E 269.99' of E 10 ac Tract 2 31-32-39
OR 2800 Page 1420 09/29/2014	Utility Easement Deed from I.M.G. Enterprises, Inc. for public utility easement (granted for Electric Dept.)	10' M&B from SW ¼ of Section 23 23-32-39
OR 2826 Page 389 02/10/2015	Utility Easement Deed from Maria Arroyave for public utility easement (granted for Electric Dept.)	Maroon Subdivision PBI 9-76; W 5' Lot 1 18-32-40
OR 2828 Page 1917 03/03/2015	Utility Easement Deed from East End Development, LLC. for public utility easement	East End Multi-Family Subdivision PBI 26-80; M&B from NW corner of S/D

	(granted for Water)	32-32-40
OR 2837 Page 147 03/09/2015	Utility Easement Deed from Brown Dog Construction, Inc. for public utility easement (granted for Electric Dept.)	Royal Park, Plat No. 7 PBI 1-36; 5' M&B from SE corner Lot 20, Blk 34 01-33-39
OR 2840 Page 2395 03/25/2015	Utility Easement Deed from Sharon Sloss for public utility easement (granted for Electric Dept.)	Indian River Farms Company PBS2-25 St Lucie; 10' M&B from NE corner Tract 11 30-32-39
OR 2840 Page 2400 03/24/2015	Utility Easement Deed from Thompson's Remodeling & Home Repair, Inc.for public utility easement (granted for Electric Dept.)	Indian River Farms Company PBS2-25 St Lucie; 10' M&B from NE corner Tract 11 30-32-39
OR 2840, Page 2405 03/05/2015	Utility Easement Deed from Allen McGuire, Jr for public utility easement (granted for Water Dept.)	Kansas City Colony Subdivision, PBS 4-23 St Lucie; 13' M&B from SW corner Lot 1 34-33-40
OR 2863, Page 1673 06/04/2015	Utility Easement Deed from Dennis Nystrom for public utility easement (granted for Water Dept.)	Osceola Park Homesites Subdivision, PBS 3-58 St Lucie; S 15' of W 20' Lot 9, Blk 1 02-33-39
OR 2896, Page 2166 11/10/2015	Utility Easement Deed from Daniel & Constance Thompson for public utility easement (granted for Water Dept.)	Riomar Subdivision, Plat No. 2, PBI 2-18E 5' Lot 6, Blk 1 05-33-40
OR 2896, Page 2182 11/16/2015	Utility Easement Deed from SR 60 Vero, LLC for public utility easement (granted for Electric Dept.)	Indian River Farms Company PBS2-25 St Lucie; 10' M&B from NE corner Tract 10, Section 05 05-33-39
OR 2898, Page 787 11/18/2015	Utility Easement Deed from Cynthia Schwerin for public utility easement (granted for Water Dept.)	Walter Kitching's Subdivision, PBS 4-3 St Lucie; W 5' of N 15' of parcel described in OR Bk 1286, Pg 789 32-32-40
OR 2908, Page 2082 01/07/2016	Utility Easement Deed from Michael O'Laughlin for public utility easement (granted for Electric Dept.)	Little Acre Farms Subdivision, PBS 2-27 St Lucie; 5' M&B from NE corner of S ½ Lot 8 02-33-39
OR 2929, Page 1117 03/09/2016	Utility Easement Deed from 1660 US Hwy 1, LLC for public utility easement (granted for Electric Dept.)	Dr. R.E. Bullington's Subdivision, PBS 2-5 St Lucie; M&B from intx S line of N 60' Lot 5, Blk 2 and E line of W 60' Lot 2 01-33-39
OR 2935, Page 530 01/07/2016	Utility Easement Deed from G&C Holland Vero Investors, LLC for public utility easement (granted for Electric Dept.)	Casa Rio Subdivision, PBI 1-81; (2) M&B 12-33-39

OR 2936, Page 911 03/25/2016	Utility Easement Deed from Wells Fargo bank, N.A. for public utility easement (granted for Electric Dept.)	Langwick Subdivision, PBI 1-32; 10' M&B from NE corner Lot 44, Blk 2 01-33-39
OR 2941, Page 616 05/15/2016	Utility Easement Deed from Dennis Dunn for public utility easement (granted for Electric Dept.)	Little Acre Farms Subdivision, PBS 2-27 St Lucie; W 10' of N 185.03' Lot 7 02-33-39
OR 2949, Page 613 05/17/2016	Utility Easement Deed from Indian River County public utility easement (granted for Water Dept.)	M&B from SW corner of SE ¼ Section 2 02-33-39
OR 2969, Page 212 09/16/2016	Utility Easement Deed from Hanlex Vero, LLC public utility easement (granted for Electric Dept.)	M&B from intx …. 13-33-39
OR 2975, Page 1726 08/25/2016	Utility Easement Deed from Michael & Christina Spindler for public utility easement (granted for Electric Dept.)	Indian River Farms Company PBS2-25 St Lucie; (2) M&B Section 19 19-33-39
OR 2978, Page 540 10/14/2016	Utility Easement Deed from One Royal Palm Point, LLC for public utility easement (granted for Electric & Water Depts.)	Vero Isles Subdivision PBI 3-18; M&B Lots 1-3, Blk 1 01-33-39
OR 3003, Page 1875 01/26/2017	Utility Easement Deed from 450 Beach Road, A Condominium, Inc. for public utility easement (granted for Water Dept.)	John's Island Subdivision, Plat No.3 PBI 8-33; 15' M&B from SW corner Tract2 07-32-40
OR 3007, Page 58 03/02/2017	Utility Easement Deed from Vero Beach Self Storage, LLC for public utility easement (granted for Electric Dept.)	M&B from NE corner of SW ¼ of NE ¼ of Section 13 13-33-39
OR 3011, Page 1842 03/24/2017	Utility Easement Deed from Kendall & Marie Blanchard for public utility easement (granted for Water Dept.)	S 5' of W 150' of parcel described in OR Bk 2838, PG 114, Section 19 11-33-39
OR 3017, Page 1400 03/28/2017	Utility Easement Deed from VB Properties, LLC for public utility easement (granted for Water Dept.)	Miracle Manor Subdivision, PBI 6-24; 15' M&B from intx N RW US Hwy 1 and W RW 6th Avenue 01-33-39
OR 3017, Page 1415 03/17/2017	Utility Easement Deed from 21 Royal Club, LLC for public utility easement	21 Royal Palm Pointe Subdivision, PBI 28-34; NW 12' Lots 1-4 01-33-39
OR 3024, Page 1193 04/24/2017	Utility Easement Deed from the Town of Indian River Shores for public utility easement (granted for Water Dept.)	GL 9 Section 19-32-40; M&B from SW corner Lot 39, Pebble Beach Development S/D 19-32-40
OR 3029, Page 1598 05/30/2017	Utility Easement Deed from Oak Point Vero Properties, LP for public utility easement (granted for Electric Dept.)	Oak Point Subdivision, PBI 14-34; M&B from SW corner of Oak Point S/D 25-32-39

OR 3037, Page 824 06/09/2017	Utility Easement Deed from Agree Vero Beach Fl, LLC for public utility easement (granted for Water Dept.)	Dr R.E. Bullington's Subdivision, PB S 2-5 St Lucie; M&B from SE corner Lot 4, Blk 2 01-33-39
OR 3040, Page 2164 06/29/2017	Utility Easement Deed from Vero Property Investment, LLC for public utility easement (granted for Water Dept.)	Replat Hennig's Subdivision, PBI 2-11; M&B from intx N RW 21st Steet and W RW 6th Avenue 01-33-39
OR 3044, Page 1143 07/25/2017	Utility Easement Deed from 2130 S A1A Vero Beach, LLC for public utility easement (granted for Electric Dept.)	Kansas City Colony Subdivision, PBS 4-23 St Lucie; M&B from NW corner of Lot 9 34-33-40
OR 3048, Page 225 07/19/2017	Utility Easement Deed from 821 Dahlia, LLC for public utility easement (granted for Electric)	Vero Beach Estates Subdivision, PBS 2-5 St Lucie; E 5' Lot 40, Blk 2 34-33-40
OR 3055, Page 858 08/23/2017	Utility Easement Deed from RCP2, LLC for public utility easement (granted for Water Dept.)	River Club at Carlton P.R.D. Subdivision, PBI 16-33; all easements as shown on plat 01-32-39
OR 3055, Page 865 08/23/2017	Utility Easement Deed from Dennis & Irene Kempf for public utility easement (granted for Water Dept.)	N 15' of N 253' of S 719' of E ½ of W 10.42 ac Tract 14 33-32-39

	Unrecorded Easements	
BOOK/PAGE RECORDED	**NATURE OF GRANT**	**SECTION LOCATION**
07/01/1943	Easement from Sun Groves for power line extension	The S 8 ac of SE ¼ of NW 1/4 12-33-39
07/11/1947	Easement from undersigned for power line extension	Spruce Park Subdivision PBI 1-80 & Battle Tract in Se ¼ of NW ¼ of Section 26 26-32-39
07/15/1950	Easement from David Jackson for electric power line	Jackson Brothers Subdivision PBI 2-71; S 3' Lot 21 27-32-39
07/15/1950	Easement from Alfred Lane for electric power line	Jackson Brothers Subdivision PBI 2-71; N 3' Lot 20 27-32-39

01/12/1951	Easement from Yetta Mehl for sewers, poles, water pipes, drains, telephone, and electric cables or ducts	College Heights Subdivision PBS 5-29 St Lucie; E 5' Lot 8, Blk 7 03-33-39
01/12/1951	Easement from James & Dorothy Turner for sewers, poles, water pipes, drains, telephone, and electric cables or ducts	College Heights Subdivision PBS 5-29 St Lucie; E 5' Lots 7, 8, Blk 3 03-33-39
01/13/1951	Easement from Everett & Mildred Burt for sewers, poles, water pipes, drains, telephone, and electric cables or ducts	College Heights Subdivision PBS 5-29 St Lucie; E 5' Lots 1-6, Blk 2 03-33-39
01/16/1951	Easement from Lucille Viehe for sewers, poles, water pipes, drains, telephone, and electric cables or ducts	College Heights Subdivision PBS 5-29 St Lucie; E 5' Lot 9, Blk 6 03-33-39
01/16/1951	Easement from Sara Viehe for sewers, poles, water pipes, drains, telephone, and electric cables or ducts	College Heights Subdivision PBS 5-29 St Lucie; E 5' Lot 8, Blk 6 03-33-39
01/19/1951	Easement from A.P. King for sewers, poles, water pipes, drains, telephone, and electric cables or ducts	College Heights Subdivision PBS 5-29 St Lucie; E 5' Lot 3, Blk 6 03-33-39
01/24/1951	Easement from Cluade & Dorothy Williams for sewers, poles, water pipes, drains, telephone, and electric cables or ducts	College Heights Subdivision PBS 5-29 St Lucie; E 5' Lots 4-7, Blk 7 03-33-39
01/24/1951	Easement from Noel & Helen McGauran for sewers, poles, water pipes, drains, telephone, and electric cables or ducts	College Heights Subdivision PBS 5-29 St Lucie; E 5'' Lot 7, Blk 6 03-33-39
01/27/1951	Easement from T.C. & Imogene Chatham for sewers, poles, water pipes, drains, telephone, and electric cables or ducts	College Heights Subdivision PBS 5-29 St Lucie; E 5' Lot 3, Blk 3 03-33-39
01/05/1957	Easement from M.O. Smathers for electric transmission line	Tract 7, S ½ Se 29 on S Gifford Rd 29-32-39
11/29/1957	Easement from Whispering Palms, Inc for telephone and electric poles for local distribution	Whispering Palms Subdivision, Unit No. 4 PBI 5-11; All of Unit No. 4 24-33-39
01/23/1959	Easement from Westgate Colony, Inc for electric transmission line	Westgate Colony Subdivision, Unit No. 2 PBI 9-28; E 5' Lot 9, Blk 6 01-33-38
06/23/1960	Easement from John & Ruth Adderly for electric transmission line	M&B from SE corner 15th Pl and US Hwy 1 12-33-39

06/08/1961	Easement from Jesse & Willie Cherry for sewers, poles, water pipes, drains, telephone, and electric cables or ducts	W.R. Duncan's Subdivision, PBS 4-70 St Lucie; N 3' of S 9' Lots 5,6 01-33-39
03/05/1963	Easement from George & Geraldine Fry for sewers, poles, water pipes, drains, telephone, and electric cables or ducts	Conn Addition Subdivision, PBI 3-5; M&B 111' feet of Lots 1,20, Blk 2 01-33-39
12/26/1963	Easement from Clark & Lorna Smith for municipal purposes	Bethel By The Sea Subdivision, PBI 3-19; W 5' Lot 8, Blk 10 29-32-40
03/23/1965	Easement from Kenneth Tomkinson for sewers, poles, water pipes, drains, telephone, and electric cables or ducts	Briggs-Tienery Subdivision, PBI 4-2; W 3' of E 41' Lot U except S 5' & E 3' of W 56' Lot V except S 5' 32-32-40
12/07/1965	Easement from Page & Hazel Hopkins for municipal purposes	M&B from Se corner Section 36 36-32-39
02/18/1966	Easement from Orville & Zona Greene for all utility purposes	H. T. Gifford Estates Subdivision, PBS 1-13 St Lucie; N 25' of N ½ Lot 27 36-32-39
10/15/1968	Easement from Virginia Applegate for municipal purposes	Vero Pines Development Subdivision, PBI 3-56; E3' of W 12' Lot 6, Blk B 11-33-39
01/21/1969	Easement from Floyd Grimm, Inc. for all utility purposes	Veromar, Plat No. 1, PBI 1-88; N 10' of S 17.5' Lot 13, Blk 15 29-32-40
05/1969	Easement from Laura Farley for all utility purposes	Vero Beach Estates Subdivision, PBS 5-8 St Lucie; Rear 5' Lots 6,7, Blk 1 32-32-40
06/09/1969	Easement from Vero Pines Development Co. for sewers, poles, water pipes, drains, telephone, and electric cables or ducts	Vero Pines Development Subdivision, PBI 3-56; W 3' of W 49' Lot 4 & E 3' of W 36' Lot 3, Blk C 11-33-39
12/03/1970	Easement from Frank Gigante for utility and draiange	Briggs-Tienery Subdivision, PBI 4-2; W 3' of E 28' Lot T & E 3' of W 68' Lot U 32-32-40
08/08/1973	Easement from Treasure Coast Isles, Inc for water, electric and sewer transmission lines	Fisherman's Village Subdivision, PBI 8-3; M&B from boundary line of Robalo Dr & dividing line Lots 11,12 06-33-40
05/22/1975	Easement from Chester Rybacki for electric transmission and distribution lines	Part of the S ½ of S ½ of SE ¼ of NE ¼ Section 13 as shown on

		attached priint 13-33-39
04/02/1987	Easement No. 27957 (3729-31) from Trustees of the Internal Improvement Trust Fund for subaqueous electrical transmission cable and water main	M&B from SW corner Lot 11, Section 18 19-32-40 24-32-39
03/31/1992	Easement from Glendale Trade Center Inc for electric facilities, telephone lines and cablevision	Gloria Gardens Subdivision, PBS 5-33 St Lucie; M&B from Lot 9, Blk 2 13-33-39
04/01/1992	Easement from Joseph Barr for electric facilities	N 40' and W 40' of W ½ of NW ¼ Section 3 & N 40' of N 20 ac of E ½ of NE ¼ of Section 3 03-34-39
04/01/1992	Easement from James Victory for electric facilities	N 40' and E ½ of NW ¼ of NE ¼ Section 3 03-34-39
04/18/2006	Easement from Indian River County for public utilities	Indian River Farms Company PBS2-25 St Lucie; S 15' of E 10 ac Tract8 less… 28-32-39

Subdivisions affected by Release of Easements			
SUBDIVISION NAME	**PLAT BOOK & PAGE**	**SECTION LOCATION**	**COMMENTS**
21 Royal Palm Pointe	28-34	01-33-39	
Acreage		01-33-39 03-32-39 04-38-39 06-33-40 12-33-39 12-33-39 22-32-39 26-35-39 30-33-40 31-32-39 31-33-40 34-32-39	Affected by Release of Easement OR 2689, Page 2257 OR 720, Page 514 OR 1195, Page 1266 OR 1301, Page 1823 OR 765, Page 224 OR 768, Page 116 OR 2051, Page 942 OR 1132, Page 891 OR 995, Page 406 11/7/2000 Not Recorded OR 842, Page 1494 OR 469, Page 887
Addition to Wal-Mart	15-5	04-33-39	
Albrecht Acres	2-74	32-32-39	
Albrecht Tropical Grove Park	6-1	11-33-39	
Altona Heights	1-76	03-33-39	Affected by Release of

			Easement OR 806, Page 2257
Anthony's Addition	1-20	01-33-39	Affected by Release of Easement OR 463, Page 517 OR 463, Page 518 OR 463, Page 519 OR 777, Page 947
Anthony's Addition Replat	2-23	01-33-39	Affected by Release of Easement OR 463, Page 517
Belle Vista Subdivision	1-1	03-33-39	Affected by Release of Easement DB 64, Page 371 OR 1731, Page 98
Belmont Park	3-92	03-33-39	Affected by Partial Release of Easement OR 589, Page 770 OR 1429, Page 196
Bermuda Bay Oceanside	13-52	18-32-40	
Bethel-By-The-Sea Unit No. 1	3-19	29-32-40 32-32-40	
Bethel-By-The-Sea Unit No. 2	3-32	32-32-40	Affected by Release of Easement OR 2114, Page 1771 Unrecorded: Release, Rear 5' Lot 4, Blk 8; 12/23/1971
Bethel-By-The-Sea Unit No. 3	3-68	29-32-40 32-32-40	
Bethel-By-The-Sea Unit No. 4	3-94	30-32-40	Affected by Release of Easement OR 183, Page 434 OR 1665, Page 544
Bethel Isle Unit 1	4-35	29-32-40 30-32-40	Affected by Release of Easement OR 580, Page 2368 OR 598, Page 21 OR 598, Page 22 OR 804, Page 2014 OR 11132, Page 145 OR 1326, Page 989 Unrecorded: Resolution 97-28, 2' of rear 5' Lot 5, Blk 2; 8/19/1997
Bethel Isle Unit 2	4-71	29-32-40 30-32-40	Affected by Release of Easement OR 1247, Page 1639

Bethel Isle Unit 2 Replat	5-33	29-32-40 30-32-40	
Block Manor	3-98	03-33-39	Affected by Release of Easement DB 108, Page 76 OR 253, Page 503 OR 591, Page 2900 OR 904, Page 2370 OR 1056, Page 421 Unrecorded: Release, 5' side lot, Lots 4,5, Blk 2; 5/21/1974
Booker T. Washington Addition To The Town Of Vero	2-34 St. Lucie	35-32-39	Affected by Release of Easement OR 857, Page 596
Brae Burn Park Subdivision	3-23	11-33-39	
Brae Burn Park Subdivision Unit No. 2	3-41	11-33-39	
Brentwood Subdivision Unit 2	4-100	11-33-39	
Briggs-Tierney Subdivision	4-2	32-32-40	Affected by Release of Easement OR 212, Page 485 OR 214, Page 768 OR 348, Page 75 OR 380, Page 281
Buckinghammock	6-3	36-32-39	
Cannon	2-77	27-32-39	
Carlsward Subdivision	11-53	30-32-39	
Casa Rio	1-81	12-33-39	
Century Town Center	24-64	05-33-39	
Citrus Park	5-28 St. Lucie	01-33-39	Affected by Release of Easement OR 1988, Page 1940
College Heights	5-29 St. Lucie	03-33-39	Affected by Release of Easement OR 561, Page 1362 OR 561, Page 1363
Colonial Heights S/D	10-97	15-33-39	
Conline Subdivision	12-9	10-33-39	Affected by Release of Easement OR 789, Page 153
Conn Addition Replat	3-5	01-33-39	Affected by Release of Easement DB 59, Page 352 OR 2515, Page 1608
Country Club Pointe Unit 2	4-60	36-32-39	

Dixie Gardens	4-21	19-33-40	
Dr. Richard E. Bullington's Subdivision of Part of Section 1-33-39	2-5 St. Lucie	01-33-39	Affected by Release of Easement OR 173, Page 270 OR 411, Page 326 OR 456, Page 358 OR 570, Page 3019 OR 575, Page 691 OR 1175, Page 956 OR 1633, Page 2421
Duncan's Re-Subdivision	4-70 St. Lucie	01-33-39	Affected by Release of Easement OR 157, Page 209
East End Multifamily	26-80	32-32-40	
East Side Subdivision	4-12 St. Lucie	01-33-39	Affected by OR 129, Page 247
Edgewood Addition to Vero Florida	2-28 St. Lucie	02-33-39	Affected by Release of Easement DB 60, Page 389 Unrecorded Release: Resolution 89-55, Lot 9, Blk 1; 8/15/1989
Edgewood's Second Addition to Vero, Florida	4-3 St. Lucie	02-33-39	
El Vero Villa Subdivision	4-97 St. Lucie	04-33-39	
Espy's Subdivision	2-36 St. Lucie		
The Estuary, Phase 2	18-84	19-32-40	
Fair Park	2-61	36-32-39	
Fanithia Place	1-96	01-33-39	Affected by Release of Easement OR 325, Page 182 OR 327, Page 195 OR 2504, Page 248
Fisherman's Village	8-3	06-33-40	Affected by Release of Easement OR 385, Page 396 OR 446, page 414 OR 569, Page 1199 Unrecorded Releases: (3) Lots 1-14, 21-27,30,21,42; all 1971
Florida Ridge Subdivision	3-93	31-33-40	
Floralton Beach Plat No. 1	3-20	21-33-40	Affected by

Frasier Park	1-4	01-33-39	Release of Easement DB 94, Page 373 DB 100, Page 241 OR 223, Page 549
Frasier Park Replat	2-18	01-33-39	Affected by Release of Easement DB 55, Page 93 DB 100, Page 241 OR 223, Page 549 OR 652, Page 1089 Unrecorded Release: Lots 9-11, Blk 3; 1/21/1975
Funks	Not Recorded	03-33-39	
Gabler's Subdivision	2-80	12-33-39	
Geoffrey's	2-32 St Lucie	26-32-39	
Gifford Estates	1-13 St Lucie	36-32-39	Release of Easement OR 92, Page 203 OR 1988, Page 1940 OR 2536, Page 1219 OR 2689, Page 2257 OR 2721, Page 1560
Gifford School Park	3-53	22-32-39	
Giltogra Park	1-8	03-33-39	Affected by Release of Easement DB 79, Page 347 OR 607, Page 11
Giltogra Park Replat of Blocks 2 & 3	2-33	03-33-39	
Gloria Gardens	5-33 St. Lucie	13-33-39	
Golf View Estates	5-80	36-32-39	
Granada Estates	5-25	36-32-39	
Grand Harbor			Easement in OR 636, Page 2636
Grove Circle Subdivision	8-21	11-33-39	
Graves, Knight, & Graves	1-11	02-33-39	
Grove Estates	5-12	03-33-39	Or 882, Page 743 OR 1484, Page 1693
Grove Circle	8-11	11-33-39	
Grove Place Medical Center	15-14	35-32-39	
Groveland	1-25	03-33-39	Affected by Release DB 78, Page 245 DB 82, Page 407
Hennig's Subdivision Replat	2-11	01-33-39	Affected by Release of Easement OR 1988, Page 1940

Highland Park	4-69 St. Lucie	01-33-39 02-33-39 12-33-39	
Highland Park Plat No. 2	1-67	01-33-39 12-33-39	Affected by Release of Easement OR 500, Page 877 OR 602, Page 1345 OR 719, Page 1418
Highland Park Plat No. 3	2-4	01-33-39 02-33-39 11-33-39 12-33-39	Affected by Release of Easement OR 152, Page 38 OR 520, Page 884 OR 674, Page 928 OR 1059, Page 419 Unrecorded Release: Lots 2-5, Blk 33; Lots 1-4, Blk 34; 8/23/1973
Hiko Park	1-79	01-33-39	Affected by Release of Easement OR 324, Page 123
Hiko Park Replat	2-13	01-33-39	Affected by Release of Easement OR 324, Page 123 OR166, Page 359 OR 622, Page 25
H.T. Gifford Estate	1-13 St. Lucie	01-33-39	Affected by Release of Easement OR 92, Page 203
Home Depot at Vero Beach	15-28	05-33-39	
I.D. Jandreau Subdivision	3-41 St. Lucie	29-32-40	
Idlewild	7-72	09-33-39	
Indian Bay	3-43	05-33-40 08-33-40	Affected by Release of Easement DB 102, Page 512 OR 573, Page 1873 OR826, Page 795 OR950, Page 1571 OR2152, Page 1349 OR2186, Page 2324
Indian Bay Point	3-43	05-33-40	Affected by Release of Easement OR 1531, Page 862
Indian Harbor	10-79	18-32-40	
Indian River Estates	5-7 St. Lucie	01-33-39	Affected by Release of Easement OR 1113, Page 407
Indian River Farms Co. Plat	2-25 St. Lucie	Various Sections, 33-38	Affected by Release of Easement

		Various Sections, 32-39 Various Sections, 33-39	OR 461, Page 209 OR 632, Page 2879 OR 2019, Page 2340 Unrecorded Releases: (2) Tr 13, Sec 11-33-39; 9/20/1973, 1/29/1974
Indian River Mall — The West Peripheral Subdivision	14-61	05-33-39	
Indian River Plaza	10-73	01-33-39 12-33-39	Affected by Release of Easement OR 636, Page 727 OR721, Page 2877
Indian River Shores Unit No. 1	4-73	19-32-40	
Isle Of Pines	3-21	11-33-39	Affected by Release of Easement OR 165, Page 261 OR 411, Page 825 OR 414, Page 746
J.A. Frere Subdivision	4-30 St. Lucie	01-33-39 02-33-39	
J.H. Howard Subdivision	5-20 St. Lucie	01-33-39	Affected by Release of Easement OR 732, Page 24 OR 1124, Page 2660
J. S. Evans And Sons'	4-2 St. Lucie	02-33-39	
Jacoby Heights	1-31	03-33-39	Affected by Release of Easement OR 369, Page 477 OR 404, Page 149
Jackson Brothers	2-71	27-32-39	
Jacoby's Addition	4-54 St. Lucie	02-33-39	
Joel Knight's Addition To Vero	3-13 St. Lucie	01-33-39	
John's Island - Plat 1	8-8	18-32-40	
John's Island - Plat 3	8-33	07-32-40	
John's Island - Plat 35	11-73	18-32-40	Affected by Release of Easement OR 1162, Page 2085
John's Island - Plat 43	12-8	18-32-40	
John's Island - Plat 51	12-80	07-32-40	
Jones' Resubdivision	3-53 St. Lucie	01-33-39	
Kansas City Colony	4-23 St Lucie	34-33-40	

Kennedy Terrace	1-3	03-33-39	Affected by Release of Easement OR 43, Page 309 OR 573, Page 1227 Unrecorded Release: Resolution 00-19; Lots 1,2, Blk 2; 9/19/2000
Keystone Subdivision	4-38 St. Lucie	01-33-39	
King's Subdivision	4-9 St. Lucie	01-33-39	
Knight's Addition to Edgewood Replat of Blocks 3, 4 & 7	4-16 St. Lucie	02-33-39	Affected by Release of Easement OR 192, Page 464
Knightlawn	1-69	03-33-39	Affected by Release of Easement OR 1433, Page 2158
Langwick	1-32	01-33-39	Affected by Release of Easement OR 994, Page 1948
Lasar Park	2-20	32-32-39	
Linwwod	2-79	01-33-39	Affected by Release of Easement OR 594, Page 444
Little Acre Farms	2-27 St. Lucie	02-33-39	Affected by Release of Easement OR 859, Page 386
Lucille Terrace	3-10	03-33-39	
Map of the Town of Indian River (Original Town)	2-12 St. Lucie	02-33-39	Affected by Release of Easement DB 25, Page 46 DB 49, Page 221 OR 61, Page 4 OR 789, Page 155 OR 1170, Page 171 OR 2270, Page 528 OR 2600, Page 1550 Unrecorded Release: Chapter 1196; Alley, Blk 43; 8/22/1973
Marbrissa	12-72	36-31-39	
Marron	9-76	18-32-40	
Mc Ansh Park Plat No. 1	1-28	02-33-39 35-32-39	Affected by Release of Easement DB 59, Page 119 DB 76, Page 383 DB 79, Page 31 DB 85, Page 182 OR 36, Page 428 OR 49, Page 435

			OR 49, Page 436 OR 106, Page 580 OR 140, Page 483 OR 144, Page 567 OR 153, Page 206 OR 181, Page 276 OR 181, Page 705 OR 236, Page 502 OR 279, Page 366 OR 311, Page 74 OR 322, Page 218 OR 345, Page 301 OR 365, Page 421 OR 384, Page 656 OR 392, Page 81 OR 414, Page 603 OR 468, Page 593 OR 556, Page 339 OR 578, Page 1842 OR 582, Page 991 OR 594, Page 442 OR 643, Page 2889 OR 674, Page 930 OR 690, Page 459 OR 700, Page 1602 OR 732, Page 22 OR 753, Page 2133 OR 768, Page 1165 OR 846, Page 1570 OR 882, Page 742 OR 956, Page 2507 OR 977, Page 530 OR 982, Page 2258 OR 983, Page 875 OR 985, Page 129 OR 994, Page 1990 OR 1049, Page 2165 OR 1166, Page 2996 OR 1220, Page 2531 OR 1220, Page 2534 OR 1221, Page 994 OR 1238, Page 1392 OR 1266, Page 2657 OR 1279, Page 455 OR 1349, Page 1607 OR 1421, Page 1701 OR 1437, Page 1073 OR 2313, Page 2275 Unrecorded Releases: Lots 9,10, Blk 9; 9/25/1954

			Lots 11,12, Blk 10; 9/09/1955 Lots 24-26, Blk 9; 1/15/1959 Lots 9,10, Blk 10; 11/12/1959 Lots 3-5, Blk 15; 7/26/1963 Lots 23-25, Blk 12; 9/28/1989
Mc Ansh Park Plat No. 2	1-29	02-33-39 35-32-39	Affected by Release of Easement DB 58, Page 358 DB 60, Page 379 DB 70, Page 127 DB 70, Page *243* DB 76, Page 31 DB 82, Page 396 DB 84, Page 301 DB 97, Page 23 OR 66, Page 380 OR 138, Page 733 OR 147, page 474 OR 153, Page 247 OR 163, Page 695 OR 207, Page 612 OR 213, Page 84 OR 226, Page 102 OR 557, Page 133 OR 558, Page 387 (Corrects OR 557, Page 133) OR 572, Page 1267 OR 582, Page 991 OR 612, Page 2490 OR 612, Page 2491 OR 667, Page 932 OR 713, Page 2217 OR 714, Page 1210 OR 740, Page 620 OR 800, Page 680 OR 825, Page 12361 OR 831, Page 2036 OR 877, Page 1403 OR 992, Page 446 OR 1008, Page 2639 OR 1075, Page 1828 OR 1116, Page 940 OR 1132, Page 2589 OR 1134, Page 1067 OR 1201, Page 904

			OR 1297, Page 1025 OR 1300, Page 2682 OR 1307, Page 2880 OR 1308, Page 32 OR 1465, Page 1065 OR 1555, Page 660 OR 2483, Page 759 Unrecorded Releases: Lots 22,23, Blk 30; 9/25/1954 Lots 19-21, Blk 30; 3/17/1958
Mc Ansh Park Plat No. 3	1-30	02-33-39	Affected by Release 35-32-39 DB 60, Page 313 DB 61, Page 515 DB 63, Page 165 DB 66, Page 317 DB 68, Page 25 DB 76, Page 129 DB 76, Page 467 DB 77, Page 349 DB 78, Page 229 DB 101, Page 341 OR 59, Page 494 OR 128, Page 522 OR 147, Page 438 OR 184, Page 218 OR 208, Page 689 OR 235, Page 543 OR 353, Page 243 OR 392, Page 224 OR 414, Page 699 OR 418, Page 102 OR 571, Page 1361 OR 571, Page 2451 OR 573, Page 1875 OR 583, Page 2519 OR 686, Page 2962 OR 727, Page 216 OR 873, Page 160 OR 974, Page 1630 OR 994, Page 1945 OR 1042, Page 263 OR 1058, Page 588 OR 1062, Page 1531 OR 1116, Page 2449 OR 1134, Page 1065 OR 1146, Page 1838 OR 1161, Page 625 OR 1258, Page 1156

			OR 1331, Page 2464 OR 1331, Page 2467 OR 1336, Page 2262 OR 1360, Page 2262 OR 1498, Page 2446 OR 800, Page 680 OR 800, Page 680 Unrecorded Releases: Lots 5-7, Blk 18; 12/20/1972 Lots 7,8, Blk 20; 01/08/1974
Mc Ansh Park Replat of Blocks 3, 4, 5, 31 & 32	2-55	02-33-39 35-32-39	Affected by Release of Easement OR 158, Page 182 OR 561, Page 2295 OR 747, Page 102 Unrecorded Releases: Lots 8,9, Blk 3; 9/28/1949 Lots 10,11, Blk 3; 8/22/1955 Lots 13,K, Blk 3; 5/01/1964
Mc Ansh Park Replat of Blocks 26, 33, 34 & 35	2-63	02-33-39 35-32-39	Affected by Release DB 82, Page 396
McAnsh Park Replat of Blocks 24 & 28	3-1	02-33-39 35-32-39	Affected by Release of Easement OR 602, Page 1346
Medical Service Center	13-18	25-32-39	
The Moorings Unit One	8-6	27-33-40 28-33-40	
Moorings Unit Six	10-63	27-33-40 28-33-49	
Oak Point	14-34	25-32-39	
Oakmont Park Estates Unit No. 1	7-38	01-33-39	
Oakmont Park Estates Unit No. 5	8-85	01-33-39	Affected by Release of Easement OR 615, Page 2573
Ocean Corporation Subdivision	3-9	05-33-40 08-33-40	Affected by Release of Easement OR 22, Page 180 OR 128, Page 427 OR 436, Page 258 OR 431, Page 821 OR 647, Page 1361 OR 677, Page 1558 OR 806, Page 2255 OR 1075, Page 1832 OR 1602, Page 2867

Ocean Corporation Subdivision Unit No. 2	4-81	08-33-40	Affected by Retention of Easement OR 651, Page 295 OR 1286, Page 593
Oceanridge Subdivision	10-78	21-33-40 22-33-40	
Orange Grove Park	1-55	01-33-39	Affected by Release of Easement OR 252, Page 358 OR 261, Page 244
Orange Grove Park Replat	2-25	01-33-39	
Orange Park Subdivision	unrecorded		
Osceola Park Home Sites Addition to Vero	3-58 St. Lucie	02-33-39	Affected by Release of Easement OR 215, Page 21 OR 215, Page 23 OR 215, Page 25 OR 215, Page 27 OR 215, Page 29 OR 215, Page 31 OR 215, Page 33 OR 215, Page 35 OR 215, Page 37
Palm Addition	4-8 St. Lucie	01-33-39	
Parc 24	23-98	01-33-39	
Park View	1-37	01-33-39	Release of Easement OR 317, Page 97
Park View Replat	2-19	01-33-39	Release of Easement OR 317, Page 97
Pebble Beach Development No. 1	7-83	19-32-40 20-32-40	
Pelican Cove	3-75	05-33-40	
Pelican Cove II	3-79	05-33-40	
Pelican Pointe	5-1	30-32-40	Release of Easement OR 155, Page 585
Pine-Metto Park	3-87	32-32-39	
Pine Terrace	1-9	10-33-39	Release of Easement OR 414, Page 798 OR 567, Page 1530 OR 1038, Page 2545 Unrecorded Release: Lots 13,14, Blk 3; 9/16/1975
Poinsettia Park	1-14	03-33-39	Release of Easement OR 456, Page 393 OR 652, Page 1095 OR 719, Page 1425
Quail Run	9-39	10-33-39	Abandonment of Easement

			OR 646, Page 2779
Quarles Hammock	11-78	01-33-39	Release of Easement OR 913, Page 1023
Ridgewood Subdivision Replat	2-39	12-33-39	
Riomar Bay Unit 1 Replat	6-65	05-33-40 06-33-40	Release of Easement OR 542, Page 101
Riomar Subdivision	2-18	05-33-40	Release of Easement OR 66, Page 337 OR 1524, Page 1852
Riomar Subdivision Plat No. 2	2-27	05-33-40	Release of Easement OR 66, Page 337 OR 658, Page 2065 OR 1606, Page 1235
Riomar Ocean Estaes	18-87	05-33-40	
Riomar Terrace	10-28		Release of Easement OR 1292, Page 2963
Rivenbark Subdivision	3-28	11-33-39	Release of Easement OR 1384, Page 25
River Oaks Estates Unit No. One	6-80	32-32-40	Release of Easement OR 1640, Page 722
River Oaks Estates Unit No. Two	7-21	32-32-40	
River Oaks Estates Unit No. Three	7-30	32-32-40	Release of Easement OR 840, Page 2640 OR 1747, Page 171
River Oaks Estates Unit No. Four	7-52	32-32-40	Release of Easement OR 1592, Page 635
River Ridge Estates	8-80	16-33-40 17-33-40	
Riverside Park	4-17	30-32-40	Release of Easement OR 607, Page 2546 OR 2225, Page 1360
Riverside Park No. 2	6-16	30-32-40 31-32-40	Release of Easement OR 292, Page 526 OR 2651, Page 1038
Rose Park	1-22	02-33-39	Release of Easement OR 430, Page 11 OR 569, Page 2615
Rosewood School Subdivision	8-49	03-33-39	
Royal Court	1-15	36-32-39	
Royal Gardens	1-52	36-32-39	
Royal Park Plat of Blocks 1, 2 & 3	4-66	St. Lucie 01-33-39	Release of Easement DB 102, Page 318 OR 44, page 403 OR 128, Page 323

			OR 280, Page 273 OR 281, Page 112 OR 377, Page 153 OR 564, Page 528 OR 573, Page 1865 OR 573, Page 1867 OR 674, Page 926 OR 719, Page 1423 OR 723, Page 2798 OR 778, Page 2783 OR 1988, Page 1934
Royal Park Plat No. 2	4-79 St. Lucie	36-32-39 31-32-40 01-33-39 06-33-40	Release of Easement DB 14, Page 25 OR 118, Page 424 OR 157, Page 69 OR 189, Page 770 OR 269, Page 334 ~~OR 280, Page 273~~ ~~OR 281, Page 112~~ OR 384, Page 656 OR 388, Page 217 OR 413, Page 260 OR 573, Page 1863 OR 605, Page 1043 OR 618, Page 401 OR 725, Page 1562 OR 748, Page 1616 OR 887, Page 2216 OR 964, Page 2676 OR 1113, Page 411 OR 1278, Page 218 OR 1888, Page 2476 OR 723, Page 2798 OR 723, Page 2798 OR 723, Page 2798 Unrecorded Releases: Lots 17, Blk 17; 11/01/1950 Lots 10-15, Blk 17; 1/13/1961
Royal Park Plat No. 3	4-88 St. Lucie	36-32-39	Release of Easement DB 96, Page 424 OR 159, Page 314 OR 197, Page 274 OR 358, Page 311 OR 359, Page 378 OR 373, Page 215 OR 377, Page 238 OR 377, Page 292 OR 382, Page 775 OR 411, Page 738 OR 425, Page 993 OR 427, Page 667 OR 429, Page 435

			OR 429, Page 920 OR 556, Page 1108 OR 556, Page 1109 OR 563, Page 367 OR 573, Page 1871 OR 587, Page 2218 OR 608, Page 1719 OR 631, Page 1150 OR 646, Page 2776 OR 647, Page 2736 (Corrects OR 646, Page 2776) OR 655, Page 1636 OR 736, Page 2313 OR 736, Page 2314 OR 820, Page 1459 OR 977, Page 531 OR 995, Page 413 OR 1188, Page 2821 OR 1332, Page 1438 OR 1744, Page 1348 OR 2509, Page 621 Unrecorded Releases: Lots 2,3, Blk 6; 1/3/1973 Lots 2,3-33, Blk 11 9/22/1958 Lot 14, Blk 13 2-19-1971
Royal Park Plat No. 4	5-30 St. Lucie	36-32-39 01-33-39	Release of Easement OR 170, Page 403 OR 369, Page 140 OR 413, Page 171 OR 415-678 OR 417, Page 931 OR 418, Page 72 OR 471, Page 208 OR 568, Page 1685 OR 603, Page 1657 OR 626, Page 267 OR 725, Page 1564 OR 777, Page 950 OR 840, Page 2647 OR 1946, Page 678 OR 2515, Page 1612 Unrecorded Release: Lots 25,26, Blk 19; 12/19/1957
Royal Park Plat No. 5	1-2	01-33-39	Release of Easement OR 261, Page 469 OR 411, Page 742 OR 417, Page 931 OR 425, Page 288

			OR 526, Page 604 OR 545, Page 20 OR 556, Page 340 OR 556, Page 964 (Corrects OR 526, Page 604) OR 559, Page 390 OR 568, Page 1683 OR 568, Page 1685 OR 573, Page 1869 OR 600, Page 271 OR 604, Page 2239 OR 614, Page 810 OR 617, Page 2664 OR 624, Page 1770 OR 643, Page 2887 OR 666, Page 837 OR 667, Page 925 OR 704, Page 2015 OR 714, Page 1209 OR 737, Page 802 OR 740, Page 619 OR 751, Page 1268 OR 757, Page 1280 OR 821, Page 661 OR 1026, Page 2346 OR 1207, Page 2689 OR 1955, Page 2409 OR 2387, Page 776 OR 2515, Page 1612 Unrecorded Releases: Lots 88-91, Blk 21; 4/3/1968 Lots 11-14, Blk 20 12/23/1971 25' of Park Ave, Blk 20 1/11/1973 Lots 79-87, Blk 21 10/17/1973 Lots 52-55, Blk 20 3/25/1975 Lots 67-70, Blk 21 4/7/1975 Lots 5-9, Blk 23 6/14/1975
Royal Park Plat No. 6	1-13	01-33-39 06-32-39	Release of Easement DB 73, Page 135 DB 74, Page 443 OR 33, Page 467 OR 39, Page 239 OR 171, Page 607

			OR 198, Page 169 OR 375, Page 457 OR 393, Page 897 OR 549, Page 383 OR 562, Page 2248 OR 575, Page 332 OR 582, Page 989 OR 582, Page 993 OR 592, Page 514 OR 604, Page 2240 OR 607, Page 12 OR 612, Page 205 OR 629, Page 480 OR 645, Page 1466 OR 655, Page 1638 OR 679, Page 1709 OR 760, Page 2027 OR 798, Page 1940 OR 800, Page 684 OR 825, Page 2360 OR 842, Page 16 OR 882, Page 744 OR 1064, Page 949 OR 1103, Page 189 OR 1112, Page 2020 OR 1134, Page 2848 OR 1150, Page 224 OR 1547, Page 1793 OR 1736, Page 2407 OR 1858, Page 2442
Royal Park Plat No. 7	1-36	36-32-39 01-33-39	Release of Easement DB 107, Page 9 DB 107, Page 12 OR 18, Page 126 OR 69, Page 283 OR 279, Page 344 OR 282, Page 230 OR 319, Page 134 OR 383, Page 78 OR 411, Page 881 OR 415, Page 678 OR 423, Page 447 OR 472, Page 139 OR 559, Page 2174 OR 564, Page 1454 OR 586, Page 1574 OR 587, Page 973 (Corrects OR 586, Page 1574) OR 607, Page 13 OR 609, Page 2544

			OR 669, Page 112 OR 723, Page 2802 OR 736, Page 2315 OR 754, Page 2696 OR 790, Page 2024 OR 800, Page 679 OR 896, Page 610 OR 1239, Page 1646 OR 1562, Page 2431 OR 2393, Page 672 OR 2547, Page 785 Unrecorded Releases: Lots 10,11, Blk 28; 3/17/1959 Lots 4-6, Blk 34; 4/3/1968
Roayl Park, Partial Replat, Plat No. 7	14-72	01-33-39	Release of Easement OR 1681, Page 542
Sable Oaks Subdivision	11-54	08-32-40	
Sandpointe	12-67	16-33-40	
Sandpointe West	13-31	16-33-40	
Schepman's Subdivision	1-54	01-33-39	Release of Easement OR 136, Page 499 OR 212, Page 874
Seagrove	9-44	16-33-40	
Seagrove West	11-65	16-33-40	
Seaside	13-81	27-33-40	
Seminole Park	1-26	03-33-39	Release of Easement OR 719, Page 1425
Shadow Lawn	5-18 St. Lucie	03-33-39	Release of Easement OR 762, Page 2345 OR 2213, Page 632
Silver Oak Estates	OR BK 162-438	04-33-39	
Silver Shores Unit No. 1	4-45	29-32.40 30-32-40	Release of Easement OR 445, Page 963 (Retains Easement) OR 795, Page 2989 OR 999, Page 893
Silver Shores Unit No. 2	4-69	29-32.40 30-32-40	Release of Easement OR 738, Page 2434
Smuggler's Cove	8-29	16-33-40	
Southern Shores Replat No. 2	2-66	18-32-40	
Steele's Resubdivision of Part of Section 1-33-39	3-7 St. Lucie	01-33-39	Release of Easement DB 96, Page 525
Subdivision of Part of Section 35-32-39 & Section 2-33-39	4-39 St. Lucie	35-32-39 02-33-39	

Sunnyside Park	1-7 St. Lucie	03-33-39	Release of Easement OR 18, Page 85 OR 798, Page 1936
Sunnyside Park Addition Replat of East Half of Block 5	1-68	03-33-39	
Surfside Estate	6-62	21-33-40 22-33-40	
Syrilla-Pinar, Replat	2-59	9-33-39	
Ten Coins On The Ocean Subdivision	9-38	16-33-40	
Tenth Avenue	2-57	01-33-39	
Town of Indian River	2-12 St. Lucie	02-33-39	
Traveler's Square	14-63	01-33-39	Release of Easement OR 2108, Page 1507
Treasure Cove Subdivision	9-18	16-33-40	
Tuten's Subdivision	4-10 St. Lucie	01-33-39	
Valencia Park	1-46	10-33-39	Release of Easement OR 287, Page 28 OR 762, Page 2347
Vero Beach Estates	5-8 St. Lucie	32-32-40	Release OR 438, Page 703 ~~OR 473, Page 161~~ OR 1376, Page 1733 OR 1389, Page 1015
Vero Beach Highlands Unit One	5-29	36-33-39 31-33-40	
Vero Isles Unit 1	3-18	31-32-40 36-32-39	Release of Easement OR 78, Page 306 OR 79, Page 407
Vero Isles Unit 1	3-18	31-32-40	Release of Easement OR 78, Page 306 OR 79, Page 407 OR 1580, Page 1824 OR 2479, Page 1699
Vero Isles Unit 2	3-71	31-32-40 06-33-40	
Vero Isles Unit 3	3-95	31-32-40 06-33-40	
Vero Land Company's Subdivision	3-19 St. Lucie	12-33-39	
Vero Manor	3-31	01-33-39	Release of Easement OR 127, Page 495 OR 182, Page 3 OR 2129, Page 909 Unrecorded Release: Lots 1, Lot A 10/13/1986

Vero Original Map of Blocks 1, 2, 15, 16, 17, 32 & 33	1-11	02-33-39	
Vero Pines Development	3-56	11-33-39	Release of Easement OR 26, Page 22 OR 42, Page 387 OR 49, Page 114 OR 77, Page 118 OR 84, Page 424 OR 84, Page 425 OR 122, Page 273 OR 192, Page 147 OR 301, Page 48 OR 400, Page 154 OR 565, Page 2924 OR 736, Page 905 OR 895, Page 2187 OR 1580, Page 1824 OR 1501, Page 1502 Unrecorded Releases: Lots 3,4, Blk C; 5/26/1969 Lots 4,5, Blk C; 12/23/1971
Vero Pines Development Unit No. 2	5-30	11-33-39	
Vero Plaza	7-42	01-33-39 06-33-40	Release of Easement OR 396, Page 746
Vero Terrace	4-83 St. Lucie	36-32-39	
Veromar Plat 1	1-88	31-32-40	Release of Easement OR 567, Page 1531 OR 597, Page 771 (Corrects OR 567, Page 1531) OR 1498, Page 2450 Unrecorded Releases: Lots 8,9,17,18, Blk 25; 4/1/1976 Lots 1,2,10,11, Blk 25; 4/1/1976 Lots 5,6,14,15, Blk 25; 4/1/1976 Lots 6-8,15-17, Blk 25; 4/1/1976
Veromar Plat 2	1-89	32-32-40	Release of Easement DB 76, Page 299 OR 21, Page 469 OR 223, Page 699 OR 1069, Page 312
Veromar Plat 3	1-99	32-32-40	Retention of Easement DB 67, Page 201

			DB 68, Page 143 OR 1008, Page 2641 OR 1289, Page 372
Victoria	10-84	19-32-40	
W. V. Rogers Subdivision	4-51 St. Lucie	01-33-39	
Waburna Village	6-44	03-33-39	
Wade C. Ropp Subdivision Unit 1	5-5	03-33-39	
Wallace Acres	7-12	05-33-39	Release of Easement OR 2078, Page 181
Walter Kitching's Subdivision	4-5 St. Lucie	32-32-40	Release of Easement OR 585, Page 2985 OR 634, Page 2256 OR 2263, Page 2312
Ward's Subdivision	2-12	01-33-39	Release of Easement OR 44, Page 406
Waverly Place Subdivision	11-60	12-33-39	
Weaver & Young Subdivision	4-22	02-33-39	Release of Easement OR 7, Page 351 OR 18, Page 214 OR 30, Page 329 OR 469, Page 839
Westgate Colony	6-35, Unit No. 2	01-33-38	
Whispering Palms, Unit No. 4	5-11	24-33-39	
Woodhaven Manor	8-75	24-33-39	Release of Easement OR 2114, Page 1776
Wright Place	5-6 St. Lucie	11-33-39	Release of Easement OR 520, Page 885 OR 729, Page 1440
Wyn Cove	4-61	16-33-40	
Zigrang Park	1-47	03-33-39	

The foregoing list of easements is not complete and may contain easements which have been released.

Schedule 1.1(81)

Excluded Inventory

Schedule 1.1(88)

Fiber Optic System

The cable, associated dark fibers, and splice enclosures comprising the primary route and auxiliary routes throughout the City of Vero Beach and Indian River County that are owned by one or more of the School District of Indian River County, Indian River County and Seller.

Schedule 1.1(127)

Licensed Intellectual Property

1. Microsoft Office
2. ESRI - ArcGIS
3. Schneider Electric/Telvent Miner & Miner – ArcFM Desktop, Responder OMS, ArcFM Mobile, Network Adapter
4. EFACEC/ACS – SCADA software
5. Acumen Engineered Solutions International Inc. (AESI) – CIP Compliance Management
6. Eaton – UPS
7. Milsoft – Porche IVR System, LightTable
8. FTMS (OATI Software)
9. Powersmiths International OPS-X - Transmission Simulator
10. Replay - Miracle Voice Logging Recorder
11. TrackIT Software
12. Backup EXEC
13. Sophos
14. ManageEngine
15. iMail
16. AlienVault
17. Extreme networks
18. Cisco
19. CDW-G
20. VMware
21. Winboard
22. WATT-Net
23. Meter Site Manager

24. 1132com

25. 1132Prog

26. Focus Config tool

27. Maxcom

28. Maxtrac

29. Metercat

30. Alpha keys, Alpha Puls

31. MeterMate

32. PCPRO+

33. Jemware

34. Jemread

35. Provision

36. Pronto

37. AutoCAD Renewal Autodesk Subscription Advanced Support

38. AutoCAD Raster Design Renewal Autodesk Subscription Advanced Support

39. Enterprise License Agreement (ELA) between the City of Vero Beach and Environmental Systems Research Institute (ESRI) dated July 11, 2008, through Public Works

40. Compliance Service Agreement between the City of Vero Beach and Orlando Utilities Commission dated February 4, 2010

41. Software Maintenance and Support Agreement between the City of Vero Beach and Schneider Electric dated June 12, 2010

42. Extended Support and Maintenance Services (ESM) Agreement between the City of Vero Beach and Schneider Electric dated August 15, 2016

43. Consulting Service Agreement dated June 17, 2015, by and between Seller and AESI-US Inc.

44. Software Maintenance and Support Agreement between the City of Vero Beach and Milsoft dated August 1, 1992

Schedule 1.1(144)

[Specific Permitted Encumbrances as taken from
Buyer's Chicago Title Insurance Title Commitments:
38144; 38145; 38146; 38147; 38148; 38149; 38150;
38151; 38157; 38129; 38130; 38134; 38135

I. **Applicable to All Parcels:**

1. Encroachments, overlaps, boundary line disputes or other matters which would be disclosed by an accurate survey and inspection of the premises.

2. Easements, or claims for easements, not shown by the public records.

3. Taxes or special assessments which are not shown as existing liens by the public records.

4. Taxes and assessments for year of closing and subsequent years, which are not yet due and payable.

II. **Specific Exceptions to Title Applicable to Identified Fee-Owned Real Property Parcels:**

1. **Substation #3**

a. Easement granted by E.C. Walker and Mrs. D.B. Walker, to Florida Power & Light Company, dated March 4, 1926, recorded June 8, 1926, in Misc. Book **1**, Page **241**, of the Public Records of Indian River County, Florida.

b. FOR REFERENCE ONLY: (located within Kings' Highway right-of-way) - Easement granted by Eva C. Walker, to Florida Power & Light Company, dated October 8, 1975, recorded October 14, 1975, in Official Records Book **501**, Page **572**, of the Public Records of Indian River County, Florida.

c. FOR REFERENCE ONLY: (located within King's Highway right-of-way) - Right-Of-Way Agreements granted by the Eli C. Walker, Jr. Estate to Florida Power & Light Company, dated April 5, 1976, recorded April 8, 1976, in Official Records Book **514**, Page **551**, dated March 22, 1976, recorded April 8, 1976, in Official Records Book **514**, Page **555**, and dated March 11, 1976, recorded April 8, 1976, in Official Records Book **514**, Page **559**, all of the Public Records of Indian River County, Florida.

d. Easement for ingress and egress granted by Elionne LaMar Walker, a single adult and Eli C. Walker, III, a single adult, to Edward W. Brown, Jr. and Katy S. Brown, his wife, by Warranty Deed dated October 18, 1978, recorded November 9, 1978, in Official Records Book **575**, Page **2624**, of the Public Records of Indian River County, Florida.

e. Easement for ingress and egress as shown in that certain Warranty Deed between Eli C. Walker, III, a single adult, and Elionne L. Walker, a single adult, and Elionne L. Walker, dated March 13, 1979, recorded March 14, 1979, in Official Records Book **581**, Page **2806**, of the Public Records of Indian River County, Florida.

f. Declaration Of Restrictions made by DeBartolo Realty Partnership, L.P., a Delaware limited partnership, dated March 29, 1996, recorded April 2, 1996, in Official Records Book **1097**, Page **1797**, of the Public Records of Indian River County, Florida.

g. Construction Mortgage, Security Agreement, Assignment Of Rents And Fixtures Filing by IR Mall Associates, Ltd., a Florida limited partnership, in favor of Wells Fargo Realty Advisors Funding, Incorporated, a Colorado corporation, as administrative agent for Wells Fargo Realty Advisors Funding, Incorporated, dated March 29, 1996, recorded April 2, 1996, in Official Records Book **1097**, Page **1809**, as amended by Amended and Restated Mortgage, Notice Of Future Advance, Assignment of Rents and Security Agreement from IR Mall Associates, Ltd., a Florida limited partnership, to Providian Life And Health Insurance Company, a Missouri corporation, and Commonwealth Life Insurance Company, a Kentucky corporation, dated October 10, 1997, recorded October 27, 1997, in Official Records Book **1176**, Page **2539**, and now held of record by BANK OF AMERICA, N.A., by Assignment of Mortgage dated October 8, 2004, recorded November 2, 2004, in Official Records Book **1797**, Page **422**, all of the Public Records of Indian River County, Florida. (Encumbers Ingress-Egress Easement over and across the South 15 feet of subject property.)

2. **Substation #7**

Subject to all canals, ditches and rights-of-way, if any, of the Indian River Farms Drainage District, as reserved on the recorded Plat of INDIAN RIVER FARMS COMPANY SUBDIVISION, according to the Plat thereof, recorded in Plat Book **2**, Page **25**, of the Public Records of St. Lucie County, Florida, said lands now situate, lying and being in Indian River County, Florida.

3. **Substation #8**

a. Easement granted by E.M. Becton and Clara Mae Becton, to American Telephone And Telegraph Company, dated May 28, 1947, recorded June 19, 1947, in Deed Book **48**, Page **372**, as affected by Assignment Of Communications Systems Easements, Rights-Of-Way, And Licenses between American Telephone And Telegraph Company, by and through AT&T Communications, Inc., and the Southern Bell Telephone And Telegraph Company, dated June 16, 1989, recorded June 28, 1989, in Official Records Book **835**, Page **283**, both of the Public Records of Indian River County, Florida. (Affects Parcel 2)

b. Reservations in favor of the Trustees of the Internal Improvement Fund of the State of Florida as contained in Deed No. 884 to the Indian River Farms Drainage District dated July 31, 1950, recorded August 10, 1950, in Deed Book **61**, Page **49**, of the Public Records of Indian River County, Florida. (Affects Parcel 1)

c. Easement granted by Clara Mae Becton, a widow and Sunshine State Retirement Homes, Inc., a Florida corporation, to the City of Vero Beach, a municipal

corporation under the laws of the State of Florida, dated December 19, 1955, recorded February 7, 1956, in Deed Book **103**, Page **321**, of the Public Records of Indian River County, Florida. (Affects Parcel 2)

d. Declaration Of Unity Of Title made by the City of Vero Beach, dated July 31, 1992, recorded August 5, 1992, in Official Records Book **942**, Page **1625**, of the Public Records of Indian River County, Florida. (Affects Parcels 1 and 2)

e. FOR REFERENCE ONLY: (perpetual pipeline easement, etc. across the South Relief Canal) - Perpetual Pipeline Easement in favor of Florida Gas Transmission Company, a Delaware corporation, granted by Stipulated Order Of Taking dated April 6, 2000, recorded June 15, 2000, in Official Records Book **1338**, Page **1100**, of the Public Records of Indian River County, Florida.

4. **Substation #9**

Unless released by Item 1) of Schedule 4.7(b) herein, the following shall apply:

Reverter clause as contained in Quit Claim Deed by Town of Indian River Shores to City of Vero Beach recorded in Official Records Book **306**, Page **56** of the Public Records of Indian River County, Florida

5. **Substation #10**

a. Easements, restrictions, reservations and dedications as located and reserved on the recorded Plat of PELICAN COVE, filed April 12, 1954, in Plat Book **3**, Page **75**, as amended by Saddle River Oaks, Inc., a New Jersey corporation, by Amended Certificate Of Dedication dated April 19, 1954, recorded April 23, 1954, in Deed Book **87**, Page **333**, both of the Public Records of Indian River County, Florida.

b. FOR REFERENCE ONLY: (lying within AlA Highway Right-Of-Way) - Right Of Way Easement And Permit granted by the City of Vero Beach, Florida, a municipal corporation, to American Telephone and Telegraph Company, dated June 17, 1964, recorded June 22, 1964, in Official Records Book **195**, Page **454**, of the Public Records of Indian River County, Florida.

c. FOR REFERENCE ONLY: (affects parcel of land lying North of and adjacent to subject property) - An aerial easement in favor of the City of Vero Beach, a municipal corporation of the State of Florida, as granted by Order Of Taking dated February 10, 1975, recorded February 10, 1975, in Official Records Book **484**, Page **763**, of the Public Records of Indian River County, Florida, and described as Parcel 6 therein.

6. **Substation #11**

a. So much of the premises herein described being artificially filled in land in what was formerly navigable waters, is subject to the rights of the United States Government arising by reason of the United States Government's control over navigable waters in the interest of navigation and commerce.

b. Reservations in favor of the Trustees of the Internal Improvement Fund of the State of Florida as contained in Deed No. 409 to James G. Crang, dated August 4, 1944, recorded August 23, 1944, in Deed Book **35**, Page **401**, as corrected by Deed No. 409-Cor "A" dated September 13, 1944, recorded October 25, 1944, in Deed Book **35**, Page **408**, both of the Public Records of Indian River County, Florida.

c. Deed Of Easement granted by the City of Vero Beach, a municipal corporation, to Indian River County, a political subdivision of the State of Florida, dated December 21, 1982, recorded January 10, 1983, in Official Records Book **655**, Page **1320**, of the Public Records of Indian River County, Florida.

7. **Substation #20**

a. Reservations in favor of the Trustees of the Internal Improvement Fund of the State of Florida as contained in Deed No. 896 to Indian River Farms Drainage District, dated February 15, 1951, recorded March 7, 1951, in Deed Book **64**, Page **349**, of the Public Records of Indian River County, Florida. (Affects Parcels 3 and 4).

b. Reservations in favor of the Trustees of the Internal Improvement Fund of the State of Florida as contained in Deed No. 898 to Indian River Farms Drainage District, dated April 30, 1951, recorded May 15, 1951, in Deed Book **66**, Page **189**, of the Public Records of Indian River County, Florida. (Affects Parcels 1, 2, 3, 4 and 5).

c. Reservations in favor of the Trustees of the Internal Improvement Fund of the State of Florida as contained in Deed No. 928 to Indian River Farms Drainage District, dated January 30, 1953, recorded February 24, 1953, in Deed Book **79**, Page **40**, of the Public Records of Indian River County, Florida. (Affects Parcels 1 & 2).

d. Subject to canals, ditches and rights-of-way as reserved to Indian River Farms Drainage District in Special Warranty Deed to Walter Kitching and Annie Kitching, his wife, dated March 5, 1953, recorded March 12, 1953, in Deed Book **79**, Page **184**, of the Public Records of Indian River County, Florida. (Affects Parcels 1 & 2).

e. Easement granted by Nellie Ruth Waters to Florida Power & Light Company, dated November 24, 1976, recorded March 11, 1977, in Official Records Book **546**, Page **852**, of the Public Records of Indian River County, Florida. (Affects Parcel 1).

f. Easements, restrictions, reservations and dedications as located and reserved on the recorded Plat of VERO BEACH HIGHLANDS UNIT FIVE, filed May 24, 1972, in Plat Book **8**, Page **56**, of the Public Records of Indian River County, Florida. (Affects Parcels 3 & 4).

g. "Common Properties" restrictions as set forth in the Declaration Of Covenants And Restrictions made by General Development Corporation, a Delaware corporation, dated November 10, 1980, recorded November 12, 1980, in Official Records Book **611**, Page **1494**, as amended by Amendment dated April 15, 1982, recorded in Official Records Book **641**, Page **2815**, as supplemented by Supplemental Declaration Of Covenants & Restrictions dated July 25, 1983, recorded September 6, 1983, in Official Records Book **670**,

Page **1808**, as amended by Amendment dated July 10, 1984, recorded July 19, 1984, in Official Records Book **690**, Page **215**, as amended by Amendment dated January 23, 1985, recorded January 28, 1985, in Official Records Book **701**, Page **1714**, as supplemented by Supplemental Declaration Of Covenants & Restrictions Of Vero Beach Highlands Property Owner's Association, Inc., dated June 14, 1985, recorded July 12, 1985, in Official Records Book **713**, Page **18**, as amended by Amendment dated November 29, 1988, recorded November 30, 1988, in Official Records Book **816**, Page **636**, as amended by Amendment dated November 29, 1988, recorded November 30, 1988, in Official Records Book **816**, Page **639**, as amended by Corrective Amendment dated November 29, 1988, recorded November 30, 1988, in Official Records Book **816**, Page **644**, as amended by Amendment dated November 29, 1988, recorded November 30, 1988, in Official Records Book **816**, Page **648**, together with the Articles of Incorporation of Vero Beach Highlands Property Owners' Association, Inc., dated May 1, 1980, and attached to Certificate dated December 1, 1988, recorded February 23, 1989, in Official Records Book **823**, Page **1370**, as amended by Certificate Of Amendment to said Articles of Incorporation, dated December 1, 1988, recorded March 10, 1989, in Official Records Book **824**, Page **2656**, and together with the By-Laws of Vero Beach Highlands Property Owners' Association, Inc., attached to Certificate dated December 1, 1988, recorded February 23, 1989, in Official Records Book **823**, Page **1385**, as amended by Certificate Of Amendment to said By-Laws dated December 1, 1988, recorded March 10, 1989, in Official Records Book **824**, Page **2650**, as further amended by Certificate Of Amendment to said By-Laws dated December 30, 2002, recorded February 19, 2003, in Official Records Book **1565**, Page **1619**, and as further amended by Correction Amendment dated January 28, 2004, recorded February 16, 2004, in Official Records Book **1692**, Page **2288**, all of the Public Records of Indian River County, Florida. (Affects Parcel 4 only).

h. Conservation Easement granted by City of Vero Beach, a municipal corporation of the State of Florida, to Indian River County, a political subdivision of the State of Florida, dated October 7, 1992, recorded October 15, 1992, in Official Records Book **949**, Page **2581**, of the Public Records of Indian River County, Florida. (Affects Parcel 1).

i. Conservation Easement granted by City of Vero Beach, a municipal corporation of the State of Florida, to Indian River County, a political subdivision of the State of Florida, dated October 7, 1992, recorded October 15, 1992, in Official Records Book **949**, Page **2581**, of the Public Records of Indian River County, Florida. (Affects Parcel 1).

j. Grant Of Utility Easement (Force Main) granted by Atlantic Gulf Communities Corporation, a Delaware corporation, authorized to transact business in the State of Florida formerly known as General Development Corporation, to General Development Utilities, Inc., dated March 30, 1993, recorded April 5, 1993, in Official Records Book **968**, Page **1209**, as affected by Assignment Of Easements between General Development Utilities, Inc., a Florida corporation, and Indian River County, Florida, a political subdivision of the State of Florida, dated October 13, 1993, recorded November 5, 1993, in Official Records Book **995**, Page **516**, both of the Public Records of Indian River County, Florida. (Affects Parcel 5).

k. Use restriction as contained in Special Warranty Deed from Atlantic Gulf Communities Corporation, a corporation existing under the laws of Delaware, f/k/a General Development Corporation, to the City of Vero Beach, a body corporate and political subdivision

of the State of Florida, dated March 30, 1993, recorded April 5, 1993, in Official Records Book 968, Page 1214, of the Public Records of Indian River County, Florida. (Affects Parcels 3 & 5).

1. Grant Of Easement dated December __, 1992, granted by Vero Beach Highlands Homeowners Association, Inc., a Florida not-for-profit corporation, to General Development Utilities, Inc., a Florida corporation, and Grant Of Utility Easement dated _____, 1993, granted by Vero Beach Highlands Homeowners Association, Inc., a Florida not-for-profit corporation, to General Development Utilities, Inc., a Florida corporation, both attached as Exhibit "B" to and as affected by Assignment Of Plat And Other Easements between Atlantic Gulf Communities Corporation, a Delaware corporation, and General Development Utilities, Inc., a Florida corporation, and Indian River County, Florida, a political subdivision of the State of Florida, dated October 13, 1993, recorded November 5, 1993, in Official Records Book **995**, Page **519**, of the Public Records of Indian River County, Florida. (Affects Parcel 4).

m. Use limitations and conditions contained in the unrecorded Fort Pierce - Vero Beach Tie-Line Agreement dated May 5, 1992, and amendments thereto, as made subject to in each of the Quit-Claim Deeds of one-half interest in subject property by the City of Vero Beach, Florida, a municipal corporation, to the City of Ft. Pierce, a municipal corporation, for the use and benefit of the Ft. Pierce Utilities Authority, dated March 16, 1994, recorded October 7, 1994, in Official Records Book **1036**, Page **190**, in Official Records Book **1036**, Page **192**, and in Official Records Book **1036**, Page **194**, all of the Public Records of Indian River County, Florida. (Affects Parcels 1, 2, 3, 4 & 5).

n. Corrective Deed Of Easement granted by the City of Vero Beach, a municipal corporation of the State of Florida, to the Board of County Commissioners of Indian River County, a political subdivision of the State of Florida, dated December 15, 1994, recorded January 4, 1995, in Official Records Book **1044**, Page **1145**, of the Public Records of Indian River County, Florida. (Affects Parcels 3 & 4).

8. **Electric Primary of .06 acres at south end of the electrical service territory - <u>Two (2) parcels of land lying in the North one-half (N 1/2) of the Southeast one-quarter (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida</u>**

a. Easement granted by William Wagner and Marion L. Wagner, to Florida Power & Light Company, a Florida corporation, dated April 5, 1983, recorded April 8, 1983, in Official Records Book **398**, Page **343**, of the Public Records of St. Lucie County, Florida. (Affects the South 110 feet of Parcel A).

b. St. Lucie County, Florida Ordinance No. 07-055 adopting interim land development regulations passed and adopted November 20, 2007, recorded December 11, 2007, in Official Records Book **2913**, Page **2331**, of the Public Records of St. Lucie County, Florida.

c. Use limitations and conditions contained in the unrecorded Fort Pierce - Vero Beach Tie-Line Agreement dated May 5, 1992, and amendments thereto, as made subject to in Quit-Claim Deed of one-half interest in subject property by the City of Vero Beach, Florida, a municipal corporation, to the City of Ft. Pierce, a municipal corporation, for the use and benefit

of the Ft. Pierce Utilities Authority, dated March 16, 1994, recorded October 5, 1994, in Official Records Book **923**, Page **644**, of the Public Records of Indian River County, Florida.

9. **Appurtenant to Substation # 20 - <u>Three (3) parcels of land lying in Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida:</u>**

a. Easement granted by N. A. Limberts and Lillian M. Limberts, his wife, to E. W. Radlein and Zelma Radlein, his wife, dated July 26, 1957, in Deed Book **230**, Page **182**, of the Public Records of St. Lucie County, Florida. (Affects Parcel 3).

b. Easement granted by Alden Manor Homes, Inc., to Florida Power & Light Company, dated October 15, 1959, recorded March 3, 1960, in Deed Book **256**, Page **12**, of the Public Records of St. Lucie County, Florida.

c. Easement for ingress and egress over and across the East 15 feet of Tract 20, as made subject to in that certain Warranty Deed from Starrett Building Company, a Florida corporation, to Paul J. D'Antonio, dated February 6, 1967, recorded March 22, 1967, in Official Records Book **165**, Page **972**, of the Public Records of St. Lucie County, Florida. (Affects Parcel 2).

d. Terms, provisions and conditions set forth in that certain Easement Deed granted by Violet Klatt and Bill R. Winchester, as a majority of the Special Trustees of the Revocable Trust Agreement created by Ernest F. Klatt, also known as Ernest Klatt, dated May 18, 1990, in favor of the City of Vero Beach, a municipal corporation of the State of Florida, said Easement Deed dated March 18, 1993, recorded April 2, 1993, in Official Records Book **834**, Page **2265**, an undivided one-half interest of which was conveyed to the City of Ft. Pierce, a municipal corporation, for the use and benefit of the Ft. Pierce Utilities Authority by Quit Claim Deed dated March 16, 1994, recorded October 5, 1994, in Official Records Book **923**, Page **648**, both of the Public Records of St. Lucie County, Florida. (Affects Parcel 3).

e. Subject to possible rights of other Tract Owners in the NW 1/4 of Section 6 to access their properties over subject lands.

f. Use limitations and conditions contained in the unrecorded Fort Pierce Vero Beach Tie-Line Agreement dated May 5, 1992, and amendments thereto, as made subject to in each of the Quit-Claim Deeds of one-half interest in subject property by the City of Vero Beach, Florida, a municipal corporation, to the City of Ft. Pierce, a municipal corporation, for the use and benefit of the Ft. Pierce Utilities Authority, dated March 16, 1994, recorded October 5, 1994, in Official Records Book **923**, Page **646**, of the Public Records of St. Lucie County, Florida.

10. <u>NEW SUBSTATION PROPERTY</u>: [SUBJECT TO REVISION IN ACCORDANCE WITH SECTION 1.1(2) OF THE AGREEMENT]

<u>For new Substation real property described as</u>: That portion of Government Lot 4, Section 6, Township 33 South, Range 40 East, Indian River County, Florida, lying South of State Road 656 (17th Street Causeway Boulevard) and West of Indian River Boulevard, LESS AND EXCEPT therefrom the West five (5) acres thereof.

Drainage Easement between the City of Vero Beach, Florida, a municipal corporation organized and existing under the laws of the State of Florida, and the State of Florida, for the use and benefit of the State Road Department of Florida, dated October 26, 1953, recorded October 30, 1953, in Deed Book **84**, Page **41**, of the Public Records of Indian River County, Florida. (Affects the South 15 feet of subject property)

III. **Leasehold Properties**

11. POWER PLANT SITE LEASE:

a. So much of the premises herein described being artificially filled in land in what was formerly navigable waters, is subject to the rights of the United States Government arising by reason of the United States Government's control over navigable waters in the interest of navigation and commerce.

b. The following reservation in favor of the Trustees of the Internal Improvement Fund of the State of Florida as contained in Deed No. 18621 to the City of Vero Beach, dated May 21, 1941, recorded June 11, 1941, in Deed Book **32**, Page **403**, of the Public Records of Indian River County, Florida, to wit:

i. If (i) prior to Closing the confirmation from the Trustees of the Internal Improvement Fund of the State of Florida has not been obtained as required by item 4 of Schedule 4.7(b) herein and by Section 4.7(b) and (ii) Buyer has expressly waived the requirement to obtain such confirmation in order to satisfy the condition to Closing in Section 7.1(h) with respect to the related Seller closing delivery described in Section 3.7(x), then the following shall from and after Closing constitute a Permitted Encumbrance: This conveyance is being made upon the express condition that the area hereby conveyed is to be used for public purposes only and in the event said area should be used for any purpose other than public purposes the title hereto will automatically revert to and become the property of the Grantors herein, the Trustees of the Internal Improvement Fund of the State of Florida.

ii. SAVING AND RESERVING unto the Trustees of the Internal Improvement Fund of Florida, and their successors, an undivided three-fourths interest in and title to an undivided three-fourths interest in all the phosphate, minerals and metals that are or may be in, on or under the said above described lands, and an undivided one-half interest in and title in and to an undivided one-half interest in all the petroleum that is or may be in or under the said above described land, with the privilege to mine and develop the same.

c. Lease Agreement between the City of Vero Beach, a municipal corporation of the State of Florida, and BellSouth Mobility Inc., dated January 20, 1993, recorded April 8, 1993, in Official Records Book **968**, Page **2976**, as amended by Amendment To Lease Agreement dated August 10, 1993, recorded September 16, 1993, in Official Records

Book **988**, Page **2293**, as affected by Site Designation Supplement And Memorandum Of Sublease by and between BellSouth Mobility LLC, a Georgia limited liability company which is the successor to BellSouth Mobility Inc., a Georgia corporation, and Crown Castle South Inc., a Delaware corporation, dated December 14, 2000, recorded February 7, 2001, in Official Records Book **1380**, Page **822**, all of the Public Records of Indian River County, Florida.

d. MetroPCS California/Florida, Inc. PCS Site Agreement by and between the City of Vero Beach, "Landlord", and MetroPCS California/Florida, Inc., a Delaware corporation, "Tenant", dated July 6, 2005, recorded October 13, 2005, in Official Records Book **1946**, Page **2434**, of the Public Records of Indian River County, Florida.

12. **SUBSTATION 5:**

Potential effect of the easement granted by Indian River Farms Drainage District to American Telephone and Telegraph Company recorded in Deed Book **36**, Page **71**, Public Records of Indian River County, Florida.

13. **SUBSTATION 6:**

a. Easements, restrictions, reservations and dedications as located and reserved on the last general Plat of lands of the INDIAN RIVER FARMS COMPANY, as filed in Plat Book **2**, Page **25**, of the Public Records of St. Lucie County, Florida

b. Terms, conditions, reservations and restrictions contained in Quitclaim Deed between The United States Of America, acting by and through the War Assets Administration, and the City of Vero Beach, a municipal corporation organized and existing under the laws of the State of Florida, dated October 3, 1947, recorded November 15, 1947, in Deed Book **8**, Page **383**, as supplemented by Supplemental Quitclaim Deed dated May 10, 1948, recorded August 28, 1948, in Deed Book **51**, Page **171**, as affected by Deed Of Release dated September 21, 1949, recorded January 14, 1950, in Deed Book **56**, Page **394**, and as further affected by Deed Of Release dated April 4, 1960, recorded November 14, 1960, in Official Records Book **113**, Page **185**, all of the Public Records of Indian River County, Florida.

c. Order Granting Variance With Conditions issued by the Board of Adjustment, City of Vero Beach, Indian River County, Florida, dated June 21, 1991, recorded October 28, 1991, in Official Records Book **913**, Page **1013**, of the Public Records of Indian River County, Florida.

14. **T&D WAREHOUSE:**

a. Terms, conditions, reservations and restrictions contained in Quitclaim Deed between The United States Of America, acting by and through the War Assets Administration, and the City of Vero Beach, a municipal corporation organized and existing under the laws of the State of Florida, dated October 3, 1947, recorded November 15, 1947, in Deed Book **8**, Page **383**, as supplemented by Supplemental Quitclaim Deed dated May 10, 1948, recorded August 28, 1948, in Deed Book **51**, Page **171**, as affected by Deed Of Release dated September 21, 1949, recorded January 14, 1950, in Deed Book **56**, Page **394**, and as further

affected by Deed Of Release dated April 4, 1960, recorded November 14, 1960, in Official Records Book **113**, Page **185**, all of the Public Records of Indian River County, Florida.

b. Easements, restrictions, reservations and dedications as located and reserved on the recorded Plat of AIRPORT - WEST, recorded April 21, 1981, in Plat Book **10**, Page **89**, of the Public Records of Indian River County, Florida.

c. Unless released by item 3) of Schedule 4.7 (b) herein, the following shall apply:

i. Rights of ways for canals, laterals and sub-lateral ditches, dikes, or roads as reserved on the last general plat of lands of the Indian River Farms Company filed in Plat Book 2, Page 25, of the Public Records of St. Lucie County, Florida.]

Schedule 1.1(160)

Radio Licenses

None

Schedule 1.1(161)

Real Property

[Acquired Land in Fee:

1. SUBSTATION 3 – Indian River County

Tax Parcel ID Number: 33-39-05-00000-1000-00001.0
1053 20th Place, Vero Beach, FL 32960 (See OR Bk 1115 Pg 1290)

That portion of the Northeast quarter (NE 1/4) of the Northeast quarter (NE 1/4) of Section 5, Township 33 South, Range 39 East, Indian River County, Florida, being more particularly described as follows:

Beginning at a point that is 30.00 feet South of and 25.00 feet West of the Northeast corner of said Section 5;

Thence South and parallel with the East line of said Section 5 a distance of 235.00 feet;

Thence West and parallel with the North line of said Section 5 a distance of 367.95 feet;

Thence North and parallel with the said East line of Section 5 a distance of 235.00 feet to a point, said point being 30 feet South of, as measured perpendicular to, the said North line of Section 5;

Thence East and parallel with the said North line of Section 5 a distance of 367.95 feet to the POINT OF BEGINNING;

LESS AND EXCEPT:

The East 35.00 feet thereof for additional road right-of-way purposes.

2. SUBSTATION 7 – Indian River County

Tax Parcel ID Number 33-39-04-00001-0120-00004.0
1810 58th Ave., Vero Beach, FL 32966

A parcel of land being a portion of Tracts 12 and 13, Section 4, Township 33 South, Range 39 East, Indian River County, Florida, according to the last general plat of lands of the INDIAN RIVER FARMS COMPANY SUBDIVISION, recorded in Plat Book 2, Page 25, of the Public Records of St. Lucie County, Florida, said lands now situate, lying and being in Indian River County, Florida, being more particularly described as follows:

From the Southwest corner of said Tract 12, run East along the South line of said Tract 12 a distance of 30 feet to the East right-of-way of Kings Highway and POINT OF BEGINNING; thence run North on a line parallel to the West line of said Tract 12 a distance of 50 feet; thence run East parallel to the South line of said Tract 12 a distance of 242.05 feet; thence run South on a line parallel to the West line of said Tract 12 and Tract 13, a distance of 199.35 feet to the

North right-of-way of the Main Relief Canal; thence run Southwest along said canal right-of-way a distance of 258.70 feet to the East right-of-way of Kings Highway; thence run North along said East right-of-way a distance of 245.45 feet to the POINT OF BEGINNING.

3. SUBSTATION 8 – Indian River County

Tax Parcel ID Number: 33-39- 13-00000-5000-00042.0

Two (2) parcels of land lying in Section 13, Township 33 South, Range 39 East, Indian River County, Florida, being more particularly described as follows:

Parcel 1

Commencing at the Southeast corner of the Southwest quarter of Section 13, Township 33 South, Range 39 East, Indian River County, Florida; run North along the quarter Section line a distance of 399.84 feet to the POINT OF BEGINNING; thence continue North along the quarter Section line a distance of 200.0 feet to a point on the South right-of-way line of the South Relief Canal; thence run Southwesterly along said South right-of-way line a distance of 200.0 feet; thence run South and parallel to the aforesaid quarter Section line a distance of 200.0 feet; thence run Northeasterly and parallel to the aforesaid South right-of-way line a distance of 200,0 feet to the POINT OF BEGINNING.

Parcel 2

Beginning at the intersection of the South right of way of the South Relief Canal with the West line of the Southwest one-quarter of the Southeast one-quarter of Section 13, Township 33 South, Range 39 East, Indian River County, Florida; thence run Northeasterly along said South right of way line a distance of 240.0 feet; thence run South and parallel to said West line of Southwest one-quarter of Southeast one-quarter a distance of 337.0 feet; thence run West a distance of 230.97 feet to a point on the said West line of Southwest one-quarter of Southeast one-quarter; said point lying 271.78 feet South of the point of beginning; thence run North along said West line a distance of 271.78 feet to the POINT OF BEGINNING.

4. SUBSTATION 9 – Indian River County

Tax Parcel ID Number 32-40-18-00000-0100-00001.0

The Southeast one acre of Government Lot 10, Section 18, Township 32 South, Range 40 East, Indian River County, Florida, shown as the Water Plant Site on the Plat of Fred R. Tuerk Drive as filed in Plat Book 7, Page 86, of the Public Records of Indian River County, Florida, LESS AND EXCEPT therefrom that portion thereof conveyed to the Town of Indian River Shores by Quit Claim Deed recorded in Official Records Book 884, Page 2669, of the Public Records of Indian River County, Florida.

5. SUBSTATION 10 – Indian River County

Tax Parcel ID Number 33-40-05-00008-0001-00000.2
Tax Parcel ID Number 33-40-05-00008-0001-00000.4

That portion of Tract A, PELICAN COVE, according to the Plat thereof, as recorded in Plat Book 3, Page 75, of the Public Records of Indian River County, Florida, being more particularly described as follows:

From the Northeast corner of Government Lot 7, Section 5, Township 33 South, Range 40 East, Indian River County, Florida, run Westerly along the North boundary of said Government Lot 7 a distance of 45 feet to the West right-of-way line of Avenue "K", said point being the Northeast corner of said Tract A;

thence run South 0° 4' 32" East along the West right-of-way line of Avenue "K", which said line is also the East boundary line of said Tract A, a distance of 277.76 feet to the POINT OF BEGINNING;

thence continue along the said West right-of-way line of Avenue "K" and the East boundary line of said Tract A in a Southerly direction, a distance of 173.00 feet;

thence run South 89° 56' 28" West, a distance of 140.48 feet to the West boundary line of said Tract A, which is also the East boundary line of State Road A1A;

thence run North 16° 54' 02" West along the Western boundary line of said Tract A, which is also the Easterly right-of-way line of said State Road, a distance of 178.05 feet;

thence run parallel to the North boundary line of said Tract A on a line which bears North 89° 10' 05" East, a distance of 192.37 feet to the POINT OF BEGINNING.

NOTE: The recording information of the Order of Taking (Official Records Book 443, Page 76) reference in Item 2 of the Commitment is incorrect. The legal description in the Deed recorded in O.R. Book 55, Page 149 does not match the above description.

6. <u>SUBSTATION 11 – Indian River County</u>

Tax Parcel ID Number: 33-40-16-00000-0030-00017.0
Tax Parcel ID Number: 33-40-17-00000-0020-00004.0

The North one-half (N ½) of Government Lot 3, Section 16, Township 33 South, Range 40 East, Indian River County, Florida, lying West of State Highway A-1-A, less the North 546.245 feet thereof; and the North one-half (N ½) of Government Lot 2, Section 17, Township 33 South, Range 40 East, Indian River County, Florida, less the North 546.245 feet thereof, and also, the South 10 acres of the North 40 acres of Government Lot 2, Section 17, Township 33 South, Range 40 East, Indian River County, Florida.

7. <u>SUBSTATION 20</u>

Indian River County – One-half interest

A. Commitment #38150

Tax Parcel ID Number (Parcel 1):	33-40-31-00000-5000-00002.1
Tax Parcel ID Number (Parcels 3, 4 and 5):	33-39-36-00005-0002-00001.0
	33-39-36-00005-0003-00001.0
	33-40-31-00000-5000-00004.1

Four (4) parcels of land lying in Section 31, Township 33 South, Range 40 East, Indian River County, Florida, and Section 36, Township 33 South, Range 39 East, Indian River County, Florida, being more particularly described as follows:

Parcel 1

The South 404.00 feet of the Southwest one-quarter (SW 1/4) of Section 31, Township 33 South, Range 40 East, Indian River County, Florida, lying East of the East right-of-way line of Lateral "J" Canal, LESS AND EXCEPT therefrom the East 25 feet thereof for road right-of-way purposes.

Parcel 3:

Tract "B", VERO BEACH HIGHLANDS UNIT FIVE, according to the Plat thereof, as recorded in Plat Book 8, Page 56, of the Public Records of Indian River County, Florida.

Parcel 4:

Tract "C", VERO BEACH HIGHLANDS UNIT FIVE, according to the Plat thereof, as recorded in Plat Book 8, Page 56, of the Public Records of Indian River County, Florida.

Parcel 5:

The North 25 feet of the South 145 feet of the Southwest one-quarter (SW 1/4) of Section 31, Township 33 South, Range 40 East, Indian River County, Florida, lying West of the West right-of-way line of Lateral "J" Canal, LESS AND EXCEPT therefrom the West 40 feet thereof for road right-of-way purposes.

St. Lucie County – One-half interest

B. Commitment #38157

Tax Parcel ID Number (Parcel 1):	1406-211-0002-010.4
Tax Parcel ID Number (Parcel 2):	1406-211-0001-010.7

Two (2) parcels of land lying in Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida, more particularly described as follows:

Parcel 1:

The North 60 feet of the West one-half (W ½) of the East two-fifths (E 2/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 19, as shown on Location Map "A" as drawn by McLaughlin Engineering Co., dated April 8, 1966.)

Parcel 2:

The North 60 feet of the East one-fifth (E 1/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 20, as shown on Location Map "A" as drawn by McLaughlin Engineering Co., dated April 8, 1966.)

NOTE: Parcel 3 shown in the Title Commitment is an Easement created by Deed recorded in O.R. Book 834, Page 2265 shown on following pages and is not included in the fee simple properties.

St. Lucie County – One-half interest

C. Commitment #38151

Tax Parcel ID Number Parcels A and B): 1310-412-0002-000.4
Site Address: 5450 Russakis Road

Two (2) parcels of land lying in the North one-half (N ½) of the Southeast one-quarter (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida, more particularly described as follows:

Parcel A

The South 200 feet of the South 863.18 feet of the North (N ½) of the Southeast (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida, LESS the West 60 feet and the East 775 feet thereof.

Parcel B

The West 40 feet of the East 775 feet of the North 460 feet of the South 660 feet of the North (N ½) of the Southeast (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida.

Substation Easement Real Property:

Airport Property Lease Real Property:

Easements

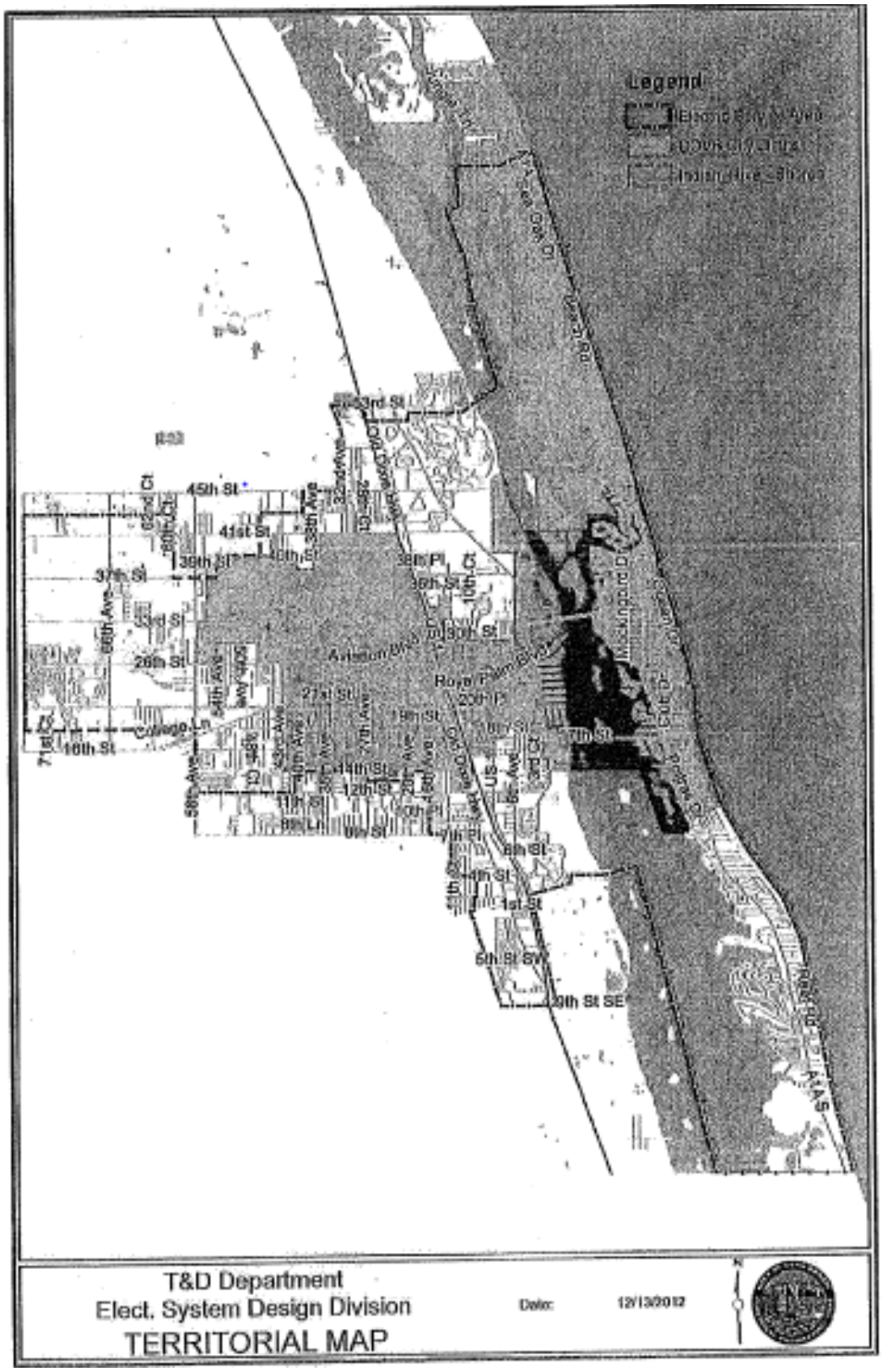
1. See Schedule 1.1(61) hereof.

Other Real Property]

Schedule 1.1(184)

Service Territory

[See Attached.]


Legend
T&D Department
Elect. System Design Division
TERRITORIAL MAP
Date: 12/13/2012

Schedule 1.1(196)

Title Commitments

[See Attached.]

[TO BE ATTACHED BY BUYER.]

Schedule 1.1(204)

Vehicles
(As of 8/20/17)

Year	Make	VIN	License
2009	FORD FOCUS	1FAHP34N69W169980	XB7016
2007	CHEVROLET	1GNDS13S872222239	XA1593
2007	CHEVROLET	1GNDS13S272221068	XA1594
2007	CHEVROLET	1GNDS13S872220569	XA1595
2008	CHEVROLET	1GNDS13S582185538	XA8998
2008	CHEVROLET	1GNDS13S582185555	XA8996
2008	CHEVROLET	1GNDS13SX82184675	XA8997
2016	FORD EXPLORER	1FM5K8B85GGC41826	XF2699
2015	FORD EXPLORER	1FM5K8B80FGA41743	XB6797
2006	FORD F-350	1FDWF36P76ED09972	215660
2000	FORD F250	1FTNW20L3YED98765	134663
2008	CHEV 2500 4W/D	1GCHK29K88E168013	XA8999
2015	CHEV 1500 4W/D	1GCVKPEHXFZ274124	XD3423
2007	CHEV 2500 4W/D	1GCHK29K77E510758	XA1596
2013	FORD F-450	1FD0W4GY8DEA64843	XA2735
2000	SD FORD F250	1FTNX21L0YEC57230	102544
2003	FORD F250 SD	1FTNX21LX3ED42133	222559
2005	CHEV 2500	1GCHK29U05E233689	227363
2010	CHEVROLET	1GCSCPEA9AZ187178	XC0351
2008	CHEVROLET	1GCCS19E388177635	XA9002
2007	CHEVROLET	1GCCS19E978218879	XA3347
2016	CHEVROLET	1GCHSBEA6G1259817	XF2700
2016	CHEVROLET	1GCHSBEA9G1263005	XF2701
2013	GMC SIERRA	1GTR2TEA2DZ281319	XA2734
2017	GMC SIERRA 2500	1GT22REG9HZ336198	XF2717
2017	CHEVROLET	1GCHSBEA4H1266430	XF5726
2005	FORD E450	1FCLE49S55HB27829	205058
2015	FORD	1FTNE1ZM4FKB05771	XE6324
2007	CHEV 2500 HD	1GCGG25U271184329	XA4844
2008	CHEV 2500 HD	1GCGG25C481176337	XB2291
2009	CHEV 2500 HD	1GCGG25KX91146395	XB7019
1998	EZ GO GOLF KART	1247712	
1986	FORD F700	1FDPK74N3GVA35769	038389
1989	CHEV R3500	1GDJR34K0KF703519	099024
2009	INTERNATIONAL	1HTMMAAN59H117001	XC0345
2007	INTERNATIONAL	1HTMMAAN27H397442	XA3344
2008	INTERNATIONAL	1HTWGAAT38J051571	XB5080
1995	FORD F800	1FDXF80E6SVA47302	082413
2001	FORD F550	1FDAF57F51EB47327	208497
2003	FORD F550	1FDAF57P73ED89127	222564
2005	FORD F750 SD	3FRXF75B65V141088	231970
2016	FORD F550	1FDUF5HT0GEB63543	XF0105

2016	FORD F550	1FDUF5HTXGEB27603	XF0106
2016	FREIGHTLINER	1FVPC5DV6GHHD5573	XF2714
2017	CATERPILLAR	CAT0303EAHHM02389	
1973	CLARK	IT40-467-2210	
2006	GENERATOR	06R0898640	
2014	SULLAIR 185	201401290139	XB6796
2007	ALTEC MINI DERR	0506EK0132	
2000	HONDA GX140	GX1402206921	
1998	COLEMAN	76690478	
2014	SULLAIR	201401290002	XB6798
2009	STIHL 14" SAW	170323080	
1975	POLE TRAILER	2184	34139
2001	ROADRUNNER 6X12	R0RU200135006X127	115087
2005	TIRPLE CROWN	1XNC1812751010848	236319
1981	TRAILER SHRE	38134	50322
1981	TRAILER SHRE	681145	50323
1985	POLE TRAILER	1U9BL2519FA001693	115022
2006	H&H TRAILER	4J6UF18286B085047	XA3346
2000	TRAILER OIL	79L230	126010
1998	ROAD RUNNER	1Z9E162XWF022093	126006
2016	SHERMAN REILLY	123WM1312G1T25344	XF0107
2016	SHERMAN REILLY	123WM1619G1T27085	XF2711
2012	ECHO PB255	P35012004211	
1996	SHERMAN REILLY	123WM2823T1T12052	115074
1981	SHERMAN REILLY		50322
2000	POULANPRO S25AV	1K112N718	
2005	ECHO CS341	02042077	
1998	POULAN 18" 2550	96255H200098-2	
1999	POULAN 18" 2550	96255H200099-2	
2009	ECHO CS360T	C04412002025	

A vehicle purchased by Seller that replace a vehicle described above shall be deemed included in this schedule. The replaced vehicle may be disposed of by Seller and Seller may retain the proceeds from such disposition.

Schedule 2.2(1)

Rights for Seller to Provide Other Municipal or Utility Functions

1. Permit and Interlocal Agreement (No. VB-2) dated as of March 21, 2012 by and between Indian River Farms Water Control District and the City of Vero Beach

2. Permit and Interlocal Agreement (No. VB-5) dated as of March 21, 2012 by and between Indian River Farms Water Control District and the City of Vero Beach

3. Permit and Interlocal Agreement (No. VB-6) dated as of March 21, 2012 by and between Indian River Farms Water Control District and the City of Vero Beach

Schedule 4.3

Seller Third-Party Consents

1. [All required approvals from FERC, including approval under section 203 of the Federal Power Act and acceptance of tariff and/or service agreement filings under section 205 of the Federal Power Act.

2. FPSC approval of, including without limitation, Buyer's rates to the former customers of Seller pursuant to Rule 25-9.044, Florida Administrative Code, and the termination of the FPL-COVB territorial agreement.

3. Federal Communications Commission

4. Florida Municipal Power Agency

5. Florida Municipal Power Agency Bond Insurer ([Ambac Assurance Corp.])

6. Florida Municipal Power Agency Bond Trustee

7. Florida Municipal Power Agency Bond Rating Agencies ([Moody / Fitch])

8. Florida Municipal Power Agency Bond Counsel (legal opinion / certificate of no adverse effect to other project participants)

9. [Florida Municipal Power Agency Consulting Engineer (certificate of no adverse effect to other project participants)]

10. Any additional consent(s) from any of the Persons described in paragraphs 3 through 8 above or other Person(s) that are required in order for Seller to satisfy the condition to Closing set forth in the Agreement.

11. Orlando Utility Commission

12. Indian River Farms Water Control District

13. School District of Indian River County and Indian River County

14. Federal Aviation Administration and Florida Department of Transportation

15. Consent to assignment of AESI-US Inc. for the Consulting Service Agreement dated June 17, 2015, by and between Seller and AESI-US Inc.

16. Equipment Rental Agreement dated as of May 19, 2015, by and between Seller and Global Rental Co., Inc.

17. Tie-Line Agreement between Fort Pierce Utilities Authority and Seller dated as of May 5, 1992, as amended by that certain First Amendment to Fort Pierce-Vero Beach Tie-Line Agreement dated as of April 19, 2016]

18. Consents as may be necessary under the Assumed Contracts.

Schedule 4.4

Reports

Schedule 4.5

Certain Disclosed Liabilities to which Acquired Assets are Subject

[1. Outstanding interest owed on bonds sufficient to defease such bonds without penalty

2. Pension liabilities with respect to the electric utility

3. Other post-employment benefits as determined by the City's annual OPEB actuarial evaluation]

Schedule 4.6(a)

Encumbrances

Schedule 4.6(b)

Encumbrances, Rights and Commitments on Title to Tangible Personal Property

[1) Release of reverter clause as contained in Quit Claim Deed by Town of Indian River Shores, to City of Vero Beach, dated January 6, 1967, recorded January 29, 1969, in Official Records Book **306**, Page **56**, of the Public Records of Indian River County, Florida. [**Substation 9**]

2) Unrecorded Lease Agreement by and between the City of Vero Beach, Florida, as Lessor, and the City of Vero Beach, Florida Transmission & Distribution Department, as Lessee, dated _____, 1990, as amended must be terminated of record as to Parcel 1. [**Substation 5**]

3) Satisfactory evidence must be furnished and recorded in the Public Records of Indian River County, Florida stating that any right-of-ways for canals, laterals and sub-lateral ditches, dikes, or roads as reserved on the last general plat of lands of the INDIAN RIVER FARMS COMPANY filed in Plat Book **2**, Page **25**, of the Public Records of St. Lucie County, Florida, have been properly released or vacated as to subject property [**Airport Warehouse Property**]

4) Confirmation from Chicago Title Insurance Company or TIITF that the reverter does not apply to the Power Plant Site, or that the subject transaction does not trigger a reverter, or a Release of the following reservations in favor of the Trustees of the Internal Improvement Fund of the State of Florida as contained in Deed No. 18621 to the City of Vero Beach, dated May 21, 1941, recorded June 11, 1941, in Deed Book **32**, Page **403**, of the Public Records of Indian River County, Florida, to wit:

This conveyance is being made upon the express condition that the area hereby conveyed is to be used for public purposes only and in the event that said area should be used for any purpose other than for public purposes the title hereto will automatically revert to and become the property of the Grantors herein the Trustees of the Internal Improvement Fund of the State of Florida. [**Power Plant Site**]

5) Satisfactory evidence must be furnished and recorded in the Public Records of Indian River County, Florida stating that that certain Lease by and between the City of Vero Beach, Lessor, and the United States Postal Service, Lessee, dated April 21, 1997, recorded May 21, 1997, in Official Records Book **1153**, Page **2290**, of the Public Records of Indian River County, Florida, has been properly terminated. [**New Substation Site**]

6) Satisfactory evidence must be furnished and recorded in the Public Records of Indian River County, Florida stating that that certain Ground Lease by and between The City of Vero Beach, a Florida municipal corporation, "Landlord", and Triple Investors LLC, a Florida limited liability company, "Tenant", dated August 7, 2007, recorded August 24, 2007, in Official Records Book **2197**, Page **364**, of the Public Records of Indian River County, Florida, has been properly terminated. [**New Substation Site**]

AS TO ALL PROPERTIES:

7) Correction of defects, and release of liens, encumbrances, adverse claims or other matters, if any, created, first appearing in the public records or attaching subsequent to the Effective Date of the Agreement but prior to the date that FPL acquires for value of record the Real Property.

8) Satisfactory evidence should be had that all improvements and/or repairs or alterations to the Real Property have been completed and that contractor, subcontractors and materialmen are all paid.

9) Proof must be furnished of the payment of any outstanding special assessments, pending and/or certified liens by Indian River County, Florida, if any, as to the subject premises.

10) Proof of payment of real estate taxes, charges, assessments, levied and assessed against the subject premises have been paid, including real estate taxes for the years 2011, & 2012, with evidence of such payment being furnished.]

Schedule 4.6(f)(i)

Eminent Domain or Rezoning Actions

[None]

Schedule 4.6(g)

Amounts Payable or Receivable

[Amounts payable as set forth in matters disclosed in items 3 and 4 of part I to Schedule 1.1(144) regarding Permitted Encumbrances.]

Schedule 4.7

Acquired Assets Not in Sufficient Condition

[None.]

Schedule 4.7(b)

Acquired Assets in Need of Repair

Below is a list as of October 3, 2017 of the scheduled repairs for the Acquired Assets:

Name of Vendor	date of invoice	amt	acct	Description
AESI		$36,868.77	401.5400.531.331002	CIP compliance mgt services
ALSTOM/GE	6/14/17	$73,970.00	403.5400.531.616034	69kv gas circuit breakers
Aubrey Silvey Enterprises PO-S013577	8/19/15	$27,640.00	403.5400.531.616034	replace 69kv breakers sub 10&11
Aubrey Silvey Enterprises PO-S013583	10/7/15	$170,924.98	403.5400.531.613001	replace 13.8kv switchgear at sub 9, labor, eng, construction & parts
Aubrey Silvey		$11,680.00	401.5400.531.352026	Transformer Oil Leak Repairs
Aubrey Silvey	4/26/17	$96,250.00	403.5400.531.616037	69kv sub 10 & 11 relay panel replacement
Aubrey Silvey	5/1/17	$434,943.00	403.5400.531.617040	13kv switch gear replacement sub 7
BMK CORP	6/30/17	$1,070.00	401.5400.4531.352041	POLECRETE WOODPECKER HOLE FILL
CDWG	1/18/17	$1,678.66	401.5400.531.331002	FIREWALL SOFTWARE-NERC CIP COMPLIANCE
CDWG	7/20/17	$16,704.75	401.5400.531.331002	Tripwire hardware/software for NERC CIP-010-2 R1 security tools
City Electric Supply	4/17/17	$796.44	401.5400.531.352038	supplies for substations, not to exceed $1,499.00
Electrical Eng. Enterprises	7/19/17	$76,410.00	403.5400.531.616039	Substation 7 Bushing Replacement
Electro Industries	8/4/17	Not to exceed $2,000.00	401.5400.531.352038	nexus 1250 meter
Franklin Electric	7/25/17	$2,027.00	403.5400.531.616039	Position Monitor for 138kv substation transformer
Global Rental	2/16/17	$17,300.00	401.5400.531.344001	6 month rental of AT40M buck truck $2,800.00
GRESCO	8/26/17	$6,663.00	403.5400.531.616039	CAPACITORS - SUB 6
Irby Utilities	10/3/17	$3,525.00	401.500.531.352041	3M Termination Kit

Northwest Lineman College	11/12/16	Not to exceed $258.00	401.5400.531.349003	Substation Training plus online testing
Northwest Lineman College	4/3/17	$1,000.00	401.5400.531.349003	Metering training plus online testing
PARAGON ELECTRIC	8/23/17	$121,415.43	403.5400.531.615065	RATIFICATION FOR T&D EMERGENCY WORK TO REPLACE BLDG GENERATOR
PARAGON ELECTRIC	10/3/17	$2,362.00	401.5400.531.346026	DC breakers at sub 7
Power Connections Inc	9/20/17	$2,280.00	401.5400.531.352044	SEL trip coil monitor
Powersmiths Int S014379	8/31/17	$25,000.00	401.5400.531.331002	Trans. Operations, impact of power plant retirement-NERC Standard TOP-001-3
Powersmiths Int S014378	8/31/17	$17,000.00	401.5400.531.331002	NERC mandated training
Reinhausen	2/8/17	$19,335.53	401.5400.531.352026	TRANSFORMER 08T3 LTC GEAR BOX REPAIR
Siemens		$2,205.00	403.5400.531.615040	Breaker Racking Mechanism Inspection Service @ Sub 6
Stewart & Stevenson	7/25/17	$5003.95	401.5400.531.346003	T & D generator
STUART IRBY	8/9/17	$149,789.48	403.5400.531.617040	S&C HORIZONTAL MOUNT INTELLIRUPTER PULSE RECLOSURES

Schedule 4.8

Insurance

Policy	Carrier	2016-2017 Premium	Policy #	Policy Term	Limits	Deductible
Property	FMIT	$1,251,067	0617	**10/1/16-10/1/17**	$100,000,000	$100,000
Crime*	FMIT/Travelers	N/A	0617	10/1/16-10/1/2017	$100,000	$1,000
Flood	FMIT/Wright Flood	See schedule provided to Buyer	[_____]	[_____]	[_____]	[_____]
Worker's Compensation	FMIT	$326,157	0617	10/1/16-10/1/17	Stoploss	$25,000
Aviation Liability	FMIT/ Glob. Aerospace	$10,694	15000540	10/1/17-10/1/17	$10,000,000	$0
Auto Liability	FMIT	$71,965	0617	10/1/16-10/1/17	$2,000,000	$0
Auto Physical	FMIT	$16,858	0617	10/1/16-10/1/17	See schedule provided to Buyer	[_____]
Fiduciary**	FMIT/Travelers	$100	105997931	10/1/16-10/1/17	$1,000,000	$5,000
General Liability	FMIT	$331,798	0617	10/1/16-10/1/17	$2,000,000	$25,000
Marina (Oper. And GL)	FMIT/Markel	$18,790	9CD4657-2	10/1/16-10/1/17	$3,000,000	$1K/$5K
Marina Liquor Liability	FMIT/Mt. Vernon Fire	$464	CL2654021B	10/1/16-10/1/17	$1,000,000	$0
Storage Tank Liability	FMIT/ Commerce & Industry	$6,725	011943618	8/10/17-8/10/18	$1M/$4M	$10,000
AD&D	FMIT/ Chubb	$1,979	BTA5786	10/1/16-10/1/17	See schedule provided to Buyer	$0
Boiler & Machine	USI/CNA	$275,000	2081151432	10/1/16-10/1/2017	$100M/ varies	$150k/varies

*Included in Property effective 2016-2017

**Fiduciary paid by pension plan of $10,360

Seller is also named as an additional insured under certain of the Material Seller Contracts set forth on Schedule 4.13 hereof.

Schedule 4.9

Environmental Matters

1. [A petroleum product discharge was discovered at the Vero Beach Municipal Power Plant (100 17th Street, Vero Beach, Florida) on December 17, 1997. A Remedial Action Plan with addendums was approved on May 25, 2000 by the Florida Department of Environmental Protection, Central District. The City of Vero Beach performed all of its obligations under the Remedial Action Plan. Pursuant to a letter dated June 17, 2005 responding to the City of Vero Beach's Well Abandonment Report dated March 21, 2005, the Brevard County Natural Resources Management Office specified that all agency requirements related to petroleum discharge reported on December 17, 1997 had been met.

2. Phase I Environmental Assessment Report, Municipal Power Plant City of Vero Beach, September 1, 2011 prepared by Camp Dresser & McKee, Inc. for Florida Power & Light.

3. Those matters disclosed as Recognized Environmental Conditions in that certain Recommended Phase II ESA Scope of Work Summary dated September 7, 2011, prepared by Camp Dresser & McKee, Inc. and addressed to Jacquelyn Kingston, Florida Power & Light.

4. There is polychlorinated-biphenyl contamination in insulation oil in a transformer at the Vero Beach Power Plant.

5. During World War II the Airport was used by the U.S. Government as a Naval Air Station. Approximately six 50,000 gallon gasoline fuel tanks were situated on the Airport premises and one or more may have been located on the real property upon which Substation 5 was built. When the Substation was being built in the early 1990's, the presence of fuel spills or leaks was detected. The Army Core of Engineers (ACOE) investigated, confirmed remediation was the responsibility of the U.S. Government and the ACOE removed contaminated soil, added new soil and built monitoring wells. The ACOE did more tests approximately 5 years ago when the Airport wanted to lease land to a third party. The ACOE reported the soil was remediated and gave its permission for the Airport to remove a pile of the old soil.

6. An oil spill occurred at the West Substation #7 in July 2017. SWS Environmental Services was contracted by Seller to remove the impacted soil and clean up the spill, which clean up was completed [in August 2017].]

Schedule 4.9(j)

Environmental Permits

None.

Schedule 4.10

Labor Matters

1. Agreement between The City of Vero Beach and Teamsters Local Union No. 769 effective October 1, 2015 to September 30, 2018

2. Agreement between The City of Vero Beach and Teamsters Local Union No. 769 Technical/Clerical effective October 1, 2015 to September 30, 2018

3. City of Vero Beach Personnel Rules, Fourth Edition

Schedule 4.11(a)

Benefit Plans

1. United Health Care Choice Plus Plan
   - United Health Care Base Plan
   - United Health Care Middle Plan

2. 20/20 EyeCare Plan Vision Insurance

3. American Fidelity Assurance Company Flexible Spending Accounts

4. Symetra Insurance Company Basic Life Insurance, Accidental Death & Dismemberment, Supplemental Term Life Insurance

5. Symetra Insurance Company Long Term Disability Insurance Base Plan and Enhanced Plan

6. American Fidelity Assurance Company Short Term Disability Income Insurance

7. American Fidelity Assurance Company Accident Only Insurance

8. American Fidelity Assurance Company Cancer Insurance

9. American Fidelity Assurance Company Individual Term Life Insurance

10. American Fidelity Assurance Company Group Critical Illness Insurance

11. Florida Blue Dental Insurance
    - FCL BlueDental Choice Plus Low Option PPO Plan
    - FCL BlueDental Choice High Option PPO Plan

12. Corporate Care Works Employee Assistance Program

13. Preferred Legal Legal Insurance and Identity Theft Protection

14. City of Vero Beach General Employee's Retirement Plan (frozen as of 10/1/2015)

15. International City Management Association's (ICMA) Retirement Corporation Governmental Money Purchase Plan & Trust

16. International City Management Association's (ICMA) 457 Deferred Compensation Plan

17. International City Management Association's (ICMA) Roth IRAs

18. Paid Holidays

19. Annual Leave

20. Medical Leave

21. Bereavement Leave

22. Court Leave

Schedule 4.12

Acquired Assets not Located on Real Property

[None]

Schedule 4.13

Material Seller Contracts

1. Equipment Rental Agreement dated as of May 19, 2015, by and between Seller and Global Rental Co., Inc.
2. Professional Services Master Agreement dated as of February 9, 2015 between Seller and PowerServices, Inc., and Work Order No. 1
3. Contract Agreement for Contract 1730-C dated as of September 1, 2016 by and between Seller and Ring Power Corp, Inc
4. Contract Agreement for Contract 1729-C dated as of September 1, 2016 by and between Seller and Altec Industries, Inc
5. Agreement for Bid No. 060-17/PJW Substation 7 Bushing Replacement dated as of July 18, 2017 by and between Seller and Electrical Engineering Enterprises, Inc. and Addendum No. 1 dated as of April 12, 2017, Addendum No. 2 dated April 26, 2017
6. Professional Services Agreement between Seller and Telvent Miner & Miner, Inc. for Contract No. TMM-424 dated as of [_____]
7. Professional Services Agreement Task Order #6 for Contract No. TMM-424 between Seller and Telvent USA, LLC dated as of January 3, 2017 (Schneider Electric and Davey Resource Group) [contains a non-solicit – Article 21 – Section 4.13(a)(ix)]
8. Emerson 138 KV Interconnection Agreement among Buyer, Fort Pierce Utilities Authority, and Seller dated March 24, 1993 [grants a ROFR – Section 4.13(a)(iv)]
9. Agreement between The City of Vero Beach and Teamsters Local Union No. 769 effective October 1, 2015 to September 30, 2018
10. Agreement between The City of Vero Beach and Teamsters Local Union No. 769 Technical/Clerical effective October 1, 2015 to September 30, 2018
11. Facilities Relocation Agreement dated as of January 20, 1994 by and between the City of Vero Beach and Florida Power & Light Company
12. ACS Support Agreement dated as of October 1, 2009 by and between Efacec Advanced Control Systems and Vero Beach Municipal Utilities
13. ACS Support Agreement effective October 1, 2017 through September 30, 2018 by and between Seller and Advanced Control Systems
14. Agreement dated as of September 15, 1959 by and between the City of Vero Beach and Florida Cablevision, Corp., as amended by the Addendum Agreement dated as of May 31, 1960
15. Tree Trimming Annual Service Contract dated as of March 21, 2006 by and between the City of Vero Beach and Asplundh Tree Expert Co., as amended by Addendum No. 1
16. Conduit and Cable Installation Contract dated as of May 29, 2007 by and between the City of Vero Beach and Advanced Utility Services, Inc.
17. Month-to-Month Contract #1579-C, Conduit & Cable Installation (Underground) dated as of [September 30, 2013] by and between Seller and Coastal Drilling & Backhoe, Inc.
18. Agreement for Bid No. 080-17/PJW Substation #1 Equipment Relocation and Upgrade dated July 12, 2017 between Seller and Pruitt Industrial Electrical Contractor, LLC, and associated Payment and Performance Bond dated as of June 13, 2017 in favor of Seller
19. Contract for Overhead Electrical Lineworkers Transmission & Distribution Department dated as of November 13, 2012 by and between the City of Vero Beach and PowerSecure, Inc.

20. St. Lucie Project Power Sales Contract dated as of June 1, 1982 by and between the City of Vero Beach and Florida Municipal Power Agency, as amended by Amendment No. 1 to St. Lucie Project Power Sales Contract dated as of January 1, 1983 by and between the City of Vero Beach and Florida Municipal Power Agency an Amendment No. 2 to St. Lucie Project Power Sales Contract dated as of April 1, 1983 by and between the City of Vero Beach and Florida Municipal Power Agency
21. St. Lucie Project Support Contract dated as of June 1, 1982 by and between the City of Vero Beach and Florida Municipal Power Agency, as amended by Amendment No. 1 to St. Lucie Project Support Contract dated as of January 1, 1983 by and between the City of Vero Beach and Florida Municipal Power Agency and Amendment No. 2 to St. Lucie Project Support Contract dated as of April 1, 1983 by and between the City of Vero Beach and Florida Municipal Power Agency
22. [Service Agreement for Firm Transportation Service dated as of July 1, 1991 by and between Florida Gas Transmission Company and City of Vero Beach
23. Service Agreement for Firm Transportation Service dated as of December 9, 1991 by and between Florida Gas Transmission Company and Florida Gas Utility
24. Letter Agreement dated as of December 19, 1991 by and between Florida Gas Transmission Company and City of Vero Beach amending the Service Agreement for Firm Transportation Service dated as of July 1, 1991 to temporarily increase the MDTQ and MATQ as a result of temporary relinquishment by St. Joe Natural Gas Company, Inc.
25. Letter Agreement dated as of December 19, 1991 by and between Florida Gas Transmission Company and City of Vero Beach amending the Service Agreement for Firm Transportation Service dated as of July 1, 1991 to temporarily increase the MDTQ and MATQ as a result of temporary relinquishment by Thermo Electron Corporation
26. Letter dated as of April 8, 1992 from the City of Vero Beach to Florida Gas Transmission Company requesting firm transportation natural gas temporarily released by Thermo Electron Corporation
27. Letter Agreement dated as of August 24, 1992 by and between Florida Gas Transmission Company and City of Vero Beach amending the Service Agreement for Firm Transportation Service dated as of July 1, 1991 to temporarily increase the MDTQ and MATQ as a result of temporary relinquishment by Gainesville Regional Utilities
28. Letter dated as of June 11, 1993 from the City of Vero Beach to Florida Gas Transmission Company regarding unapproved preliminary firm receipt point requests
29. Letter dated as of June 22, 1993 from the City of Vero Beach to Florida Gas Transmission Company confirming volume of firm transportation service-1 entitlements
30. Firm Transportation Service Agreement Rate Schedule FTS-1 dated as of October 1, 1993 by and between Florida Gas Transmission Company and Florida Gas Utility
31. Amendment to Firm Transportation Service Agreement Rate Schedule FTS-2 dated as of December 13, 1993 by and between Florida Gas Transmission Company and Florida Gas Utility]
32. All-Requirements Power Supply Project Contract dated as of October 1, 1996 by and between Florida Municipal Power Agency and the City of Vero Beach
33. Amendment No. 1 to All-Requirements Power Supply Project Contract dated as of June 22, 1999 by and between Florida Municipal Power Agency and the City of Vero Beach
34. Letter dated as of December 9, 2004 from the City of Vero Beach to Florida Municipal Power Agency

35. Stanton Project Power Sales Contract dated as of January 16, 1984 by and between Florida Municipal Power Agency and the City of Vero Beach
36. Stanton Project Support Contract dated as of January 16, 1984 by and between Florida Municipal Power Agency and the City of Vero Beach
37. Interlocal Agreement creating the Florida Municipal Power Agency dated as of 1977/1978, as amended by the First Amendment dated June 26, 1980, the Second Amendment dated March 27, 1981, the Third Amendment dated June 23, 1986 and the Fourth Amendment dated September 29, 1989.
38. Stanton II Power Sales Contract dated on or about May 24, 1991 by and between Florida Municipal Power Agency and the City of Vero Beach
39. Stanton II Project Support Contract dated on or about May 24, 1991 by and between Florida Municipal Power Agency and the City of Vero Beach
40. Interlocal Agreement dated as of November 5, 1996 by and between Indian River County and the City of Vero Beach
41. Joint Fiber Optics Project Interlocal Agreement dated as of July 20, 1999 by and among School District of Indian River County, Indian River County and the City of Vero Beach
42. Joint Use Agreement dated as of March 2, 1982 by and between Southern Bell Telephone and Telegraph Company and the City of Vero Beach
43. License Agreement for the Use of Dark Fiber dated as of August 21, 2002 by and between the City of Vero Beach and PDMNET, Inc.
44. Termination and Settlement Agreement dated as of October 16, 2012 by and between the City of Vero Beach and Orlando Utilities Commission
45. First Amended and Restated Agreement for Purchase and Sale of Electric Energy and Capacity, Gas Transportation Capacity and Asset Management Services dated as of October 20, 2015, by and between the City of Vero Beach and Orlando Utilities Commission
46. Compliance Services Agreement dated as of February 4, 2010 by and between the City of Vero Beach and Orlando Utilities Commission
47. Territorial Boundary Agreement dated as of June 11, 1980 by and between the City of Vero Beach and Florida Power & Light Company, as amended by the Amendment dated September 18, 1987
48. Permit and Interlocal Agreement (No. VB-2) dated as of March 21, 2012 by and between Indian River Farms Water Control District and the City of Vero Beach
49. Permit and Interlocal Agreement (No. VB-5) dated as of March 21, 2012 by and between Indian River Farms Water Control District and the City of Vero Beach
50. Permit and Interlocal Agreement (No. VB-6) dated as of March 21, 2012 by and between Indian River Farms Water Control District and the City of Vero Beach
51. [Agreement between the City of Vero Beach and the Orlando Utilities Commission for the Transfer of 100% of the City of Vero Beach's Power Entitlement Share of the Florida Municipal Power Agency Stanton Project and Florida Municipal Power Agency Stanton II Project dated as of October 16, 2012 by and between the City of Vero Beach and Orlando Utilities Commission, as amended
52. Agreement between the City of Vero Beach and the Orlando Utilities Commission for the Transfer of 100% of the City of Vero Beach's Power Entitlement Share of the Florida Municipal Power Agency St. Lucie Project dated as of October 16, 2012 by and between the City of Vero Beach and Orlando Utilities Commission, as amended

53. Assignment between City of Vero Beach and Orlando Utilities Commission of a 15.202% Power Entitlement Share in the St. Lucie Nuclear Power Plant Project dated January 8, 2013, as amended
54. Assignment between City of Vero Beach and Orlando Utilities Commission of a 32.521% Power Entitlement Share in the Stanton I Project dated January 8, 2013, as amended
55. Assignment between City of Vero Beach and Orlando Utilities Commission of a 23.9521% Power Entitlement Share in the Stanton II Project dated January 8, 2013, as amended
56. Service Agreement for Network Integration Transmission Service between Florida Power & Light Company and the City of Vero Beach dated February 16, 2009]
57. [Series 2008 Electric System Refunding Revenue Note]
58. Series 2003A Refunding Revenue Bonds
59. Standard supply procurement contracts conducted through FMPA and purchase orders for the procurement of supplies conducted in the ordinary course of business
60. PSC Territorial agreement outlining boundaries for provision of power
61. Contract for Interchange Service Between Florida Power & Light Company and the City of Vero Beach dated November 10, 1981
62. Emerson 138 KV Interconnection Agreement among Buyer, Fort Pierce Utilities Authority, and Seller dated March 24, 1993
63. Tie-Line Agreement Between Fort Pierce Utilities Authority and Seller dated May 5, 1992, as amended by that certain First Amendment to Fort Pierce-Vero Beach Tie-Line Agreement dated as of April 19, 2016
64. PCS Site Agreement between MetroPCS California/Florida, Inc. and the City of Vero Beach August 2, 2005
65. Lease Agreement between Bellsouth Mobility, Inc. and the City of Vero Beach dated January 20, 1993, as amended by Amendment to Lease dated August 10, 1993, assigned by Bellsouth Mobility, Inc. to Crown Castle International
66. Fiber License Agreement between Florida Power & Light Company and the City of Vero Beach dated January 20, 1999, assigned by Florida Power & Light Company to FPL AAV Corporation on January 1, 2000
67. Blanket License Agreement between Florida East Coast Railway Company and the City of Vero Beach dated August 8, 1996
68. Tree Trimming Annual Service Contract between Asplundh Tree Expert Co. and the City of Vero Beach dated June 1, 2011
69. Professional Janitorial Services Contract between At Your Service Cleaning Group, Inc. and the City of Vero Beach dated October 1, 2012
70. Relay Testing Services Contract between Aubrey Silvey Testing Services and the City of Vero Beach dated September 1, 2010
71. Remote Technical Services Agreement between Cayenta Canada, Inc. and the City of Vero Beach dated September 1, 2011
72. Telephone Service Contract between Continuant and the City of Vero Beach dated November 16, 2011
73. Uniform Service Annual Supply Contract between G & K Services, Inc. and the City of Vero Beach dated August 25, 2012

74. Annual Materials And Supplies Contract between HD Supply Waterworks, Ltd. and the City of Vero Beach dated June 7, 2012
75. Emergency Services Contract between Infratech Corporations and the City of Vero Beach dated September 5, 2012
76. Switchboard Panel Manufacture Alliance Contract between Kemco Industries, LLC and the City of Vero Beach dated May 6, 2008
77. Fire Protection/Detection Maintenance and Testing Contract between Life Safety Systems, Inc. of The Treasure Coast and the City of Vero Beach dated March 10, 2010
78. Elevator Services Annual Contract between Mowery Elevator Company Of Florida Inc. and the City of Vero Beach dated March 1, 2012
79. Miscellaneous Scrap Metals Contract between Palm Beach Metal, Inc. and the City of Vero Beach dated September 1, 2011
80. Utility Billing Printing & Mailing Contract between Pinnacle Data Systems f/k/a Sungard Business Systems Incorporated and the City of Vero Beach dated April 1, 2012
81. Supply Of Unleaded Gasoline And Diesel Fuel Contract (to the marina) between Port Consolidated, Inc. and the City of Vero Beach dated October 4, 2010
82. Overhead Electrical Lineworkers Contract between Powersecure, Inc. and the City of Vero Beach dated November 13, 2012
83. Pest Control Annual Service Contract between Van Wal Services and the City of Vero Beach dated October 1, 2010
84. Oral agreement with Piper Aircraft that secondary metering equipment will be maintained by Seller, whereas standard arrangement with customers is that Seller only maintains primary metering equipment.

Schedule 4.13(b)

Other Contracts

Schedule 4.14

Seller Legal Proceedings

[None]

Schedule 4.15(a)

Non-Environmental Permits

[1. Permit and Interlocal Agreement (No. VB-2) dated as of March 21, 2012 by and between Indian River Farms Water Control District and the City of Vero Beach

2. Permit and Interlocal Agreement (No. VB-5) dated as of March 21, 2012 by and between Indian River Farms Water Control District and the City of Vero Beach

3. Permit and Interlocal Agreement (No. VB-6) dated as of March 21, 2012 by and between Indian River Farms Water Control District and the City of Vero Beach]

Schedule 4.17

Tax Matters

[1. Florida gross receipts / sales tax paid by Seller in the ordinary course of business

2. Florida and United States Payroll taxes for City employees paid by Seller in the ordinary course of business

3. Franchise fees paid by Seller to Indian River County in the ordinary course of business

4. FPSC taxes in the ordinary course of business in Florida

5. Non-ad valorem assessments related to Indian River County landfill fees for Seller properties]

Schedule 4.18

Intellectual Property

[None]

Schedule 5.3(a)

Buyer Third-Party Consents

[TO BE UPDATED BY BUYER.]

Schedule 5.3(b)

[TO BE UPDATED BY BUYER.]

Schedule 6.1(a)

Interim Period Exceptions

[None]

Schedule 6.4(a)

Permitted Actions

Schedule 6.10(a)

Employees

Position	Department
Senior Electric Services Representative/Technician	Electric Metering
Group Leader, Electric Metering	Electric Metering
Electric Meter Apprentice	Electric Metering
Electric Meter Technician, Lead	Electric Metering
Electric Meter Technician	Electric Metering
Meter Services Worker	Electric Metering
Meter Services Worker	Electric Metering
Meter Services Worker	Electric Metering
Senior Meter Services Worker	Electric Metering
Inspector, Construction Projects	Electric System Design
Coordinator, Electric Engineering Projects	Electric System Design
Coordinator, Electric Engineering Projects	Electric System Design
Coordinator, Electric Engineering Projects	Electric System Design
Electrical Engineer Technician	Electric System Design
Supervisor, Electric System Design	Electric System Design
Electrical Engineering Specialist	Electric System Design
Manager, Electric Systems Development	Electric System Design
Director of Utility Operations	Electrical T&D
Senior Electric System Operator	Electrical T&D
Electric System Operator	Electrical T&D
Electric System Operator	Electrical T&D
Electric System Operator	Electrical T&D
Electric System Operator	Electrical T&D
Electric System Dispatcher	Electrical T&D
Supervisor, Construction & Maintenance	Electrical T&D
Group Leader	Electrical T&D
Group Leader	Electrical T&D
Group Leader, Substation Repair	Electrical T&D
Lead Lineworker	Electrical T&D
Lineworker	Electrical T&D
Lineworker	Electrical T&D
Lineworker	Electrical T&D
Lineworker	Electrical T&D
Lineworker	Electrical T&D
Lineworker	Electrical T&D
Lineworker	Electrical T&D
Lineworker	Electrical T&D
Class B Lineman	Electrical T&D
Manager T&D Operations	Electrical T&D
Nerc Compliance Officer	Electrical T&D
EHS Specialist	Electrical T&D
Senior Administrative Assistant	Electrical T&D
Substation/Relay Technician	Electrical T&D
Substation/Relay Technician	Electrical T&D
Substation/Relay Technician	Electrical T&D

Position	Department
Substation/Relay Technician	Electrical T&D
SCADA EMS Administrator	Electrical T&D
Supervisor, T&D Operations	Electrical T&D
Electric System Programmer	Electrical T&D
Power Plant Manager	Power Resources
Senior Administrative Assistant	Power Resources
Senior Control Room Operator	
Supervisor, Power Plant Lab	Power Resources

NATIVE LOAD FIRM DAY-AHEAD CALL OPTION ON CAPACITY AND ENERGY AGREEMENT

Between

Orlando Utilities Commission and Florida Power & Light Company

Seller: Orlando Utilities Commission	Buyer: Florida Power & Light Company 700 Universe Blvd, MC: EMT/JB Juno Beach, FL 33408
Attn:_____ Phone: _____ Fax:_____ Email:_____	Attn: Director of Origination Phone: 561.691.7880 Fax: 561.625.7517 Email: timothy.gerrish@fpl.com
(Above address for any Notices)	(Above address for any Notices)

WHEREAS, Orlando Utilities Commission ("OUC" or "Seller") is the owner and operator of Electric Resources.

WHEREAS, OUC desires to sell and Florida Power & Light Company ("FPL" or "Buyer") desires to purchase "Native Load Firm Day-Ahead Call Option on Capacity and Energy" (as hereinafter defined) from OUC's Electric Resources.

NOW THEREFORE, in consideration of the mutual agreements, covenants and conditions herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby mutually agree as follows:

1) **Seller's Operating Representative**: Vice President, Electric and Water Production or his/her designee
2) **Buyer's Operating Representative:** Vice President, Energy Marketing and Trading or his/her designee
3) **Transaction Date:** October __, 2017
4) **Point(s) of Delivery:** Delivered to the FPL Transmission System.
5) **Alternate Point(s) of Delivery:** On a zero-cost (to Seller) transmission availability basis, Buyer may request delivery to the OUC Transmission System or the Duke Energy Florida Transmission System.
6) **Delivery Period:**
   a) The Delivery Period shall commence on the later of 1) Hour Ending ("HE") 0100 Eastern Prevailing Time ("EPT") on October 1, 2018 or 2) HE 0100 EPT of the first calendar day of the month following the satisfaction of the condition precedent in Section 10(a). The Delivery Period shall continue to HE 2400 EPT on December 31, 2020, including weekends and NERC Holidays, unless sooner terminated as permitted in this Agreement; provided, however, Seller shall have no obligation to provide, or Buyer to purchase, Capacity and

Energy unless and until the conditions precedent set forth in Section 10 have been satisfied or waived. Seller will make the Capacity and Energy available to Buyer, within the defined parameters of Appendix D, all hours of every day during the Delivery Period. Prior to the commencement of the Delivery Period, Seller shall have no obligation to provide, and Buyer shall have no obligation to purchase, Capacity and Energy. Nothing in this Agreement is to be construed as extending the time permitted to raise Disputes or as extending the period of time for providing Capacity and Energy. At the end of the Delivery Period, each Party's obligations to the other Party under this Agreement except those obligations that, pursuant to this Agreement or by their express terms survive the end of the Delivery Period, shall automatically terminate, and each Party expressly waives any and all rights to raise in any forum a claim that the other Party must provide or purchase any level or amount of Capacity and Energy hereunder on any basis.

7) **Capacity and Energy**: Seller may furnish Capacity and Energy from any available Electric Resources it chooses for sale to the Buyer. Seller will have no obligation under this Agreement to plan its system or modify its facilities in order to provide or maintain the Capacity and Energy provider hereunder.

   a) During the Delivery Period, Seller shall deliver and Buyer shall receive, subject to Force Majeure, the Capacity and Energy at the Point(s) of Delivery.

   b) The characteristics of the Day-Ahead Call Option on Capacity and Energy including quantity, price and scheduling are detailed in Appendix A, B, C and D.

8) **Transmission Service & Scheduling:**

   a) Seller shall be responsible for obtaining any transmission services necessary for the delivery of Capacity and Energy to the Point(s) of Delivery and Alternate Point(s) of Delivery and for the costs associated with such transmission service(s) to the Point(s) of Delivery and Alternate Point(s) of Delivery. Buyer shall be responsible for obtaining any transmission services necessary for the delivery of Capacity and Energy from the Point(s) of Delivery and Alternate Point(s) of Delivery and for the costs associated with such transmission service(s) from the Point(s) of Delivery and Alternate Point(s) of Delivery. Any arrangements with third parties and compensation to any third parties associated with Capacity and Energy transactions to such Point(s) of Delivery and Alternate Point(s) of Delivery shall be the sole responsibility of Seller, and any arrangements with third parties and compensation to any third parties associated with Capacity and Energy transactions from such Point(s) Of Delivery and Alternate Point(s) of Delivery shall be the sole responsibility of the Buyer.

   b) Buyer and Seller recognize that the Transmission Provider(s) may curtail transmission service and that upon notification of such a requirement to curtail, Buyer and Seller shall be obligated to do so without penalty.

9) **Capacity And Energy Charge:**

   a) The Capacity and Energy Charge shall be comprised of the monthly sum of the following three (3) components.

      i) Monthly Capacity Payment ("MCP");

      ii) Monthly Energy Non-Fuel Payment ("MENFP");

      iii) Monthly Energy Fuel Payment ("MEFP")

b) Beginning on the first day of the Delivery Period, and thereafter for each Monthly Billing Period of the Delivery Period, Buyer shall be obligated to pay to Seller the MCP set forth in Appendix A, the MENFP set forth on Appendix B, and the MEFP set forth on Appendix C.

c) Timing and Method of Payment. On or before the tenth (10) Business Day of each Monthly Billing Period, Seller shall provide to Buyer a detailed written invoice on paper and/or by electronic media (in the original file format with all formulas and calculations intact) for the amounts owed by the Buyer pursuant to this Agreement (and if applicable the amounts owed by the Seller pursuant to any corrections owed by the Seller). The Parties agree to net any undisputed offsetting amounts which are shown on any monthly billing statement. Buyer shall pay such monthly billing statement on the later of the 20th day of each month or the tenth day after which Buyer receives such invoice (the "Payment Due Date"). The monthly billing statement shall detail the amount and calculation of the following: a) MCP, b) MENFP and c) MEFP.

d) In case any portion of any bill is in dispute, the full amount of the bill (including the amount in dispute) shall nevertheless be due and payable in accordance with Section 9. Payments made and designated "Paid Under Protest" shall be accompanied by the reason(s) therefor; however, in no circumstances may Buyer simply withhold payment. The Buyer's payment of a bill (whether or not under protest) shall not affect any legal or equitable rights a Party may have to challenge the correctness of the bill within the time limitations established in Section 9(e) below. Upon final determination of the correct bill amount, any necessary billing adjustments shall be made within fifteen (15) days, together with interest from the date of payment of the bill, calculated at the rate provided under the FERC's regulation (18 CFR Section 35.19a) or any successor thereto.

e) Either Party may challenge the correctness of any bill or billing adjustment pursuant to this Agreement no later than twelve (12) months after the date payment of such bill or billing adjustment is due. If a Party does not challenge the correctness of a bill or billing adjustment within such twelve (12) month period, such bill or billing adjustment shall be binding upon that Party and shall not be subject to challenge. Any such challenge must be in writing. Where it is determined as a result of such challenge that an adjustment to a bill or billing adjustment is appropriate, such adjustment shall include interest accrued at the rate provide under the FERC's regulations (18 CFR Section 35.19a) or any successor thereto, and shall be made in the month following such determination.

10) **Conditions Precedent:** The obligations of Seller to generate, deliver and sell, and of Buyer to accept delivery of and purchase, Capacity and Energy shall be subject to the satisfaction or waiver (by the Party entitled to waive the applicable condition) of all of the conditions precedent:

a) Buyer completes the acquisition of the City of Vero Beach's electric municipality and, upon the closing of the acquisition (the "Utility Sale Closing"), the First Amended and Restated Agreement for the Purchase and Sale of Electric Energy and Capacity, Gas Transportation Capacity and Asset Management Services between the City of Very Beach and Orlando Utilities Commission dated October 20, 2015 ("OUC – Vero PPA") is mutually terminated with each party released from all future obligations to each other thereunder (other than activities required to wrap-up and termination Service on the agreed termination date and time) in consideration of a payment to Seller concurrent with the Utility Sale Closing of all accrued but unpaid amounts due Seller under the OUC – Vero PPA immediately prior to such Utility Closing plus a settlement payment of $20 million.

b) In the event the condition precedent set forth hereinabove is not satisfied (unless such condition is waived in writing), this Agreement, except for those provisions that pursuant to the Agreement or by their express terms survive such termination, shall terminate automatically without any further obligation and without any need by either Party to take any further action, shall have no further force and effect and Seller and Buyer expressly waive any and all rights to raise in any forum a claim that the other Party must provide or purchase Capacity and Energy hereunder on any basis.

11) **Events of Default:** In addition to bankruptcy or insolvency, the occurrence of any of the following shall constitute an "Event of Default" with respect to a Party (a "Defaulting Party"):

a) failure to make, when due, any payment required pursuant to this Agreement if such failure is not remedied within five (5) Business Days after written notice;

b) any representation or warranty made by such Party herein is false or misleading in any material respect when made or when deemed made or repeated;

c) the failure to perform any material covenant or obligation set forth in this Agreement (except to the extent constituting a separate Event of Default) if such failure is not remedied within five (5) Business Days after written notice;

d) such Party consolidates or amalgamates with, or merges with or into, or transfers all or substantially all of its assets to, another entity and, at the time of such consolidation, amalgamation, merger or transfer, the resulting, surviving or transferee entity fails to assume all the obligations of such Party under this Agreement to which it or its predecessor was a party by operation of law or pursuant to an agreement reasonably satisfactory to the other Party;

e) the occurrence and continuation of (1) a default, event of default or other similar condition or event in respect of such Party under one or more agreements or instruments, individually or collectively, relating to indebtedness for borrowed money in an aggregate amount of not less than one hundred million dollars ($100,000,000.00) ("Cross Default Amount"), which results in such indebtedness becoming, or becoming capable at such time of being declared, immediately due and payable or (2) a default by such Party in making on the due date therefor one or more payments, individually or collectively, in an aggregate amount of not less than five million dollars ($5,000,000);

12) **Remedies.**

a) If an Event of Default by Buyer occurs and is continuing, then Buyer shall:

i) pay all amounts outstanding under this Agreement as of the date of notice or such knowledge within ten (10) Business Days of receipt of such notice or such knowledge,

ii) pay the Net Present Value (calculated at discount rate of 8%) of all the MCP remaining in the Term of this Agreement. .

b) Upon the occurrence of any Event of Default by Seller, Buyer may, at its option, calculate a Settlement Amount owed by Seller to Buyer for the termination of this Agreement and to terminate this Agreement without penalty or further obligation by Buyer by providing notice to Seller.

c) ABSENT FRAUD, THE REMEDIES SET FORTH HEREIN CONSTITUTE THE SOLE AND EXCLUSIVE REMEDIES AGAINST THE OTHER FOR EVENTS OF DEFAULT, BREACH

OF CONTRACT OR ANY FAILURE TO PERFORM ANY OF THE OBLIGATIONS UNDER THIS AGREEMENT.

13) **Representations and Warranties**.

a) Seller's Representations and Warranties. Seller hereby represents and warrants as follows:

i) Seller is a municipal quasi-governmental agency validly existing and in good standing under the laws of the State of Florida and is qualified in each other jurisdiction where the failure to so qualify would have a material adverse effect upon the business or financial condition of Seller; and Seller has all requisite power and authority to conduct its business, to own its properties, and to execute, deliver, and perform its obligations under this Agreement.

ii) The execution, delivery, and performance of its obligations under this Agreement by Seller have been duly authorized by all necessary corporate action, and do not:

(1) Require any consent or approval of Seller's board of directors, other than that which has been obtained and is in full force and effect;

(2) Violate any provision of Applicable Laws or violate any provision in any corporate documents of Seller, the violation of which could have a material adverse effect on the ability of Seller to perform its obligations under this Agreement;

(3) Result in a breach or constitute a default under Seller's charter, or under any contract relating to the management or affairs of Seller or any indenture or loan or credit contract, or any other contract, lease, or instrument to which Seller is a party or by which Seller or its properties or assets may be bound or affected, the breach or default of which could reasonably be expected to have a material adverse effect on the ability of Seller to perform its obligations under this Agreement; or

(4) Result in, or require the creation or imposition of any mortgage, deed of trust, pledge, lien, security interest, or other charge or encumbrance of any nature upon or with respect to any of the assets or properties of Seller now owned or hereafter acquired, the creation or imposition of which could reasonably be expected to have a material adverse effect on the ability of Seller to perform its obligation under this Agreement.

iii) Subject to Section 10 above, this Agreement is a valid and binding obligation of Seller, enforceable against Seller in accordance with its terms (except as such enforcement may be limited by bankruptcy, insolvency, or similar laws affecting the rights of creditors, or by general principles of equity).

iv) The execution, delivery, and performance of this Agreement will not conflict with or constitute a breach or default under any contract of any kind to which Seller is a party or any judgment, order, statute, or regulation that is applicable to Seller.

v) All approvals, authorizations, consents, or other action required by any Governmental Authority to authorize Seller's execution, delivery, and performance under this Agreement have been duly obtained and are in full force and effect.

b) Buyer's Representation and Warranties. Buyer hereby represents and warrants the following:

i) Buyer is a Florida investor owned utility properly constituted and existing under the laws of the State of Florida and is qualified in each other jurisdiction where the failure to so qualify would have a material adverse effect upon the business or financial condition of Buyer; and Buyer has all requisite power and authority to conduct its business, to own its properties, and to execute, deliver, and perform its obligations under this Agreement.

ii) The execution, delivery, and performance of its obligations under this Agreement by Buyer have been duly authorized by all necessary corporate action, and do not:

(1) Require any consent or approval other than that which has been obtained and is in full force and effect;

(2) Result in a breach or constitute a default under Buyer's charter or bylaws, or under any contract relating to the management or affairs of Buyer or any indenture or loan or credit contract, or any other contract, lease, or instrument to which Buyer is a party or by which Buyer or its properties or assets may be bound or affected, the breach or default of which could reasonably be expected to have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement;

(3) Result in, or require the creation or imposition of any mortgage, deed of trust, pledge, lien, security interest, or other charge or encumbrance of any nature (other than as may be contemplated by this Agreement) upon or with respect to any of the assets or properties of Buyer now owned or hereafter acquired, the creation or imposition of which could reasonably be expected to have a material adverse effect on the ability of Buyer to perform its obligation under this Agreement; and

(4) Violate any provision of Applicable Laws or violate any provision in any corporate documents of Buyer, the violation of which could have a material adverse effect on the ability of Buyer to perform its obligations under this Agreement.

iii) Subject to Section 10 above, this Agreement is a valid and binding obligation of Buyer, enforceable against Buyer in accordance with its terms (except as such enforcement may be limited by bankruptcy, insolvency, or similar laws affecting the rights of creditors or by general principles of equity).

iv) The execution, delivery, and performance of this Agreement will not conflict with or constitute a breach or default under any contract of any kind to which Buyer is a party or any judgment, order, statute, or regulation that is applicable to Buyer.

14) **Other Terms/Conditions**:

a) **Force Majeure:** In the event that either of the Parties should be delayed in, or prevented from, performing or carrying out any of the agreements, covenants and obligations made by, and imposed by this Agreement upon, said Party by reason of or through a Force Majeure, then and in such case(s), both Parties shall be relieved of performance under this Agreement and neither Party shall be liable to the other party for, or on account of, any loss, damage, injury or expense (including consequential damages and cost of replacement power) resulting from, or arising out of , any such delay or prevention from performing; provided, however, the excuse from performance will be of no greater scope and of no longer duration than is reasonably required by the Force Majeure, and the Party suffering such delay or prevention shall notify the other Party and use due and, in its judgment, practical diligence to remove the cause(s) thereof. Neither Party shall be required by the foregoing provisions to settle a strike affecting it except when, according to its own best

judgment, such a settlement seems advisable. Nothing in this Section 14(a) shall excuse the payment obligations incurred under this Agreement. .

b) **Indemnification:** Each Party shall at all times indemnify, defend, and save the other Party harmless from, any and all damages, losses, claims, including claims and actions relating to injury to or death of any person or damage to property, demands, suits, recoveries, costs and expenses, court costs and attorney fees, incurred by the other Party, to the extent arising out of or resulting from the indemnifying Party's negligence or willful misconduct in the performance of its obligations under this Agreement.

c) **Consequential Damages:** Notwithstanding any other provision of this Agreement, no Party (including its Affiliates) shall be liable to the other Party for any exemplary, indirect, punitive, consequential or incidental damages, which shall include, but not be limited to, loss of profits or revenues and costs of purchased or replacement power, under any claims arising under this Agreement.

d) **Assignment:** This Agreement shall inure to the benefit of, and shall be binding upon, the Parties hereto and their respective successors and assigns. Nothing in this Agreement, expressed or implied, is intended to confer upon any person other than Seller and the Buyer rights or remedies hereunder. This Agreement shall not be assignable or transferable in whole or in part by either Party without the written consent of the other Party, which consent(s) shall not be unreasonable withheld, except that such written consent(s) shall not be required (a) in the case of an assignment or transfer to a successor in the operation of the assignor's or transferor's properties by reason of a merger, consolidation, sale or foreclosure, where substantially all such properties by reason of a merger, consolidation, sale or foreclosure, where substantially all such properties are acquired by such successor, or (b) in the case of an assignment or transfer of all of the assignor's or transferor's properties or interests to a wholly-owned subsidiary of the assignor or transferor or to another company in the same holding company as the assignor or transferor.

e) **Governing Law:** This Agreement and each of its provisions shall be governed by the laws of the State of Florida.

f) **Interconnection with Other Systems:** Nothing contained in this Agreement shall restrict or limit either Party from establishing, altering or terminating interconnection points with any person not a part to this Agreement or amending or entering into agreements therefor.

g) **Headings Not to Affect Meaning:** The descriptive headings of the various sections and articles of this Agreement have been inserted for convenience of reference only and shall in no way modify or restrict any of the terms and provisions hereof.

h) **No Consent to Violation of Law:** Nothing herein contained shall be construed to constitute consent or acquiescence by either Party to any action of the other Party which violates the laws of the United States as their provisions may be amended, supplemented or superseded, or which violates any other law or regulation, or any order, judgment or decree of any court or Governmental Authority of competent jurisdiction.

i) **Complete Agreement:** This Agreement is intended as the exclusive integrated statement regarding service provided hereto. Parol or extrinsic evidence shall not be used to vary or contradict the express terms of this Agreement.

j) **No Dedication of Facilities:** Any undertaking or commitment by one Party to the other under any provisions of this Agreement shall not constitute the dedication of the system or any portion thereof of any Party to the public or to the other Party.

k) **Relationship of the Parties:** Nothing contained in this Agreement shall be construed to create an association, joint venture, partnership or any other type of entity or relationship between Seller and the Buyer, or between either or both of them and any other party.

l) **Third-Party Beneficiaries:** This Agreement is intended solely for the benefit of the Parties to the Agreement, and nothing in this Agreement will be construed to create any duty to, or standard of care with reference to, or any liability to, any person not a Party to the Agreement.

m) **Tax Adjustment:** There shall be added to the charges under this Agreement the applicable proportionate part of any new or increased taxes and assessments (except State or Federal income taxes), imposed by any Governmental Authority in addition to, or in excess of, those in effect as of the date of this Agreement which are assessed on the basis of meters or customers, or the price of, or revenue from, electric energy or service sold, or the quantity of energy purchased or generated for the sale or sold. In the event that Seller is required to pay, and pays, a "gross receipts tax" with respect to power and energy sold hereunder, Seller shall be fully reimbursed by the Buyer. Should any tax or assessment be imposed during the course of a transaction hereunder and Seller opts to assess against Buyer its proportional part of such increased costs as provided above, the Buyer shall have the right either to continue the transaction at a price which reflects the tax or assessment so imposed or to terminate the remainder of the transaction if such assessment is greater than (fifteen) 15% the Capacity and Energy Charge prior to the tax assessment for the prior year.

n) **Prudent Utility Practice:** The Parties shall discharge any and all obligations under this Agreement in accordance with Prudent Utility Practice.

o) **Operating Representative:** The Buyer and Seller shall each appoint an Operating Representative and so notify other Party. Such appointments may be changed at any time. The Operating Representatives shall represent the Parties in all matters relating to the administration of this Agreement. The duties of the Operating Representative shall include agreeing upon any methods and procedures for implementing transactions under this Agreement. Either Party's Operating Representative may require that such methods and procedures be evidenced in writing.

p) **Dispute Resolution:** In the event a dispute arises between the parties concerning the operation or interpretation of this Agreement, the Parties' Operating Representatives shall attempt to resolve the matter. In the event the Operating Representatives are unable to resolve the matter after a reasonable time period (not to exceed (sixty) 60 days), the matter shall be referred to the Parties' principals for resolution. Nothing in this paragraph shall be interpreted to restrict or limit a Party's rights to pursue all remedies available at law or at equity.

q) **Confidentiality:** Seller and Buyer regard the pricing terms and conditions in this Agreement as proprietary trade secrets under Florida law. Each Party agrees to notify the other Party as soon as possible of any request for proprietary information, and not to distribute any proprietary information without first notifying the other Party; provided, however, nothing herein limits an obligation of Seller or Buyer to disclose such information as may be required under Applicable Laws. Buyer shall provide Seller with a public version

of this Agreement and a sample monthly billing statement that redacts all pricing, terms and conditions that Buyer considers to be a trade secret, and Seller agrees to keep such redacted information confidential as exempt from Florida's Public Record Act (Chapter 119, Florida statutes) to the fullest extent allowed by Applicable Laws. Buyer may assume the Seller's defense against any third party challenge seeking disclosure of the redacted information, but in any event Buyer shall hold Seller harmless and indemnify Seller from and against all third party claims or actions, including attorneys' fees and damages, resulting from or arising out of the assertion of a trade secret exemption under Florida's Public Record Act with respect to the redacted information that Buyer asserts is a trade secret. All information in this Transaction may be released after December 31, 2022.

r) **Setoff upon Termination**. Upon the designation of an event of default entitling a Party to terminate this Agreement early ("Early Termination Date"), the terminating Party ("X") may, at its option and in its discretion, setoff, against any amounts Owed to the non-terminating Party ("Y") by X under this Agreement, any amounts Owed by Y to X under this Agreement or under any other agreement, instrument and/or undertaking. The obligations of Y and X under this Agreement in respect of such amounts shall be deemed satisfied and discharged to the extent of any such setoff exercised by X. X will give Y notice of any setoff effected under this Section as soon as practicable after the setoff is effected, provided that failure to give such notice shall not affect the validity of the setoff. For purposes of this Section, "Owed" shall mean any amounts owed or otherwise accrued and payable (regardless of whether such amounts have been or could be invoiced) as of the Early Termination Date. If an obligation is unascertained, X may in good faith estimate that obligation and setoff on the basis of such estimate, subject to the relevant Party accounting to the other when the obligation is ascertained.

s) **Trade Option Representation**. If this Agreement meets the conditions contained in CFTC Regulation 32.3(a) ("Trade Option"), then each Party represents and warrants that the Party that is the offeree of a the Trade Option ("Offeree") represents to the other party ("Offeror") that it is a producer, processor, commercial user of or a merchant handling the commodity that is the subject of this commodity option transaction or the products or by-products thereof and is offered or entering into this commodity option transaction solely for purposes related to its business as such. Offeree and Offeror hereby confirm to each other that the Trade Option is intended to be physically settled so that, if exercised, the option would result in the sale of an exempt commodity for immediate or deferred delivery.

t) **Standard of Review**. Absent the agreement of the Parties to the proposed change, the standard of review for changes to any rate, charge, classification, term or condition of this Agreement, whether proposed by a Party, a nonparty or FERC acting *sua sponte*, shall solely be the "public interest" application of the "just and reasonable" standard of review set forth in United Gas Pipe Line Co. v. Mobile Gas Service Corp., 350 U.S. 332 (1956) and Federal Power Commission v. Sierra Pacific Power Co., 350 U.S. 348 (1956) (the "Mobile-Sierra" doctrine).

u) **Severability**. If any term of this Agreement is to any extent illegal, otherwise invalid, or incapable of being enforced, such term shall be excluded to the extent of such invalidity or unenforceability; all other terms hereof shall remain in full force and effect; and, to the extent permitted and possible, the invalid or unenforceable term shall be replaced by a term that is valid and enforceable and that comes closest to expressing the intention of such invalid or unenforceable term.

v) **Bankruptcy – Utility Clause**. Each Party agrees that, for purposes of this Agreement, the other Party is not a "utility" as such term is used in 11 U.S.C. Section 366, and each Party waives and agrees not to assert the applicability of the provisions of 11 U.S.C. Section 366 in any bankruptcy proceeding wherein such Party is a debtor. In any such proceeding, each Party further waives the right to assert that the other Party is a provider of last resort.

15) **Additional Definitions:** When used herein with initial or complete capitalization, whether in the singular or in the plural, the following terms shall have the following defined meanings:

a) "Alternate Point(s) of Delivery" means the points of interconnection between the FPL Transmission System and, on a zero-cost (to Seller) transmission availability basis, the Duke Energy Florida Transmission System or the OUC Transmission System from Electric Resources on Seller's System that are interconnected with the Seller's Transmission System or, in the case of purchased power, from points of interconnection between Seller's Transmission System and other transmission systems.

b) "Applicable Laws" means any and all federal, state regional or local statutes, laws, municipal charter provisions, regulations, ordinances, rules, judgments, orders, decrees, Governmental Approvals, licenses or permit requirements or other governmental requirements or restrictions, or any interpretation or administration of any of the foregoing by any Governmental Authority, that apply to the facilities, services or obligations of either Party under this Agreement, whether now or hereafter in effect and that are enforceable in a court of law.

c) "Business Day" means any day on which the Federal Reserve Member Banks in Florida are open for business. A Business Day shall begin at 8:00 a.m. EPT and end at 5:00 p.m. EPT.

d) "Capacity" means net electrical power, in MW, provided by Seller's System and delivered to or available for Buyer's system at the Point(s) of Delivery.

e) "Delivery Day" means any day (Eastern Prevailing Time) on which Buyer schedules and Seller delivers Energy.

f) "Eastern Prevailing Time" or "EPT" means the time in effect in the Eastern Time Zone of the United States of America, whether Eastern Standard Time or Eastern Daylight Savings Time.

g) "Electric Resources" means dependable electric power and energy resources available to a Party, consistent with Prudent Utility Practice.

h) "Energy" means electrical energy, expressed in MWh, provided by Seller and delivered to Buyer at the Point(s) of Delivery in accordance with the terms and conditions of this Agreement.

i) "FERC" means the Federal Energy Regulatory Commission or any successor having comparable responsibilities.

j) "Force Majeure" means any cause beyond the reasonable control of, and not the result of negligence or the lack of diligence of, the Party claiming Force Majeure or its contractors or suppliers. It will include, without limitation, strike, stoppage in labor, failure of contractors or suppliers of materials, shortage of fuel, riot, fire, flood, ice, invasion, civil war, commotion, insurrection, blockades, embargoes, sabotage, epidemics, explosions, military or usurped power, , order of any civil or military authority (either de facto or de jure and including

orders of governmental and administrative agencies which conflict with the terms of this Agreement), acts of God or public enemies, failure or malfunction of system facilities and unscheduled outage of generating units or transmission facilities.

k) "FPL" means Florida Power & Light Company, a corporation organized and existing under the laws of the State of Florida.

l) "Governmental Authority" means any national, state, regional or local government (whether domestic or foreign), any political subdivision thereof or any other governmental, quasi-governmental, judicial, executive, legislative, administrative, public or statutory instrumentality, authority, body, agency, department, bureau or entity or any arbitrator with authority to bind a Party at law.

m) "HE" means "hour ending."

n) "Monthly Capacity Payment" or "MCP" means monthly payments calculated in accordance with Appendix A.

o) "Monthly Demand Charge" has the meaning specified in Appendix A.

p) "Monthly Energy Fuel Payment" or "MEP" means monthly payments calculated in accordance with Appendix C.

q) "Monthly Energy Non-Fuel Payment" or "MENFP" means monthly payments calculated in accordance with Appendix B.

r) "Native Load" means the demand imposed on Seller by the requirements of retail customers located within Seller's service territory that Seller has a statutory obligation to serve and wholesale customers with whom Seller has contracted to supply service with a firmness equal to Native Load.

s) "OUC" means Orlando Utilities Commission, a municipal quasi-governmental agency, organized and existing under the laws of the State of Florida.

t) "OUC – Vero PPA" has the meaning specified in Section 10(a).

u) "Parties" means the Parties to this Agreement

v) "Point(s) of Delivery" means the points of interconnection between OUC and FPL.

w) "Prudent Utility Practice" means any of the practices, methods and acts in which a significant portion of the electric utility industry engages or of which it approves during the relevant time period, or any of the practices, methods and acts which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, could have been expected to accomplish the desired result at the lowest reasonable cost consistent with good business practices, reliability, safety and expedition. Prudent Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to be a spectrum of acceptable practices, methods or acts.

x) "Schedule Change" has the meaning specified in Appendix D

y) "Scheduling Deadline" has the meaning specified in Appendix D

z) "Schedule for Energy" has the meaning specified in Appendix D

aa) "Seller's System" means, during the Delivery Period, (i) the Electric Resources as such may change from time to time during the Delivery Period, (ii) capacity and energy

purchases by Seller pursuant to power purchase contracts and (iii) to the extent of the sale of electric power to Seller therefrom, all generating plants of co-generators, qualifying facilities, and independent power producers that are not owned by Seller but that produce electric power and sell it to Seller.

bb) "Settlement Amount" means, with respect to this Agreement and a Party, an amount that such Party determines in good faith and in a commercially reasonable manner to be the present value of the Economic Loss to it (net of any gains) resulting from termination of this Agreement including costs associated, or that would be included, with entering into new arrangements which replace this Agreement and losses (net of any gains) related to terminating or liquidating any hedges or related trading positions, provided that (i) in no event will internal costs, other than reasonable attorney's fees, be included in the calculation of any Settlement Amount; and (ii) the non-defaulting party shall not be required to enter into any offsetting or otherwise mitigating transactions solely for the purpose of establishing such losses or gains. Economic Loss shall (i) mean in the case of the Buyer an amount not to exceed the difference between the payments to be made under this Agreement and the cost of replacement power and energy equivalent to the Capacity and Energy provided under this Agreement for the balance of the Delivery Period; and (ii) in the case of the Seller, shall in any event include charges under Appendices A, B and D (but not Appendix C fuel costs) associated with sales to be made under this Agreement until such time as the earlier of the end of the Delivery Period or FPSC allows recovery of such costs from Seller's retail customers.

cc) "Transmission Provider" means either FPL Transmission, Duke Energy Transmission or OUC Transmission depending on the Point(s) of Delivery.

dd) "Transmission System" means the transmission system of the Transmission Provider.

ee) "Utility Sale Closing" has the meaning specified in Section 10(a).

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AGREED TO AS OF THE TRANSACTION DATE SET FORTH ABOVE.

ORLANDO UTILITIES COMMISSION	FLORIDA POWER & LIGHT COMPANY
By: _____	By: _____
Title: _____	Title: Vice President
Date: _____	Date: 10/20/17

Legal Review Completed

APPENDIX A

MONTHLY CAPACITY PAYMENT (MCP) CALCULATION

The Monthly Capacity Quantity ("MCQ") shall be as follows:

Month	MCQ (MW)
January	70
February	70
March	70
April	70
May	100
June	100
July	100
August	100
September	100
October	80
November	80
December	80

Payment for each Monthly Billing Period shall be determined according to the following formula:

MCP = MCQ * MDC

Where:

MCP – Monthly Capacity Payment, expressed in dollars, for the Monthly Billing Period;

MCQ – Monthly Capacity Quantity as shown in the table above and expressed in MW for the calculation;

MDC – Monthly Demand Charge, expressed in $/MW-Month as shown in the table below;

Year	MDC ($/MW-Month)
2018	$10,275
2019	$9,705
2020	$10,946

APPENDIX B

MONTHLY ENERGY NON-FUEL PAYMENT (MENFP) CALCULATION

The Monthly Energy Non-Fuel Payment (MENFP) for each Monthly Billing Period shall be determined according to the following formula:

MENFP = MED * NFEP

Where:

MENFP – Monthly Energy Non-Fuel Payment, expressed in dollars, for the Monthly Billing Period;

MED – Monthly Energy Delivered, expressed in MWh, shall be the total Energy, scheduled by Buyer and delivered by Seller at the Point(s) of Delivery or the Alternate Point(s) of Delivery. The amount of energy in any hour of the applicable billing period shall not exceed the MCQ for that month.

NFEP – Non-Fuel Energy Price expressed in $/MWh and shown in the table below.

Year	NFEP ($/MWh)
2018	$2.50
2019	$2.50
2020	$2.50

APPENDIX C

MONTHLY ENERGY FUEL PAYMENT (MEFP) CALCULATION

The Monthly Energy Fuel Payment (MEFP) for each Monthly Billing Period shall be determined according to the following formula:

$$MEFP = [\sum^{n}_{k=1} (MED_{k} * GHR_{k} * GI)]$$

Where:

MEFP – Monthly Energy Fuel Payment, expressed in dollars, for the Monthly Billing Period

MED – Monthly Energy Delivered, expressed in MWh, shall be the total Energy, scheduled by Buyer and delivered by Seller at the Point(s) of Delivery or the Alternate Point(s) of Delivery. The amount of energy in any hour of the applicable billing period shall not exceed the MCQ for that month

GHR – Guaranteed Heat Rate shall be dependent on the actual duration, including intraday changes and curtailments, of the schedule of Energy as follows:

For the months of January, February, March, April, October, November and December:

9.5 MMBtu/MWh for a schedule duration of Energy ≥ 12 hours

10.5 MMBtu/MWh for a schedule duration of Energy ≥ 8 hours and < 12 hours

11.5 MMBtu/MWh for a schedule duration of Energy ≥ 6 hours and < 8 hours

For the months of May, June, July, August and September:

9.5 MMBtu/MWh for a schedule duration of Energy ≥ 12 hours

10.5 MMBtu/MWh for a schedule duration of Energy ≥ 8 hours and < 12 hours

12.5 MMBtu/MWh for a schedule duration of Energy ≥ 6 hours and < 8 hours

GI – the daily midpoint price of natural gas (expressed in $/MMBtu) for the relevant day of delivery of energy for Louisiana-Onshore South Florida Gas, Zone 3, as published in Platt's Gas Daily Price Survey, plus the Florida Gas Transmission ("FGT") fuel loss factor, the FGT average usage charge from the applicable FGT tariff, and a $0.78/MMBtu demand charge. In the event that no such price is published for the relevant Delivery Day, then the following shall be used: (a) the arithmetic average of the daily midpoint price (expressed in $/MMBtu) of the last published price prior to and the next published price after the relevant day of delivery of energy.

n – number of hours in the Monthly Billing Period

k – each hour, for the Monthly Billing Period

APPENDIX D

SCHEDULING PROVISIONS FOR CAPACITY AND ENERGY

1. Scheduling Parameters

For the months of January, February, March, April, October, November and December

a) On or before 8:30 a.m. EPT of the prior Business Day ("Scheduling Deadline"), Buyer shall provide Seller its non-zero Schedule for Energy for each interval of the applicable Delivery Day, including any intervening non-Business Days ("Schedule for Energy"). For example, on a Friday before a weekend which is followed by a non-Business Day Monday, Buyer would provide a schedule for Saturday, Sunday, Monday and Tuesday. All such notifications as described herein shall be provided via electronic mail sent to fem@ouc.com. Buyer shall promptly confirm receipt of any such request by calling OUC at 407.434.4319. Buyer and seller may mutually agree in writing to an alternate notification methodology.

b) Energy may be scheduled at any sixty (60) minute interval at the top of the clock hour in the EPT zone. There shall only be one (1) Schedule for Energy per Delivery Day. The minimum duration for a Schedule for Energy is six (6) consecutive hours within a Delivery Day with all hours having an hourly Energy quantity greater than 0 MW. All Schedules for Energy shall be scheduled for a minimum of 5 MW. Buyer shall have the flexibility to schedule in increments of 5 MW for each hour of the Schedule for Energy with no more than a total change of 40 MW (minimum to maximum hourly values) during a given Schedule for Energy. Examples of acceptable and unacceptable Schedules for Energy are as follows:

Example 1 – Acceptable Schedule for Energy

HE	Energy (MWh)
14:00	30
15:00	55
16:00	70
17:00	70
18:00	70
19:00	55

Example 2 – Acceptable Schedule for Energy

HE	Energy (MWh)
14:00	70
15:00	70
16:00	70
17:00	70
18:00	70
19:00	70

Example 3 – Unacceptable Schedule for Energy

HE	Energy (MWh)
14:00	30
15:00	55
16:00	0
17:00	70
18:00	70
19:00	55

Example 4 – Unacceptable Schedule for Energy

HE	Energy (MWh)
14:00	20
15:00	70
16:00	70
17:00	70
18:00	20
19:00	5

c) Buyer may make intraday changes to the existing Schedule for Energy to the extent provided for herein ("Schedule Change"). Intraday changes shall not be allowed for Delivery Days in which there is no Schedule for Energy. After the Scheduling Deadline, Buyer may provide a Schedule Change for any interval of the applicable Delivery Day by providing notice of such change at least two (2) hours prior to the beginning of such hour(s). The number of intraday changes (whether an increase or decrease) that may be made by Buyer to the Schedule of Energy shall be limited to one (1) per Delivery Day. The Schedule for Energy after intraday changes shall continue to meet the meet the minimum duration and MW quantity requirements specified in Appendix D1b. Intraday changes shall be limited to Business Days between the hours of 07:00 and 16:00 only.

For the months of May, June, July, August and September

a) On or before 8:15 a.m. EPT of the prior Business Day ("Scheduling Deadline"), Buyer shall provide Seller its schedule for Energy for each interval of the applicable Delivery Day, including any intervening non-Business Days ("Schedule for Energy"). For example, on a Friday before a weekend which is followed by a non-Business Day Monday, Buyer would provide a schedule for Saturday, Sunday, Monday and Tuesday. All such notifications as described herein shall be provided via electronic mail sent to fem@ouc.com. Buyer shall promptly confirm receipt of any such request by calling OUC at 407.434.4319. Buyer and seller may mutually agree in writing to an alternate notification methodology.

b) Energy may be scheduled at any sixty (60) minute interval at the top of the clock hour in the EPT zone. There shall only be one (1) Schedule for Energy per Delivery Day. The minimum duration for a Schedule for Energy is six (6) consecutive hours within a Delivery day with all hours having an hourly Energy quantity equal greater than 0 MW. All Schedules for Energy shall be scheduled for a minimum of 5 MW. Buyer shall have the flexibility to schedule in increments of 5 MW for each hour of the Schedule for

Energy with no more than a total change of 40 MW (minimum to maximum hourly values) during a given Schedule for Energy. Examples of acceptable and unacceptable Schedules for Energy are as follows:

Example 1 – Acceptable Schedule for Energy

HE	Energy (MWh)
14:00	60
15:00	75
16:00	95
17:00	100
18:00	100
19:00	65

Example 2 – Acceptable Schedule for Energy

HE	Energy (MWh)
14:00	100
15:00	100
16:00	100
17:00	100
18:00	100
19:00	100

Example 3 – Unacceptable Schedule for Energy

HE	Energy (MWh)
14:00	25
15:00	0
16:00	40
17:00	40
18:00	40
19:00	40

Example 2 – Unacceptable Schedule for Energy

HE	Energy (MWh)
14:00	50
15:00	100
16:00	100
17:00	100
18:00	50
19:00	25

c) Subject to transmission curtailments, there shall be no intraday schedule changes to Buyer's Schedule for Energy.

COVB Transaction
Summary of Economic Analysis

	Nominal Total	30 Year CPVRR	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029-2048
Discount Factor			0.96	0.90	0.83	0.77	0.72	0.67	0.62	0.58	0.54	0.50	0.46	
Base Rates: Incremental Revenue Requirements[1]														
Operations and Maintenance[2]	161.3	62.1	4.6	10.0	6.5	4.1	3.8	3.6	3.8	3.8	3.9	4.0	4.1	109.1
Property Tax and Insurance	112.1	35.5	1.4	1.7	1.9	2.0	2.2	2.3	2.4	2.5	2.7	2.8	3.0	87.2
Depreciation and Amortization[3]	331.5	120.3	2.4	9.6	9.2	9.5	9.8	9.9	9.6	9.8	10.1	10.4	10.4	230.6
Interest Expense[4]	122.6	46.4	1.0	3.9	4.0	4.1	4.0	4.0	4.0	4.0	4.0	4.0	4.0	81.5
Return on Equity[5]	369.1	139.8	2.9	11.8	12.1	12.2	12.2	12.1	12.1	12.0	12.1	12.1	12.0	245.5
Income Tax[6]	231.8	87.8	1.8	7.4	7.6	7.7	7.6	7.6	7.6	7.6	7.6	7.6	7.6	154.2
System Impact[7]	433.9	86.7	-	-	-	-	-	-	-	-	-	-	-	433.9
Total Incremental Base Rate Revenue Requirements	1,762.4	578.5	14.1	44.5	41.4	39.6	39.6	39.6	39.4	39.8	40.4	41.0	41.2	1,341.9
Base Rate Revenue from COVB Customers[8]	(2,014.3)	(687.6)	(10.5)	(43.4)	(44.4)	(50.8)	(53.1)	(53.9)	(54.7)	(56.0)	(57.2)	(58.3)	(60.0)	(1,472.1)
														-
Base Rate (Savings)/Cost from COVB Customers[9]	**(251.9)**	**(109.0)**	**3.6**	**1.1**	**(3.1)**	**(11.2)**	**(13.5)**	**(14.3)**	**(15.3)**	**(16.1)**	**(16.8)**	**(17.3)**	**(18.8)**	**(130.2)**
Clause: Incremental Revenue Requirements[1]														
OUC PPA Payments[10]	23.5	20.6	2.5	9.9	11.2	-	-	-	-	-	-	-	-	-
System Impact[11]	1,201.2	373.7	5.4	24.7	18.2	22.9	21.5	22.9	24.4	25.8	26.8	36.5	29.1	943.2
Total Incremental Clause Revenue Requirements	1,224.7	394.3	7.8	34.6	29.3	22.9	21.5	22.9	24.4	25.8	26.8	36.5	29.1	943.2
Clause Revenue from COVB customers[12]	(1,258.6)	(390.6)	(6.2)	(24.7)	(24.8)	(25.7)	(27.2)	(25.3)	(26.3)	(27.1)	(27.5)	(28.2)	(29.5)	(986.1)
Clause (Savings)/Cost from COVB Customers[13]	**(34.0)**	**3.7**	**1.6**	**9.9**	**4.6**	**(2.8)**	**(5.7)**	**(2.4)**	**(2.0)**	**(1.3)**	**(0.7)**	**8.3**	**(0.4)**	**(42.9)**
Total Net Customer (Savings)/Cost[14]	**(285.9)**	**(105.3)**	**5.2**	**11.0**	**1.5**	**(14.1)**	**(19.2)**	**(16.7)**	**(17.2)**	**(17.5)**	**(17.5)**	**(9.0)**	**(19.3)**	**(173.1)**

1) Incremental Revenue Requirement represents the difference between the Revenue Requirement with and without the Transaction.
2) Represents FPL's estimated incremental Operations and Maintenance cost for operating COVB's system.
3) Incremental D&A associated with the acquired COVB's assets, incremental COVB system capital expenditures and the asset acquisition adjustment.
4) Interest expense assumes 5.2% cost of debt and 40.4% debt to investor capital ratio.
5) Return on Equity assumes 10.55% cost of equity and 59.6% equity to investor capital ratio.
6) Income tax assumes blended state and federal tax rate of 38.575%.
7) Incremental fixed costs and capital for generation needed to serve Vero's load.
8) Base rate revenue from COVB's customers at FPL's forecasted rates.
9) Incremental revenue requirements netted against incremental revenue
10) Expenses associated with power purchase agreement with Orlando Utilities Commission
11) System impacts include incremental effects on fuel, emissions, variable O&M, short-term PPAs, and gas transportation.
12) Clause revenue from COVB's customers at FPL's forecasted rates.
13) Incremental clause revenue requirements netted against incremental clause revenue.
14) Total Net Customer Costs / (Savings) reflect the sum of base and clause net revenue requirement.

Summary of Economic Analysis

	Nominal Total	30 Year CPVRR	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029-2048
Discount Factor			0.96	0.89	0.83	0.77	0.71	0.66	0.62	0.57	0.53	0.49	0.46	
Base Rates: Incremental Revenue Requirements[1]														
Operations and Maintenance[2]	157.3	57.6	1.7	6.4	10.0	4.2	4.1	3.8	3.6	3.8	3.8	3.9	4.0	107.9
Property Tax and Insurance	105.0	31.5	0.1	1.4	1.7	1.8	2.0	2.2	2.3	2.4	2.6	2.7	2.8	82.9
Depreciation and Amortization[3]	326.9	115.1	0.3	9.6	9.2	9.4	9.7	10.1	9.5	9.8	10.1	10.4	10.3	228.6
Interest Expense[4]	122.5	44.4	0.1	3.7	3.9	3.9	3.9	4.0	4.0	4.0	4.0	4.0	4.0	83.2
Return on Equity[5]	390.8	141.7	0.5	11.9	12.3	12.4	12.4	12.7	12.6	12.6	12.7	12.7	12.7	265.4
Income Tax[6]	132.7	48.1	0.2	4.0	4.2	4.2	4.2	4.3	4.3	4.3	4.3	4.3	4.3	90.1
System Impact[7]	399.5	83.1	-	-	-	-	-	-	-	-	-	-	-	399.5
Total Incremental Base Rate Revenue Requirements	1,634.7	521.6	3.0	37.0	41.2	35.9	36.3	37.0	36.3	36.8	37.4	38.0	38.2	1,257.6
Base Rate Revenue from COVB Customers[8]	(1,984.6)	(648.8)	-	(43.2)	(44.2)	(44.6)	(49.5)	(53.4)	(54.4)	(55.4)	(56.4)	(57.4)	(59.0)	(1,467.1)
														-
Base Rate (Savings)/Cost from COVB Customers[9]	**(349.9)**	**(127.2)**	**3.0**	**(6.2)**	**(3.0)**	**(8.7)**	**(13.2)**	**(16.4)**	**(18.1)**	**(18.6)**	**(19.0)**	**(19.4)**	**(20.8)**	**(209.5)**
Clause: Incremental Revenue Requirements[1]														
OUC PPA Payments[10]	21.1	18.1	-	9.9	11.2	-	-	-	-	-	-	-	-	-
System Impact[11]	1,072.1	315.0	-	20.4	13.8	18.2	17.7	22.0	21.0	23.2	24.8	29.6	26.6	854.9
Total Incremental Clause Revenue Requirements	1,093.2	333.1	-	30.3	24.9	18.2	17.7	22.0	21.0	23.2	24.8	29.6	26.6	854.9
Clause Revenue from COVB customers[12]	(1,100.0)	(341.0)	-	(24.1)	(24.3)	(24.7)	(24.5)	(25.1)	(25.3)	(25.5)	(26.4)	(27.2)	(28.1)	(844.8)
Clause (Savings)/Cost from COVB Customers[13]	**(6.8)**	**(7.9)**	**-**	**6.2**	**0.6**	**(6.5)**	**(6.7)**	**(3.0)**	**(4.3)**	**(2.3)**	**(1.6)**	**2.3**	**(1.5)**	**10.1**
Total Net Customer (Savings)/Cost[14]	**(356.7)**	**(135.1)**	**3.0**	**0.0**	**(2.4)**	**(15.2)**	**(20.0)**	**(19.4)**	**(22.4)**	**(20.9)**	**(20.6)**	**(17.1)**	**(22.3)**	**(199.4)**

1) Incremental Revenue Requirement represents the difference between the Revenue Requirement with and without the Transaction.
2) Represents FPL's estimated incremental Operations and Maintenance cost for operating COVB's system.
3) Incremental D&A associated with the acquired COVB's assets, incremental capital expenditures to improve COVB's system and the asset acquisition adjustment.
4) Interest expense assumes 4.88% cost of debt and 40.4% debt to investor capital ratio.
5) Return on Equity assumes 10.55% cost of equity and 59.6% equity to investor capital ratio.
6) Income tax assumes blended state and federal tax rate of 25.345%.
7) Incremental fixed costs and capital for generation needed to serve Vero's load.
8) Base rate revenue from COVB's customers at FPL's forecasted rates.
9) Incremental revenue requirements netted against incremental revenue
10) Expenses associated with power purchase agreement with Orlando Utilities Commission
11) System impacts include incremental effects on fuel, emissions, variable O&M, short-term PPAs, and gas transportation.
12) Clause revenue from COVB's customers at FPL's forecasted rates.
13) Incremental clause revenue requirements netted against incremental clause revenue.
14) Total Net Customer Costs / (Savings) reflect the sum of base and clause net revenue requirement.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 5
PARTY: FLORIDA POWER & LIGHT COMPANY (FPL)(DIRECT)
DESCRIPTION: Scott R. Bores SRB-2

	Total Net Customer (Savings)/Cost CPVRR in millions
Original Petition	**(105.3)**
Tax Reform	(26.2)
Rate Case Deferral to 2022	4.6
Tax Reform Sensitivity	**(127.0)**
Update to System Plan	(7.8)
Revised Long-Term Price of Electricity	7.9
Deferral of Transaction to January 1, 2019	(4.5)
Revised Cost of Debt Estimate	(3.8)
Revised	**(135.1)**

Florida Power & Light Company
City of Vero Beach (COVB) Transaction
Proposed Journal Entries
As of Projected Close of October 1, 2018
$ in Millions

Line No.	Entry No.	FERC Account	Entry Description	Debit	Credit
1	1.	102	Electric Plant Purchased or Sold	$ 179.0	
2		101.1	Property under capital leases - Substation Land[(1)]	2.0	
3		154	Plant materials and operating supplies	4.0	
4		182.3	Other regulatory assets - Dismantlement & Vacation	0.8	
5		131	Cash		$ 185.0
6		253	Other Deferred Credits - Dismantlement of Substation		0.5
7		242	Miscellaneous current and accrued liabilities - Vacation		0.3
8					
9		*Purpose: To record the COVB Transaction and payment to COVB.*			
10	2.				
11		101	Electric Plant in Service - Distribution[(2)]	$ 123.5	
12		101	Electric Plant in Service - Transmission[(2)]	34.1	
13		101	Electric Plant in Service - General[(2)]	7.7	
14		114	Electric plant acquisition adjustments[(3)]	116.2	
15		102	Electric Plant Purchased or Sold		$ 179.0
16		108	Accumulated provision for depreciation of electric utility plant - Distribution		69.5
17		108	Accumulated provision for depreciation of electric utility plant - Transmission		26.2
18		108	Accumulated provision for depreciation of electric utility plant - General		6.8
19					
20		*Purpose: To clear account 102, Electric Plant Purchased, and record the acquired assets on FPL's books and records.*			
21					
22	3.	282	Accumulated deferred income taxes—Other property	$ 0.3	
23		410.1	Provisions for deferred income taxes, utility operating income	0.3	
24		283	Accumulated deferred income taxes—Other		$ 0.3
25		411.1	Provision for deferred income taxes—Credit, utility operating income		0.3
26					
27		*Purpose: To record deferred income taxes associated with assumed dismantlement & vacation liabilities which will be*			
28		*capitalized for tax purposes, and to record deferred taxes associated with the regulatory asset set up for*			
29		*dismantlement & vacation expenses.*			
30					
31					
32		Notes:			
33		1) Upfront lump sum payment to the COVB to lease land at the Vero Beach Power Plant substation site retained by COVB.			
34		2) Plant will be depreciated using FPL's currently approved depreciation rates, which were approved by the Commission in Order No. PSC-			
35		2016-0560-AS-EI, Docket Nos. 20160021-EI and 20160062-EI.			
36		3) FPL proposes an amortization period of 30 years, which is approximately equivalent to the average remaining estimated useful life of the			
37		acquired distribution assets.			

Florida Power & Light Company
City of Vero Beach (COVB) Transaction
Power Purchase Agreement Journal Entries
$ in Millions

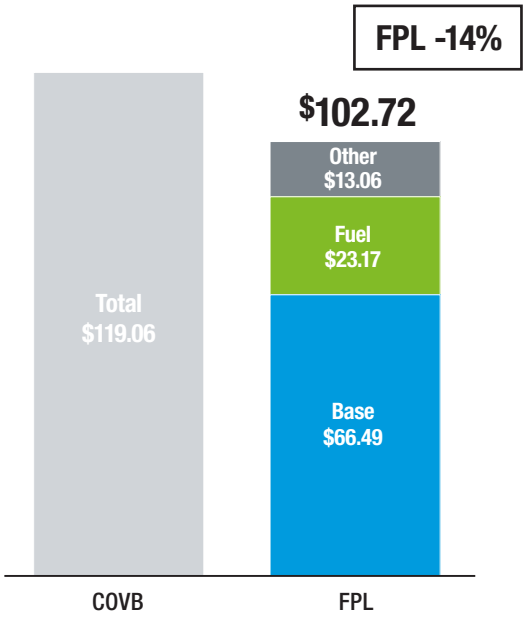
Line No.	Entry No.	FERC Account	Entry Description	Debit	Credit
1	1.	182.3	Other regulatory asset - Unfavorable PPA Contract[1]	$ 17.5	
2		244	Derivative instrument liabilities[1]		$ 17.5
3					
4		*Purpose: To record estimated out-of-market value of PPA at time of acquisition.* [2]			
5					
6	2.	555	Purchased power[3]	$ 23.5	
7		131	Cash		$ 23.5
8					
9		*Purpose: Estimated total payment to OUC for purchased power.*			
10					
11	3.	407.4	Regulatory credits - Unfavorable PPA Contract[3]	$ 17.5	
12		244	Derivative instrument liabilities	17.5	
13		182.3	Other regulatory asset - Unfavorable PPA Contract		$ 17.5
14		555	Purchased power[3]		17.5
15					
16		*Purpose: To record amortization of the regulatory asset and derivative liability for the unfavorable portion of*			
17		*the PPA contract.*			
18					
19	4.	236	Taxes accrued (Income Taxes)	$ 2.8	
20		282	Accumulated deferred income taxes—Other property	6.3	
21		409.1	Income taxes, utility operating income		$ 2.8
22		411.1	Provision for deferred income taxes—Credit, utility operating income		6.3
23					
24		*Purpose: To record income tax expense, accumulated deferred income taxes and tax payable associated with*			
25		*the PPA contract.*			
26					
27		Notes:			
28		[1] Represents the unfavorable portion of the power purchase agreement (PPA) negotiated between FPL and OUC as part of the			
29		COVB acquisition. Does not include subsequent changes in value (i.e., mark-to-market adjustments).			
30		[2] Since this PPA is considered a derivative contract, mark-to-market valuations will have to be performed during the term of the			
31		agreement. The debit and the credit accounts will be adjusted to coincide with any changes in the contract's market value.			
32					
33		[3] The energy component of the PPA will be collected through FPL's fuel clause and the capacity component will be recovered			
34		through FPL's capacity clause.			

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 8
PARTY: FLORIDA POWER & LIGHT COMPANY (FPL)(DIRECT)
DESCRIPTION: Keith Ferguson KF-2

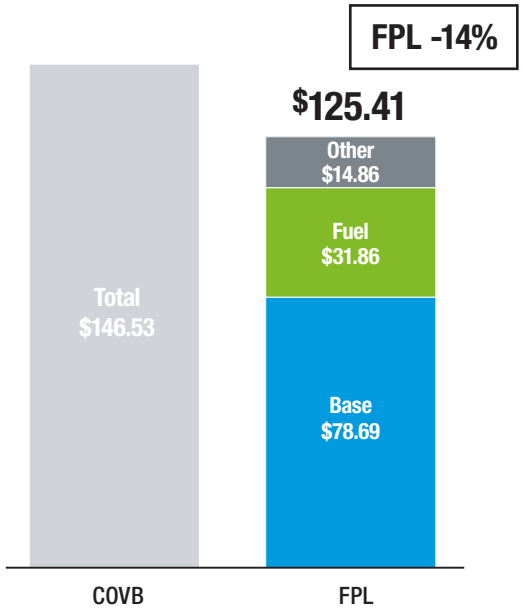
Typical Bill Comparisons — FPL vs. COVB

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI
EXHIBIT: 9
PARTY: FLORIDA POWER & LIGHT COMPANY (FPL)
(DIRECT)
DESCRIPTION: Tiffany C. Cohen TCC-1

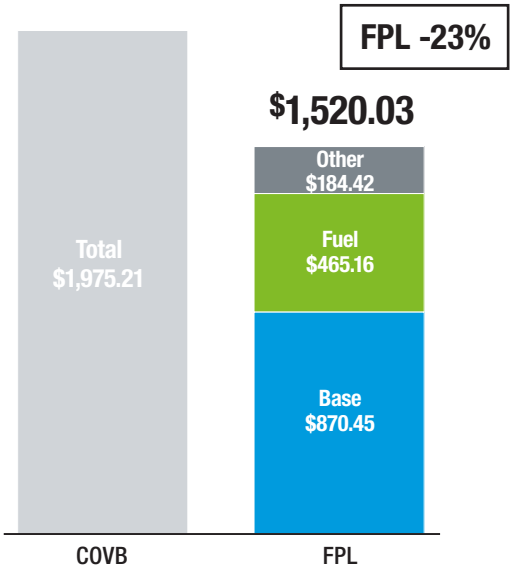
1,000 kWh Residential Bill Comparison



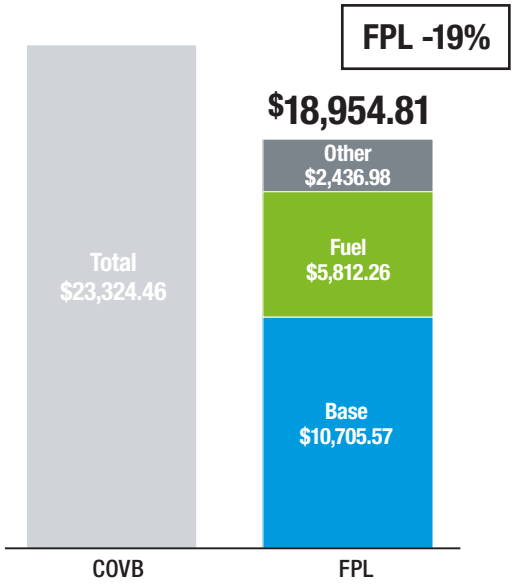
1,200 kWh Small Non-Demand Commercial Bill Comparison "Small Store Front"



17,520 kWh/50 kW Medium Demand Commercial Bill Comparison "Office Building or School"



219,000 kWh/600 kW Large Commercial Bill Comparison "Large Retailer or Hospital"



Notes:

(1) The COVB typical bill is as of September 1, 2017 and includes gross receipts tax.
(2) The FPL projected bill is as of January 1, 2018. Typical bill estimates include approved Settlement base rate increases, approved rates for fuel, capacity, and conservation clauses, approved interim storm recovery charge for Hurricane Matthew, proposed environmental and storm bond charge, proposed 2017 SoBRA base rate increase and gross receipts tax. It does not include any future recovery related to Hurricane Irma or the 2018 SoBRA Project.

Florida Power & Light Company
Historical Typical Residential Bill Comparison
FPL and COVB (2008-2017)

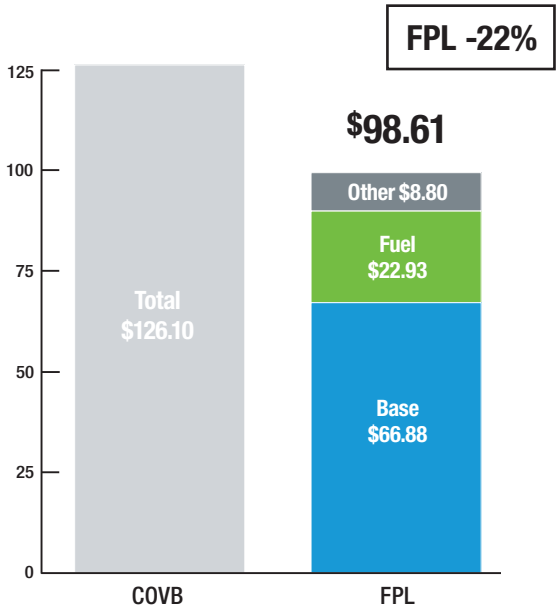
1,000 kWh Typical Bill	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017
FPL	$102.49	$109.55	$95.43	$95.01	$100.30	$94.25	$99.95	$99.57	$93.38	$99.02
COVB	$127.36	$138.13	$129.18	$116.04	$124.54	$131.72	$134.29	$127.11	$122.65	$119.06
Difference $	**-$24.87**	**-$28.58**	**-$33.75**	**-$21.03**	**-$24.24**	**-$37.47**	**-$34.34**	**-$27.54**	**-$29.27**	**-$20.04**
FPL % Lower	-20%	-21%	-26%	-18%	-19%	-28%	-26%	-22%	-24%	-17%

Notes:

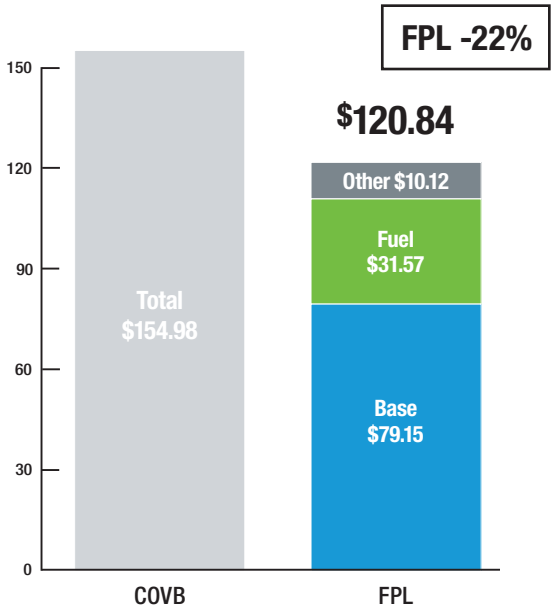
(1) Bills shown are as of January of each year.
(2) Typical bills reported by Florida Municipal Electric Association were updated to include gross receipts tax.

Typical Bill Comparisons — FPL vs. COVB

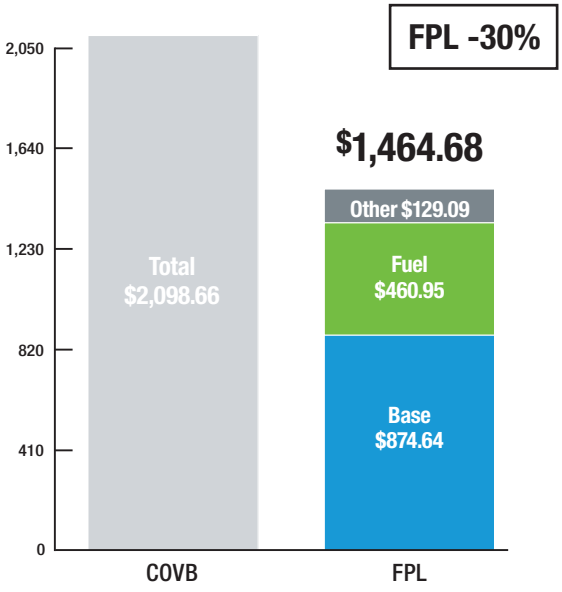
1,000 kWh Residential Bill Comparison



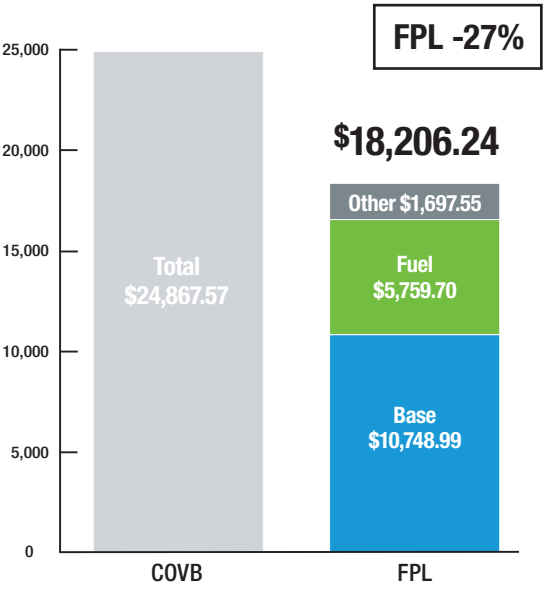
1,200 kWh Small Non-Demand Commercial Bill Comparison "Small Store Front"



17,520 kWh/50 kW Medium Demand Commercial Bill Comparison "Office Building or School"



219,000 kWh/600 kW Large Commercial Bill Comparison "Large Retailer or Hospital"



Notes:

FPL and COVB typical bills are as of September 1, 2018, and include gross receipts tax.

Florida Power & Light Company
Historical Typical Residential Bill Comparison
FPL and COVB (2008-2018)

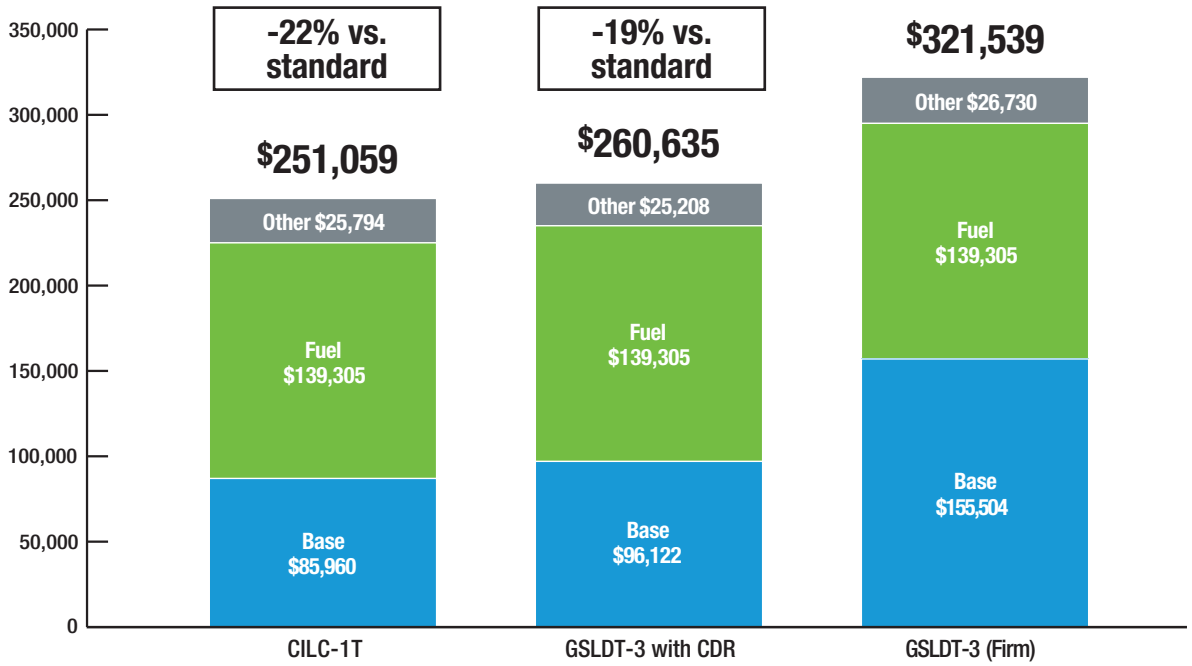
1,000 kWh Typical Bill	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2015**	**2016**	**2017**	**2018**
FPL	$102.49	$109.55	$95.43	$95.01	$100.30	$94.25	$99.95	$99.57	$93.38	$99.02	$102.72
COVB	$127.36	$138.13	$129.18	$116.04	$124.54	$131.72	$134.29	$127.11	$122.65	$119.06	$126.10
Difference $	**-$24.87**	**-$28.58**	**-$33.75**	**-$21.03**	**-$24.24**	**-$37.47**	**-$34.34**	**-$27.54**	**-$29.27**	**-$20.04**	**-$23.38**
FPL % Lower	-20%	-21%	-26%	-18%	-19%	-28%	-26%	-22%	-24%	-17%	-19%

Notes:

(1) Bills shown are as of January of each year.
(2) Typical bills reported by Florida Municipal Electric Association were updated to include gross receipts tax.

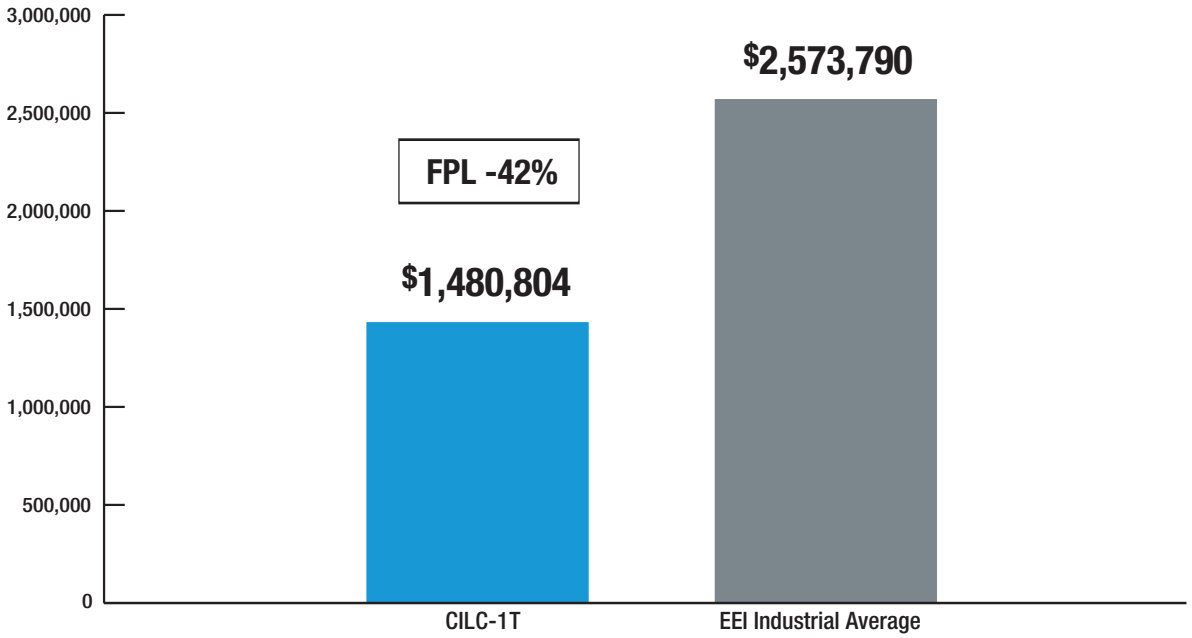
FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 13
PARTY: FLORIDA POWER & LIGHT COMPANY (FPL)(DIRECT)
DESCRIPTION: Tiffany C. Cohen TCC-5

Typical FPL Industrial Bill Comparison



Notes: FPL bills are as of September 2018 and include gross receipts tax. FPL's typical bill for an industrial customer is calculated on 10 MW, 5,475,000 kWh, and 26% on-peak.

FPL Large Industrial Comparison to EEI National Average



Notes: Both FPL and EEI bills are as of January 2018 and include gross receipts tax. FPL bills and EEI's national comparison of a large industrial customer are calculated on 50 MW, 32,500,000 kWh, 27% on-peak.

Terry Deason*

Special Consultant (Non-Lawyer)*
Phone: (850) 425-6654
Fax: (850) 425-6694
E-Mail: tdeason@radeylaw.com

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 14
PARTY: FLORIDA POWER & LIGHT COMPANY (FPL)(DIRECT)
DESCRIPTION: Terry Deason TD-1

Practice Areas:

- Energy, Telecommunications, Water and Wastewater and Public Utilities

Education:

- United States Military Academy at West Point, 1972
- Florida State University, B.S., 1975, Accounting, summa cum laude
- Florida State University, Master of Accounting, 1989

Professional Experiences:

- The Radey Law Firm, Special Consultant, 2007 - Present
- Florida Public Service Commission, Commissioner, 1991 – 2007
- Florida Public Service Commission, Chairman, 1993 – 1995, 2000 – 2001
- Office of the Public Counsel, Chief Regulatory Analyst, 1987 – 1991
- Florida Public Service Commission, Executive Assistant to the Commissioner, 1981 – 1987
- Office of the Public Counsel, Legislative Analyst II and III, 1979 - 1981
- Ben Johnson Associates, Inc., Research Analyst, 1978 – 1979
- Office of the Public Counsel, Legislative Analyst I, 1977 – 1978
- Quincy State Bank Trust Department, Staff Accountant and Trust Assistant, 1976 - 1977

Professional Associations and Memberships:

- National Association of Regulatory Utility Commissioners (NARUC), 1993 – 1998, *Member, Executive Committee*
- National Association of Regulatory Utility Commissioners (NARUC), 1999 – 2006, *Board of Directors*

RADEY
ATTORNEYS & COUNSELORS at LAW

Terry Deason*

- National Association of Regulatory Utility Commissioners (NARUC), 2005-2006, *Member, Committee on Electricity*
- National Association of Regulatory Utility Commissioners (NARUC), 2004 – 2005, *Member, Committee on Telecommunications*
- National Association of Regulatory Utility Commissioners (NARUC), 1991 – 2004, *Member, Committee on Finance and Technology*
- National Association of Regulatory Utility Commissioners (NARUC), 1995 – 1998, *Member, Committee on Utility Association Oversight*
- National Association of Regulatory Utility Commissioners (NARUC) 2002 *Member, Rights-of-Way Study*
- Nuclear Waste Strategy Coalition, 2000 – 2006, *Board Member*
- Federal Energy Regulatory Commission (FERC) South Joint Board on Security Constrained Economic Dispatch, 2005 – 2006, *Member*
- Southeastern Association of Regulatory Utility Commissioners, 1991 – 2006, *Member*
- Florida Energy 20/20 Study Commission, 2000 – 2001, *Member*
- FCC Federal/State Joint Conference on Accounting, 2003 – 2005, *Member*
- Joint NARUC/Department of Energy Study Commission on Tax and Rate Treatment of Renewable Energy Projects, 1993, *Member*
- Bonbright Utilities Center at the University of Georgia, 2001, *Bonbright Distinguished Service Award Recipient*
- Eastern NARUC Utility Rate School - Faculty Member

David Herr Resume

David Herr is a managing director in the Philadelphia office and part of the Valuation Services Advisory business unit, for which he is the global leader of the Energy and Mining industry group. He is also the Duff & Phelps Philadelphia city leader. David has over twenty years with the firm, starting with the Valuation Services Group within Coopers & Lybrand LLP.

David has substantial energy experience focused on fossil and renewable power as well as electric and water utilities. David has led purchase price allocations for eight transactions in excess of $5 billion over the last five years, including four announced power and utility transactions with purchase prices in excess of $10 billion. David has extensive experience in advising and assisting clients with application of Accounting Standards Codification ASC 820, Fair Value Measurements and Disclosures, ASC 805, Business Combinations and ASC 350, Intangibles-Goodwill and Other. Additionally, David has experience assisting global companies with preparation of purchase accounting pursuant to IFRS 3R, Business Combinations. David has substantial experience performing both single-entity tax valuations and complex multi-tier entity rollups for energy, mining and other industrial products companies.

David has instructed numerous internal courses on topics, such as valuation theory and fair value accounting and participated in an intensive training program in decision analysis, simulation and real option valuation. Additionally, David has been a speaker at numerous industry conferences, including Platt's Global Power Markets conference and Infocast's Solar Power Finance & Investment Summit.

David received his B.S. in finance from Villanova University, where he graduated first in his class. David is a chartered financial analyst ("CFA") charterholder, a member of the CFA Institute and the Financial Analysts of Philadelphia. David also is FINRA Series 7 and 63 certified. Prior to his valuation career, David was a pitcher in the Montreal Expos organization.

DUFF & PHELPS

Valuation of the City of Vero Beach Electric Utility

November 2, 2017

Prepared For:
Florida Power & Light Company

This document and the accompanying schedules have been prepared for the limited purpose of evaluating the procedures to be employed, including the methods for verifying the underlying assumptions to be used, in a final report to be issued at a later date with respect to the Fair Value ("FV") of the properties described herein

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 16
PARTY: FLORIDA POWER & LIGHT COMPANY (FPL)(DIRECT)
DESCRIPTION: David W. Herr DH-2

Mr. Keith Ferguson
Florida Power & Light Company
Controller
700 Universe Blvd.
Juno Beach, FL 33408

November 2, 2017

Subject: Valuation of the City of Vero Beach Electric Utility

Dear Mr. Ferguson:

Duff & Phelps, LLC ("Duff & Phelps"), having been retained by Florida Power & Light Company ("FPL" or the "Purchaser"), has completed the valuation services (the "Services") set out below in connection with the contemplated acquisition (the "Acquisition") of the City of Vero Beach Electric Utility ("COVB") assuming a transaction close of October 1, 2018 (the "Valuation Date") for approximately $185 million (the "Purchase Price"). Collectively, this arrangement is the "Engagement."

Scope of Services

It is understood that the Services provided will be used to assist FPL management ("Management") with financial reporting requirements in accordance with Accounting Standards Codification ("ASC") 805, *Business Combinations* and ASC 980, *Regulated Operations* ("ASC 805" and "ASC 980" respectively), as well as regulatory filing requirements as part of the transaction approval process with the Florida Public Service Commission ("FPSC") and the Federal Energy Regulatory Commission ("FERC" or together with FPSC, the "Regulators"). As part of the Services, we have assisted Management with the Fair Value estimation of the Business Enterprise Value ("BEV") of COVB.

As COVB operates as a municipal utility which would likely be acquired by an investor owned utility ("IOU") who would seek recovery of the net book value ("NBV") of Property, Plant & Equipment ("PP&E"), it is reasonable to ascribe a Fair Value equal to NBV for substantially all of the tangible and other assets acquired (the "Subject Assets") based in part on guidance in ASC 980. We worked with Management to identify any assets or liabilities that needed to be estimated and recorded with a regulatory asset / liability offset (as applicable).

Our analysis has incorporated Management's determination of the FV or other amounts of any assets and liabilities excluded from the identified Subject Assets ("Excluded Assets and Liabilities") which may include: working capital, debt, and other long-term assets and liabilities.

In the course of our valuation analysis, we used and relied upon financial and other information, including prospective financial information obtained from Management (which includes the Fair Value of the Excluded Assets and Liabilities) and from various public, financial, and industry sources. Our conclusions are dependent on such information being complete and accurate in all material respects. We will not accept responsibility for the accuracy and completeness of such provided information.

Procedures

The procedures that we followed included, but were not limited to, the following:

- Analysis of general market data, including economic, governmental, and environmental forces;

- Analysis of conditions in, and the economic outlook for the electric utility industry and specifically the Florida Reliability Coordinating Council ("FRCC") electricity market;
- Discussions concerning the history, current state, and future operations of COVB with Management;
- Discussions with Management to obtain an explanation and clarification of data provided;
- Analysis of financial and operating projections including revenues, operating margins (e.g., earnings before interest and taxes), working capital investments, and capital expenditures based on COVB's historical operating results, industry results and expectation, and Management representations;
- Development of discounted cash flow ("DCF") model, a form of the Income Approach, for COVB based on information received from and discussions with Management regarding the projected financial results of COVB;
- Estimation of an appropriate weighted average cost of capital ("WACC") for use in the Income Approach based on analysis of financial data for publicly traded companies engaged in the same or similar business activities as COVB (the "Guideline Companies");
- Development of earnings-based multiples derived from the Guideline Companies for use in the Guideline Companies Method, a form of the Market Approach;
- Development of earnings-based multiples derived from comparable Power & Utility Industry transactions for use in the Guideline Transactions Method, a form of the Market Approach;
- Estimation of the Fair Value for COVB based on the indications derived from the Income and Market Approaches; and
- Analysis of other facts and data considered pertinent to estimating the Fair Value of COVB as of the Valuation Date.

Definition of Value

ASC 820, *Fair Value Measurements and Disclosures* ("ASC 820") defines Fair Value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date" ("Fair Value").

ASC 820 states that a Fair Value measurement assumes the highest and best use of the asset by market participants, considering the use of the asset that is physically possible, legally permissible and financially feasible at the measurement date. In broad terms, highest and best use refers to the use of an asset by market participants that would maximize the value of the asset or the group of assets within which the asset would be used. Moreover, the highest and best use is based on the use of the asset by market participants, even if the intended use of the asset by the reporting entity is different.

The highest and best use of the asset by market participants establishes the valuation premise used to measure the Fair Value of the asset: 1) in-use, if the asset would provide maximum value to market participants principally through its use in combination with other assets as a group, installed or otherwise configured for use; or, 2) in-exchange, if the asset would provide maximum value to market participants principally on a standalone basis.

Premise of Value

In assessing the Fair Value of COVB, it is necessary to establish the likely market participant buyers that would maximize the value of COVB (pay the highest price) and the structure or constraints common in such transactions. Through discussions with Management and based on research of prior acquisitions of municipal-managed utility services, it was determined that the most likely pool of market participants includes IOUs and infrastructure funds. Due to the scale of COVB's operations, highest and best use would likely be realized through continued operation of COVB as part of a going concern utility by a larger IOU operating with contiguous or nearby service territories (such as FPL) which could integrate the operations to achieve some level of financial and operating efficiencies.

In order to gain regulatory approval, IOUs typically demonstrate to their regulators that the combination of the purchase price, capital investment obligations assumed and rate commitments do not preferentially benefit the acquired customers or negatively impact its existing customers. In addition, certain rate commitments necessarily would be made by the IOU to the municipal authority that is approving the sale. Accordingly, the Fair Value of COVB assumes an acquisition which properly reflects the purchase price as well as COVB and existing FPL customer considerations.

Valuation Approaches

We considered the following approaches when estimating the Fair Value of COVB: the Income Approach, the Market Approach, and the Cost Approach.

Income Approach: The Income Approach is a valuation technique that provides an estimation of the Fair Value of an asset based on market participant expectations about the cash flows that an asset would generate over its remaining useful life. The Income Approach begins with an estimation of the annual cash flows a market participant would expect the subject asset (or business) to generate over a discrete projection period. The estimated cash flows for each of the years in the discrete projection period are then converted to their present value equivalent using a rate of return appropriate for the risk of achieving the projected cash flows. The present value of the estimated cash flows are then added to the present value equivalent of the residual value of the asset (if any) or the business at the end of the discrete projection period to arrive at an estimate of Fair Value. For uncertain assets and liabilities, contingent consideration and contingencies, it may be necessary to consider the expected cash flows taking into consideration probabilities of future events and/or future cash flow scenarios.

Market Approach: The Market Approach is a valuation technique that provides an estimation of Fair Value of a business, business ownership interest, security, or asset by using one or more methods that compare and correlate the subject to similar businesses, business ownership interests, securities, or assets that have been sold. Considerations such as time and condition of sale and terms of agreements are analyzed and adjustments are made, where appropriate, to arrive at an estimation of Fair Value.

Cost Approach: The Cost Approach is a valuation technique that uses the concept of replacement cost as an indicator of Fair Value. The premise of the Cost Approach is that, if it were possible to replace the asset, from the perspective of a market participant (seller), the price that would be received for the asset is estimated based on the cost to a market participant (buyer) to acquire or construct a substitute asset of comparable utility, adjusted for obsolescence. Obsolescence encompasses physical deterioration, functional (technological) obsolescence, and economic (external) obsolescence.

In developing the conclusions of Fair Value for COVB, we primarily relied on the Income Approach and Market Approach. In particular, the Income Approach incorporates the unique financial and operating characteristics of COVB that cannot specifically be captured in the Market and Cost Approaches. As mentioned above, the DCF measures future cash flows and converts these cash flows to their present value using an appropriate cost of capital. For these reasons, greater consideration was given to the Income Approach when deriving the value conclusion.

Summary Conclusion

Based on our analysis detailed in the accompanying report, we estimate the Fair Value of COVB as of the Valuation Date can be reasonably stated as follows:

Valuation Approach	Fair Value ($000s)
Income Approach - Discounted Cash Flow	$190,000
Market Approach - Guideline Companies	185,000
Market Approach - Guideline Transactions	180,000
BEV Conclusion	**$185,000**

This Fair Value estimate for COVB reasonably aligns with the Purchase Price as provided by Management. Accordingly, it is also reasonable to conclude that the Purchase Price appropriately represents the Fair Value of COVB.

Limiting Conditions

These conclusions are subject to the Assumptions & Limiting Conditions attached hereto, those set forth in our statement of work ("SOW") dated March 31, 2017 as well as the facts and circumstances as of the Valuation Date.

Any advice given or report issued by us is provided solely for your use and benefit and only in connection with the services that are provided hereunder. Except as required by law, this report shall not be provided to any third party, except that it may be provided to FPL's legal advisors and the Regulators and parties to any proceeding with the Regulators regarding the COVB acquisition. Except as it relates to proceedings with the Regulators: (i) you shall not refer to us either directly by name or indirectly as an independent valuation service provider (or by any other indirect reference or description), or to the services, whether in any public filing or other document, without our prior written consent, which we may at our discretion grant, withhold, or grant subject to conditions, and (ii) in addition to the foregoing prohibitions and requirements with respect to all third parties, submission of our report or any portion thereof to, or responding to any comment letter issued by, the Securities and Exchange Commission or its staff, or any written or verbal references to us, this report or to the services in such a response is subject to you providing us with prior notice, and allowing us to provide input as to the content of such response. In no event, regardless of whether consent or pre-approval has been provided, shall we assume any responsibility to any third party to which any advice or report is disclosed or otherwise made available.

While our work has involved an analysis of financial information and accounting records, our Engagement does not include an audit in accordance with generally accepted auditing standards of COVB's existing business records. Accordingly, we assume no responsibility and make no representations with respect to the accuracy or completeness of any information provided by and on behalf of you and Management.

Budgets, projections, and forecasts relate to future events and are based on assumptions that may not remain valid for the whole of the relevant period. Consequently, this information cannot be relied upon to the same extent as that derived from audited accounts for completed accounting periods. We express no opinion as to how closely the actual results of COVB will correspond to those projected or forecast by Management.

In accordance with our agreement, this report is limited to the Scope of Services noted above. Additional issues may exist that could affect the tax treatment of FPL or COVB. This report does not consider or provide a conclusion with

respect to any of those issues. With respect to any significant local jurisdiction tax issue outside the scope of this report, this report was not written, and cannot be used, by anyone for the purpose of avoiding local jurisdiction tax penalties.

The valuation of companies and businesses is not a precise science and the conclusions arrived at in many cases will of necessity be subjective and dependent on the exercise of individual judgment. There is therefore no indisputable single value and we normally express our opinion on the value as falling within a likely range. However, if purpose requires the expression of specific values, we will adopt values that we find to be both reasonable and defensible based on the information available.

If you have any questions or need any additional information, please do not hesitate to contact David Herr, Managing Director, at (215) 430-6039 or Lee Tourscher, Director, at (215) 430-6051.

Yours sincerely,

Duff & Phelps, LLC
David Herr
Managing Director

CERTIFICATION

We certify that, to the best of our knowledge and belief:

- The statements of fact contained in this report are true and correct.
- We have no present or prospective interest in the business or property that is the subject of this report, and we have no personal interest or bias with respect to the parties involved.
- Our compensation is not contingent upon the reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value estimate, the attainment of a stipulated result, or the occurrence of a subsequent event.
- The Engagement was not based on a requested minimum valuation, a specific valuation, or the approval of a loan.
- The analyses and conclusions are limited only by the reported assumptions and limiting conditions, and represents our unbiased professional analyses and conclusions.
- This analysis and report was prepared under the direction of David Herr, CFA, with significant professional assistance provided by Lee Tourscher, CFA, Caroline Neiley, and Emily Sellman.

By: David Herr, CFA
Managing Director

CONFIDENTIAL
Exhibit DH-3 – Valuation of COVB Report and Exhibits

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 17
PARTY: FLORIDA POWER & LIGHT COMPANY (FPL)(DIRECT)
DESCRIPTION: David W. Herr DH-3

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 18
PARTY: CIVIC ASSOCIATION OF INDIAN RIVER COUNTY, INC.(DIRECT)
DESCRIPTION: Thomas P. White TPW-1

Thomas P. White's ~ City & COMMUNITY INVOLVEMENT

Clubs & Organizations				**Member Since:**
FRATERNAL ORDER OF POLICE				**1975 -**
Office Held:	State Trustee.....	8 years	1978– 1985	
Lodge #69	President	3 years	1985– 1986 – 1987	
(State)	Asst. Director.....	2 years	1987– 1988	
(State)	District Director..	1 year	1989– 1990	
"MEMBER OF THE YEAR" Awards:		**1982 – 1984 – 1988**		
KIWANIS CLUB OF VERO BEACH Office Held: Vice President... 1991– 92..(&)..2003-04 President..... 1992– 93.... (&)... 2004–06 Lt. Governor..... 1994– 95Florida District				**1989-Present**
"KIWANIAN OF THE YEAR" Award: 1992		***"GEORGE F. HIXSON FELLOW"***		***Awarded: 2002***
Florida League of Cities..... Board of Directors.....				**2008 - 2010**
Criminal Justice & Ethics Committee (Fla. League of Cities).... (Chairman).....				**1998 – 2006**
I.R.C. Marine Advisory Watershed Committee (MANWAC).....				**1998 – 2010**
Treasure Coast Regional Planning Council.....				**1998 – 2001**
Florida Atlantic University Advisory Board.....				**2001 – 2010**
Florida Municipal Insurance Trust (Board of Trustees).....				**2004 – 2010**
Florida League of Mayors..... (Board of Directors).....				**2007 - 2009**
Public Safety & Crime Prevention (National League of Cities).....				**2000 – 2007**
I.R.C. Council of Public Officials..... (Chairman).....				**2004 – 2006**
Treasure Coast Regional League of Cities..... (Charter President 2yrs)…….....				**2006 – 2010**
Sustainable Treasure Coast (Appointed by Governor Bush).....				**2005 - 2007**
I.R.C. Beach & Shore Preservation Committee ..... (Chairman-07&08).....				**2000 – 2010**
Leadership Training Council (National League of Cities).....				**2004 - 2006**
I.R.C. Taxpayers Association Board of Directors.....				**2000 – 2006**
Benevolent and Protective Order of Elks #1774.....				**1973 – 2000**
Civic Association of Indian River County……..				**1995 - present**
Republican Men's Club.....Director 1994-95, V.P. 1997, Pres. 1998, Treasurer 2000-08.....				**1991 – 2010**
I.R.C. Republican Eve Club..... Director, Treasurer 04-06.....				**1991 – 2007**
International Association of Assessing Officers.....				**1991 – 2000**
Florida Crime Stoppers.....				**1982 – 1990**
Florida Police Combat League.....Vice President, President.....				**1980 – 1987**
North T/C American Red Cross Board of Directors..... 1st Vice Chairman.....				**1998 – 2002**
Substance Abuse Advisory Board.....				**2000 – 2010**
Senior Resource Association.... (Board of Directors).....				**1998 – 2008**
International Relations Committee.....				**2003 – 2010**
Advocacy Committee..... (FLC).....				**2004 – 2007**
Indian River Corvette Club..... Charter President.....				**2000 - 2009**
Elected Officials Oversight Committee...Chairman.....				**2008 - 2009**

SPECIAL RECOGNITIONS:

March of Dimes "MAN OF THE YEAR" (1986-87)
Vero Beach Jaycees "ENTREPRENEUR OF THE YEAR" (1992)
Featured in Marquis "WHO'S WHO IN AMERICA" (1995-1996-2000)
IRC Taxpayers Association "MISER OF THE YEAR" (1999)
School District of IRC "ACADEMY OF STARS" (2001)
National League of Cities "GOLD FELLOW" in Leadership (2006)
National League of Cities "PLATINUM AWARD" in Leadership (2008)
Exchange Club of Vero Beach "BOOK OF GOLDEN DEEDS" (2008)

OTHER VOLUNTEER SERVICE:

***City of Vero Beach Board of Adjustments.....**	**1994 - 1998**
***March of Dimes WalkAthon & Chefs Auction Committee.....**	**1993 - 2000**

RESUME OF LANE KOLLEN, VICE PRESIDENT

EDUCATION

University of Toledo, BBA
Accounting

University of Toledo, MBA

Luther Rice University, MA

PROFESSIONAL CERTIFICATIONS

Certified Public Accountant (CPA)

Certified Management Accountant (CMA)

PROFESSIONAL AFFILIATIONS

American Institute of Certified Public Accountants

Georgia Society of Certified Public Accountants

Institute of Management Accountants

Mr. Kollen has more than thirty years of utility industry experience in the financial, rate, tax, and planning areas. He specializes in revenue requirements analyses, taxes, evaluation of rate and financial impacts of traditional and nontraditional ratemaking, utility mergers/acquisition and diversification. Mr. Kollen has expertise in proprietary and nonproprietary software systems used by utilities for budgeting, rate case support and strategic and financial planning.

RESUME OF LANE KOLLEN, VICE PRESIDENT

EXPERIENCE

1986 to Present: **J. Kennedy and Associates, Inc.:** Vice President and Principal. Responsible for utility stranded cost analysis, revenue requirements analysis, cash flow projections and solvency, financial and cash effects of traditional and nontraditional ratemaking, and research, speaking and writing on the effects of tax law changes. Testimony before Connecticut, Florida, Georgia, Indiana, Louisiana, Kentucky, Maine, Maryland, Minnesota, New York, North Carolina, Ohio, Pennsylvania, Tennessee, Texas, West Virginia and Wisconsin state regulatory commissions and the Federal Energy Regulatory Commission.

1983 to 1986: **Energy Management Associates:** Lead Consultant.
Consulting in the areas of strategic and financial planning, traditional and nontraditional ratemaking, rate case support and testimony, diversification and generation expansion planning. Directed consulting and software development projects utilizing PROSCREEN II and ACUMEN proprietary software products. Utilized ACUMEN detailed corporate simulation system, PROSCREEN II strategic planning system and other custom developed software to support utility rate case filings including test year revenue requirements, rate base, operating income and pro-forma adjustments. Also utilized these software products for revenue simulation, budget preparation and cost-of-service analyses.

1976 to 1983: **The Toledo Edison Company:** Planning Supervisor.
Responsible for financial planning activities including generation expansion planning, capital and expense budgeting, evaluation of tax law changes, rate case strategy and support and computerized financial modeling using proprietary and nonproprietary software products. Directed the modeling and evaluation of planning alternatives including:

Rate phase-ins.
Construction project cancellations and write-offs.
Construction project delays.
Capacity swaps.
Financing alternatives.
Competitive pricing for off-system sales.
Sale/leasebacks.

RESUME OF LANE KOLLEN, VICE PRESIDENT

CLIENTS SERVED

Industrial Companies and Groups

Air Products and Chemicals, Inc.
Airco Industrial Gases
Alcan Aluminum
Armco Advanced Materials Co.
Armco Steel
Bethlehem Steel
CF&I Steel, L.P.
Climax Molybdenum Company
Connecticut Industrial Energy Consumers
ELCON
Enron Gas Pipeline Company
Florida Industrial Power Users Group
Gallatin Steel
General Electric Company
GPU Industrial Intervenors
Indiana Industrial Group
Industrial Consumers for
Fair Utility Rates - Indiana
Industrial Energy Consumers - Ohio
Kentucky Industrial Utility Customers, Inc.
Kimberly-Clark Company
Lehigh Valley Power Committee
Maryland Industrial Group
Multiple Intervenors (New York)
National Southwire
North Carolina Industrial
Energy Consumers
Occidental Chemical Corporation
Ohio Energy Group
Ohio Industrial Energy Consumers
Ohio Manufacturers Association
Philadelphia Area Industrial Energy
Users Group
PSI Industrial Group
Smith Cogeneration
Taconite Intervenors (Minnesota)
West Penn Power Industrial Intervenors
West Virginia Energy Users Group
Westvaco Corporation

Regulatory Commissions and Government Agencies

Cities in Texas-New Mexico Power Company's Service Territory
Cities in AEP Texas Central Company's Service Territory
Cities in AEP Texas North Company's Service Territory
Georgia Public Service Commission Staff
Kentucky Attorney General's Office, Division of Consumer Protection
Louisiana Public Service Commission Staff
Maine Office of Public Advocate
New York State Energy Office
Office of Public Utility Counsel (Texas)

RESUME OF LANE KOLLEN, VICE PRESIDENT

Utilities

Allegheny Power System
Atlantic City Electric Company
Carolina Power & Light Company
Cleveland Electric Illuminating Company
Delmarva Power & Light Company
Duquesne Light Company
General Public Utilities
Georgia Power Company
Middle South Services
Nevada Power Company
Niagara Mohawk Power Corporation
Otter Tail Power Company
Pacific Gas & Electric Company
Public Service Electric & Gas
Public Service of Oklahoma
Rochester Gas and Electric
Savannah Electric & Power Company
Seminole Electric Cooperative
Southern California Edison
Talquin Electric Cooperative
Tampa Electric
Texas Utilities
Toledo Edison Company

Expert Testimony Appearances
of
Lane Kollen
As of August 2018

Date	Case	Jurisdict.	Party	Utility	Subject
10/86	U-17282 Interim	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements financial solvency.
11/86	U-17282 Interim Rebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements financial solvency.
12/86	9613	KY	Attorney General Div. of Consumer Protection	Big Rivers Electric Corp.	Revenue requirements accounting adjustments financial workout plan.
1/87	U-17282 Interim	LA 19th Judicial District Ct.	Louisiana Public Service Commission Staff	Gulf States Utilities	Cash revenue requirements, financial solvency.
3/87	General Order 236	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Tax Reform Act of 1986.
4/87	U-17282 Prudence	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Prudence of River Bend 1, economic analyses, cancellation studies.
4/87	M-100 Sub 113	NC	North Carolina Industrial Energy Consumers	Duke Power Co.	Tax Reform Act of 1986.
5/87	86-524-E-SC	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Revenue requirements, Tax Reform Act of 1986.
5/87	U-17282 Case In Chief	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, financial solvency.
7/87	U-17282 Case In Chief Surrebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, financial solvency.
7/87	U-17282 Prudence Surrebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Prudence of River Bend 1, economic analyses, cancellation studies.
7/87	86-524 E-SC Rebuttal	WV	West Virginia Energy Users' Group	Monongahela Power Co.	Revenue requirements, Tax Reform Act of 1986.
8/87	9885	KY	Attorney General Div. of Consumer Protection	Big Rivers Electric Corp.	Financial workout plan.
8/87	E-015/GR-87-223	MN	Taconite Intervenors	Minnesota Power & Light Co.	Revenue requirements, O&M expense, Tax Reform Act of 1986.
10/87	870220-EI	FL	Occidental Chemical Corp.	Florida Power Corp.	Revenue requirements, O&M expense, Tax Reform Act of 1986.
11/87	87-07-01	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Tax Reform Act of 1986.
1/88	U-17282	LA 19th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Revenue requirements, River Bend 1 phase-in plan, rate of return.
2/88	9934	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Economics of Trimble County, completion.

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2/88	10064	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Revenue requirements, O&M expense, capital structure, excess deferred income taxes.
5/88	10217	KY	Alcan Aluminum National Southwire	Big Rivers Electric Corp.	Financial workout plan.
5/88	M-87017-1C001	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Nonutility generator deferred cost recovery.
5/88	M-87017-2C005	PA	GPU Industrial Intervenors	Pennsylvania Electric Co.	Nonutility generator deferred cost recovery.
6/88	U-17282	LA 19th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Prudence of River Bend 1 economic analyses, cancellation studies, financial modeling.
7/88	M-87017-1C001 Rebuttal	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Nonutility generator deferred cost recovery, SFAS No. 92.
7/88	M-87017-2C005 Rebuttal	PA	GPU Industrial Intervenors	Pennsylvania Electric Co.	Nonutility generator deferred cost recovery, SFAS No. 92.
9/88	88-05-25	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co.	Excess deferred taxes, O&M expenses.
9/88	10064 Rehearing	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Premature retirements, interest expense.
10/88	88-170-EL-AIR	OH	Ohio Industrial Energy Consumers	Cleveland Electric Illuminating Co.	Revenue requirements, phase-in, excess deferred taxes, O&M expenses, financial considerations, working capital.
10/88	88-171-EL-AIR	OH	Ohio Industrial Energy Consumers	Toledo Edison Co.	Revenue requirements, phase-in, excess deferred taxes, O&M expenses, financial considerations, working capital.
10/88	8800-355-EI	FL	Florida Industrial Power Users' Group	Florida Power & Light Co.	Tax Reform Act of 1986, tax expenses, O&M expenses, pension expense (SFAS No. 87).
10/88	3780-U	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Co.	Pension expense (SFAS No. 87).
11/88	U-17282 Remand	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Rate base exclusion plan (SFAS No. 71).
12/88	U-17970	LA	Louisiana Public Service Commission Staff	AT&T Communications of South Central States	Pension expense (SFAS No. 87).
12/88	U-17949 Rebuttal	LA	Louisiana Public Service Commission Staff	South Central Bell	Compensated absences (SFAS No. 43), pension expense (SFAS No. 87), Part 32, income tax normalization.
2/89	U-17282 Phase II	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, phase-in of River Bend 1, recovery of canceled plant.

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6/89	881602-EU 890326-EU	FL	Talquin Electric Cooperative	Talquin/City of Tallahassee	Economic analyses, incremental cost-of-service, average customer rates.
7/89	U-17970	LA	Louisiana Public Service Commission Staff	AT&T Communications of South Central States	Pension expense (SFAS No. 87), compensated absences (SFAS No. 43), Part 32.
8/89	8555	TX	Occidental Chemical Corp.	Houston Lighting & Power Co.	Cancellation cost recovery, tax expense, revenue requirements.
8/89	3840-U	GA	Georgia Public Service Commission Staff	Georgia Power Co.	Promotional practices, advertising, economic development.
9/89	U-17282 Phase II Detailed	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, detailed investigation.
10/89	8880	TX	Enron Gas Pipeline	Texas-New Mexico Power Co.	Deferred accounting treatment, sale/leaseback.
10/89	8928	TX	Enron Gas Pipeline	Texas-New Mexico Power Co.	Revenue requirements, imputed capital structure, cash working capital.
10/89	R-891364	PA	Philadelphia Area Industrial Energy Users Group	Philadelphia Electric Co.	Revenue requirements.
11/89 12/89	R-891364 Surrebuttal (2 Filings)	PA	Philadelphia Area Industrial Energy Users Group	Philadelphia Electric Co.	Revenue requirements, sale/leaseback.
1/90	U-17282 Phase II Detailed Rebuttal	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements, detailed investigation.
1/90	U-17282 Phase III	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Phase-in of River Bend 1, deregulated asset plan.
3/90	890319-EI	FL	Florida Industrial Power Users Group	Florida Power & Light Co.	O&M expenses, Tax Reform Act of 1986.
4/90	890319-EI Rebuttal	FL	Florida Industrial Power Users Group	Florida Power & Light Co.	O&M expenses, Tax Reform Act of 1986.
4/90	U-17282	LA 19th Judicial District Ct.	Louisiana Public Service Commission	Gulf States Utilities	Fuel clause, gain on sale of utility assets.
9/90	90-158	KY	Kentucky Industrial Utility Customers	Louisville Gas & Electric Co.	Revenue requirements, post-test year additions, forecasted test year.
12/90	U-17282 Phase IV	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Revenue requirements.
3/91	29327, et. al.	NY	Multiple Intervenors	Niagara Mohawk Power Corp.	Incentive regulation.

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5/91	9945	TX	Office of Public Utility Counsel of Texas	El Paso Electric Co.	Financial modeling, economic analyses, prudence of Palo Verde 3.
9/91	P-910511 P-910512	PA	Allegheny Ludlum Corp., Armco Advanced Materials Co., The West Penn Power Industrial Users' Group	West Penn Power Co.	Recovery of CAAA costs, least cost financing.
9/91	91-231-E-NC	WV	West Virginia Energy Users Group	Monongahela Power Co.	Recovery of CAAA costs, least cost financing.
11/91	U-17282	LA	Louisiana Public Service Commission Staff	Gulf States Utilities	Asset impairment, deregulated asset plan, revenue requirements.
12/91	91-410-EL-AIR	OH	Air Products and Chemicals, Inc., Armco Steel Co., General Electric Co., Industrial Energy Consumers	Cincinnati Gas & Electric Co.	Revenue requirements, phase-in plan.
12/91	PUC Docket 10200	TX	Office of Public Utility Counsel of Texas	Texas-New Mexico Power Co.	Financial integrity, strategic planning, declined business affiliations.
5/92	910890-EI	FL	Occidental Chemical Corp.	Florida Power Corp.	Revenue requirements, O&M expense, pension expense, OPEB expense, fossil dismantling, nuclear decommissioning.
8/92	R-00922314	PA	GPU Industrial Intervenors	Metropolitan Edison Co.	Incentive regulation, performance rewards, purchased power risk, OPEB expense.
9/92	92-043	KY	Kentucky Industrial Utility Consumers	Generic Proceeding	OPEB expense.
9/92	920324-EI	FL	Florida Industrial Power Users' Group	Tampa Electric Co.	OPEB expense.
9/92	39348	IN	Indiana Industrial Group	Generic Proceeding	OPEB expense.
9/92	910840-PU	FL	Florida Industrial Power Users' Group	Generic Proceeding	OPEB expense.
9/92	39314	IN	Industrial Consumers for Fair Utility Rates	Indiana Michigan Power Co.	OPEB expense.
11/92	U-19904	LA	Louisiana Public Service Commission Staff	Gulf States Utilities /Entergy Corp.	Merger.
11/92	8469	MD	Westvaco Corp., Eastalco Aluminum Co.	Potomac Edison Co.	OPEB expense.
11/92	92-1715-AU-COI	OH	Ohio Manufacturers Association	Generic Proceeding	OPEB expense.
12/92	R-00922378	PA	Armco Advanced Materials Co., The WPP Industrial Intervenors	West Penn Power Co.	Incentive regulation, performance rewards, purchased power risk, OPEB expense.

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12/92	U-19949	LA	Louisiana Public Service Commission Staff	South Central Bell	Affiliate transactions, cost allocations, merger.
12/92	R-00922479	PA	Philadelphia Area Industrial Energy Users' Group	Philadelphia Electric Co.	OPEB expense.
1/93	8487	MD	Maryland Industrial Group	Baltimore Gas & Electric Co., Bethlehem Steel Corp.	OPEB expense, deferred fuel, CWIP in rate base.
1/93	39498	IN	PSI Industrial Group	PSI Energy, Inc.	Refunds due to over-collection of taxes on Marble Hill cancellation.
3/93	92-11-11	CT	Connecticut Industrial Energy Consumers	Connecticut Light & Power Co	OPEB expense.
3/93	U-19904 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities /Entergy Corp.	Merger.
3/93	93-01-EL-EFC	OH	Ohio Industrial Energy Consumers	Ohio Power Co.	Affiliate transactions, fuel.
3/93	EC92-21000 ER92-806-000	FERC	Louisiana Public Service Commission Staff	Gulf States Utilities /Entergy Corp.	Merger.
4/93	92-1464-EL-AIR	OH	Air Products Armco Steel Industrial Energy Consumers	Cincinnati Gas & Electric Co.	Revenue requirements, phase-in plan.
4/93	EC92-21000 ER92-806-000 (Rebuttal)	FERC	Louisiana Public Service Commission	Gulf States Utilities /Entergy Corp.	Merger.
9/93	93-113	KY	Kentucky Industrial Utility Customers	Kentucky Utilities	Fuel clause and coal contract refund.
9/93	92-490, 92-490A, 90-360-C	KY	Kentucky Industrial Utility Customers and Kentucky Attorney General	Big Rivers Electric Corp.	Disallowances and restitution for excessive fuel costs, illegal and improper payments, recovery of mine closure costs.
10/93	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	Revenue requirements, debt restructuring agreement, River Bend cost recovery.
1/94	U-20647	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Audit and investigation into fuel clause costs.
4/94	U-20647 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear and fossil unit performance, fuel costs, fuel clause principles and guidelines.
4/94	U-20647 (Supplemental Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Audit and investigation into fuel clause costs.
5/94	U-20178	LA	Louisiana Public Service Commission Staff	Louisiana Power & Light Co.	Planning and quantification issues of least cost integrated resource plan.

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9/94	U-19904 Initial Post-Merger Earnings Review	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	River Bend phase-in plan, deregulated asset plan, capital structure, other revenue requirement issues.
9/94	U-17735	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policies, exclusion of River Bend, other revenue requirement issues.
10/94	3905-U	GA	Georgia Public Service Commission Staff	Southern Bell Telephone Co.	Incentive rate plan, earnings review.
10/94	5258-U	GA	Georgia Public Service Commission Staff	Southern Bell Telephone Co.	Alternative regulation, cost allocation.
11/94	U-19904 Initial Post-Merger Earnings Review (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	River Bend phase-in plan, deregulated asset plan, capital structure, other revenue requirement issues.
11/94	U-17735 (Rebuttal)	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policy, exclusion of River Bend, other revenue requirement issues.
4/95	R-00943271	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Revenue requirements. Fossil dismantling, nuclear decommissioning.
6/95	3905-U Rebuttal	GA	Georgia Public Service Commission	Southern Bell Telephone Co.	Incentive regulation, affiliate transactions, revenue requirements, rate refund.
6/95	U-19904 (Direct)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Gas, coal, nuclear fuel costs, contract prudence, base/fuel realignment.
10/95	95-02614	TN	Tennessee Office of the Attorney General Consumer Advocate	BellSouth Telecommunications, Inc.	Affiliate transactions.
10/95	U-21485 (Direct)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear O&M, River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues.
11/95	U-19904 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co. Division	Gas, coal, nuclear fuel costs, contract prudence, base/fuel realignment.
11/95	U-21485 (Supplemental Direct)	LA	Louisiana Public Service Commission Staff	Gulf States Utilities Co.	Nuclear O&M, River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues.
12/95	U-21485 (Surrebuttal)				
1/96	95-299-EL-AIR 95-300-EL-AIR	OH	Industrial Energy Consumers	The Toledo Edison Co., The Cleveland Electric Illuminating Co.	Competition, asset write-offs and revaluation, O&M expense, other revenue requirement issues.
2/96	PUC Docket 14965	TX	Office of Public Utility Counsel	Central Power & Light	Nuclear decommissioning.
5/96	95-485-LCS	NM	City of Las Cruces	El Paso Electric Co.	Stranded cost recovery, municipalization.

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7/96	8725	MD	The Maryland Industrial Group and Redland Genstar, Inc.	Baltimore Gas & Electric Co., Potomac Electric Power Co., and Constellation Energy Corp.	Merger savings, tracking mechanism, earnings sharing plan, revenue requirement issues.
9/96 11/96	U-22092 U-22092 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	River Bend phase-in plan, base/fuel realignment, NOL and AltMin asset deferred taxes, other revenue requirement issues, allocation of regulated/nonregulated costs.
10/96	96-327	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Environmental surcharge recoverable costs.
2/97	R-00973877	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Stranded cost recovery, regulatory assets and liabilities, intangible transition charge, revenue requirements.
3/97	96-489	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	Environmental surcharge recoverable costs, system agreements, allowance inventory, jurisdictional allocation.
6/97	TO-97-397	MO	MCI Telecommunications Corp., Inc., MCImetro Access Transmission Services, Inc.	Southwestern Bell Telephone Co.	Price cap regulation, revenue requirements, rate of return.
6/97	R-00973953	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
7/97	R-00973954	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
7/97	U-22092	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Depreciation rates and methodologies, River Bend phase-in plan.
8/97	97-300	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co., Kentucky Utilities Co.	Merger policy, cost savings, surcredit sharing mechanism, revenue requirements, rate of return.
8/97	R-00973954 (Surrebuttal)	PA	PP&L Industrial Customer Alliance	Pennsylvania Power & Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
10/97	97-204	KY	Alcan Aluminum Corp. Southwire Co.	Big Rivers Electric Corp.	Restructuring, revenue requirements, reasonableness.
10/97	R-974008	PA	Metropolitan Edison Industrial Users Group	Metropolitan Edison Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements.
10/97	R-974009	PA	Penelec Industrial Customer Alliance	Pennsylvania Electric Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements.

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11/97	97-204 (Rebuttal)	KY	Alcan Aluminum Corp. Southwire Co.	Big Rivers Electric Corp.	Restructuring, revenue requirements, reasonableness of rates, cost allocation.
11/97	U-22491	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, other revenue requirement issues.
11/97	R-00973953 (Surrebuttal)	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning.
11/97	R-973981	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, fossil decommissioning, revenue requirements, securitization.
11/97	R-974104	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements, securitization.
12/97	R-973981 (Surrebuttal)	PA	West Penn Power Industrial Intervenors	West Penn Power Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, fossil decommissioning, revenue requirements.
12/97	R-974104 (Surrebuttal)	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Restructuring, deregulation, stranded costs, regulatory assets, liabilities, nuclear and fossil decommissioning, revenue requirements, securitization.
1/98	U-22491 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, other revenue requirement issues.
2/98	8774	MD	Westvaco	Potomac Edison Co.	Merger of Duquesne, AE, customer safeguards, savings sharing.
3/98	U-22092 (Allocated Stranded Cost Issues)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Restructuring, stranded costs, regulatory assets, securitization, regulatory mitigation.
3/98	8390-U	GA	Georgia Natural Gas Group, Georgia Textile Manufacturers Assoc.	Atlanta Gas Light Co.	Restructuring, unbundling, stranded costs, incentive regulation, revenue requirements.
3/98	U-22092 (Allocated Stranded Cost Issues) (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Restructuring, stranded costs, regulatory assets, securitization, regulatory mitigation.
3/98	U-22491 (Supplemental Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, other revenue requirement issues.
10/98	97-596	ME	Maine Office of the Public Advocate	Bangor Hydro-Electric Co.	Restructuring, unbundling, stranded costs, T&D revenue requirements.

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10/98	9355-U	GA	Georgia Public Service Commission Adversary Staff	Georgia Power Co.	Affiliate transactions.
10/98	U-17735 Rebuttal	LA	Louisiana Public Service Commission Staff	Cajun Electric Power Cooperative	G&T cooperative ratemaking policy, other revenue requirement issues.
11/98	U-23327	LA	Louisiana Public Service Commission Staff	SWEPCO, CSW and AEP	Merger policy, savings sharing mechanism, affiliate transaction conditions.
12/98	U-23358 (Direct)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
12/98	98-577	ME	Maine Office of Public Advocate	Maine Public Service Co.	Restructuring, unbundling, stranded cost, T&D revenue requirements.
1/99	98-10-07	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Stranded costs, investment tax credits, accumulated deferred income taxes, excess deferred income taxes.
3/99	U-23358 (Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
3/99	98-474	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements, alternative forms of regulation.
3/99	98-426	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements, alternative forms of regulation.
3/99	99-082	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.
3/99	99-083	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
4/99	U-23358 (Supplemental Surrebuttal)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
4/99	99-03-04	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Regulatory assets and liabilities, stranded costs, recovery mechanisms.
4/99	99-02-05	CT	Connecticut Industrial Utility Customers	Connecticut Light and Power Co.	Regulatory assets and liabilities, stranded costs, recovery mechanisms.
5/99	98-426 99-082 (Additional Direct)	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.
5/99	98-474 99-083 (Additional Direct)	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.

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5/99	98-426 98-474 (Response to Amended Applications)	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co., Kentucky Utilities Co.	Alternative regulation.
6/99	97-596	ME	Maine Office of Public Advocate	Bangor Hydro-Electric Co.	Request for accounting order regarding electric industry restructuring costs.
7/99	U-23358	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Affiliate transactions, cost allocations.
7/99	99-03-35	CT	Connecticut Industrial Energy Consumers	United Illuminating Co.	Stranded costs, regulatory assets, tax effects of asset divestiture.
7/99	U-23327	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co., Central and South West Corp, American Electric Power Co.	Merger Settlement and Stipulation.
7/99	97-596 Surrebuttal	ME	Maine Office of Public Advocate	Bangor Hydro-Electric Co.	Restructuring, unbundling, stranded cost, T&D revenue requirements.
7/99	98-0452-E-GI	WV	West Virginia Energy Users Group	Monongahela Power, Potomac Edison, Appalachian Power, Wheeling Power	Regulatory assets and liabilities.
8/99	98-577 Surrebuttal	ME	Maine Office of Public Advocate	Maine Public Service Co.	Restructuring, unbundling, stranded costs, T&D revenue requirements.
8/99	98-426 99-082 Rebuttal	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co.	Revenue requirements.
8/99	98-474 98-083 Rebuttal	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements.
8/99	98-0452-E-GI Rebuttal	WV	West Virginia Energy Users Group	Monongahela Power, Potomac Edison, Appalachian Power, Wheeling Power	Regulatory assets and liabilities.
10/99	U-24182 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, affiliate transactions, tax issues, and other revenue requirement issues.
11/99	PUC Docket 21527	TX	The Dallas-Fort Worth Hospital Council and Coalition of Independent Colleges and Universities	TXU Electric	Restructuring, stranded costs, taxes, securitization.

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11/99	U-23358 Surrebuttal Affiliate Transactions Review	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Service company affiliate transaction costs.
01/00	U-24182 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, affiliate transactions, tax issues, and other revenue requirement issues.
04/00	99-1212-EL-ETP 99-1213-EL-ATA 99-1214-EL-AAM	OH	Greater Cleveland Growth Association	First Energy (Cleveland Electric Illuminating, Toledo Edison)	Historical review, stranded costs, regulatory assets, liabilities.
05/00	2000-107	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	ECR surcharge roll-in to base rates.
05/00	U-24182 Supplemental Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Affiliate expense proforma adjustments.
05/00	A-110550F0147	PA	Philadelphia Area Industrial Energy Users Group	PECO Energy	Merger between PECO and Unicom.
05/00	99-1658-EL-ETP	OH	AK Steel Corp.	Cincinnati Gas & Electric Co.	Regulatory transition costs, including regulatory assets and liabilities, SFAS 109, ADIT, EDIT, ITC.
07/00	PUC Docket 22344	TX	The Dallas-Fort Worth Hospital Council and The Coalition of Independent Colleges and Universities	Statewide Generic Proceeding	Escalation of O&M expenses for unbundled T&D revenue requirements in projected test year.
07/00	U-21453	LA	Louisiana Public Service Commission	SWEPCO	Stranded costs, regulatory assets and liabilities.
08/00	U-24064	LA	Louisiana Public Service Commission Staff	CLECO	Affiliate transaction pricing ratemaking principles, subsidization of nonregulated affiliates, ratemaking adjustments.
10/00	SOAH Docket 473-00-1015 PUC Docket 22350	TX	The Dallas-Fort Worth Hospital Council and The Coalition of Independent Colleges and Universities	TXU Electric Co.	Restructuring, T&D revenue requirements, mitigation, regulatory assets and liabilities.
10/00	R-00974104 Affidavit	PA	Duquesne Industrial Intervenors	Duquesne Light Co.	Final accounting for stranded costs, including treatment of auction proceeds, taxes, capital costs, switchback costs, and excess pension funding.
11/00	P-00001837 R-00974008 P-00001838 R-00974009	PA	Metropolitan Edison Industrial Users Group Penelec Industrial Customer Alliance	Metropolitan Edison Co., Pennsylvania Electric Co.	Final accounting for stranded costs, including treatment of auction proceeds, taxes, regulatory assets and liabilities, transaction costs.

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12/00	U-21453, U-20925, U-22092 (Subdocket C) Surrebuttal	LA	Louisiana Public Service Commission Staff	SWEPCO	Stranded costs, regulatory assets.
01/01	U-24993 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Allocation of regulated and nonregulated costs, tax issues, and other revenue requirement issues.
01/01	U-21453, U-20925, U-22092 (Subdocket B) Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Industry restructuring, business separation plan, organization structure, hold harmless conditions, financing.
01/01	Case No. 2000-386	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co.	Recovery of environmental costs, surcharge mechanism.
01/01	Case No. 2000-439	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Recovery of environmental costs, surcharge mechanism.
02/01	A-110300F0095 A-110400F0040	PA	Met-Ed Industrial Users Group, Penelec Industrial Customer Alliance	GPU, Inc. FirstEnergy Corp.	Merger, savings, reliability.
03/01	P-00001860 P-00001861	PA	Met-Ed Industrial Users Group, Penelec Industrial Customer Alliance	Metropolitan Edison Co., Pennsylvania Electric Co.	Recovery of costs due to provider of last resort obligation.
04/01	U-21453, U-20925, U-22092 (Subdocket B) Settlement Term Sheet	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: settlement agreement on overall plan structure.
04/01	U-21453, U-20925, U-22092 (Subdocket B) Contested Issues	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: agreements, hold harmless conditions, separations methodology.
05/01	U-21453, U-20925, U-22092 (Subdocket B) Contested Issues Transmission and Distribution Rebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: agreements, hold harmless conditions, separations methodology.

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07/01	U-21453, U-20925, U-22092 (Subdocket B) Transmission and Distribution Term Sheet	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Business separation plan: settlement agreement on T&D issues, agreements necessary to implement T&D separations, hold harmless conditions, separations methodology.
10/01	14000-U	GA	Georgia Public Service Commission Adversary Staff	Georgia Power Company	Revenue requirements, Rate Plan, fuel clause recovery.
11/01	14311-U Direct Panel with Bolin Killings	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co	Revenue requirements, revenue forecast, O&M expense, depreciation, plant additions, cash working capital.
11/01	U-25687 Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, capital structure, allocation of regulated and nonregulated costs, River Bend uprate.
02/02	PUC Docket 25230	TX	The Dallas-Fort Worth Hospital Council and the Coalition of Independent Colleges and Universities	TXU Electric	Stipulation. Regulatory assets, securitization financing.
02/02	U-25687 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, River Bend uprate.
03/02	14311-U Rebuttal Panel with Bolin Killings	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements, earnings sharing plan, service quality standards.
03/02	14311-U Rebuttal Panel with Michelle L. Thebert	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements, revenue forecast, O&M expense, depreciation, plant additions, cash working capital.
03/02	001148-EI	FL	South Florida Hospital and Healthcare Assoc.	Florida Power & Light Co.	Revenue requirements. Nuclear life extension, storm damage accruals and reserve, capital structure, O&M expense.
04/02	U-25687 (Suppl. Surrebuttal)	LA	Louisiana Public Service Commission	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, River Bend uprate.
04/02	U-21453, U-20925 U-22092 (Subdocket C)	LA	Louisiana Public Service Commission	SWEPCO	Business separation plan, T&D Term Sheet, separations methodologies, hold harmless conditions.
08/02	EL01-88-000	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	System Agreement, production cost equalization, tariffs.
08/02	U-25888	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc. and Entergy Louisiana, Inc.	System Agreement, production cost disparities, prudence.

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09/02	2002-00224 2002-00225	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Line losses and fuel clause recovery associated with off-system sales.
11/02	2002-00146 2002-00147	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Environmental compliance costs and surcharge recovery.
01/03	2002-00169	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Power Co.	Environmental compliance costs and surcharge recovery.
04/03	2002-00429 2002-00430	KY	Kentucky Industrial Utilities Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Extension of merger surcredit, flaws in Companies' studies.
04/03	U-26527	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post-test year adjustments.
06/03	EL01-88-000 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	System Agreement, production cost equalization, tariffs.
06/03	2003-00068	KY	Kentucky Industrial Utility Customers	Kentucky Utilities Co.	Environmental cost recovery, correction of base rate error.
11/03	ER03-753-000	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Unit power purchases and sale cost-based tariff pursuant to System Agreement.
11/03	ER03-583-000, ER03-583-001, ER03-583-002 ER03-681-000, ER03-681-001 ER03-682-000, ER03-682-001, ER03-682-002 ER03-744-000, ER03-744-001 (Consolidated)	FERC	Louisiana Public Service Commission	Entergy Services, Inc., the Entergy Operating Companies, EWO Marketing, L.P, and Entergy Power, Inc.	Unit power purchases and sale agreements, contractual provisions, projected costs, levelized rates, and formula rates.
12/03	U-26527 Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post-test year adjustments.
12/03	2003-0334 2003-0335	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Earnings Sharing Mechanism.
12/03	U-27136	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, Inc.	Purchased power contracts between affiliates, terms and conditions.

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03/04	U-26527 Supplemental Surrebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Revenue requirements, corporate franchise tax, conversion to LLC, capital structure, post-test year adjustments.
03/04	2003-00433	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas & Electric Co.	Revenue requirements, depreciation rates, O&M expense, deferrals and amortization, earnings sharing mechanism, merger surcredit, VDT surcredit.
03/04	2003-00434	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co.	Revenue requirements, depreciation rates, O&M expense, deferrals and amortization, earnings sharing mechanism, merger surcredit, VDT surcredit.
03/04	SOAH Docket 473-04-2459 PUC Docket 29206	TX	Cities Served by Texas-New Mexico Power Co.	Texas-New Mexico Power Co.	Stranded costs true-up, including valuation issues, ITC, ADIT, excess earnings.
05/04	04-169-EL-UNC	OH	Ohio Energy Group, Inc.	Columbus Southern Power Co. & Ohio Power Co.	Rate stabilization plan, deferrals, T&D rate increases, earnings.
06/04	SOAH Docket 473-04-4555 PUC Docket 29526	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric	Stranded costs true-up, including valuation issues, ITC, EDIT, excess mitigation credits, capacity auction true-up revenues, interest.
08/04	SOAH Docket 473-04-4555 PUC Docket 29526 (Suppl Direct)	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric	Interest on stranded cost pursuant to Texas Supreme Court remand.
09/04	U-23327 Subdocket B	LA	Louisiana Public Service Commission Staff	SWEPCO	Fuel and purchased power expenses recoverable through fuel adjustment clause, trading activities, compliance with terms of various LPSC Orders.
10/04	U-23327 Subdocket A	LA	Louisiana Public Service Commission Staff	SWEPCO	Revenue requirements.
12/04	Case Nos. 2004-00321, 2004-00372	KY	Gallatin Steel Co.	East Kentucky Power Cooperative, Inc., Big Sandy Recc, et al.	Environmental cost recovery, qualified costs, TIER requirements, cost allocation.
01/05	30485	TX	Houston Council for Health and Education	CenterPoint Energy Houston Electric, LLC	Stranded cost true-up including regulatory Central Co. assets and liabilities, ITC, EDIT, capacity auction, proceeds, excess mitigation credits, retrospective and prospective ADIT.
02/05	18638-U	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Revenue requirements.
02/05	18638-U Panel with Tony Wackerly	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Comprehensive rate plan, pipeline replacement program surcharge, performance based rate plan.

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02/05	18638-U Panel with Michelle Thebert	GA	Georgia Public Service Commission Adversary Staff	Atlanta Gas Light Co.	Energy conservation, economic development, and tariff issues.
03/05	Case Nos. 2004-00426, 2004-00421	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric	Environmental cost recovery, Jobs Creation Act of 2004 and §199 deduction, excess common equity ratio, deferral and amortization of nonrecurring O&M expense.
06/05	2005-00068	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	Environmental cost recovery, Jobs Creation Act of 2004 and §199 deduction, margins on allowances used for AEP system sales.
06/05	050045-EI	FL	South Florida Hospital and Healthcare Assoc.	Florida Power & Light Co.	Storm damage expense and reserve, RTO costs, O&M expense projections, return on equity performance incentive, capital structure, selective second phase post-test year rate increase.
08/05	31056	TX	Alliance for Valley Healthcare	AEP Texas Central Co.	Stranded cost true-up including regulatory assets and liabilities, ITC, EDIT, capacity auction, proceeds, excess mitigation credits, retrospective and prospective ADIT.
09/05	20298-U	GA	Georgia Public Service Commission Adversary Staff	Atmos Energy Corp.	Revenue requirements, roll-in of surcharges, cost recovery through surcharge, reporting requirements.
09/05	20298-U Panel with Victoria Taylor	GA	Georgia Public Service Commission Adversary Staff	Atmos Energy Corp.	Affiliate transactions, cost allocations, capitalization, cost of debt.
10/05	04-42	DE	Delaware Public Service Commission Staff	Artesian Water Co.	Allocation of tax net operating losses between regulated and unregulated.
11/05	2005-00351 2005-00352	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric	Workforce Separation Program cost recovery and shared savings through VDT surcredit.
01/06	2005-00341	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Co.	System Sales Clause Rider, Environmental Cost Recovery Rider. Net Congestion Rider, Storm damage, vegetation management program, depreciation, off-system sales, maintenance normalization, pension and OPEB.
03/06	PUC Docket 31994	TX	Cities	Texas-New Mexico Power Co.	Stranded cost recovery through competition transition or change.
05/06	31994 Supplemental	TX	Cities	Texas-New Mexico Power Co.	Retrospective ADFIT, prospective ADFIT.
03/06	U-21453, U-20925, U-22092 (Subdocket B)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Jurisdictional separation plan.

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03/06	NOPR Reg 104385-OR	IRS	Alliance for Valley Health Care and Houston Council for Health Education	AEP Texas Central Company and CenterPoint Energy Houston Electric	Proposed Regulations affecting flow- through to ratepayers of excess deferred income taxes and investment tax credits on generation plant that is sold or deregulated.
04/06	U-25116	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, Inc.	2002-2004 Audit of Fuel Adjustment Clause Filings. Affiliate transactions.
07/06	R-00061366, Et. al.	PA	Met-Ed Ind. Users Group Pennsylvania Ind. Customer Alliance	Metropolitan Edison Co., Pennsylvania Electric Co.	Recovery of NUG-related stranded costs, government mandated program costs, storm damage costs.
07/06	U-23327	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co.	Revenue requirements, formula rate plan, banking proposal.
08/06	U-21453, U-20925, U-22092 (Subdocket J)	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc.	Jurisdictional separation plan.
11/06	05CVH03-3375 Franklin County Court Affidavit	OH	Various Taxing Authorities (Non-Utility Proceeding)	State of Ohio Department of Revenue	Accounting for nuclear fuel assemblies as manufactured equipment and capitalized plant.
12/06	U-23327 Subdocket A Reply Testimony	LA	Louisiana Public Service Commission Staff	Southwestern Electric Power Co.	Revenue requirements, formula rate plan, banking proposal.
03/07	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc., Entergy Louisiana, LLC	Jurisdictional allocation of Entergy System Agreement equalization remedy receipts.
03/07	PUC Docket 33309	TX	Cities	AEP Texas Central Co.	Revenue requirements, including functionalization of transmission and distribution costs.
03/07	PUC Docket 33310	TX	Cities	AEP Texas North Co.	Revenue requirements, including functionalization of transmission and distribution costs.
03/07	2006-00472	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative	Interim rate increase, RUS loan covenants, credit facility requirements, financial condition.
03/07	U-29157	LA	Louisiana Public Service Commission Staff	Cleco Power, LLC	Permanent (Phase II) storm damage cost recovery.
04/07	U-29764 Supplemental and Rebuttal	LA	Louisiana Public Service Commission Staff	Entergy Gulf States, Inc., Entergy Louisiana, LLC	Jurisdictional allocation of Entergy System Agreement equalization remedy receipts.
04/07	ER07-682-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Allocation of intangible and general plant and A&G expenses to production and state income tax effects on equalization remedy receipts.
04/07	ER07-684-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Fuel hedging costs and compliance with FERC USOA.

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05/07	ER07-682-000 Supplemental Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Allocation of intangible and general plant and A&G expenses to production and account 924 effects on MSS-3 equalization remedy payments and receipts.
06/07	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Louisiana, LLC, Entergy Gulf States, Inc.	Show cause for violating LPSC Order on fuel hedging costs.
07/07	2006-00472	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative	Revenue requirements, post-test year adjustments, TIER, surcharge revenues and costs, financial need.
07/07	ER07-956-000 Affidavit	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Storm damage costs related to Hurricanes Katrina and Rita and effects of MSS-3 equalization payments and receipts.
10/07	05-UR-103 Direct	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company, Wisconsin Gas, LLC	Revenue requirements, carrying charges on CWIP, amortization and return on regulatory assets, working capital, incentive compensation, use of rate base in lieu of capitalization, quantification and use of Point Beach sale proceeds.
10/07	05-UR-103 Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company, Wisconsin Gas, LLC	Revenue requirements, carrying charges on CWIP, amortization and return on regulatory assets, working capital, incentive compensation, use of rate base in lieu of capitalization, quantification and use of Point Beach sale proceeds.
10/07	25060-U Direct	GA	Georgia Public Service Commission Public Interest Adversary Staff	Georgia Power Company	Affiliate costs, incentive compensation, consolidated income taxes, §199 deduction.
11/07	06-0033-E-CN Direct	WV	West Virginia Energy Users Group	Appalachian Power Company	IGCC surcharge during construction period and post-in-service date.
11/07	ER07-682-000 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization and allocation of intangible and general plant and A&G expenses.
01/08	ER07-682-000 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization and allocation of intangible and general plant and A&G expenses.
01/08	07-551-EL-AIR Direct	OH	Ohio Energy Group, Inc.	Ohio Edison Company, Cleveland Electric Illuminating Company, Toledo Edison Company	Revenue requirements.
02/08	ER07-956-000 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization of expenses, storm damage expense and reserves, tax NOL carrybacks in accounts, ADIT, nuclear service lives and effects on depreciation and decommissioning.

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03/08	ER07-956-000 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and the Entergy Operating Companies	Functionalization of expenses, storm damage expense and reserves, tax NOL carrybacks in accounts, ADIT, nuclear service lives and effects on depreciation and decommissioning.
04/08	2007-00562, 2007-00563	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas and Electric Co.	Merger surcredit.
04/08	26837 Direct Bond, Johnson, Thebert, Kollen Panel	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
05/08	26837 Rebuttal Bond, Johnson, Thebert, Kollen Panel	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
05/08	26837 Suppl Rebuttal Bond, Johnson, Thebert, Kollen Panel	GA	Georgia Public Service Commission Staff	SCANA Energy Marketing, Inc.	Rule Nisi complaint.
06/08	2008-00115	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative, Inc.	Environmental surcharge recoveries, including costs recovered in existing rates, TIER.
07/08	27163 Direct	GA	Georgia Public Service Commission Public Interest Advocacy Staff	Atmos Energy Corp.	Revenue requirements, including projected test year rate base and expenses.
07/08	27163 Taylor, Kollen Panel	GA	Georgia Public Service Commission Public Interest Advocacy Staff	Atmos Energy Corp.	Affiliate transactions and division cost allocations, capital structure, cost of debt.
08/08	6680-CE-170 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	Nelson Dewey 3 or Colombia 3 fixed financial parameters.
08/08	6680-UR-116 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	CWIP in rate base, labor expenses, pension expense, financing, capital structure, decoupling.
08/08	6680-UR-116 Rebuttal	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	Capital structure.
08/08	6690-UR-119 Direct	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Public Service Corp.	Prudence of Weston 3 outage, incentive compensation, Crane Creek Wind Farm incremental revenue requirement, capital structure.
09/08	6690-UR-119 Surrebuttal	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Public Service Corp.	Prudence of Weston 3 outage, Section 199 deduction.

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09/08	08-935-EL-SSO, 08-918-EL-SSO	OH	Ohio Energy Group, Inc.	First Energy	Standard service offer rates pursuant to electric security plan, significantly excessive earnings test.
10/08	08-917-EL-SSO	OH	Ohio Energy Group, Inc.	AEP	Standard service offer rates pursuant to electric security plan, significantly excessive earnings test.
10/08	2007-00564, 2007-00565, 2008-00251 2008-00252	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Co., Kentucky Utilities Company	Revenue forecast, affiliate costs, ELG v ASL depreciation procedures, depreciation expenses, federal and state income tax expense, capitalization, cost of debt.
11/08	EL08-51	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Spindletop gas storage facilities, regulatory asset and bandwidth remedy.
11/08	35717	TX	Cities Served by Oncor Delivery Company	Oncor Delivery Company	Recovery of old meter costs, asset ADFIT, cash working capital, recovery of prior year restructuring costs, levelized recovery of storm damage costs, prospective storm damage accrual, consolidated tax savings adjustment.
12/08	27800	GA	Georgia Public Service Commission	Georgia Power Company	AFUDC versus CWIP in rate base, mirror CWIP, certification cost, use of short term debt and trust preferred financing, CWIP recovery, regulatory incentive.
01/09	ER08-1056	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.
01/09	ER08-1056 Supplemental Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Blytheville leased turbines; accumulated depreciation.
02/09	EL08-51 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Spindletop gas storage facilities regulatory asset and bandwidth remedy.
02/09	2008-00409 Direct	KY	Kentucky Industrial Utility Customers, Inc.	East Kentucky Power Cooperative, Inc.	Revenue requirements.
03/09	ER08-1056 Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.
03/09	U-21453, U-20925 U-22092 (Sub J) Direct	LA	Louisiana Public Service Commission Staff	Entergy Gulf States Louisiana, LLC	Violation of EGSI separation order, ETI and EGSL separation accounting, Spindletop regulatory asset.
04/09	Rebuttal				
04/09	2009-00040 Direct-Interim (Oral)	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Emergency interim rate increase; cash requirements.

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04/09	PUC Docket 36530	TX	State Office of Administrative Hearings	Oncor Electric Delivery Company, LLC	Rate case expenses.
05/09	ER08-1056 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy System Agreement bandwidth remedy calculations, including depreciation expense, ADIT, capital structure.
06/09	2009-00040 Direct-Permanent	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Revenue requirements, TIER, cash flow.
07/09	080677-EI	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Multiple test years, GBRA rider, forecast assumptions, revenue requirement, O&M expense, depreciation expense, Economic Stimulus Bill, capital structure.
08/09	U-21453, U-20925, U-22092 (Subdocket J) Supplemental Rebuttal	LA	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC	Violation of EGSI separation order, ETI and EGSL separation accounting, Spindletop regulatory asset.
08/09	8516 and 29950	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Modification of PRP surcharge to include infrastructure costs.
09/09	05-UR-104 Direct and Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Electric Power Company	Revenue requirements, incentive compensation, depreciation, deferral mitigation, capital structure, cost of debt.
09/09	09AL-299E Answer	CO	CF&I Steel, Rocky Mountain Steel Mills LP, Climax Molybdenum Company	Public Service Company of Colorado	Forecasted test year, historic test year, proforma adjustments for major plant additions, tax depreciation.
09/09	6680-UR-117 Direct and Surrebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Power and Light Company	Revenue requirements, CWIP in rate base, deferral mitigation, payroll, capacity shutdowns, regulatory assets, rate of return.
10/09	09A-415E Answer	CO	Cripple Creek & Victor Gold Mining Company, et al.	Black Hills/CO Electric Utility Company	Cost prudence, cost sharing mechanism.
10/09	EL09-50 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 sale/leaseback accumulated deferred income taxes, Entergy System Agreement bandwidth remedy calculations.
10/09	2009-00329	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	Trimble County 2 depreciation rates.
12/09	PUE-2009-00030	VA	Old Dominion Committee for Fair Utility Rates	Appalachian Power Company	Return on equity incentive.

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12/09	ER09-1224 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical versus actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.
01/10	ER09-1224 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical versus actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.
01/10	EL09-50 Rebuttal Supplemental Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 sale/leaseback accumulated deferred income taxes, Entergy System Agreement bandwidth remedy calculations.
02/10	ER09-1224 Final	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Hypothetical versus actual costs, out of period costs, Spindletop deferred capital costs, Waterford 3 sale/leaseback ADIT.
02/10	30442 Wackerly-Kollen Panel	GA	Georgia Public Service Commission Staff	Atmos Energy Corporation	Revenue requirement issues.
02/10	30442 McBride-Kollen Panel	GA	Georgia Public Service Commission Staff	Atmos Energy Corporation	Affiliate/division transactions, cost allocation, capital structure.
02/10	2009-00353	KY	Kentucky Industrial Utility Customers, Inc., Attorney General	Louisville Gas and Electric Company, Kentucky Utilities Company	Ratemaking recovery of wind power purchased power agreements.
03/10	2009-00545	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Ratemaking recovery of wind power purchased power agreement.
03/10	E015/GR-09-1151	MN	Large Power Interveners	Minnesota Power	Revenue requirement issues, cost overruns on environmental retrofit project.
03/10	EL10-55	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Operating Cos	Depreciation expense and effects on System Agreement tariffs.
04/10	2009-00459	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Revenue requirement issues.
04/10	2009-00548, 2009-00549	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company, Louisville Gas and Electric Company	Revenue requirement issues.
08/10	31647	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Revenue requirement and synergy savings issues.
08/10	31647 Wackerly-Kollen Panel	GA	Georgia Public Service Commission Staff	Atlanta Gas Light Company	Affiliate transaction and Customer First program issues.

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08/10	2010-00204	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	PPL acquisition of E.ON U.S. (LG&E and KU) conditions, acquisition savings, sharing deferral mechanism.
09/10	38339 Direct and Cross-Rebuttal	TX	Gulf Coast Coalition of Cities	CenterPoint Energy Houston Electric	Revenue requirement issues, including consolidated tax savings adjustment, incentive compensation FIN 48; AMS surcharge including roll-in to base rates; rate case expenses.
09/10	EL10-55	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Operating Cos	Depreciation rates and expense input effects on System Agreement tariffs.
09/10	2010-00167	KY	Gallatin Steel	East Kentucky Power Cooperative, Inc.	Revenue requirements.
09/10	U-23327 Subdocket E Direct	LA	Louisiana Public Service Commission	SWEPCO	Fuel audit: S02 allowance expense, variable O&M expense, off-system sales margin sharing.
11/10	U-23327 Rebuttal	LA	Louisiana Public Service Commission	SWEPCO	Fuel audit: S02 allowance expense, variable O&M expense, off-system sales margin sharing.
09/10	U-31351	LA	Louisiana Public Service Commission Staff	SWEPCO and Valley Electric Membership Cooperative	Sale of Valley assets to SWEPCO and dissolution of Valley.
10/10	10-1261-EL-UNC	OH	Ohio OCC, Ohio Manufacturers Association, Ohio Energy Group, Ohio Hospital Association, Appalachian Peace and Justice Network	Columbus Southern Power Company	Significantly excessive earnings test.
10/10	10-0713-E-PC	WV	West Virginia Energy Users Group	Monongahela Power Company, Potomac Edison Power Company	Merger of First Energy and Allegheny Energy.
10/10	U-23327 Subdocket F Direct	LA	Louisiana Public Service Commission Staff	SWEPCO	AFUDC adjustments in Formula Rate Plan.
11/10	EL10-55 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Operating Cos	Depreciation rates and expense input effects on System Agreement tariffs.
12/10	ER10-1350 Direct	FERC	Louisiana Public Service Commission	Entergy Services, Inc. Entergy Operating Cos	Waterford 3 lease amortization, ADIT, and fuel inventory effects on System Agreement tariffs.
01/11	ER10-1350 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Operating Cos	Waterford 3 lease amortization, ADIT, and fuel inventory effects on System Agreement tariffs.

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03/11 04/11	ER10-2001 Direct Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc., Entergy Arkansas, Inc.	EAI depreciation rates.
04/11	U-23327 Subdocket E	LA	Louisiana Public Service Commission Staff	SWEPCO	Settlement, incl resolution of S02 allowance expense, var O&M expense, sharing of OSS margins.
04/11 05/11	38306 Direct Suppl Direct	TX	Cities Served by Texas-New Mexico Power Company	Texas-New Mexico Power Company	AMS deployment plan, AMS Surcharge, rate case expenses.
05/11	11-0274-E-GI	WV	West Virginia Energy Users Group	Appalachian Power Company, Wheeling Power Company	Deferral recovery phase-in, construction surcharge.
05/11	2011-00036	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Revenue requirements.
06/11	29849	GA	Georgia Public Service Commission Staff	Georgia Power Company	Accounting issues related to Vogtle risk-sharing mechanism.
07/11	ER11-2161 Direct and Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and Entergy Texas, Inc.	ETI depreciation rates; accounting issues.
07/11	PUE-2011-00027	VA	Virginia Committee for Fair Utility Rates	Virginia Electric and Power Company	Return on equity performance incentive.
07/11	11-346-EL-SSO 11-348-EL-SSO 11-349-EL-AAM 11-350-EL-AAM	OH	Ohio Energy Group	AEP-OH	Equity Stabilization Incentive Plan; actual earned returns; ADIT offsets in riders.
08/11	U-23327 Subdocket F Rebuttal	LA	Louisiana Public Service Commission Staff	SWEPCO	Depreciation rates and service lives; AFUDC adjustments.
08/11	05-UR-105	WI	Wisconsin Industrial Energy Group	WE Energies, Inc.	Suspended amortization expenses; revenue requirements.
08/11	ER11-2161 Cross-Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc. and Entergy Texas, Inc.	ETI depreciation rates; accounting issues.
09/11	PUC Docket 39504	TX	Gulf Coast Coalition of Cities	CenterPoint Energy Houston Electric	Investment tax credit, excess deferred income taxes; normalization.
09/11	2011-00161 2011-00162	KY	Kentucky Industrial Utility Consumers, Inc.	Louisville Gas & Electric Company, Kentucky Utilities Company	Environmental requirements and financing.
10/11	11-4571-EL-UNC 11-4572-EL-UNC	OH	Ohio Energy Group	Columbus Southern Power Company, Ohio Power Company	Significantly excessive earnings.

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Date	Case	Jurisdict.	Party	Utility	Subject
10/11	4220-UR-117 Direct	WI	Wisconsin Industrial Energy Group	Northern States Power-Wisconsin	Nuclear O&M, depreciation.
11/11	4220-UR-117 Surrebuttal	WI	Wisconsin Industrial Energy Group	Northern States Power-Wisconsin	Nuclear O&M, depreciation.
11/11	PUC Docket 39722	TX	Cities Served by AEP Texas Central Company	AEP Texas Central Company	Investment tax credit, excess deferred income taxes; normalization.
02/12	PUC Docket 40020	TX	Cities Served by Oncor	Lone Star Transmission, LLC	Temporary rates.
03/12	11AL-947E Answer	CO	Climax Molybdenum Company and CF&I Steel, L.P. d/b/a Evraz Rocky Mountain Steel	Public Service Company of Colorado	Revenue requirements, including historic test year, future test year, CACJA CWIP, contra-AFUDC.
03/12	2011-00401	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Big Sandy 2 environmental retrofits and environmental surcharge recovery.
4/12	2011-00036 Direct Rehearing Supplemental Direct Rehearing	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Rate case expenses, depreciation rates and expense.
04/12	10-2929-EL-UNC	OH	Ohio Energy Group	AEP Ohio Power	State compensation mechanism, CRES capacity charges, Equity Stabilization Mechanism
05/12	11-346-EL-SSO 11-348-EL-SSO	OH	Ohio Energy Group	AEP Ohio Power	State compensation mechanism, Equity Stabilization Mechanism, Retail Stability Rider.
05/12	11-4393-EL-RDR	OH	Ohio Energy Group	Duke Energy Ohio, Inc.	Incentives for over-compliance on EE/PDR mandates.
06/12	40020	TX	Cities Served by Oncor	Lone Star Transmission, LLC	Revenue requirements, including ADIT, bonus depreciation and NOL, working capital, self insurance, depreciation rates, federal income tax expense.
07/12	120015-EI	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Revenue requirements, including vegetation management, nuclear outage expense, cash working capital, CWIP in rate base.
07/12	2012-00063	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corp.	Environmental retrofits, including environmental surcharge recovery.
09/12	05-UR-106	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Electric Power Company	Section 1603 grants, new solar facility, payroll expenses, cost of debt.
10/12	2012-00221 2012-00222	KY	Kentucky Industrial Utility Customers, Inc.	Louisville Gas and Electric Company, Kentucky Utilities Company	Revenue requirements, including off-system sales, outage maintenance, storm damage, injuries and damages, depreciation rates and expense.

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Date	Case	Jurisdict.	Party	Utility	Subject
10/12	120015-EI Direct	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Settlement issues.
11/12	120015-EI Rebuttal	FL	South Florida Hospital and Healthcare Association	Florida Power & Light Company	Settlement issues.
10/12	40604	TX	Steering Committee of Cities Served by Oncor	Cross Texas Transmission, LLC	Policy and procedural issues, revenue requirements, including AFUDC, ADIT – bonus depreciation & NOL, incentive compensation, staffing, self-insurance, net salvage, depreciation rates and expense, income tax expense.
11/12	40627 Direct	TX	City of Austin d/b/a Austin Energy	City of Austin d/b/a Austin Energy	Rate case expenses.
12/12	40443	TX	Cities Served by SWEPCO	Southwestern Electric Power Company	Revenue requirements, including depreciation rates and service lives, O&M expenses, consolidated tax savings, CWIP in rate base, Turk plant costs.
12/12	U-29764	LA	Louisiana Public Service Commission Staff	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	Termination of purchased power contracts between EGSL and ETI, Spindletop regulatory asset.
01/13	ER12-1384 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	Little Gypsy 3 cancellation costs.
02/13	40627 Rebuttal	TX	City of Austin d/b/a Austin Energy	City of Austin d/b/a Austin Energy	Rate case expenses.
03/13	12-426-EL-SSO	OH	The Ohio Energy Group	The Dayton Power and Light Company	Capacity charges under state compensation mechanism, Service Stability Rider, Switching Tracker.
04/13	12-2400-EL-UNC	OH	The Ohio Energy Group	Duke Energy Ohio, Inc.	Capacity charges under state compensation mechanism, deferrals, rider to recover deferrals.
04/13	2012-00578	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Resource plan, including acquisition of interest in Mitchell plant.
05/13	2012-00535	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Revenue requirements, excess capacity, restructuring.
06/13	12-3254-EL-UNC	OH	The Ohio Energy Group, Inc., Office of the Ohio Consumers' Counsel	Ohio Power Company	Energy auctions under CBP, including reserve prices.
07/13	2013-00144	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Biomass renewable energy purchase agreement.

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Date	Case	Jurisdict.	Party	Utility	Subject
07/13	2013-00221	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Agreements to provide Century Hawesville Smelter market access.
10/13	2013-00199	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Revenue requirements, excess capacity, restructuring.
12/13	2013-00413	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Agreements to provide Century Sebree Smelter market access.
01/14	ER10-1350 Direct and Answering	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 lease accounting and treatment in annual bandwidth filings.
02/14	U-32981	LA	Louisiana Public Service Commission	Entergy Louisiana, LLC	Montauk renewable energy PPA.
04/14	ER13-432 Direct	FERC	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	UP Settlement benefits and damages.
05/14	PUE-2013-00132	VA	HP Hood LLC	Shenandoah Valley Electric Cooperative	Market based rate; load control tariffs.
07/14	PUE-2014-00033	VA	Virginia Committee for Fair Utility Rates	Virginia Electric and Power Company	Fuel and purchased power hedge accounting, change in FAC Definitional Framework.
08/14	ER13-432 Rebuttal	FERC	Louisiana Public Service Commission	Entergy Gulf States Louisiana, LLC and Entergy Louisiana, LLC	UP Settlement benefits and damages.
08/14	2014-00134	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Requirements power sales agreements with Nebraska entities.
09/14	E-015/CN-12-1163 Direct	MN	Large Power Intervenors	Minnesota Power	Great Northern Transmission Line; cost cap; AFUDC v. current recovery; rider v. base recovery; class cost allocation.
10/14	2014-00225	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Allocation of fuel costs to off-system sales.
10/14	ER13-1508	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Entergy service agreements and tariffs for affiliate power purchases and sales; return on equity.
10/14	14-0702-E-42T 14-0701-E-D	WV	West Virginia Energy Users Group	First Energy-Monongahela Power, Potomac Edison	Consolidated tax savings; payroll; pension, OPEB, amortization; depreciation; environmental surcharge.
11/14	E-015/CN-12-1163 Surrebuttal	MN	Large Power Intervenors	Minnesota Power	Great Northern Transmission Line; cost cap; AFUDC v. current recovery; rider v. base recovery; class allocation.
11/14	05-376-EL-UNC	OH	Ohio Energy Group	Ohio Power Company	Refund of IGCC CWIP financing cost recoveries.

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Date	Case	Jurisdict.	Party	Utility	Subject
11/14	14AL-0660E	CO	Climax, CF&I Steel	Public Service Company of Colorado	Historic test year v. future test year; AFUDC v. current return; CACJA rider, transmission rider; equivalent availability rider; ADIT; depreciation; royalty income; amortization.
12/14	EL14-026	SD	Black Hills Industrial Intervenors	Black Hills Power Company	Revenue requirement issues, including depreciation expense and affiliate charges.
12/14	14-1152-E-42T	WV	West Virginia Energy Users Group	AEP-Appalachian Power Company	Income taxes, payroll, pension, OPEB, deferred costs and write offs, depreciation rates, environmental projects surcharge.
01/15	9400-YO-100 Direct	WI	Wisconsin Industrial Energy Group	Wisconsin Energy Corporation	WEC acquisition of Integrys Energy Group, Inc.
01/15	14F-0336EG 14F-0404EG	CO	Development Recovery Company LLC	Public Service Company of Colorado	Line extension policies and refunds.
02/15	9400-YO-100 Rebuttal	WI	Wisconsin Industrial Energy Group	Wisconsin Energy Corporation	WEC acquisition of Integrys Energy Group, Inc.
03/15	2014-00396	KY	Kentucky Industrial Utility Customers, Inc.	AEP-Kentucky Power Company	Base, Big Sandy 2 retirement rider, environmental surcharge, and Big Sandy 1 operation rider revenue requirements, depreciation rates, financing, deferrals.
03/15	2014-00371 2014-00372	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company and Louisville Gas and Electric Company	Revenue requirements, staffing and payroll, depreciation rates.
04/15	2014-00450	KY	Kentucky Industrial Utility Customers, Inc. and the Attorney General of the Commonwealth of Kentucky	AEP-Kentucky Power Company	Allocation of fuel costs between native load and off-system sales.
04/15	2014-00455	KY	Kentucky Industrial Utility Customers, Inc. and the Attorney General of the Commonwealth of Kentucky	Big Rivers Electric Corporation	Allocation of fuel costs between native load and off-system sales.
04/15	ER2014-0370	MO	Midwest Energy Consumers' Group	Kansas City Power & Light Company	Affiliate transactions, operation and maintenance expense, management audit.
05/15	PUE-2015-00022	VA	Virginia Committee for Fair Utility Rates	Virginia Electric and Power Company	Fuel and purchased power hedge accounting; change in FAC Definitional Framework.
05/15 09/15	EL10-65 Direct, Rebuttal Complaint	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Accounting for AFUDC Debt, related ADIT.

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Date	Case	Jurisdict.	Party	Utility	Subject
07/15	EL10-65 Direct and Answering Consolidated Bandwidth Dockets	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Waterford 3 sale/leaseback ADIT, Bandwidth Formula.
09/15	14-1693-EL-RDR	OH	Public Utilities Commission of Ohio	Ohio Energy Group	PPA rider for charges or credits for physical hedges against market.
12/15	45188	TX	Cities Served by Oncor Electric Delivery Company	Oncor Electric Delivery Company	Hunt family acquisition of Oncor; transaction structure; income tax savings from real estate investment trust (REIT) structure; conditions.
12/15 01/16	6680-CE-176 Direct, Surrebuttal, Supplemental Rebuttal	WI	Wisconsin Industrial Energy Group, Inc.	Wisconsin Power and Light Company	Need for capacity and economics of proposed Riverside Energy Center Expansion project; ratemaking conditions.
03/16 03/16 04/16 05/16 06/16	EL01-88 Remand Direct Answering Cross-Answering Rebuttal	FERC	Louisiana Public Service Commission	Entergy Services, Inc.	Bandwidth Formula: Capital structure, fuel inventory, Waterford 3 sale/leaseback, Vidalia purchased power, ADIT, Blythesville, Spindletop, River Bend AFUDC, property insurance reserve, nuclear depreciation expense.
03/16	15-1673-E-T	WV	West Virginia Energy Users Group	Appalachian Power Company	Terms and conditions of utility service for commercial and industrial customers, including security deposits.
04/16	39971 Panel Direct	GA	Georgia Public Service Commission Staff	Southern Company, AGL Resources, Georgia Power Company, Atlanta Gas Light Company	Southern Company acquisition of AGL Resources, risks, opportunities, quantification of savings, ratemaking implications, conditions, settlement.
04/16	2015-00343	KY	Office of the Attorney General	Atmos Energy Corporation	Revenue requirements, including NOL ADIT, affiliate transactions.
04/16	2016-00070	KY	Office of the Attorney General	Atmos Energy Corporation	R & D Rider.
05/16	2016-00026 2016-00027	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Co., Louisville Gas & Electric Co.	Need for environmental projects, calculation of environmental surcharge rider.
05/16	16-G-0058 16-G-0059	NY	New York City	Keyspan Gas East Corp., Brooklyn Union Gas Company	Depreciation, including excess reserves, leak prone pipe.
06/16	160088-EI	FL	South Florida Hospital and Healthcare Association	Florida Power and Light Company	Fuel Adjustment Clause Incentive Mechanism re: economy sales and purchases, asset optimization.

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Date	Case	Jurisdict.	Party	Utility	Subject
07/16	160021-EI	FL	South Florida Hospital and Healthcare Association	Florida Power and Light Company	Revenue requirements, including capital recovery, depreciation, ADIT.
07/16	16-057-01	UT	Office of Consumer Services	Dominion Resources, Inc. / Questar Corporation	Merger, risks, harms, benefits, accounting.
08/16	15-1022-EL-UNC 16-1105-EL-UNC	OH	Ohio Energy Group	AEP Ohio Power Company	SEET earnings, effects of other pending proceedings.
9/16	2016-00162	KY	Office of the Attorney General	Columbia Gas Kentucky	Revenue requirements, O&M expense, depreciation, affiliate transactions.
09/16	E-22 Sub 519, 532, 533	NC	Nucor Steel	Dominion North Carolina Power Company	Revenue requirements, deferrals and amortizations.
09/16	15-1256-G-390P (Reopened) 16-0922-G-390P	WV	West Virginia Energy Users Group	Mountaineer Gas Company	Infrastructure rider, including NOL ADIT and other income tax normalization and calculation issues.
10/16	10-2929-EL-UNC 11-346-EL-SSO 11-348-EL-SSO 11-349-EL-SSO 11-350-EL-SSO 14-1186-EL-RDR	OH	Ohio Energy Group	AEP Ohio Power Company	State compensation mechanism, capacity cost, Retail Stability Rider deferrals, refunds, SEET.
11/16	16-0395-EL-SSO Direct	OH	Ohio Energy Group	Dayton Power & Light Company	Credit support and other riders; financial stability of Utility, holding company.
12/16	Formal Case 1139	DC	Healthcare Council of the National Capital Area	Potomac Electric Power Company	Post test year adjust, merger costs, NOL ADIT, incentive compensation, rent.
01/17	46238	TX	Steering Committee of Cities Served by Oncor	Oncor Electric Delivery Company	Next Era acquisition of Oncor; goodwill, transaction costs, transition costs, cost deferrals, ratemaking issues.
02/17	16-0395-EL-SSO Direct (Stipulation)	OH	Ohio Energy Group	Dayton Power & Light Company	Non-unanimous stipulation re: credit support and other riders; financial stability of utility, holding company.
02/17	45414	TX	Cities of Midland, McAllen, and Colorado City	Sharyland Utilities, LP, Sharyland Distribution & Transmission Services, LLC	Income taxes, depreciation, deferred costs, affiliate expenses.
03/17	2016-00370 2016-00371	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Utilities Company, Louisville Gas and Electric Company	AMS, capital expenditures, maintenance expense, amortization expense, depreciation rates and expense.
06/17	29849 (Panel with Philip Hayet)	GA	Georgia Public Service Commission Staff	Georgia Power Company	Vogtle 3 and 4 economics.

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Date	Case	Jurisdict.	Party	Utility	Subject
08/17	17-0296-E-PC	WV	Public Service Commission of West Virginia Charleston	Monongahela Power Company, The Potomac Edison Power Company	ADIT, OPEB.
10/17	2017-00179	KY	Kentucky Industrial Utility Customers, Inc.	Kentucky Power Company	Weather normalization, Rockport lease, O&M, incentive compensation, depreciation, income taxes.
10/17	2017-00287	KY	Kentucky Industrial Utility Customers, Inc.	Big Rivers Electric Corporation	Fuel cost allocation to native load customers.
12/17	2017-00321	KY	Attorney General	Duke Energy Kentucky	Revenues, depreciation, income taxes, O&M, regulatory assets, environmental surcharge rider, FERC transmission cost reconciliation rider.
12/17	29849 (Panel with Philip Hayet, Tom Newsome)	GA	Georgia Public Service Commission Staff	Georgia Power Company	Vogtle 3 and 4 economics, tax abandonment loss.
01/18	2017-00349	KY	Kentucky Attorney General	Atmos Energy Kentucky	O&M expense, depreciation, regulatory assets and amortization, Annual Review Mechanism, Pipeline Replacement Program and Rider, affiliate expenses.
06/18	18-0047	OH	Ohio Energy Group	Ohio Electric Utilities	Tax Cuts and Jobs Act. Reduction in income tax expense; amortization of excess ADIT.
07/18	T-34695	LA	LPSC Staff	Crimson Gulf, LLC	Revenues, depreciation, income taxes, O&M, ADIT.
08/18	48325	TX	Cities Served by Oncor	Oncor Electric Delivery Company	Tax Cuts and Jobs Act; amortization of excess ADIT.
08/18	48401	TX	Cities Served by TNMP	Texas-New Mexico Power Company	Revenues, payroll, income taxes, amortization of excess ADIT, capital structure.
08/18	2018-00146	KY	KIUC	Big Rivers Electric Corporation	Station Two contracts termination, regulatory asset, regulatory liability for savings

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980 Regulated Operations
350 Intangibles—Goodwill and Other
35 Subsequent Measurement

General Note: The Subsequent Measurement Section provides guidance on an entity's subsequent measurement and subsequent recognition of an item. Situations that may result in subsequent changes to carrying amount include impairment, credit losses, fair value adjustments, depreciation and amortization, and so forth.

General

> Amortization of Goodwill

980-350-35-1 Topic 350 states that goodwill shall not be amortized and shall be tested for impairment in accordance with that Subtopic. For rate-making purposes, a regulator may permit an entity to amortize purchased goodwill over a specified period. In other cases, a regulator may direct an entity not to amortize goodwill or to write off goodwill.

980-350-35-2 If the regulator permits all or a portion of goodwill to be amortized over a specific time period as an allowable cost for rate-making purposes, the regulator's action provides reasonable assurance of the existence of a regulatory asset (see paragraph 980-340-25-1). That regulatory asset would then be amortized for financial reporting purposes over the period during which it will be allowed for rate-making purposes. Otherwise, goodwill shall not be amortized and shall be accounted for in accordance with Topic 350.

> Long-Term Power Sales Contracts

980-350-35-3 A long-term power sales contract that is not accounted for as a derivative instrument under Topic 815 shall be periodically reviewed to determine whether it is a loss contract in which the loss shall be recognized immediately.

980-350-35-4 For long-term power sales contracts acquired in a purchase business combination, any premium related to a contractual rate in excess of the current market rate should be amortized over the remaining portion of the respective portion of the contract. For example, if the above market rate relates to the fixed or scheduled portion of the contract, the premium would be amortized over the remaining fixed period of the acquired contract.

980-350-35-5 See paragraph 980-605-25-15 for a discussion of a long-term power sales contract that meets the definition of a derivative.

114 Electric plant acquisition adjustments.

A. This account shall include the difference between (1) the cost to the accounting utility of electric plant acquired as an operating unit or system by purchase, merger, consolidation, liquidation, or otherwise, and (2) the original cost, estimated, if not known, of such property, less the amount or amounts credited by the accounting utility at the time of acquisition to accumulated provisions for depreciation and amortization and contributions in aid of construction with respect to such property.

B. With respect to acquisitions after the effective date of this system of accounts, this account shall be subdivided so as to show the amounts included herein for each property acquisition and to electric plant in service, electric plant held for future use, and electric plant leased to others. (See electric plant instruction 5.)

C. Debit amounts recorded in this account related to plant and land acquisition may be amortized to account 425, Miscellaneous Amortization, over a period not longer than the estimated remaining life of the properties to which such amounts relate. Amounts related to the acquisition of land only may be amortized to account 425 over a period of not more than 15 years. Should a utility wish to account for debit amounts in this account in any other manner, it shall petition the Commission for authority to do so. Credit amounts recorded in this account shall be accounted for as directed by the Commission.

406 Amortization of electric plant acquisition adjustments.

This account shall be debited or credited, as the case may be, with amounts includible in operating expenses, pursuant to approval or order of the Commission, for the purpose of providing for the extinguishment of the amount in account 114, Electric Plant Acquisition Adjustments.

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Interrogatory No. 1
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QUESTION:
Please refer to the live spreadsheet version of Exhibit SRB-1 provided as Attachment 1 in response to Staffs Second Data Request, Item No. 1.

a. Explain why there are no "System Impact" costs shown on this exhibit until 2033 under the heading "Base Rates: Incremental Revenue Requirement." Use each of the cost components shown in the columns on the Rap Summary tab for each year as a general guide for your response.

b. Explain why this economic analysis reflects no "lost" capacity or energy revenues for the FPL capacity and energy that will be used to supply the COVB load prior to 2033.

c. Indicate whether the avoided cost per mWh shown on the Rap Summary tab would be a relevant proxy for the Company's "lost" capacity and energy revenues for the FPL capacity and energy that otherwise would have been sold to a third party instead of used to supply COVB load prior to 2033. Please provide a detailed explanation for your position.

d. Refer to the following statements in Mr. Forrest's Direct Testimony at 11-12:

> Of the $185 million cash purchase price, a payment of up to $108 million may be transferred directly to FMPA, at COVB' s direction, to satisfy COVB's obligations and liabilities to FMPA under their respective agreements. Additionally, up to $20 million may be transferred directly to OUC, at COVB's direction, to settle COVB's share of its termination obligations and liabilities to OUC. An estimated $20.4 million will be used by COVB to defease the current outstanding COVB electric utility bonds. $2 million of the cash purchase price is designated for FPL' s right to use the parcel of land on which a new substation will be located. The remaining $34.6 million will be paid directly to COVB at their direction.

Indicate whether the payments that will be made by COVB to FMPA and OUC described in the preceding statements would be a relevant proxy for the Company's "lost" capacity and energy revenues for the FPL capacity and energy that otherwise would have been sold to a third party instead of being using to supply COVB load prior to 2033. Provide a detailed explanation for your position.

e. Regarding the incremental cost of each employee benefit for each year of the forecast period for the additional FPL employees resulting from the acquisition, please indicate where these incremental costs are included on this exhibit.

f. Indicate whether FPL will extend its "hardening" program to the Vero Beach system. If not, explain why not.

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Interrogatory No. 1
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RESPONSE:

a. The line "System Impacts" under the heading "Base Rates: Incremental Revenue Requirements" in Exhibit SRB-1 represents incremental fixed costs and capital for generation needed to serve Vero's load. There were no changes to FPL's generation resource plan due to the COVB transaction through 2032, and therefore no Base Rate Incremental Revenue Requirements through that year. Other incremental system costs such as power purchases, fuel, variable O&M and emission costs are captured in the "Clause: Incremental Revenue Requirements" section of Exhibit SRB-1.

b. System economy and short-term sales are opportunistic in nature and depend on wholesale power market and other factors which are beyond FPL's ability to predict with any level of accuracy. It is FPL's practice to not include any forecasts of such sales or revenues in long-term analyses.

c. The costs labeled "Avoided Costs $/mwh" on the RAP summary tab represent FPL's incremental variable (fuel, variable O&M and emission) costs associated with serving the COVB load and are not a relevant proxy for any potential sales that FPL could make on the wholesale energy market. Please refer to the response in subpart (b) above.

d. No, the payments made by COVB to FMPA and OUC would not be a good proxy for FPL's lost capacity and energy revenues. As described in the response to subpart (b) above, FPL cannot predict the value of future wholesale power sales. The payments being made by COVB are to terminate existing purchased power contracts COVB has with FMPA and OUC. The pricing and terms included in those purchased power contracts are likely vastly different than what FPL might expect to receive in the future capacity market if there were a need for excess wholesale power.

e. The incremental costs associated with the additional employees are reflected in multiple locations on Exhibit SRB-1. For those employees whose costs are projected to be an O&M expense, the costs are located in 'Operations and Maintenance'. For those employees, or portions of employee time that is forecast to be capitalized, the costs are included in 'Depreciation and Amortization,' 'Interest Expense,' 'Return on Equity' and 'Income Tax.'

f. Yes, FPL plans to extend its hardening program to the Vero Beach system and has included the projected costs for this work in its forecasted capital costs.

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Interrogatory No. 7
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QUESTION:
Refer to confidential Exhibit DH-3. For each of the three valuation approaches, provide the following:

a. Explain how revenues were calculated and projected.
b. Explain how each cost element was calculated and projected.

RESPONSE:
a. FPL has estimated the standalone revenue requirements for COVB based on the assets acquired and liabilities assumed and the generation needs as indicated by COVB's peak load. Revenues consist of two primary elements: existing base rate revenue and revenue related to the reimbursements of pass-through costs.

Base rate revenues have been estimated based on the product of the forecasted volume (load) by customer type (residential, commercial and industrial) and FPL's base energy rates.

Pass-through revenues are comprised of reimbursements for certain operating and tax expenses subject to clause reimbursements calculated through rate recovery mechanisms. See response to subpart (b) below for computation of pass-through expenses.

b. Pass-through expenses include fuel, capacity, conservation, environmental expenses and certain taxes which are reimbursed based on rate recovery mechanisms. Specifically, clause reimbursements are calculated based on pre-determined recoverable rates (on a $/MWh basis) multiplied by the forecasted load volumes. The same $/MWh rates for each clause are applied across all end-user customer types. Taxes are estimated as the sum of rate base revenues and clause reimbursements, multiplied by a 2.5% gross receipts tax rate. This tax expense is also reimbursed and is therefore included as both an expense and a revenue reimbursement.

As part of the transaction, FPL will enter into a short-term power purchase agreement with OUC. These payments are included in operating expenses from 2018 through 2020. The information identifying the quantification of the payments (totaling approximately $23.5 million) was provided by FPL based on the expected capacity and pricing from the underlying agreement.

Quantification of additional operating expenses for 2018 through 2034 (production, transmission, distribution, customer service, and taxes other than income) was provided by FPL. Starting in approximately 2033, production operating expenses are expected to increase significantly in order to fund incremental generation needed to serve FPL's load (and in part to replace certain existing plants which will be reaching the end of their license or economic remaining useful life).

Income tax expense was estimated through multiplying Earnings Before Interest & Taxes ("EBIT") by an effective tax rate of 38.6%, which reflected the Federal net of Florida state tax rate at the time this analysis was prepared.

Florida Power & Light Company
Docket No. 20170235-EI
OPC's First Set of Interrogatories
Interrogatory No. 7
Page 2 of 2

FPL provided a forecast of expected CapEx from 2018 to 2034, including transmission, distribution, and short-term customer service related expenditures. Year 2018 CapEx includes a level of pre-close expenditures that is expected to be paid by FPL. In the terminal year, total CapEx is grown by the long-term growth rate of 1%, intended to reflect the level of investment necessary to sustain the expected long-term growth rate.

It is assumed that working capital remains relatively neutral and no incremental working capital investment has been reflected in the estimation of cash flow.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 25
PARTY: OFFICE OF PUBLIC COUNSEL(DIRECT)
DESCRIPTION: Lane Kollen LK-7

Florida Power & Light Company
Docket No. 20170235-EI
OPC's First Request for Production of Documents
Request No. 9
Page 1 of 1

QUESTION:
Provide a copy of all studies and/or analyses that assess the physical condition of the Vero Beach electric utility system and the costs to upgrade (including modifications required to integrate the COVB system into the FPL system) the transmission and distribution facilities to FPL's standards.

RESPONSE:
While FPL does not have a formal study or analysis documenting the physical condition of the Vero Beach electric utility system, based on FPL's assessment, the current condition of the Vero Beach electric utility assets that FPL will acquire as a result of the proposed transaction may generally be described as fair. Some parts of the electric system, such as the underground system, are in better condition than other parts of the system, so it is difficult to describe the condition of the entire system through the use of a single descriptive term. However, additional hardening, improvements and upgrades are required in order to bring the Vero Beach electric system up to the condition and standards of FPL's system.

FPL's assessment of the Vero Beach electric utility system was based on physical inspection by FPL's engineering and support staff of the equipment that Vero Beach owns and maintains, including substations, distribution equipment such as poles and transformers and street light facilities. FPL's physical inspection of the Vero Beach electric utility system was performed to assess the system from an operational, environmental and real estate perspective.

Examples of additional hardening, improvements and upgrades include hardening of transmission lines and distribution feeders, as well as installation of smart meters and smart grid equipment such as automated feeder switches (AFS) and automated lateral switches (ALS) that improve the reliability of the system. This equipment will improve the level of service provided to the City of Vero Beach customers and will help to improve the condition and operation of the electric system to be acquired through this transaction. The upgrade costs are included in the CPVRR model that FPL provided in its response to OPC's First Request for Production of Documents No. 1. Over the next ten years, FPL projects that the following costs will be needed for the Vero Beach electric system:

Category	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Customer Service - AMI Rollout and Other Capital Investments	5,830	1,418	-	-	-	-	-	-	-	-	7,248
Vero Beach New Substation 1	850	7,475									8,325
Distribution Hardening	0	0	5,112	5,140	5,180	4,040	4,161	4,286	4,336	4,386	36,641
Automated Feeder Switches	0	-	2,351	2,351	2,351	-	-	-	-	-	7,054
Automated Lateral Switches	0	-	1,943	1,943	1,943	-	-	-	-	-	5,828
Substation Cameras	0	-	490	490	490	-	-	-	-	-	1,470
Fault Circuit Indicators	0	-	197	221	257	-	-	-	-	-	675
Additional Employee Capital	665	2,753	2,849	2,949	3,052	3,159	3,270	3,384	3,503	3,625	29,210
Street Light and IT Costs	28	116	119	122	125	128	131	134	138	141	1,183
Fiber Optic Relocation Costs	119	369	-	-	-	-	-	-	-	-	488
Conversion and Standardization Costs	2,671	-	-	-	-	-	-	-	-	-	2,671
Centralized Costs (for example - Cable costs)	30	1,175	1,205	1,235	1,266	1,297	1,330	1,363	1,397	1,432	11,729
Other Costs	494	3,501	(2,074)	(2,964)	(2,959)	1,673	1,817	2,737	2,797	2,191	7,216
Total	10,689	16,807	12,191	11,487	11,704	10,298	10,709	11,905	12,171	11,776	119,737

UNITED STATES OF AMERICA
BEFORE THE
FEDERAL ENERGY REGULATORY COMMISSION

NextEra Energy, Inc.	)	**Docket No. EC18-117-000**
700 Universe, LLC	)	
Gulf Power Company	)	
	)	

JOINT APPLICATION FOR APPROVAL OF THE DISPOSITION OF JURISDICTIONAL FACILITIES UNDER SECTION 203 OF THE FEDERAL POWER ACT

NextEra Energy, Inc. ("NextEra Energy"), 700 Universe, LLC ("700 Universe," and with NextEra Energy, "NextEra"), and Gulf Power Company ("Gulf Power;" together, "Applicants") hereby submit this application ("Application") seeking approval of the Federal Energy Regulatory Commission ("Commission" or "FERC") under sections 203(a)(1) and 203(a)(2) of the Federal Power Act ("FPA"), 16 U.S.C. § 824b(a) (2012), of a proposed transaction (the "Gulf Transaction") pursuant to which NextEra will indirectly acquire from Southern Company 100 percent of the ownership interests in Gulf Power, described in detail below.

Following the Gulf Transaction, Gulf Power will become an indirect, wholly-owned subsidiary of NextEra Energy, and Gulf Power will no longer be affiliated with Southern Company. Applicants request all necessary Commission authorizations in connection with the Gulf Transaction.

issues for decision in advance of the September 4, 2018 comment date in the above-captioned proceedings.

I. BACKGROUND

On May 21, 2018, the Southern Company announced its agreement to sell Gulf Power to NextEra Energy, Inc. ("NextEra") (the "Proposed Transaction").[4] To effectuate the Proposed Transaction, Gulf Power and NextEra filed an application under Section 203 of the Federal Power Act ("FPA")[5] on July 3, 2018, seeking Commission authorization for NextEra's acquisition of Gulf Power.[6]

Gulf Power has historically been an operating company subsidiary of the Southern Company, and has offered transmission service under the Southern Companies' combined Open Access Transmission Tariff ("OATT"). As of the closing of the Proposed Transaction, Gulf Power will become a stand-alone transmission provider, offering open access transmission service for the first time under its own OATT separate from the Southern Companies' OATT. In anticipation of this new post-closing paradigm, Gulf Power and the Southern Companies made a series of filings under Section 205 of the FPA[7] on July 3, 2018, concurrently with the filing of the Section 203 Application, to, *inter alia*: (i) establish a stand-alone Gulf Power OATT (Docket No. ER18-1953-000); (ii) provide transmission service to the Southern Companies for a transitional period on the Gulf Power system under a Network Integration Transmission Service Agreement

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[4] As used herein, "NextEra" includes its wholly owned subsidiary, 700 Universe, LLC, which was created for the purpose of acquiring and owning Gulf Power.

5 16 U.S.C. § 824b (2012).

[6] NextEra Energy, Inc., Docket No. EC18-117-000, Joint Application for Approval of the Disposition of Jurisdictional Facilities Under Section 203 of the Federal Power Act (July 3, 2018) ("Section 203 Application").

7 16 U.S.C. § 824d.

J. Section 33.2(j): Cross-Subsidization

Applicants demonstrate in Section IV.D and Exhibit M of this Application that the Gulf Transaction will not result in any cross-subsidization of a non-utility associate company, that the Gulf Transaction does not result in the pledge or encumbrance of utility assets for the benefit of an associate company, and that the Gulf Transaction is otherwise consistent with the public interest.

K. Section 33.5: Accounting Entries

The Commission's regulations require, for an applicant required to maintain its books of account in accordance with the Commission's Uniform System of Accounts ("USofA"), that the applicant present "proposed accounting entries showing the effect of the transaction with sufficient detail to indicate the effects on all account balances (including amounts transferred on an interim basis), the effect on the income statement, and the effects on other relevant financial statements."[73] The applicant also must explain "how the amount of each entry was determined."[74]

The Gulf Transaction is not anticipated to result in any adjustment to the books maintained by any Applicant that is required to keep its books in accordance with the Commission's USofA and, therefore, no pro forma accounting entries are required to be provided. If, however, Applicants determine in the future that the Gulf Transaction were to impact the books of any such entity, Applicants will submit the required accounting entries to the Commission within six months of the consummation of the Gulf Transaction.

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73 18 C.F.R. § 33.5 (2018).

74 *Id.*

After-Tax Return per OPC witness Kollen	10.00%	
Pre-tax Return per OPC witness Kollen	12.00%	
Implied Effective Tax Rate	16.67%	
Investment	1,000,000	
Pre-Tax Return on Capital	120,000	
Depreciation of Capital	1,000,000	
Future Value Revenue Requirement	1,120,000	
CPVRR at 10% After-Tax Rate	1,018,182	(FPL method)
CPVRR at 12% Pre-Tax Rate	1,000,000	(Kollen's method)

Revenue Tomorrow

Year	0	1
Revenue	-	**1,120,000**
Depreciation	-	(1,000,000)
Pre-Tax Income	-	120,000
Income Tax	-	(20,000)
Net Income	-	100,000
Add back depreciation		1,000,000
Capital Expenditure	(1,000,000)	
After-Tax Cash Flow	(1,000,000)	1,100,000
After-Tax Net Present Value	-	

Assuming perfect Rate-Making, with Revenue occurring in one year, after-tax NPV to investors is zero

Revenue Collected Upfront Using CPVRR calculated at Pre-Tax WACC

Year	0	1
Revenue	**1,000,000**	-
Depreciation	-	(1,000,000)
Pre-Tax Income	1,000,000	(1,000,000)
Income Tax	(166,667)	166,667
Net Income	833,333	(833,333)
Add back depreciation		1,000,000
Capital Expenditure	(1,000,000)	
After-Tax Cash Flow	(166,667)	166,667
NPV to Investors at 10.0% After-Tax WACC	**(15,152)**	

If Present Value of Revenue using a pre-tax WACC, as suggested by Mr. Kollen, then the NPV to investors is not equal to zero

Revenue Collected Upfront Using CPVRR calculated at After-Tax WACC

Year	0	1
Revenue	**1,018,182**	-
Depreciation	-	(1,000,000)
Pre-Tax Income	1,018,182	(1,000,000)
Income Tax	(169,697)	166,667
Net Income	848,485	(833,333)
Add back depreciation		1,000,000
Capital Expenditure	(1,000,000)	
After-Tax Cash Flow	(151,515)	166,667
NPV to Investors at 10.0% After-Tax WACC	-	

Only when Present Value of Revenue is calculated with an after-tax WACC does the NPV to investors remain at zero, and equal to the perfect rate making case.

Present value of Income Tax	(18,182)

Note: The extra $18,182 in the CPVRR calculation is equal to the present value of income tax.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 27
PARTY: FLORIDA POWER & LIGHT COMPANY (FPL)(REBUTTAL)
DESCRIPTION: Scott R. Bores SRB-4

Biography of Brian M. Barefoot June, 2018

Brian M. Barefoot served as president of Babson College, one of the nation's leading management schools, from July 1, 2001 until he retired on June 30, 2008, at which time he was elected President Emeritus. Located in Wellesley, Massachusetts, Babson is internationally recognized for its leadership in entrepreneurial management education.

A graduate of the college, Mr. Barefoot has had a long and distinguished record of service to Babson and served as Chair of the Board of Trustees from 1996 to 2001.

Under President Barefoot's leadership, Babson continued to strengthen its innovative programs for undergraduate and MBA students and business professionals, which have earned Babson College the #1 ranking in entrepreneurship for 22 and 25 consecutive years respectfully. Babson's F.W. Olin Graduate School of Business is among the top 20 MBA programs in the country; the undergraduate program is the top ranked small, private college for business in the U.S.; and Babson Executive Education is among the 10 leading providers of executive education worldwide.

Previously, Mr. Barefoot's career in financial services spanned more than three decades. At PaineWebber, Inc. from 1994 to 2001, he served as Executive Vice President and Director of Investment Banking, a member of its Board of Directors, and President and Chief Executive Officer of its subsidiary, PaineWebber International. During twenty-five years at Merrill Lynch & Co., from 1967 to 1992, he held various senior management positions, retiring as Senior Vice President and Managing Director. From January 2001 to July 2002, Mr. Barefoot served in various capacities, including Chairman of the Board, President, and CEO, at NeoVision Hypersystems Inc., a leading provider of software solutions specializing in advanced visualization and decision support for the financial services industry. In 1992, he founded Frontier Sports Development Corp. and served as Founder, President and CEO until its sale in 1994.

Mr. Barefoot is a former member of the Massachusetts Business Roundtable, the Board of Directors of the Boys and Girls Clubs of Boston, the American Council on Education Commission on International Education and the Council on Competitiveness. From 1987 to 1998 he served as Treasurer on the Board of Trustees of the Kent Place School in Summit, New Jersey, a leading private independent school for young women. In 1998, he was awarded the prestigious Ellis Island Medal of Honor by the Ellis Island Honor Society for his contributions to the business and educational communities.

Mr. Barefoot is a past member of the Board of Directors of Blue Cross Blue Shield of Massachusetts and was Chair of both its Audit Committee and its Finance and Business Performance Committee. He continues as a member of its Investment Committee. He also served as a director of Greeley Corp. and Array Health Solutions. In addition, he was a director and Chair of the Audit Committee and a member of the Compensation and Governance Committees of Cynosure, Inc., before it was sold in 2017. He is presently a director of BigBelly Solar in Newton, MA. and also serves as a Trustee of Burr & Burton Academy in Manchester, VT. He was Chair of the Advancement Committee and a Trustee of the Saint Edwards School in Vero Beach, FL from 2009 to 2016. He is a Vice Chairman of the Indian River Medical Center Foundation in Vero Beach, FL. and served as Mayor of Indian River Shores, FL until his retirement in 2018. He continues to serve Babson College as a member of its Global Advisory Board and Chair of the President's Advisory Council.

Mr. Barefoot is a 1966 graduate of Babson College. He received an MBA degree from Pace University Lubin School of Management in 1970 and attended various Harvard Executive Education Programs.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 28
PARTY: TOWN OF INDIAN RIVER SHORES(REBUTTAL)
DESCRIPTION: Brian M. Barefoot

EXHIBIT BMB-1

Sec. 102.2 - Advisory Commissions.

(7) *Utilities commission.* The utilities commission shall provide recommendations and advice to the city council on all matters related to the administration and operation of the city's utilities, including finances and accounting; efficient and economic operations; maintenance; expansion and contraction of service areas; rates and fees, including taxes; improvements; and other matters specifically relating to the electric, water and sewer, and solid waste enterprise funds. The commission may seek counsel with the city manager and the other charter officers from time to time, as well as city department heads and employees as the commission finds necessary. In performing its mission, the commission shall initiate and provide its own proposals, recommendations, and alternatives to the city council. In addition, the commission shall also review and constructively critique all proposals from city staff, consultants, and the public and make its own independent recommendations on such proposals in order to provide the best and most complete information possible to the city council. Any commission member may request the city clerk to coordinate with the commission chairman to place items on the commission agenda and/or request a commission meeting. Meetings may also be called by the city council to review issues prior to city council deliberations. The utilities commission shall meet at least once every quarter. The commission is expressly charged with representing and considering all utility customers of the city in its activities, including city resident and non-resident customers alike. As long as the Town of Indian River Shores receives utility services from the City of Vero Beach under a franchise, at least one regular voting member of the utilities commission shall be a resident of the Town of Indian River Shores. All regular voting and alternate members shall reside within the city utilities service area.

City of Vero Beach
1053 20th Place - P.O. Box 1389
Vero Beach, FL 32961-1389

OFFICE OF THE
CITY MANAGER

December 18, 2009

Florida Municipal Power Agency
Nicholas P. Guarriello, General Manager
8553 Commodity Circle
Orlando, FL 32819

Dear Mr. Guarriello:

The purpose of this letter is to explore whether, under the proper terms and conditions, your utility would be interested in purchasing all or part of our electric system.

Effective January 1, 2010, the City's electric utility will switch from being a member of the All Requirements Project of the Florida Municipal Power Agency to being a contract customer of the Orlando Utilities Commission ("OUC"). The term of the new power arrangement is twenty years, with a possible reopener at the ten-year mark. The City is pleased with its contract and with OUC. However, as part of the public input involved in the decision to change power partners, some discussion occurred about the possibility or desirability of selling part or all of the electric utility system to another utility operation, such as yours. As a result of that public interest, the City Council passed a motion to direct that the City investigate such a sale.

Any purchase would be subject, of course, to the rights and obligations of the City and OUC in the existing contract. Concerning that contract, the City has every intention of honoring its contract commitments and believes that the contract is in the public interest of our citizens and rate payers. Accordingly, our willingness to engage in discussions regarding the potential sale of our system should not be interpreted in any way as showing dissatisfaction with OUC or the terms of the contract.

If you might be interested, we invite you to attend the City's Utility Advisory Commission meeting in March of next year. For dates and times, and for further information, please contact John T. Lee, Acting Electric Director, at (772) 978-5127 or JLee@covb.org.

Sincerely,

James M. Gabbard
City Manager

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 30
PARTY: CITY OF VERO BEACH(REBUTTAL)
DESCRIPTION: James R. O'Connor JRO-2

City of Vero Beach
1053 20th Place - P.O. Box 1389
Vero Beach, FL 32961-1389

OFFICE OF THE
CITY MANAGER

December 22, 2009

Orlando Utilities Commission
Jan C. Aspuru
Vice President of Power Resources
P.O. Box 3193
Orlando, FL 32802

Dear Mr. Aspuru:

I am enclosing a copy of a letter sent by the City of Vero Beach on Monday, December 21, 2009, to six utility companies throughout Florida, i.e. Florida Power and Light (FPL), Progress Energy Florida, Jacksonville Electric Authority (JEA), Florida Municipal Power Agency (FMPA), Tampa Electric, and Gulf Power. The purpose of that letter is to explore whether, under the proper terms and conditions, their utilities would be interested in purchasing all or part of our electric system. We would like to extend the same invitation to Orlando Utilities Commission (OUC).

If you might be interested, we invite you to attend the City's Utility Advisory Commission meeting in March of next year. For dates and time, and for further information, please contact John Lee, Acting Electric Utilities Director, at (772) 978-5127 / Jlee@covb.org or Danielle Kulp, Electric Utilities Coordinator at (772) 978-4718 / Dkulp@covb.org.

In any event, we look forward to our new relationship beginning January 1, 2010 when OUC becomes our prime power provider.

Sincerely,

James M. Gabbard
City Manager

Enc. FPL Letter

City of Vero Beach
1053 20th Place - P.O. Box 1389
Vero Beach, FL 32961-1389

OFFICE OF THE
CITY MANAGER

December 18, 2009

Jacksonville Electric Authority
James A. Dickenson, Managing Director/CEO
21 W. Church Street
Jacksonville, FL 32202

Dear Mr. Dickenson:

The purpose of this letter is to explore whether, under the proper terms and conditions, your utility would be interested in purchasing all or part of our electric system.

Effective January 1, 2010, the City's electric utility will switch from being a member of the All Requirements Project of the Florida Municipal Power Agency to being a contract customer of the Orlando Utilities Commission ("OUC"). The term of the new power arrangement is twenty years, with a possible reopener at the ten-year mark. The City is pleased with its contract and with OUC. However, as part of the public input involved in the decision to change power partners, some discussion occurred about the possibility or desirability of selling part or all of the electric utility system to another utility operation, such as yours. As a result of that public interest, the City Council passed a motion to direct that the City investigate such a sale.

Any purchase would be subject, of course, to the rights and obligations of the City and OUC in the existing contract. Concerning that contract, the City has every intention of honoring its contract commitments and believes that the contract is in the public interest of our citizens and rate payers. Accordingly, our willingness to engage in discussions regarding the potential sale of our system should not be interpreted in any way as showing dissatisfaction with OUC or the terms of the contract.

If you might be interested, we invite you to attend the City's Utility Advisory Commission meeting in March of next year. For dates and times, and for further information, please contact John T. Lee, Acting Electric Director, at (772) 978-5127 or JLee@covb.org.

Sincerely,

James M. Gabbard
City Manager

City of Vero Beach
1053 20th Place - P.O. Box 1389
Vero Beach, FL 32961-1389

OFFICE OF THE
CITY MANAGER

December 18, 2009

Gulf Power
Susan Story, President and CEO
1 Energy Place
Pensacola, FL 32520

Dear Ms. Story:

The purpose of this letter is to explore whether, under the proper terms and conditions, your utility would be interested in purchasing all or part of our electric system.

Effective January 1, 2010, the City's electric utility will switch from being a member of the All Requirements Project of the Florida Municipal Power Agency to being a contract customer of the Orlando Utilities Commission ("OUC"). The term of the new power arrangement is twenty years, with a possible reopener at the ten-year mark. The City is pleased with its contract and with OUC. However, as part of the public input involved in the decision to change power partners, some discussion occurred about the possibility or desirability of selling part or all of the electric utility system to another utility operation, such as yours. As a result of that public interest, the City Council passed a motion to direct that the City investigate such a sale.

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If you might be interested, we invite you to attend the City's Utility Advisory Commission meeting in March of next year. For dates and times, and for further information, please contact John T. Lee, Acting Electric Director, at (772) 978-5127 or JLee@covb.org.

Sincerely,

James M. Gabbard
City Manager

City of Vero Beach
1053 20th Place - P.O. Box 1389
Vero Beach, FL 32961-1389

OFFICE OF THE
CITY MANAGER

December 18, 2009

Tampa Electric
Gordon L. Gillette, President
P.O. Box 11
Tampa, FL 33601-0111

Dear Mr. Gillette:

The purpose of this letter is to explore whether, under the proper terms and conditions, your utility would be interested in purchasing all or part of our electric system.

Effective January 1, 2010, the City's electric utility will switch from being a member of the All Requirements Project of the Florida Municipal Power Agency to being a contract customer of the Orlando Utilities Commission ("OUC"). The term of the new power arrangement is twenty years, with a possible reopener at the ten-year mark. The City is pleased with its contract and with OUC. However, as part of the public input involved in the decision to change power partners, some discussion occurred about the possibility or desirability of selling part or all of the electric utility system to another utility operation, such as yours. As a result of that public interest, the City Council passed a motion to direct that the City investigate such a sale.

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If you might be interested, we invite you to attend the City's Utility Advisory Commission meeting in March of next year. For dates and times, and for further information, please contact John T. Lee, Acting Electric Director, at (772) 978-5127 or JLee@covb.org.

Sincerely,

James M. Gabbard
City Manager

City of Vero Beach
1053 20th Place - P.O. Box 1389
Vero Beach, FL 32961-1389

OFFICE OF THE
CITY MANAGER

December 18, 2009

Progress Energy
Vincent Dolan, President and CEO
P.O. Box 3239
Tampa, FL 33601-3239

Dear Mr. Dolan:

The purpose of this letter is to explore whether, under the proper terms and conditions, your utility would be interested in purchasing all or part of our electric system.

Effective January 1, 2010, the City's electric utility will switch from being a member of the All Requirements Project of the Florida Municipal Power Agency to being a contract customer of the Orlando Utilities Commission ("OUC"). The term of the new power arrangement is twenty years, with a possible reopener at the ten-year mark. The City is pleased with its contract and with OUC. However, as part of the public input involved in the decision to change power partners, some discussion occurred about the possibility or desirability of selling part or all of the electric utility system to another utility operation, such as yours. As a result of that public interest, the City Council passed a motion to direct that the City investigate such a sale.

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If you might be interested, we invite you to attend the City's Utility Advisory Commission meeting in March of next year. For dates and times, and for further information, please contact John T. Lee, Acting Electric Director, at (772) 978-5127 or JLee@covb.org.

Sincerely,

James M. Gabbard
City Manager

City of Vero Beach
1053 20th Place - P.O. Box 1389
Vero Beach, FL 32961-1389

OFFICE OF THE
CITY MANAGER

December 18, 2009

Florida Power and Light
Armando Olivera
P.O. Box 025576
Miami, Florida 33102

Dear Mr. Olivera:

The purpose of this letter is to explore whether, under the proper terms and conditions, your utility would be interested in purchasing all or part of our electric system.

Effective January 1, 2010, the City's electric utility will switch from being a member of the All Requirements Project of the Florida Municipal Power Agency to being a contract customer of the Orlando Utilities Commission ("OUC"). The term of the new power arrangement is twenty years, with a possible reopener at the ten-year mark. The City is pleased with its contract and with OUC. However, as part of the public input involved in the decision to change power partners, some discussion occurred about the possibility or desirability of selling part or all of the electric utility system to another utility operation, such as yours. As a result of that public interest, the City Council passed a motion to direct that the City investigate such a sale.

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If you might be interested, we invite you to attend the City's Utility Advisory Commission meeting in March of next year. For dates and times, and for further information, please contact John T. Lee, Acting Electric Director, at (772) 978-5127 or JLee@covb.org.

Sincerely,

James M. Gabbard
City Manager

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 31
PARTY: CITY OF VERO BEACH(REBUTTAL)
DESCRIPTION: James R. O'Connor JRO-3

RESOLUTION NO. 2011- 33

A RESOLUTION OF THE CANVASSING BOARD OF THE CITY OF VERO BEACH, FLORIDA CERTIFYING THE RESULTS OF THE NOVEMBER 8, 2011 MUNICIPAL GENERAL ELECTION IN THE CITY OF VERO BEACH, FLORIDA.

WHEREAS, the returns for the Municipal General Election held in the City of Vero Beach, Florida, on November 8, 2011 have been tabulated and certified by the Indian River County Supervisor of Elections and said certified election returns have been received by the Canvassing Board of the City of Vero Beach; and

WHEREAS, the election returns show that the results of the Municipal General Election are as follows:

CITY COUNCIL – TWO YEAR TERM
(TWO ELECTED)

TRACY M. CARROLL	(Total Votes)	1,783
DICK WINGER	(Total Votes)	1,613
BRIAN HEADY	(Total Votes)	1,493
KEN DAIGE	(Total Votes)	1,141

REFERENDUM ON LEASE OF CITY POWER PLANT SITE

Do you approve of the lease of the City of Vero Beach power plant site north of the 17th Street Bridge, west of the Indian River, and east of Indian River Boulevard, with the City retaining ownership of the land, for the purpose of selling the City electric utility if the City Council finds that such sale is beneficial to the citizens of Vero Beach?

YES, for approval	(Total Votes)	2,074
NO, for rejection	(Total Votes)	1,075

NOW, THEREFORE, BE IT RESOLVED BY THE CANVASSING BOARD of the City of Vero Beach, Florida that the results of the Municipal General Election held in the City of Vero Beach, Florida on November 8, 2011 are certified to be as shown above in this Resolution, with the result that Tracy M. Carroll and Dick Winger are hereby declared to be duly-elected members of the City Council of the City of Vero Beach, Florida for the ensuing two-year term and the Referendum on Lease of City Power Plant Site was approved, all as duly certified by the Indian River County Supervisor of Elections.

DONE AND ENTERED this 14th day of November, 2011 by the

CANVASSING BOARD OF THE CITY OF VERO BEACH, FLORIDA

James R. O'Connor City Manager	Wayne R. Coment Acting City Attorney	Tammy K. Vock City Clerk

CERTIFICATE OF CANVASSING BOARD OFFICIAL RETURNS

CITY OF VERO BEACH
INDIAN RIVER COUNTY, FLORIDA

We, the undersigned, members of the duly constituted Board of Canvassers for the City of Vero Beach, Indian River County, Florida, do hereby certify that we met in the office of the Supervisor of Elections on the 8th Day of November, A.D. 2011 and proceeded to publicly canvass the votes given for the offices herein specified at the Municipal General Election on the 8th Day of November, A.D. 2011, as shown by the returns on file in the office of the Supervisor of Elections. We hereby certify from said returns as follows:

For Two Year **City Council Member Term,** the whole number of votes cast was 6,030, of which number

(VOTE FOR NO MORE THAN TWO)

TRACY M. CARROLL	RECEIVED	1,783	VOTES
DICK WINGER	RECEIVED	1,613	VOTES
BRIAN HEADY	RECEIVED	1,493	VOTES
KEN DAIGE	RECEIVED	1,141	VOTES

REFERENDUM

REFERENDUM ON LEASE OF CITY POWER PLANT SITE

Do you approve of the lease of the City of Vero Beach power plant site north of the 17th Street Bridge, west of the Indian River, and east of Indian River Boulevard, with the City retaining ownership of the land, for the purpose of selling the City electric utility if the City Council finds that such sale is beneficial to the citizens of Vero Beach?

Yes for Approval	RECEIVED	2,074	VOTES
No for Rejection	RECEIVED	1,075	VOTES

The Canvassing Board certifies that the board has reconciled the number of persons who voted with the number of ballots counted and that the certification includes all valid votes cast in the election.

Tammy Vock, Vero Beach City Clerk
Canvassing Board Chairman

Wayne Coment, Vero Beach City Attorney
Canvassing Board Member

James O'Connor, Vero Beach City Manager
Canvassing Board Member

November 8, 2011

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 32
PARTY: CITY OF VERO BEACH(REBUTTAL)
DESCRIPTION: James R. O'Connor JRO-4

RESOLUTION NO. 2013- 09

A RESOLUTION OF THE CANVASSING BOARD OF THE CITY OF VERO BEACH, FLORIDA, CERTIFYING THE RESULTS OF THE MARCH 12, 2013 MUNICIPAL SPECIAL ELECTION IN THE CITY OF VERO BEACH, FLORIDA.

WHEREAS, the returns for the Municipal Special Election held in the City of Vero Beach, Florida, on March 12, 2013 have been tabulated by the Indian River County Supervisor of Elections and canvassed and certified by the Canvassing Board of the City of Vero Beach as evidenced by the Certificate of the Canvassing Board attached hereto as Exhibit "A" and incorporated herein; and

WHEREAS, the certified official election returns show that the results of the Municipal Special Election are as follows:

Referendum on Sale and Disposition of Vero Beach Electric Utility

Do you approve of the sale and disposition of the City of Vero Beach electric utility and substantially all of its assets for the purpose of exiting the electric utility business under terms substantially similar to the asset purchase and sale agreement between the City and Florida Power & Light Company?

YES, for approval	RECEIVED 2339	VOTES
NO, for rejection	RECEIVED 1330	VOTES

NOW, THEREFORE, BE IT RESOLVED BY THE CANVASSING BOARD of the City of Vero Beach, Florida, that the results of the Municipal Special Election held in the City of Vero Beach, Florida on March 12, 2013 have been certified to be as shown above in this Resolution, with the result that the Referendum on Sale and Disposition of Vero Beach Electric Utility was approved, all as duly certified by the Indian River County Supervisor of Elections and canvassed and certified by the Canvassing Board of the City of Vero Beach.

DONE AND ENTERED this 15th day of March 2013.

CANVASSING BOARD OF THE
CITY OF VERO BEACH, FLORIDA

Wayne R. Coment, City Attorney
Canvassing Board Chairman

James R. O'Connor, City Manager
Canvassing Board Member

Tammy K. Vock, City Clerk
Canvassing Board Member

CERTIFICATE OF CANVASSING BOARD OFFICIAL RETURNS

CITY OF VERO BEACH INDIAN RIVER COUNTY, FLORIDA

We, the undersigned, members of the duly constituted Board of Canvassers for the City of Vero Beach, Indian River County, Florida, do hereby certify that we met in the office of the Supervisor of Elections on the 12th Day of March, A.D. 2013 and proceeded to publicly canvass the votes given for the referendum herein specified at the Municipal Special Election on the 12th Day of March, A.D. 2013, as shown by the returns on file in the office of the Supervisor of Elections. We hereby certify from said returns as follows:

REFERENDUM ON SALE AND DISPOSITION OF VERO BEACH ELECTRIC UTILITY

Do you approve of the sale and disposition of the City of Vero Beach electric utility and substantially all of its assets for the purpose of exiting the electric utility business under terms substantially similar to the asset purchase and sale agreement between the City and Florida Power & Light Company?

Yes for Approval	RECEIVED	2339	VOTES
No for Rejection	RECEIVED	1330	VOTES

The Canvassing Board certifies that the board has reconciled the number of persons who voted with the number of ballots counted and that the certification includes all valid votes cast in the election.

Wayne Coment, Vero Beach City Attorney
Canvassing Board Chairman

James O'Connor, Vero Beach City Manager
Canvassing Board Member

Tammy Vock, Vero Beach City Clerk
Canvassing Board Member

March 12, 2013

THE CITY OF VERO BEACH ELECTRIC UTILITY

ASSET PURCHASE AND SALE AGREEMENT

BY AND BETWEEN

CITY OF VERO BEACH, FLORIDA,
AS SELLER

AND

FLORIDA POWER & LIGHT COMPANY,
AS BUYER

Dated as of October 24, 2017

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LIST OF EXHIBITS AND SCHEDULES

EXHIBITS

SCHEDULES

ASSET PURCHASE AND SALE AGREEMENT

This ASSET PURCHASE AND SALE AGREEMENT (the "***Agreement***"), dated as of October 24, 2017 (the "***Date of this Agreement***"), is made and entered into by and between the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida ("***Seller***"), and FLORIDA POWER & LIGHT COMPANY, a corporation organized under the laws of the State of Florida ("***Buyer***"). Seller and Buyer are referred to individually as a "***Party***," and together as the "***Parties***."

W I T N E S S E T H:

WHEREAS, Seller owns and operates an electric utility in the City of Vero Beach, Florida and other portions of Indian River County, Florida, including Indian River Shores, and Seller wishes to exit the electric utility business;

WHEREAS, Buyer desires to purchase and assume, and Seller desires to sell and assign, certain electric utility assets and certain associated liabilities, upon the terms and conditions hereinafter set forth in this Agreement (the "***Transaction***") as part of Seller's exit strategy from the electric utility business;

WHEREAS, Buyer and Seller desire for Buyer to provide retail electric service to Seller's electric utility customers, commencing on the Closing Date, as defined below, upon the terms and conditions hereinafter set forth in this Agreement;

WHEREAS, Buyer and Seller desire for the rates for retail electric service to be provided to Seller's electric utility customers to be the same as the rates for retail electric service charged by Buyer to its other retail electric service customers;

WHEREAS, Buyer and Seller intend that in the event that the sale under this Agreement does not occur, under the conditions set forth in Article 10, Seller will sell to Buyer, and Buyer will purchase from Seller, the assets of Seller's electric utility system located in Indian River Shores, Florida, under the terms of the Partial Sale Agreement, as defined below.

NOW, THEREFORE, in consideration of the mutual covenants, representations, warranties and agreements hereinafter set forth, the receipt and sufficiency of which are hereby acknowledged, and intending to be legally bound hereby, the Parties agree as follows:

ARTICLE 1
DEFINITIONS

Section 1.1 Definitions.

As used in this Agreement, the following terms have the meanings specified in this Section 1.1.

(1) ***"Acquired Assets"*** has the meaning set forth in Section 2.1.

(2) ***"Acquired Land In Fee"*** means (a) the Real Property owned by Seller and occupied by substations 3, 7, 8, 9, 10, 11, and 20 described in Exhibit U, and (b) any other Real Property owned by Seller and occupied by any of the FPUA Joint Facilities (other than substation 20) that is described in Exhibit U.

(3) ***"Action"*** means any suit, claim, proceeding, litigation, arbitration, audit or investigation by or before any Governmental Authority.

(4) ***"Affiliate"*** means, with respect to any Person, (i) each Person that directly or indirectly, controls or is controlled by or is under common control with such designated Person; (ii) any Person that beneficially owns or holds fifty percent (50%) or more of any class of voting securities of such designated Person or fifty percent (50%) or more of the equity interests in such designated Person; or (iii) any Person of which such designated Person beneficially owns or holds fifty percent (50%) or more of the equity interests. For the purposes of this definition, ***"control"*** (including, with correlative meanings, the terms "***controlled by***" and ***"under common control with"***), as used with respect to any Person, shall mean the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of such Person, whether through the ownership of voting securities or by contract or otherwise.

(5) "***Aggregate Environmental Cap***" has the meaning set forth in Section 6.22.

(6) ***"Agreement"*** means this Asset Purchase and Sale Agreement together with the Schedules hereto, as the same may be amended from time to time in accordance herewith.

(7) ***"Airport"*** means the City of Vero Beach RegionalAirport.

(8) ***"Airport Property Lease Agreements"*** means the Airport Substation Lease Agreements and the Airport Warehouse Lease Agreement.

(9) ***"Airport Substation Lease Agreements"*** means the Airport Substation 5 Lease Agreement and the Airport Substation 6 Lease Agreement.

(10) ***"Airport Substation 5 Lease Agreement"*** means a lease agreement and memorandum of lease substantially in the form of Exhibit I-1A attached hereto, or such form as may be otherwise agreed by the Parties pursuant to Section 6.4(e) and approved by the FAA or FDOT if required by applicable Law or by the provisions of any applicable contract with or grant from the FAA or FDOT.

(11) ***"Airport Substation 6 Lease Agreement"*** means a lease agreement and memorandum of lease substantially in the form of Exhibit I-1B attached hereto, or such form as may be otherwise agreed by the Parties pursuant to Section 6.4(e) and approved by the FAA or FDOT if required by applicable Law or by the provisions of any applicable contract with or grant from the FAA or FDOT.

(12) "***Airport Warehouse Property***" means the warehouse and service center facilities (land and building) located within the Airport used in the Business of the Vero Beach Electric Utility as a service center.

(13) ***"Airport Warehouse Lease Agreement"*** means a lease agreement substantially in the form of Exhibit I-2 attached hereto relating to the Airport Warehouse Property or such form as may be otherwise agreed by the Parties pursuant to Section 6.4(f) and approved by the FAA or FDOT if required by applicable Law or by the provisions of any applicable contract with or grant from the FAA or FDOT, including rent as set forth in Section 2.5.

(14) "***Allocation***" has the meaning set forth in Section 3.5(b).

(15) ***"Ancillary Agreements"*** means the Airport Property Lease Agreements, the District Sublicenses, the Fiber License Agreement, the Substation Easement Agreement, the Substation Equipment Operating and Dismantling Agreement, the Substation License and Access Agreement, the Streetlight Agreement, the Franchise Ordinance, and the Grounding License Agreement.

(16) ***"Assignment and Assumption Agreement"*** means the Assignment and Assumption Agreement between Seller and Buyer substantially in the form of Exhibit A-1 attached hereto.

(17) "***Assignment and Assumption of Easements***" means the assignment of Easements and assumption of responsibilities associated therewith, including the Substation 20 Transmission R/W, between Seller and Buyer substantially in the form of Exhibit A-2 attached hereto.

(18) ***"Assumed Contracts"*** mean those Seller Contracts set forth on Schedule 1.1(18) as of the Date of this Agreement, including the Real Property Interest Instruments and Intellectual Property Licenses, and those Seller Contracts primarily relating to the Vero Beach Electric Utility arising in the ordinary course consistent with Seller's Past Practices during the Interim Period to be set forth on amended Schedule 1.1(18).

(19) ***"Assumed Liabilities"*** has the meaning set forth in Section 2.3.

(20) ***"Attachment Agreements"*** means all pole attachment agreements, wireline agreements, streetlight attachment agreements, joint use agreements, CATV (cable) agreements, fiber optic agreements, franchise agreements for the placement of telecommunication facilities, fiber-optic cable or cable facilities on any of the Acquired Assets, agreements for the placement of telecommunication, cable or other ground equipment and monopoles on any of the Acquired Assets, agreements for the attachment of facilities (including by Governmental Authorities) to towers, substations, buildings, transmission or distribution poles or other facilities comprising the Acquired Assets, banner agreements, holiday lights agreements and other similar agreements.

(21) ***"Available Proceeds"*** means the sum of (i) the total aggregate amount of insurance coverage under all of Seller's policies of insurance that are applicable to the Acquired

Assets that were damaged or destroyed by the relevant Casualty during the Interim Period, plus (ii) the amount (or value, if provided in the form of property or repair assistance) of assistance that Seller has been provided (or that has been committed to be provided to Seller) in any form (including cash grant, property or repair assistance) by any Person (including the Federal Emergency Management Agency of the United States or any other Governmental Authority) that may be used by Seller to cure such Casualty, plus (iii) the amounts recovered or recoverable by Seller from Customers for storm restoration in accordance with Seller's Past Practice during similar Casualty events.

(22) ***"Benefit Plans"*** means each employee benefit plan as defined in Section 3(3) of ERISA, each governmental plan as defined in Section 3(32) of ERISA, and each other plan, contract, agreement, arrangement or policy, whether written or oral, qualified or non-qualified, providing for (i) compensation, severance benefits, bonuses, profit-sharing or other forms of incentive compensation; (ii) vacation, holiday, sickness or other time-off; (iii) health, medical, dental, disability, life, accidental death and dismemberment, employee assistance, educational assistance, relocation or fringe benefits or perquisites, including post-employment benefits; and (iv) deferred compensation, defined benefit or defined contribution, retirement or pension benefits.

(23) ***"Bill of Sale"*** means the Bill of Sale, substantially in the form of Exhibit B attached hereto.

(24) "***Bond Release Consideration***" has the meaning set forth in Section 3.4(d).

(25) "***Bond Resolution***" means the City of Vero Beach Master Electric System Revenue Bond Resolution adopted on November 6, 2007, as amended.

(26) ***"Business Books and Records"*** has the meaning set forth in Section 2.1(g).

(27) ***"Business Day"*** means any day other than Saturday, Sunday and any day on which banking institutions in the State of Florida are authorized by law or other governmental action to close.

(28) ***"Business of the Vero Beach Electric Utility"*** means each of the following: (a) the ownership, operation and maintenance of the Vero Beach Electric Utility; (b) the sale and provision of electricity to the Customers; and (c) the ownership, operation and maintenance of the Streetlight Assets.

(29) ***"Buyer"*** has the meaning set forth in the preamble to this Agreement.

(30) ***"Buyer Benefit Plans"*** has the meaning set forth in Section 6.10(c).

(31) "***Buyer Fundamental Representations***" means the representations and warranties made in Sections 5.1, 5.2, 5.3(a)(i) and 5.7.

(32) ***"Buyer Indemnitee"*** has the meaning set forth in Section 8.1(b).

(33) ***"Buyer's Phase II Environmental Testing"*** has the meaning set forth in Section 6.22(b).

(34) ***Buyer's Required Regulatory Approvals"*** has the meaning set forth in Section 5.3(b).

(35) ***"Buyer Union Representative"*** means the representative of the labor union that represents the craft or class of Transferred Employees who will be employed by Buyer in positions that are subject to a collective bargaining agreement with Buyer while employed with Buyer after the Closing Date.

(36) ***"Capital Expenditure and Maintenance Plan"*** means the plan adopted by the Council, which details the maintenance and capital expenditure schedule for the Acquired Assets for the 2017-2018 fiscal year ending September 30, 2018.

(37) "***Casualty***" means an event causing any portion of the Acquired Assets to be damaged or destroyed and requiring in excess of One Million Dollars ($1,000,000) for repair or replacement of such damaged or destroyed Acquired Assets; provided, however, that any intentional demolition or removal of any Acquired Assets in connection with repair or replacement of such Acquired Assets shall not be considered a Casualty.

(38) "***Casualty Notice***" has the meaning set forth in Section 6.11(a).

(39) ***"Closing"*** has the meaning set forth in Section 3.1.

(40) ***"Closing Date"*** has the meaning set forth in Section 3.1.

(41) ***"COBRA"*** means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, and the rules and regulations promulgated thereunder and any similar state or local applicable Laws.

(42) ***"Code"*** means the Internal Revenue Code of 1986, as amended.

(43) ***"Commercially Reasonable Efforts"*** means efforts which are designed to enable a Party, directly or indirectly, to expeditiously satisfy a condition to, or otherwise assist in the consummation of, the transactions contemplated by this Agreement and which do not require the performing Party to expend any funds other than immaterial expenditures which are customary and reasonable in nature in the context of the transactions contemplated by this Agreement.

(44) ***"Consumption Period"*** has the meaning set forth in Section 6.21(a).

(45) ***"Contract"*** means any agreement, contract, purchase order, lease, license, right, commitment, evidence of Indebtedness, binding bid or other legally binding arrangement.

(46) ***"Council"*** means the City Council of Seller.

(47) ***"Covered Loss"*** means any Losses for which an Indemnifying Party is required to indemnify an Indemnitee pursuant to Section 8.1(a) or Section 8.1(b), as the case may be.

(48) "***Cure Amount***" means the amount of costs that will be required to be paid in order to cure the damage to or destruction of the Acquired Assets resulting from a Casualty.

(49) ***"Customer"*** means any retail electric service customer of Seller prior to the Closing Date, and, assuming the Closing occurs, of Buyer on or after the Closing Date, within the Service Territory.

(50) ***"Customer Deposits"*** means the electric utility deposits collected by Seller from its Customers or the portion of deposits collected from customers of electric, water and sewer utility services allocable to the electric service provided by Seller.

(51) ***"Customer Service Assets"*** means the customer service facilities, equipment and other tangible property and assets used in or for, the Business of the Vero Beach Electric Utility or located on the Real Property, including the facilities, equipment and other tangible property and assets that connect the Distribution Assets to each individual Customer's Delivery Point, Customer/premise/account data, historical consumption information, meters, remote metering equipment, and equipment needed to access the meters (e.g., keys to locked meter rooms, any meter/special/barrel lock/anchor keys), and without limiting the generality of the foregoing, specifically includes the facilities and equipment described in Schedule 1.1(50) but excluding City Hall and related office equipment. For the avoidance of doubt, Customer Service Assets do not include assets used by Seller primarily for its water and sewer utility business, and Seller shall be entitled to keep a copy of any data that is a Customer Service Asset as deemed appropriate by Seller.

(52) "***Date of this Agreement***" has the meaning set forth in the preamble to this Agreement.

(53) ***"Deed***" means a special warranty deed substantially in the form of Exhibit C attached hereto.

(54) ***"Defeasance Obligations***" means (i) direct obligations of the United States of America, (ii) obligations the timely payment of the principal of and interest on which when due are fully and unconditionally guaranteed by the United States of America, or (iii) obligations which are general obligations backed by the full faith and credit of the United States of America.

(55) ***"Delivery Point"*** means the point on the Customer's premises where, (i) if delivery is being made through overhead wires, Seller's wires connect to Customer's wires at the Customer's weatherhead, and (ii) if delivery is being made through underground wires, Seller's wires connect to the Customer's meter can.

(56) "***Direct Claim***" has the meaning set forth in Section 8.2(c).

(57) "***Distribution Assets***" means the electric distribution facilities, equipment and other tangible property and assets used in or for, the Business of the Vero Beach Electric Utility, including the facilities, equipment and other tangible property and assets that connect the Transmission Assets to the Customer Service Assets, distribution substation equipment, feeder circuits and associated hardware (including switches and switch gear, regulators, capacitor banks, reclosers, and protective equipment), primary circuits, transformers, secondaries and services, and associated physical assets (including poles, conductors, cables, insulators, metering, and outdoor lights).

(58) ***"District"*** means the Indian River Farms Water Control District.

(59) ***"District Licenses"*** means one or more agreements between the District and Seller substantially in the form of Exhibit P attached hereto, or such form as may be otherwise agreed by the Parties pursuant to Section 6.4(c) and approved by the District, that relate to all of the Real Property owned by the District on which any of the Acquired Assets are located as of the Closing Date.

(60) ***"District Sublicenses"*** means one or more agreements between Buyer and Seller substantially in the form of Exhibit Q attached hereto, or such form as may be otherwise agreed by the Parties pursuant to Section 6.4(c) and approved by the District, that provide for sublicenses with respect to each of the District Licenses to be entered into on the Closing Date.

(61) ***"Easements"*** means the electrical distribution easements, electrical transmission easements, access easements, aerial easements and other easements owned by Seller and used in (A) the Business of the Vero Beach Electric Utility or (B) the operation or maintenance of the Acquired Assets, including the easements identified in Schedule 1.1(61), other than any easements described in the Franchise Ordinance.

(62) ***"Effective Time"*** has the meaning set forth in Section 3.1.

(63) ***"Electric Utility Accounting Records"*** means all financial statements, accounting books, related records and reports of Seller relating to the Business of the Vero Beach Electric Utility.

(64) ***"Electric Utility Bonds"*** means the Indebtedness created or evidenced by, or arising under, the Bond Resolution, including any principal, interest, fees, penalties and other amounts payable thereunder.

(65) ***"Encumbrances"*** means any liens, charges, pledges, options, mortgages, deeds of trust, security interests, equitable interests, claims, easements, rights-of-way, leases, mineral reservations, covenants, conditional and installment sales contracts, title retention arrangements, adverse claims or restrictions of any kind, including restriction on transfer or use, option, right of first refusal, license or other right of third parties, and other encumbrances affecting title or right to property, whether imposed by applicable Law, agreement, understanding or otherwise and whether or not of record.

(66) ***"Environment"*** means all soil, real property, air, water (including surface waters, streams, ponds, drainage basins and wetlands), groundwater, water body sediments,

drinking water supply, stream sediments or land, including land surface or subsurface strata, including all fish, plant, wildlife, and other biota and any other environmental medium or natural resource.

(67) ***"Environmental Claim"*** means any and all communications, whether written or oral, alleging potential Liability, administrative or judicial actions, suits, orders, liens, notices alleging Liability, notices of violation, investigations which have been disclosed to Seller, complaints, requests for information relating to the Release or threatened Release into the Environment of Hazardous Substances, proceedings, or other communication, whether criminal or civil, pursuant to or relating to any applicable Environmental Law, by any Person (including any Governmental Authority) based upon, alleging, asserting, or claiming any actual or potential (i) violation of, or Liability under any Environmental Law, (ii) violation of any Environmental Permit, or (iii) Liability for investigatory costs, cleanup costs, removal costs, remedial costs, response costs, monitoring costs, natural resource damages, property damage, personal injury, fines, or penalties arising out of, based on, resulting from, or related to the presence, Release, or threatened Release into the Environment of any Hazardous Substances at any Real Property, the Substation Easement Real Property, or any off-Site location to which Hazardous Substances, or materials containing Hazardous Substances, were sent.

(68) ***"Environmental Clean-up Site"*** means any location which is listed or formally proposed for listing on the National Priorities List, the Comprehensive Environmental Response, Compensation and Liability Information System, or on any similar state list of sites requiring investigation or cleanup, or which is the subject of any action, suit, proceeding or investigation which has been disclosed to Seller for any alleged violation of any Environmental Law, or at which there has been a Release, or a threatened or suspected Release, of a Hazardous Substance.

(69) ***"Environmental Laws"*** means all Laws regarding pollution or protection of the Environment, the conservation and management of land, natural resources and wildlife or human health and safety or the Occupational Safety and Health Act (only as it relates to Hazardous Substances), including Laws regarding Releases or threatened Releases of Hazardous Substances (including Releases to ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, Release, transport, disposal or handling of Hazardous Substances, including the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§ 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.), the Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. §§ 2601 et seq.), the Oil Pollution Act (33 U.S.C. §§ 2701 et seq.), the Emergency Planning and Community Right-to-Know Act (42 U.S.C. §§ 11001 et seq.), and all other Laws analogous to any of the above.

(70) "***Environmental Liabilities***" has the meaning set forth in Section 6.22(a).

(71) "***Environmental Notice***" has the meaning set forth in Section 6.22(a).

(72) ***"Environmental Permit"*** means any Permit under or in connection with any Environmental Law, including any and all orders, consent orders or binding agreements issued or entered into by a Governmental Authority under any applicable Environmental Law, that is necessary for (i) the Business of the Vero Beach Electric Utility, or (ii) the ownership, use or operation of the Acquired Assets, in each case under clause (i) or (ii), as conducted prior to the Date of this Agreement and as conducted prior to the Closing Date.

(73) ***"ERISA"*** means the Employee Retirement Income Security Act of 1974, as amended, and the applicable rules and regulations promulgated thereunder.

(74) ***"ERISA Affiliate"*** means any trade or business under Section 414(b), (c), (m) or (o) of the Code.

(75) ***"Estimated Allocation"*** has the meaning set forth in Section 3.5(a).

(76) "***Estimated Closing Adjustments***" has the meaning set forth in Section 3.3(b).

(77) ***"Estimated Closing Statement"*** has the meaning set forth in Section 3.3(b).

(78) ***"Estoppel Certificate"*** means a written statement from a Person who is a party other than Seller to an Assumed Contract or Real Property Interest Instrument, as the case may be, which written statement explicitly provides that (i) to the knowledge of the individual providing such statement, Seller is not in default nor does it owe any amounts due (or otherwise specifying such amounts that are due) to such Person under the Assumed Contract, (ii) the individual providing such written statement is authorized to bind the Person and make such written such statement, (iii) Buyer is entitled to rely on such written statement in connection with Buyer's assumption of the Assumed Contract, and (iv) such Person consents to the assignment and assumption of the Assumed Contract from Seller to Buyer.

(79) ***"Excluded Assets"*** has the meaning set forth in Section 2.2.

(80) ***"Excluded Contracts"*** means the FMPA Agreements, the OUC-Vero Beach PPA, Seller Collective Bargaining Agreements, and all other Contracts that are not Assumed Contracts.

(81) "***Excluded Inventory***" means any Inventory of Seller described in Schedule 1.1(81)**.**

(82) ***"Excluded Liabilities"*** has the meaning set forth in Section 2.4.

(83) ***"FAA"*** means the Federal Aviation Administration or any successor agency thereto.

(84) ***"Federal Communications Commission"*** means the United States Federal Communications Commission or any successor agency thereto.

(85) ***"Federal Power Act"*** means the Federal Power Act, as amended.

(86) ***"FERC"*** means the Federal Energy Regulatory Commission or any successor agency thereto.

(87) ***"FERC Approval***" has the meaning set forth in Section 6.6(c).

(88) ***Fiber License Agreement"*** means an agreement substantially in the form of Exhibit L-1 attached hereto, or such form as may be otherwise agreed by the Parties pursuant to Section 6.4(d) and approved by Indian River County and the School District of Indian River County.

(89) ***"Fiber Optic System"*** means the fiber optic system described on Schedule 1.1(88).

(90) ***"FDOT***" means the Florida Department of Transportation or any successor agency thereto.

(91) ***"FMPA"*** means the Florida Municipal Power Agency.

(92) "***FMPA Agreement Date***" means February 28, 2018 or such later date, but not later than March 30, 2018, selected by Buyer by giving notice thereof to Seller and FMPA, or such date after March 30, 2018, agreed to in writing by Seller and Buyer with notice thereof given to FMPA.

(93) "***FMPA Agreements***" means all of the following Contracts: (i) St. Lucie Project Power Sales Contract dated June 1, 1982, between FMPA and Seller, as amended; (ii) St. Lucie Project Support Contract dated June 1, 1982, between FMPA and Seller, as amended; (iii) the Stanton Project Power Sales Contract, dated January 16, 1984, between FMPA and Seller; (iv) Stanton Project Support Contract dated January 16, 1984, between FMPA and Seller, as amended; (v) Stanton II Project Power Sales Contract executed on or about May 24, 1991, between FMPA and Seller, as amended; (vi) Stanton II Project Support Contract executed on or about May 24, 1991, between FMPA and Seller, as amended; and (vii) that certain All-Requirements Power Supply Project Contract dated October 1, 1996, between FMPA and Seller, as amended.

(94) "***FMPA ARP***" means the FMPA "all requirements project".

(95) "***FMPA Assigned Agreements***" means the agreements described in clauses (i) through (vii) of the definition of the FMPA Agreements.

(96) "***FMPA Bondholders***" means the holders of revenue bonds issued by FMPA secured by, among other things, the FMPA Agreements.

(97) "***FMPA Members***" means the municipal members of FMPA that are party to any of the FMPA Agreements, and who are required to consent to the FMPA Transfer Agreement.

(98) "***FMPA Transfer Agreement***" means the Transfer Agreements that Seller and FMPA would enter into, if they enter into such Transfer Agreements, with the approval of Buyer, under which, among other matters, at the Closing: (i) Seller would assign to FMPA or the trustee with respect to the FMPA ARP bonds all of Seller's rights under the FMPA Assigned Agreements; (ii) FMPA would release Seller from all of Seller's obligations and liabilities to FMPA and the FMPA Members including under all of the FMPA Agreements; and (iii) Seller would pay to FMPA the FMPA Transfer Payment.

(99) "***FMPA Transfer Payment***" means an amount not to exceed $108 million as determined pursuant to the terms of the FMPA Transfer Agreement.

(100) "***FPL Termination Agreement***" means the Termination of Agreements substantially in the form of Exhibit F attached hereto, which, at the Closing, will terminate (i) the Territorial Boundary Agreement between Buyer and Seller dated June 11, 1980, as amended, approved by the PSC Order dated November 3, 1981 and (ii) that certain Joint Use Agreement, dated July 5, 1956, as supplemented by that certain Supplemental Joint Use Agreement, dated January 29, 1964, in each case between Buyer and Seller, and as the same may have been further amended.

(101) ***"FPSC"*** means the Florida Public Service Commission or any successor agency thereto.

(102) ***"FPSC Approval"*** has the meaning set forth in Section 6.6(d).

(103) ***"FPUA***" means the Fort Pierce Utilities Authority or any successor electric utility.

(104) ***"FPUA Joint Facilities"*** means the transmission and substation facilities owned jointly by Seller and FPUA in St. Lucie County, Florida, and Indian River County, Florida, including the property identified as "Substation 20" on the schedule of the Acquired Land in Fee and the Substation 20 Transmission R/W.

(105) ***"FPUA Right of First Refusal"*** means the right of first refusal with respect to certain of the Acquired Assets granted by Seller to FPUA pursuant to that certain Fort Pierce – Vero Beach Tie-Line Agreement dated May 5, 1992 between Seller and FPUA, as amended.

(106) ***"Franchise Ordinance"*** means the franchise ordinance agreement substantially in the form of Exhibit E attached hereto.

(107) "***GAAP***" means United States generally accepted accounting principles in effect in the United States from time to time.

(108) ***"Governmental Authority"*** means any federal, state, county, city, local or other governmental, regulatory or administrative agency, body, authority (including taxing authority), official, district (including water control district), commission, department, board or other governmental subdivision, court, tribunal or arbitrating body, and any national or regional electric reliability organizations, including NERC.

(109) ***"Grounding Equipment"*** means the cable casing and other parts of the Fiber Optic System that are used as the grounding for any part of the Acquired Assets.

(110) "***Grounding License Agreement***" means an agreement substantially in the form of Exhibit Y attached hereto.

(111) ***"Hazardous Substances"*** means: (i) any petroleum, asbestos, asbestos-containing material, and urea formaldehyde foam insulation and transformers or other equipment that contains polychlorinated biphenyls; (ii) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "contaminants," "pollutants," "toxic pollutants," "hazardous air pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law; and (iii) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

(112) ***"Income Tax"*** means any Tax (i) based upon, measured by or calculated with respect to net income, profits or receipts (including capital gains Taxes and minimum Taxes), or (ii) based upon, measured by or calculated with respect to multiple bases (including corporate franchise Taxes) if one or more of the bases on which such Tax may be based, measured by or calculated with respect to, is described in clause (i), in each case together with any interest, penalties or additions to such Tax.

(113) ***"Indebtedness"*** means, with respect to any Person, at any time without duplication, (i) all indebtedness for borrowed money, (ii) all obligations for the deferred purchase price of property or services, (iii) all obligations of such Person evidenced by notes, bonds, debentures or other similar instruments, (iv) all obligations of such Person created or arising under any conditional sale or other title retention agreement with respect to property acquired by such Person, (v) all obligations of such Person under acceptance, letter of credit or similar facilities, (vii) all obligations of such Person in respect of any exchange-traded or over-the-counter derivative transaction, including interest rate or currency hedging agreements, and (viii) all obligations of such Person to guarantee any Indebtedness, leases, dividends or other payment obligations of such Person or any other Person; provided, however, that the term "Indebtedness" shall not include any lease that is a capital lease.

(114) ***"Indemnifying Party"*** has the meaning set forth in Section 8.1(d).

(115) ***"Indemnitee"*** means either a Seller Indemnitee or a Buyer Indemnitee, as the case may be.

(116) ***"Independent Accounting Firm"*** means such independent accounting firm of national reputation as is mutually appointed by Seller and Buyer.

(117) ***"Intellectual Property***" means the following rights, both statutory and common law rights, if applicable: (i) copyrights, registrations and applications for registration thereof; (ii) trademarks, service marks, trade names, slogans, domain names, business names, logos, trade dress, and registrations and applications for registrations thereof; (iii) patents, as well as any reissued and reexamined patents and extensions corresponding to the patents, and any

patent applications, as well as any related continuation, continuation in part and divisional applications and patents issuing therefrom; (iv) trade secrets and other confidential and proprietary information, including ideas, designs, concepts, compilations of information, methods, techniques, procedures, processes and other know-how, whether or not patentable; and (v) computer programs and other software, including source and object codes.

(118) ***"Intellectual Property Licenses"*** means those agreements related to Licensed Intellectual Property.

(119) ***"Interconnection Points"*** mean the points at which Seller's Transmission Assets connect as of the Date of the Agreement to: (a) Seller's West Substation, (b) Buyer's Emerson Substation, and (c) the FPUA Joint Facilities.

(120) ***"Interim Period"*** has the meaning set forth in Section 6.1(a).

(121) ***"Inventory"*** means materials, spare parts, supplies, chemicals and other items of inventory used in or for the Business of the Vero Beach Electric Utility including such other items of inventory located in Seller's warehouses.

(122) ***"IRS"*** means the United States Internal Revenue Service or any successor agency thereto.

(123) ***"Knowledge"*** means (i) with respect to Buyer, the actual awareness (after reasonable inquiry of appropriate employees of Buyer) of the corporate officers of Buyer who are charged with responsibility for the particular function relating to the matter of the inquiry and (ii) with respect to Seller, the actual awareness of the City Manager of Seller (after reasonable inquiry of the director of the following departments of Seller: Electric Utilities; Public Works; and Finance), the City Attorney of Seller, and, solely with respect to Airport matters, the director of the Airport.

(124) ***"Law"*** means any foreign, federal, state or local law, constitutional provision, statute, charter, ordinance or other law, rule, regulation, code (including any zoning code, fire code or health and safety code), or interpretation of any Governmental Authority or any Order of or by any Governmental Authority, including all Environmental Laws and NERC standards, requirements and regulations, applicable to the Business of the Vero Beach Electric Utility or the Acquired Assets.

(125) ***"Lease Agreements"*** means the Airport Property Lease Agreements, the District Sublicenses, and the Grounding License Agreement.

(126) ***"Liability"*** means any direct or indirect liability, commitment, Indebtedness or obligation (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or un-accrued, whether liquidated or un-liquidated, and whether due or to become due) of any kind, character or nature, or any demand, Action asserted or brought against the relevant Person.

(127) "***Licensed Intellectual Property***" means the Intellectual Property described in Schedule 1.1(126).

(128) ***"Loss"*** or ***"Losses"*** means any and all damages, fines, fees, penalties, deficiencies, losses, Liabilities, interest, awards, judgments, and expenses (whether or not involving a third party claim), including all Remediation costs, reasonable fees of attorneys, accountants and other experts, or other expenses of litigation or proceedings or of any claim, default or assessment relating to the foregoing.

(129) ***"Material Adverse Effect"*** means such changes, effects, conditions, facts, circumstances and events resulting in, or reasonably likely to result in, an adverse effect on the Acquired Assets and the Business of the Vero Beach Electric Utility, in an aggregate amount greater than $10,000,000.00; provided, however, that no one or more of the following changes, effects, conditions, facts, circumstances or events shall be taken into account in determining whether a Material Adverse Effect has occurred: (i) general economic or political conditions; (ii) conditions generally affecting the industry in which the Business of the Vero Beach Electric Utility operates, including those affecting fuel prices; (iii) any changes in financial, banking or securities markets in general, including any disruption thereof and any decline in the price of any security or any market index or any changes in prevailing interest rates; (iv) acts of war (whether or not declared), terrorism or armed hostilities, or the escalation or worsening thereof; (v) any action (or omission of an action) required or permitted by this Agreement or any of the Ancillary Agreements or any action taken (or omitted to be taken) with the written consent of or at the request of Buyer; (vi) any actions taken or caused by Buyer or any of its Affiliates, including any change in Buyer's policies relating to retention and compensation of or provision of benefits to Buyer's employees and the Transferred Employees, whether resulting from decisions made by Buyer, regulatory authorities or bargaining with Buyer's Union Representative; (vii) any changes in applicable Laws or accounting rules (including GAAP) or the enforcement, implementation or interpretation thereof other than Laws adopted by the Council; (viii) the announcement, pendency or completion of the transactions contemplated by this Agreement, including losses or threatened losses of employees, customers, suppliers, distributors or others having relationships with Seller or the Business of the Vero Beach Electric Utility; (ix) any Casualty; or (x) any failure by the Business of the Vero Beach Electric Utility to meet any internal or published projections, forecasts or revenue or earnings predictions.

(130) ***"Material Seller Contracts"*** shall have the meaning set forth in Section 4.13(a).

(131) "***Maximum Uncovered Loss Amount***" means five million dollars ($5,000,000).

(132) ***"NERC"*** means the North American Electric Reliability Corporation.

(133) ***[Intentionally Deleted]***

(134) ***"Non-Environmental Permit"*** means any Permit (other than an Environmental Permit) that is necessary for, (i) the Business of the Vero Beach Electric Utility, or (ii) the ownership, use or operation of the Acquired Assets, in each case under clause (i) or (ii), as conducted prior to the Date of this Agreement and as conducted prior to the Closing Date, and specifically includes the Radio Licenses.

(135) ***"Observers"*** has the meaning set forth in Section 6.1(b).

(136) ***"Order"*** means any judgment, decision, consent, assessment, decree, injunction, stay, ruling, writ or order of or by any Governmental Authority.

(137) ***"OUC"*** means the Orlando Utilities Commission.

(138) "***OUC Termination Agreement Date***" means January 5, 2018 or such later date, but not later than January 31, 2018, selected by Buyer by giving notice thereof to Seller and OUC, or such date after January 31, 2018, agreed to in writing by Seller and Buyer with notice thereof given to OUC.

(139) "***OUC Termination Agreement***" means the Termination Agreement that Seller and OUC would enter into, if they enter into such Termination Agreement, with the approval of Buyer, under which, among other matters, at the Closing: (i) Seller and OUC would terminate the OUC-Vero Beach PPA; (ii) OUC would release Seller from all of Seller's obligations and liabilities to OUC including under the OUC-Vero Beach PPA; and (iii) Seller would pay to OUC the OUC Termination Payment.

(140) "***OUC Termination Payment***" means $20 million.

(141) ***"OUC-Vero Beach PPA"*** means the First Amended and Restated Agreement for Purchase and Sale of Electric Energy and Capacity, Gas Transportation Capacity and Asset Management Services dated October 20, 2015 between Seller and OUC and any other agreements between OUC and Seller.

(142) "***Partial Sale Agreement***" has the meaning set forth in Section 10.1.

(143) ***"Party"*** (and the corresponding term ***"Parties"***) has the meaning set forth in the preamble to this Agreement.

(144) ***"Permits"*** means all permits, licenses, approvals, immunities, entitlements, certificates (including certificates of need), authorizations, registrations, waivers, variances, exemptions, notices, application, and filings, from, to, with or issued by any Governmental Authority, that are material to the Business of the Vero Beach Electric Utility or the Acquired Assets, including certificates of occupancy, operating permits, sign permits, development rights and approvals, zoning, building and safety and health approvals.

(145) ***"Permitted Encumbrances"*** means, with the exception of the Encumbrances identified on attached Schedule 4.6(a), which shall be satisfied or removed from such Acquired Assets on or before the Closing Date: (i) as to each and every parcel of Acquired Land in Fee, the real property described in the Airport Substation 5 Lease Agreement and Airport Substation 6 Lease Agreement, Substation Easement Real Property, and any other Real Property Interest for which Buyer obtains a Title Commitment, those exceptions to title listed in Schedule 1.1(143), referenced in any of the Title Commitments, or existing due to the provisions of any Real Property Interest Instruments through which Seller holds its Real Property Interests, or matters identified in any Survey or what would have been disclosed by an accurate survey or inspection; (ii) as to each Acquired Asset constituting personal property, or any Real Property

Interest for which Buyer has not obtained a Title Commitment, any Encumbrance of any type or description on or affecting such Acquired Assets, provided that such Encumbrance does not, to Seller's Knowledge, materially interfere with the operation of the Acquired Assets in the ordinary course consistent with Seller's Past Practices prior to the Date of this Agreement. Without limiting the generality of the foregoing, "Permitted Encumbrances" include the following: (i) Encumbrances created by the Electric Utility Bonds that will be released prior to or at the Closing; provided, however, that such Encumbrances shall cease to be Permitted Encumbrances as of the Closing; (ii) statutory liens for Taxes or other governmental charges or assessments not yet delinquent; (iii) statutory liens (including construction, mechanics' and materialmen's liens and other like statutory liens and inchoate liens incurred in connection with worker's compensation, unemployment insurance, and social security laws) arising in the ordinary course of business securing payments not yet delinquent (or any such lien for a delinquent payment that has been waived in writing by the holder thereof or any such lien for a delinquent payment for which Seller has obtained a waiver, bond or other security in accordance with applicable Law to fully protect the Acquired Assets from any and all claims that may be made on account of any such lien); (iv) existing zoning, entitlement, environmental or conservation restrictions and other land use and environmental regulations imposed by Governmental Authorities and any existing conditions and obligations arising under any Permit so long as such restrictions, regulations, conditions and obligations do not, to Seller's Knowledge, materially interfere with the Business of the Vero Beach Electric Utility in the ordinary course as conducted prior to the Date of this Agreement; (v) the covenants and restrictions set forth in this Agreement or in any of the Ancillary Agreements; (vi) Encumbrances with respect to the Acquired Assets created by or resulting from the acts or omissions of Buyer; (vii) the rights of any owner of real property where any of the personal property included in the Acquired Assets is located and the conditions or limitations of any real property rights associated with the locations where any of such Acquired Assets may exist; (vi) all matters affecting the Acquired Assets that would be disclosed by an accurate survey or inspection of such Acquired Assets; (viii) the terms of any capital leases; (ix) the FPUA Right of First Refusal; and (x) if Seller, after making a good faith effort, is unable to secure a release or satisfaction of the matter set forth in items number 1 and 3 on Schedule 4.6(a), then the matters set forth in item numbers 1 and 3 on Schedule 4.6(a) shall be treated for purposes of Section 4.6 as a "Permitted Encumbrance."

(146) ***"Person"*** means a natural person, a corporation, a partnership, a joint venture, a union, a limited liability company, a trust, an unincorporated organization, an association, a joint stock company, trustee, estate, real estate investment trust or any other entity or organization, including a Governmental Authority or any other separate legal entity recognized pursuant to applicable Law.

(147) "***Pole Agreement***" has the meaning set forth in Section 6.4(d).

(148) ***"Post-Closing Adjustment"*** has the meaning set forth in Section 3.3(c).

(149) ***"Post-Closing Consumption Period"*** has the meaning set forth in Section 6.21.

(150) ***"Post-Closing Statement"*** has the meaning set forth in Section 3.3(c).

(151) "***Post-Closing Taxes***" means Taxes, including sales and use taxes on all leases, (other than Transfer Taxes to which Section 6.8(a) applies) attributable to periods (or portions thereof) beginning on or after the Closing Date, determined by closing the books at the Effective Time for purposes of Income Taxes and by pro rating all other Taxes based on the number of days in the period before the Closing Date, on the one hand, and on and after the Closing Date, on the other hand; provided, however, if the Acquired Assets or the Business of the Vero Beach Electric Utility were not subject to a Tax in the hands of Seller but become subject to that Tax in the hands of Buyer, that Tax shall be a Post-Closing Tax in its entirety.

(152) ***"Power Plant"*** means all facilities and equipment located on the Power Plant Site, other than the Power Plant Substation.

(153) "***Power Plant Site***" means the real property described in Exhibit S.

(154) ***"Power Plant Substation Site"*** means the real property described in Exhibit S.

(155) "***Pre-Closing Taxes***" means Taxes, including sales and use taxes on all leases, (other than Transfer Taxes to which Section 6.8(a) applies) attributable to periods (or portions thereof) ending before the Closing Date, determined by closing the books at the end of the date immediately preceding the Closing Date for purposes of Income Taxes and by pro rating all other Taxes based on the number of days in the taxable period before and after the Closing Date; provided, however, if the Acquired Assets or the Business of the Vero Beach Electric Utility were not subject to a Tax in the hands of Seller but become subject to that Tax in the hands of Buyer, no portion of that Tax shall be a Pre-Closing Tax.

(156) ***"Pre-Closing Consumption Period"*** has the meaning set forth in Section 6.21.

(157) "***Prepaid Expenses***" means all expenses incurred by Seller in the operation of the Acquired Assets in accordance with Seller's Past Practices (excluding pre-payments for tangible assets such as inventory or property, plant and equipment except as provided in Section 3.6(a)(iii), but including prepaid maintenance expense) paid in cash before the Closing and before being incurred for GAAP purposes.

(158) ***"Proposed Post-Closing Adjustment"*** has the meaning set forth in Section 3.3(c).

(159) ***"Public Document"*** has the meaning set forth in Section 6.5(a).

(160) ***"Purchase Price"*** has the meaning set forth in Section 3.2.

(161) ***"Radio Licenses"*** means the Permits set forth in Schedule 1.1(160).

(162) ***"Real Property"*** means the Acquired Land in Fee, the Substation Easement Real Property, the real property described in the Airport Property Lease Agreements, and such other real property rights, interests, and licenses to occupy real property, that are owned by Seller and used by Seller to transmit and distribute electricity or to access or maintain the

Vero Beach Electric Utility including the Easements, each as set forth on Schedule 1.1(161), but excluding any rights of way under the Franchise Ordinance.

(163) ***"Real Property Interests"*** means the interest held by Seller in the Real Property.

(164) ***"Real Property Interest Instrument"*** means any license, deed, lease, easement, agreement or other instrument creating a Real Property Interest.

(165) ***"Release"*** means any actual, threatened or alleged spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dumping or disposing of a Hazardous Substance into the Environment or within any building, structure, facility or fixture.

(166) ***"Remediation"*** means any action of any kind required by applicable Law to address the presence or Release of Hazardous Substances, including: (i) monitoring, investigation, assessment, treatment, cleanup containment, removal, mitigation, response or restoration work, as well as obtaining any Permits necessary to conduct any such activity; (ii) preparing and implementing any plans or studies for any such activity; and (iii) obtaining a written notice from a Governmental Authority with competent jurisdiction under Environmental Laws, that no material additional work is required.

(167) ***"Representatives"*** of a Party means the Party and its Affiliates and their directors, officers, employees, agents and advisors (including accountants, counsel, environmental consultants, financial advisors and other authorized representatives).

(168) ***"Retained Agreements"*** means the District Licenses and the Seller Pole and Antenna Attachment Termination Agreements.

(169) ***"Retained Employees"*** means all Seller Employees who are employed by Seller as of the date immediately preceding the Closing Date and who do not become Transferred Employees as of the Closing Date.

(170) ***"Schedules"*** means the schedules attached to this Agreement.

(171) "***Schedule Supplement***" has the meaning set forth in Section 6.9.

(172) ***"Seller"*** has the meaning set forth in the preamble to this Agreement.

(173) ***"Seller Benefit Plans"*** has the meaning set forth in Section 4.11(a).

(174) ***"Seller Collective Bargaining Agreements"*** means the Agreement between Seller and Teamsters Local Union No. 769, dated September 15, 2015, with a term of October 1, 2015 to September 30, 2018, and the Agreement between Seller and Teamsters Local Union No. 769 Technical/Clerical with a term of October 1, 2015 to September 30, 2018.

(175) ***"Seller Contracts"*** means all Contracts in effect on the Date of this Agreement that are used in or for the Acquired Assets or the Business of the Vero Beach Electric

Utility to which Seller is a Party or by which any of the Acquired Assets is bound, including (i) the Real Property Interest Instruments, the Assumed Contracts and the Intellectual Property Licenses, (ii) Contracts associated with the forecasting, modeling, management and operation of the Acquired Assets, (iii) Contracts associated with emergency or wind storm preparedness, and (iv) Contracts leasing, or providing the right to use, to attach to or of access to, any portion of the Acquired Assets, including the Attachment Agreements.

(176) ***"Seller Defined Benefit Plan"*** means the City of Vero Beach General Employee Retirement Plan in effect on the Date of this Agreement, which was frozen as of July 15, 2015.

(177) "***Seller Defined Contribution Plan***" means the City of Vero Beach General Employees' Defined Contribution Plan in effect on the date of this Agreement.

(178) "***Seller Disclosure Schedules***" means the disclosure schedules of Seller that pertain to Seller's representations and warranties in Article 4 of this Agreement, delivered concurrently with the execution and delivery of this Agreement and forming a part of this Agreement and any updates to such disclosure schedules.

(179) ***"Seller Employee"*** means an hourly-paid or salaried employee of Seller, who receives an IRS Form W-2 from Seller and whose work responsibilities involve principally the Business of the Vero Beach Electric Utility.

(180) "***Seller Fundamental Representations***" means the representations and warranties made in Sections 4.1, 4.2, 4.3(a), and 4.20.

(181) ***"Seller Indemnitee"*** has the meaning set forth in Section 8.1(a).

(182) ***"Seller Pole and Antenna Attachment Termination Agreements"*** means the agreements to be negotiated and executed by Seller and each Person (other than Buyer) that attaches or uses poles of Seller, including AT&T, Comcast and BellSouth, regarding the termination of such Person's rights relating to poles of Seller.

(183) ***"Seller's Past Practices"*** means the recent historical operation, maintenance and repair practices, methods and actions performed prior to the Date of this Agreement by, or on behalf of, Seller with respect to the Acquired Assets, in a manner complying with applicable Law.

(184) ***"Service Territory"*** means the area described as Seller's service territory in the map attached hereto as Schedule 1.1(183).

(185) ***"Streetlight Agreement"*** means Buyer's standard form of street lighting agreement that is applicable on the date immediately preceding the Closing Date, along with Buyer's street lighting rate schedule on file at the FPSC that is effective on the date immediately preceding the Closing Date. For reference purposes only, Exhibit J contains a copy of the Streetlight Agreement that is applicable on the Date of this Agreement. For the avoidance of doubt, the Streetlight Agreement that is required to be executed under this Agreement may be different than the form attached hereto as Exhibit J.

(186) ***"Streetlight Assets"*** means all assets of Seller used in or for Seller's street lighting business including all Seller-owed poles, fixtures, test equipment, brackets, records, conductor (OH & UG), warranties, tools, photocells, relays, conduit, transformers, handholes/splice boxes, connectors/splices, scrap, salvage, ground rods, nuts, bolts, washers, ballasts, shields, poles and any inventory of the foregoing.

(187) ***"Substation 20 Transmission R/W"*** means the easements or other rights appurtenant to Substation 20 described in Exhibit R attached hereto.

(188) ***"Substation Easement Agreement"*** means an agreement substantially in the form of Exhibit L-2 attached hereto.

(189) ***"Substation Equipment Operating and Dismantling Agreement"*** means an agreement substantially in the form of Exhibit L-3 attached hereto.

(190) ***"Substation Easement Real Property"*** means the real property under the Substation Easement Agreement.

(191) "***Substation License and Access Agreement***" means an agreement substantially in the form of Exhibit L-4 attached hereto.

(192) ***"Survey"*** means an American Land Title Association (ALTA) survey for each parcel of real property identified as an insured parcel in any of the Title Commitments.

(193) ***"Taxes"*** means, all taxes, charges, fees, levies, penalties or other assessments imposed by any federal, state, local, provincial or foreign taxing authority, including income, gross receipts, excise, real or personal property, sales, transfer, customs, duties, franchise, payroll, withholding, social security, receipts, license, stamp, occupation, employment or other taxes, including any interest, penalties or additions attributable thereto, and any payments to any state, local, provincial or foreign taxing authorities in lieu of any such taxes, charges, fees, levies or assessments. The term ***"Tax"*** means any one of the foregoing Taxes.

(194) ***"Tax Return"*** means any return, report, form, information return, declaration, claim for refund or other document (including any schedule or related or supporting information) required to be supplied to any Governmental Authority with respect to Taxes including amendments thereto, including any information return filed by a tax exempt organization.

(195) ***"Termination Date"*** has the meaning set forth in Section 3.1.

(196) ***"Third Party Claim"*** has the meaning set forth in Section 8.2(a).

(197) ***"Title Commitments"*** means the commitments to issue policies of title insurance and the title reports issued by Chicago Title Insurance Company and attached in Schedule 1.1(195) for each and every parcel of Acquired Land in Fee, real property described in the Airport Substation 5 Lease Agreement and Airport Substation 6 Lease Agreement, the Substation Easement Property, and other Real Property Interests that may be referenced or

identified as a parcel or right having been examined or to be insured in any title commitment or title search attached in Schedule 1.1(195).

(198) ***"Total Compensation"*** means base pay, authorized overtime, and benefits provided under all applicable Benefit Plans.

(199) "***Transaction***" has the meaning set forth in the Recitals to this Agreement.

(200) ***"Transferable Permits"*** means the Environmental Permits and the Non-Environmental Permits that are transferable at the Closing.

(201) ***"Transferred Employee Records"*** means all records related to Transferred Employees, including the following information, as long as disclosure is not prohibited under the Health Insurance Portability and Accountability Act, the Health Information Technology for Economic and Clinical Health Act, or similar applicable Laws: (i) skill and development training; (ii) seniority histories; (iii) salary and benefit information; (iv) Occupational, Safety and Health Administration reports; (v) active medical restriction forms; (vi) fitness for duty; (vii) disciplinary actions; (viii) job performance appraisals or evaluations; (ix) employment applications; (x) bonuses; (xi) job history; and (xii) access authorization records.

(202) ***"Transferred Employees"*** means all Seller Employees whose primary work responsibilities are with respect to the Acquired Assets, who are employed by Seller as of the date immediately preceding the Closing Date and who accept continued employment with Buyer as of the Closing Date.

(203) ***"Transfer Taxes"*** means any sales, use, value added, excise, stamp, documentary, recording, registration, conveyance, stock transfer, intangible property transfer, personal property transfer, real property transfer, gross receipts, registration, duty, securities transactions or similar fees or Taxes or governmental charges (together with any interest or penalty, addition to Tax or additional amount imposed) as levied by any Governmental Authority in connection with the transactions contemplated by this Agreement, including any payments made in lieu of any such Taxes or governmental charges which become payable in connection with the transactions contemplated by this Agreement.

(204) ***"Transmission Assets"*** means the electric transmission tangible personal property, excluding real property, used in or for the Business of the Vero Beach Electric Utility or located on the Real Property, including the facilities, equipment and other tangible property and assets that connect the Distribution Assets to the Interconnection Points (and other property and assets associated with or ancillary thereto), transformers, breakers, capacitor banks, switches, arresters, instrument transformers, substation structures, substations, buswork, substation battery and chargers, relay protection panels, relay communications/carriers, remote telemetry and control equipment, metering, fault recorders, sequence of event recorders, annunciators, relay vaults, substation fencing, transmission lines, conductors, transmission line structures and poles, and control buildings.

(205) ***"Vehicles"*** means the vehicles listed in Schedule 1.1(203).

(206) ***"Vero Beach Electric Utility"*** means the electric utility system of electricity transmission and distribution owned and operated by Seller prior to the Closing Date and, provided that the Closing occurs, owned and operated by Buyer on and after the Closing Date.

(207) "***Warn Act***" means the federal Worker Adjustment and Retraining Notification Act of 1988, and similar state, local and foreign laws related to plant closings, relocations, mass layoffs and employment losses.

(208) "***Willful Buyer Breach***" has the meaning set forth in Section 9.2(c).

(209) "***Willful Seller Breach***" has the meaning set forth in Section 9.2(b).

Section 1.2 Certain Interpretive Matters.

(a) Unless otherwise required by the context in which any term appears:

(i) Capitalized terms used in this Agreement shall have the meanings specified in this Article.

(ii) The singular shall include the plural, the plural shall include the singular, and the masculine shall include the feminine and neuter.

(iii) References to "Articles", "Sections", "Schedules" or "Exhibits" shall be to articles, sections, schedules or exhibits of or to this Agreement, and references to "paragraphs" or "clauses" shall be to separate paragraphs or clauses of the section or subsection in which the reference occurs.

(iv) The words "herein", "hereof" and "hereunder" shall refer to this Agreement as a whole and not to any particular section or subsection of this Agreement; and the words "include", "includes" or "including" shall mean "including, but not limited to."

(v) The term "day" shall mean a calendar day, commencing at 12:00:01 a.m. (Eastern Time). The term "week" shall mean any seven consecutive day period commencing on a Sunday, and the term "month" shall mean a calendar month; provided, however, that when a period measured in months commences on a date other than the first day of a calendar month, the period shall run from and including the date on which it starts to and including the date immediately preceding the corresponding date in the next month and, as appropriate, to succeeding months thereafter. Whenever an event is to be performed or a payment is to be made by a particular date and the date in question falls on a day which is not a Business Day, the event shall be performed, or the payment shall be made, on the next succeeding Business Day; provided, however, that all calculations shall be made regardless of whether any given day is a Business Day and whether or not any given period ends on a Business Day.

(vi) The words "substantially in the form of" or words of similar effect when used with respect to the form of any Ancillary Agreement or other agreement

or document that has been included as an Exhibit to this Agreement and that is to be executed and delivered by the Parties or any third party or third parties, or executed and delivered by one of the Parties or any third party or third parties, in either case after the Date of this Agreement pursuant to, or in order to satisfy, any covenant, obligation or condition set forth in this Agreement shall refer to the applicable form that is attached to this Agreement with such changes as the Parties may otherwise agree are necessary or appropriate, with such agreement to be evidenced by the Parties' execution thereof, including the insertion of mutually agreeable legal descriptions following preparation of a Survey for any applicable real property.

(b) The titles of the articles, sections, schedules and exhibits herein have been inserted as a matter of convenience of reference only, and shall not control or affect the meaning or construction of any of the terms or provisions hereof.

(c) The Parties acknowledge and agree that: (i) this Agreement (A) shall be construed and interpreted as an arms-length contract entered into by parties with equal bargaining power and (B) was negotiated and prepared by both Parties with advice of counsel to the extent deemed necessary by each Party; (ii) the Parties have agreed to the wording of this Agreement; and (iii) none of the provisions hereof shall be construed against either Party on the ground that such Party is the author of this Agreement or any part hereof.

(d) The Schedules and Exhibits hereto are incorporated in and are intended to be a part of this Agreement.

ARTICLE 2
PURCHASE AND SALE

Section 2.1 Acquired Assets.

Upon the terms and subject to the satisfaction of the conditions contained in this Agreement, at the Closing, Seller will sell, assign, convey, transfer and deliver to Buyer, and Buyer will purchase and acquire from Seller, free and clear of all Encumbrances (except for Permitted Encumbrances), all of Seller's right, title and interest in or to the property, assets and rights (other than the Excluded Assets), of every kind, nature, character and description, whether real, personal or mixed, tangible or intangible, owned (or hereafter acquired), wherever located, that are primarily used by Seller in or for, the Business of the Vero Beach Electric Utility (collectively, the ***"Acquired Assets"***); provided, that the Acquired Assets shall specifically include all of Seller's right, title and interest in or to the following property, assets and rights (other than the Excluded Assets):

(a) the Transmission Assets;

(b) the Distribution Assets;

(c) the Customer Service Assets;

(d) the Inventory;

(e) the Vehicles;

(f) except for the Inventory and the Vehicles, all machinery, mobile or otherwise, equipment (including computer hardware and communications equipment), tools, works in progress, fixtures, furniture and furnishings and other personal property;

(g) all books, operating records, licensing records, quality assurance records, purchasing records, manuals, standards, equipment repair, maintenance or service records, operating, safety and maintenance manuals, inspection reports, environmental assessments, engineering design plans, documents, blueprints and as built plans, specifications, drawings, procedures and other similar items of Seller, whether existing in hard copy or magnetic or electronic form other than books and records set forth in Section 2.2(o) (collectively, the ***"Business Books and Records"***);

(h) the Acquired Land in Fee, and any of Seller's improvements to the Acquired Land in Fee, together with all of Seller's rights appurtenant thereto, including related rights of ingress and egress;

(i) the Real Property Interests (other than the Acquired Land in Fee);

(j) the Transferable Permits;

(k) the Assumed Contracts, including any associated unexpired assignable warranties and guarantees from third parties;

(l) Seller's interest in the FPUA Joint Facilities;

(m) the Streetlight Assets;

(n) any causes of action or Actions and defenses against third parties (including indemnification and contribution) to the extent directly related to any Assumed Liabilities, but excluding any defenses by virtue of sovereign immunity or defenses related thereto that may arise pursuant to F.S. 768.28 or otherwise;

(o) the Transferred Employee Records;

(p) the Electric Utility Accounting Records;

(q) all models and systems used for the forecasting, modeling, management and operation of the Acquired Assets; and

(r) all property, assets and rights, excluding cash and cash equivalents, associated with emergency or wind storm preparedness for the Acquired Assets.

Notwithstanding the foregoing, the transfer of the Acquired Assets pursuant to this Agreement shall not include the assumption of any Liability related to the Acquired Assets unless Buyer expressly assumes that Liability pursuant to Section 2.3. Seller may retain a copy of all Business Books and Records and Electric Utility Accounting Records and any other records and documents as deemed appropriate by Seller.

Section 2.2 Excluded Assets.

Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall be construed as conferring on Buyer, and Buyer is not acquiring, any right, title or interest in or to any assets not used primarily in the Business of the Vero Beach Electric Utility (or otherwise identified as an Excluded Contract), including the following specific property, assets and rights (the ***"Excluded Assets"***), which are hereby specifically excluded from the Transaction and the definition of Acquired Assets herein and which shall remain the property of Seller after the Closing:

(a) cash and cash equivalents, including bank deposits and accounts;

(b) customer accounts and notes receivable for periods prior to the Closing Date;

(c) income, sales, payroll and other receivables and assets relating to Taxes, prior to the Closing Date;

(d) except as otherwise set forth in Section 6.10, Seller Benefit Plans and any assets thereof;

(e) refunds, rebates and credits for any period or periods prior to the Closing Date;

(f) the Excluded Contracts;

(g) any portion of the Fiber Optic System and associated assets owned by one or more of Seller, Indian River County and the School District of Indian River County;

(h) the Power Plant real property and improvements thereon;

(i) the Power Plant Substation, the Power Plant Substation Site real property and improvements thereon;

(j) the Grand Harbor property owned by Seller and described in Exhibit T;

(k) Seller's insurance policies and proceeds thereof and all rights to applicable claims and proceeds thereunder, except as set forth in this Agreement;

(l) all rights to the Acquired Assets necessary for or used by Seller to provide other municipal or utility functions other than electric service, including those specified on Schedule 2.2(l);

(m) the Excluded Inventory;

(n) the Customer Deposits;

(o) any books and records which Seller is prohibited from disclosing or transferring to Buyer under applicable Law;

(p) all rights to any causes of action or Actions and defenses against third parties (including indemnification and contribution) other than directly related to the Assumed Liabilities;

(q) all real property not listed in Section 2.1 hereof;

(r) any vehicles that are the subject of capital leases as of the Closing;

(s) all rights of Seller under this Agreement, the Ancillary Agreements, the FMPA Transfer Agreement, OUC Termination Agreement, and the Retained Agreements; and

(t) all rights granted to Buyer under the Franchise Ordinance.

Section 2.3 Assumed Liabilities.

At the Closing, Buyer shall deliver to Seller the Assignment and Assumption Agreement pursuant to which Buyer shall assume and agree to pay, perform and discharge when due, all of the Liabilities and obligations specifically listed below, other than the Excluded Liabilities (collectively, ***"Assumed Liabilities"***):

(a) all Liabilities arising on or after the Closing Date under (i) the Assumed Contracts and (ii) the Transferable Permits;

(b) all Liabilities of Seller with respect to Transferred Employees for which Buyer is responsible pursuant to Section 6.10;

(c) all Liabilities for (i) Transfer Taxes for which Buyer is liable pursuant to Section 6.8(a) and (ii) Post-Closing Taxes, other than Income Taxes, if any, arising from the transactions contemplated by this Agreement;

(d) all Liabilities pursuant to Section 3.6(c) hereof;

(e) any Liabilities as to which Buyer is liable under the terms of Section 6.11 hereof;

(f) all Liabilities explicitly assumed by Buyer in this Agreement and not otherwise listed in this Section 2.3; and

(g) all other Liabilities and obligations arising out of or relating to Buyer's ownership of the Acquired Assets or operation of the Vero Beach Electric Utility on or after the Closing Date, including subject to Section 3.6, all Liabilities under the Assumed Contracts and the Transferable Permits arising out of any event, condition, circumstance, act or omission occurring on or after the Closing Date other than as a result of Seller's breach of any Assumed Contract or Transferable Permit prior to the Closing.

Section 2.4 Excluded Liabilities.

Notwithstanding anything to the contrary in this Agreement, nothing in this Agreement shall be construed to impose on Buyer, and Buyer shall not assume or be obligated to pay, perform or otherwise discharge, the following Liabilities (the ***"Excluded Liabilities"***), with all of such Excluded Liabilities remaining the responsibility, and as obligations hereunder, of Seller except as provided in the last paragraph of this Section:

(a) any Liabilities in respect of any Excluded Assets;

(b) all Liabilities under the Assumed Contracts arising out of any breach (or event that would be a breach if not cured) that occurred and has not been cured prior to the Closing Date;

(c) any Liability under or relating to any Seller Contract that is not an Assumed Contract;

(d) Seller's responsibility with respect to the Environmental Liabilities under the terms of Section 6.22 (not to exceed the Aggregate Environmental Cap);

(e) all Liabilities for Pre-Closing Taxes, including for the avoidance of doubt Income Taxes, if any due by Seller, arising from the transactions contemplated by this Agreement;

(f) all Liabilities with respect to the Transferred Employees relating to or arising from any event, condition, circumstance, or act or omission of Seller occurring prior to the Closing Date, other than Liabilities specifically assumed by Buyer in Section 2.3(b);

(g) all Liabilities with respect to the Retained Employees;

(h) except as otherwise set forth in Section 6.10, all Liabilities relating to any Seller Benefit Plans, or any other plan, program, arrangement or policy of Seller, including accrued sick pay, established or maintained in whole or in part by Seller or by any Person (whether or not incorporated) which is or ever has been under common control, or which is or ever has been treated as a single employer, with Seller or to which Seller contributes or contributed, including any such Liability of Seller (i) for the termination or discontinuance of, or Seller's withdrawal from, any such Benefit Plan (including any multiemployer plan as defined in Section 3(37) of ERISA), (ii) relating to benefits payable under any Seller Benefit Plans, (iii) with respect to noncompliance by Seller with the notice requirements of COBRA under ERISA or the Public Health Service Act, to the extent applicable, (iv) with respect to any noncompliance by Seller with the Code or any other applicable Laws, and (v) with respect to any suit, proceeding or claim which is brought against Seller, any Seller Benefit Plan or any fiduciary or former fiduciary of, any of the Seller Benefit Plans;

(i) any Liabilities relating to the failure by Seller to hire, the employment or services or termination of employment or services by Seller of any individual, including wages, compensation, benefits, affirmative action, personal injury, discrimination, harassment, retaliation, wrongful discharge, unfair labor practices or constructive termination by

Seller of any individual, or any similar or related claim or cause of action attributable to any actions or inactions by Seller prior to the Closing Date with respect to the Transferred Employees, independent contractors, applicants, and any other individuals who are determined by a court or by a Governmental Authority to have been applicants or employees of Seller; and

(j) any other Liabilities not expressly assumed by Buyer pursuant to Section 2.3 or Liabilities expressly allocated to or retained by Seller in this Agreement, including pursuant to Section 3.6(c).

For the avoidance of doubt, the term "***Excluded Liability***" shall not mean any Environmental Liabilities that exceed the limitation on Seller's responsibility or liability for Environmental Liabilities under Section 6.22.

Section 2.5 Airport Warehouse Lease Agreement.

Subject to Section 6.4(f), commencing on the Closing Date for a period of one calendar year, with annual renewal options for Buyer to extend the term for an additional calendar year not to exceed ten years in the aggregate, Buyer shall lease the Airport Warehouse Property from Seller on terms and conditions set forth in the Airport Warehouse Lease Agreement, and pay Seller base rent per year, as approved by the FAA, plus applicable Taxes, payable in monthly installments.

ARTICLE 3
THE CLOSING

Section 3.1 Closing.

Upon the terms and subject to the satisfaction of the conditions contained in this Agreement, the sale, assignment, conveyance, transfer and delivery of the Acquired Assets to Buyer and the assumption of the Assumed Liabilities by Buyer shall take place at a closing (the "***Closing***"), to be held at 700 Universe Blvd, Juno Beach, FL 33408, at 10:00 a.m. local time, or another mutually acceptable time and location, on the date that is the first day of the month following the day on which the last of the conditions precedent to Closing set forth in Article 7 of this Agreement has been either satisfied or waived by the Party for whose benefit such conditions precedent exist (except with respect to those conditions which by their terms are to be satisfied at Closing), but in no event will the Closing occur later than December 31, 2018 or such later date pursuant to the terms of Sections 9.1(e), (f), or (g), or such other date as the Parties may mutually agree to in writing or as extended pursuant to Sections 6.11, 6.12 or 9.1 hereof (the "***Termination Date***"). The date of Closing is hereinafter called the ***"Closing Date."*** The Closing shall be effective for all purposes as of 12:00:01 a.m. Eastern Time, on the Closing Date (the "***Effective Time***").

Section 3.2 Purchase Price.

Upon the terms and subject to the satisfaction of the conditions contained in this Agreement, in consideration of the aforesaid sale, assignment, conveyance, transfer and delivery of the Acquired Assets, the assumption of the Assumed Liabilities and entry into the Ancillary Agreements (including the Franchise Ordinance), Buyer will pay to or for the benefit of Seller in

accordance with Section 3.4 the sum of $185 million dollars (the ***"Purchase Price"***), plus or minus any adjustments to such Purchase Price pursuant to the provisions of Section 3.3 below, subject to the payment requirements set forth in Section 3.4 below.

Section 3.3 Adjustment to Purchase Price.

(a) Subject to Sections 3.3(b) and 3.3(c), the Purchase Price shall be adjusted, without duplication, to account for the items set forth in this Section 3.3(a):

(i) The Purchase Price shall be adjusted to account for the items prorated pursuant to Section 3.6;

(ii) The Purchase Price shall be increased by the amount of Prepaid Expenses; and

(iii) The Purchase Price shall be adjusted by the amount of any change to the FMPA Transfer Payment in accordance with the FMPA Transfer Agreement, to the extent approved by Buyer.

(b) No fewer than ten (10) Business Days prior to the Closing Date, Seller shall prepare in good faith and deliver to Buyer an estimated closing statement (the ***"Estimated Closing Statement"***) that shall set forth Seller's best estimate of all estimated adjustments to the Purchase Price required by Section 3.3(a) (collectively, the ***"Estimated Closing Adjustments"***) together with reasonable supporting information and documentation, which shall include a reasonably detailed explanation of the calculation of the Estimated Closing Adjustments and documentation sufficient to confirm the accuracy of such calculation. The Estimated Closing Statement shall be prepared using the same accounting principles, policies and methods as Seller has historically used in connection with the calculation of the items reflected on such Estimated Closing Statement.

(c) Within sixty (60) Business Days after the Closing Date, Seller shall prepare and deliver to Buyer a final closing statement (the ***"Post-Closing Statement"***) that shall set forth all adjustments and any prorations pursuant to Section 3.6(b), to the Purchase Price required by Section 3.3(a) (the ***"Proposed Post-Closing Adjustment"***) together with reasonable supporting information and documentation, which shall include a reasonably detailed explanation of the calculation of the Proposed Post-Closing Adjustments and documentation sufficient to confirm the accuracy of such calculation. The Post-Closing Statement shall be prepared using the same accounting principles, policies and methods as Seller has historically used in connection with the calculation of the items reflected on such Post-Closing Statement. If Buyer wishes to object to the Proposed Post-Closing Adjustment, Buyer must give notice to Seller of such objection within thirty (30) days after the delivery of the Post-Closing Statement by Seller to Buyer, which objection shall include detailed information for such objections and documentation sufficient to confirm the accuracy of such objections. Seller and Buyer agree to cooperate with one another to provide one another with the information used to prepare the Post-Closing Statement or any objection thereto and information relating thereto. If Buyer objects to the Proposed Post-Closing Adjustment, the Parties shall attempt to resolve such dispute by negotiation. If the Parties do not fully resolve such dispute within thirty (30) days after any

objection by Buyer, the Parties shall appoint the Independent Accounting Firm (with the cost of such Independent Accounting Firm to be borne equally by the Parties) within fifteen (15) days after the expiration of such thirty (30) day period to review the remaining dispute regarding the Proposed Post-Closing Adjustment and determine, subject to any prorations pursuant to Section 3.6(b), the appropriate adjustment to the Purchase Price, if any, within thirty (30) days after such appointment. The Parties agree to cooperate with the Independent Accounting Firm and provide it with such information as it reasonably requests to enable it to make such determination. The Independent Accounting Firm shall act as an expert and not as an arbitrator and shall make findings only with respect to the remaining disputes so submitted to it (and not by independent review). The finding of such Independent Accounting Firm shall be binding on the Parties hereto. Upon determination of the appropriate adjustment (the ***"Post-Closing Adjustment"***) by agreement of the Parties or by binding determination of the Independent Accounting Firm, the Party owing the difference shall deliver such amount to the other Party no later than thirty (30) days after such determination, in immediately available funds or in any other manner as reasonably requested by the payee.

Section 3.4 Payment of Purchase Price.

(a) Payment of the Purchase Price shall be made by wire transfer of immediately available funds denominated in U.S. dollars at the Closing in accordance with customary closing procedures and in accordance with the provisions set forth in this Section 3.4 below.

(b) A portion of the Purchase Price shall be deposited in trust under an escrow deposit agreement acceptable to the Parties with an independent escrow agent acceptable to the Parties either in (i) monies in an amount that shall be sufficient, or (ii) Investment Securities (as defined in the Bond Resolution) the principal of and the interest on which when due will provide monies which, together with other monies, if any, deposited in the escrow deposit agreement, shall be sufficient to pay when due the principal or redemption price, if applicable, and interest due and to become due on the Electric Utility Bonds on or prior to the redemption date or maturity date thereof, as the case may be ("***Bond Release Consideration***"); provided, however, the Bond Release Consideration shall not exceed ***$20.4 million dollars***. The sufficiency of such deposit of monies or non-callable Defeasance Obligations shall be verified by an independent certified public accountant acceptable to the Parties and irrevocable instructions shall be provided under the escrow deposit agreement to the escrow agent thereunder to cause the publication and provision of any required redemption notice in accordance with the Bond Resolution, and there shall be delivered to the Parties opinions of bond counsel to Seller, in a form satisfactory to the Parties, to the effect that the pledge of the Pledged Revenues (as defined in the Bond Resolution), and all covenants, agreements and obligations of Seller to the holders of the Electric Utility Bonds, and all liens, benefits or security under the Bond Resolution with respect to the Electric Utility Bonds, have thereupon ceased, terminated and become void, discharged and satisfied.

(c) Seller may direct Buyer to wire funds on Seller's behalf directly to FMPA as Seller's consideration to FMPA under the FMPA Transfer Agreement and to OUC as Seller's consideration for the OUC Termination Agreement pursuant to procedures acceptable to the Parties, OUC, and FMPA respectively.

(d) Seller may direct Buyer to wire funds not exceeding the balance of the Purchase Price on Seller's behalf to any Person (e.g., Seller's counsel); provided such payment obligation is associated with the Transaction.

(e) The balance of Purchase Price as adjusted by Section 3.3 shall be paid as directed by Seller.

Section 3.5 Allocation of Purchase Price.

(a) At least thirty (30) days prior to the Closing Date, Buyer shall use Commercially Reasonable Efforts to make an estimated allocation among the Acquired Assets of the sum of the Purchase Price and the Assumed Liabilities that is consistent with the allocation methodology provided by Section 1060 of the Code and the regulations promulgated thereunder (the ***"Estimated Allocation"***). The Estimated Allocation (or other allocation determined by Buyer in accordance with Section 1060) will be used for Transfer Tax and for all other Closing document purposes.

(b) A portion of the Purchase Price in the amount of ***$2 million dollars*** shall be in consideration of the Substation Easement Agreement.

(c) Within ninety (90) days after the Closing Date, Buyer shall make an allocation among the Acquired Assets of the sum of the Purchase Price (including any adjustments thereto) and the Assumed Liabilities (together with any other relevant items) that is consistent with the allocation methodology provided by Section 1060 of the Code and the regulations promulgated thereunder (the ***"Allocation"***). Seller (to the extent Seller is required to make any such reports) shall report the transactions contemplated by this Agreement for all purposes in a manner consistent with the Allocation. Subsequent to the preparation of the Estimated Allocation and the Allocation, Buyer and Seller agree to provide the other with any information required to complete Form 8594 or other filing or report within ten (10) days of the request for such information. Buyer and Seller shall notify and provide the other with reasonable assistance in the event of an examination, audit or other proceeding relating to the allocation required under this Section 3.5. Buyer and Seller shall treat the transaction contemplated by this Agreement as the acquisition by Buyer of a trade or business for United States federal income Tax purposes and agree that no portion of the consideration shall be treated in whole or in part as the payment for services or future services.

Section 3.6 Prorations.

(a) Buyer and Seller agree that all of the items normally prorated, including those listed below (but not including Taxes), relating to the Acquired Assets and the Business of the Vero Beach Electric Utility shall be prorated, with Seller liable to the extent such items relate to any time period prior to the Closing Date, and Buyer liable to the extent such items relate to periods commencing on the Closing Date (measured in the same units used to compute the item in question, otherwise measured by calendar days):

(i) assessments and other charges (other than Taxes), if any, relating to the ownership, use or business of the Acquired Assets;

(ii) any prepaid expenses (including security deposits) relating to the Acquired Assets, but excluding any Prepaid Expenses payable by Buyer pursuant to Section 3.3(a)(ii);

(iii) any purchases of Acquired Assets during the six-month period prior to the Closing Date that (A) will have a remaining useful life of more than five years after the Closing Date, (B) exceed $25,000 per Acquired Asset, and (C) the acquisition of such Acquired Asset has been approved by Buyer, such approval not to be unreasonably withheld, conditioned or delayed;

(iv) rent and all other items (including prepaid services or goods not included in Inventory) payable under any of the Assumed Contracts;

(v) any fees, charges or other payments with respect to any Transferable Permit;

(vi) sewer rents and charges for water, telephone, electricity and other utilities for the substations being acquired hereunder;

(vii) fees or charges (other than Taxes) imposed by any Governmental Authority; and

(viii) rent and other items (other than Taxes) payable or receivable relating to the Real Property Interests.

(b) In connection with the prorations referred to in (a) above, in the event that actual figures are not available as of the date immediately preceding the Closing Date, the prorations shall be based upon the actual amounts accrued through the date immediately prior to the Closing Date or paid for the most recent year (or other appropriate period) for which actual amounts paid are available. Such prorated amounts shall be determined at the same time as the Post-Closing Statement, set forth in Section 3.3(c), as part of the Post-Closing Statement. Prorations measured by calendar days shall be based on the number of days in a year or other appropriate period (i) before the Closing Date and (ii) on and after the Closing Date. Seller and Buyer agree to furnish each other with such documents and other records as may be reasonably requested in order to confirm all adjustment and proration calculations made pursuant to this Section 3.6.

(c) To the extent that the proration of an item under this Section 3.6 allocates a portion of such item to a period (or portion thereof) ending before the Closing Date, such portion shall constitute an Excluded Liability. To the extent that the proration of an item under this Section 3.6 allocates a portion of such item to a period (or portion thereof) ending on or after the Closing Date, such portion shall constitute an Assumed Liability.

Section 3.7 Deliverables by Seller.

At the Closing, Seller will deliver, or cause to be delivered, the following to Buyer:

(a) Deeds for the Acquired Land In Fee, excluding the Substation 20 Transmission R/W, duly executed by Seller and in recordable form;

(b) The Assignment and Assumption of Easements, duly executed by Seller and in recordable form;

(c) Each Airport Substation Lease Agreement, together with the related memorandum of such lease, duly executed by Seller and in recordable form;

(d) The Airport Warehouse Lease Agreement, together with the related memorandum of such lease, duly executed by Seller and in recordable form;

(e) The District Licenses, each duly executed by the District and Seller and in recordable form;

(f) The District Sublicenses, each duly executed by Seller and in recordable form;

(g) The Substation Easement Agreement, duly executed by Seller and in recordable form;

(h) The Substation Equipment Operating and Dismantling Agreement, duly executed by Seller;

(i) Releases or satisfactions of Encumbrances, other than Permitted Encumbrances, on the Acquired Assets, arising after the effective date of the Title Commitments (or other action to permit the issuance of a title policy to Buyer without regard to such Encumbrances), if such Encumbrances, to Seller's Knowledge, materially interfere with the Business of the Vero Beach Electric Utility in the ordinary course as conducted prior to the Closing Date;

(j) Seller's affidavit, substantially in the form of Exhibit D attached hereto;

(k) The Bill of Sale, duly executed by Seller;

(l) The Assignment and Assumption Agreement, duly executed by Seller;

(m) Copies of any and all Governmental Authority and other third party consents, waivers or approvals obtained by Seller with respect to the transfer of the Acquired Assets to Buyer, or the consummation of the transactions contemplated by this Agreement, set forth on Schedule 4.3, including the consent of the FMPA Members in the form of binding resolutions by the applicable Governing Authority with respect to each such FMPA Member, the waiver and consent of OUC to the transfer of the FMPA Agreements to which OUC is a third party beneficiary, subject to Section 3.9 below and the release of OUC's third party beneficiary rights under the agreements described in clauses (iii), (iv), (v) and (vi) of the definition of FMPA Agreements;

(n) The Grounding License Agreement, together with the related memorandum of such lease, duly executed by Seller and in recordable form;

(o) All other Ancillary Agreements, duly executed by Seller, as applicable;

(p) All Retained Agreements, duly executed by Seller and the other parties thereto, as applicable;

(q) Copies, certified by the City Clerk of Seller, of evidence of approval by the Council of the Transaction, this Agreement, the Retained Agreements, the FMPA Transfer Agreement, the OUC Termination Agreement, the Ancillary Agreements and the consummation of the transactions contemplated hereby and thereby (including the execution and delivery hereof and thereof), in the form of a written resolution adopted by the Council, signed by the Mayor of Seller and attested to by the City Clerk;

(r) A copy of each document required to be delivered by FMPA to Seller at the Closing under the terms of the FMPA Transfer Agreement;

(s) A copy of each document required to be delivered by OUC to Seller at the Closing under the terms of the OUC Termination Agreement;

(t) To the extent available, originals of the Assumed Contracts, the Transferred Employee Records and the Transferable Permits and, if not available, true and correct copies thereof;

(u) All such other instruments of assignment, transfer or conveyance as shall, in the reasonable opinion of Buyer and its counsel, be necessary or desirable to transfer to Buyer Seller's interest in the Acquired Assets and to perform its obligations hereunder, including under Section 6.10, in accordance with this Agreement and where necessary or desirable in recordable form;

(v) [intentionally omitted]

(w) [intentionally omitted]

(x) A complete list of Seller Employees as of the Closing Date by name and by position; and

(y) Such other agreements, consents, documents, instruments and writings as are required to be delivered by Seller at or prior to the Closing pursuant to this Agreement or the Ancillary Agreements.

Section 3.8 Deliverables by Buyer.

At the Closing, Buyer will deliver, or cause to be delivered, the following to Seller or as otherwise provided in Section 3.4:

(a) The Purchase Price payable pursuant to Section 3.4, as adjusted pursuant to Section 3.3;

(b) The Assignment and Assumption Agreement, duly executed by Buyer;

(c) Each Airport Substation Lease Agreement, together with the related memorandum of such lease, duly executed by Buyer and in recordable form;

(d) The Airport Warehouse Lease Agreement, together with the related memorandum of such lease, duly executed by Buyer and in recordable form;

(e) The District Sublicenses, each duly executed by Buyer and in recordable form;

(f) The Assignment and Assumption of Transmission Easements, duly executed by Buyer and in recordable form;

(g) The Assignment and Assumption of Distribution Easements, duly executed by Buyer and in recordable form;

(h) All other Ancillary Agreements to which Buyer is a party, duly executed by Buyer and in recordable form, where applicable;

(i) The Grounding License Agreement, together with the related memorandum of such lease, duly executed by Buyer and in recordable form;

(j) The Substation Easement Agreement, duly executed by Buyer and in recordable form;

(k) The Substation Equipment Operating and Dismantling Agreement, duly executed by Buyer;

(l) The waiver and consent of Buyer to the transfer of the FMPA Agreements to which Buyer is a third party beneficiary;

(m) The release of Buyer's third party beneficiary rights under the agreements described in clauses (i) and (ii) of the definition of FMPA Agreements;

(n) A certificate of the Secretary or any Assistant Secretary of Buyer certifying as to the resolutions adopted by Buyer's board of directors approving the Transaction, this Agreement, and the consummation of the transactions contemplated hereby and thereby (including the execution and delivery hereof and thereof);

(o) A certificate of the Secretary or any Assistant Secretary of Buyer identifying the name and title and bearing the signatures of the officers of Buyer authorized to execute and deliver this Agreement, and the other agreements and instruments contemplated hereby;

(p) A certificate of active status with respect to Buyer, issued by the Secretary of State, Division of Corporations, of the State of Florida;

(q) All such other instruments of assumption as shall, in the reasonable opinion of Seller and its counsel, be necessary for Buyer to assume the Assumed Liabilities in accordance with this Agreement; and

(r) Such other agreements, documents, instruments and writings as are required to be delivered by Buyer at or prior to the Closing pursuant to this Agreement or the Ancillary Agreements.

Section 3.9 Non-Assignable Contracts and Liabilities.

To the extent that the sale, assignment, transfer, or delivery, or attempted sale, assignment, transfer, or delivery, to Buyer of any Acquired Contract or assumption or attempted assumption of an Assumed Liability would require the consent, authorization, approval or waiver of a third party (including any Governmental Authority) and such consent, authorization, approval or waiver shall not have been obtained prior to the Closing, this Agreement shall not constitute a sale, assignment, transfer, or delivery, or attempted sale, assignment, transfer, or delivery, or assumption, or attempted assumption, thereof and, subject to the satisfaction or waiver of the other conditions contained in Article 7, the Closing shall occur notwithstanding the failure to obtain the necessary consent, authorization, approval or waiver of the applicable third party, without any adjustment to the Purchase Price on account thereof. Buyer and Seller shall use Commercially Reasonable Efforts to enter into such arrangements (such as subleasing, sublicensing or subcontracting) to provide to the Parties the economic and operational equivalent, to the extent permitted by applicable Law, of the assignment to Buyer of such Assumed Contract or Assumed Liability, and Buyer's assumption of such Assumed Contract or Assumed Liability effective as of the Effective Time and the performance by Buyer of its obligations with respect thereto. Following the Closing for a period of one calendar year (or such other length of time as may be agreed by the Parties), Seller and Buyer shall use Commercially Reasonable Efforts, and shall cooperate with each other, to obtain any such required consent, authorization, approval or waiver to the assignment or assumption of any such Acquired Contract or Assumed Liability, at which time the arrangements described in this Section 3.9 for any such Acquired Contract or Assumed Liability shall cease and be of no further force or effect.

Section 3.10 Customer Service

At Closing, the Parties shall execute an orderly and seamless transition from Seller to Buyer of the information systems, computer applications and processing of data for Buyer to commence conducting the Business of the Vero Beach Electric Utility pursuant to Section 6.16.

ARTICLE 4
REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Buyer as follows:

Section 4.1 Organization.

Seller is a duly created and validly existing municipal corporation under the Constitution and laws of the State of Florida and has all requisite power and authority to own, lease, and operate its properties and to carry on its business as it is now being conducted.

Section 4.2 Authority Relative to This Agreement.

Seller has full power and authority to execute and deliver this Agreement and, except as provided in the next paragraph of this Section 4.2, to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and, except as provided in the next paragraph of this Section 4.2, the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary action required on the part of Seller and no other proceedings on the part of Seller are necessary to authorize this Agreement or, except as provided in the next paragraph of this Section 4.2, to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and delivered by Seller, and assuming that this Agreement constitutes a valid and binding agreement of Buyer, this Agreement constitutes the legal, valid and binding agreement of Seller, enforceable against Seller in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

Upon the approval by the Council of the Ancillary Agreements, the Retained Agreements and the FMPA Transfer Agreement and OUC Termination Agreement:

(a) Seller will have full power and authority to execute and deliver the Ancillary Agreements, the Retained Agreements and the FMPA Transfer Agreement and OUC Termination Agreement and to consummate the transactions contemplated thereunder;

(b) the execution and delivery of the Ancillary Agreements, the Retained Agreements and the FMPA Transfer Agreement and OUC Termination Agreement and the consummation of the transactions contemplated thereby will be duly and validly authorized by all necessary action required on the part of Seller and no other proceedings on the part of Seller will be necessary to authorize the Ancillary Agreements, the Retained Agreements and the FMPA Transfer Agreement and OUC Termination Agreement or to consummate the transactions contemplated thereunder; and

(c) at the Closing, the Deeds, the Ancillary Agreements, the Retained Agreements and the FMPA Transfer Agreement and OUC Termination Agreement will be duly and validly executed and delivered by Seller and, assuming that this Agreement, the Ancillary Agreements, the Retained Agreements and the FMPA Transfer Agreement and OUC Termination Agreement constitute the valid and binding agreements of Buyer and the counterparties thereto, as the case may be, the Deeds, the Ancillary Agreements, the Retained Agreements and the FMPA Transfer Agreement and OUC Termination Agreement will constitute the legal, valid and binding agreements of Seller, enforceable against Seller in accordance with their terms, except as such enforceability may be limited by bankruptcy,

insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

Section 4.3 Consents and Approvals; No Violation.

Subject to the receipt of the third party consents set forth in Schedule 4.3, and subject to any Permitted Exception, neither the execution and delivery of this Agreement, the Deeds, the Retained Agreements, the Ancillary Agreements or the FMPA Transfer Agreement and OUC Termination Agreement by Seller nor the consummation by Seller of the transactions contemplated hereby or thereby will:

(a) conflict with or result in the breach or violation of any provision of the charter or other organizational or governing documents of Seller;

(b) to the Knowledge of Seller, except as stated in Schedule 4.3 and excluding any Real Property Interest Instrument, require any consent or other action by any Person, or result in a default (or give rise to any right of termination, cancellation or acceleration), under any of the terms, conditions or provisions of any material Contract with respect to the Business of the Vero Beach Electric Utility to which Seller is a party or by which Seller or any of the Acquired Assets may be bound, except where the failure to obtain such consent or other action or all of such consents or other actions (or a waiver thereof) at or prior to the Closing would not individually or in the aggregate, result in a Material Adverse Effect;

(c) violate any Law of, or applicable to, Seller which violation or violations would individually or in the aggregate, result in a Material Adverse Effect; or

(d) result in the imposition or creation of an Encumbrance (other than a Permitted Encumbrance) on any Acquired Assets which Encumbrance or Encumbrances, individually or in the aggregate, would create a Material Adverse Effect.

Section 4.4 Reports.

Except as provided in Schedule 4.4, Seller has filed or caused to be filed with the applicable federal, state or local utility commissions or regulatory bodies (including NERC and other national and regional electric reliability organizations), as the case may be, all material forms, statements, reports and documents (including all exhibits, amendments and supplements thereto) required to be filed by Seller with respect to the Acquired Assets or the Business of the Vero Beach Electric Utility under applicable Law. To the Knowledge of Seller, all such filings complied in all material respects with all applicable requirements therefor in effect on the date each such form, statement, report and document was filed.

Section 4.5 Undisclosed Liabilities.

Except as set forth in Schedule 4.5, to Seller's Knowledge, the Acquired Assets are not subject to any liabilities that would be required to be disclosed in the liabilities column of a balance sheet prepared in accordance with GAAP, other than: (a) liabilities reflected in the "Electric Utility" portion of the City of Vero Beach comprehensive annual financial report for

2016, including the notes thereto, as of September 30, 2016, that have not been paid or satisfied; and (b) other liabilities incurred in the ordinary course of the Business of the Vero Beach Electric Utility.

Section 4.6 Real Property, Title and Related Matters.

(a) Schedule 4.6(a) contains a list of all Encumbrances (other than Permitted Encumbrances) relating to or affecting any material Real Property Interest for which Seller will secure a release or satisfaction before Closing.

(b) Based exclusively on the Title Commitments, to Seller's Knowledge, Seller has good and marketable or insurable title to each parcel of Acquired Land in Fee, free and clear of all Encumbrances, except for matters disclosed by the Title Commitments and except for Permitted Encumbrances. Except as set forth on Schedule 4.6(b), Seller has good and valid title to each Acquired Asset constituting tangible personal property or a fixture free and clear of all Encumbrances, except Permitted Encumbrances. Except for the FPUA Right of First Refusal, the Permitted Exceptions, or as set forth on Schedule 4.6(b), there are no outstanding rights, options, agreements or other commitments giving any Person any current or future right to require Seller or, following the Closing, Buyer, to sell or transfer to such Person or to any third Person any interest in any of the Acquired Assets that are material to the Business of the Vero Beach Electrical Utility. To Seller's Knowledge, there are no actual or pending claims against Seller that any of the Acquired Assets encroach or trespass on the rights of another Person.

(c) Except for the District Licenses, to Seller's Knowledge, Seller does not license any Real Property material to the Business of the Vero Beach Electrical Utility.

(d) Seller makes no representation or warranty as to the status of title to any Real Property Interest except as may be set forth in the Deed, and except that Seller has no Knowledge of any failure of its title to any Real Property Interest evidenced by a recorded instrument that would prevent its continued operation of the Business of the Vero Beach Electrical Utility in accordance with Seller's Past Practices.

(e) To Seller's Knowledge, no parcel of Acquired Land in Fee has been abandoned by Seller and each such parcel is in the possession of, under the control of, or beneficially used by Seller in connection with the Business of the Vero Beach Electric Utility.

(f) Seller does not have any Knowledge of receipt by Seller of any written notice of:

(i) except as disclosed in Schedule 4.6(e)(i), any pending or threatened proceedings in eminent domain, for rezoning or otherwise, which would result in a taking or rezoning of any Real Property Interests that would prevent the continued operation of the Business of the Vero Beach Electric Utility in accordance with Seller's Past Practices; or

(ii) any violations on the Acquired Land in Fee or any portion thereof of any material covenants, conditions or restrictions applicable thereto.

(g) Except for amounts payable or receivable as set forth in Schedule 4.6(f) or as set forth in any Lease Agreement or any other financial information delivered to Buyer, there are no other rents, fees, royalties, water or sewer charges, Taxes or assessments or other amounts payable or receivable by Seller in connection with any Real Property or any tenancies, licenses, occupancies or co-tenancies related to any Real Property Interests or any improvements thereon that are Acquired Assets.

(h) Except for Permitted Encumbrances, the Lease Agreements, Seller's retained rights to provide municipal and utility services, and as otherwise disclosed in this Agreement, to Seller's Knowledge, there are no commitments or agreements with any Governmental Authority or public or private utility to grant any rights to use any portion of the Real Property without compensation.

Section 4.7 Operability; Condition of the Vero Beach Electric Utility; Sufficiency of Real Property Interests.

(a) Except for the Excluded Assets, the Acquired Assets constitute all of the material assets, property and rights used in the Business of the Vero Beach Electric Utility on the Date of this Agreement and, except as disclosed in Schedule 4.7, the Acquired Assets are in a condition sufficient to operate the Vero Beach Electric Utility as it was being operated on May 17, 2017 in all material respects.

(b) To Seller's Knowledge, no material Acquired Asset is in need of any material repair or replacement except (i) as disclosed in Schedule 4.7(b), (ii) as may be set forth in the Capital Expenditure and Maintenance Plan, (iii) normal wear and tear, (iv) routine repairs or replacements in the ordinary course consistent with Seller's Past Practices and (v) needed repairs or replacements that would be disclosed by a visual inspection.

Section 4.8 Insurance.

Schedule 4.8 sets forth all of Seller's material insurance policies of property damage, fire, liability, worker's compensation and other forms of insurance relating (but not necessarily exclusively) to the Acquired Assets. Such policies are in full force and effect, all premiums with respect thereto covering all periods up to and including the Date of this Agreement have been paid, and no written notice of cancellation, non-renewal or termination has been received by Seller with respect to any such policy which was not replaced by a policy or policy having substantially similar coverages prior to the date of such cancellation. All required notices have been sent to insurers to preserve all material claims under the aforementioned insurance policies.

Section 4.9 Environmental Matters.

Except as disclosed in Schedule 4.9:

(a) To Seller's Knowledge, Seller has obtained and holds all material Environmental Permits necessary with respect to the Acquired Land in Fee, the real property described in the Airport Property Lease Agreements and the Business of the Vero Beach Electric Utility, each such Environmental Permit is in full force and effect and Seller is in compliance with all of its obligations thereunder. There are no proceedings pending or, to Seller's

Knowledge, threatened that would reasonably be expected to result in the revocation, termination, suspension, modification or amendment of any such Environmental Permit, and Seller has not failed to make in a timely fashion any application or other filing required for the renewal of any such Environmental Permit which failure would reasonably be expected to result in any Environmental Permit being revoked, terminated, suspended or adversely modified. To Seller's Knowledge, no such Environmental Permit will terminate or be subject to termination or revocation as a result of the transactions contemplated by this Agreement;

(b) To Seller's Knowledge, Seller has not within the last three (3) years received any written notice from any Governmental Authority that any material Real Property Interest, the Substation Easement Real Property, or the Business of the Vero Beach Electric Utility are not or have not been in compliance with, any Environmental Law or any Environmental Permit;

(c) There are no Environmental Claims pending or, to Seller's Knowledge, threatened against Seller with respect to any material Real Property Interest, the Substation Easement Real Property, or the Business of the Vero Beach Electric Utility. Seller does not have Knowledge of any facts or circumstances which are reasonably likely to result in any Environmental Claim against Seller with respect to the Acquired Land in Fee, the real property described in the Airport Property Lease Agreements, the Substation Easement Real Property, or the Business of the Vero Beach Electric Utility;

(d) Within the last three (3) years, to Seller's Knowledge, no Releases of Hazardous Substances have occurred at, from, on or under, and no Hazardous Substances are present on or migrating from, any of the Acquired Land in Fee, the Substation Easement Real Property, or the real property described in the Airport Property Lease Agreements that are reasonably likely to give rise to an Environmental Claim against Seller or require any Remediation.

(e) To Seller's Knowledge: (i) none of the Acquired Land In Fee, the Substation Easement Real Property, or the real property described in the Airport Property Lease Agreements is an Environmental Clean-up Site, and (ii) Seller has not transported or arranged for treatment, storage, handling, disposal or transportation of any Hazardous Substances from the Acquired Land In Fee or the real property described in the Airport Property Lease Agreements to any location which is an Environmental Clean-up Site;

(f) To Seller's Knowledge, there are no (i) underground storage tanks, active or abandoned, or (ii) polychlorinated-biphenyl-containing equipment, located at, on, or under the Acquired Land In Fee, the Substation Easement Real Property, or the real property described in the Airport Property Lease Agreements;

(g) (i) To Seller's Knowledge, there are no Encumbrances (other than Permitted Encumbrances) arising under or pursuant to any Environmental Law with respect to the Acquired Land In Fee, the Substation Easement Property, the real property described in the Airport Property Lease Agreements or the Business of the Vero Beach Electric Utility, and (ii) Seller does not have Knowledge of any facts, circumstances or conditions that are reasonably likely to or result in any Encumbrance (other than Permitted Encumbrances) arising under or

pursuant to any Environmental Law with respect to the Acquired Land In Fee, the Substation Easement Real Property, the real property described in the Airport Property Lease Agreements or relating to the Business of the Vero Beach Electric Utility;

(h) During the past three (3) years, there have been no environmental audits or assessments with respect to the Acquired Land In Fee, the Substation Easement Real Property, the real property described in the Airport Property Lease Agreements or the Business of the Vero Beach Electric Utility by or on behalf of Seller or which are in the possession of Seller which have not been made available to Buyer prior to the execution of this Agreement;

(i) During the past three (3) years, there have been no claims by Seller against comprehensive general liability or excess insurance carriers for any Loss resulting from, relating to or arising from Environmental Claims (i) with respect to the Acquired Land In Fee, Substation Easement Real Property, or the real property described in the Airport Property Lease Agreements, or (ii) relating to the Business of the Vero Beach Electric Utility;

(j) Schedule 4.9(j) sets forth all Environmental Permits; and

(k) Seller makes no representations or warranties in respect of Environmental matters in any section of this Agreement other than this Section 4.9.

Section 4.10 Labor Matters.

Schedule 4.10 sets forth all Seller Collective Bargaining Agreements and other written employment agreements that relate to the Seller Employees. True, correct, and complete copies of such Seller Collective Bargaining Agreements and other written employment agreements that pertain to the Seller Employees, including all amendments thereto, have been made available to Buyer as of the Date of this Agreement.

Section 4.11 ERISA; Benefit Plans.

(a) Schedule 4.11(a) lists (as of the date of this Agreement) all Benefit Plans covering any Seller Employee, or maintained, administered or with respect to which contributions are made, by Seller in respect of Seller Employees (***"Seller Benefit Plans"***). True, correct, and complete copies of all Seller Benefit Plans, including all amendments thereto have been made available to Buyer.

(b) All Seller Benefit Plans are governmental plans as defined in Section 3(32) of ERISA and the Seller Benefits Plans are not subject to ERISA.

(c) Seller has no ERISA Affiliates.

(d) All Seller Benefit Plans are in material compliance with all applicable Laws.

(e) Seller has materially fulfilled its obligations under the funding requirements and filing requirements of all applicable Laws with respect to Seller Benefit Plans. No Seller Benefit Plan is a "multiemployer plan" as defined in Section 3(37) of ERISA and

Seller has never participated in or made contributions to a multiemployer plan with respect to which any liability remains unsatisfied.

(f) Seller has not made any commitment and will not take any action to establish any new Benefit Plan or modify or amend any Seller Benefit Plan that increases the Total Compensation of Transferred Employees above the Total Compensation of Transferred Employees on the Date of this Agreement, except as required by law and except for increases in Total Compensation in the ordinary course of business consistent with Seller's Past Practices.

Section 4.12 Location of Acquired Assets.

Except as set forth on Schedule 4.12, except for mobile Acquired Assets in transit, and except for Acquired Assets being repaired, all of the material physical Acquired Assets used in the Business of the Vero Beach Electric Utility are located on the Real Property or in the rights of way located in Seller's service territory for the Vero Beach Electric Utility.

Section 4.13 Contracts.

(a) Excluding the Excluded Contracts, Schedule 4.13 sets forth a complete list of the following Seller Contracts, to the extent applicable to the categories set forth in this Section 4.13(a) below, that pertain primarily to the Business of the Vero Beach Electric Utility (the ***"Material Seller Contracts"***):

(i) Contracts for the future purchase, exchange or sale of electricity, energy, capacity or other energy-related products or ancillary services;

(ii) Contracts for the future transmission of electricity;

(iii) interconnection Contracts;

(iv) Contracts (A) for the sale, transfer or other disposition of any Acquired Asset or (B) that grant a right or option to sell, transfer or otherwise dispose of any Acquired Asset, other than in each case under clause (A) or (B), any Contract entered into in the ordinary course of the Business of the Vero Beach Electric Utility with respect to any Acquired Assets or with a value of less than $25,000;

(v) Contracts for the future receipt by Seller of any Acquired Assets or services requiring payments in excess of $25,000 for each individual Contract or $50,000 in the aggregate for Contracts with the same Person;

(vi) Contracts under which Seller has created, incurred, assumed or guaranteed any outstanding Indebtedness;

(vii) Attachment Agreements or any Contract granting the right to use, to attach to or of access to, any portion of the Acquired Assets;

(viii) outstanding futures, swap, collar, put, call, floor, cap, option or other Contracts that have underlying value and payment liability driven by or tied to

fluctuations in the price of commodities, including electric power, natural gas, fuel oil, other fuel or securities;

(ix) Contracts that purport to limit Seller's freedom to compete in any line of business or in any geographic area or contain any exclusivity, most-favored nation or similar covenant; and

(x) (A) operation, maintenance or management Contracts requiring payments in excess of $25,000 for each individual Contract or $50,000 in the aggregate for Contracts with the same Person, or (B) Contracts relating to the purchase or sale of air pollutant emission allowances or credits.

(b) Except for the Excluded Contracts and the Material Seller Contracts, and except as set forth on Schedule 4.13(b), Seller is not, as of the date of this Agreement, a party to any Contract that is material to the ownership or operation of the Acquired Assets or that is material to the Business of the Vero Beach Electric Utility.

(c) Each Assumed Contract is in full force and effect and, assuming that each Assumed Contract constitutes a legal, valid and binding obligation of the other parties thereto, constitutes a legal, valid and binding obligation of Seller, is enforceable against Seller and, to the Knowledge of Seller, constitutes a legal, valid and binding obligation of the other parties thereto and is enforceable against the other parties thereto, in each case except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in law or at equity).

(d) There are no breaches, violations or defaults under any Assumed Contracts (or any conditions or events which, with notice or lapse of time or both, would constitute a default on the part of Seller, or to the Knowledge of Seller, on the part of any of the other parties thereto), which breaches, violations or defaults, individually or in the aggregate, would create a Material Adverse Effect. To Seller's Knowledge, Seller has not received written notice from any other party to any Assumed Contract that such other party intends to terminate or fail to renew at the end of its term any such Assumed Contract or materially reduce the level of any goods or services to be provided under any such Assumed Contract.

Section 4.14 Legal Proceedings.

Except as described in Schedule 4.14, there is no Action pending or, to Seller's Knowledge, threatened against Seller (a) that seeks to enjoin, prohibit, restrain or make illegal the performance of this Agreement, the Retained Agreements, the FMPA Transfer Agreement and OUC Termination Agreement or any of the Ancillary Agreements or the consummation of any of the transactions contemplated hereby or thereby or (b) with respect to any of the material Acquired Assets or the Business of the Vero Beach Electric Utility. To the Knowledge of Seller, except as set forth on Schedule 4.14, Seller is not subject to any outstanding Order affecting any of the Acquired Assets or the Business of the Vero Beach Electric Utility.

Section 4.15 Non-Environmental Permits; Compliance with Law.

(a) Schedule 4.15(a) sets forth all material Non-Environmental Permits.

(b) To Seller's Knowledge, (i) Seller has obtained and holds all material Non-Environmental Permits necessary for the Business of the Vero Beach Electric Utility, (ii) each such Non-Environmental Permit is in full force and effect, (iii) Seller is in compliance with all of its material obligations thereunder and (iv) there are no proceedings pending or threatened that would reasonably be expected to result in the revocation, termination, suspension, modification or amendment of any of such Non-Environmental Permits, except for any such revocation, termination, modification or amendment as would not create a Material Adverse Effect, and (v) Seller has not failed to make in a timely fashion any application or other filing required for the renewal of any such Non-Environmental Permit which failure would reasonably be expected to result in any such Non-Environmental Permit being revoked, terminated, suspended or adversely modified except for any such failure as would not create a Material Adverse Effect. The Acquired Assets and the Business of the Vero Beach Electric Utility are in compliance in all material respects with all terms, conditions and provisions of all applicable Laws (excluding from this representation Environmental Laws, Tax Laws and ERISA and COBRA Laws) and Non-Environmental Permits, and Seller has not, during the three (3) years prior to the Date of this Agreement, received any written notice from any Governmental Authority that Seller is not or has not been in compliance with, any applicable Law (excluding from this representation the Environmental Laws, Tax Laws and ERISA and COBRA Laws) or any Non-Environmental Permit.

Section 4.16 Regulation as a Utility.

Seller is an electric utility within the meaning of Florida Statutes Section 366.02. Except with respect to local tax and zoning Laws, Seller is not, as a result of its ownership or operation of the Acquired Assets or the Business of the Vero Beach Electric Utility, subject to regulation as a public utility or public service company (or similar designation) by any federal agency (other than the FERC) or state of the United States other than the State of Florida, or any municipality (other than Seller) or any political subdivision of the foregoing.

Section 4.17 Tax Matters.

Except as set forth on Schedule 4.17, with respect to the Acquired Assets or the Business of the Vero Beach Electric Utility, (i) all Tax Returns of Seller, if any, required to be filed for taxable periods ending prior to the Closing Date have been timely filed, and all such Tax Returns are complete and accurate in all material respects, and (ii) Seller is not liable to pay, collect, withhold, or remit any Taxes with respect to the Acquired Assets or the Business of the Vero Beach Electric Utility, and, to Seller's Knowledge, has not received any written notice from any Governmental Authority asserting any claim for Taxes. Seller makes no representations or warranties in respect of Tax matters in any section of this Agreement other than this Section 4.17.

Section 4.18 Intellectual Property.

Except as set forth in Schedule 4.18, Seller has ownership of, or a license to use, all of the material Intellectual Property used in the operation of the Acquired Assets or for the Business of the Vero Beach Electric Utility. Except as disclosed on Schedule 4.18, the rights of Seller in the Intellectual Property Licenses are freely assignable to Buyer. Except as set forth in Schedule 4.18, Seller has not received written notice of any claims or demands of any other Person pertaining to any of the Licensed Intellectual Property, and no Action is pending or, to Seller's Knowledge, threatened, which challenges the rights of Seller in respect thereof. Except as set forth in Schedule 4.18, Seller has not granted any rights to any Person in respect of any Licensed Intellectual Property. To Seller's Knowledge, none of the Licensed Intellectual Property that will be assigned to Buyer at the Closing infringes any Intellectual Property of any Person.

Section 4.19 Service Territory.

The Delivery Point for each Person purchasing electricity from Seller is located within the Service Territory.

Section 4.20 No Brokers.

No broker, finder or other Person is entitled to any brokerage fee, commission or finder's fee in connection with the transaction contemplated hereby by reason of any action taken by Seller.

ARTICLE 5
REPRESENTATIONS AND WARRANTIES OF BUYER

Buyer represents and warrants to Seller as follows:

Section 5.1 Organization; Qualification.

Buyer is a corporation duly incorporated and validly existing under the laws of the State of Florida and its status is active. Buyer has all requisite corporate power and authority to own, lease and operate its properties and to carry on its business as is now being conducted. Buyer has heretofore delivered to Seller complete and correct copies of its articles of incorporation and bylaws as currently in effect.

Section 5.2 Authority Relative to This Agreement.

Buyer has full corporate power and authority to execute and deliver this Agreement and, except as provided in the next paragraph of this Section 5.2, to consummate the transactions contemplated hereby. The execution and delivery of this Agreement and, except as provided in the next paragraph of this Section 5.2, the consummation of the transactions contemplated hereby have been duly and validly authorized by all necessary corporate action required on the part of Buyer and no other corporate proceedings on the part of Buyer are necessary to authorize this Agreement or, except as provided in the next paragraph of this Section 5.2, to consummate the transactions contemplated hereby. This Agreement has been duly and validly executed and

delivered by Buyer, and assuming that this Agreement constitutes a valid and binding agreement of Seller, will constitute a valid and binding agreement of Buyer, enforceable against Buyer in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

Upon the approval by Buyer's board of directors of the Transaction:

(a) Buyer will have full corporate power and authority to execute and deliver the Ancillary Agreements to which it is a party and to consummate the transactions contemplated thereunder;

(b) the execution and delivery of the Ancillary Agreements to which Buyer will be a party and the consummation of the transactions contemplated thereby will have been duly and validly authorized by all necessary action required on the part of Buyer and no other proceedings on the part of Buyer will be necessary to authorize the Ancillary Agreements to which Buyer is a party or to consummate the transactions contemplated thereunder; and

(c) at the Closing, the Ancillary Agreements to which Buyer is a party will be duly and validly executed and delivered by Buyer and, assuming that this Agreement and the Ancillary Agreements to which Buyer is a party constitute valid and binding agreements of Seller, the Ancillary Agreements to which Buyer is a party will constitute the legal, valid and binding agreements of Buyer, enforceable against Buyer in accordance with their terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

Section 5.3 Consents and Approvals; No Violation.

(a) Subject to the receipt of the third-party consents set forth in Schedule 5.3(a) and the Buyer's Required Regulatory Approvals, neither the execution and delivery of this Agreement and the Ancillary Agreements by Buyer nor the consummation by Buyer of the transactions contemplated hereby or thereby will (i) conflict with or result in any breach of any provision of the articles of incorporation or bylaws of Buyer, (ii) require any consent or other action by any Person, or result in a default (or give rise to any right of termination, cancellation or acceleration), under any of the terms, conditions or provisions of any Contract to which Buyer is a party or by which Buyer or any of its assets may be bound, or (iii) violate any Laws applicable to Buyer.

(b) Except as set forth in Schedule 5.3(b) (the Permits referred to in such Schedule are collectively referred to as the ***"Buyer's Required Regulatory Approvals"***), no Permit, consent or Order is necessary for the consummation by Buyer of the transactions contemplated hereby. Buyer has no Knowledge of any facts or circumstances that make it reasonable to expect that Buyer's Required Regulatory Approvals will not be obtained.

Section 5.4 Availability of Funds.

Buyer currently has sufficient funds immediately available to it through corporate funds, credit facilities and access to capital markets to provide sufficient funds to pay the Purchase Price at the Closing and to enable Buyer to timely perform all of its obligations under this Agreement and the Ancillary Agreements.

Section 5.5 Legal Proceedings.

There are no Actions pending or, to Buyer's Knowledge, threatened against Buyer that seek to challenge, enjoin, prohibit, restrain or make illegal the performance of this Agreement or Ancillary Agreements or the consummation of any of the transactions contemplated hereby or thereby.

Section 5.6 Street Lighting Agreement.

The form of agreement attached as Exhibit J hereto is Buyer's form of street lighting agreement that is applicable on the Date of this Agreement.

Section 5.7 No Brokers.

No broker, finder or other Person is entitled to any brokerage fee, commission or finder's fee in connection with the transactions contemplated hereby by reason of any action taken by Buyer.

Section 5.8 Independent Investigation; As Is.

(a) Buyer has conducted its own independent investigation, review and analysis of the Business of the Vero Beach Electric Utility and the Acquired Assets and acknowledges that it has been provided adequate access to the personnel, properties, assets, premises, books and records, and other documents and data of Seller for such purpose. Buyer acknowledges and agrees that: (a) in making its decision to enter into this Agreement and the Ancillary Agreements to which it is or will be a party and to consummate the transactions contemplated hereby and thereby, Buyer has relied solely upon its own investigation and physical inspection of the Acquired Assets and the express representations and warranties of Seller set forth in Article 4 of this Agreement; and (b) neither Seller nor any other Person has made and Seller specifically negates and disclaims any representation, warranty, promise, covenant, agreement or guaranty of any kind or character whatsoever, whether express or implied, oral or written, past, present or future, of, as to, concerning or with respect to Seller, the Business of the Vero Beach Electric Utility, the Acquired Assets or this Agreement or any Ancillary Agreement, except as expressly set forth in Article 4 of this Agreement.

(b) Buyer acknowledges and agrees that, except as expressly represented by Seller in Article 4, the sale of the Acquired Assets is made in an "as is" "where is" condition and basis and with all faults. It is understood and agreed that the Purchase Price has been negotiated based on the fact that the Acquired Assets are sold by Seller and purchased by Buyer subject to the foregoing acknowledgement. Without in any way limiting the generality of the foregoing, the sale of the Acquired Assets contemplated hereby is without any warranty

other than Seller's express warranties in Article 4 of this Agreement, and those warranties expressly set forth in the Ancillary Agreements, and Seller and Seller's Representatives have made no representations or warranties, they each expressly and specifically disclaim, and Buyer accepts that Seller and Seller's Representatives have disclaimed, any and all representations, guaranties or warranties, express or implied, or arising by operation of law (except Seller's warranties expressly set forth in Article 4 of this Agreement, and those warranties expressly set forth in the Ancillary Agreements), of or relating to: (i) the use, expenses, operation, characteristics or condition of the Acquired Assets, or any portion thereof, including, warranties of suitability, habitability, merchantability, design or fitness for any specific purpose or a particular purpose, or good and workmanlike construction; (ii) the environmental condition of any of the Real Property or contamination by Hazardous Substances, or the compliance of any of the Real Property with any or all regulations or laws relating to health or the Environment, including the Comprehensive Environmental Response, Compensation and Liability Act, the Resource Conservation and Recovery Act, and the Clean Water Act, each as may be amended from time to time, and including any and all regulations, rules or policies promulgated thereunder; or (iii) the soil conditions, drainage, flooding characteristics, accessibility or other conditions existing in, on, or under any of the Real Property.

ARTICLE 6
COVENANTS OF THE PARTIES

Section 6.1 Conduct of Business Relating to the Acquired Assets.

(a) Seller retains the exclusive responsibility for safe operation of the Vero Beach Electric Utility until the Closing, and nothing in this Agreement shall in any way alter Seller's duties or obligations under any Law or Permit. Except as described in Schedule 6.1(a), during the period from the Date of this Agreement to the Closing (the ***"Interim Period"***), Seller shall (i) operate and maintain the Acquired Assets and conduct the Business of the Vero Beach Electric Utility in the ordinary course consistent with Seller's Past Practices, (ii) use Commercially Reasonable Efforts to preserve and protect in all material respects the Acquired Assets, (iii) maintain the Transferable Permits and (iv) comply, in all material respects, with all applicable Laws and Permits relating to the Acquired Assets or the Business of the Vero Beach Electric Utility. Without limiting the generality of the foregoing, and, except as contemplated in this Agreement or as described in Schedule 6.1(a), during the Interim Period, without the prior written consent of Buyer (unless such consent would be prohibited by applicable Law), Seller shall not do any of the following with respect to the Acquired Assets:

(i) sell, transfer, remove, assign, convey, distribute or otherwise dispose of, any Acquired Assets unless such action is consistent with the Capital Expenditure and Maintenance Plan; provided, however, that, if capital expenditures or maintenance with respect to a specific Acquired Asset is not covered in the Capital Expenditure and Maintenance Plan, such Acquired Asset may be sold, transferred, removed, assigned, conveyed, distributed or otherwise disposed of in the ordinary course of the Business of the Vero Beach Electric Utility consistent with Seller's Past Practices;

(ii) except for Permitted Encumbrances (including amendments or replacements to the Permitted Encumbrances), create, permit or allow any Encumbrances to be imposed on or against any of the Acquired Assets;

(iii) grant any waiver of any material term under, exercise any material option under, or give any material consent with respect to any Assumed Contract, including waiving any material default by, or release, settle or compromise any material claim against, any other party thereto;

(iv) enter into any Contract that would, upon its effectiveness, constitute an Assumed Contract, unless such Contract replaces a comparable Assumed Contract, is terminable without cause upon not more than thirty days' notice and upon such termination, Buyer's liability for such termination would not exceed $25,000 for such Contract, and $100,000 in the aggregate, without Buyer's consent, which consent shall not be unreasonably withheld, conditioned or delayed;

(v) enter into any Assumed Contract that is not in the ordinary course of the Business of the Vero Beach Electric Utility consistent with Seller's Past Practices, unless such Contract replaces a comparable Assumed Contract, is terminable without cause upon not more than thirty days' notice and upon such termination, Buyer's liability for such termination would not exceed $25,000 for such Contract, and $100,000 in the aggregate, without Buyer's consent, which consent shall not be unreasonably withheld, conditioned or delayed;

(vi) amend or voluntarily terminate prior to the expiration date thereof any Assumed Contract or Transferable Permit, except for an Assumed Contract or Transferable Permit which is replaced by a comparable Contract or Permit or such entry, amendment or termination that is in the ordinary course of the Business of the Vero Beach Electric Utility consistent with Seller's Past Practices;

(vii) amend in any material respect or cancel any property, liability or casualty insurance policies related to the Acquired Assets or the Business of the Vero Beach Electric Utility, unless a cancelled policy is replaced with a policy having substantially similar coverages prior to the date of such cancellation, or fail to maintain such insurance policies with current insurance companies that have issued such policies, their successors, or other financially responsible insurance companies in such amounts and against such risks and losses as are customary for such assets and businesses consistent with Seller's Past Practices;

(viii) except as required by any applicable Law or GAAP, change, in any material respect, its Tax practice or policy (including making new Tax elections or changing Tax elections and settling Tax controversies not in the ordinary course of the Business of the Vero Beach Electric Utility) to the extent such change or settlement would be binding on Buyer;

(ix) (A) hire any individual (other than to replace any Seller Employee who may have resigned or have been terminated); or (B) increase the compensation or benefits payable to any Seller Employee, in each case except as required under Seller Collective Bargaining Agreements or in accordance with Seller's Past Practices;

(x) except as required by Law, enter into or amend any Contract that (A) binds Buyer to adopt or implement the terms of any Seller Collective Bargaining Agreement (or any portion thereof) or (B) obligates Buyer to deal with or recognize any union; or

(xi) agree or commit to do any of the foregoing.

(b) During the Interim Period, in the interest of cooperation between Seller and Buyer and Buyer's conducting of diligence on the transactions contemplated hereunder (including the representations and warranties of Seller hereunder) and to plan for and facilitate an orderly and seamless transition from Seller to Buyer at the Closing of ownership and operation of the Acquired Assets and the Business of the Vero Beach Electric Utility, the Parties agree that at the sole expense of Buyer, and subject to compliance with all applicable Laws and Permits, Seller will permit designated Representatives of Buyer (the ***"Observers"***) to observe any and all aspects of the Business of the Vero Beach Electric Utility, and such observation will be permitted on a cooperative basis in the presence of one or more individuals designated by Seller; provided, however, that such Observers and their actions shall not interfere unreasonably with the Business of the Vero Beach Electric Utility and such observation will be done during normal office hours of the Vero Beach Electric Utility. Seller shall use Commercially Reasonable Efforts to provide to the Observers interim furnished office space and utilities at Seller's T&D center, as reasonably necessary to allow Buyer to conduct its transition efforts through the Closing; provided, however, that Buyer shall be responsible for all of the costs relating thereto.

Section 6.2 Access to Information; Reporting.

(a) In addition to the rights granted by Section 6.1(b), during the Interim Period, in the interest of cooperation between Seller and Buyer and Buyer's conducting of diligence on the transactions contemplated hereunder (including the representations and warranties of Seller hereunder) and to plan for and facilitate an orderly and seamless transition from Seller to Buyer at the Closing of the Acquired Assets and the Business of the Vero Beach Electric Utility, Seller will (i) give Buyer and Buyer's Representatives reasonable access to (x) all management personnel engaged in the Business of the Vero Beach Electric Utility, and (y) all books, documents, records and information (including financial and operating data and Permits, reports, schedules or other documents filed with or received from any Governmental Authority) relating to the Acquired Assets or the Business of the Vero Beach Electric Utility and furnish copies thereof as Buyer may from time to time reasonably request; and (ii) permit Buyer and Buyer's Representatives to make such reasonable inspections thereof as Buyer may reasonably request; provided, however, that (A) any such investigation shall be conducted in such a manner as not to interfere unreasonably with the Business of the Vero Beach Electric Utility and during normal office hours of Seller, and (B) Seller need not supply Buyer with any information that Seller is legally prohibited from supplying or that is covered by the attorney work product doctrine or similar doctrine.

(b) During the Interim Period, promptly after obtaining Knowledge thereof, Seller shall notify Buyer in writing of, (i) any Material Adverse Effect that has occurred since the Date of this Agreement, (ii) any unanticipated maintenance or repair of any of the

Acquired Assets in an amount greater than $150,000, (iii) any material emergency condition affecting, or material unscheduled interruption of, the operation of the Acquired Assets or the Business of the Vero Beach Electric Utility, or (iv) any receipt by Seller's management personnel of a written notice of a violation of any material Law or Permit relating to the Acquired Assets or the Business of the Vero Beach Electric Utility. Any such notice shall be deemed a Schedule Supplement.

(c) Within thirty (30) days after the Date of this Agreement, Seller shall provide to Buyer true, complete and un-redacted copies of all Material Seller Contracts and Transferrable Permits in effect as of such date, and Seller shall provide an update thereto between sixty (60) and ninety (90) days prior to Closing.

Section 6.3 Expenses.

Except to the extent specifically provided herein or in the Contribution Agreement between Buyer and Seller dated August 21, 2017, whether or not the transactions contemplated hereby are consummated, all costs and expenses incurred in connection with this Agreement and the transactions contemplated hereby, including the cost of legal, technical and financial consultants, shall be borne by the Party incurring such costs and expenses; provided, however, that Buyer will bear the cost of filing for and prosecuting applications for Buyer's Required Regulatory Approvals.

Section 6.4 Further Assurances; Cooperation.

(a) Subject to the terms and conditions of this Agreement, each of the Parties hereto will take, or cause to be taken, all action, and to do, or cause to be done, all things reasonably necessary, proper or advisable under applicable Laws to consummate and make effective the sale, transfer, conveyance, assignment and delivery of the Acquired Assets, the assumption of the Assumed Liabilities and the exclusion of the Excluded Liabilities pursuant to this Agreement, including taking reasonable action that is within the reasonable control of such Party to satisfy or cause to be satisfied the conditions precedent to the other Party's obligations hereunder, including, subject to the terms of Section 6.6, all regulatory approvals; provided, however, that except for the OUC Termination Payment and the FMPA Transfer Payment by Buyer under Section 3.4, nothing herein shall require either Party to incur more than immaterial expenses or payments in obtaining the agreement of FMPA to the FMPA Transfer Agreement or OUC to the OUC Termination Agreement. To the extent that authorized representatives of the Parties determine that the implementation of any covenant or obligation under this Agreement of a Party is not consistent with, or may be likely to impede, the satisfaction of the conditions precedent to a Party's obligations hereunder, including, subject to the terms of Section 6.6, obtaining all regulatory approvals, the Parties may by mutual written agreement (but without need for any amendment of this Agreement) agree to take alternative actions that the Parties determine are necessary or desirable to ensure satisfaction of the conditions precedent to each Party's obligations hereunder or to otherwise ensure consummation of the transactions contemplated by this Agreement. Except as permitted on Schedule 6.4(a), neither Buyer nor Seller will, without the prior written consent of the other, advocate or take any action which would reasonably be expected to prevent or materially impede, interfere with or delay the transactions contemplated by this Agreement or the Ancillary Agreements or which would

reasonably be expected to cause, or to contribute to causing, the other to receive less favorable regulatory treatment than that sought by the other.

(b) From time to time after the Closing Date, Seller will execute and deliver such documents to Buyer as Buyer may reasonably request, at Buyer's expense, in order to more effectively consummate the sale and purchase, including the transfer, conveyance and assignment, of the Acquired Assets or to more effectively vest in Buyer such title to the Acquired Assets (or such rights to use, with respect to Acquired Assets not owned by Seller), in accordance with the terms of this Agreement, subject to the Permitted Encumbrances. From time to time after the Closing Date, without further consideration, Buyer will, at its own expense, execute and deliver such documents to Seller as Seller may reasonably request in order to evidence Buyer's assumption of the Assumed Liabilities.

(c) Seller and Buyer agree to fully support execution of the District Licenses and the District Sublicenses in the forms attached hereto as Exhibits P and Q during the approval process thereof by the District. If the District does not approve one or more provisions of the District Licenses or the District Sublicenses in the forms attached hereto in Exhibits P and Q, then the Parties agree to negotiate in good faith to finalize and obtain approval from the District of revised terms for each unacceptable provision and each other provision affected thereby (but not any of the other provisions) that will give effect, to the fullest extent possible, to the original intention of the Parties as reflected in Exhibits P and Q.

(d) Seller and Buyer agree to fully support execution of the Fiber License Agreement in the form attached hereto as Exhibit L-1 during the approval process thereof by Indian River County and the School District of Indian River County. If Indian River County or the School District of Indian River County does not approve one or more provisions of the Fiber License Agreement in the form attached hereto in Exhibit L-1, then the Parties agree to negotiate in good faith to finalize and obtain approval from Indian River County and the School District of Indian River County of revised terms for each unacceptable provision and each other provision affected thereby (but not any of the other provisions) that will give effect, to the fullest extent possible, to the intention of the Parties as reflected in Exhibit L-1. Prior to the Closing, Buyer and Seller shall exercise Commercially Reasonable Efforts to negotiate an agreement satisfactory to Buyer, Seller, Indian River County and the School District of Indian River County, regarding the continued attachment, on the poles that are being sold to Buyer under this Agreement, of that portion of the Fiber Optic System that is attached to Seller's electric poles as of the Effective Time (the "***Pole Agreement***").

(e) Seller and Buyer agree to fully support execution of the Airport Substation Lease Agreements in the forms attached hereto as Exhibits I-1A and I-1B during the approval process thereof, if any, by the FAA or FDOT, including rent as set forth in the definitions of the Airport Substation Lease Agreements. If FAA or FDOT approval of any Airport Substation Lease Agreement is required by applicable Law or by the provisions of any applicable contract with or grant from the FAA or FDOT and the FAA or FDOT, as applicable, does not approve one or more provisions of the Airport Substation Lease Agreements (including approval of the rent amounts) in the forms attached hereto in Exhibit I-1A or I-1B, then the Parties agree to negotiate in good faith to finalize and obtain approval from the FAA or FDOT, as applicable, of revised terms for each unacceptable provision and each other provision affected

thereby (but not any of the other provisions) that will give effect, to the fullest extent possible, to the intention of the Parties as reflected in Exhibits I-1A or I-1B, as applicable. For the avoidance of doubt, if the FAA or FDOT is required by applicable Law or by the provisions of any applicable contract with or grant from the FAA or FDOT to approve an Airport Substation Lease Agreement, Seller shall not be obligated to execute such Airport Substation Lease Agreement unless the form thereof has been approved by the FAA or FDOT, as applicable.

(f) Seller and Buyer agree to fully support execution of the Airport Warehouse Lease Agreement in the form attached hereto as Exhibit I-2 during the approval process thereof, if any, by the FAA or FDOT, including rent as set forth in Section 2.5. If the FAA or FDOT approval of the Airport Warehouse Lease Agreement is required by applicable Law or by the provisions of any applicable contract with or grant from the FAA or FDOT and the FAA or FDOT, as applicable, does not approve one or more provisions (including rent as set forth in Section 2.5) of the Airport Warehouse Lease Agreement in the form attached hereto in Exhibit I-2, then the Parties agree to negotiate in good faith to finalize and obtain approval from the FAA or FDOT, as applicable, of revised terms for each unacceptable provision and each other provision affected thereby (but not any of the other provisions) that will give effect, to the fullest extent possible, to the intention of the Parties as reflected in Exhibit I-2. For the avoidance of doubt, if the FAA or FDOT is required by applicable Law or by the provisions of any applicable contract with or grant from the FAA or FDOT to approve the Airport Warehouse Lease Agreement, Seller shall not be obligated to execute such Airport Warehouse Lease Agreement, unless the form thereof has been approved by the FAA or FDOT, as applicable.

(g) To the extent that any of the Grounding Equipment is owned individually by Indian River County or the School District of Indian River County or jointly between them, or jointly among them and Seller, Seller and Buyer agree to fully support execution of one or more Grounding License Agreements, in the form of the Grounding License Agreement, between Buyer and the owner of each segment of such Fiber Optic System during the approval process thereof by Indian River County and the School District of Indian River County, as applicable. If the approval of Indian River County or the School District of Indian River County of any Grounding License Agreement is required by applicable Law or by the provisions of any applicable contract and Indian River County or the School District of Indian River County, as applicable, does not approve one or more provisions of the Grounding License Agreements in the form attached hereto in Exhibit Y, then the Parties agree to negotiate in good faith to finalize and obtain approval from Indian River County or the School District of Indian River County, as applicable, of revised terms for each unacceptable provision and each other provision affected thereby (but not any of the other provisions) that will give effect, to the fullest extent possible, to the intention of the Parties as reflected in Exhibit Y. For the avoidance of doubt, if Indian River County or the School District of Indian River County is required by applicable Law or by the provisions of any applicable contract to approve a Grounding License Agreement, Seller shall not be obligated to execute such Grounding License Agreement unless the form thereof has been approved by Indian River County or the School District of Indian River County, as applicable.

(h) Seller agrees to reasonably cooperate if requested by Buyer to resolve any actual or alleged defect in title of an Acquired Asset, whether or not such defect is a covered under a title insurance policy, at Buyer's sole expense.

(i) For the avoidance of doubt, notwithstanding anything to the contrary in this Agreement, Seller shall not be obligated to incur any additional expenses related to the Airport Lease Agreements, Seller Pole and Antenna Attachment Termination Agreements or any other Ancillary Agreement or to satisfy any conditions precedent in Article 7 hereof, other than what is expressly contemplated by this Agreement.

Section 6.5 Public Documents.

(a) Any document submitted by a Party to the other under this Agreement or during the negotiation of this Agreement or any Ancillary Agreements (***"Public Document"***) will be a public record (as defined in Section 119.011, Florida Statutes) and may be open for inspection or copying by any person or entity except to the extent such document or certain information included in such document is exempted under Chapter 119, Florida Statutes. Buyer may claim that certain information included in one or all of the Public Documents is, or has been treated as, being exempt from disclosure under Chapter 119, Florida Statutes. In the event that Seller is requested or required by legal or regulatory authority to disclose any Public Document, Seller shall within three (3) Business Days notify Buyer of such request or requirement prior to disclosure so that Buyer may seek an appropriate protective order if Buyer believes certain information included in such Public Document is confidential or exempt from disclosure under Florida Law; provided, however, that any fees and costs associated with such protective order shall be paid by Buyer, and Buyer shall defend Seller from any and all liability and pay any fees and costs associated with contesting the confidentiality or exemption of any Public Document. To the extent reasonably possible and permissible under Florida Law, Seller shall endeavor to provide redacted versions of documents, upon request of Buyer if Seller reasonably agrees with Buyer's assertion that certain information included in such Public Document is exempt from public disclosure under Florida Law.

(b) Except to the extent otherwise required by Law, the Parties shall not issue any official press release with respect to this Agreement or the transactions contemplated hereby without first affording the non-disclosing Party the opportunity to review and comment on such official press release, except for any press release made in order to comply with applicable Law or stock exchange rules.

Section 6.6 Consents; Approvals.

(a) ***[Intentionally Omitted.]***

(b) [***Intentionally Omitted***.]

(c) Buyer will have the responsibility for securing approval of the FERC for this transaction under Section 203 of the Federal Power Act (the "***FERC Approval***"). Seller shall promptly provide Buyer any information requested in regards to such application. In fulfilling their respective obligations set forth in this Section 6.6(c), Seller and Buyer shall use their Commercially Reasonable Efforts. Prior to Buyer's submission of such application with the FERC, Buyer shall submit such application to Seller for review and comment and Buyer shall consider any revisions reasonably requested by Seller. Seller and Buyer shall respond promptly to all requests from the FERC or its staff for additional information regarding such application

and use their respective Commercially Reasonable Efforts to participate in any hearings, settlement proceedings or other proceedings ordered by the FERC with respect to the application. Buyer shall be solely responsible for the cost of filing this application, any petition for rehearing, or any reapplication. If requested by Buyer, Seller shall intervene in the proceeding before the FERC and shall support the application.

(d) Buyer will have the responsibility for securing approval of the FPSC for: (i) authority under Rule 25-9.044, Florida Administrative Code, to charge Buyer's existing retail electric rates to former Customers of the Vero Beach Electric Utility; (ii) approval of the FPL Termination Agreement under Rule 25-6.0440, Florida Administrative Code; (iii) regulatory accounting matters including treatment of any acquisition adjustment arising from Buyer's purchase of the Acquired Assets as a regulatory asset; and (iv) any other matters for which approval of the FPSC is determined by Buyer to be necessary or advisable to consummate the transactions contemplated by this Agreement (collectively, "***FPSC Approval***"). Prior to Buyer's submission of any application for FPSC Approval, Buyer shall submit such application to Seller for review and comment and Buyer shall consider any revisions reasonably requested by Seller. Seller and Buyer shall respond promptly to all requests from the FPSC or its staff for additional information regarding such application and use their respective Commercially Reasonable Efforts to participate in any hearings, settlement proceedings or other proceedings ordered by the FPSC with respect to the application. Buyer shall be solely responsible for the cost of filing this application, any petition(s) for rehearing, or any reapplication(s). If requested by Buyer, Seller shall intervene in any proceeding before the FPSC and shall support the application at Buyer's sole cost.

(e) Seller and Buyer shall cooperate with each other and, as promptly as practicable after the Date of this Agreement, (i) prepare and make with the Federal Communications Commission and, to the extent not specified in Section 6.6(a) through (d), any other Governmental Authority having jurisdiction over Seller, Buyer or the Acquired Assets, all necessary filings required to be made with respect to the transactions contemplated hereby, (ii) effect all necessary applications, notices, petitions and filings, (iii) use Commercially Reasonable Efforts to obtain the transfer or reissuance to Buyer of all necessary Transferable Permits, and (iv) use Commercially Reasonable Efforts to obtain all necessary consents, approvals and authorizations of all other parties, in the case of each of the foregoing clauses (i), (ii), (iii), and (iv), necessary or advisable to consummate the transactions contemplated by this Agreement (including Buyer's Required Regulatory Approvals). The Parties shall respond promptly to any requests for additional information made by such agencies, use their respective Commercially Reasonable Efforts to participate in any hearings, settlement proceedings or other proceedings ordered with respect to the applications, and use their respective Commercially Reasonable Efforts to cause regulatory approval to be obtained at the earliest possible date after the date of filing. Buyer shall be solely responsible for the cost of filing any application, any petition(s) for rehearing, or any reapplication(s) with respect to the filings referenced in this Section 6.6(e). Seller and Buyer shall have the right to review in advance all filings made in connection with the transactions contemplated hereby and the filing Party shall consider in good faith any revisions reasonably requested by the non-filing Party.

(f) Buyer shall have the responsibility for securing the transfer, reissuance or procurement of the Transferable Permits effective as of the Closing Date, and for

those Transferable Permits that may not be transferred or reissued until after the transfer of ownership of the Acquired Assets, promptly after the Closing Date. Seller shall cooperate, at Buyer's cost, with Buyer's efforts in this regard and assist in any transfer or reissuance of Transferable Permits held by Seller or the procurement of any other Permit when so reasonably requested by Buyer, even after the Closing. In the event that Buyer is unable, despite its Commercially Reasonable Efforts, to obtain a transfer or reissuance of one or more of the Transferable Permits as of the Closing Date, Buyer may use the applicable Transferable Permit issued to Seller, provided (i) such use is not unlawful, (ii) Buyer continues to make Commercially Reasonable Efforts to obtain a transfer or reissuance of such Transferable Permit after the Closing Date, and (iii) Buyer indemnifies and holds Seller harmless for any Losses, claims or penalties suffered by Seller and pays Seller for any costs or expenses incurred by Seller in connection with such Transferable Permit that is not transferred or reissued as of the Closing Date resulting from Buyer's ownership or operation of the Acquired Assets following the Effective Time.

Section 6.7 [Intentionally Omitted.]

Section 6.8 Tax Matters.

(a) Buyer shall pay any and all Transfer Taxes in connection with this Agreement and the transactions contemplated hereby, including all required documentary stamp tax on the Deed and all instruments executed by either of the Parties in connection with this Agreement. Buyer and Seller will file, to the extent required by applicable Law, all necessary Tax Returns and other documentation with respect to all such Transfer Taxes, and, if required by applicable Law, will each join in the execution of any such Tax Returns or other documentation.

(b) Buyer shall prepare and timely file all Tax Returns required to be filed after the Closing with respect to the Acquired Assets, if any, and shall duly and timely pay all such Taxes shown to be due on such Tax Returns.

(c) Each of the Parties shall provide the other with such assistance as may reasonably be requested by the other Party in connection with the preparation of any Tax Return, any audit or other examination by any taxing authority, or any judicial or administrative proceedings relating to Liability for Taxes or effectuating the terms of this Agreement, and each will retain and provide the requesting Party with any records or information which may be relevant to such return, audit or examination, proceedings or determination. Any information obtained pursuant to this Section 6.8(c) or pursuant to any other Section hereof providing for the sharing of information or review of any Tax Return or other schedule relating to Taxes shall be kept confidential by the Parties hereto, except to the extent such information is required to be disclosed by Law.

Section 6.9 Updating Disclosure Schedules.

During the Interim Period, Seller shall promptly (but no later than thirty (30) days after obtaining Knowledge thereof) notify Buyer of any changes or additions to the Seller Disclosure Schedules required by this Agreement with respect to any matter hereafter arising of which it becomes aware after the date hereof which, if existing or occurring on the Date of this

Agreement, would have been required to be set forth or described in such Seller Disclosure Schedules (each, a "***Schedule Supplement***"). If the matters disclosed in such Schedule Supplement (or the matters disclosed in such Schedule Supplement together with the matters disclosed in prior Schedule Supplements) have had or are reasonably likely to have a Material Adverse Effect, Buyer has the right to terminate this Agreement under the terms and conditions of Section 9.1(e) (including, without limitation, the notice and cure period provided therein). If Buyer does not terminate this Agreement under the terms and conditions of Section 9.1(e), Buyer shall be deemed to have irrevocably waived any right to (a) terminate this Agreement with respect to such matters (including, without limitation, any later right to terminate this Agreement under the terms and conditions of Section 9.1(e) based solely on such matters disclosed and previously disclosed in prior Schedule Supplements), or (b) fail to consummate the Transaction described in this Agreement based solely on such matters disclosed and previously disclosed in prior Schedule Supplements; provided, however, such matters can be taken into consideration together with any matters which are subsequently disclosed to Buyer, or of which Buyer becomes aware, in determining whether the aggregate breaches of representations or warranties and aggregate matters disclosed in any Schedule Supplements, collectively, constitute a Material Adverse Effect with respect to Section 9.1.(e).

Section 6.10 Employees.

(a) Buyer shall offer employment commencing as of the Closing Date to all Seller Employees (i) who are employed by Seller on the date immediately preceding the Closing Date, (ii) who have not previously been terminated for cause by Buyer or any of its Affiliates, and (iii) who meet applicable qualification requirements for the applicable positions with Buyer (which qualification requirements with respect to the Seller Employees will not vary materially from the qualification requirements for other comparable positions within Buyer). Subject to any voluntary separations of Seller Employees from Buyer, Buyer shall continue to employ at least the minimum number of Seller Employees, who accepted Buyer's offer of employment, for the minimum duration necessary to avoid creating any obligation under the WARN Act on the part of Seller. The Seller Employees as of the Date of this Agreement are set forth on Schedule 6.10(a) by position. Except as otherwise negotiated with the Buyer Union Representative, Total Compensation for Transferred Employees shall be in the aggregate comparable to the Total Compensation provided to similarly situated employees of Buyer. The Parties shall cooperate in preparation of communications materials applicable to the Transferred Employees. Seller agrees to provide to Buyer, within ten (10) Business Days following receipt of a request from Buyer at any time and from time to time during the Interim Period and at Closing, a complete list of Seller Employees by name and by position. Not later than 30 days before the Closing Date, Buyer shall give Seller notice as to which Seller Employees, if any, Buyer has determined are not eligible to receive an offer of employment by Buyer.

(b) Transferred Employees offered positions that are covered by Buyer's collective bargaining agreement shall be provided with employment, Total Compensation and terms and conditions of employment as negotiated with the applicable Buyer Union Representative.

(c) As of the Closing Date, Transferred Employees shall commence participation in the Benefit Plans of Buyer, its ERISA Affiliates or, if applicable, the benefit plans negotiated by the Buyer Union Representative (the ***"Buyer Benefit Plans"***).

(d) Effective as of the Closing Date, except as otherwise negotiated by Buyer and the Union Representative, Transferred Employees prospectively shall accrue pension benefits under the Buyer Retirement Plan cash balance formula on terms and conditions applicable to similarly situated Buyer employees. Notwithstanding the foregoing, effective as of the Closing Date and except as otherwise negotiated by Buyer and the Union Representative, Transferred Employees will accrue pension credits at the same level as nonbargaining eligible employees of Buyer who have attained at least five (5) years of service.

(e) Subject to any applicable collective bargaining requirements, Buyer shall (i) waive all waiting periods with respect to the Transferred Employees and (ii) provide each Transferred Employee with credit for any co-payments and deductibles for claims incurred during the plan year of the applicable Buyer Benefit Plan in which the Closing Date falls. Seller will use its reasonable best efforts to provide sufficient information to enable Buyer to provide such credits for co-payments and deductibles. To the extent Seller fails to provide such sufficient information, each Transferred Employee shall be responsible for providing written evidence to enable Buyer to provide accurate credit for such co-payments and deductibles.

(f) Subject to any applicable collective bargaining requirements, Transferred Employees shall be granted credit for all service with Seller under all Buyer Benefit Plans in which such Transferred Employees become participants for purposes of eligibility, vesting and service related level (except for purposes of qualifying for Buyer's retiree welfare benefits and benefit accrual under Buyer's defined benefit pension plan). No period of service with Seller may be credited to Transferred Employees under Buyer's defined benefit plan if such period of service forms the basis of a retirement benefit or pension under Seller's Defined Benefit Plan.

(g) Seller shall be responsible for extending COBRA continuation coverage, or its equivalent, to former Seller Employees and qualified beneficiaries of such former Seller Employees who are or became entitled to such COBRA continuation coverage during the Interim Period by reason of the occurrence of a qualifying event occurring before the Closing Date. Buyer shall be responsible for providing COBRA continuation coverage only to Transferred Employees and qualified beneficiaries of Transferred Employees for COBRA qualifying events occurring on or after the Closing Date.

(h) Seller shall remain responsible for paying Transferred Employees for: (a) all salary, wages, and Seller Benefit Plan benefits, and (b) all workers' compensation, disability benefits, or life insurance benefits for which entitlement to payment is based upon events occurring prior to the Closing including any incurred but unreported claims under the Seller Benefit Plans and Seller shall be responsible for making its required contributions to the Seller Defined Benefit Plan and Seller Defined Contribution Plan. Subject to any applicable collective bargaining requirements, Buyer will assume liability for all floating holidays, sick days, vacation days and personal days of each Transferred Employee that have accrued but

remain unused or unpaid by such Transferred Employee as of the date immediately preceding the Closing Date up to the accrual limits therefor under Buyer's employee policies and procedures for similarly situated employees of Buyer.

(i) Any individual who would have otherwise become a Transferred Employee but who on the date immediately preceding the Closing Date is not actively at work due to a leave of absence covered by the Family and Medical Leave Act or similar state or local Law, short-term disability or any other authorized leave of absence shall be entitled to become a Transferred Employee once the individual is able to return to active-at-work status, but only if the individual is able to return to active-at-work status within ninety (90) days after the Closing Date; otherwise such individual shall remain a Retained Employee of Seller.

Section 6.11 Casualty.

(a) Casualty During the Interim Period. If a Casualty occurs during the Interim Period, Seller shall give notice to Buyer of such occurrence, within thirty (30) days after such occurrence has ended, and shall include in such notice a detailed estimate of the Cure Amount and an estimate of the Available Proceeds with respect to such Casualty (the "***Casualty Notice***").

(b) Casualty Prior to July 1, 2018. If the Casualty occurs during the Interim Period and the occurrence of the Casualty ends prior to July 1, 2018:

(i) if Seller estimates in the Casualty Notice that the Cure Amount will not exceed the sum of the Maximum Uncovered Loss Amount plus the insurance proceeds with respect to such Casualty (as described in clause (i) of the definition of Available Proceeds) that have been collected or are collectible by Seller, Seller shall repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty so that the Vero Beach Electric Utility will operate in accordance with the Seller's Past Practice, and Seller shall bear the risk of recouping any costs associated with such repair or replacement; or

(ii) if Seller estimates in the Casualty Notice that the Cure Amount will exceed the sum of Maximum Uncovered Loss Amount plus the insurance proceeds with respect to such Casualty (as described in clause (i) of the definition of Available Proceeds) that have been collected or are collectible by Seller, Seller may elect in the Casualty Notice either to:

(1) terminate this Agreement, in which event this Agreement will be deemed terminated sixty days after the Casualty Notice has been given unless, during such sixty day period, Buyer gives Seller a notice agreeing to reimburse Seller promptly and hold Seller harmless for the entire amount by which the Cure Amount exceeds the sum of the Maximum Uncovered Loss Amount plus any Available Proceeds actually recovered by Seller during the period prior to the Closing Date (in which event: (A) this Agreement will not be deemed terminated at the end of such sixty day period; (B) Seller shall repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty so that the Vero Beach Electric Utility will operate in accordance with the Seller's Past Practice; and (C) Buyer will reimburse Seller promptly and hold Seller harmless for the entire amount by which the Cure

Amount exceeds the sum of the Maximum Uncovered Loss Amount plus any Available Proceeds actually recovered by Seller); or

(2) extend the Closing Date by up to one (1) year after the occurrence of the Casualty has ended to permit Seller to: (A) repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty; and (B) attempt to obtain the Available Proceeds.

(iii) If Seller makes an election under Section 6.11(b)(ii)(2): (A) Seller shall repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty so that the Vero Beach Electric Utility will operate in accordance with the Seller's Past Practice; (B) the Closing shall occur on the Closing Date as extended by Seller under Section 6.11(b)(ii)(2), provided that all of the other conditions to the Closing have been satisfied or waived in accordance with the terms of this Agreement; and (C) Buyer shall not be responsible for reimbursing Seller or holding Seller harmless for any of the costs of such repairs or replacements.

(iv) If Seller estimates in the Casualty Notice that the Cure Amount will exceed the sum described in Section 6.11(b)(ii), but Seller fails to make an election under Section 6.11(b)(ii)(1) or Section 6.11(b)(ii)(2) in such Casualty Notice, Seller shall be deemed to have elected, and shall be required, to repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty so that the Vero Beach Electric Utility will operate in accordance with the Seller's Past Practice, and the Closing shall proceed in accordance with the terms of this Agreement, provided that all of the other conditions to Closing have been satisfied or waived in accordance with the terms of this Agreement, and Seller shall bear the risk of recouping any costs associated with such repair or replacement.

(c) Casualty On or After July 1, 2018. If a Casualty occurs during the Interim Period and the occurrence of the Casualty ends on or after July 1, 2018:

(i) If Seller estimates in the Casualty Notice that the Cure Amount will not exceed the sum of Maximum Uncovered Loss Amount plus the insurance proceeds with respect to such Casualty (described in clause (i) of the definition of Available Proceeds) that have been collected or are collectible by Seller, then Buyer shall have the right to elect, by giving notice to Seller within thirty (30) days after Seller has given the Casualty Notice to Buyer, to either:

(1) extend the Closing Date to permit Seller to: (A) repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty; and (B) attempt to obtain the proceeds with respect to such Casualty described in clause (ii) of the definition of Available Proceeds; or

(2) proceed to the Closing under this Agreement, provided that all other conditions to the Closing have been satisfied or waived in accordance with the terms of this Agreement.

(ii) If Seller estimates in the Casualty Notice that that the Cure Amount will exceed the sum of the Maximum Uncovered Loss Amount plus the insurance

proceeds with respect to such Casualty (described in clause (i) of the definition of Available Proceeds) that have been collected or are collectible by Seller, then Buyer will have the right to elect, by giving notice to Seller within thirty (30) days after Seller has given Buyer the Casualty Notice, to either:

(1) terminate this Agreement, in which case this Agreement will be deemed to have terminated fifteen (15) days after such notice of termination is given; or

(2) extend the Closing Date to permit Seller to: (A) repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty; and (B) exercise good faith reasonable efforts during the period prior to the Closing Date to collect Available Proceeds with respect to such Casualty, in accordance with Seller's Past Practice during similar Casualty events.

(iii) If Buyer makes an election under Section 6.11(c)(i)(1): (A) Seller shall have the right, in its sole discretion, to determine the period of such extension of the Closing Date (such period not to exceed one year); (B) Seller shall repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty so that the Vero Beach Electric Utility will operate in accordance with the Seller's Past Practice; and (C) Seller shall exercise good faith reasonable efforts during the period prior to the Closing Date to collect Available Proceeds, in accordance with Seller's Past Practice during similar Casualty events.

(iv) If Buyer makes an election under Section 6.11(c)(i)(2): (A) Seller shall repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty so that the Vero Beach Electric Utility will operate in accordance with the Seller's Past Practice; (B) the Closing shall occur on the Closing Date, provided that all of the other conditions to the Closing have been satisfied or waived in accordance with the terms of this Agreement; (C) Seller shall exercise good faith reasonable efforts during the period prior to the Closing Date to collect Available Proceeds, in accordance with Seller's Past Practice during similar Casualty events; and (D) Buyer shall pay, reimburse and hold Seller harmless for the costs of any such repairs or replacements made by Seller that exceed Available Proceeds that have been collected by Seller prior to the Closing Date.

(v) If Buyer makes an election under Section 6.11(c)(ii)(2): (A) Seller shall have the right, in its sole discretion, to determine the period of such extension of the Closing Date (such period not to exceed one year); (B) Seller shall repair or replace the Acquired Assets that were damaged or destroyed as a result of the Casualty so that the Vero Beach Electric Utility will operate in accordance with Seller's Past Practice; (C) Seller shall exercise good faith reasonable efforts during the period prior to the Closing Date to collect the Available Proceeds, in accordance with Seller's Past Practice during similar Casualty events; and (D) Buyer shall pay, reimburse and hold Seller harmless at Closing for the costs of any such repairs or replacements made by Seller that exceed the Available Proceeds that have been collected by Seller.

(d) Closing Before Repairs Completed. If the Closing occurs, under the terms of Section 6.11(b) or Section 6.11(c), before all of the repairs or replacements have

been made to the damaged or destroyed Acquired Assets, then (i) at the Closing, Seller will stop conducting such repairs and replacements and will assign to Buyer all Contracts with respect to such repairs or replacements which have not been completed, or as to which payment in full has not been made by Seller, and Buyer shall assume all of such Contracts as Assumed Liabilities (subject to Buyer's prior approval of such Contracts which approval shall not be unreasonably withheld, conditioned or delayed); (ii) at the Closing, to the extent permitted by applicable Law, Seller shall pay to Buyer any Available Proceeds that have been collected by Seller and that have not been expended by Seller in connection with such repairs and replacements; (iii) at the Closing, Buyer shall pay, reimburse and hold Seller harmless for the costs of any such repairs and replacements made by Seller that exceed the Available Proceeds that have been collected by Seller prior to the Closing Date; (iv) after the Closing, to the extent permitted by applicable Law, Seller shall be entitled to pursue and retain any Available Proceeds for any repairs or replacements expenses incurred by Seller in connection with such Casualty; and (v) Buyer shall be solely responsible for the completion of any remaining repairs or replacements and any and all costs associated with such repairs and replacements.

(e) Right to Inspect. Buyer and Buyer and Buyer's Representatives shall be entitled to inspect and observe any repairs and replacements performed or provided by Seller under this Section 6.11.

(f) Dispute as to Estimate of Cure Amount. If Buyer disputes the estimated Cure Amount set forth in any Casualty Notice, Buyer shall provide Seller with notice of such dispute within thirty (30) days after such Casualty Notice has been given to Buyer and shall include in such notice a detailed breakdown of Buyer's estimate of the Cure Amount with respect to such Casualty. During the fifteen (15) day period after Buyer gives to Seller such dispute notice, Seller and Buyer shall use reasonable efforts to resolve such dispute. If Seller and Buyer have not resolved such dispute during such fifteen (15) day period, then Seller and Buyer shall submit the disputed items related to the estimate of the Cure Amount to a utility consultant reasonably acceptable to Seller and Buyer that has expertise in evaluating casualty losses. The utility consultant shall issue its final decision on the disputed items in writing to Seller and Buyer within thirty (30) days after such disputed items have been submitted to the consultant, and such final decision shall be binding on both Parties as to the estimate of the Cure Amount with respect to the Casualty. Buyer and Seller shall each pay 50% of the engagement fees associated with the consultant. Any dispute under this Section 6.11(g) shall toll the applicable time limits set forth in this Section 6.11 until the resolution of such dispute under this Section 6.11(g).

(g) Available Proceeds. If, after the Closing, the payor of any proceeds (as described in clause (ii) of the definition of Available Proceeds) that have been expended by Seller to make repairs and replacements to any of the Acquired Assets pursuant to a Casualty that occurred during the Interim Period, demands repayment by Seller of all or any portion of such proceeds, Seller shall give notice to Buyer of such demand, and Buyer shall pay, reimburse and hold Seller harmless, promptly after Seller gives such notice to Buyer, for the full amount of such proceeds that Seller is required to repay except to the extent such repayment demand arises from Seller's willful misconduct.

Section 6.12 Eminent Domain.

If, before the Closing, all or any portion of the Acquired Assets material to the operation of the Business of the Vero Beach Utility is taken by eminent domain or is the subject of a pending taking which has not yet been consummated, Seller shall give notice to Buyer promptly of such taking or pending taking. Seller shall use such Commercially Reasonable Efforts to replace any Acquired Assets subject to the eminent domain action as Seller shall deem reasonably necessary for the continued operation of the Vero Beach Electric Utility in accordance with the Seller's Past Practices. If such portion of the Acquired Assets has a value of five million dollars ($5,000,000) or greater, and such proceeding or replacement is not substantially completed by the Closing, Buyer may elect, by giving notice thereof to Seller, to: (a) terminate this Agreement; (b) proceed to Closing and receive any condemnation award for the taking; or (c) extend the Closing Date by not more than 12 months in order to permit Seller to replace any Acquired Assets subject to the eminent domain action as Seller shall deem reasonably necessary for the continued operation of the Vero Beach Electric Utility in accordance with the Seller's Past Practices.

Section 6.13 FMPA Transfer Agreement and OUC Termination Agreement.

(a) Commencing on the Date of this Agreement, the Parties shall use Commercially Reasonable Efforts to negotiate the terms of the OUC Termination Agreement including a binding commitment from OUC to execute the OUC Termination Agreement at Closing (in form and substance that is acceptable to Seller and Buyer) in exchange for the OUC Termination Payment. For the avoidance of doubt, nothing in this Section 6.13(a) or elsewhere in this Agreement shall require any payment to OUC with respect to the OUC Termination Agreement except as provided in Section 3.4(b) of this Agreement.

(b) Commencing on the Date of this Agreement, the Parties shall use Commercially Reasonable Efforts to negotiate the terms of FMPA Transfer Agreement with FMPA (in form and substance that is acceptable to Seller and Buyer) in exchange for the FMPA Transfer Payment. For the avoidance of doubt, nothing in this Section 6.13(b) or elsewhere in this Agreement shall require any payment to FMPA with respect to the FMPA Transfer Agreement except for the FMPA Transfer Payment.

Section 6.14 Franchise Ordinance.

Seller shall adopt the Franchise Ordinance prior to the Closing Date. Buyer's obligations under the Franchise Ordinance are a part of the consideration provided to Seller in exchange for this Agreement and the transactions contemplated by this Agreement. Nothing in this Agreement shall be deemed or construed to transfer or assign to Buyer any of Seller's rights under the Franchise Ordinance or to eliminate or limit any of Buyer's duties or obligations under the Franchise Ordinance.

Section 6.15 Capital Expenditure and Maintenance Plan.

During the Interim Period, Seller agrees to use good faith efforts to comply with the Capital Expenditure and Maintenance Plan, in accordance with the schedule therein.

Section 6.16 Data Conversion.

The Parties shall cooperate with each other to facilitate an orderly and seamless transition from Seller to Buyer of the information systems, computer applications and processing of data for Buyer to commence conducting the Business of the Vero Beach Electric Utility as of the Closing Date in the manner and format acceptable to Buyer, and at Buyer's sole cost.

Section 6.17 Seller as Customer.

Seller shall be a retail electric service customer of Buyer commencing on the Closing Date. Buyer shall be responsible for providing all metering and other equipment necessary for Buyer to measure Seller's consumption of electricity at each facility or other structure of Seller requiring electric service.

Section 6.18 Sale of Real Properties.

Prior to the Closing, Seller shall comply with the City of Vero Beach, Florida Code of Ordinances, Subpart A, Chapter 2, Article VIII, Division 3, Sec. 2-372, relating to the sale of the Acquired Land in Fee contemplated in this Agreement.

Section 6.19 Exclusivity.

Except as expressly permitted by this Agreement, until the Closing or until this Agreement is terminated, Seller will not (a) offer to sell or transfer any of the Acquired Assets to (or offer to enter into any transaction contemplated by this Agreement with) any Person other than Buyer, or (b) request, solicit or otherwise encourage inquiries, proposals or offers from, or participate in any discussions or negotiations with, any Person other than Buyer with respect to the sale or transfer of any of the material Acquired Assets or any transaction contemplated by this Agreement.

Section 6.20 No Seller Changes in Law.

At or prior to the Closing, Seller agrees not to promulgate, enact, adopt, repeal, amend, modify or make effective any Law or resolution, or take or support any action, that would (a) adversely affect Buyer's rights or Seller's obligations in this Agreement or any Ancillary Agreements or (b) adversely affect any of the transactions contemplated by this Agreement or Ancillary Agreements.

Section 6.21 Customer Consumption Allocation and Demand Data.

(a) Seller shall use reasonable efforts to read the meters of all Customers of Seller within one (1) month (reading used for billing) prior to the Closing Date, and Buyer shall use reasonable efforts to read the meters of all such Customers within one (1) month after the Closing Date. The reading obtained by Seller (within one month prior to the Closing Date) shall be included in the Customer data conversion file from Seller to Buyer. Within sixty (60) days after the date on which Buyer reads the last of the meters of such Customers, Buyer shall provide to Seller the date of the first meter reading of each such Customer occurring on or after the Closing Date and a prorated final bill reading (using the allocation method described in this Section 6.21 below). Irrespective of the actual consumption of electricity by a Customer during (a) the period from and including the date of the last meter reading of such Customer occurring prior to the Closing Date to and including the date immediately prior to the Closing Date (the ***"Pre-Closing Consumption Period"***) and (b) the period from and including the Closing Date to and including the date on which Buyer makes the first meter reading of such Customer on or after the Closing Date (the ***"Post-Closing Consumption Period"*** and together with the Pre-Closing Consumption Period, the ***"Consumption Period"***), the Parties agree to allocate such Customer's bill for the Consumption Period as follows:

(i) Allocation to the Pre-Closing Consumption Period shall be: (A) (i) the total consumption of electricity by each Customer during the Consumption Period *divided by* (ii) the total number of days in the Consumption Period *multiplied by* (B) the total number of days in the Pre-Closing Consumption Period; and

(ii) Allocation to the Post-Closing Consumption Period shall be: (A) (i) the total consumption of electricity by each Customer during the Consumption Period *divided by* (ii) the total number of days in the Consumption Period *multiplied by* (B) the total number of days in the Post-Closing Consumption Period.

(b) Seller shall bill, and be entitled to collect payment from Customers, for electric service provided to Customers prior to the Closing Date and Buyer shall bill, and be entitled to collect payment from Customers, for electric service provided to Customers on and after the Closing Date; provided, however, that, for purposes of this Section 6.21, irrespective of the actual amount of electricity provided by Seller or by Buyer to a Customer during the Consumption Period, Seller shall bill such Customer for the Pre-Closing Consumption Period only for the amount of electricity allocated to the Pre-Closing Consumption Period, under the allocations method in Section 6.21(a) and Buyer shall bill such Customer for

the Post-Closing Consumption Period only for the amount of electricity allocated to the Post-Closing Consumption Period under such allocation method.

(c) Notwithstanding Section 6.21(a) and (b), if the FPSC requires Buyer to determine consumption of electricity by Customers during Post-Closing Consumption Period in a manner different than in accordance with Section 6.21(a) and (b), then the allocation between Buyer and Seller of consumption of electricity by Customers during the Consumption Period shall be done with regard to the manner required by the FPSC for Buyer to determine the consumption of electricity by Customers during the Post-Closing Consumption Period.

(d) Buyer shall provide to Seller within sixty (60) days after the Closing Date all demand meter data (which is the maximum metered recorded demand) obtained from Buyer's first meter reading of each commercial and industrial demand Customer on or after the Closing Date. Seller shall be entitled to collect payment from the Customers for such demand charges per Seller's approved rate schedules and billing practices as of the date immediately prior to the Closing Date.

Section 6.22 Environmental Matters.

(a) Except to the extent exacerbated or contributed to by Buyer, Seller agrees to be responsible for any and all Losses of Buyer, and pay and perform when due any and all Liabilities of Buyer:

(i) under Environmental Laws, Environmental Permits or Environmental Claims with respect to the Business of the Vero Beach Electric Utility or the Acquired Assets arising from any event, condition, circumstance, act or omission that occurred prior to the Closing Date; or

(ii) arising from the presence of Hazardous Substances that originated on the Power Plant Substation Site, Acquired Land In Fee or the real property described in the Airport Property Lease Agreements prior to the Closing Date, or the Release of Hazardous Substances at, on, in, under, or migrating from the Power Plant Substation Site, Acquired Land In Fee or the real property described in the Airport Property Lease Agreements prior to the Closing Date (such Losses or Liabilities under Section 6.22(a) and (b) hereof, the "***Environmental Liabilities***");

provided, however, that as an absolute condition to such responsibility and agreement to pay and perform, Buyer must give to Seller notice (the "***Environmental Notice***") of any claim of Environmental Liabilities no later than thirty (30) days prior to the anticipated Closing Date and, solely with respect to any Environmental Liability which Buyer demonstrates occurred subsequent to Buyer's Phase II Environmental Testing, Buyer must give the Environmental Notice prior to the Closing Date, which Environmental Notice, in either case, must contain the estimated total amount of the Environmental Liabilities and a summary of facts then known to Buyer that support such claim; and provided, further, that in no event shall Seller be liable or responsible for any Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate (the "***Aggregate Environmental Cap***"). Buyer hereby releases Seller from, and Seller shall not be liable or responsible for, any Environmental Liabilities as to

which Buyer does not give Seller the Environmental Notice or Environmental Notices prior to the time required in the immediately preceding sentence. Buyer also hereby releases Seller from, and Seller shall not be responsible for, Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate. If Buyer reasonably believes that the amount of Environmental Liabilities would reasonably be likely to exceed Five Hundred Thousand Dollars ($500,000) in the aggregate and Seller disputes that the Environmental Liabilities exceed Five Hundred Thousand Dollars ($500,000) in the aggregate, Seller shall give notice to Buyer of such dispute within fifteen (15) days after the Environmental Notice has been given and the Parties shall attempt to resolve such dispute by negotiation. If the Parties do not fully resolve such dispute within fifteen (15) days after Seller has given notice to Buyer of such dispute, the Parties shall, within ten (10) days after the expiration of such fifteen (15) day negotiation period, appoint an independent environmental consultant (with the costs of such independent environmental consultant to be borne equally between the Parties) to determine whether the Environmental Liabilities would reasonably be likely to exceed Five Hundred Thousand Dollars ($500,000) in the aggregate. The Parties agree to cooperate with the independent environmental consultant and provide it with such information as it reasonably requests to enable it to make such determination. The independent environmental consultant shall provide its findings to the Parties no later than twenty (20) days after its appointment. The independent environmental consultant shall act as an expert and not as an arbitrator and shall make findings only with respect to whether the amount of Environmental Liabilities would be reasonably likely to exceed Five Hundred Thousand Dollars ($500,000) in the aggregate. Notwithstanding anything to the contrary in this Agreement, if the total amount of Environmental Liabilities pursuant to this Section 6.22, is finally determined by the independent environmental consultant to reasonably be likely to exceed Five Hundred Thousand Dollars ($500,000) in the aggregate, either Party may elect, by giving notice thereof to the other Party as promptly as reasonably possible prior to the anticipated Closing Date, to terminate this Agreement. The limitations on Seller's liability or responsibility for Environmental Liabilities under this Section 6.22 are absolute limitations and will control over any other provisions in this Agreement or the Substation Equipment Operating and Dismantling Agreement that are or may be to the contrary including the provisions of Article 8. The Closing Date shall be extended as reasonably necessary to allow for the progression and completion of the procedures set forth in this Section 6.22.

(b) In order to make a claim against Seller pursuant this Section 6.22, Buyer must have completed its environmental testing, including Phase II environmental testing, on each Real Property location and the Power Plant Substation Site and, if so performed, must have submitted the results of such testing to Seller at least thirty (30) days prior to the Closing Date (collectively, "***Buyer's Phase II Environmental Testing***"). If Buyer has not performed such actions within the time periods specified, Buyer shall be deemed to have waived its right to make a claim against Seller under this Section 6.22 with respect to such Real Property location or the Power Plant Substation Site, as applicable.

ARTICLE 7
CONDITIONS PRECEDENT

Section 7.1 Conditions Precedent to Obligations of Buyer.

The obligations of Buyer to purchase the Acquired Assets and to consummate the other transactions contemplated by this Agreement shall be subject to the satisfaction at or prior to the Closing of the following conditions precedent (except to the extent waived in writing by Buyer in its sole discretion):

(a) The representations and warranties of Seller (other than the Seller Fundamental Representations) set forth in Article 4 of this Agreement (without regard to any materiality or Material Adverse Effect qualification) shall be true and correct in all respects on and as of the Date of this Agreement and as of the Closing as though made as of the Closing (except for those representations and warranties that address matters only as of a specified date, the truth and correctness of which shall be determined as of that specified date), except for such failures to be true and correct which would not reasonably be expected to constitute, individually or in the aggregate, a Material Adverse Effect (in determining whether or not a Material Adverse Effect has occurred for purposes of this Section 7.1(a), no matters that have been waived under Section 6.9 shall be taken into account);

(b) The Seller Fundamental Representations (without regard to any Schedule Supplement) shall be true and correct in all respects on and as of the Date of this Agreement and as of the Closing as though made as of the Closing (except for those representations and warranties that address matters only as of a specified date, the truth and correctness which shall be determined as of that specified date);

(c) Buyer shall have received all of Buyer's Required Regulatory Approvals, in form and substance satisfactory to Buyer in its reasonable discretion, and such approvals shall be in full force and effect and either (i) shall be final and non-appealable or (ii) if not final and non-appealable, shall not be subject to the possibility of appeal, review or reconsideration which is reasonably likely to be unsuccessful as to Buyer;

(d) Seller shall have performed and complied in all material respects with the covenants and agreements contained in this Agreement which are required to be performed and complied with by Seller at or prior to the Closing;

(e) Buyer shall have received a certificate from Seller, dated the Closing Date, signed on behalf of Seller by the City Manager, to the effect that, to the Seller's Knowledge, the conditions set forth in Sections 7.1 (a), (b), (c) and (d) have been satisfied;

(f) Seller shall have delivered, or caused to be delivered, to Buyer at the Closing, Seller's closing deliverables described in Section 3.7;

(g) Since the Date of this Agreement, no Material Adverse Effect shall have occurred and be continuing (in determining whether or not a Material Adverse Effect has

occurred for purposes of this Section 7.1(g), no matters that have been waived under Section 6.9 shall be taken into account); and

(h) If Buyer has obtained Title Commitments and surveys for the Acquired Land in Fee and Substation Easement Agreement, the title insurer thereunder being ready, willing and able, at Buyer's cost and expense, to issue (i) title insurance policies, or agreements to issue such policies, in accordance with the Title Commitments, at regular rates, in the amounts identified in the Title Commitments from the title insurer issuing the Title Commitments, insuring that Buyer has good, marketable and insurable title to the Acquired Land in Fee and the right to control, occupy and use the Acquired Land in Fee, free and clear of Encumbrances other than Permitted Encumbrances, (ii) title insurance policies, or agreements to issue such policies, in accordance with the Title Commitments, at regular rates, in the amount identified in the Title Commitments from the title insurer issuing the Title Commitments, insuring that Buyer has good, marketable and insurable leasehold interests in the real property described in the Airport Substation Lease Agreements and good, marketable and insurable easement interest in the real property described in the Substation Easement Agreement, and the right to control, occupy and use such properties, free and clear of Encumbrances other than Permitted Encumbrances, and (iii) Surveys issued to Buyer and the title company secured by Buyer prepared by certified surveyors showing the Acquired Land In Fee and the real property described in the Airport Substation Lease Agreements and Substation Easement Agreement with all physical encumbrances observed and all matters of record that affect the Acquired Land In Fee and the real property described in the Airport Substation Lease Agreements and Substation Easement Agreement, the form and substance of which are satisfactory to Buyer.

Section 7.2 Conditions Precedent to Obligations of Seller.

The obligations of Seller to sell the Acquired Assets and to consummate the other transactions contemplated by this Agreement shall be subject to the satisfaction at or prior to the Closing of the following conditions precedent (except to the extent waived in writing by Seller in its sole discretion):

(a) The representations and warranties (other than the Buyer Fundamental Representations) of Buyer set forth in Article 5 of this Agreement (without regard to any materiality or Material Adverse Effect qualification therein) shall be true and correct in all material respects on and as of the Date of this Agreement and as of the Closing as though made as of the Closing (except for those representations and warranties that address matters only as of a specified date, the truth and correctness of which shall be determined as of that specified date);

(b) The Buyer Fundamental Representations shall be true and correct in all respects on and as of the Date of this Agreement and as of the Closing as though made as of the Closing (except for those representations and warranties that address matters only as of a specified date, the truth and correctness which shall be determined as of that specified date);

(c) Buyer shall have received the FPSC Approval and FERC Approval and neither of such Approvals shall include any terms or conditions that are disadvantageous to Seller in any material respect;

(d) Buyer shall have performed and complied with in all material respects the covenants and agreements contained in this Agreement which are required to be performed and complied with by Buyer at or prior to the Closing;

(e) Seller shall have received a certificate from Buyer, dated the Closing Date, signed by an authorized officer of Buyer, to the effect that, to Buyer's Knowledge, the conditions set forth in Sections 7.2 (a), (b), (c) and (d) have been satisfied; and

(f) Buyer shall have delivered, or caused to be delivered, to Seller at the Closing, Buyer's closing deliverables described in Section 3.8.

Section 7.3 Conditions Precedent to Obligations of Both Parties.

The obligations of Buyer to purchase the Acquired Assets and consummate the other transactions contemplated by this Agreement and of Seller to sell the Acquired Assets and consummate the other transactions contemplated by this Agreement shall be subject to the satisfaction at or prior to the Closing of the following conditions precedent (except to the extent waived in writing by both Parties in their sole discretion):

(a) No preliminary or permanent injunction or other Order by any Governmental Authority other than Seller which restrains or prevents the consummation of the transactions contemplated hereby shall have been issued and remain in effect (each Party agreeing to cooperate to take all Commercially Reasonable efforts that are within its reasonable control to have any such injunction or Order lifted) and no Law shall have been enacted by any Governmental Authority which prohibits the consummation of the transactions contemplated hereby;

(b) The satisfaction, discharge and payment in full of the Electric Utility Bonds will be accomplished at the Closing upon Buyer's payment of the Bond Reliance Consideration in accordance with Section 3.4(d) and all Encumbrances on the Acquired Assets that serve as security with respect to the Electric Utility Bonds, other than Permitted Encumbrances, will be released as a result thereof;

(c) FMPA's delivery of the FMPA Transfer Agreement in consideration of the FMPA Transfer Payment;

(d) OUC's delivery of the OUC Termination Agreement in consideration of receipt of the OUC Termination Payment;

(e) The execution and delivery of the Pole Agreement executed by Buyer, Seller, the School District of Indian River County and Indian River County; and

(f) The Parties are able to conduct an orderly and seamless transition from Seller to Buyer of the information systems, computer applications and processing of data for Buyer to commence conducting the Business of the Vero Beach Electric Utility as of the Closing Date pursuant to Section 6.16.

ARTICLE 8
INDEMNIFICATION AND PAYMENT FOR LOSSES

Section 8.1 Indemnification and Payment for Losses.

(a) Subject to the terms and limitations of this Article 8, from and after the Closing, Buyer shall indemnify, defend and hold harmless Seller and its elected and appointed officials, officers, employees and agents (each, a ***"Seller Indemnitee"***) from and against, and pay, reimburse and compensate each Seller Indemnitee for, any and all Covered Losses to the extent resulting from:

(i) Any breach or inaccuracy of any Buyer Fundamental Representation as of the Date of this Agreement or as of the Closing Date as though such representations or warranties were made on the Closing Date, except those representations and warranties that address matters only as of a specified date, the truth and correctness of which shall be determined as of that specified date;

(ii) any breach by Buyer of any covenant or agreement of Buyer contained in this Agreement which, by its terms, contemplates performance on or after the Closing Date;

(iii) any Assumed Liability;

(iv) any Third Party Claim against a Seller Indemnitee with respect to (A) Buyer's ownership, use or operation of the Acquired Assets or (B) Buyer's ownership, use or operation of the Vero Beach Electric Utility, in each case under clause (A) or (B), on or after the Closing Date (other than any Loss resulting from any Excluded Asset or Excluded Liability);

(v) any contribution or exacerbation by Buyer of any matter for which Seller has responsibility under Section 6.22;

(vi) any demand or Action relating to public assistance funds awarded to Seller relating to any damage caused by any hurricane or other named storm, to the extent such demand or Action relates to the transfer to or use of such funds by or on behalf of Buyer;

(vii) the presence or Release of Hazardous Substances at, on, in, under, or migrating from the Acquired Land in Fee or the real property described in the Airport Property Lease Agreements on or after the Closing Date or the Substation Equipment Operating and Dismantling Agreement, except for Seller's responsibility with respect thereto under the terms of Section 6.22 (as limited by the Aggregate Environmental Cap on Seller's responsibility set forth in Section 6.22(a)); or

(viii) the negligence or intentional misconduct by Buyer or Buyer's Representatives during their due diligence investigations, including the Phase II testing described in Section 6.22 and the activities described in Sections 6.1 and 6.2.

(b) Subject to the terms and limitations of this Article 8 and only to the extent permitted by applicable Law, after the Closing, Seller shall indemnify, defend and hold harmless Buyer and its Affiliates and its and their officers, directors, employees, shareholders and agents (each, a ***"Buyer Indemnitee"***) from and against, and pay, reimburse and compensate each Buyer Indemnitee for, any and all Covered Losses to the extent resulting from:

(i) any breach or inaccuracy of any Seller Fundamental Representation as of the Date of this Agreement or as of the Closing Date as though such representations or warranties were made on the Closing Date, except those representations and warranties that address matters only as of a specified date, the truth and correctness which shall be determined as of that specified date;

(ii) any breach by Seller of any covenant or agreement of Seller contained in this Agreement which, by its terms, contemplates performance on or after the Closing Date;

(iii) any Excluded Asset;

(iv) any Excluded Liability; or

(v) except for limitations on Seller's liability or responsibility under Section 6.22 or elsewhere in this Agreement, any Third Party Claim against a Buyer Indemnitee with respect to (A) Seller's ownership, use or operation of the Acquired Assets, or (B) Seller's ownership, use or operation of the Business of the Vero Beach Electric Utility, in each case under clause (A) or (B), prior to the Closing Date (other than any Loss resulting from any Assumed Liability).

(c) Notwithstanding anything in this Agreement to the contrary:

(i) none of the representations or warranties contained in this Agreement shall survive the Closing; except that the Seller Fundamental Representations and the Buyer Fundamental Representations shall survive the Closing indefinitely;

(ii) none of the covenants (to the extent such covenants relate to the performance of obligations prior to the Closing) contained in this Agreement shall survive the Closing; provided, however, that this Section 8.1(c)(ii) does not limit any covenant hereunder which, by its terms, contemplates performance on or after the Closing Date; and

(iii) the covenants and obligations of the Parties set forth in this Agreement which, by their terms, contemplate performance on or after the Closing Date, shall survive the Closing until the expiration, if any, of such covenants or obligations in accordance with their respective terms.

(d) The expiration or termination of any covenant or agreement in this Agreement pursuant to Section 8.1(c)(iii) shall not affect the Parties' obligations under this Section 8.1 if the Indemnitee provided the Person required to provide indemnification, or payment, reimbursement or compensation for Losses under this Article 8 (the ***"Indemnifying***

Party") with proper notice of the claim or event for which indemnification or payment, reimbursement or compensation for Losses prior to such expiration or termination.

(e) Following the Closing, the rights and remedies of Seller and Buyer under this Article 8 shall be the exclusive remedies with respect to this Agreement except for equitable remedies.

(f) Buyer shall have no rights or remedies against Seller (other than a potential right to terminate under Section 9.1(e)) for any misrepresentation by Seller or a breach of any of Seller's warranties in Article 4 of this Agreement under the terms of Section 9.1(e).

(g) Buyer shall have no rights or remedies against Seller (other than a potential right to terminate under Section 9.1(g) (and, if applicable, Buyer's rights pursuant to Section 9.2(b)) and Section 11.13) for any breach of Seller's covenants which do not survive the Closing, as provided in Section 8.1(c)(ii), under the terms of Section 9.1(g).

(h) Payments by an Indemnifying Party pursuant to Sections 8.1(a) or (b) in respect of any Covered Loss shall be limited to the amount of any Covered Loss that remains after deducting therefrom any insurance proceeds and indemnity, contribution or other similar payment received or reasonably expected to be received by an Indemnitee in respect of such Covered Loss. The Indemnitees shall use their Commercially Reasonable Efforts to recover under insurance policies or indemnity, contribution or other similar agreements for any Covered Losses prior to seeking indemnification or other recovery under Article 8 of this Agreement.

(i) In no event shall any Indemnifying Party be liable to any Seller Indemnitee or Buyer Indemnitee, as the case may be, for any punitive, incidental, consequential, special or indirect damages, including loss of future revenue or income, loss of business reputation or opportunity or diminution of value or any damages based on any type of multiple.

(j) No Losses may be claimed under the terms of Section 8.1(a) or (b) by an Indemnitee to the extent such Losses are included in the calculation of any adjustment to the Purchase Price pursuant to Section 3.3.

(k) Each Indemnified Party shall take, and cause its Affiliates to take, all reasonable steps to mitigate any Covered Loss upon becoming aware of any event or circumstance that would reasonably be expected to, or does, give rise thereto.

Section 8.2 Defense of Claims.

(a) If any Indemnitee has been notified of the assertion of any claim or of the commencement of any Action made or brought by any Person who is not a Party to this Agreement or any Affiliate of a Party to this Agreement or a Representative of any of the foregoing (a ***"Third Party Claim"***), including an information document request, against such Indemnitee with respect to which indemnification is to be sought by such Indemnitee from an Indemnifying Party, the Indemnitee shall give the Indemnifying Party reasonably prompt notice thereof, but in any event such notice shall be given within twenty (20) calendar days after the Indemnitee's having been notified of such Third Party Claim. Such notice shall describe the nature of the Third Party Claim in reasonable detail and shall indicate the estimated amount, to

the extent then known, of the Covered Loss that has been or may be sustained by the Indemnitee. The Indemnifying Party will have the right to participate in or, by giving written notice to the Indemnitee, to assume the defense of any Third Party Claim at such Indemnifying Party's expense and by such Indemnifying Party's own counsel; provided, however, that the counsel for the Indemnifying Party who shall conduct the defense of such Third Party Claim shall be reasonably satisfactory to the Indemnitee. The Indemnitee shall cooperate in good faith in such defense at such Indemnitee's own expense.

(b) (i) If, after an Indemnitee gives notice to the Indemnifying Party of any Third Party Claim, the Indemnitee is given notice by the Indemnifying Party that the Indemnifying Party has elected to assume the defense of such Third Party Claim as provided in Section 8.2(a), (A) the Indemnifying Party will not be liable for any legal expenses subsequently incurred by the Indemnitee in connection with the defense thereof, and (B) subject to Section 8.2(b)(ii), the Indemnifying Party shall have the right to take such action as it deems necessary to avoid, dispute, defend, appeal or make counterclaims pertaining to any such Third Party Claim in the name and on behalf of the Indemnitee. Seller and Buyer shall cooperate with each other in all reasonable respects in connection with the defense of any Third Party Claim.

(ii) Without the prior written consent of the Indemnitee, which consent shall not be unreasonably withheld, conditioned or delayed, the Indemnifying Party shall not enter into any settlement of any Third Party Claim which would result in liability or create any financial or other obligation on the part of the Indemnitee for which the Indemnitee is not entitled to indemnification, or payment, reimbursement or compensation for Losses hereunder. If a firm offer is made to settle a Third Party Claim that would result in a liability or the creation of a financial or other obligation on the part of the Indemnitee for which the Indemnitee is not entitled to indemnification, or payment, reimbursement or compensation for Losses hereunder and the Indemnifying Party desires to accept and agree to such offer, the Indemnifying Party shall give notice to the Indemnitee to that effect. If the Indemnitee fails to consent to such firm offer within twenty (20) calendar days after Indemnifying Party gives such notice to the Indemnitee, the Indemnifying Party, at its election, shall be relieved of its obligations to defend such Third Party Claim and the Indemnitee may contest or defend such Third Party Claim. In such event, the maximum Liability of the Indemnifying Party as to such Third Party Claim will be the amount of such firm offer of settlement. If the Indemnitee has assumed the defense pursuant to Section 8.2(a), it shall not agree to any settlement without the written consent of the Indemnifying Party, which consent shall not be unreasonably withheld, conditioned or delayed.

(c) Any claim by an Indemnitee on account of a Covered Loss which does not result from a Third Party Claim (a ***"Direct Claim"***) shall be asserted by giving the Indemnifying Party reasonably prompt notice thereof, stating the nature of such claim in reasonable detail and indicating the estimated amount, to the extent then known.

(d) A failure to give timely notice as provided in this Section 8.2 shall not affect the rights or obligations of either Party hereunder except to the extent, if any, that the Party which was entitled to receive such notice was actually prejudiced as a result of such failure.

(e) Payment, reimbursement or compensation of a Covered Loss shall be made by the Indemnifying Party within thirty (30) days after a final and non-appealable adjudication of such Indemnifying Party's responsibility for such Covered Loss or such Indemnifying Party's agreement in writing to accept responsibility for such Covered Loss; provided, however, that this Section 8.2(e) shall not be construed to limit or impair the Indemnifying Party's right to dispute its responsibility to indemnify or hold harmless with respect to a Covered Loss, or to assert limitations as to such responsibility, under the terms of this Agreement.

ARTICLE 9
TERMINATION

Section 9.1 Termination.

(a) This Agreement may be terminated at any time prior to the Closing by the mutual written agreement signed by Seller and Buyer.

(b) This Agreement may be terminated by Seller or Buyer, if: (i) any federal or state court of competent jurisdiction shall have issued an Order permanently restraining, enjoining or otherwise prohibiting the Closing, and such Order shall have become final and nonappealable; (ii) any Law shall have been enacted or issued by any Governmental Authority (other than Seller) which, directly or indirectly, prohibits the consummation of the Closing; or (iii) the Closing contemplated hereby shall have not occurred on or before the Termination Date; provided, however, that the right to terminate this Agreement under Section 9.1(b)(iii) shall not be available to either Party whose failure to fulfill any obligation under this Agreement has been the cause of, or resulted in, the failure of the Closing to occur on or before the Termination Date.

(c) This Agreement shall terminate if, on or before the FMPA Agreement Date, Seller and FMPA have not entered into the FMPA Transfer Agreement.

(d) This Agreement shall terminate if, on or before the OUC Termination Agreement Date, Seller and OUC have not entered into the OUC Termination Agreement.

(e) Subject to the limitations on the right to terminate this Agreement in Section 6.9, this Agreement may be terminated by Buyer if there have been one or more misrepresentations by Seller or breaches of warranty by Seller as to any representation or warranty contained in Article 4 hereof and such misrepresentations or breaches (individually or in the aggregate) constitute a Material Adverse Effect and are not cured by the earlier of the Closing Date or ninety (90) days after receipt by Seller (or by Buyer in the case of a Schedule Supplement by Seller pursuant to Section 6.9) of notice specifying particularly such misrepresentations or breaches and the amount of any alleged losses with respect thereto. In determining whether a Material Adverse Effect has occurred for purposes of this Section 9.1(e), any such misrepresentations or breaches of warranty by Seller shall be measured without regard to any Material Adverse Effect qualification in Article 4 or any Schedule Supplement. Notwithstanding the foregoing, if Buyer gives Seller notice of such misrepresentations or

breaches within ninety (90) days before the Termination Date, Seller may elect, by giving notice to Buyer prior to the Closing Date, to extend the Termination Date by up to ninety (90) days if Seller deems such additional time necessary for it to cure such misrepresentations or breaches of warranty. In the event that the ninety (90) day cure period is applicable under this Section 9.1(e), and Seller fails, within such ninety (90) days, to cure the applicable misrepresentation or breach, Buyer must exercise its right, under this Section 9.1(e), to terminate this Agreement by giving to Seller notice of such termination within ten (10) days after the end of the ninety (90) day cure period or such right to terminate will be deemed to have been waived.

(f) This Agreement may be terminated by Seller if there have been one or more material misrepresentations or material breaches of warranty as to any representations or warranties contained in Article 5 of this Agreement and such misrepresentations or breaches are not cured prior to the Closing Date. Notwithstanding the foregoing, if Seller gives Buyer notice of such misrepresentations or breaches within ninety (90) days before the Termination Date, Buyer may elect, by giving notice to Seller prior to the Closing Date, to extend the Termination Date by up to ninety (90) days if Buyer deems such additional time necessary for it to cure such misrepresentations or breaches of warranty.

(g) This Agreement may be terminated by either Party if there have been one or more material breaches by the other Party of any covenant or agreement contained in this Agreement and all of such breaches have not been cured prior to the Closing Date. Notwithstanding the foregoing, if either Party gives the breaching Party notice of any such breaches within ninety (90) days before the Termination Date, the breaching Party may elect, by giving notice to the non-breaching Party prior to the Closing Date, to extend the Termination Date by up to ninety (90) days if the breaching Party deems such additional time necessary for it to cure all of such breaches.

(h) Buyer may terminate this Agreement if permitted under the terms of Section 6.9.

(i) Either Party may terminate this Agreement, if permitted to be terminated by such Party, under the terms of Section 6.11.

(j) Buyer may terminate this Agreement if permitted under the terms of Section 6.12.

(k) Either Party may terminate this Agreement, if permitted to be terminated by such Party, under the terms of Section 6.22.

Section 9.2 Effect of Termination.

(a) In the event of a termination of this Agreement by Seller or Buyer pursuant to Section 9.1 (other than Section 9.1(a)) the terminating Party shall give prompt notice of termination to the other Party, and this Agreement shall thereupon be deemed terminated upon the giving of such notice except as otherwise provided in this Agreement as to the date of termination or deemed termination. If this Agreement is terminated pursuant to Section 9.1 (other than a termination under Section 9.1(e) or (f), or (g) because of a Willful Seller Breach or Willful Buyer Breach, as the case may be), this Agreement shall be null and void and neither

Party shall have any liability or obligation to the other Party under this Agreement (with respect to such misrepresentation or breach, or otherwise) or as a result of the termination of this Agreement; provided, however, that Buyer's obligations pursuant to Section 8.1(a)(vii) shall survive any such termination. If this Agreement is terminated as provided herein, all filings, applications and other submissions made to any Governmental Authority shall, to the extent practicable, be withdrawn from the Governmental Authority to which they were made.

(b) Notwithstanding any provision herein to the contrary, if this Agreement is terminated by Buyer pursuant to Section 9.1(e) or (g) because of an intentional and willful misrepresentation or an intentional and willful breach of warranty by Seller under Article 4, or because of an intentional and willful breach of a covenant or agreement by Seller in this Agreement (any of the foregoing being called a "***Willful Seller Breach***"), then, Seller shall pay to Buyer, by wire transfer of immediately available funds the amount of $5,000,000, which will be the aggregate amount payable by Seller with respect to any and all of such Willful Seller Breaches and will be Buyer's sole and exclusive remedy as a result of a termination of this Agreement by Buyer pursuant to Section 9.1(e) or (g); provided, however, that nothing in this Section 9.2(b) shall limit Buyer's rights under Section 11.13; and provided, further, that Buyer's obligations pursuant to Section 8.1(a)(vii) shall survive any such termination.

(c) Notwithstanding any provision herein to the contrary, if this Agreement is terminated by Seller pursuant to Section 9.1(f) or (g) because of an intentional and willful misrepresentation or an intentional and willful breach of warranty by Buyer under Article 5, or because of an intentional and willful breach of a covenant or agreement by Buyer in this Agreement (any of the foregoing being called a "***Willful Buyer Breach***"), then, Buyer shall pay to Seller, by wire transfer of immediately available funds the amount of $5,000,000, which will be the aggregate amount payable by Buyer with respect to any and all such Willful Buyer Breaches and will be Seller's sole and exclusive remedy as a result of termination of this Agreement by Buyer pursuant to Section 9.1(f) or (g); provided, however, that nothing in this Section 9.2(c) shall limit Seller's rights under Section 11.13; and provided, further, that Buyer's obligations pursuant to Section 8.1(a)(vii) shall survive any such termination.

(d) Seller and Buyer hereby acknowledge and agree that the fixed amounts payable pursuant to Sections 9.2(b) or (c) will be reasonable liquidated damages as a result of a Willful Buyer Breach or Willful Seller Breach, as the case may be. Such amount is agreed by the Parties and fixed hereunder by the Parties as liquidated damages because of the difficulty of ascertaining the exact amount of such Losses that will actually be sustained by the non-breaching Party as a result of the Willful Buyer Breach or Willful Seller Breach, as the case may be, and the Parties hereby agree that the amounts specified in Sections 9.2(b) and (c), respectively, are a reasonable estimate of the non-breaching Party's probable Losses (and not a penalty) and that they shall be applicable regardless of the amount of the Losses that the non-breaching Party actually sustains.

ARTICLE 10
PARTIAL SALE AGREEMENT

Section 10.1 Execution and Delivery.

Contemporaneously with the execution and delivery of this Agreement, Seller and Buyer have executed and delivered to each other an Asset Purchase Agreement with respect to the sale by Seller, and purchase by Buyer, of the assets of that portion of Seller's electric distribution system located in Indian River Shores, Florida (the "**Partial Sale Agreement**").

Section 10.2 Termination of Partial Sale Agreement.

In the event that the Closing occurs under this Agreement, the Partial Sale Agreement will terminate and be deemed null and void.

Section 10.3 Transaction Under Partial Sale Agreement.

In the event that:

(a) the Closing under this Agreement does not occur on or before the Termination Date; or

(b) this Agreement is terminated;

and the termination of this Agreement is not the result of a Willful Buyer Breach or Willful Seller Breach, then the transaction under the Partial Sale Agreement will proceed pursuant to the terms and conditions of the Partial Sale Agreement.

ARTICLE 11
MISCELLANEOUS PROVISIONS

Section 11.1 Amendment and Modification.

This Agreement may not be amended, modified or supplemented, except by written agreement of Seller and Buyer.

Section 11.2 Waiver of Compliance; Consents.

Any term or condition of this Agreement may be waived at any time by the Party that is entitled to the benefit thereof, but no such waiver shall be effective unless set forth in a written instrument duly executed by or on behalf of the Party waiving such term or condition. Except as otherwise provided herein, the failure of a Party to this Agreement to assert any of its rights under this Agreement or otherwise shall not constitute a waiver of such rights. A waiver by a Party of the performance of any covenant, condition, representation or warranty of the other Party shall not invalidate this Agreement, nor shall such waiver be construed as a waiver of any other covenant, condition, representation or warranty. A waiver by a Party of the time for performing any act shall not constitute a waiver of the time for performing any other act or the time for performing an identical act required to be performed at a later time.

Section 11.3 Third Party Beneficiaries.

This Agreement is intended solely for the benefit of the Parties and their respective successors or permitted assigns, and is not intended by the Parties to confer third-party beneficiary rights upon any other Person, including any employee or any beneficiaries or dependents thereof. No provision of this Agreement shall create any third party beneficiary rights in any employee or former employee of Seller (including any beneficiary or dependent thereof) in respect of continued employment or resumed employment, and no provision of this Agreement shall create any rights in any such Persons in respect of any benefits that may be provided, directly or indirectly, under any employee benefit plan or arrangement except as expressly provided for thereunder.

Section 11.4 Notices.

All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally or by overnight courier or sent by registered or certified mail (return receipt requested), postage prepaid, to the recipient Party at its address (or at such other address for a Party, or to the attention of such other individual or office holder, as shall be specified by like notice; provided, however, that any notice of a change of address (or the individual or office holder to whose attention such notice is to be given) shall be effective only upon receipt thereof):

(a) If to Seller, to:

City of Vero Beach
1053 20th Place
Vero Beach, FL 32960
Attention: City Manager

with copies to:

City of Vero Beach
1053 20th Place
Vero Beach, FL 32960
Attention: City Attorney

-and-

Nathaniel L. Doliner, Attorney at Law
Carlton Fields
P.O. Box 3239
Tampa, FL 33601
(if by mail)

-or-

4221 West Boy Scout Boulevard
Tampa, FL 33607
(if by other than mail)

-and-

if to Buyer, to:

Florida Power & Light Company
700 Universe Boulevard EMT/JB
Juno Beach, FL 33408
Attention: EMT Contracts Department

with a copy to:

Florida Power & Light Company
700 Universe Boulevard JB/Law
Juno Beach, FL 33408
Attention: General Counsel

A notice delivered personally or by courier, under the terms of this Section, will be deemed given when received. A notice sent by mail will be deemed given five (5) days after mailing in accordance with this Section.

Section 11.5 Seller Disclosure Schedules.

The Seller Disclosure Schedules shall be arranged in separate parts corresponding to the numbered and lettered sections in Article 4 hereof. The information disclosed in any schedule of the Seller Disclosure Schedules shall be deemed to be a representation of Seller as if set forth in Article 4 hereof. Disclosure of any matter in the Seller Disclosure Schedule shall not constitute an admission or raise any inference that such matter constitutes a violation of Law or an admission of liability or facts supporting liability.

Section 11.6 Assignment.

Neither this Agreement nor any right, interest or obligation hereunder may be assigned or delegated by either Party without the prior written consent of the other Party, except that, from and after the Closing, Buyer may (without the consent of Seller) assign this Agreement or assign or delegate all or any portion of Buyer's rights, interests or obligations hereunder to any Affiliate of Buyer or any Person providing financing to Buyer or any of its Affiliates, but no such assignment shall release Buyer of its obligations under this Agreement. Subject to this Section 11.6, this Agreement is binding upon, inures to the benefit of and is enforceable by the Parties and their respective successors and permitted assigns.

Section 11.7 Governing Law; Venue; and No Jury Trial.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including matters of validity, construction, effect, performance and remedies.

(b) THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS RELATED TO THE SUBJECT MATTER OF THIS AGREEMENT SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT.

(c) EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES HERETO TO ENTER INTO THIS AGREEMENT, AND SHALL SURVIVE THE CLOSING OR TERMINATION OF THIS AGREEMENT.

Section 11.8 Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

Section 11.9 Schedules and Exhibits.

Except as otherwise provided in this Agreement, all Exhibits and Schedules (including Seller Disclosure Schedules) referred to herein are intended to be and hereby are specifically made a part of this Agreement.

Section 11.10 Entire Agreement.

This Agreement and the Ancillary Agreements, including the Exhibits, Schedules, documents, certificates and instruments referred to herein or therein, including the Partial Sale Agreement, embody the entire agreement and understanding of the Parties hereto in respect of the transactions contemplated by this Agreement and shall supersede all previous oral and written agreements and understandings and all contemporaneous oral negotiations, representations, warranties, commitments and understandings including (a) that certain Letter of Intent dated May 16, 2017, between Seller and Buyer, as amended, and (b) all documents or communications, whether oral, written or electronic, submitted or made by (i) Buyer or any of its representatives to Seller or any of its representatives or (ii) Seller or any of its representatives to Buyer or any of its representatives, in connection with the sale process that occurred prior to the execution of this Agreement or otherwise in connection with the negotiation and execution of this Agreement (except for the Contribution Agreement described in this Section above).

Section 11.11 No Joint Venture.

Nothing in this Agreement creates or is intended to create an association, trust, partnership, joint venture or other entity or similar legal relationship between the Parties, or imposes a trust, partnership or fiduciary duty, obligation or liability on or with respect to the Parties.

Section 11.12 Change in Law.

If and to the extent that any Laws (other than Laws of Seller) that govern any aspect of this Agreement shall change, so as to make any aspect of the transaction described in this Agreement unlawful, then the Parties agree to make such modifications to this Agreement as may be reasonably necessary for this Agreement to accommodate any such legal or regulatory changes, without materially changing the overall benefits or consideration expected hereunder by either Party.

Section 11.13 Specific Performance.

Each Party acknowledges and agrees that the other Party would be damaged irreparably in the event any of the provisions of this Agreement are not performed in accordance with their specific terms or otherwise are breached. Accordingly, each Party agrees that the other Party shall be entitled to an injunction or injunctions to prevent breaches of the provisions of this Agreement and to enforce specifically this Agreement and the terms and provisions hereof in addition to any other remedy to which it may be entitled, at law or in equity. For the avoidance of doubt, if a Party seeks and is granted specific performance of the obligations of a breaching Party under this Agreement and the Closing occurs in the manner contemplated by this Agreement, then rather than the non-breaching Party terminating this Agreement under Section 9.2(b) or Section 9.2(c), as the case may be, then the breaching Party shall not be obligated to make the payments contemplated by Sections 9.2(b) or Section 9.2(c), as the case may be.

Section 11.14 Severability.

If any provision of this Agreement is held to be illegal, invalid or unenforceable under any present or future Law, and if the rights or obligations of any Party under this Agreement will not be materially and adversely affected thereby, such provision will be fully severable, this Agreement will be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof, the remaining provisions of this Agreement will remain in full force and effect and will not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement and in lieu of such illegal, invalid or unenforceable provision, Seller and Buyer shall negotiate in good faith to restore insofar as practicable the benefits to each party that were affected by such holding and to include as a part of this Agreement a legal, valid and enforceable provision as similar in terms to such illegal, invalid or unenforceable provision as may be possible.

Section 11.15 Radon Gas.

Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present health risks to persons who are exposed to it over time.

Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

[Signatures appear on the following page]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized officers as of the date first above written.

FLORIDA POWER & LIGHT COMPANY

By: Pamela Rauch

Legal Review Completed

Name: Pamela M. Rauch

Title: Vice President, External Affairs & Economic Development

(Seal)

ATTEST:

Tammy K. Bursick
City Clerk

CITY OF VERO BEACH, FLORIDA

Laura Moss
Mayor

(City Seal)

ADMINISTRATIVE REVIEW
(For Internal Use Only–Sec. 2-77 COVB Code)

Reviewed and approved as to form and legal sufficiency (exclusive of final exhibits, schedules, and attachments):

Wayne R. Coment
City Attorney

Approved as conforming to municipal policy:

James R. O'Connor
City Manager

EXHIBIT A-1

FORM OF ASSIGNMENT AND ASSUMPTION AGREEMENT

ASSIGNMENT AND ASSUMPTION AGREEMENT

THIS ASSIGNMENT AND ASSUMPTION AGREEMENT (the "***Agreement***"), dated as of this _____ day of _____, 201_, is made and entered into by and between the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida ("***Assignor***"), and FLORIDA POWER & LIGHT COMPANY, a corporation organized under the laws of the State of Florida ("***Assignee***"). Assignor and Assignee are referred to herein individually as a ***"Party,"*** and collectively as the ***"Parties."***

W I T N E S S E T H:

WHEREAS, Assignor and Assignee have entered into an Asset Purchase and Sale Agreement, dated as of [___], 201_ (the "***PSA***");

WHEREAS, pursuant to Section 2.3 of the PSA, at the Closing, Buyer is required to execute and deliver this Agreement, pursuant to which Buyer shall assume and agree to pay, perform and discharge when due, all of the Assumed Liabilities, as defined in the PSA.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, the Parties agree as follows:

1. Definitions. All capitalized terms used, but not defined herein, shall have the meanings ascribed to such terms in the PSA.

2. Assignment and Assumption. Subject to the terms and conditions of this Agreement and the PSA, Assignor hereby sells and assigns to Assignee all of Assignor's right, title and interest in and to the Assumed Liabilities, and Assignee hereby assumes and agrees to pay, perform and discharge when due, all of the Assumed Liabilities.

4. Effective Time. This Agreement shall be effective as of the Effective Time.

5. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

6. No Modification. This Agreement is made pursuant to, and is subject to the terms of, the PSA. Notwithstanding anything to the contrary contained in this Agreement, nothing contained herein is intended to or shall be deemed to limit, restrict, modify, alter, amend or otherwise change in any manner the rights and obligations of Assignor or Assignee under the PSA, and in the event of any conflict between the terms and provisions hereof and the terms and provisions of the PSA, the terms and provisions of the PSA shall control. Assignee

acknowledges that Assignor makes no representation or warranty with respect to the Assumed Contracts or Assumed Liabilities except as specifically set forth in the PSA.

7. Section Headings. The descriptive headings herein are inserted for convenience only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

8. Governing Law; Venue; and No Jury Trial.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies.

(b) THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS RELATED TO THE SUBJECT MATTER OF THIS AGREEMENT SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT.

(c) EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES HERETO TO ENTER INTO THIS AGREEMENT, AND SHALL SURVIVE THE CLOSING.

[Signature Page Follows]

The Parties have caused this Agreement to be signed by their respective duly authorized officers as of the day and year first set forth above.

ASSIGNOR:

ATTEST:

CITY OF VERO BEACH, FLORIDA

_____
Name:
City Clerk

_____
Name:
Mayor

(City Seal)

Approved as to form and legal sufficiency:

Approved as conforming to municipal policy:

_____
Name:
City Attorney

_____
Name:
City Manager

ASSIGNEE:

FLORIDA POWER & LIGHT COMPANY

By:_____

Name: _____

Title: _____

[*Signature Page to Assignment and Assumption Agreement*]

Exhibit A-2

Form of Assignment and Assumption of Easements

[*Exhibit begins on the following page.*]

This instrument was prepared by and after recording return to:

Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

ASSIGNMENT AND ASSUMPTION AGREEMENT

This Assignment and Assumption Agreement (this "***Assignment***") is dated as of [_____], 201_, and is made and entered into by and between the **CITY OF VERO BEACH, FLORIDA**, a municipal corporation organized under the laws of the State of Florida ("***Assignor***"), and **FLORIDA POWER & LIGHT COMPANY**, a corporation organized under the laws of the State of Florida ("***Assignee***"). Assignor and Assignee are referred to herein individually as a "***Party***," and collectively as the "***Parties***."

WITNESSETH:

WHEREAS, Assignor and Assignee have entered into an Asset Purchase and Sale Agreement, dated as of [____], 201_ (the "***PSA***"), pursuant to which Assignor has agreed to assign to Assignee all of its right, title and interest in and to the Easements (as such term is defined in the PSA) as may be needed for the provision of electric power, including those described in Schedule 1 attached hereto, and Assignee has agreed to assume all of the obligations of Assignor arising under the Easements assigned to Assignee pursuant to this Assignment arising on and after the Effective Date; and

WHEREAS, some Easements may be used by Assignor for multiple purposes, and Assignor reserves to itself rights, as may be permitted by the Easements, to use the Easements for municipal uses other than the provision of electric power, including, without limitation, water, sewer, and communications; and

WHEREAS, Assignor and Assignee desire to enter into this Assignment to effect such assignment and assumption and to provide notice to third parties of same by recording this Assignment in the Public Records of the counties in which the Easements were recorded.

NOW, THEREFORE, for good and valuable consideration, the receipt and adequacy of which is hereby acknowledged, Assignor and Assignee agree as follows:

1. Definitions. All capitalized terms used, but not defined herein, shall have the meanings ascribed to such terms in the PSA.

2. Acceptance and Assumption. Subject to the terms and conditions of this Assignment and the PSA, Assignor hereby assigns, transfers, sells, conveys and delivers to Assignee all of Assignor's right, title and interest in and to the Easements as may be needed for the provision of electric power, and Assignee hereby assumes, and agrees to pay and perform and discharge when due, all of Assignor's obligations under the Easements arising on and after the Effective Time other than costs associated with Assignor's exercise of its reserved rights as set forth in Section 3 of this Assignment.

3. Reservation of Rights for Municipal Services or Uses. Assignor reserves to itself the rights, as may be permitted by the terms of any of the Easements, to use the Easements for municipal uses other than the provision of electric power, including, without limitation, water, sewer and communications. Assignee acknowledges and agrees to such continuing rights of Assignor to the Easements.

4. Recordation of Assignment. Assignor and Assignee shall take such action as is reasonably necessary to promptly record this Assignment in the Public Records of the counties in the State of Florida where the Easements, or memoranda thereof, have been recorded.

5. Effective Time. This Assignment shall be effective as of the Effective Time.

6. Counterparts. This Assignment may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

7. No Modification. This Assignment is made pursuant to, and is subject to the terms of, the PSA. Notwithstanding anything to the contrary contained in this Assignment, nothing contained herein is intended to or shall be deemed to limit, restrict, modify, alter, amend or otherwise change in any manner the rights and obligations of Assignor or Assignee under the PSA, and in the event of any conflict between the terms and provisions hereof and the terms and provisions of the PSA, the terms and provisions of the PSA shall control. Assignee acknowledges that Assignor makes no representation or warranty with respect to the Easements or Assumed Liabilities except as specifically set forth in the PSA.

8. Section Headings. The descriptive headings herein are inserted for convenience only and are not intended to be part of or to affect the meaning or interpretation of this Assignment.

10. Governing Law; Venue; and No Jury Trial.

(a) This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies.

(b) THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS RELATED TO THE SUBJECT MATTER OF

THIS AGREEMENT SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT.

(c) EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES HERETO TO ENTER INTO THIS AGREEMENT, AND SHALL SURVIVE THE CLOSING.

[Signature Page Follows]

Assignor and Assignee have caused this Assignment to be signed by their respective duly authorized officers as of the day and year first set forth above.

ASSIGNOR:

ATTEST:

CITY OF VERO BEACH, FLORIDA

_____
Name:
City Clerk

_____
Name:
Mayor

(City Seal)

Approved as to form and legal sufficiency:

_____
Name:
City Attorney

Approved as conforming to municipal policy:

_____
Name:
City Manager

WITNESSES:

_____
Print name:_____

_____
Print name:_____

ASSIGNEE:

FLORIDA POWER & LIGHT COMPANY, a Florida corporation

(corp. seal)

By:_____
Name:_____
Title:_____

ASSIGNOR ACKNOWLEDGEMENT

STATE OF FLORIDA)
) SS
COUNTY OF _____)

On this, the ___ day of _____, 201_, before me, a Notary Public in and for the State of Florida, personally appeared _____, who is personally known to me or who provided _____ as identification, and who acknowledged himself/herself to be an authorized representative of the City of Vero Beach, and that he/she, as such representative, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of the City of Vero Beach by himself/herself as such.

Given under my hand and official seal, this ___ day of _____, A.D. 201_.

_____
Notary Public

ASSIGNEE ACKNOWLEDGEMENT

STATE OF FLORIDA)
) SS
COUNTY OF _____)

On this, the ___ day of _____, 201_, before me, a Notary Public in and for the State of Florida, personally appeared _____, who is personally known to me or who provided _____ as identification, and who acknowledged himself/herself to be an authorized officer of Florida Power & Light Company, and that he/she, as such officer, being authorized to do so, executed the foregoing instrument for the purposes therein contained by signing on behalf of the Florida Power & Light Company by himself/herself as such.

Given under my hand and official seal, this ___ day of _____, A.D. 201_.

_____
Notary Public

Schedule 1

[LIST OF EASEMENTS]

EXHIBIT B

FORM OF BILL OF SALE

BILL OF SALE AND ASSIGNMENT

This BILL OF SALE AND ASSIGNMENT (this "***Bill of Sale***") is made this _____ day of _____, 201_, by and between the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida ("***Seller***"), and FLORIDA POWER & LIGHT COMPANY, a corporation organized under the laws of the State of Florida ("***Buyer***"). Seller and Buyer are referred to herein individually as a ***"Party,"*** and collectively as the ***"Parties."***

W I T N E S S E T H:

WHEREAS, Buyer and Seller have entered into an Asset Purchase and Sale Agreement, dated as of [___], 201_ (the "***PSA***"), pursuant to which, upon the terms and subject to the conditions set forth therein, among other things, Seller has agreed to sell, assign, convey, transfer and deliver to Buyer, and Buyer has agreed to purchase and acquire from Seller, the Acquired Assets, as defined in the PSA.

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

1. Definitions. All capitalized terms used, but not defined herein, shall have the meanings ascribed to such terms in the PSA.

2. Sale, Transfer and Assignment. Subject to the terms and conditions of this Bill of Sale and the PSA, Seller does hereby irrevocably and unconditionally sell, assign, transfer and deliver to Buyer all of Seller's right, title and interest in and to the Acquired Assets that constitute personal property, and Buyer hereby accepts such sale, assignment, transfer and delivery.

3. Effective Time. This Bill of Sale shall be effective as of the Effective Time.

4. No Modification. This Bill of Sale is made pursuant to, and is subject to the terms of, the PSA. Notwithstanding anything to the contrary contained in this Bill of Sale, nothing contained herein is intended to or shall be deemed to limit, restrict, modify, alter, amend or otherwise change in any manner any of the representations, warranties, rights or obligations of Seller or Buyer under the PSA, and in the event of any conflict between the terms and provisions hereof and the terms and provisions of the PSA, the terms and provisions of the PSA shall control.

5. Counterparts. This Bill of Sale may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

6. Section Headings. The descriptive headings herein are inserted for convenience only and are not intended to be part of or to affect the meaning or interpretation of this Bill of Sale.

7. Governing Law; Venue; and No Jury Trial.

(a) This Bill of Sale shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies.

(b) THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS RELATED TO THE SUBJECT MATTER OF THIS BILL OF SALE SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT.

(c) EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS BILL OF SALE OR THE TRANSACTIONS CONTEMPLATED HEREBY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES HERETO TO ENTER INTO THIS BILL OF SALE, AND SHALL SURVIVE THE CLOSING.

[Signature Page Follows]

The Parties have caused this Bill of Sale to be signed by their respective duly authorized officers as of the date first above written.

SELLER:

ATTEST:

CITY OF VERO BEACH, FLORIDA

_____
Name:
City Clerk

_____
Name:
Mayor

(City Seal)

Approved as to form and legal sufficiency:

Approved as conforming to municipal policy:

_____
Name:
City Attorney

_____
Name:
City Manager

BUYER:

FLORIDA POWER & LIGHT COMPANY

By: _____

Name: _____

Title: _____

Exhibit C

Form of Special Warranty Deed

[*Exhibit begins on the following page.*]

This Instrument Prepared by and return to:

Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

Substation 3:

Tax Parcel ID Number: 33-39-05-00000-1000-00001.0

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into as of the ____ day of _____, 201__, by CITY OF VERO BEACH, a municipal corporation organized under the laws of the State of Florida (the "Grantor"), whose address 1053 20th Place, Vero Beach, FL 32960, to FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Grantee"), whose address is 700 Universe Boulevard, Juno Beach, FL 33408.

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, all that certain parcel of land lying and being in the County of Indian River, State of Florida, as more particularly on Exhibit "A" attached hereto and made a part hereof (the "Property").

To have and to hold, the same in fee simple forever.

SUBJECT TO: Taxes and assessments for the year ____ and all subsequent years; all applicable governmental, zoning, land use conservation and environmental ordinances, restrictions, and prohibitions and other requirements imposed by governmental authority; and the Permitted Encumbrances described in Exhibit "B" attached hereto and made a part hereof.

And the said Grantor hereby covenants with Grantee that Grantor has good right, full power, and lawful authority to sell and convey said land, and hereby warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever, claiming by, through or under the Grantor, but against no others.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed the day and year first above written.

ATTEST:	**CITY OF VERO BEACH, FLORIDA**
_____	By:_____
Printed Name:_____	Printed Name:_____
Title:_____	Title:_____

STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, who:

☐ are personally known to me, or

☐ have produced _____ as identification.

_____
Notary Public — State of Florida
Printed Name:_____
(Notary Seal) My Commission Expires:_____

Approved as to form and legal sufficiency:

_____
Printed Name:_____
Title:_____

SUBJECT TO REVISION

EXHIBIT "A"

That portion of the Northeast quarter (NE ¼) of the Northeast quarter (NE ¼) of Section 5, Township 33 South, Range 39 East, Indian River County, Florida, being more particularly described as follows:

Beginning at a point that is 30.00 feet South of and 25.00 feet West of the Northeast corner of said Section 5;

Thence South and parallel with the East line of said Section 5 a distance of 235.00 feet;

Thence West and parallel with the North line of said Section 5 a distance of 367.95 feet;

Thence North and parallel with the said East line of Section 5 a distance of 235.00 feet to a point, said point being 30 feet South of, as measured perpendicular to, the said North line of Section 5;

Thence East and parallel with the said North line of Section 5 a distance of 367.95 feet to the POINT OF BEGINNING;

LESS AND EXCEPT:

The East 35.00 feet thereof for additional road right-of-way purposes.

CHICAGO TITLE INSURANCE AGENCY, INC.

-

EXHIBIT "B"

Permitted Encumbrances

[Permitted Encumbrances, as defined in the Asset Purchase and Sale Agreement, will be supplied]

This Instrument Prepared by and return to:

Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

Substation 7

Tax Parcel ID Number 33-39-04-00001-0120-00004.0

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into as of the ____ day of _____, 201__, by CITY OF VERO BEACH, a municipal corporation organized under the laws of the State of Florida (the "Grantor"), whose address 1053 20th Place, Vero Beach, FL 32960, to FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Grantee"), whose address is 700 Universe Boulevard, Juno Beach, FL 33408.

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, all that certain parcel of land lying and being in the County of Indian River, State of Florida, as more particularly on Exhibit "A" attached hereto and made a part hereof (the "Property").

To have and to hold, the same in fee simple forever.

SUBJECT TO: Taxes and assessments for the year ____ and all subsequent years; all applicable governmental, zoning, land use conservation and environmental ordinances, restrictions, and prohibitions and other requirements imposed by governmental authority; and the Permitted Encumbrances described in Exhibit "B" attached hereto and made a part hereof.

And the said Grantor hereby covenants with Grantee that Grantor has good right, full power, and lawful authority to sell and convey said land, and hereby warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever, claiming by, through or under the Grantor, but against no others.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed the day and year first above written.

ATTEST:	**CITY OF VERO BEACH, FLORIDA**
_____	By:_____
Printed Name:_____	Printed Name:_____
Title:_____	Title:_____

STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, who:

☐ are personally known to me, or

☐ have produced _____ as identification.

_____
Notary Public — State of Florida
Printed Name:_____
(Notary Seal) My Commission Expires:_____

Approved as to form and legal sufficiency:

_____
Printed Name:_____
Title:_____

SUBJECT TO REVISION

EXHIBIT "A"

A parcel of land being a portion of Tracts 12 and 13, Section 4, Township 33 South, Range 39 East, Indian River County, Florida, according to the last general plat of lands of the INDIAN RIVER FARMS COMPANY SUBDIVISION, recorded in Plat Book 2, Page 25, of the Public Records of St. Lucie County, Florida, said lands now situate, lying and being in Indian River County, Florida, being more particularly described as follows:

From the Southwest corner of said Tract 12, run East along the South line of said Tract 12 a distance of 30 feet to the East right-of-way of Kings Highway and POINT OF BEGINNING; thence run North on a line parallel to the West line of said Tract 12 a distance of 50 feet; thence run East parallel to the South line of said Tract 12 a distance of 242.05 feet; thence run South on a line parallel to the West line of said Tract 12 and Tract 13, a distance of 199.35 feet to the North right-of-way of the Main Relief Canal; thence run Southwest along said canal right-of-way a distance of 258.70 feet to the East right-of-way of Kings Highway; thence run North along said East right-of-way a distance of 245.45 feet to the POINT OF BEGINNING.

CHICAGO TITLE INSURANCE AGENCY, INC.

EXHIBIT "B"

Permitted Encumbrances

[Permitted Encumbrances, as defined in the Asset Purchase and Sale Agreement, will be supplied]

This Instrument Prepared by and return to:

Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

Substation 8

Tax Parcel ID Number: 33-39-13-00000-5000-0004.0

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into as of the ____ day of _____, 201__, by CITY OF VERO BEACH, a municipal corporation organized under the laws of the State of Florida (the "Grantor"), whose address 1053 20th Place, Vero Beach, FL 32960, to FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Grantee"), whose address is 700 Universe Boulevard, Juno Beach, FL 33408.

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, all that certain parcel of land lying and being in the County of Indian River, State of Florida, as more particularly on Exhibit "A" attached hereto and made a part hereof (the "Property").

To have and to hold, the same in fee simple forever.

SUBJECT TO: Taxes and assessments for the year ____ and all subsequent years; all applicable governmental, zoning, land use conservation and environmental ordinances, restrictions, and prohibitions and other requirements imposed by governmental authority; and the Permitted Encumbrances described in Exhibit "B" attached hereto and made a part hereof.

And the said Grantor hereby covenants with Grantee that Grantor has good right, full power, and lawful authority to sell and convey said land, and hereby warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever, claiming by, through or under the Grantor, but against no others.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed the day and year first above written.

ATTEST:	**CITY OF VERO BEACH, FLORIDA**
_____	By:_____
Printed Name:_____	Printed Name:_____
Title:_____	Title:_____

STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, who:

☐ are personally known to me, or

☐ have produced _____ as identification.

_____
Notary Public — State of Florida
Printed Name:_____
(Notary Seal) My Commission Expires:_____

Approved as to form and legal sufficiency:

_____
Printed Name:_____
Title:_____

SUBJECT TO REVISION

EXHIBIT "A"

Two (2) parcels of land lying in Section 13, Township 33 South, Range 39 East, Indian River County, Florida, being more particularly described as follows:

Parcel 1

Commencing at the Southeast corner of the Southwest quarter of Section 13, Township 33 South, Range 39 East, Indian River County, Florida; run North along the quarter Section line a distance of 399.84 feet to the POINT OF BEGINNING; thence continue North along the quarter Section line a distance of 200.0 feet to a point on the South right-of-way line of the South Relief Canal; thence run Southwesterly along said South right-of-way line a distance of 200.0 feet; thence run South and parallel to the aforesaid quarter Section line a distance of 200.0 feet; thence run Northeasterly and parallel to the aforesaid South right-of-way line a distance of 200.0 feet to the POINT OF BEGINNING.

Parcel 2

Beginning at the intersection of the South right of way of the South Relief Canal with the West line of the Southwest one-quarter of the Southeast one-quarter of Section 13, Township 33 South, Range 39 East, Indian River County, Florida; thence run Northeasterly along said South right of way line a distance of 240.0 feet; thence run South and parallel to said West line of Southwest one-quarter of Southeast one-quarter a distance of 337.0 feet; thence run West a distance of 230.97 feet to a point on the said West line of Southwest one-quarter of Southeast one-quarter; said point lying 271.78 feet South of the point of beginning; thence run North along said West line a distance of 271.78 feet to the POINT OF BEGINNING.

CHICAGO TITLE INSURANCE AGENCY, INC.

EXHIBIT "B"

Permitted Encumbrances

[Permitted Encumbrances, as defined in the Asset Purchase and Sale Agreement, will be supplied]

This instrument Prepared by and return to:

Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

Substation 9

Tax Parcel ID Number 32-40-18-00000-0100-00001.0

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into as of the ____ day of _____, 201__, by CITY OF VERO BEACH, a municipal corporation organized under the laws of the State of Florida (the "Grantor"), whose address 1053 20th Place, Vero Beach, FL 32960, to FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Grantee"), whose address is 700 Universe Boulevard, Juno Beach, FL 33408.

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, all that certain parcel of land lying and being in the County of Indian River, State of Florida, as more particularly on Exhibit "A" attached hereto and made a part hereof (the "Property").

To have and to hold, the same in fee simple forever.

SUBJECT TO: Taxes and assessments for the year ____ and all subsequent years; all applicable governmental, zoning, land use conservation and environmental ordinances, restrictions, and prohibitions and other requirements imposed by governmental authority; and the Permitted Encumbrances described in Exhibit "B" attached hereto and made a part hereof.

And the said Grantor hereby covenants with Grantee that Grantor has good right, full power, and lawful authority to sell and convey said land, and hereby warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever, claiming by, through or under the Grantor, but against no others.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed the day and year first above written.

ATTEST:	**CITY OF VERO BEACH, FLORIDA**
_____	By:_____
Printed Name:_____	Printed Name:_____
Title:_____	Title:_____

STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, who:

☐ are personally known to me, or

☐ have produced _____ as identification.

_____
Notary Public — State of Florida
Printed Name:_____
(Notary Seal) My Commission Expires:_____

Approved as to form and legal sufficiency:

_____
Printed Name:_____
Title:_____

SUBJECT TO REVISION

EXHIBIT "A"

The Southeast one acre of Government Lot 10, Section 18, Township 32 South, Range 40 East, Indian River County, Florida, shown as the Water Plant Site on the Plat of Fred R. Tuerk Drive as filed in Plat Book 7, Page 86, of the Public Records of Indian River County, Florida, LESS AND EXCEPT therefrom that portion thereof conveyed to the Town of Indian River Shores by Quit Claim Deed recorded in Official Records Book 884, Page 2669, of the Public Records of Indian River County, Florida.

EXHIBIT "B"

Permitted Encumbrances

[Permitted Encumbrances, as defined in the Asset Purchase and Sale Agreement, will be supplied]

This Instrument Prepared by and return to:

Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

Substation 10

Tax Parcel ID Number 33-40-05-00008-0001-00000.2
Tax Parcel ID Number 33-40-05-00008-0001-00000.4

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into as of the ____ day of _____, 201__, by CITY OF VERO BEACH, a municipal corporation organized under the laws of the State of Florida (the "Grantor"), whose address 1053 20th Place, Vero Beach, FL 32960, to FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Grantee"), whose address is 700 Universe Boulevard, Juno Beach, FL 33408.

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, all that certain parcel of land lying and being in the County of Indian River, State of Florida, as more particularly on Exhibit "A" attached hereto and made a part hereof (the "Property").

To have and to hold, the same in fee simple forever.

SUBJECT TO: Taxes and assessments for the year ____ and all subsequent years; all applicable governmental, zoning, land use, conservation and environmental ordinances, restrictions, and prohibitions and other requirements imposed by governmental authority; and the Permitted Encumbrances described in Exhibit "B" attached hereto and made a part hereof.

And the said Grantor hereby covenants with Grantee that Grantor has good right, full power, and lawful authority to sell and convey said land, and hereby warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever, claiming by, through or under the Grantor, but against no others.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed the day and year first above written.

ATTEST:	**CITY OF VERO BEACH, FLORIDA**
_____	By:_____
Printed Name:_____	Printed Name:_____
Title:_____	Title:_____

STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, who:

☐ are personally known to me, or

☐ have produced _____ as identification.

_____
Notary Public — State of Florida
Printed Name:_____
(Notary Seal) My Commission Expires:_____

Approved as to form and legal sufficiency:

_____
Printed Name:_____
Title:_____

SUBJECT TO REVISION

EXHIBIT "A"

That portion of Tract A, PELICAN COVE, according to the Plat thereof, as recorded in Plat Book 3, Page 75, of the Public Records of Indian River County, Florida, being more particularly described as follows:

From the Northeast corner of Government Lot 7, Section 5, Township 33 South, Range 40 East, Indian River County, Florida, run Westerly along the North boundary of said Government Lot 7 a distance of 45 feet to the West right-of-way line of Avenue "K", said point being the Northeast corner of said Tract A;

thence run South 0° 4' 32" East along the West right-of-way line of Avenue "K", which said line is also the East boundary line of said Tract A, a distance of 277.76 feet to the POINT OF BEGINNING;

thence continue along the said West right-of-way line of Avenue "K" and the East boundary line of said Tract A in a Southerly direction, a distance of 173.00 feet;

thence run South 89° 56' 28" West, a distance of 140.48 feet to the West boundary line of said Tract A, which is also the East boundary line of State Road A1A;

thence run North 16° 54' 02" West along the Western boundary line of said Tract A, which is also the Easterly right-of-way line of said State Road, a distance of 178.05 feet;

thence run parallel to the North boundary line of said Tract A on a line which bears North 89° 10' 05" East, a distance of 192.37 feet to the POINT OF BEGINNING.

CHICAGO TITLE INSURANCE AGENCY, INC.

EXHIBIT "B"

Permitted Encumbrances

[Permitted Encumbrances, as defined in the Asset Purchase and Sale Agreement, will be supplied]

This Instrument Prepared by and return to:

Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

Substation 11

Tax Parcel ID Number: 33-40-16-00000-0030-00017.0
Tax Parcel ID Number: 33-40-17-00000-0020-00004.0.

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into as of the ____ day of _____, 201__, by CITY OF VERO BEACH, a municipal corporation organized under the laws of the State of Florida (the "Grantor"), whose address 1053 20th Place, Vero Beach, FL 32960, to FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Grantee"), whose address is 700 Universe Boulevard, Juno Beach, FL 33408.

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, all that certain parcel of land lying and being in the County of Indian River, State of Florida, as more particularly on Exhibit "A" attached hereto and made a part hereof (the "Property").

To have and to hold, the same in fee simple forever.

SUBJECT TO: Taxes and assessments for the year ____ and all subsequent years; all applicable governmental, zoning, land use conservation and environmental ordinances, restrictions, and prohibitions and other requirements imposed by governmental authority; and the Permitted Encumbrances described in Exhibit "B" attached hereto and made a part hereof.

And the said Grantor hereby covenants with Grantee that Grantor has good right, full power, and lawful authority to sell and convey said land, and hereby warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever, claiming by, through or under the Grantor, but against no others.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed the day and year first above written.

ATTEST:	**CITY OF VERO BEACH, FLORIDA**
_____	By:_____
Printed Name:_____	Printed Name:_____
Title:_____	Title:_____

STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, who:

☐ are personally known to me, or

☐ have produced _____ as identification.

_____
Notary Public — State of Florida
Printed Name:_____
(Notary Seal) My Commission Expires:_____

Approved as to form and legal sufficiency:

_____
Printed Name:_____
Title:_____

EXHIBIT "A"

SUBJECT TO REVISION

The North one-half (N ½) of Government Lot 3, Section 16, Township 33 South, Range 40 East, Indian River County, Florida, lying West of State Highway A-1-A, less the North 546.245 feet thereof; and the North one-half (N ½) of Government Lot 2, Section 17, Township 33 South, Range 40 East, Indian River County, Florida, less the North 546.245 feet thereof, and also, the South 10 acres of the North 40 acres of Government Lot 2, Section 17, Township 33 South, Range 40 East, Indian River County, Florida.

EXHIBIT "B"

Permitted Encumbrances

[Permitted Encumbrances, as defined in the Asset Purchase and Sale Agreement, will be supplied]

This Instrument Prepared by and return to:
Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

Substation 20

Tax Parcel ID Number (Parcel 1):	**33-40-31-00000-5000-00002.1**
Tax Parcel ID Number (Parcel 2):	**33-40-31-00000-5000-00001.1 and 33-40-31-00000-5000-00002.0**
Tax Parcel ID Number (Parcels 3, 4 and 5):	**33-39-36-00005-0002-00001.0** **33-39-36-00005-0003-00001.00** **33-40-31-00000-5000-00004.1**

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into as of the ____ day of _____, 201__, by CITY OF VERO BEACH, a municipal corporation organized under the laws of the State of Florida (the "Grantor"), whose address 1053 20th Place, Vero Beach, FL 32960, to FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Grantee"), whose address is 700 Universe Boulevard, Juno Beach, FL 33408.

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, all that certain parcel of land lying and being in the County of Indian River, State of Florida, as more particularly on Exhibit "A" attached hereto and made a part hereof (the "Property").

To have and to hold, the same in fee simple forever.

SUBJECT TO: Taxes and assessments for the year ____ and all subsequent years; all applicable governmental, zoning, land use conservation and environmental ordinances, restrictions, and prohibitions and other requirements imposed by governmental authority; and the Permitted Encumbrances described in Exhibit "B" attached hereto and made a part hereof.

And the said Grantor hereby covenants with Grantee that Grantor has good right, full power, and lawful authority to sell and convey said land, and hereby warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever, claiming by, through or under the Grantor, but against no others.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed the day and year first above written.

ATTEST:	**CITY OF VERO BEACH, FLORIDA**
_____	By:_____
Printed Name:_____	Printed Name:_____
Title:_____	Title:_____

STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, who:

☐ are personally known to me, or

☐ have produced _____ as identification.

_____
Notary Public — State of Florida
Printed Name:_____
(Notary Seal) My Commission Expires:_____

Approved as to form and legal sufficiency:

_____
Printed Name:_____
Title:_____

SUBJECT TO REVISION

EXHIBIT "A"

Five (5) parcels of land lying in Section 31, Township 33 South, Range 40 East, Indian River County, Florida, and Section 36, Township 33 South, Range 39 East, Indian River County, Florida, being more particularly described as follows:

Parcel 1

The South 404.00 feet of the Southwest one-quarter (SW ¼) of Section 31, Township 33 South, Range 40 East, Indian River County, Florida, lying East of the East right-of-way line of Lateral "J" Canal, LESS AND EXCEPT therefrom the East 25 feet thereof for road right-of-way purposes.

Parcel 2

Easement for the benefit of Parcel 1 over, under and across the following described parcel of land:

An easement 40 feet in width lying parallel and adjacent to the East right-of-way line of the Lateral "J" Canal extending from the North line of said Southwest one-quarter (SW ¼) South to a point 416.82 feet North of the South line of said Southwest one-quarter (SW ¼) as measured along the said right-of-way line of Lateral "J" Canal in Section 31, Township 33 South, Range 40 East, Indian River County, Florida.

Parcel 3

Tract "B", VERO BEACH HIGHLANDS UNIT FIVE, according to the Plat thereof, as recorded in Plat Book 8, Page 56, of the Public Records of Indian River County, Florida.

Parcel 4

Tract "C", VERO BEACH HIGHLANDS UNIT FIVE, according to the Plat thereof, as recorded in Plat Book 8, Page 56, of the Public Records of Indian River County, Florida.

Parcel 5

The North 25 feet of the South 145 feet of the Southwest one-quarter (SW ¼) of Section 31, Township 33 South, Range 40 East, Indian River County, Florida, lying West of the West right-of-way line of Lateral "J" Canal, LESS AND EXCEPT therefrom the West 40 feet thereof for road right-of-way purposes.

CHICAGO TITLE INSURANCE AGENCY, INC.

EXHIBIT "B"

Permitted Encumbrances

[Permitted Encumbrances, as defined in the Asset Purchase and Sale Agreement, will be supplied]

AND

1. Use limitations and conditions contained in the unrecorded Fort Pierce-Vero Beach Tie –Line Agreement dated May 5, 1992 and amendments thereto, as made subject to in each of the Quit-claim Deeds of on-half interest in the subject property by the City of Vero Beach, Florida, a municipal corporation to the City of Fort Pierce, a municipal corporation, for the use and benefit of he Fort Pierce Utilities Authority, dated March 16, 1994, recorded October 7, 1994, in Official Records Book 1036, page 190, in Official Records Book 1036, Page 192 and in Official Records Book 1036, Page 194, all of te Public Records of Indian River County, Florida.

This Instrument Prepared by and return to:

Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, FL 33408

St. Lucie County Parcels

Tax Parcel ID Number (Parcel 1):	**1406-211-0002-010.4**
Tax Parcel ID Number (Parcel 2):	**1406-211-0001-010.7**
Tax Parcel ID Number (Parcel 3):	**1406-121-0001-000.8**
Tax Parcel ID Number (Parcel 3):	**1406-121-0002-000.5**
Tax Parcel ID Number Parcel 3):	**1406-210-0000-000.4**
Tax Parcel ID Number Parcels A and B):	**1310-412-0002-000.4**

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into as of the ____ day of _____, 201__, by CITY OF VERO BEACH, a municipal corporation organized under the laws of the State of Florida (the "Grantor"), whose address 1053 20th Place, Vero Beach, FL 32960, to FLORIDA POWER & LIGHT COMPANY, a Florida corporation (the "Grantee"), whose address is 700 Universe Boulevard, Juno Beach, FL 33408.

WITNESSETH:

That the Grantor, for and in consideration of the sum of Ten Dollars ($10.00) and other good and valuable consideration, to it in hand paid, the receipt whereof is hereby acknowledged, by these presents does grant, bargain, sell, alien, remise, release, convey and confirm unto the Grantee, its successors and assigns forever, an undivided one half interest in that certain parcel of land lying and being in the County of Indian River, State of Florida, as more particularly on Exhibit "A" attached hereto and made a part hereof (the "Property").

To have and to hold, the same in fee simple forever.

SUBJECT TO: Taxes and assessments for the year ____ and all subsequent years; all applicable governmental, zoning, land use conservation and environmental ordinances, restrictions, and prohibitions and other requirements imposed by governmental authority; and the Permitted Encumbrances described in Exhibit "B" attached hereto and made a part hereof.

And the said Grantor hereby covenants with Grantee that Grantor has good right, full power, and lawful authority to sell and convey said land, and hereby warrants the title to the Property and will defend the same against the lawful claims of all persons whomsoever, claiming by, through or under the Grantor, but against no others.

(SIGNATURE PAGE FOLLOWS)

IN WITNESS WHEREOF, Grantor has executed this Special Warranty Deed the day and year first above written.

ATTEST:	**CITY OF VERO BEACH, FLORIDA**
_____	By:_____
Printed Name:_____	Printed Name:_____
Title:_____	Title:_____

STATE OF FLORIDA)
) ss:
COUNTY OF INDIAN RIVER)

The foregoing instrument was acknowledged before me this ____ day of _____, 20__, by _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, who:

☐ are personally known to me, or

☐ have produced _____ as identification.

_____
Notary Public — State of Florida
Printed Name:_____
(Notary Seal) My Commission Expires:_____

Approved as to form and legal sufficiency:

_____
Printed Name:_____
Title:_____

EXHIBIT "A"

SUBJECT TO REVISION

An undivided one half interest in the following property:

Two (2) parcels of land lying in the North one-half (N ½) of the Southeast one-quarter (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida, more particularly described as follows:

Parcel A

The South 200 feet of the South 863.18 feet of the North (N ½) of the Southeast (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida, LESS the West 60 feet and the East 775 feet thereof.

Parcel B

The West 40 feet of the East 775 feet of the North 460 feet of the South 660 feet of the North (N ½) of the Southeast (SE ¼) in Section 10, Township 34 South, Range 39 East, St. Lucie County, Florida.

AND

An undivided one half interest in the following property:

Three (3) parcels of land lying in Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida, more particularly described as follows:

Parcel 1

The North 60 feet of the West one-half (W ½) of the East two-fifths (E 2/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 19, as shown on Location Map "A" as drawn by McLaughlin Engineering Co., dated April 8, 1966.)

Parcel 2

The North 60 feet of the East one-fifth (E 1/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 20, as shown on Location Map "A" as drawn by McLaughlin Engineering Co., dated April 8, 1966.)

Parcel 3

Easement created by Easement Deed granted by Violet Klatt and Bill R. Winchester, as a majority of the Special Trustees of the Revocable Trust Agreement created by Ernest F. Klatt, also known as Ernest Klatt, dated May 18, 1990, in favor of the City of Vero Beach, a municipal corporation of the State of Florida, said Easement dated March 18, 1993, recorded April 2, 1993, in Official Records Book **834**, Page **2265**, in the Public Records of St. Lucie County, Florida, over, across and upon the following described property situate in the County of St. Lucie, State of Florida and being more particularly bounded and described as follows:

The North 60 feet of the West one-third (W 1/3) of the East three-fifths (E 3/5) of the North one-half (N ½) of the North one-half (N ½) of the Northeast one-quarter (NE ¼) of the Northeast one-quarter (NE ¼) of the Northwest one-quarter (NW ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida. (Also identified as Tract 18, as shown on Location Map "A" as drawn by McLaughlin Engineering Co., dated April 8, 1966.)

AND

The North 35 feet of the West 235 feet of the Northwest one-quarter (NW ¼) of the Northwest one-quarter (NW ¼) of the Northeast one-quarter (NE ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida.

AND

The North 60 feet of the Northwest one-quarter (NW ¼) of the Northwest one-quarter (NW ¼) of the Northeast one-quarter (NE ¼), LESS the West 235 feet thereof, in Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida.

AND

The North 60 feet of the Northeast one-quarter (NE ¼) of Section 6, Township 34 South, Range 40 East, St. Lucie County, Florida, lying West of the West right-of-way line of U.S. Highway No. 1, LESS the Northwest one-quarter NW ¼) of the Northwest one-quarter (NW ¼) of the Northeast one-quarter (NE ¼) thereof in said Section 6.

Subject to the terms, provisions and conditions set forth in said Easement Deed.

CHICAGO TITLE INSURANCE AGENCY, INC.

EXHIBIT "B"

Permitted Encumbrances

[Permitted Encumbrances, as defined in the Asset Purchase and Sale Agreement, will be supplied]

AND

1. Subject to the limitations and conditions contained in that certain unrecorded Fort Pierce – Vero Beach Tie-Line Agreement dated May 5, 1992, as amended, as made subject to in a Quite-Claim Deed of one-half interest in the subject property by the City of Vero Beach, Florida, a municipal corporation to the city of Fort Pierce, a municipal corporation for the use and benefit of Fort Pierce Utilities Authority, dated March 16, 1994, recorded October 5, 1994 in Official Records Book 923, Page 644 of the Public Records of Indian River County, Florida.

EXHIBIT D

OWNER'S AFFIDAVIT

BEFORE ME, the undersigned authority, personally appeared _____, as _____, and attested by _____, as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida, on behalf of said municipal corporation, (the "Seller"), ("Seller" refers to singular or plural as context requires) who, first being duly sworn, deposes and says that, to the actual awareness of the City Manager of the City of Vero Beach without investigation:

A. OWNER'S AFFIDAVIT

1. Seller is the owner of the following described property (the "Property"):

   All those certain parcels of land lying and being in the County of Indian River, State of Florida, as more particularly described on Exhibit "A" attached hereto and made a part hereof (the "Property").

2. There is no outstanding contract for the sale of the property to any person or persons whomsoever, nor any unrecorded deed, mortgage or other conveyances affecting the title to the Property.

3. There are no liens, encumbrances, mortgages, claims, boundary line or other disputes, demands or security interests in, on or against the Property; that there are no unpaid taxes, levies, assessments, paving liens or utility liens against the Property (other than real estate taxes for the current year).

4. There have been no improvements made upon the Property within the past ninety (90) days for which there remain any outstanding and unpaid bills for labor, materials or supplies for which a lien or liens might be claimed by anyone.

5. There are no matters pending against Seller which could give rise to a lien that would attach to the Property during the period of time between the effective date of the title insurance commitment and the time of recording of the instruments evidencing the Buyer's fee simple or other interests in the Property; and that the Seller has not executed and will not execute any instrument that would adversely affect the title to the Property from the date of this Affidavit forward.

6. There are no judgments, claims, disputes, demands or other matters pending against Seller that could attach to the Property.

7. Except as may be described in Chicago Title Insurance Company Commitment No. ____, Seller is in sole constructive or actual possession of the Property and no other person has any right to possession of the Property, or asserts any claim of title or other interests in it.

8. Seller represents there are no violations of governmental laws, regulations or ordinances pertaining to the use of the Property.

Seller states that this instrument is given for the express purpose of inducing CHICAGO TITLE INSURANCE AGENCY, INC. as agent for CHICAGO TITLE INSURANCE COMPANY to insure title to said property and may be relied upon solely by CHICAGO TITLE INSURANCE AGENCY, INC. as agent

OWNER'S AFFIDAVIT - Page 2

for CHICAGO TITLE INSURANCE COMPANY. This Affidavit is made under the full understanding of the law regarding liability for any misrepresentation herein.

OWNER'S AFFIDAVIT - Page 3

Dated this ___day of _____, 2013.

:
ATTEST:

By: _____

Printed Name: _____

Title: _____

CITY OF VERO BEACH, FLORIDA

By: _____

Printed Name: _____

Title: _____

STATE OF FLORIDA)
ss:
COUNTY OF INDIAN RIVER)

Sworn and subscribed before me this ____ day of _____, 2013 by _____,

as _____, and attested by _____,

as _____, of the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized

under the laws of the State of Florida, on behalf of said municipal corporation, who:

are personally known to me, or

have produced _____ as identification.

NOTARY RUBBER STAMP SEAL

_____
Notary Signature

_____
Print Name

Approved as to form and legal sufficiency:

By: _____

Printed Name: _____

Title: _____

113093572.2
113120871.1

EXHIBIT E

Form of Franchise Ordinance

EXHIBIT E

ORDINANCE NO. 2017-_____

AN ORDINANCE OF THE CITY OF VERO BEACH, FLORIDA, GRANTING TO FLORIDA POWER & LIGHT COMPANY AN ELECTRIC UTILITY FRANCHISE WITHIN THE CITY OF VERO BEACH; ESTABLISHING TERMS AND CONDITIONS RELATING THERETO; PROVIDING FOR CONFLICT AND SEVERABILITY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Vero Beach, Florida ("City") owns and operates an electric utility in Indian River County, Florida, and wishes to exit the electric utility business; and

WHEREAS, Florida Power & Light Company ("FPL") is a public utility and desires to purchase and assume from the City, and the City desires to sell and assign to FPL, certain electric utility assets and certain associated liabilities upon the terms and conditions set forth in that certain Asset Purchase and Sale Agreement, dated as of October [_____], 2017, by and between the City, as seller, and FPL, as buyer (the "Agreement"); and

WHEREAS, the City and FPL desire for FPL to provide retail electric service to the City's electric utility customers, commencing on the day that FPL purchases from the City such electric utility assets upon the terms and conditions set forth in the Agreement (the "Closing Date"); and

WHEREAS, in connection with the purchase of such electric utility assets and the assumption of such associated liabilities pursuant to the Agreement, the City and FPL have agreed that, on or prior to the Closing Date, the City will adopt this Franchise Ordinance providing for the payment of fees by FPL to the City effective on and after the Closing Date in exchange for the nonexclusive right and privilege of supplying retail

electricity and providing other retail electric utility-related services incidental thereto, within the City free of competition from the City, pursuant to certain terms and conditions set forth herein;

WHEREAS, the City owns and will own certain streets, avenues, alleys, wharves, bridges, public thoroughfares, public grounds, and rights-of-way within the City municipal incorporated boundaries; and

WHEREAS, the City Council for the City finds that the franchise provided for in this Franchise Ordinance and the provisions thereof are in the public interest and serve a municipal purpose,

NOW, THEREFORE, BE IT ORDAINED AND ENACTED BY THE COUNCIL OF THE CITY OF VERO BEACH, FLORIDA:

Section 1.

The preceding recitals are (i) hereby ratified as true and correct and incorporated herein, and (ii) form the purpose and legislative intent of this Franchise Ordinance.

Section 2.

There is hereby granted to FPL, its successors and assigns (hereinafter called the "Grantee"), for the period of 30 years from the Closing Date (alternatively referred to herein as the "Effective Date"), the nonexclusive right, privilege and franchise (hereinafter called "Franchise") to construct, operate and maintain in, under, upon, along, over and across the present and future roads, streets, alleys, bridges, public easements, rights-of-way and other public places (hereinafter called "public rights-of-way") throughout all of the incorporated areas, as such incorporated areas may be constituted from time to time, of the City and its successors (hereinafter called the

"Grantor"), in accordance with the Grantee's customary practice with respect to construction and maintenance, electric light and power facilities, including, without limitation, conduits, poles, wires, transmission and distribution lines, and all other facilities installed in conjunction with or ancillary to all of the Grantee's operations (herein called "facilities"), for the purpose of supplying electricity and other services to the Grantor and its successors, the inhabitants thereof, any and all other Customers (as defined in the Agreement) and other persons beyond the city limits of the Grantor.

Section 3.

The facilities of the Grantee shall be installed, located or relocated so as to not unreasonably interfere with traffic over the public rights-of-way or with reasonable egress from and ingress to abutting property. To avoid such conflicts, the location or relocation of all facilities shall be made as representatives of the Grantor may prescribe in accordance with the Grantor's reasonable rules and regulations with reference to the placing and maintaining in, under, upon, along, over and across said public rights-of-way; provided, however, that such rules or regulations (a) shall not prohibit the exercise of the Grantee's right to use said public rights-of-way for reasons other than unreasonable interference with motor vehicular traffic; (b) shall not unreasonably interfere with the Grantee's ability to furnish reasonably sufficient, adequate and efficient electric service to all of its customers; and (c) shall not require the relocation of any of the Grantee's facilities installed before or after the Effective Date in public rights-of-way unless or until widening or otherwise changing the configuration of the paved portion of any public right-of-way used by motor vehicles causes such installed facilities to unreasonably interfere with motor vehicular traffic. Such rules and regulations shall recognize that above-grade facilities of the Grantee installed after the Effective Date

should be installed near the outer boundaries of the public rights-of-way to the extent possible. When any portion of a public right-of-way is excavated by the Grantee in the location or relocation of any of its facilities, the portion of the public right-of-way so excavated shall within a reasonable time be replaced by the Grantee at its expense and in as good condition as it was at the time of such excavation. The Grantor shall not be liable to the Grantee for any cost or expense in connection with any relocation of the Grantee's facilities required under subsection (c) of this Section, except, however, the Grantee shall be entitled to reimbursement of its costs from others as may be provided by law.

Section 4.

The Grantor shall in no way be liable or responsible for any accident or damage that may occur in the construction, operation or maintenance by the Grantee of its facilities hereunder, and the acceptance of this Franchise Ordinance shall be deemed an agreement on the part of the Grantee to indemnify the Grantor and hold it harmless against any and all liability, loss, cost, damage or expense, including reasonable attorney and paralegal fees and expert costs, which may accrue to the Grantor or the Grantor may incur by reason of the negligence, default, or misconduct of the Grantee in the construction, operation, or maintenance of its facilities hereunder.

Section 5.

All rates and rules and regulations established by the Grantee from time to time shall be subject to such regulation as may be provided by law.

Section 6.

As a consideration for this Franchise, the Grantee shall pay to the Grantor, commencing 90 days after the Effective Date and each month thereafter for the

remainder of the term of this Franchise (and for two months thereafter due to the lag between collection and payment by Grantee), an amount which added to the amount of all licenses, excises, fees, charges, and other impositions of any kind whatsoever (except ad valorem property taxes and non-ad valorem tax assessments on property), levied or imposed by the Grantor against the Grantee's property, business, or operations and those of its subsidiaries during the Grantee's monthly billing period ending 60 days prior to each such payment, will equal six percent (6%) of the Grantee's billed revenues, less actual write-offs, from the sale of electrical energy to residential, commercial, and industrial customers (as such customers are defined by FPL's tariff) within the incorporated areas of the Grantor for the monthly billing period ending 60 days prior to each such payment, and in no event shall payment for the rights and privileges granted herein exceed six percent (6%) of such revenues for any monthly billing period of the Grantee (such monthly amount, as calculated pursuant to this paragraph, the "Monthly Payment.")

The Grantor understands and agrees that such revenues as described in the preceding paragraph are limited to the precise revenues described therein, and that such revenues do not include, by way of example and not limitation: (a) revenues from the sale of electrical energy for Public Street and Highway Lighting (service for lighting public ways and areas); (b) revenues from Other Sales to Public Authorities (service with eligibility restricted to governmental entities); (c) revenues from Sales to Railroads and Railways (service supplied for propulsion of electric transit vehicles); (d) revenues from Sales for Resale (service to other utilities for resale purposes); (e) franchise fees; (f) Late Payment Charges; (g) Field Collection Charges; (h) other service charges.

If during the term of this Franchise Ordinance the Grantee enters into a franchise with any other municipality or other governmental entity located in Indian River County, Brevard County, or St. Lucie County, the terms of which provide for the payment of franchise fees by the Grantee at a rate greater than 6% of the Grantee's residential, commercial, and industrial revenues under the same terms and conditions as specified in Section 6 hereof, the Grantee, upon written request of the Grantor, shall negotiate and enter into a new franchise with the Grantor in which the percentage to be used in calculating monthly payments under Section 6 utilizing the same terms and conditions as set forth in Section 6 hereof shall be that greater rate provided for such other municipality or other governmental entity within Indian River County, Brevard County, or St. Lucie County; provided, however, that if the franchise with such other municipality or other governmental entity contains additional benefits given to Grantee in exchange for the increased franchise rate, which such additional benefits are not contained in this Franchise Ordinance, such new franchise shall include those additional benefits to the Grantee.

Section 7.

As a further consideration, during the term of this Franchise Ordinance or any extension thereof, the Grantor agrees: (a) not to engage in the distribution and/or sale, in competition with the Grantee, of electric capacity and/or electric energy to any ultimate consumer of electric utility service (herein called a "retail customer") or to any electrical distribution system established solely to serve any retail customer formerly served by the Grantee; (b) not to participate in any proceeding or contractual arrangement, the purpose or terms of which would be to obligate the Grantee to

transmit and/or distribute, electric capacity and/or electric energy from any third party(ies) to any other retail customer's facility(ies); and (c) not to seek to have the Grantee transmit and/or distribute electric capacity and/or electric energy generated by or on behalf of the Grantor at one location to the Grantor's facility(ies) at any other location(s). Nothing specified herein shall prohibit the Grantor from engaging with other utilities or persons in wholesale transactions which are subject to the provisions of the Federal Power Act. Nothing herein shall prohibit the Grantor, if permitted by law, (i) from purchasing electric capacity and/or electric energy from any other person, or (ii) from seeking to have the Grantee transmit and/or distribute to any facility(ies) of the Grantor electric capacity and/or electric energy purchased by the Grantor from any other person; provided, however, that before the Grantor elects to purchase electric capacity and/or electric energy from any other person, the Grantor shall notify the Grantee. Such notice shall include a summary of the specific rates, terms and conditions which have been offered by the other person and identify the Grantor's facilities to be served under the offer. The Grantee shall thereafter have ninety (90) days to evaluate the offer and, if the Grantee offers rates, terms, and conditions which are equal to or better than those offered by the other person, the Grantor shall be obligated to continue to purchase from the Grantee electric capacity and/or electric energy to serve the previously-identified facilities of the Grantor for a term no shorter than that offered by the other person. If the Grantee does not agree to rates, terms and conditions which are equal to or better than the other person's offer, then Grantor may proceed with the other person's offered sale and purchase arrangement and all of the terms and conditions of this Franchise shall remain in effect.

Section 8.

If the Grantor grants a right, privilege or franchise to any other person or otherwise enables any other such person to construct, operate or maintain electric light and power facilities within any part of the incorporated areas of the Grantor in which the Grantee may lawfully serve or compete on terms and conditions which the Grantee determines are more favorable than the terms and conditions contained herein, the Grantee may at any time thereafter terminate this Franchise Ordinance if such terms and conditions are not remedied within the time period provided hereafter. The Grantee shall give the Grantor at least one hundred and fifty (150) days advance written notice of its intent to terminate. Such notice shall, without prejudice to any of the rights reserved for the Grantee herein, advise the Grantor of such terms and conditions that it considers more favorable. The Grantor shall then have one hundred and fifty (150) days in which to correct or otherwise remedy the terms and conditions complained of by the Grantee. If the Grantee determines that such terms or conditions are not remedied by the Grantor within said time period, the Grantee may terminate this Franchise Ordinance by delivering written notice to the Grantor's City Manager and termination shall be effective on the date of delivery of such notice.

Section 9.

If as a direct or indirect consequence of any legislative, regulatory or other action by the United States of America or the State of Florida (or any department, agency, authority, instrumentality or political subdivision of either of them), any person is permitted to provide electric service within the incorporated areas of the Grantor to a customer then being served by the Grantee, or to any new applicant for electric service

within any part of the incorporated areas of the Grantor in which the Grantee may lawfully serve, and the Grantee reasonably determines that its obligations hereunder, or otherwise resulting from this Franchise Ordinance in respect to rates and service, place it at a competitive disadvantage with respect to such other person, the Grantee may, at any time after the taking of such action, terminate this Franchise Ordinance if such competitive disadvantage is not remedied within the time period provided hereafter. The Grantee shall give the Grantor at least one hundred and fifty (150) days advance written notice of its intent to terminate. Such notice shall, without prejudice to any of the rights reserved for the Grantee herein, advise the Grantor of the consequences of such action which resulted in the competitive disadvantage. The Grantor shall then have one hundred and fifty (150) days in which to correct or otherwise remedy the competitive disadvantage. If such competitive disadvantage is not remedied by the Grantor within said time period, the Grantee may terminate this Franchise Ordinance by delivering written notice to the Grantor's City Manager and termination shall take effect on the date of delivery of such notice. Nothing contained herein shall be construed as constraining Grantor's rights to legally challenge Grantee's reasonable determination of competitive disadvantage leading to termination under this section.

Section 10.

Failure on the part of the Grantee to comply in any substantial respect with any of the provisions of this Franchise shall be grounds for forfeiture, but no such forfeiture shall take effect if the reasonableness or propriety thereof is protested by the Grantee until there is a final determination (after the expiration or exhaustion of all rights of appeal) by a court of competent jurisdiction that the Grantee has failed to comply in a

substantial respect with any of the provisions of this Franchise, and the Grantee shall have six months after such final determination to make good the default before a forfeiture shall result, with the right of the Grantor at its discretion to grant such additional time to the Grantee for compliance as necessities in the case require. Such final determination by a court of competent jurisdiction, including any final appellate determination or ruling, shall allow Grantor to proceed with its choice of remedies, provided, however, that the Grantor may, in its discretion, grant such additional time to the Grantee for compliance as the Grantor determines are in the best interests of Grantor and Grantor's citizens. Non substantial or non-material defaults or failures by the Grantee shall be remediable pursuant to any available legal remedies.

Section 11.

Failure on the part of the Grantor to comply in substantial respect with any of the provisions of this Ordinance, including, but not limited to: (a) denying the Grantee use of public rights-of-way for reasons other than unreasonable interference with motor vehicular traffic; (b) imposing conditions for use of public rights-of-way contrary to Florida law or the terms and conditions of this Franchise; (c) unreasonable delay in issuing the Grantee a use permit, if any, to construct its facilities in public rights-of-way, may constitute breach of this Franchise and entitle the Grantee to withhold all or part of the payments provided for in Section 6 hereof until such time as a use permit is issued. However, no such breach shall take effect if the reasonableness or propriety thereof is protested by the Grantor until there is a final determination (after the expiration or exhaustion of all rights of appeal) by a court of competent jurisdiction that the Grantor has failed to comply in a substantial respect with any of the provisions of the Franchise,

and the Grantor shall have thirty (30) days after such final determination to make good the default before a breach shall result, with the right of the Grantee at its discretion to grant such additional time to the Grantor for compliance as necessities in this case require. The Grantor recognizes and agrees that nothing in this Ordinance constitutes or shall be deemed to constitute a waiver of the Grantee's delegated sovereign right of condemnation and that the Grantee, in its sole discretion, may exercise such right.

Section 12.

Upon the Grantor's annexation of any property and appropriate written notice to Grantee, the portion of Grantee's electrical system located within such annexed territory, and in, under, over, and upon the streets, alleys, rights-of-way, or public grounds of such annexed territory, shall be subject to all the terms of this Franchise Ordinance within ninety (90) days of the Grantee's receiving written notice by U.S. certified mail return receipt requested of such annexation from the Grantor, which notice shall include the legal description(s) of the property annexed and the addresses of the individual properties within the annexed property to the extent that information is available to the Grantor.

Section 13 .

The Grantor may, upon reasonable written notice and within ninety (90) days after each anniversary date of this Franchise Ordinance, at the Grantor's expense, examine the records of the Grantee relating to the calculation of the franchise payment for the year preceding such anniversary date. Such examination shall be during normal business hours at the Grantee's office where such records are maintained. Records not prepared by the Grantee in the ordinary course of business may be provided at the

Grantor's expense and as the Grantor and the Grantee may agree in writing. Information identifying the Grantee's customers by name or their electric consumption shall not be taken from the Grantee's premises. Such audit shall be impartial and all audit findings, whether they decrease or increase payment to the Grantor, shall be reported to the Grantee. The Grantor's right to examine the records of the Grantee in accordance with this Section shall not be conducted by any third party employed by the Grantor whose fee, in whole or part, for conducting such audit is contingent on findings of the audit. In the event the audit reveals that an underpayment or overpayment of franchise fees under the terms of this Franchise Ordinance has occurred, Grantor or Grantee, respectively, shall pay the other the amount of the underpayment or overpayment within a reasonable period of time under the circumstances.

Section 14.

If any of the provisions of Sections 2, 3, 4, 6, 7, 8, 9, 10, 11, or 12 are found or adjudged to be invalid, void or of no effect by a court of competent jurisdiction, this Franchise Ordinance shall be null and void and of no force and effect. If any other section, sentence, clause or phrase of this Ordinance is held to be invalid or unconstitutional by any court of competent jurisdiction, said holding in no way shall affect the validity of the remaining portions of this Ordinance.

Section 15.

As used herein "person" means an individual, a partnership, a corporation, a business trust, a joint stock company, a trust, an incorporated association, a joint venture, a governmental authority or any other entity of whatever nature.

Section 16.

In the event any provision of this Franchise Ordinance conflicts or is inconsistent with any provision of the Code of the City or any other Ordinance or resolution of the City, the provisions of this Franchise Ordinance shall apply and supersede on the subject matter of this Franchise Ordinance.

The failure of either party to insist on any one or more instances upon the strict performance of any one or more of the terms or provisions of this Franchise Ordinance shall not be construed as a waiver or relinquishment of that instance or for any instance in the future of any such term or provision, and the same term or provision shall continue in full force and effect. No waiver or relinquishment shall be deemed to have been made by either party unless said waiver or relinquishment is in writing signed by the parties.

In the event that any legal proceeding is brought to enforce the terms of this Franchise Ordinance, the legal proceeding shall be brought in Indian River County, Florida.

Except in exigent circumstances, all notices by either Grantor or Grantee to the other shall be made by either depositing such notice in the United States Mail, Certified Mail return receipt requested. Any notice served by certified mail return receipt requested shall be deemed delivered five (5) days after the date of such deposit in the United States mail unless otherwise provided. All notices shall be addressed as follows:

To Grantor: City Manager;

To Grantee: General Counsel.

Section 17.

This Franchise Ordinance, being of limited scope and applicability, shall not be codified in the Code of the City of Vero Beach.

Section 18.

As a condition precedent to the taking effect of this Ordinance, the Grantee shall file its acceptance hereof with the Grantor's Clerk within 30 days of adoption of this Ordinance. The "Effective Date" of this Ordinance shall be the Closing Date, a condition of which shall be the filing with the Grantor's City Clerk of acceptance of this Ordinance by the Grantee on or before the Closing Date.

****

This Ordinance was read for the first time on the ___ day of _____ 2017, and was advertised on the ___ day of _____ 2017, for a public hearing to be held on the ___ day of 2017, at the conclusion of which hearing it was moved for adoption by Councilmember _____, seconded by Councilmember _____, and adopted by the following vote of the City Council:

ATTEST:

Print Name:
City Clerk

(CITY SEAL)

Approved as to form and
legal sufficiency:

Print name:
City Attorney

CITY OF VERO BEACH, FLORIDA

Print Name:
Mayor

Approved as conforming to
municipal policy:

Print name:
City Manager

EXHIBIT F

Form of Termination of Agreements

EXHIBIT F

FORM OF TERMINATION OF AGREEMENTS

THIS TERMINATION OF AGREEMENTS (this "***Agreement***"), dated as of [___], 201_, is made and entered into by and between the CITY OF VERO BEACH, FLORIDA, a municipal corporation organized under the laws of the State of Florida ("***Seller***"), and FLORIDA POWER & LIGHT COMPANY, a corporation organized under the laws of the State of Florida ("***Buyer***"). Seller and Buyer are referred to herein individually as a "***Party***," and together as the "***Parties***."

W I T N E S S E T H:

WHEREAS, Seller and Buyer have entered into an Asset Purchase and Sale Agreement, dated as of [___], 2017, for the sale and purchase of substantially all of the assets of Seller's electric system (the "***APA***");

WHEREAS, Seller and Buyer have heretofore entered into [(i) that certain Territorial Boundary Agreement, dated June 11, 1980, as amended prior to the date hereof, and (ii) that certain Joint Use Agreement, dated July 5, 1956, as supplemented by that certain Supplemental Joint Use Agreement, dated January 29, 1964, and as the same may have been further amended prior to the date hereof][1] (such agreements and all amendments thereto, collectively the "***Applicable Agreements***");

WHEREAS, pursuant to the terms of the APA, Seller and Buyer are required to terminate the Applicable Agreements; and

WHEREAS, this Agreement effectuates the termination by Seller and Buyer of the Applicable Agreements;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the Parties agree as follows:

1. Definitions. All capitalized terms used, but not defined herein, shall have the meanings ascribed to such terms in the APA.

2. Termination of Applicable Agreements. Provided that the Closing occurs: (a) the Applicable Agreements are each terminated effective as of the Effective Time; (b) as of the Effective Time the Applicable Agreements will be of no further force or effect; and (c) neither of the Parties will have any further rights against, or obligations or liabilities to, the other Party or to any other Person under either of the Applicable Agreements, all of which rights, obligations and liabilities are hereby released and waived by the Parties.

[1] NTD: Subject to confirmation.

4. Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same agreement.

5. Section Headings. The descriptive headings herein are inserted for convenience only and are not intended to be part of or to affect the meaning or interpretation of this Agreement.

6. Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS RELATED TO THE SUBJECT MATTER OF THIS AGREEMENT SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT. EACH OF THE PARTIES IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES TO ENTER INTO THIS AGREEMENT, AND SHALL SURVIVE THE CLOSING.

[Signature Page Follows]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be signed by their respective duly authorized officers as of the day and year first set forth above.

SELLER:

ATTEST:

CITY OF VERO BEACH, FLORIDA

_____

Name:
City Clerk

_____

Name:
Mayor

(City Seal)

Approved as to form and legal sufficiency:

Approved as conforming to municipal policy:

_____

Name:
City Attorney

_____

Name:
City Manager

BUYER:

FLORIDA POWER & LIGHT COMPANY

By: _____

Name: _____

Title: _____

Exhibit I-1A

Form of Airport 5 Substation Lease Agreement and Memorandum of Lease

[*Exhibit begins on the following page.*]

Prepared by and return to:
Nathaniel L. Doliner
Carlton Fields
4221 W. Boy Scout Blvd., Ste. 1000
Tampa, Florida 33607-5780

AIRPORT SUBSTATION 5 LEASE AGREEMENT

THIS AIRPORT SUBSTATION 5 LEASE AGREEMENT (the "**Lease**"), made and entered into as of [_____ __], 201[__] (the "**Effective Date**") is between THE CITY OF VERO BEACH, FLORIDA, a Florida municipal corporation (herein called "**Landlord**"), with an address of 1053 20th Place, Vero Beach, FL 32960, and FLORIDA POWER & LIGHT COMPANY, a Florida corporation (herein called "**Tenant**"), with an address of 700 Universe Boulevard, Juno Beach, FL 33408. Landlord and Tenant are sometimes together referred to herein as the "**Parties**" and individually as a "**Party.**"

RECITALS

A. As of the Effective Date, Landlord has sold, assigned and conveyed certain electric utility assets of Landlord to Tenant, and Tenant has commenced providing retail electric service to the City of Vero Beach's electric utility customers as contemplated under that certain Asset Purchase and Sale Agreement, dated [_____], 201[__], by and between Landlord and Tenant (the "**Asset Purchase and Sale Agreement**"). As used in this Lease, the "**Vero Beach Electric Utility**" means the electric utility system of electricity transmission and distribution owned or operated by Tenant providing retail electric service to the City of Vero Beach's electric utility customers on and after the Effective Date.

B. In order to provide retail electric services to the electric utility customers as contemplated by the Asset Purchase and Sale Agreement, Tenant desires to lease from Landlord, and Landlord desires to lease to Tenant, for use exclusively as an electrical substation, the real property more commonly known as "**Substation #5**" (the "**Substation**") and more particularly described and depicted on attached **Exhibit "A"** made a part hereof, together with all improvements and fixtures located thereon, and all appurtenances pertaining thereto (collectively, the "**Premises**").

C. To provide ingress and egress for the Premises during the Term, as defined below, Landlord desires to provide a temporary non-exclusive access easement (the "**Access Easement**") in favor of Tenant and benefitting the Premises, across property adjacent to the Premises, as legally described and depicted on **Exhibit "B"** attached hereto and made a part hereof (the "**Access Parcel**").

D. It is intended that the Rent provided for in this Lease shall be absolutely net to Landlord throughout the Term, free of any taxes, costs, utilities, insurance expenses, liabilities,

charges or other deductions whatsoever with respect to the Premises and Access Parcel and the operation, maintenance, repair, rebuilding, use or occupation thereof all of which shall be Tenant's sole responsibility during the entire Term.

NOW THEREFORE, in consideration of and subject to the terms, covenants, agreements, provision and limitations set forth in this Lease, Landlord and Tenant agree as follows:

1. Recitals. The above-stated recitals are true and correct and are incorporated herein by this reference.

2. Lease of Premises. Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord. Tenant will rely exclusively upon its own investigation into the title relating to the Premises and the Access Parcel and Landlord makes no warranty of title relating to the Premises or the Access Parcel. Tenant's leasehold and easement interest in the Premises and Access Parcel pursuant to this Lease is made subject to the Permitted Encumbrances (as defined in the Asset Purchase and Sale Agreement).

3. Access to Premises. Landlord grants and conveys to Tenant, its permitted successors and assigns under this Lease, for the duration of the Term, the Access Easement benefitting the Premises and providing ingress and egress to and from the Premises over and across the Access Parcel. This Lease also includes the right, during the Term, as defined below, to use all existing easements and appurtenances, if any, benefitting the Premises and necessary or now used to operate the Substation. Such existing easements benefitting the Premises and the Access Easement granted by this Lease are herein referred to collectively as the "**Easements**".

(a) **Nature of the Easements**. All Easements shall be non-exclusive, appurtenant to the Premises, shall run with the Premises, and shall continue in full force and effect for the Term and any extension or diminution thereof unless a shorter period is provided in any instrument creating any such Easement. Tenant's rights in or to the Easements shall terminate on the Expiration Date, defined below.

(b) **Non-Interference with Easements**. Landlord covenants and agrees not to use the Access Parcel in a way that interferes with Tenant's operation of the Substation.

4. Triple Net Lease. This is a triple net lease and the Rent required to be paid to Landlord pursuant to this Lease shall be completely net rent to Landlord. During the entire Term, Landlord shall have absolutely no cost, obligation, responsibility or liability whatsoever relating to the Premises or the Access Parcel. Without limiting the generality of the foregoing, Landlord shall have no obligations for repairing or maintaining any portion of the Premises or any systems with respect thereto. All Rent shall be paid by Tenant to Landlord without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction whatsoever and Tenant shall pay any and all applicable sales and use tax, local surtaxes, any and all ad valorem taxes on the Premises, and any documentary stamp tax or other taxes on the Rent or the grant of rights described in this Lease.

5. Use. The Premises may be used by Tenant for operation and maintenance of a functioning electrical substation for the distribution of electric power, with related amenities and facilities, in the business of the Vero Beach Electric Utility, and for no other use whatsoever. Tenant covenants that it shall comply with all applicable building, zoning, fire and other governmental laws, ordinances, regulations and rules in its use and operation of the Premises.

6. FAA and FDOT. Tenant acknowledges that the Premises and the Access Parcel are under the regulatory jurisdiction of the Federal Aviation Administration (the "**FAA**") and Florida Department of Transportation (the "**FDOT**"), and this Lease is made expressly subject to the regulatory authority, rules and regulations of the FAA and the FDOT as may be applicable.

7. Term. Unless otherwise provided by this Lease, the term of this Lease shall be for a period of thirty (30) years beginning on the Effective Date (the "**Initial Term**") and can be extended by Tenant at Tenant's sole option for up to two (2) additional terms of ten (10) years each (each, an "**Extended Term**") provided that Tenant shall deliver to Landlord notice of Tenant's intent to extend the Term of this Lease not less than thirty (30) days prior to the expiration the then-current Initial Term or Extended Term, as the case may be. The Initial Term and each Extended Term, if Tenant exercises its option, under the terms of this Lease, as to one or both of the Extended Terms, shall be collectively referred to herein as the "**Term**." For purposes of this Lease, the term "**Lease Year**" shall mean: (a) that period, during the Term, commencing upon the Effective Date and continuing until and including the last day of the month of the twelfth (12th) full month following the Effective Date; (b) each such successive twelve (12) month period during the Term; and (c) in the event that this Lease terminates prior to the end of a Lease Year, that period commencing on the first date of such Lease Year and ending on the date of termination of this Lease. The expiration date of the Term (the "**Expiration Date**") shall be the last day of the 30th Lease Year, the last day of the 40th Lease Year or the last day of the 50th Lease Year, whichever shall be applicable depending on whether Tenant shall exercise any option as to the first or both Extended Terms. Notwithstanding the foregoing, at any time during the Term, Tenant may terminate this Lease at its sole option provided that: (i) Tenant shall deliver to Landlord notice of Tenant's intent to terminate (the "**Termination Notice**") not less than thirty (30) days prior to the date of termination, and (ii) contemporaneously with the Termination Notice, Tenant shall deliver to Landlord a termination fee, together with all applicable taxes, in an amount equal to three (3) times the annual Rent then due pursuant to this Lease.

8. Rent. The rent (the **"Rent"**) to be paid under this Lease shall be paid in the amounts as set forth below, plus any and all applicable sales and use tax, local surtaxes, and any documentary stamp tax or other taxes on the Rent, or rights granted to Tenant by this Lease, and shall be paid to Landlord in advance without demand or offset:

(a) **Rent During Initial Term**. Rent during the Initial Term shall be in an amount approved by the FAA and equal to the fair market rental value of the Premises and Access Parcel as determined by an appraiser selected by Landlord, with the cost of such appraisal split equally by the Parties, and with such appraisal being performed no more than six (6) months prior to the Effective Date. The Rent shall be paid in thirty (30) equal annual installments of [_____ ($_____)] commencing on the Effective Date and continuing on each subsequent anniversary date of the Effective Date for each of the subsequent Lease Years of

the Initial Term thereafter. Beginning on October 1st of the second Lease Year, and annually on each October 1st thereafter, including any Extended Term pursuant to an option to renew or extend the Term, if any, exercised by Tenant under this Lease, the Rent shall be adjusted and increased in accordance with any increase in the annual percentage change for the prior year in the index known on the Effective Date as the "United States Bureau of Labor Statistics Consumer Price Index ("**CPI**") for All Urban Consumers," using the July to July report. If the CPI ceases to be published, Landlord shall select an alternative index measuring price increases in its reasonable discretion. In no event shall the Rent decline due to any change in the CPI, and in the event of a decline in the CPI for any applicable annual period, there will be no adjustment to the Rent for that Lease Year.

9. Representations and Warranties.

(a) Landlord represents and warrants to Tenant as follows:

(i) Landlord has full power and authority to enter into this Lease.

(ii) The person executing and delivering this Lease on Landlord's behalf is acting pursuant to proper authorization and this Lease is the valid, binding and enforceable obligation of Landlord enforceable against Landlord in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

(b) Tenant represents and warrants to Landlord as follows:

(i) Tenant is a corporation duly incorporated, validly existing and having active status under the laws of the State of Florida, with the necessary corporate power and authority to enter into this Lease.

(ii) The person executing and delivering this Lease on Tenant's behalf is acting pursuant to proper authorization, and this Lease is the valid, binding and enforceable obligation of Tenant enforceable against Tenant in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

10. Hazardous Materials and Pre-Existing Conditions.

(a) For purposes of this Lease:

(i) "***Environmental Claim***" means any and all communications, whether written or oral, alleging potential Liability, administrative or judicial actions,

suits, orders, liens, notices alleging Liability, notices of violation, investigations which have been disclosed to Landlord, complaints, requests for information relating to the Release or threatened Release into the Environment of Hazardous Substances, proceedings, or other communication, whether criminal or civil, pursuant to or relating to any applicable Environmental Law, by any person (including any governmental authority) based upon, alleging, asserting, or claiming any actual or potential (i) violation of, or Liability under any Environmental Law, (ii) violation of any Environmental Permit, or (iii) Liability for investigatory costs, cleanup costs, removal costs, remedial costs, response costs, monitoring costs, natural resource damages, property damage, personal injury, fines, or penalties arising out of, based on, resulting from, or related to the presence, Release, or threatened Release into the environment of any Hazardous Substances at the Premises or Access Parcel including any off-Site location to which Hazardous Substances, or materials containing Hazardous Substances, were sent.

(ii) "***Environmental Laws***" means all Laws regarding pollution or protection of the Environment, the conservation and management of land, natural resources and wildlife or human health and safety or the Occupational Safety and Health Act (only as it relates to Hazardous Substances), including Laws regarding Releases or threatened Releases of Hazardous Substances (including Releases to ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, Release, transport, disposal or handling of Hazardous Substances, including the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§ 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.), the Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. §§ 2601 et seq.), the Oil Pollution Act (33 U.S.C. §§ 2701 et seq.), the Emergency Planning and Community Right-to-Know Act (42 U.S.C. §§ 11001 et seq.), and all other Laws analogous to any of the above.

(iii) "***Environmental Permit***" means any Permit under or in connection with any Environmental Law, including any and all orders, consent orders or binding agreements issued or entered into by a governmental authority under any applicable Environmental Law, that is used in, or necessary for, (i) the business of the Vero Beach Electric Utility, or (ii) the ownership, use or operation of the Premises, in each case under clause (i) or (ii), as conducted prior to the Effective Date.

(iv) "***Hazardous Substances***" means: (i) any petroleum, asbestos, asbestos-containing material, and urea formaldehyde foam insulation and transformers or other equipment that contains polychlorinated biphenyls; (ii) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous

substances," "toxic substances," "contaminants," "pollutants," "toxic pollutants," "hazardous air pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law; and (iii) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

(v) "***Liability***" means any direct or indirect liability, commitment, indebtedness or obligation (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or un-accrued, whether liquidated or un-liquidated, and whether due or to become due) of any kind, character or nature, or any demand, claim or action asserted or brought against the relevant Party.

(vi) ***"Law"*** means any foreign, federal, state or local law, constitutional provision, statute, charter, ordinance or other law, rule, regulation, code (including any zoning code, fire code or health and safety code), or interpretation of any governmental authority or any order of or by any governmental authority, including all Environmental Laws, requirements and regulations, applicable to the Premises or the Vero Beach Electric Utility.

(vii) "***Loss***" or "***Losses***" means any and all damages, fines, fees, penalties, deficiencies, losses, Liabilities, interest, awards, judgments, actions and expenses (whether or not involving a third party claim), including all remediation costs, reasonable fees of attorneys, accountants and other experts, or other expenses of litigation or proceedings or of any claim, default or assessment relating to the foregoing.

(viii) "***Release***" means any actual, threatened or alleged spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dumping or disposing of a Hazardous Substance into the environment or within any building, structure, facility or fixture.

(ix) "***Remediation***" means any action of any kind required by applicable Law to address the presence or Release of Hazardous Substances, including: (i) monitoring, investigation, assessment, treatment, cleanup containment, removal, mitigation, response or restoration work, as well as obtaining any permits necessary to conduct any such activity; (ii) preparing and implementing any plans or studies for any such activity; and (iii) obtaining a written notice from a governmental authority with competent jurisdiction under Environmental Laws, that no material additional work is required.

(b) As may be more fully described in the Asset Purchase and Sale Agreement and this Lease, except to the extent exacerbated or contributed to by Tenant, Landlord agrees to be responsible for any and all Losses of Tenant, and pay and perform when due any and all Liabilities of Tenant:

(i) under Environmental Laws, Environmental Permits or Environmental Claims with respect to the Premises arising from any event, condition, circumstance, act or omission that occurred prior to the Effective Date; or

(ii) arising from the presence of Hazardous Substances that originated on the Premises prior to the Effective Date or the Release of Hazardous Substances at, on, in, under, or migrating from the Premises prior to the Effective Date (such Losses or Liabilities under this Section 10(b)(i) or Section 10(b)(ii) hereof, the "**Environmental Liabilities**");

Provided, however, that as an absolute condition to such responsibility, Tenant must give to Landlord notice (the "**Environmental Notice**") of any claim of Environmental Liabilities no later than thirty (30) days prior to the anticipated Effective Date and, solely with respect to any Environmental Liability which Tenant demonstrates occurred subsequent to Tenant's Phase II environmental testing described below, Tenant must give the Environmental Notice prior to the Effective Date, which Environmental Notice, in either case, must contain the estimated total amount of the Environmental Liabilities and a summary of facts then known to Tenant that support such claim; and provided, further, that in no event shall Landlord be liable or responsible for any Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate, from all sources as described in the Asset Purchase and Sale Agreement, (the "**Aggregate Environmental Cap**"). Tenant hereby releases Landlord from, and Landlord shall not be liable or responsible for, any and all Environmental Liabilities as to which Tenant does not give Landlord the Environmental Notice or Environmental Notices prior to the time required in the immediately preceding sentence. Tenant also hereby releases Landlord from, and Landlord shall not be responsible for, any and all Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate from all sources as described in the Asset Purchase and Sale Agreement. The limitations on Landlord's liability or responsibility for Environmental Liabilities under this Section 10 are absolute limitations and will control over any other provisions in this Lease or other agreements between the Parties that are or may be to the contrary.

(c) In order to make a claim against Landlord pursuant to Section 10 (b) above, Tenant must have completed its environmental testing, including Phase II environmental testing, on the Premises and, if so performed, must have submitted the results of such testing to Landlord at least thirty (30) days prior to the Effective Date (collectively, "**Tenant's Phase II Environmental Testing**"). If Tenant has not performed such actions by the within the time periods specified, Tenant shall be deemed to have waived its right to make a claim against Landlord under Section 10 (b) above with respect to the Premises.

(d) Tenant shall not cause or permit the Release in any manner of any Hazardous Substances upon the Premises, the Access Parcel or upon adjacent lands, which violates any Environmental Laws. Tenant shall give prompt notice to Landlord of any Release of a Hazardous Substance in violation of Environmental Laws, whether caused by Tenant or, to the knowledge of Tenant, any third party.

(e) To evidence any changes to the environmental condition of the Premises at the expiration or termination of this Lease, Tenant shall perform an environmental assessment, including soils and groundwater sampling, of the Premises (the **"Closure Environmental Assessment")** as close in time as practical to the Expiration Date or the earlier termination of this Lease, at its expense and provide a copy thereof to Landlord as soon as practical. Tenant's obligation to provide the Closure Environmental Assessment shall survive the expiration or termination of this Lease.

(f) Except to the extent of Landlord's responsibility as described in Section 10 (b) above, Tenant shall be responsible, at Tenant's sole cost and expense, for commencing and thereafter performing, or causing to be performed, any and all assessments, Remediation, cleanup and monitoring of all Hazardous Substances existing or Released on, in, under, from or related to the Premises during the Term in violation of Environmental Laws; provided, however, that the foregoing shall not in any way limit or expand any liability, obligations or rights of Tenant or Landlord, to the extent expressly provided in the Agreement for Sale and Purchase. In the event any Remediation is required in the previous sentence, Tenant shall furnish to Landlord, within a reasonable period of time, written proof from the appropriate local, state or federal agency with jurisdiction over the Remediation that the Remediation has been satisfactorily completed in full compliance with all Environmental Laws. Tenant's obligation to provide Remediation as required by this Section 10 shall survive the expiration or termination of this Lease.

(g) Tenant shall indemnify, defend and hold harmless Landlord from and against, and pay, reimburse and fully compensate as the primary obligor Landlord for, any and all claims, suits, judgments, loss, damage, and liability which may be incurred by Landlord including, without limitation, Landlord's reasonable attorney's fees and costs, arising in any way from Hazardous Substances existing or Released on, in, under, from the Premises by Tenant, its employees, agents or contractors, or related to Tenant's use of the Premises or the Access Parcel during the Term in violation of Environmental Laws, or any violation of the Environmental Laws, by Tenant, its agents, licensees, invitees, subcontractors or employees on, in, under or related to the Premises or the Access Parcel during the Term. This responsibility shall continue to be in effect for any such Release or presence of Hazardous Substances as to which Landlord gives notice to Tenant on or before the fifth (5^{th}) anniversary of the Expiration Date. Tenant's obligation to provide the indemnity, defense and hold harmless required by this Lease shall survive the expiration or termination of this Lease.

(h) With respect to Remediation of any Releases at the Premises or migrating from the Premises, Tenant will remediate such Release, including any Baseline Recognized Environmental Conditions or Hazardous Substances migrating from the Premises (such Baseline Recognized Environmental Conditions and Hazardous Substances migrating from onto the Premises (but excluding any impacts to extent of any contribution or exacerbation by Tenant), the **"Landlord Responsible Environmental Conditions"**) as required by the Florida Department of Environmental Protection or Environmental Protection Agency, subject the following conditions:

(i) Unless otherwise agreed by the Parties, Tenant will remediate a Release to the least stringent standard permitted by the Florida Department of

Environmental Protection and Environmental Protection Agency, as applicable, and obtain a final non-appealable agency action approving such remediation, if applicable (such remediation standard, the **"Minimum Required Standard"**). The Landlord may direct Tenant to remediate to a higher (cleaner) standard in which case the incremental cost (the **"Incremental Cost"**) will be the Landlord's responsibility.

(ii) If the cost of remediating any Landlord Responsible Environmental Conditions to the Minimum Required Standard, or such higher standard as may be requested or required by the Landlord, will exceed $50,000 as reasonably estimated by Tenant based on reasonable bids from a third party contractor in accordance with Tenant's standard procurement practices, the total cost of remediating the Landlord Responsible Environmental Condition will be the responsibility of Landlord; subject to the limitation set forth in Section 10 (b) above.

(iii) If the Florida Department of Environmental Protection or Environmental Protection Agency requires remediation or other actions (e.g., monitoring), Tenant has the sole right to direct such Remediation activities regardless of the estimated cost and the Landlord shall be responsible for the costs associated with Remediating the Landlord Responsible Environmental Conditions, subject to the limitation set forth in Section 10 (b) above.

(iv) With respect to the Landlord's payment obligations set forth in Section 8 (h)(ii)-(iii), the Landlord shall reimburse Tenant within fifteen (15) calendar days of Tenant's providing to the Landlord an invoice for the costs incurred by Tenant along with copies of the underlying invoices from the contractors who performed the work. Notwithstanding anything herein to the contrary, in no event shall the Landlord shall be responsible for the costs to remediate Landlord Responsible Environmental Conditions in excess of the Aggregate Environmental Cap as defined in Section 6.22 of the Asset Purchase and Sale Agreement and Section 8 (b) above except for Incremental Costs that exceed the Aggregate Environmental Cap.

11. Non-interference. Landlord covenants and agrees not to use or construct any improvements on, under or over the Premises.

12. Assumption of Risk; Indemnification. Tenant agrees as follows:

(a) Tenant will rely exclusively upon its own investigation into the title relating to the Premises and the Access Parcel and Landlord makes no warranty of title relating to the Premises or the Access Parcel. Tenant's leasehold and easement interest in the Premises and Access Parcel pursuant to this Lease is made subject to the Permitted Encumbrances (as defined in the Asset Purchase and Sale Agreement).

(b) Except as specifically provided in this Lease, Tenant acknowledges and agrees that Landlord has not made, does not make and specifically negates and disclaims any

representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future of, as to, concerning or with respect to the Premises and Access Parcel and that the rights granted with respect to the Premises provided for in this Lease are made on an "as is" condition and basis and with all faults. Without in any way limiting the generality of the foregoing, the grant of easement rights contemplated hereby is without any warranty other than Landlord's express representations and warranties in this Lease; and Landlord and Landlord's elected and appointed officials, officers, directors, employees, and affiliates (collectively the "**Landlord's Related Parties**") have made no, and expressly and specifically disclaim, and Tenant accepts that Landlord and the Landlord's Related Parties have disclaimed, any and all representations, guaranties or warranties, express or implied, or arising by operation of law (except for the representations and warranties, if any, expressly made by Landlord in this Lease), of or relating to: (i) the use, expenses, operation, characteristics or condition of the Premises and Access Parcel, or any portion thereof, including, without limitation, warranties of suitability, habitability, merchantability, design or fitness for any specific or particular purpose, or good and workmanlike construction; (ii) the environmental condition of the Premises or Access Parcel, or contamination by hazardous materials, or the compliance of any portion of the Premises or Access Parcel with any or all Environmental Laws; or (iii) the soil conditions, drainage, flooding characteristics, accessibility or other conditions existing in, on or under any portion of the Premises or Access Parcel. Tenant acknowledges and agrees that it is not relying on any representations or statements (oral or written) which may have been made or may be made by Landlord or any of the Landlord's Related Parties (except for Landlord's representations and warranties expressly set forth in this Lease), and is relying solely upon Tenant's or Tenant's representatives' own physical inspection of the Premises and Access Parcel and other investigations by Tenant or Tenant's representatives. Tenant acknowledges that any condition of the Premises or Access Parcel, whether apparent or latent, which Tenant discovers or desires to correct or improve on or after the Effective Date shall be subject to Landlord's review and approval rights, as set forth in this Lease, and shall be at Tenant's sole expense.

(c) Tenant recognizes and hereby expressly and fully assumes all risks, known and unknown, that arise or might arise incidental to or in any way connected with the condition or use of the Premises or access to the Premises. This assumption of risk by Tenant is made for and on behalf of Tenant and Tenant's successors, and permitted assigns.

(d) Tenant agrees to indemnify, defend and hold harmless Landlord and Landlord's Related Parties against any and all claims, including costs and expenses, of any kind or nature, including, without limitation, costs of investigation, attorneys' fees, paralegal fees, experts' fees and costs through regulatory proceedings, trial and review or appeal, including but not limited to claims for personal injury, death of persons and property damage, or other liability to the extent arising from Tenant's use, improvement, operation, condition or maintenance of the Substation or the Premises, provided however that this indemnity shall not apply to the negligence or willful misconduct of the Landlord and/or the Landlord's Related Parties as determined by a court of competent jurisdiction.

(e) Tenant's obligations under this Section 12 shall survive the termination of this Lease.

13. Construction, Mechanics and Materialmen's Liens; Notice of Work. Tenant will make no alteration, change, improvement or addition to the landscaping or exterior of the Premises without the prior written consent of Landlord which will not be unreasonably withheld, conditioned or delayed. Tenant will be responsible for payment of any and all work performed on Tenant's behalf on the Premises and Access Parcel. In no event will Landlord be responsible for payment of any work relating to the Premises nor will the Premises or Access Parcel, or any interest therein, be subject to any lien for payment of any construction or similar work performed by or for Tenant on or for the Premises or Access Parcel. Further, Tenant shall promptly notify the contractor performing any such work or alterations on the Premises or Access Parcel at Tenant's request or making such improvements to the Premises or Access Parcel at Tenant's request of this provision exculpating Landlord of responsibility for payment and liens. Notwithstanding the foregoing, if any mechanic's lien or other lien, attachment, judgment, execution, writ, charge or encumbrance is filed or recorded against any portion of the Premises or Access Parcel as a result of any work performed on or materials delivered to the Premises or Access Parcel at Tenant's direction, Tenant shall, within sixty (60) days following written notice of any such lien, cause same to be paid, discharged or otherwise removed of record. In the event that Tenant fails to remove any such mechanics or materialmen's lien relating to Tenant's work at the Premises or Access Parcel, the Landlord may cause such lien to be removed and Tenant shall reimburse Landlord for all reasonable costs and expenses, including attorney's or paralegal fees incurred by Landlord within forty-five (45) days following receipt of Landlord's written invoice and supporting documentation.

14. Insurance. Landlord understands that Tenant self-insures, and that prior to accessing the Premises or Access Parcel, Tenant will provide Landlord with a letter of such self-insurance. In the event that Tenant ceases to self-insure, then, during the Term of this Lease, and thereafter so long as Tenant operates, uses or maintains any portion of the Substation:

(a) Tenant shall procure and maintain, at Tenant's sole cost and expense, commercial general liability insurance providing coverage which protects Tenant and Landlord and the Landlord's Related Parties from and against any and all claims and liabilities for bodily injury, death and property damage arising from operations, premises liability, fire with respect to the Substation. Such insurance shall provide minimum coverage of $1,000,000.00 per occurrence and $2,000,000.00 aggregate. Tenant shall be and remain liable for and pay all deductibles and other amounts not covered, paid or reimbursed under the insurance policies.

(b) Tenant shall procure and maintain, at Tenant's sole cost and expense, workers' compensation insurance as required by applicable law, and employers' liability insurance, with coverage amounts with a limit of (i) One Million Dollars ($1,000,000) for bodily injury per accident, (ii) One Million Dollars ($1,000,000) for bodily injury by disease per policy and (iii) One Million Dollars ($1,000,000) for bodily injury by disease per employee.

(c) The certificate of insurance required herein for commercial general liability insurance, including, without limitation, all renewals, shall include a blanket additional insured endorsement and provide for at least thirty (30) days advance notice to Landlord of any non-renewal or cancellation. Tenant shall provide Landlord with a copy of certificates of insurance stating that the coverage as required herein is in full force and effect no later than the Effective

Date. Tenant shall cause certificates of insurance or a self-insured letter in conformance with the requirements hereof to be promptly provided to Landlord for each subsequent policy renewal.

(d) Tenant's insurance in all instances shall be primary and any insurance that may be maintained by Landlord shall be in excess of and shall not contribute with Tenant's insurance. All insurance policies shall be issued by a company or companies licensed to do business in the State of Florida.

(e) Landlord shall have the right to periodically review the adequacy of the required insurance, its forms and types, the amounts of coverage and, notwithstanding any other provision of this Lease, unilaterally modify the insurance requirements of this Section 12 by giving notice of such modification to Tenant. Such modification shall be as found reasonably necessary in the sole discretion of Landlord. Factors which may be considered by Landlord include, without limitation, changes in generally accepted insurance industry standards and practices, changes in use of the Premises, changes in risk exposure, measurable changes in local and national economic indicators and changes in Landlord's policies and procedures.

(f) Tenant understands and acknowledges that the responsibility and obligation to provide and maintain insurance in the forms, types and coverages required herein are solely Tenant's responsibilities and obligations which continue for the entire Term of this Lease, and until such time as Tenant no longer operates the Substation or enters the Premises, whichever date is later.

(g) In the event that Tenant fails for any reason to procure or maintain insurance in the forms, types or coverages required and to name Landlord as an additional insured on the certificates of insurance, Tenant shall cure such material breach within fifteen (15) calendar days after Tenant is given notice of such breach. Should Tenant fail to cure the breach within such period or such other time as may be agreed to by the Parties in writing, Landlord in Landlord's sole discretion may, but is not obligated to, secure replacement insurance coverage at Tenant's sole expense. Should Landlord elect to secure replacement insurance, Tenant shall thereafter reimburse Landlord within fifteen (15) calendar days of Landlord's providing to Tenant an invoice for the costs and premiums incurred by Landlord for the replacement insurance coverage, plus an administrative charge of ten percent (10%) or $250.00, whichever is greater. Tenant shall continue to be responsible for the payment of all deductibles applicable to the insurance policies and all losses incurred with respect to any lapse in coverage. Should Tenant subsequently obtain the required insurance, Tenant shall remain responsible for and reimburse Landlord for all costs and expenses to Landlord for the insurance premiums incurred by Landlord and the administrative charges set forth in this Section 14(g).

(h) Tenant's obligations under this Section 14 shall survive the termination or expiration of this Lease.

15. No Consequential Damages. Notwithstanding any other provisions in this Lease to the contrary, neither Party nor any of its elected officials, directors, officers, employees, lenders, shall be liable to the other Party for consequential, incidental, exemplary, punitive, anticipatory profits or indirect loss or damage of any nature, including, without limitation, loss of profit, loss

of use, loss of operating time, loss of revenue, increased costs of producing revenues, cost of capital or loss of goodwill whether arising in tort, contract, warranty, strict liability, by operation of law or otherwise, even if by such Party's, its representatives', agents', contractors', subcontractors', invitees' or licensees' negligence or fault, in connection with this Lease, except to the extent claimed by third parties. The Parties further agree that the waivers and disclaimers of liability, indemnities, releases from liability, sole remedy provisions and limitations on liability expressed in this Lease shall survive termination or expiration of this Lease and shall extend to the parent, affiliates, and subsidiaries of each Party and their respective, partners, directors, officers, and employees and elected officials.

16. Taxes. Tenant shall pay any and all real property taxes for the Premises for the entire Term. As used herein, the term "**real property tax**" shall include any form of real estate tax or assessment, general, special, ordinary or extraordinary, and any license fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income or estate taxes) imposed on the Premises or any portion thereof by any authority having the direct or indirect power to tax, including, without limitation, any city, county, state or federal government, or any school, agricultural, sanitary, fire, street, drainage or other improvement district thereof, as against any legal or equitable interest of Landlord or Tenant in the Premises or in any portion thereof. Tenant shall pay the real property taxes and shall deliver to Landlord official receipts evidencing such payment, which payment of real property taxes shall be made and the receipts delivered at least thirty (30) days before the real property taxes would become delinquent in accordance with the law then in force governing the payment of such real property taxes. If, however, Tenant desires to contest the validity of any real property taxes, Tenant may do so without being in default hereunder, provided Tenant gives Landlord notice of Tenant's intention to do so and provided the real property taxes are paid before any such real property taxes become delinquent after any applicable contest or appeal period.

17. Utilities. Tenant shall pay for all water, gas, heat, light, power, telephone and other utilities and services supplied to the Premises, together with any taxes thereon.

18. Compliance with Laws. During the Term, Tenant shall, at its expense, comply with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Premises. Further, during the Term, Tenant shall, at its expense, cause the Premises to attain compliance or remain in compliance with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Premises.

19. Assignment and Subletting. Landlord acknowledges that this Lease and Tenant's interests hereunder shall be subject to the encumbrance of Tenant's pre-existing mortgage with Deutsche Bank Trust Company Americas. Tenant shall not otherwise mortgage or assign its interest in this Lease without the prior written consent of Landlord, and such consent may be withheld in Landlord's unfettered discretion unless such proposed assignment is to the purchaser of all or substantially all of the assets of Florida Power & Light Company, as a part of a bona fide sale by Florida Power & Light Company to a third party purchaser for value and in such event Landlord's consent will not be unreasonably withheld or delayed. Notwithstanding any assignment of this Lease, Tenant will not be released from any of its obligations hereunder

unless such assignee executes an assignment and assumption agreement in form reasonably acceptable to Landlord agreeing to be bound by the terms of this Lease and Landlord determines in its reasonable discretion that such assignee is creditworthy. Further, any assignment in violation of this Section 17 shall be deemed void and a breach of this Lease by Tenant.

20. Relocation of Premises or Access Parcel. Landlord may elect to relocate the Premises or the Access Parcel as follows:

(a) Tenant agrees that at any time before or during the Term, and upon at least two (2) years prior written notice (the "**Relocation Notice**"), Landlord shall have the right to relocate the Premises described herein (the "**Existing Premises**") to another area (the "**New Premises**"), as determined by Landlord in its commercially reasonable discretion using prudent electric utility industry practice after consultation with Tenant. The New Premises shall include reasonable vehicular access, be suitable for placement of an electric substation and of sufficient size to accommodate the substation equipment then placed on the Premises. Landlord shall bear any and all direct costs and expenses of such relocation, including (i) providing the New Premises, (ii) moving all Tenant's equipment from the Existing Premises to the New Premises, and (iii) the installation of such substation equipment together with any and all lines or other equipment necessary for the use and operation of an electric substation on the New Premises. In no event shall Landlord be liable to Tenant for any consequential damages as a result of any such relocation, including, but not limited to, loss of business income or opportunity. Landlord and Tenant shall promptly execute an amendment to this Lease reciting the relocation of the Premises which shall be recorded in the Public Records.

(b) Tenant agrees that at any time before or during the Term, and upon at least two (2) years prior written notice (the "**Access Relocation Notice**"), Landlord shall have the right to relocate the Access Easement and Access Parcel described herein (the "**Existing Access Parcel**") to another area (the "**New Access Parcel**"), as determined by Landlord in its commercially reasonable discretion using prudent electric utility industry practice after consultation with Tenant. The New Access Parcel shall include reasonable vehicular access to the Premises. Landlord shall bear any and all direct costs and expenses of such relocation, including (i) providing the New Access Parcel, (ii) moving all Tenant's equipment, if any, in the Existing Access Parcel to the New Access Parcel as is necessary for the use and operation of the Substation. In no event shall Landlord be liable to Tenant for any consequential damages as a result of any such relocation, including, without limitation, loss of business income or opportunity. Landlord and Tenant shall promptly execute an amendment to this Lease reciting the relocation of the Access Parcel which shall be recorded in the Public Records.

21. Default and Remedies.

(a) **Tenant Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by Tenant**" under this Lease by Tenant:

(i) The failure by Tenant to make any payment of Rent or any other payment required to be made by Tenant hereunder, as and when due, which failure continues for a period of ten (10) days following notice given by Landlord to Tenant.

(ii) Failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant, where such failure shall continue for a period of forty-five (45) days after notice thereof given by Landlord to Tenant. In the event the default cannot reasonably be cured within such forty-five (45) day period, Tenant shall not be in default if Tenant commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(iii) (A) The making by Tenant of any general arrangement or general assignment for the benefit of creditors; (B) Tenant becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within sixty (60) days.

(b) **Landlord Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by Landlord**" under this Lease by Landlord:

(i) Failure by Landlord to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Landlord, where such failure shall continue for a period of forty-five (45) days after notice thereof is given by Tenant to Landlord. In the event the default cannot reasonably be cured within such forty-five (45) day period, Landlord shall not be in default if Landlord commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by Landlord of any general arrangement or general assignment for the benefit of creditors; (B) Landlord becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Landlord, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Landlord 's assets, where possession is not restored to Landlord within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of Landlord's assets, where such seizure is not discharged within sixty (60) days.

(c) **Remedies.** If an Event of Default by Tenant or an Event of Default by Landlord occurs hereunder, the non-defaulting Party shall have the right at its option and without further notice, but subject to the limitations set forth in the last sentence of this subsection, to exercise any remedy available at law or in equity, including, without limitation, a suit for specific performance of any obligations set forth in this Lease or any appropriate injunctive or other equitable relief, or for damages resulting from such event of default. The Parties agree that remedies at law may be inadequate to protect against any actual or threatened breach of this

Lease. In the event of any breach or threatened breach, either Party shall have the right to apply for the entry of an immediate order to restrain or enjoin the breach and otherwise specifically enforce the provisions of this Lease. If an Event of Default by Tenant occurs, Landlord may, in addition to any other remedies set forth in this Lease or available under applicable law, accelerate the Rent due under this Lease for the period of three (3) years after the date of the Default by Tenant, which amount shall be due and payable immediately.

Notwithstanding the foregoing or anything to the contrary contained in this Lease, in no event shall any Event of Default by Tenant or Event of Default by Landlord, terminate, or entitle any Party to terminate, rescind or cancel this Lease or the rights granted hereunder. In the event that Tenant, by failing or neglecting to do or perform any act or thing herein provided by it to be done or performed, shall be in default under this Lease, then Landlord may, but shall not be required to, do or perform or cause to be done or performed such act or thing, and Tenant shall repay to Landlord on demand the entire expense incurred within forty-five (45) days following receipt of Landlord's invoice and supporting documentation. Any act or thing done by Landlord pursuant to the provisions of this subsection shall not be or be construed as a waiver of any such Event of Default by Tenant, or as a waiver of any covenant, term or condition herein contained or the performance thereof, or of any other right or remedy of Landlord, hereunder or otherwise. Except for Landlord's obligations set forth in Section 10 of this Lease, Landlord's liability under this Lease shall be at all times limited to the fair market value of Landlord's interest in the Premises. All amounts payable by Tenant to Landlord under this Lease, if not paid when the amounts become due under this Lease, shall bear interest from the date they become due until paid at the highest rate allowed by law.

22. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of such power (all of which are herein called "**condemnation**"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If so much of the Premises is taken under the power of eminent domain such that the Premises is no longer suitable for its intended use or suitable access cannot be provided to the Premises, Tenant may, at Tenant's option, to be exercised in writing only within ten (10) days after Landlord shall have given Tenant notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Tenant does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining. Any award for the taking of all or any part of the Premises under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Landlord; provided, however, that Tenant shall be entitled to any award for loss of Tenant's leasehold interest.

23. Severability. If any provision or portion of this Lease shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (a) such portion or provision shall be deemed separate and independent, (b) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling or adjudication, and (c) the remainder of this Lease shall remain in full force and effect.

24. Repair Obligations. Landlord shall have absolutely no obligations of any kind for the repair or maintenance of any part of the Premises or Access Parcel or any improvement or equipment thereon. During the Term, Tenant shall maintain the Premises, and the improvements and equipment thereon, in a neat, clean, safe and sanitary condition. Tenant shall be solely responsible at its own expense for regular removal and disposal of all refuse, garbage, debris, trash and other discarded materials and shall not allow an accumulation thereof on, in or adjacent to the Premises.

25. Termination. On the Expiration Date, or earlier termination of this Lease, Tenant shall peaceably and quietly deliver possession of the Premises to Landlord. At Landlord's request, Tenant shall remove any and all improvements, fixtures and equipment from the Premises and deliver the Premises to Landlord free of any improvements or equipment of any kind. Tenant agrees that, upon expiration or termination of this Lease, Tenant will, within thirty (30) days of request by Landlord, execute and deliver to Landlord a release of this Lease in recordable form. The foregoing provisions shall survive expiration or earlier termination of this Lease.

26. Waivers. Any waiver by either Party with respect to this Lease must be in writing, signed by the Party granting the waiver, and shall be limited to the express terms set forth in the waiver.

27. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity. Any and all sums due from Tenant to Landlord under this Lease shall be considered rent.

28. Binding Effect. This Lease shall bind the Parties, and their respective successors and permitted assigns.

29. Signs. Subject to applicable rules and regulations, Tenant will be permitted, without Landlord's consent, to have one or more signs on the Premises which identify the Premises as a Florida Power & Light Company Substation.

30. Quiet Possession. Upon Tenant paying the Rent for the Premises and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises and use of the Premises from any interference from Landlord for the entire Term.

31. Right of Entry. Subject to Landlord's duties, if any, relating to police, fire and other municipal services for which no advance notice is required, Landlord, or any of its agents, shall have the right to enter the Premises during reasonable hours to examine the same but only when accompanied by a qualified or designated employee of Tenant.

32. Force Majeure. In the event that either Party is unable to fulfill, or shall be delayed or restricted in the fulfillment of any obligation, or the curing of a default, under any provision of this Lease due to reasons outside of its reasonable control, or not wholly or mainly within such Party's reasonable control, including strike, lock-out, war, acts of military authority, acts of terrorism, sabotage, rebellion or civil commotion, fire or explosion, flood, wind, storm, hurricane, water, earthquake, acts of God or other casualty or by reason of any statute or law or

any regulation or order passed or made, or by reason of any order or direction of any administrator, controller, board or any governmental department or officer or other authority (other than, in the case of Landlord claiming relief under this Section 32, any statute or law or any regulation or order passed or made, or by reason of any order or direction of, any administrator, controller, board or any governmental department or officer or other authority of Landlord), and whether of the foregoing character or not, such Party shall, so long as any such impediment exists, be relieved from the fulfillment of such obligation and the other Party shall not be entitled to compensation for any damage, inconvenience, nuisance or discomfort thereby occasioned or to terminate this Lease.

33. Counterparts. This Lease may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

34. Brokerage. Landlord and Tenant each represent and warrant one to the other that neither of them has employed any broker in connection with the negotiations of the terms of this Lease or the execution thereof. Landlord and Tenant hereby agree to indemnify and to hold each other harmless against any loss, expense or liability with respect to any claims for commissions or brokerage fees arising from or out of any breach of the foregoing representation and warranty. This provision shall survive the expiration or earlier termination of this Lease.

35. Attorneys' Fees. In the event Tenant or Landlord defaults in the performance of any of the terms, covenants, conditions, agreements, or provisions contained in this Lease and Landlord or Tenant employs attorneys and brings suit in connection with the enforcement of this Lease or any provision hereof or the exercise of any of its remedies hereunder, then the prevailing Party in any suit so instituted shall be promptly reimbursed by the other Party for all reasonable attorneys' fees and expenses so incurred, including, without limitation, any such fees and expenses incurred in appellate, bankruptcy and post-judgment proceedings. Any monetary judgment rendered in any litigation concerning this Lease shall bear interest at the highest rate allowed by applicable law. The foregoing provisions shall survive expiration or earlier termination of this Lease.

36. Estoppel Certificate. Landlord and Tenant shall, from time to time and without additional consideration, execute and deliver to each other or to any person whom the requesting Party may designate, within twenty (20) days after the request therefor: (a) an estoppel certificate consisting of statements, if true, that (i) this Lease is in full force and effect, with Rent current through the date of the certificate; (ii) this Lease has not been modified or amended (or setting forth all modifications and amendments); and (iii) to the best of such Party's knowledge and belief, the other Party is not then in default (or if in default, specifying such default), and Tenant and Landlord have fully performed all of Tenant's and Landlord's obligations, respectively, required to have been performed under this Lease as of the date of the certificate; and (b) such further consents and instruments of a similar nature evidencing the agreement (subject to the provisions of this Lease) of Landlord or Tenant to the mortgage or other hypothecation by Tenant of the leasehold estate created hereby, as may be reasonably requested by Tenant or any approved leasehold mortgagee, or authorized assignee or transferee of the interest of Landlord or Tenant, as applicable. Notwithstanding the foregoing, neither Party may make excessive requests for estoppel certificates, and neither Party shall be obligated to provide more than two (2) estoppel certificates in any Lease Year.

37. Notices. Every notice, approval, consent or other communication required or permitted under this Lease shall be in writing, shall be deemed to have been duly given on the date of receipt, and shall be deemed delivered if either served personally on the Party to whom notice is to be given, or sent to the Party to whom notice is to be given, by overnight courier or by first class registered or certified mail (return receipt requested), postage prepaid, and addressed to the addressee at the address stated opposite its name below, or at the most recent address specified by notice given to the other Party in the manner provided in this Section.

To Landlord:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Manager
With a required copy to:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Attorney
To Tenant:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Corporate Real Estate
With a required copy to:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Law Department

38. Recording. This Lease shall be recorded in the Public Records of Indian River County, Florida at Tenant's expense.

39. No Personal Liability. Excluding any successor-in-interest to Tenant or Landlord under this Lease, notwithstanding anything to the contrary in this Lease, no present or future parent, subsidiary, affiliate, member, principal, shareholder, manager, officer, official, director, or employee of Tenant or Landlord will be personally liable, directly or indirectly, under or in connection with this Lease, or any document, instrument or certificate securing or otherwise executed in connection with this Lease, or any amendments or modifications to any of the foregoing made at any time or times, or with respect to any matter, condition, injury or loss related to this Lease, and each of the Parties, on behalf of itself and each of its successors and assignees, waives and does hereby waive any such personal liability.

40. Entire Agreement. This Lease and any exhibits, schedules or addenda attached hereto and forming a part hereof, contains the entire agreement between the Parties hereto with respect to the subject matter of this Lease, and supersedes all previous negotiations leading thereto, and it may be modified only by an agreement in writing executed and delivered by Landlord and Tenant. All exhibits, schedules or addenda attached to this Agreement are expressly incorporated herein by this reference.

41. Governing Law; Forum. This Lease shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES OR THE ACCESS PARCEL, OR ANY CLAIM FOR INJURY OR DAMAGE, SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.

42. WAIVER OF JURY TRIAL. THE PARTIES HERETO SHALL, AND THEY HEREBY DO, IRREVOCABLY WAIVE TRIAL BY JURY IN ANY AND EVERY ACTION OR PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES OR THE ACCESS PARCEL, AND ANY CLAIM FOR INJURY OR DAMAGE. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.

43. Radon Gas. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present a health risk to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

44. Holding Over. If Tenant remains in possession of the Premises after this Lease expires or terminates for any reason:

(a) Tenant shall be deemed to be occupying the Premises as a tenant from month-to-month at the sufferance of Landlord. Tenant will continue to be subject to and comply with all of the provisions of this Lease, except that, at Landlord's discretion, the rent will be at a monthly rate up to an amount equal to 1/12th of the fair market annual rental value of the Premises, including all improvements and fixtures, calculated at the time of the expiration or termination, and paid by Tenant on the first day of each month subsequent to the expiration or termination.

(b) Tenant shall reimburse Landlord and indemnify and hold Landlord harmless for any and all additional losses and damages which Landlord suffers by reason of Tenant's continued occupancy.

(c) Tenant shall indemnify Landlord from and against all claims made by any

successor tenant insofar as such delay is occasioned by Tenant's failure to surrender possession of the Premises.

45. Landlord/Tenant Relationship; and Third Party Beneficiaries. This Lease creates a landlord/tenant relationship, and no other relationship, between the Parties. This Lease is for the sole benefit of the Parties hereto and, except for assignments permitted hereunder, no other person or entity shall be a third party beneficiary hereunder.

46. No Waiver of Regulatory Authority. Nothing in this Lease constitutes a waiver of Landlord's regulatory, public safety or other municipal authority with respect to the Premises, the Access Parcel or any other matter. Further, nothing in this Lease shall be deemed to waive Landlord's or Tenant's right of eminent domain.

47. Sovereign Immunity. Landlord is a Florida municipal corporation whose limits of liability are set forth in section 768.28, Florida Statutes, and nothing herein shall be construed to extend the liabilities of Landlord beyond that provided in section 768.28, Florida Statutes. Further, nothing herein is intended as a waiver of Landlord's sovereign immunity under section 768.28, Florida Statutes. Nothing hereby shall inure to the benefit of any third party for any purpose, including but not limited to, anything that might allow claims otherwise barred by sovereign immunity or operation of law.

48. Time, Interpretation. In computing any period of time pursuant to this Lease, the day of the act, event, or default from which the designated period of time begins to run shall not be included, but the time shall begin to run on the next succeeding day. The last day of the period so computed shall be included, unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or legal holiday. A legal holiday as used in this Lease includes days on which banks in Vero Beach, Florida are not open for regular business. Time is of the essence. The captions in this Lease are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Lease or any of the provisions hereof. This Lease shall not be construed more strongly against or for either Party regardless of the drafter. Unless the context otherwise requires, (a) all references to Sections or Exhibits are to Sections or Exhibits in or to this Lease, and (b) words in the singular or plural include the singular and plural and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter and the term "including" shall mean by way of example and not by way of limitation.

[Remainder of page intentionally blank; Signature pages follows]

City of Vero Beach Execution Pages

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Lease to be executed as of the Effective Date.

ATTEST: **CITY OF VERO BEACH**

_____ By:_____
Tammy K. Bursick Laura Moss
City Clerk Mayor

[SEAL]

WITNESSES:

_____
Print
name:_____

_____
Print
name:_____

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing Lease Agreement was acknowledged before me this _____ day of _____ 2016 by **Laura Moss, as Mayor**, and attested by **Tammy K. Bursick, as City Clerk**, of the City of Vero Beach, Florida. They are both known to me.

_____
NOTARY PUBLIC
Print name:
Commission No. [SEAL]
My Commission Expires:

ADMINISTRATIVE REVIEW

(For Internal Use Only–Sec. 2-77 COVB Code)

Approved as to form and legal sufficiency:

Wayne R. Coment
City Attorney

Approved as conforming to municipal policy:

James R. O'Connor
City Manager

Approved as to technical requirements:

Ted Fletcher
Director of Electric Utility Operations

Approved as to technical requirements:

Cynthia D. Lawson
Director of Finance

Approved as to technical requirements:

Timothy J. McGarry
Director of Planning and Development

Florida Power & Light Company Execution Page

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Lease to be executed as of the Effective Date specified in this Lease.

WITNESSES:

TENANT:

FLORIDA POWER & LIGHT COMPANY, a Florida corporation

_____
Print
name:_____

_____
Print
name:_____

By:_____
Name:_____
Title:_____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this day of _____, 20__, by , the of **FLORIDA POWER & LIGHT COMPANY**, a Florida corporation, who [ ] is personally known to me or [ ] has produced as identification.

Seal:

_____
Notary Public, State of Florida at Large
Print Name: _____
Notary Commission No.: _____
My Commission Expires: _____

Lease by and between the City of Vero Beach, Florida and Florida Power & Light Company

Exhibit "A"

Premises Legal Description and Map

SUBJECT TO REVISION

PROPERTY DESCRIPTION
VERO BEACH AIRPORT PARCEL #45
Southern Portion of Parcel #32-39-26-00011-0440-00001.0

Situated in the State of Florida, County of Indian River, City of Vero Beach, and being a portion of Section 3, Township 33 South, Range 39 East and being more particularly bounded and described as follows:

Commencing at the Northeast corner of Section 3-33-39, run North 89°45'39" West along the North line of said Section 3 for a distance of 633.00 feet to a point of intersection with the West line of a 55 foot wide drainage right-of-way;

Thence South 0°09'00" West along the West line of said drainage right-of-way for a distance of 92.09 feet to the Point of Beginning;

Thence from the Point of Beginning, continue South 0°09'00" West along said West right-of-way line for a distance of 180.35 feet;

Thence South 21°18'00" East along said West right-of-way line for a distance of 122.79 feet to a point of intersection with the North right-of-way line of the Main Canal;

Thence South 69°21'47" West along said North right-of-way line of the Main Canal for a distance of 360.18 feet;

Thence North 20°41'28" West for a distance of 290.73 feet;

Thence North 69°15'05" East for a distance of 423.10 feet to the Point of Beginning;

Containing 109,956 square feet more or less.

Said parcel subject to a 25-foot drainage and maintenance easement across the East 25 feet;

SUBJECT TO REVISION

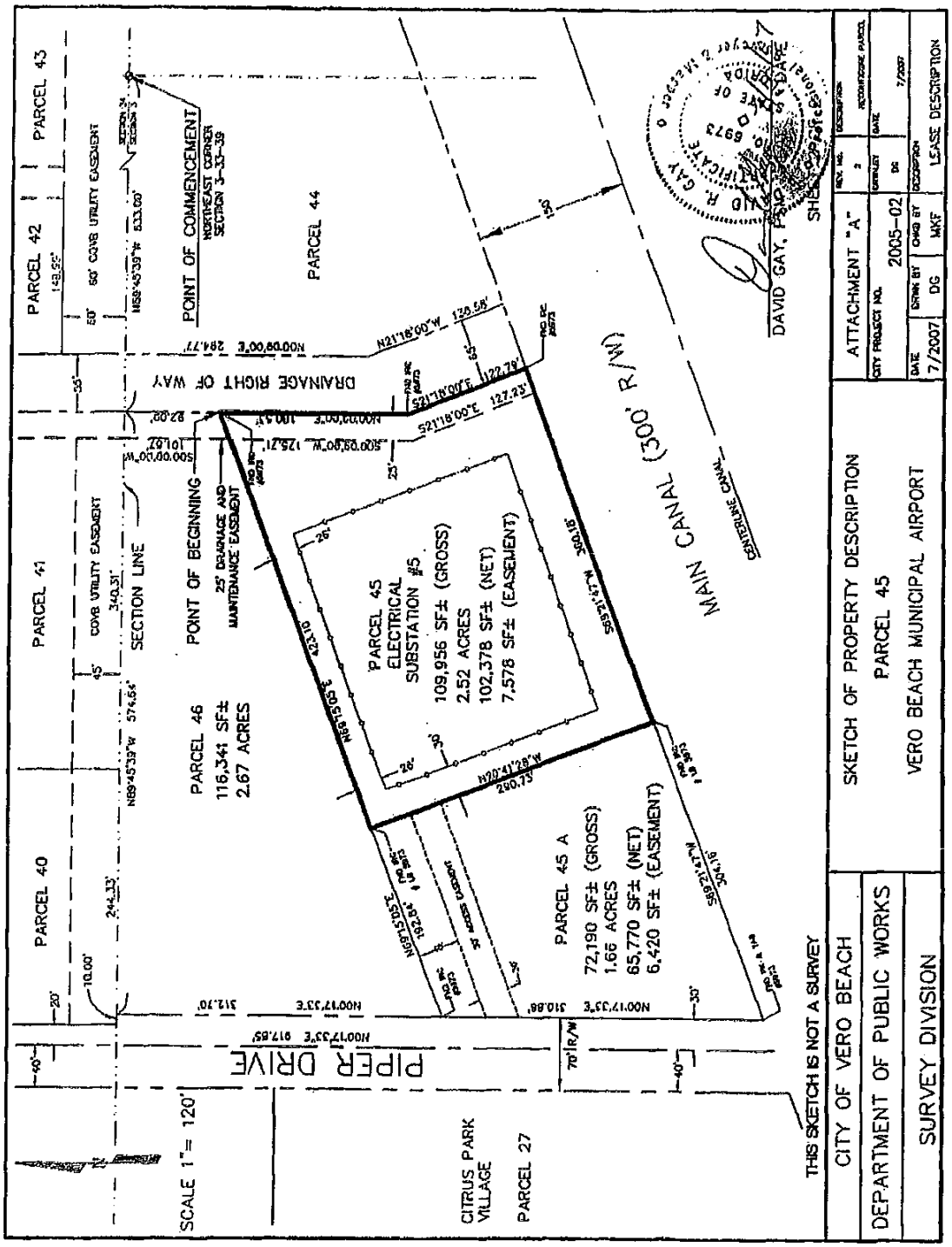


Exhibit "B"

Access Easement Legal Description and Map

SUBJECT TO REVISION

SUBJECT TO REVISION

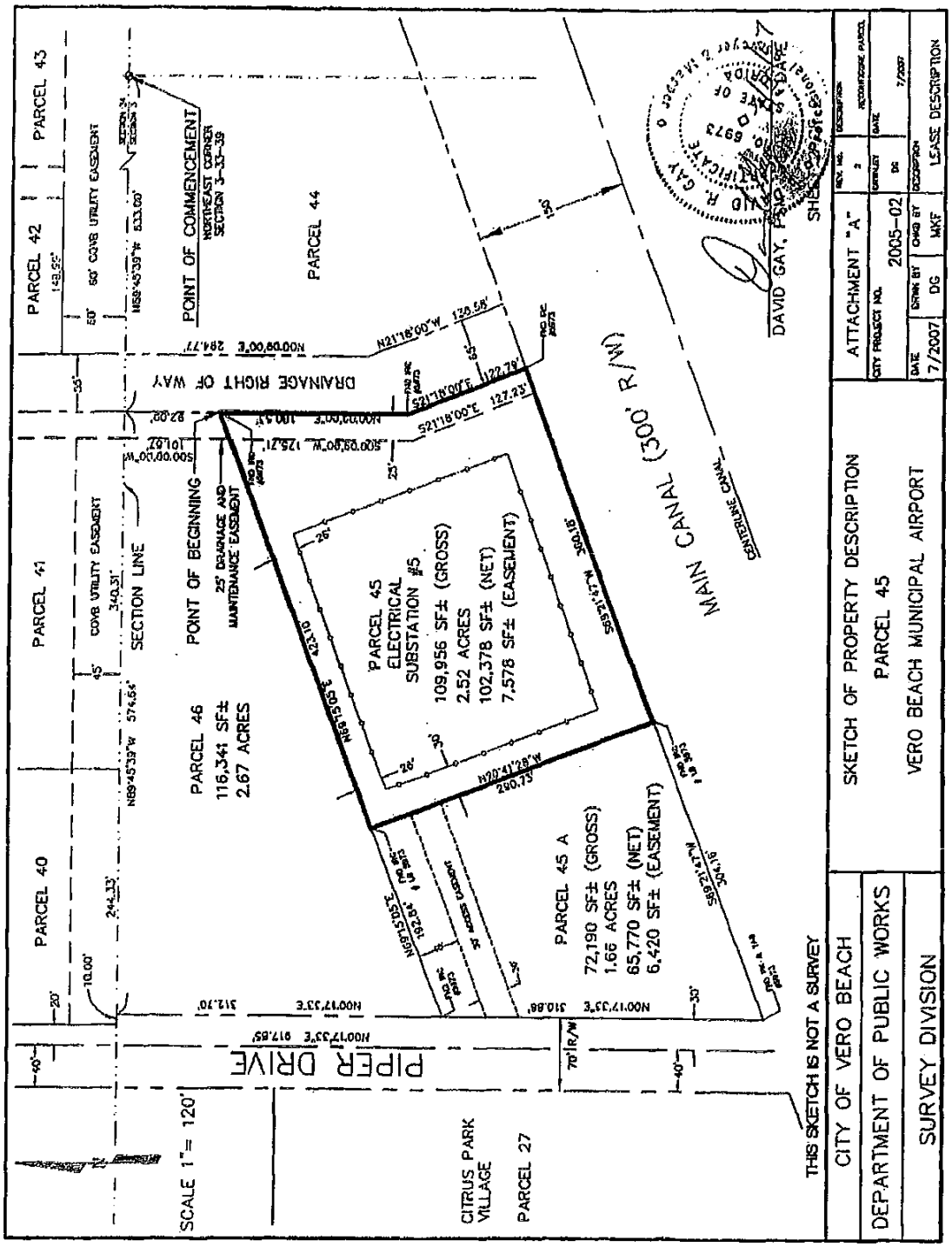


Exhibit I-1B

Form of Airport 6 Substation Lease Agreement and Memorandum of Lease

[*Exhibit begins on the following page.*]

Prepared by and return to:
Nathaniel L. Doliner
Carlton Fields
4221 W. Boy Scout Blvd., Ste. 1000
Tampa, Florida 33607-5780

AIRPORT SUBSTATION 6 LEASE AGREEMENT

THIS AIRPORT SUBSTATION 6 LEASE AGREEMENT (the "**Lease**"), made and entered into as of [_____ __], 201[__] (the "**Effective Date**") is between THE CITY OF VERO BEACH, FLORIDA, a Florida municipal corporation (herein called "**Landlord**"), with an address of 1053 20th Place, Vero Beach, FL 32960, and FLORIDA POWER & LIGHT COMPANY, a Florida corporation (herein called "**Tenant**"), with an address of 700 Universe Boulevard, Juno Beach, FL 33408. Landlord and Tenant are sometimes together referred to herein as the "**Parties**" and individually as a "**Party.**"

RECITALS

A. As of the Effective Date, Landlord has sold, assigned and conveyed certain electric utility assets of Landlord to Tenant, and Tenant has commenced providing retail electric service to the City of Vero Beach's electric utility customers as contemplated under that certain Asset Purchase and Sale Agreement, dated [_____], 201[__], by and between Landlord and Tenant (the "**Asset Purchase and Sale Agreement**"). As used in this Lease, the "**Vero Beach Electric Utility**" means the electric utility system of electricity transmission and distribution owned or operated by Tenant providing retail electric service to the City of Vero Beach's electric utility customers on and after the Effective Date.

B. In order to provide retail electric services to the electric utility customers as contemplated by the Asset Purchase and Sale Agreement, Tenant desires to lease from Landlord, and Landlord desires to lease to Tenant, for use exclusively as an electrical substation, the real property more commonly known as "**Substation #6**" (the "**Substation**") and more particularly described and depicted on attached **Exhibit "A"** made a part hereof, together with all improvements and fixtures located thereon, and all appurtenances pertaining thereto (collectively, the "**Premises**").

C. To provide ingress and egress for the Premises during the Term, as defined below, Landlord desires to provide a temporary non-exclusive access easement (the "**Access Easement**") in favor of Tenant and benefitting the Premises, across property adjacent to the Premises, as legally described and depicted on **Exhibit "B"** attached hereto and made a part hereof (the "**Access Parcel**").

D. It is intended that the Rent provided for in this Lease shall be absolutely net to Landlord throughout the Term, free of any taxes, costs, utilities, insurance expenses, liabilities,

charges or other deductions whatsoever with respect to the Premises and Access Parcel and the operation, maintenance, repair, rebuilding, use or occupation thereof all of which shall be Tenant's sole responsibility during the entire Term.

NOW THEREFORE, in consideration of and subject to the terms, covenants, agreements, provision and limitations set forth in this Lease, Landlord and Tenant agree as follows:

1. Recitals. The above-stated recitals are true and correct and are incorporated herein by this reference.

2. Lease of Premises. Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord. Tenant will rely exclusively upon its own investigation into the title relating to the Premises and the Access Parcel and Landlord makes no warranty of title relating to the Premises or the Access Parcel. Tenant's leasehold and easement interest in the Premises and Access Parcel pursuant to this Lease is made subject to the Permitted Encumbrances (as defined in the Asset Purchase and Sale Agreement).

3. Access to Premises. Landlord grants and conveys to Tenant, its permitted successors and assigns under this Lease, for the duration of the Term, the Access Easement benefitting the Premises and providing ingress and egress to and from the Premises over and across the Access Parcel. This Lease also includes the right, during the Term, as defined below, to use all existing easements and appurtenances, if any, benefitting the Premises and necessary or now used to operate the Substation. Such existing easements benefitting the Premises and the Access Easement granted by this Lease are herein referred to collectively as the "**Easements**".

(a) **Nature of the Easements**. All Easements shall be non-exclusive, appurtenant to the Premises, shall run with the Premises, and shall continue in full force and effect for the Term and any extension or diminution thereof unless a shorter period is provided in any instrument creating any such Easement. Tenant's rights in or to the Easements shall terminate on the Expiration Date, defined below.

(b) **Non-Interference with Easements**. Landlord covenants and agrees not to use the Access Parcel in a way that interferes with Tenant's operation of the Substation.

4. Triple Net Lease. This is a triple net lease and the Rent required to be paid to Landlord pursuant to this Lease shall be completely net rent to Landlord. During the entire Term, Landlord shall have absolutely no cost, obligation, responsibility or liability whatsoever relating to the Premises or the Access Parcel. Without limiting the generality of the foregoing, Landlord shall have no obligations for repairing or maintaining any portion of the Premises or any systems with respect thereto. All Rent shall be paid by Tenant to Landlord without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction whatsoever and Tenant shall pay any and all applicable sales and use tax, local surtaxes, any and all ad valorem taxes on the Premises, and any documentary stamp tax or other taxes on the Rent or the grant of rights described in this Lease.

5. Use. The Premises may be used by Tenant for operation and maintenance of a functioning electrical substation for the distribution of electric power, with related amenities and facilities, in the business of the Vero Beach Electric Utility, and for no other use whatsoever. Tenant covenants that it shall comply with all applicable building, zoning, fire and other governmental laws, ordinances, regulations and rules in its use and operation of the Premises.

6. FAA and FDOT. Tenant acknowledges that the Premises and the Access Parcel are under the regulatory jurisdiction of the Federal Aviation Administration (the "**FAA**") and Florida Department of Transportation (the "**FDOT**"), and this Lease is made expressly subject to the regulatory authority, rules and regulations of the FAA and the FDOT as may be applicable.

7. Term. Unless otherwise provided by this Lease, the term of this Lease shall be for a period of thirty (30) years beginning on the Effective Date (the "**Initial Term**") and can be extended by Tenant at Tenant's sole option for up to two (2) additional terms of ten (10) years each (each, an "**Extended Term**") provided that Tenant shall deliver to Landlord notice of Tenant's intent to extend the Term of this Lease not less than thirty (30) days prior to the expiration the then-current Initial Term or Extended Term, as the case may be. The Initial Term and each Extended Term, if Tenant exercises its option, under the terms of this Lease, as to one or both of the Extended Terms, shall be collectively referred to herein as the "**Term**." For purposes of this Lease, the term "**Lease Year**" shall mean: (a) that period, during the Term, commencing upon the Effective Date and continuing until and including the last day of the month of the twelfth (12th) full month following the Effective Date; (b) each such successive twelve (12) month period during the Term; and (c) in the event that this Lease terminates prior to the end of a Lease Year, that period commencing on the first date of such Lease Year and ending on the date of termination of this Lease. The expiration date of the Term (the "**Expiration Date**") shall be the last day of the 30th Lease Year, the last day of the 40th Lease Year or the last day of the 50th Lease Year, whichever shall be applicable depending on whether Tenant shall exercise any option as to the first or both Extended Terms. Notwithstanding the foregoing, at any time during the Term, Tenant may terminate this Lease at its sole option provided that: (i) Tenant shall deliver to Landlord notice of Tenant's intent to terminate (the "**Termination Notice**") not less than thirty (30) days prior to the date of termination, and (ii) contemporaneously with the Termination Notice, Tenant shall deliver to Landlord a termination fee, together with all applicable taxes, in an amount equal to three (3) times the annual Rent then due pursuant to this Lease.

8. Rent. The rent (the **"Rent"**) to be paid under this Lease shall be paid in the amounts as set forth below, plus any and all applicable sales and use tax, local surtaxes, and any documentary stamp tax or other taxes on the Rent, or rights granted to Tenant by this Lease, and shall be paid to Landlord in advance without demand or offset:

(a) **Rent During Initial Term**. Rent during the Initial Term shall be in an amount approved by the FAA and equal to the fair market rental value of the Premises and Access Parcel as determined by an appraiser selected by Landlord, with the cost of such appraisal split equally by the Parties, and with such appraisal being performed no more than six (6) months prior to the Effective Date. The Rent shall be paid in thirty (30) equal annual installments of [_____ ($_____)] commencing on the Effective Date and continuing on each subsequent anniversary date of the Effective Date for each of the subsequent Lease Years of

the Initial Term thereafter. Beginning on October 1st of the second Lease Year, and annually on each October 1st thereafter, including any Extended Term pursuant to an option to renew or extend the Term, if any, exercised by Tenant under this Lease, the Rent shall be adjusted and increased in accordance with any increase in the annual percentage change for the prior year in the index known on the Effective Date as the "United States Bureau of Labor Statistics Consumer Price Index ("**CPI**") for All Urban Consumers," using the July to July report. If the CPI ceases to be published, Landlord shall select an alternative index measuring price increases in its reasonable discretion. In no event shall the Rent decline due to any change in the CPI, and in the event of a decline in the CPI for any applicable annual period, there will be no adjustment to the Rent for that Lease Year.

9. Representations and Warranties.

(a) Landlord represents and warrants to Tenant as follows:

(i) Landlord has full power and authority to enter into this Lease.

(ii) The person executing and delivering this Lease on Landlord's behalf is acting pursuant to proper authorization and this Lease is the valid, binding and enforceable obligation of Landlord enforceable against Landlord in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

(b) Tenant represents and warrants to Landlord as follows:

(i) Tenant is a corporation duly incorporated, validly existing and having active status under the laws of the State of Florida, with the necessary corporate power and authority to enter into this Lease.

(ii) The person executing and delivering this Lease on Tenant's behalf is acting pursuant to proper authorization, and this Lease is the valid, binding and enforceable obligation of Tenant enforceable against Tenant in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

10. Hazardous Materials and Pre-Existing Conditions.

(a) For purposes of this Lease:

(i) "***Environmental Claim***" means any and all communications, whether written or oral, alleging potential Liability, administrative or judicial actions,

suits, orders, liens, notices alleging Liability, notices of violation, investigations which have been disclosed to Landlord, complaints, requests for information relating to the Release or threatened Release into the Environment of Hazardous Substances, proceedings, or other communication, whether criminal or civil, pursuant to or relating to any applicable Environmental Law, by any person (including any governmental authority) based upon, alleging, asserting, or claiming any actual or potential (i) violation of, or Liability under any Environmental Law, (ii) violation of any Environmental Permit, or (iii) Liability for investigatory costs, cleanup costs, removal costs, remedial costs, response costs, monitoring costs, natural resource damages, property damage, personal injury, fines, or penalties arising out of, based on, resulting from, or related to the presence, Release, or threatened Release into the environment of any Hazardous Substances at the Premises or Access Parcel including any off-Site location to which Hazardous Substances, or materials containing Hazardous Substances, were sent.

(ii) "***Environmental Laws***" means all Laws regarding pollution or protection of the Environment, the conservation and management of land, natural resources and wildlife or human health and safety or the Occupational Safety and Health Act (only as it relates to Hazardous Substances), including Laws regarding Releases or threatened Releases of Hazardous Substances (including Releases to ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, Release, transport, disposal or handling of Hazardous Substances, including the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§ 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.), the Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. §§ 2601 et seq.), the Oil Pollution Act (33 U.S.C. §§ 2701 et seq.), the Emergency Planning and Community Right-to-Know Act (42 U.S.C. §§ 11001 et seq.), and all other Laws analogous to any of the above.

(iii) "***Environmental Permit***" means any Permit under or in connection with any Environmental Law, including any and all orders, consent orders or binding agreements issued or entered into by a governmental authority under any applicable Environmental Law, that is used in, or necessary for, (i) the business of the Vero Beach Electric Utility, or (ii) the ownership, use or operation of the Premises, in each case under clause (i) or (ii), as conducted prior to the Effective Date.

(iv) "***Hazardous Substances***" means: (i) any petroleum, asbestos, asbestos-containing material, and urea formaldehyde foam insulation and transformers or other equipment that contains polychlorinated biphenyls; (ii) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous

substances," "toxic substances," "contaminants," "pollutants," "toxic pollutants," "hazardous air pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law; and (iii) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

(v) "***Liability***" means any direct or indirect liability, commitment, indebtedness or obligation (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or un-accrued, whether liquidated or un-liquidated, and whether due or to become due) of any kind, character or nature, or any demand, claim or action asserted or brought against the relevant Party.

(vi) ***"Law"*** means any foreign, federal, state or local law, constitutional provision, statute, charter, ordinance or other law, rule, regulation, code (including any zoning code, fire code or health and safety code), or interpretation of any governmental authority or any order of or by any governmental authority, including all Environmental Laws, requirements and regulations, applicable to the Premises or the Vero Beach Electric Utility.

(vii) "***Loss***" or "***Losses***" means any and all damages, fines, fees, penalties, deficiencies, losses, Liabilities, interest, awards, judgments, actions and expenses (whether or not involving a third party claim), including all remediation costs, reasonable fees of attorneys, accountants and other experts, or other expenses of litigation or proceedings or of any claim, default or assessment relating to the foregoing.

(viii) "***Release***" means any actual, threatened or alleged spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dumping or disposing of a Hazardous Substance into the environment or within any building, structure, facility or fixture.

(ix) "***Remediation***" means any action of any kind required by applicable Law to address the presence or Release of Hazardous Substances, including: (i) monitoring, investigation, assessment, treatment, cleanup containment, removal, mitigation, response or restoration work, as well as obtaining any permits necessary to conduct any such activity; (ii) preparing and implementing any plans or studies for any such activity; and (iii) obtaining a written notice from a governmental authority with competent jurisdiction under Environmental Laws, that no material additional work is required.

(b) As may be more fully described in the Asset Purchase and Sale Agreement and this Lease, except to the extent exacerbated or contributed to by Tenant, Landlord agrees to be responsible for any and all Losses of Tenant, and pay and perform when due any and all Liabilities of Tenant:

(i) under Environmental Laws, Environmental Permits or Environmental Claims with respect to the Premises arising from any event, condition, circumstance, act or omission that occurred prior to the Effective Date; or

(ii) arising from the presence of Hazardous Substances that originated on the Premises prior to the Effective Date or the Release of Hazardous Substances at, on, in, under, or migrating from the Premises prior to the Effective Date (such Losses or Liabilities under this Section 10(b)(i) or Section 10(b)(ii) hereof, the "**Environmental Liabilities**");

Provided, however, that as an absolute condition to such responsibility, Tenant must give to Landlord notice (the "**Environmental Notice**") of any claim of Environmental Liabilities no later than thirty (30) days prior to the anticipated Effective Date and, solely with respect to any Environmental Liability which Tenant demonstrates occurred subsequent to Tenant's Phase II environmental testing described below, Tenant must give the Environmental Notice prior to the Effective Date, which Environmental Notice, in either case, must contain the estimated total amount of the Environmental Liabilities and a summary of facts then known to Tenant that support such claim; and provided, further, that in no event shall Landlord be liable or responsible for any Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate, from all sources as described in the Asset Purchase and Sale Agreement, (the "**Aggregate Environmental Cap**"). Tenant hereby releases Landlord from, and Landlord shall not be liable or responsible for, any and all Environmental Liabilities as to which Tenant does not give Landlord the Environmental Notice or Environmental Notices prior to the time required in the immediately preceding sentence. Tenant also hereby releases Landlord from, and Landlord shall not be responsible for, any and all Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate from all sources as described in the Asset Purchase and Sale Agreement. The limitations on Landlord's liability or responsibility for Environmental Liabilities under this Section 10 are absolute limitations and will control over any other provisions in this Lease or other agreements between the Parties that are or may be to the contrary.

(c) In order to make a claim against Landlord pursuant to Section 10 (b) above, Tenant must have completed its environmental testing, including Phase II environmental testing, on the Premises and, if so performed, must have submitted the results of such testing to Landlord at least thirty (30) days prior to the Effective Date (collectively, "Tenant's Phase II Environmental Testing"). If Tenant has not performed such actions by the within the time periods specified, Tenant shall be deemed to have waived its right to make a claim against Landlord under Section 10 (b) above with respect to the Premises.

(d) Tenant shall not cause or permit the Release in any manner of any Hazardous Substances upon the Premises, the Access Parcel or upon adjacent lands, which violates any Environmental Laws. Tenant shall give prompt notice to Landlord of any Release of a Hazardous Substance in violation of Environmental Laws, whether caused by Tenant or, to the knowledge of Tenant, any third party.

(e) To evidence any changes to the environmental condition of the Premises at the expiration or termination of this Lease, Tenant shall perform an environmental assessment, including soils and groundwater sampling, of the Premises (the **"Closure Environmental Assessment")** as close in time as practical to the Expiration Date or the earlier termination of this Lease, at its expense and provide a copy thereof to Landlord as soon as practical. Tenant's obligation to provide the Closure Environmental Assessment shall survive the expiration or termination of this Lease.

(f) Except to the extent of Landlord's responsibility as described in Section 10 (b) above, Tenant shall be responsible, at Tenant's sole cost and expense, for commencing and thereafter performing, or causing to be performed, any and all assessments, Remediation, cleanup and monitoring of all Hazardous Substances existing or Released on, in, under, from or related to the Premises during the Term in violation of Environmental Laws; provided, however, that the foregoing shall not in any way limit or expand any liability, obligations or rights of Tenant or Landlord, to the extent expressly provided in the Agreement for Sale and Purchase. In the event any Remediation is required in the previous sentence, Tenant shall furnish to Landlord, within a reasonable period of time, written proof from the appropriate local, state or federal agency with jurisdiction over the Remediation that the Remediation has been satisfactorily completed in full compliance with all Environmental Laws. Tenant's obligation to provide Remediation as required by this Section 10 shall survive the expiration or termination of this Lease.

(g) Tenant shall indemnify, defend and hold harmless Landlord from and against, and pay, reimburse and fully compensate as the primary obligor Landlord for, any and all claims, suits, judgments, loss, damage, and liability which may be incurred by Landlord including, without limitation, Landlord's reasonable attorney's fees and costs, arising in any way from Hazardous Substances existing or Released on, in, under, from the Premises by Tenant, its employees, agents or contractors, or related to Tenant's use of the Premises or the Access Parcel during the Term in violation of Environmental Laws, or any violation of the Environmental Laws, by Tenant, its agents, licensees, invitees, subcontractors or employees on, in, under or related to the Premises or the Access Parcel during the Term. This responsibility shall continue to be in effect for any such Release or presence of Hazardous Substances as to which Landlord gives notice to Tenant on or before the fifth (5^{th}) anniversary of the Expiration Date. Tenant's obligation to provide the indemnity, defense and hold harmless required by this Lease shall survive the expiration or termination of this Lease.

(h) With respect to Remediation of any Releases at the Premises or migrating from the Premises, Tenant will remediate such Release, including any Baseline Recognized Environmental Conditions or Hazardous Substances migrating from the Premises (such Baseline Recognized Environmental Conditions and Hazardous Substances migrating from onto the Premises (but excluding any impacts to extent of any contribution or exacerbation by Tenant), the **"Landlord Responsible Environmental Conditions"**) as required by the Florida Department of Environmental Protection or Environmental Protection Agency, subject the following conditions:

(i) Unless otherwise agreed by the Parties, Tenant will remediate a Release to the least stringent standard permitted by the Florida Department of

Environmental Protection and Environmental Protection Agency, as applicable, and obtain a final non-appealable agency action approving such remediation, if applicable (such remediation standard, the **"Minimum Required Standard"**). The Landlord may direct Tenant to remediate to a higher (cleaner) standard in which case the incremental cost (the **"Incremental Cost"**) will be the Landlord's responsibility.

(ii) If the cost of remediating any Landlord Responsible Environmental Conditions to the Minimum Required Standard, or such higher standard as may be requested or required by the Landlord, will exceed $50,000 as reasonably estimated by Tenant based on reasonable bids from a third party contractor in accordance with Tenant's standard procurement practices, the total cost of remediating the Landlord Responsible Environmental Condition will be the responsibility of Landlord; subject to the limitation set forth in Section 10 (b) above.

(iii) If the Florida Department of Environmental Protection or Environmental Protection Agency requires remediation or other actions (e.g., monitoring), Tenant has the sole right to direct such Remediation activities regardless of the estimated cost and the Landlord shall be responsible for the costs associated with Remediating the Landlord Responsible Environmental Conditions, subject to the limitation set forth in Section 10 (b) above.

(iv) With respect to the Landlord's payment obligations set forth in Section 8 (h)(ii)-(iii), the Landlord shall reimburse Tenant within fifteen (15) calendar days of Tenant's providing to the Landlord an invoice for the costs incurred by Tenant along with copies of the underlying invoices from the contractors who performed the work. Notwithstanding anything herein to the contrary, in no event shall the Landlord shall be responsible for the costs to remediate Landlord Responsible Environmental Conditions in excess of the Aggregate Environmental Cap as defined in Section 6.22 of the Asset Purchase and Sale Agreement and Section 8 (b) above except for Incremental Costs that exceed the Aggregate Environmental Cap.

11. Non-interference. Landlord covenants and agrees not to use or construct any improvements on, under or over the Premises.

12. Assumption of Risk; Indemnification. Tenant agrees as follows:

(a) Tenant will rely exclusively upon its own investigation into the title relating to the Premises and the Access Parcel and Landlord makes no warranty of title relating to the Premises or the Access Parcel. Tenant's leasehold and easement interest in the Premises and Access Parcel pursuant to this Lease is made subject to the Permitted Encumbrances (as defined in the Asset Purchase and Sale Agreement).

(b) Except as specifically provided in this Lease, Tenant acknowledges and agrees that Landlord has not made, does not make and specifically negates and disclaims any

representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future of, as to, concerning or with respect to the Premises and Access Parcel and that the rights granted with respect to the Premises provided for in this Lease are made on an "as is" condition and basis and with all faults. Without in any way limiting the generality of the foregoing, the grant of easement rights contemplated hereby is without any warranty other than Landlord's express representations and warranties in this Lease; and Landlord and Landlord's elected and appointed officials, officers, directors, employees, and affiliates (collectively the "**Landlord's Related Parties**") have made no, and expressly and specifically disclaim, and Tenant accepts that Landlord and the Landlord's Related Parties have disclaimed, any and all representations, guaranties or warranties, express or implied, or arising by operation of law (except for the representations and warranties, if any, expressly made by Landlord in this Lease), of or relating to: (i) the use, expenses, operation, characteristics or condition of the Premises and Access Parcel, or any portion thereof, including, without limitation, warranties of suitability, habitability, merchantability, design or fitness for any specific or particular purpose, or good and workmanlike construction; (ii) the environmental condition of the Premises or Access Parcel, or contamination by hazardous materials, or the compliance of any portion of the Premises or Access Parcel with any or all Environmental Laws; or (iii) the soil conditions, drainage, flooding characteristics, accessibility or other conditions existing in, on or under any portion of the Premises or Access Parcel. Tenant acknowledges and agrees that it is not relying on any representations or statements (oral or written) which may have been made or may be made by Landlord or any of the Landlord's Related Parties (except for Landlord's representations and warranties expressly set forth in this Lease), and is relying solely upon Tenant's or Tenant's representatives' own physical inspection of the Premises and Access Parcel and other investigations by Tenant or Tenant's representatives. Tenant acknowledges that any condition of the Premises or Access Parcel, whether apparent or latent, which Tenant discovers or desires to correct or improve on or after the Effective Date shall be subject to Landlord's review and approval rights, as set forth in this Lease, and shall be at Tenant's sole expense.

(c) Tenant recognizes and hereby expressly and fully assumes all risks, known and unknown, that arise or might arise incidental to or in any way connected with the condition or use of the Premises or access to the Premises. This assumption of risk by Tenant is made for and on behalf of Tenant and Tenant's successors, and permitted assigns.

(d) Tenant agrees to indemnify, defend and hold harmless Landlord and Landlord's Related Parties against any and all claims, including costs and expenses, of any kind or nature, including, without limitation, costs of investigation, attorneys' fees, paralegal fees, experts' fees and costs through regulatory proceedings, trial and review or appeal, including but not limited to claims for personal injury, death of persons and property damage, or other liability to the extent arising from Tenant's use, improvement, operation, condition or maintenance of the Substation or the Premises, provided however that this indemnity shall not apply to the negligence or willful misconduct of the Landlord and/or the Landlord's Related Parties as determined by a court of competent jurisdiction.

(e) Tenant's obligations under this Section 12 shall survive the termination of this Lease.

13. Construction, Mechanics and Materialmen's Liens; Notice of Work. Tenant will make no alteration, change, improvement or addition to the landscaping or exterior of the Premises without the prior written consent of Landlord which will not be unreasonably withheld, conditioned or delayed. Tenant will be responsible for payment of any and all work performed on Tenant's behalf on the Premises and Access Parcel. In no event will Landlord be responsible for payment of any work relating to the Premises nor will the Premises or Access Parcel, or any interest therein, be subject to any lien for payment of any construction or similar work performed by or for Tenant on or for the Premises or Access Parcel. Further, Tenant shall promptly notify the contractor performing any such work or alterations on the Premises or Access Parcel at Tenant's request or making such improvements to the Premises or Access Parcel at Tenant's request of this provision exculpating Landlord of responsibility for payment and liens. Notwithstanding the foregoing, if any mechanic's lien or other lien, attachment, judgment, execution, writ, charge or encumbrance is filed or recorded against any portion of the Premises or Access Parcel as a result of any work performed on or materials delivered to the Premises or Access Parcel at Tenant's direction, Tenant shall, within sixty (60) days following written notice of any such lien, cause same to be paid, discharged or otherwise removed of record. In the event that Tenant fails to remove any such mechanics or materialmen's lien relating to Tenant's work at the Premises or Access Parcel, the Landlord may cause such lien to be removed and Tenant shall reimburse Landlord for all reasonable costs and expenses, including attorney's or paralegal fees incurred by Landlord within forty-five (45) days following receipt of Landlord's written invoice and supporting documentation.

14. Insurance. Landlord understands that Tenant self-insures, and that prior to accessing the Premises or Access Parcel, Tenant will provide Landlord with a letter of such self-insurance. In the event that Tenant ceases to self-insure, then, during the Term of this Lease, and thereafter so long as Tenant operates, uses or maintains any portion of the Substation:

(a) Tenant shall procure and maintain, at Tenant's sole cost and expense, commercial general liability insurance providing coverage which protects Tenant and Landlord and the Landlord's Related Parties from and against any and all claims and liabilities for bodily injury, death and property damage arising from operations, premises liability, fire with respect to the Substation. Such insurance shall provide minimum coverage of $1,000,000.00 per occurrence and $2,000,000.00 aggregate. Tenant shall be and remain liable for and pay all deductibles and other amounts not covered, paid or reimbursed under the insurance policies.

(b) Tenant shall procure and maintain, at Tenant's sole cost and expense, workers' compensation insurance as required by applicable law, and employers' liability insurance, with coverage amounts with a limit of (i) One Million Dollars ($1,000,000) for bodily injury per accident, (ii) One Million Dollars ($1,000,000) for bodily injury by disease per policy and (iii) One Million Dollars ($1,000,000) for bodily injury by disease per employee.

(c) The certificate of insurance required herein for commercial general liability insurance, including, without limitation, all renewals, shall include a blanket additional insured endorsement and provide for at least thirty (30) days advance notice to Landlord of any non-renewal or cancellation. Tenant shall provide Landlord with a copy of certificates of insurance stating that the coverage as required herein is in full force and effect no later than the Effective

Date. Tenant shall cause certificates of insurance or a self-insured letter in conformance with the requirements hereof to be promptly provided to Landlord for each subsequent policy renewal.

(d) Tenant's insurance in all instances shall be primary and any insurance that may be maintained by Landlord shall be in excess of and shall not contribute with Tenant's insurance. All insurance policies shall be issued by a company or companies licensed to do business in the State of Florida.

(e) Landlord shall have the right to periodically review the adequacy of the required insurance, its forms and types, the amounts of coverage and, notwithstanding any other provision of this Lease, unilaterally modify the insurance requirements of this Section 12 by giving notice of such modification to Tenant. Such modification shall be as found reasonably necessary in the sole discretion of Landlord. Factors which may be considered by Landlord include, without limitation, changes in generally accepted insurance industry standards and practices, changes in use of the Premises, changes in risk exposure, measurable changes in local and national economic indicators and changes in Landlord's policies and procedures.

(f) Tenant understands and acknowledges that the responsibility and obligation to provide and maintain insurance in the forms, types and coverages required herein are solely Tenant's responsibilities and obligations which continue for the entire Term of this Lease, and until such time as Tenant no longer operates the Substation or enters the Premises, whichever date is later.

(g) In the event that Tenant fails for any reason to procure or maintain insurance in the forms, types or coverages required and to name Landlord as an additional insured on the certificates of insurance, Tenant shall cure such material breach within fifteen (15) calendar days after Tenant is given notice of such breach. Should Tenant fail to cure the breach within such period or such other time as may be agreed to by the Parties in writing, Landlord in Landlord's sole discretion may, but is not obligated to, secure replacement insurance coverage at Tenant's sole expense. Should Landlord elect to secure replacement insurance, Tenant shall thereafter reimburse Landlord within fifteen (15) calendar days of Landlord's providing to Tenant an invoice for the costs and premiums incurred by Landlord for the replacement insurance coverage, plus an administrative charge of ten percent (10%) or $250.00, whichever is greater. Tenant shall continue to be responsible for the payment of all deductibles applicable to the insurance policies and all losses incurred with respect to any lapse in coverage. Should Tenant subsequently obtain the required insurance, Tenant shall remain responsible for and reimburse Landlord for all costs and expenses to Landlord for the insurance premiums incurred by Landlord and the administrative charges set forth in this Section 14(g).

(h) Tenant's obligations under this Section 14 shall survive the termination or expiration of this Lease.

15. No Consequential Damages. Notwithstanding any other provisions in this Lease to the contrary, neither Party nor any of its elected officials, directors, officers, employees, lenders, shall be liable to the other Party for consequential, incidental, exemplary, punitive, anticipatory profits or indirect loss or damage of any nature, including, without limitation, loss of profit, loss

of use, loss of operating time, loss of revenue, increased costs of producing revenues, cost of capital or loss of goodwill whether arising in tort, contract, warranty, strict liability, by operation of law or otherwise, even if by such Party's, its representatives', agents', contractors', subcontractors', invitees' or licensees' negligence or fault, in connection with this Lease, except to the extent claimed by third parties. The Parties further agree that the waivers and disclaimers of liability, indemnities, releases from liability, sole remedy provisions and limitations on liability expressed in this Lease shall survive termination or expiration of this Lease and shall extend to the parent, affiliates, and subsidiaries of each Party and their respective, partners, directors, officers, and employees and elected officials.

16. Taxes. Tenant shall pay any and all real property taxes for the Premises for the entire Term. As used herein, the term "**real property tax**" shall include any form of real estate tax or assessment, general, special, ordinary or extraordinary, and any license fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income or estate taxes) imposed on the Premises or any portion thereof by any authority having the direct or indirect power to tax, including, without limitation, any city, county, state or federal government, or any school, agricultural, sanitary, fire, street, drainage or other improvement district thereof, as against any legal or equitable interest of Landlord or Tenant in the Premises or in any portion thereof. Tenant shall pay the real property taxes and shall deliver to Landlord official receipts evidencing such payment, which payment of real property taxes shall be made and the receipts delivered at least thirty (30) days before the real property taxes would become delinquent in accordance with the law then in force governing the payment of such real property taxes. If, however, Tenant desires to contest the validity of any real property taxes, Tenant may do so without being in default hereunder, provided Tenant gives Landlord notice of Tenant's intention to do so and provided the real property taxes are paid before any such real property taxes become delinquent after any applicable contest or appeal period.

17. Utilities. Tenant shall pay for all water, gas, heat, light, power, telephone and other utilities and services supplied to the Premises, together with any taxes thereon.

18. Compliance with Laws. During the Term, Tenant shall, at its expense, comply with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Premises. Further, during the Term, Tenant shall, at its expense, cause the Premises to attain compliance or remain in compliance with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Premises.

19. Assignment and Subletting. Landlord acknowledges that this Lease and Tenant's interests hereunder shall be subject to the encumbrance of Tenant's pre-existing mortgage with Deutsche Bank Trust Company Americas. Tenant shall not otherwise mortgage or assign its interest in this Lease without the prior written consent of Landlord, and such consent may be withheld in Landlord's unfettered discretion unless such proposed assignment is to the purchaser of all or substantially all of the assets of Florida Power & Light Company, as a part of a bona fide sale by Florida Power & Light Company to a third party purchaser for value and in such event Landlord's consent will not be unreasonably withheld or delayed. Notwithstanding any assignment of this Lease, Tenant will not be released from any of its obligations hereunder

unless such assignee executes an assignment and assumption agreement in form reasonably acceptable to Landlord agreeing to be bound by the terms of this Lease and Landlord determines in its reasonable discretion that such assignee is creditworthy. Further, any assignment in violation of this Section 17 shall be deemed void and a breach of this Lease by Tenant.

20. Relocation of Premises or Access Parcel. Landlord may elect to relocate the Premises or the Access Parcel as follows:

(a) Tenant agrees that at any time before or during the Term, and upon at least two (2) years prior written notice (the "**Relocation Notice**"), Landlord shall have the right to relocate the Premises described herein (the "**Existing Premises**") to another area (the "**New Premises**"), as determined by Landlord in its commercially reasonable discretion using prudent electric utility industry practice after consultation with Tenant. The New Premises shall include reasonable vehicular access, be suitable for placement of an electric substation and of sufficient size to accommodate the substation equipment then placed on the Premises. Landlord shall bear any and all direct costs and expenses of such relocation, including (i) providing the New Premises, (ii) moving all Tenant's equipment from the Existing Premises to the New Premises, and (iii) the installation of such substation equipment together with any and all lines or other equipment necessary for the use and operation of an electric substation on the New Premises. In no event shall Landlord be liable to Tenant for any consequential damages as a result of any such relocation, including, but not limited to, loss of business income or opportunity. Landlord and Tenant shall promptly execute an amendment to this Lease reciting the relocation of the Premises which shall be recorded in the Public Records.

(b) Tenant agrees that at any time before or during the Term, and upon at least two (2) years prior written notice (the "**Access Relocation Notice**"), Landlord shall have the right to relocate the Access Easement and Access Parcel described herein (the "**Existing Access Parcel**") to another area (the "**New Access Parcel**"), as determined by Landlord in its commercially reasonable discretion using prudent electric utility industry practice after consultation with Tenant. The New Access Parcel shall include reasonable vehicular access to the Premises. Landlord shall bear any and all direct costs and expenses of such relocation, including (i) providing the New Access Parcel, (ii) moving all Tenant's equipment, if any, in the Existing Access Parcel to the New Access Parcel as is necessary for the use and operation of the Substation. In no event shall Landlord be liable to Tenant for any consequential damages as a result of any such relocation, including, without limitation, loss of business income or opportunity. Landlord and Tenant shall promptly execute an amendment to this Lease reciting the relocation of the Access Parcel which shall be recorded in the Public Records.

21. Default and Remedies.

(a) **Tenant Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by Tenant**" under this Lease by Tenant:

(i) The failure by Tenant to make any payment of Rent or any other payment required to be made by Tenant hereunder, as and when due, which failure continues for a period of ten (10) days following notice given by Landlord to Tenant.

(ii) Failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant, where such failure shall continue for a period of forty-five (45) days after notice thereof given by Landlord to Tenant. In the event the default cannot reasonably be cured within such forty-five (45) day period, Tenant shall not be in default if Tenant commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(iii) (A) The making by Tenant of any general arrangement or general assignment for the benefit of creditors; (B) Tenant becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within sixty (60) days.

(b) **Landlord Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by Landlord**" under this Lease by Landlord:

(i) Failure by Landlord to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Landlord, where such failure shall continue for a period of forty-five (45) days after notice thereof is given by Tenant to Landlord. In the event the default cannot reasonably be cured within such forty-five (45) day period, Landlord shall not be in default if Landlord commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by Landlord of any general arrangement or general assignment for the benefit of creditors; (B) Landlord becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Landlord, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Landlord 's assets, where possession is not restored to Landlord within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of Landlord's assets, where such seizure is not discharged within sixty (60) days.

(c) **Remedies.** If an Event of Default by Tenant or an Event of Default by Landlord occurs hereunder, the non-defaulting Party shall have the right at its option and without further notice, but subject to the limitations set forth in the last sentence of this subsection, to exercise any remedy available at law or in equity, including, without limitation, a suit for specific performance of any obligations set forth in this Lease or any appropriate injunctive or other equitable relief, or for damages resulting from such event of default. The Parties agree that remedies at law may be inadequate to protect against any actual or threatened breach of this

Lease. In the event of any breach or threatened breach, either Party shall have the right to apply for the entry of an immediate order to restrain or enjoin the breach and otherwise specifically enforce the provisions of this Lease. If an Event of Default by Tenant occurs, Landlord may, in addition to any other remedies set forth in this Lease or available under applicable law, accelerate the Rent due under this Lease for the period of three (3) years after the date of the Default by Tenant, which amount shall be due and payable immediately.

Notwithstanding the foregoing or anything to the contrary contained in this Lease, in no event shall any Event of Default by Tenant or Event of Default by Landlord, terminate, or entitle any Party to terminate, rescind or cancel this Lease or the rights granted hereunder. In the event that Tenant, by failing or neglecting to do or perform any act or thing herein provided by it to be done or performed, shall be in default under this Lease, then Landlord may, but shall not be required to, do or perform or cause to be done or performed such act or thing, and Tenant shall repay to Landlord on demand the entire expense incurred within forty-five (45) days following receipt of Landlord's invoice and supporting documentation. Any act or thing done by Landlord pursuant to the provisions of this subsection shall not be or be construed as a waiver of any such Event of Default by Tenant, or as a waiver of any covenant, term or condition herein contained or the performance thereof, or of any other right or remedy of Landlord, hereunder or otherwise. Except for Landlord's obligations set forth in Section 10 of this Lease, Landlord's liability under this Lease shall be at all times limited to the fair market value of Landlord's interest in the Premises. All amounts payable by Tenant to Landlord under this Lease, if not paid when the amounts become due under this Lease, shall bear interest from the date they become due until paid at the highest rate allowed by law.

22. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of such power (all of which are herein called "**condemnation**"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If so much of the Premises is taken under the power of eminent domain such that the Premises is no longer suitable for its intended use or suitable access cannot be provided to the Premises, Tenant may, at Tenant's option, to be exercised in writing only within ten (10) days after Landlord shall have given Tenant notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Tenant does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining. Any award for the taking of all or any part of the Premises under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Landlord; provided, however, that Tenant shall be entitled to any award for loss of Tenant's leasehold interest.

23. Severability. If any provision or portion of this Lease shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (a) such portion or provision shall be deemed separate and independent, (b) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling or adjudication, and (c) the remainder of this Lease shall remain in full force and effect.

24. Repair Obligations. Landlord shall have absolutely no obligations of any kind for the repair or maintenance of any part of the Premises or Access Parcel or any improvement or equipment thereon. During the Term, Tenant shall maintain the Premises, and the improvements and equipment thereon, in a neat, clean, safe and sanitary condition. Tenant shall be solely responsible at its own expense for regular removal and disposal of all refuse, garbage, debris, trash and other discarded materials and shall not allow an accumulation thereof on, in or adjacent to the Premises.

25. Termination. On the Expiration Date, or earlier termination of this Lease, Tenant shall peaceably and quietly deliver possession of the Premises to Landlord. At Landlord's request, Tenant shall remove any and all improvements, fixtures and equipment from the Premises and deliver the Premises to Landlord free of any improvements or equipment of any kind. Tenant agrees that, upon expiration or termination of this Lease, Tenant will, within thirty (30) days of request by Landlord, execute and deliver to Landlord a release of this Lease in recordable form. The foregoing provisions shall survive expiration or earlier termination of this Lease.

26. Waivers. Any waiver by either Party with respect to this Lease must be in writing, signed by the Party granting the waiver, and shall be limited to the express terms set forth in the waiver.

27. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity. Any and all sums due from Tenant to Landlord under this Lease shall be considered rent.

28. Binding Effect. This Lease shall bind the Parties, and their respective successors and permitted assigns.

29. Signs. Subject to applicable rules and regulations, Tenant will be permitted, without Landlord's consent, to have one or more signs on the Premises which identify the Premises as a Florida Power & Light Company Substation.

30. Quiet Possession. Upon Tenant paying the Rent for the Premises and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises and use of the Premises from any interference from Landlord for the entire Term.

31. Right of Entry. Subject to Landlord's duties, if any, relating to police, fire and other municipal services for which no advance notice is required, Landlord, or any of its agents, shall have the right to enter the Premises during reasonable hours to examine the same but only when accompanied by a qualified or designated employee of Tenant.

32. Force Majeure. In the event that either Party is unable to fulfill, or shall be delayed or restricted in the fulfillment of any obligation, or the curing of a default, under any provision of this Lease due to reasons outside of its reasonable control, or not wholly or mainly within such Party's reasonable control, including strike, lock-out, war, acts of military authority, acts of terrorism, sabotage, rebellion or civil commotion, fire or explosion, flood, wind, storm, hurricane, water, earthquake, acts of God or other casualty or by reason of any statute or law or

any regulation or order passed or made, or by reason of any order or direction of any administrator, controller, board or any governmental department or officer or other authority (other than, in the case of Landlord claiming relief under this Section 32, any statute or law or any regulation or order passed or made, or by reason of any order or direction of, any administrator, controller, board or any governmental department or officer or other authority of Landlord), and whether of the foregoing character or not, such Party shall, so long as any such impediment exists, be relieved from the fulfillment of such obligation and the other Party shall not be entitled to compensation for any damage, inconvenience, nuisance or discomfort thereby occasioned or to terminate this Lease.

33. Counterparts. This Lease may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

34. Brokerage. Landlord and Tenant each represent and warrant one to the other that neither of them has employed any broker in connection with the negotiations of the terms of this Lease or the execution thereof. Landlord and Tenant hereby agree to indemnify and to hold each other harmless against any loss, expense or liability with respect to any claims for commissions or brokerage fees arising from or out of any breach of the foregoing representation and warranty. This provision shall survive the expiration or earlier termination of this Lease.

35. Attorneys' Fees. In the event Tenant or Landlord defaults in the performance of any of the terms, covenants, conditions, agreements, or provisions contained in this Lease and Landlord or Tenant employs attorneys and brings suit in connection with the enforcement of this Lease or any provision hereof or the exercise of any of its remedies hereunder, then the prevailing Party in any suit so instituted shall be promptly reimbursed by the other Party for all reasonable attorneys' fees and expenses so incurred, including, without limitation, any such fees and expenses incurred in appellate, bankruptcy and post-judgment proceedings. Any monetary judgment rendered in any litigation concerning this Lease shall bear interest at the highest rate allowed by applicable law. The foregoing provisions shall survive expiration or earlier termination of this Lease.

36. Estoppel Certificate. Landlord and Tenant shall, from time to time and without additional consideration, execute and deliver to each other or to any person whom the requesting Party may designate, within twenty (20) days after the request therefor: (a) an estoppel certificate consisting of statements, if true, that (i) this Lease is in full force and effect, with Rent current through the date of the certificate; (ii) this Lease has not been modified or amended (or setting forth all modifications and amendments); and (iii) to the best of such Party's knowledge and belief, the other Party is not then in default (or if in default, specifying such default), and Tenant and Landlord have fully performed all of Tenant's and Landlord's obligations, respectively, required to have been performed under this Lease as of the date of the certificate; and (b) such further consents and instruments of a similar nature evidencing the agreement (subject to the provisions of this Lease) of Landlord or Tenant to the mortgage or other hypothecation by Tenant of the leasehold estate created hereby, as may be reasonably requested by Tenant or any approved leasehold mortgagee, or authorized assignee or transferee of the interest of Landlord or Tenant, as applicable. Notwithstanding the foregoing, neither Party may make excessive requests for estoppel certificates, and neither Party shall be obligated to provide more than two (2) estoppel certificates in any Lease Year.

37. Notices. Every notice, approval, consent or other communication required or permitted under this Lease shall be in writing, shall be deemed to have been duly given on the date of receipt, and shall be deemed delivered if either served personally on the Party to whom notice is to be given, or sent to the Party to whom notice is to be given, by overnight courier or by first class registered or certified mail (return receipt requested), postage prepaid, and addressed to the addressee at the address stated opposite its name below, or at the most recent address specified by notice given to the other Party in the manner provided in this Section.

To Landlord:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Manager
With a required copy to:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Attorney
To Tenant:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Corporate Real Estate
With a required copy to:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Law Department

38. Recording. This Lease shall be recorded in the Public Records of Indian River County, Florida at Tenant's expense.

39. No Personal Liability. Excluding any successor-in-interest to Tenant or Landlord under this Lease, notwithstanding anything to the contrary in this Lease, no present or future parent, subsidiary, affiliate, member, principal, shareholder, manager, officer, official, director, or employee of Tenant or Landlord will be personally liable, directly or indirectly, under or in connection with this Lease, or any document, instrument or certificate securing or otherwise executed in connection with this Lease, or any amendments or modifications to any of the foregoing made at any time or times, or with respect to any matter, condition, injury or loss related to this Lease, and each of the Parties, on behalf of itself and each of its successors and assignees, waives and does hereby waive any such personal liability.

40. Entire Agreement. This Lease and any exhibits, schedules or addenda attached hereto and forming a part hereof, contains the entire agreement between the Parties hereto with respect to the subject matter of this Lease, and supersedes all previous negotiations leading thereto, and it may be modified only by an agreement in writing executed and delivered by Landlord and Tenant. All exhibits, schedules or addenda attached to this Agreement are expressly incorporated herein by this reference.

41. Governing Law; Forum. This Lease shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES OR THE ACCESS PARCEL, OR ANY CLAIM FOR INJURY OR DAMAGE, SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.

42. WAIVER OF JURY TRIAL. THE PARTIES HERETO SHALL, AND THEY HEREBY DO, IRREVOCABLY WAIVE TRIAL BY JURY IN ANY AND EVERY ACTION OR PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES OR THE ACCESS PARCEL, AND ANY CLAIM FOR INJURY OR DAMAGE. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.

43. Radon Gas. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present a health risk to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

44. Holding Over. If Tenant remains in possession of the Premises after this Lease expires or terminates for any reason:

(a) Tenant shall be deemed to be occupying the Premises as a tenant from month-to-month at the sufferance of Landlord. Tenant will continue to be subject to and comply with all of the provisions of this Lease, except that, at Landlord's discretion, the rent will be at a monthly rate up to an amount equal to 1/12th of the fair market annual rental value of the Premises, including all improvements and fixtures, calculated at the time of the expiration or termination, and paid by Tenant on the first day of each month subsequent to the expiration or termination.

(b) Tenant shall reimburse Landlord and indemnify and hold Landlord harmless for any and all additional losses and damages which Landlord suffers by reason of Tenant's continued occupancy.

(c) Tenant shall indemnify Landlord from and against all claims made by any

successor tenant insofar as such delay is occasioned by Tenant's failure to surrender possession of the Premises.

45. Landlord/Tenant Relationship; and Third Party Beneficiaries. This Lease creates a landlord/tenant relationship, and no other relationship, between the Parties. This Lease is for the sole benefit of the Parties hereto and, except for assignments permitted hereunder, no other person or entity shall be a third party beneficiary hereunder.

46. No Waiver of Regulatory Authority. Nothing in this Lease constitutes a waiver of Landlord's regulatory, public safety or other municipal authority with respect to the Premises, the Access Parcel or any other matter. Further, nothing in this Lease shall be deemed to waive Landlord's or Tenant's right of eminent domain.

47. Sovereign Immunity. Landlord is a Florida municipal corporation whose limits of liability are set forth in section 768.28, Florida Statutes, and nothing herein shall be construed to extend the liabilities of Landlord beyond that provided in section 768.28, Florida Statutes. Further, nothing herein is intended as a waiver of Landlord's sovereign immunity under section 768.28, Florida Statutes. Nothing hereby shall inure to the benefit of any third party for any purpose, including but not limited to, anything that might allow claims otherwise barred by sovereign immunity or operation of law.

48. Time, Interpretation. In computing any period of time pursuant to this Lease, the day of the act, event, or default from which the designated period of time begins to run shall not be included, but the time shall begin to run on the next succeeding day. The last day of the period so computed shall be included, unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or legal holiday. A legal holiday as used in this Lease includes days on which banks in Vero Beach, Florida are not open for regular business. Time is of the essence. The captions in this Lease are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Lease or any of the provisions hereof. This Lease shall not be construed more strongly against or for either Party regardless of the drafter. Unless the context otherwise requires, (a) all references to Sections or Exhibits are to Sections or Exhibits in or to this Lease, and (b) words in the singular or plural include the singular and plural and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter and the term "including" shall mean by way of example and not by way of limitation.

[Remainder of page intentionally blank; Signature pages follows]

City of Vero Beach Execution Pages

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Lease to be executed as of the Effective Date.

ATTEST: **CITY OF VERO BEACH**

_____ By:_____
Tammy K. Bursick Laura Moss
City Clerk Mayor

[SEAL]

WITNESSES:

_____
Print
name:_____

_____
Print
name:_____

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing Lease Agreement was acknowledged before me this _____ day of _____ 2016 by **Laura Moss, as Mayor**, and attested by **Tammy K. Bursick, as City Clerk**, of the City of Vero Beach, Florida. They are both known to me.

_____
NOTARY PUBLIC
Print name:
Commission No. [SEAL]
My Commission Expires:

ADMINISTRATIVE REVIEW

(For Internal Use Only–Sec. 2-77 COVB Code)

Approved as to form and legal sufficiency:

Wayne R. Coment
City Attorney

Approved as conforming to municipal policy:

James R. O'Connor
City Manager

Approved as to technical requirements:

Ted Fletcher
Director of Electric Utility Operations

Approved as to technical requirements:

Cynthia D. Lawson
Director of Finance

Approved as to technical requirements:

Timothy J. McGarry
Director of Planning and Development

Florida Power & Light Company Execution Page

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Lease to be executed as of the Effective Date specified in this Lease.

WITNESSES:

TENANT:

FLORIDA POWER & LIGHT COMPANY, a Florida corporation

_____
Print
name:_____

_____
Print
name:_____

By:_____
Name:_____
Title:_____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this day of _____, 20__, by , the of **FLORIDA POWER & LIGHT COMPANY**, a Florida corporation, who [ ] is personally known to me or [ ] has produced as identification.

Seal:

_____
Notary Public, State of Florida at Large
Print Name: _____
Notary Commission No.: _____
My Commission Expires: _____

Lease by and between the City of Vero Beach, Florida and Florida Power & Light Company

Exhibit "A"

Premises Legal Description and Map

SUBJECT TO REVISION

Indian River County GIS

East 225.0' of the North 350.0' of the West 260.0' of the NE 1/4 of the SE 1/4 of section 27 township 32 South range 39 East Indian River County, Florida, less right of way.

Exhibit "B"

Access Easement Legal Description and Map

Subject to Revision to Provide for Separate Access Parcel

Exhibit I-2

Form of Airport Warehouse Lease Agreement and Memorandum of Lease

[*Exhibit begins on the following page.*]

Prepared by and return to:
Nathaniel L. Doliner
Carlton Fields
4221 W. Boy Scout Blvd., Ste. 1000
Tampa, Florida 33607-5780

AIRPORT WAREHOUSE LEASE AGREEMENT

THIS AIRPORT WAREHOUSE LEASE AGREEMENT (the "**Lease**"), made and entered into as of [_____ __], 201[__] (the "**Effective Date**") is between THE CITY OF VERO BEACH, FLORIDA, a Florida municipal corporation (herein called "**Landlord**"), with an address of 1053 20th Place, Vero Beach, FL 32960, and FLORIDA POWER & LIGHT COMPANY, a Florida corporation (herein called "**Tenant**"), with an address of 700 Universe Boulevard, Juno Beach, FL 33408. Landlord and Tenant are sometimes together referred to herein as the "**Parties**" and individually as a "**Party.**"

RECITALS

A. As of the Effective Date, Landlord has sold, assigned and conveyed certain electric utility assets of Landlord to Tenant, and Tenant has commenced providing retail electric service to the City of Vero Beach's electric utility customers as contemplated under that certain Asset Purchase and Sale Agreement, dated [_____], 201[__], by and between Landlord and Tenant (the "**Asset Purchase and Sale Agreement**"). As used in this Lease, the "**Vero Beach Electric Utility**" means the electric utility system of electricity transmission and distribution owned or operated by Tenant providing retail electric service to the City of Vero Beach's electric utility customers on and after the Effective Date.

B. In order to provide retail electric services to the electric utility customers as contemplated by the Asset Purchase and Sale Agreement, Tenant desires to lease from Landlord, and Landlord desires to lease to Tenant, for use exclusively as a warehouse supporting Tenant's electrical utility assets, the real property more commonly known as the "**Airport Warehouse Property**" (the "**Warehouse**") and more particularly described and depicted on attached **Exhibit "A"** made a part hereof, together with all improvements and fixtures located thereon, and all appurtenances pertaining thereto (collectively, the "**Premises**").

C. It is intended that the Rent provided for in this Lease shall be absolutely net to Landlord throughout the Term, free of any taxes, costs, utilities, insurance expenses, liabilities, charges or other deductions whatsoever with respect to the Premises and the operation, maintenance, repair, rebuilding, use or occupation thereof all of which shall be Tenant's sole responsibility during the entire Term.

NOW THEREFORE, in consideration of and subject to the terms, covenants, agreements, provision and limitations set forth in this Lease, Landlord and Tenant agree as follows:

1. Recitals. The above-stated recitals are true and correct and are incorporated herein by this reference.

2. Lease of Premises. Landlord hereby leases the Premises to Tenant, and Tenant hereby leases the Premises from Landlord. Tenant will rely exclusively upon its own investigation into the title relating to the Premises and the Access Parcel and Landlord makes no warranty of title relating to the Premises or the Access Parcel. Tenant's leasehold and easement interest in the Premises and Access Parcel pursuant to this Lease is made subject to the Permitted Encumbrances (as defined in the Asset Purchase and Sale Agreement). This Lease also includes the right, during the Term, as defined below, to use all existing easements and appurtenances, if any, benefitting the Premises and necessary or now used to operate the Premises.

3. Intentionally Deleted.

4. Triple Net Lease. This is a triple net lease and the Rent required to be paid to Landlord pursuant to this Lease shall be completely net rent to Landlord. During the entire Term, Landlord shall have absolutely no cost, obligation, responsibility or liability whatsoever relating to the Premises. Without limiting the generality of the foregoing, Landlord shall have no obligations for repairing or maintaining any portion of the Premises or any systems with respect thereto. All Rent shall be paid by Tenant to Landlord without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction whatsoever and Tenant shall pay any and all applicable sales and use tax, local surtaxes, any and all ad valorem taxes on the Premises, and any documentary stamp tax or other taxes on the Rent or the grant of rights described in this Lease.

5. Use. The Premises may be used by Tenant as a warehouse to support Tenant's electrical utility assets in the business of the Vero Beach Electric Utility, and for no other use whatsoever. Tenant covenants that it shall comply with all applicable building, zoning, fire and other governmental laws, ordinances, regulations and rules in its use and operation of the Premises.

6. FAA and FDOT. Tenant acknowledges that the Premises and the Access Parcel are under the regulatory jurisdiction of the Federal Aviation Administration (the "**FAA**") and Florida Department of Transportation (the "**FDOT**"), and this Lease is made expressly subject to the regulatory authority, rules and regulations of the FAA and the FDOT as may be applicable.

7. Term. Unless otherwise provided by this Lease, the term of this Lease shall be for a period of one (1) calendar year beginning on the Effective Date (the "**Initial Term**"),and can be extended by Tenant at Tenant's sole option for up to nine (9) additional terms of one (1) year each (each, an "**Extended Term**") provided that Tenant shall deliver to Landlord notice of Tenant's intent to extend the Term of this Lease not less than thirty (30) days prior to the expiration the then-current Initial Term or Extended Term, as the case may be. The Initial Term and each Extended Term, if Tenant exercises its option, under the terms of this Lease, as to any of the Extended Terms, shall be collectively referred to herein as the "**Term**." For purposes of

this Lease, the term "**Lease Year**" shall mean: (a) that period, during the Term, commencing upon the Effective Date and continuing until and including the last day of the month of the twelfth (12th) full month following the Effective Date; (b) each such successive twelve (12) month period of the Term in the event the Initial Term is extended under this Section; and (c) in the event that this Lease terminates prior to the end of a Lease Year, that period commencing on the first date of such Lease Year and ending on the date of termination of this Lease. The expiration date of the Term (the "**Expiration Date**") shall be the last day of the Initial Term, or the last day of the last Extended Term, whichever shall be applicable depending on whether Tenant shall exercise any option as to any Extended Terms.

8. Rent. The rent (the **"Rent"**) to be paid under this Lease shall be paid in the amounts as set forth below, plus any and all applicable sales and use tax, local surtaxes, and any documentary stamp tax or other taxes on the Rent, or rights granted to Tenant by this Lease, and shall be paid to Landlord in advance without demand or offset:

(a) **Rent During Initial Term**. Rent during the Initial Term shall be an amount approved by the FAA and equal to the fair market rental value as determined by an appraiser selected by Landlord, with the cost of that appraisal split equally between the Parties, and with such appraisal being performed no more than six (6) months prior to the Effective Date] and shall be paid in equal monthly installments of [_____ ($_____)] commencing on the Effective Date and continuing on each subsequent month. Beginning annually on the first day of each Extended Term pursuant to an option to renew or extend the Term, if any, exercised by Tenant under this Lease, the Rent shall be adjusted and increased in accordance with any increase in the annual percentage change for the prior year in the index known on the Effective Date as the "United States Bureau of Labor Statistics Consumer Price Index ("**CPI**") for All Urban Consumers," using the July to July report. If the CPI ceases to be published, Landlord shall select an alternative index measuring price increases in its reasonable discretion. In no event shall the Rent decline due to any change in the CPI, and in the event of a decline in the CPI for any applicable annual period, there will be no adjustment to the Rent for that Lease Year.

9. Representations and Warranties.

(a) Landlord represents and warrants to Tenant as follows:

(i) Landlord has full power and authority to enter into this Lease.

(ii) The person executing and delivering this Lease on Landlord's behalf is acting pursuant to proper authorization and this Lease is the valid, binding and enforceable obligation of Landlord enforceable against Landlord in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

(b) Tenant represents and warrants to Landlord as follows:

(i) Tenant is a corporation duly incorporated, validly existing and having active status under the laws of the State of Florida, with the necessary corporate power and authority to enter into this Lease.

(ii) The person executing and delivering this Lease on Tenant's behalf is acting pursuant to proper authorization, and this Lease is the valid, binding and enforceable obligation of Tenant enforceable against Tenant in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

10. Hazardous Materials and Pre-Existing Conditions.

(a) For purposes of this Lease:

(i) "***Environmental Claim***" means any and all communications, whether written or oral, alleging potential Liability, administrative or judicial actions, suits, orders, liens, notices alleging Liability, notices of violation, investigations which have been disclosed to Landlord, complaints, requests for information relating to the Release or threatened Release into the Environment of Hazardous Substances, proceedings, or other communication, whether criminal or civil, pursuant to or relating to any applicable Environmental Law, by any person (including any governmental authority) based upon, alleging, asserting, or claiming any actual or potential (i) violation of, or Liability under any Environmental Law, (ii) violation of any Environmental Permit, or (iii) Liability for investigatory costs, cleanup costs, removal costs, remedial costs, response costs, monitoring costs, natural resource damages, property damage, personal injury, fines, or penalties arising out of, based on, resulting from, or related to the presence, Release, or threatened Release into the environment of any Hazardous Substances at the Premises including any off-Site location to which Hazardous Substances, or materials containing Hazardous Substances, were sent.

(ii) "***Environmental Laws***" means all Laws regarding pollution or protection of the Environment, the conservation and management of land, natural resources and wildlife or human health and safety or the Occupational Safety and Health Act (only as it relates to Hazardous Substances), including Laws regarding Releases or threatened Releases of Hazardous Substances (including Releases to ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, Release, transport, disposal or handling of Hazardous Substances, including the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§ 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.), the Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Toxic Substances

Control Act (15 U.S.C. §§ 2601 et seq.), the Oil Pollution Act (33 U.S.C. §§ 2701 et seq.), the Emergency Planning and Community Right-to-Know Act (42 U.S.C. §§ 11001 et seq.), and all other Laws analogous to any of the above.

(iii) "***Environmental Permit***" means any Permit under or in connection with any Environmental Law, including any and all orders, consent orders or binding agreements issued or entered into by a governmental authority under any applicable Environmental Law, that is used in, or necessary for, (i) the business of the Vero Beach Electric Utility, or (ii) the ownership, use or operation of the Premises, in each case under clause (i) or (ii), as conducted prior to the Effective Date.

(iv) "***Hazardous Substances***" means: (i) any petroleum, asbestos, asbestos-containing material, and urea formaldehyde foam insulation and transformers or other equipment that contains polychlorinated biphenyls; (ii) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "contaminants," "pollutants," "toxic pollutants," "hazardous air pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law; and (iii) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

(v) ***"Law"*** means any foreign, federal, state or local law, constitutional provision, statute, charter, ordinance or other law, rule, regulation, code (including any zoning code, fire code or health and safety code), or interpretation of any governmental authority or any order of or by any governmental authority, including all Environmental Laws, requirements and regulations, applicable to the Premises or the Vero Beach Electric Utility.

(vi) "***Liability***" means any direct or indirect liability, commitment, indebtedness or obligation (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or un-accrued, whether liquidated or un-liquidated, and whether due or to become due) of any kind, character or nature, or any demand, claim or action asserted or brought against the relevant Party.

(vii) "***Loss***" or "***Losses***" means any and all damages, fines, fees, penalties, deficiencies, losses, Liabilities, interest, awards, judgments, actions and expenses (whether or not involving a third party claim), including all remediation costs, reasonable fees of attorneys, accountants and other experts, or other expenses of litigation or proceedings or of any claim, default or assessment relating to the foregoing.

(viii) "***Release***" means any actual, threatened or alleged spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching,

migrating, dumping or disposing of a Hazardous Substance into the environment or within any building, structure, facility or fixture.

(ix) "***Remediation***" means any action of any kind required by applicable Law to address the presence or Release of Hazardous Substances, including: (i) monitoring, investigation, assessment, treatment, cleanup containment, removal, mitigation, response or restoration work, as well as obtaining any permits necessary to conduct any such activity; (ii) preparing and implementing any plans or studies for any such activity; and (iii) obtaining a written notice from a governmental authority with competent jurisdiction under Environmental Laws, that no material additional work is required.

(b) As may be more fully described in the Asset Purchase and Sale Agreement and this Lease, except to the extent exacerbated or contributed to by Tenant, Landlord agrees to be responsible for any and all Losses of Tenant, and pay and perform when due any and all Liabilities of Tenant:

(i) under Environmental Laws, Environmental Permits or Environmental Claims with respect to the Premises arising from any event, condition, circumstance, act or omission that occurred prior to the Effective Date; or

(ii) arising from the presence of Hazardous Substances that originated on the Premises prior to the Effective Date or the Release of Hazardous Substances at, on, in, under, or migrating from the Premises prior to the Effective Date (such Losses or Liabilities under this Section 10(b)(i) or Section 10(b)(ii) hereof, the "**Environmental Liabilities**");

Provided, however, that as an absolute condition to such responsibility, Tenant must give to Landlord notice (the "**Environmental Notice**") of any claim of Environmental Liabilities no later than thirty (30) days prior to the anticipated Effective Date and, solely with respect to any Environmental Liability which Tenant demonstrates occurred subsequent to Tenant's Phase II environmental testing described below, Tenant must give the Environmental Notice prior to the Effective Date, which Environmental Notice, in either case, must contain the estimated total amount of the Environmental Liabilities and a summary of facts then known to Tenant that support such claim; and provided, further, that in no event shall Landlord be liable or responsible for any Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate, from all sources as described in the Asset Purchase and Sale Agreement, (the "**Aggregate Environmental Cap**"). Tenant hereby releases Landlord from, and Landlord shall not be liable or responsible for, any and all Environmental Liabilities as to which Tenant does not give Landlord the Environmental Notice or Environmental Notices prior to the time required in the immediately preceding sentence. Tenant also hereby releases Landlord from, and Landlord shall not be responsible for, any and all Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate from all sources as described in the Asset Purchase and Sale Agreement. The limitations on Landlord's liability or responsibility for Environmental Liabilities under this Section 10 are absolute limitations and will control over any

other provisions in this Lease or other agreements between the Parties that are or may be to the contrary

(c) In order to make a claim against Landlord pursuant to Section 10 (b) above, Tenant must have completed its environmental testing, including Phase II environmental testing, on the Premises and, if so performed, must have submitted the results of such testing to Landlord at least thirty (30) days prior to the Effective Date (collectively, "**Tenant's Phase II Environmental Testing**"). If Tenant has not performed such actions by the within the time periods specified, Tenant shall be deemed to have waived its right to make a claim against Landlord under Section 10 (b) above with respect to the Premises.

(d) Tenant shall not cause or permit the Release in any manner of any Hazardous Substances upon the Premises or upon adjacent lands, which violates any Environmental Laws. Tenant shall give prompt notice to Landlord of any Release of a Hazardous Substance in violation of Environmental Laws, whether caused by Tenant or, to the knowledge of Tenant, any third party.

(e) To evidence any changes to the environmental condition of the Premises at the expiration or termination of this Lease, Tenant shall perform an environmental assessment, including soils and groundwater sampling, of the Premises (the **"Closure Environmental Assessment")** as close in time as practical to the Expiration Date or the earlier termination of this Lease, at its expense and provide a copy thereof to Landlord as soon as practical. Tenant's obligation to provide the Closure Environmental Assessment shall survive the expiration or termination of this Lease.

(f) Except to the extent of Landlord's responsibility as described in Section 10 (b) above, Tenant shall be responsible, at Tenant's sole cost and expense, for commencing and thereafter performing, or causing to be performed, any and all assessments, Remediation, cleanup and monitoring of all Hazardous Substances existing or Released on, in, under, from or related to the Premises during the Term in violation of Environmental Laws; provided, however, that the foregoing shall not in any way limit or expand any liability, obligations or rights of Tenant or Landlord, to the extent expressly provided in the Agreement for Sale and Purchase. In the event any Remediation is required in the previous sentence, Tenant shall furnish to Landlord, within a reasonable period of time, written proof from the appropriate local, state or federal agency with jurisdiction over the Remediation that the Remediation has been satisfactorily completed in full compliance with all Environmental Laws. Tenant's obligation to provide Remediation as required by this Section 10 shall survive the expiration or termination of this Lease.

(g) Tenant shall indemnify, defend and hold harmless Landlord from and against, and pay, reimburse and fully compensate as the primary obligor Landlord for, any and all claims, suits, judgments, loss, damage, and liability which may be incurred by Landlord including, without limitation, Landlord's reasonable attorney's fees and costs, arising in any way from Hazardous Substances existing or Released on, in, under, from the Premises by Tenant, its employees agents or contractors, or related to Tenant's use of the Premises during the Term in violation of Environmental Laws, or any violation of the Environmental Laws, by Tenant, its agents, licensees, invitees, subcontractors or employees on, in, under or related to the Premises

during the Term. This responsibility shall continue to be in effect for any such Release or presence of Hazardous Substances as to which Landlord gives notice to Tenant on or before the fifth (5th) anniversary of the Expiration Date. Tenant's obligation to provide the indemnity, defense and hold harmless required by this Lease shall survive the expiration or termination of this Lease.

(h) With respect to Remediation of any Releases at the Premises or migrating from the Premises, Tenant will remediate such Release, including any recognized environmental conditions identified in Tenant's Phase II Environmental Testing (the "**Baseline Recognized Environmental Conditions**") or Hazardous Substances migrating from the Premises (such Baseline Recognized Environmental Conditions and Hazardous Substances migrating from onto the Premises (but excluding any impacts to extent of any contribution or exacerbation by Tenant), the **"Landlord Responsible Environmental Conditions"**) as required by the Florida Department of Environmental Protection or Environmental Protection Agency, subject the following conditions:

(i) Unless otherwise agreed by the Parties, Tenant will remediate a Release to the least stringent standard permitted by the Florida Department of Environmental Protection and Environmental Protection Agency, as applicable, and obtain a final non-appealable agency action approving such remediation, if applicable (such remediation standard, the **"Minimum Required Standard"**). The Landlord may direct Tenant to remediate to a higher (cleaner) standard in which case the incremental cost (the **"Incremental Cost"**) will be the Landlord's responsibility.

(ii) If the cost of remediating any Landlord Responsible Environmental Conditions to the Minimum Required Standard, or such higher standard as may be requested or required by the Landlord, will exceed $50,000 as reasonably estimated by Tenant based on reasonable bids from a third party contractor in accordance with Tenant's standard procurement practices, the total cost of remediating the Landlord Responsible Environmental Condition will be the responsibility of Landlord; subject to the limitation set forth in Section 10 (b) above.

(iii) If the Florida Department of Environmental Protection or Environmental Protection Agency requires remediation or other actions (e.g., monitoring), Tenant has the sole right to direct such Remediation activities regardless of the estimated cost and the Landlord shall be responsible for the costs associated with Remediating the Landlord Responsible Environmental Conditions, subject to the limitation set forth in Section 10 (b) above.

(i) (iv) With respect to the Landlord's payment obligations set forth in Section 10 (h)(ii)-(iii), the Landlord shall reimburse Tenant within fifteen (15) calendar days of Tenant's providing to the Landlord an invoice for the costs incurred by Tenant along with copies of the underlying invoices from the contractors who performed the work. Notwithstanding anything herein to the contrary, in no event shall the Landlord shall be responsible for the costs to remediate Landlord Responsible Environmental Conditions in excess of the Aggregate

Environmental Cap as defined in Section 6.22 of the Asset Purchase and Sale Agreement and Section 10 (b) above except for Incremental Costs that exceed the Aggregate Environmental Cap.

11. Non-interference. Landlord covenants and agrees not to use or construct any improvements on, under or over the Premises.

12. Acceptance of Premises, Assumption of Risk; and Indemnification. Tenant agrees as follows:

(a) Except as specifically provided in this Lease, Tenant acknowledges and agrees that Landlord has not made, does not make and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future of, as to, concerning or with respect to the Premises and that the rights granted with respect to the Premises provided for in this Lease are made on an "as is" condition and basis and with all faults. Without in any way limiting the generality of the foregoing, the grant of leasehold rights contemplated hereby is without any warranty other than Landlord's express representations and warranties in this Lease; and Landlord and Landlord's elected and appointed officials, officers, directors, employees, and affiliates (collectively the "**Landlord's Related Parties**") have made no, and expressly and specifically disclaim, and Tenant accepts that Landlord and the Landlord's Related Parties have disclaimed, any and all representations, guaranties or warranties, express or implied, or arising by operation of law (except for the representations and warranties, if any, expressly made by Landlord in this Lease), of or relating to: (i) the use, expenses, operation, characteristics or condition of the Premises, or any portion thereof, including, without limitation, warranties of suitability, habitability, merchantability, design or fitness for any specific or particular purpose, or good and workmanlike construction; (ii) the environmental condition of the Premises, or contamination by hazardous materials, or the compliance of any portion of the Premises with any or all Environmental Laws; or (iii) the soil conditions, drainage, flooding characteristics, accessibility or other conditions existing in, on or under any portion of the Premises. Tenant acknowledges and agrees that it is not relying on any representations or statements (oral or written) which may have been made or may be made by Landlord or any of the Landlord's Related Parties (except for Landlord's representations and warranties expressly set forth in this Lease), and is relying solely upon Tenant's or Tenant's representatives' own physical inspection of the Premises and other investigations by Tenant or Tenant's representatives. Tenant acknowledges that any condition of the Premises, whether apparent or latent, which Tenant discovers or desires to correct or improve on or after the Effective Date shall be subject to Landlord's review and approval rights, as set forth in this Lease, and shall be at Tenant's sole expense.

(b) Tenant recognizes and hereby expressly and fully assumes all risks, known and unknown, that arise or might arise incidental to or in any way connected with the condition or use of the Premises or access to the Premises. This assumption of risk by Tenant is made for and on behalf of Tenant and Tenant's successors, and permitted assigns.

(c) Tenant agrees to indemnify, defend and hold harmless Landlord and Landlord's Related Parties against any and all claims, including costs and expenses, of any kind or nature,

including, without limitation, costs of investigation, attorneys' fees, paralegal fees, experts' fees and costs through regulatory proceedings, trial and review or appeal, including but not limited to claims for personal injury, death of persons and property damage, or other liability to the extent arising from Tenant's use, improvement, operation, condition or maintenance of the Premises, provided however that this indemnity shall not apply to the negligence or willful misconduct of the Landlord and/or the Landlord's Related Parties as determined by a court of competent jurisdiction.

(d) Tenant's obligations under this Section 12 shall survive the termination of this Lease.

13. Construction, Mechanics and Materialmen's Liens; Notice of Work. Tenant will make no alteration, change, improvement or addition to the Premises without the prior written consent of Landlord which will not be unreasonably withheld, conditioned or delayed. Tenant will be responsible for payment of any and all work performed on Tenant's behalf on the Premises. In no event will Landlord be responsible for payment of any work relating to the Premises, or any interest therein, be subject to any lien for payment of any construction or similar work performed by or for Tenant on or for the Premises. Further, Tenant shall promptly notify the contractor performing any such work or alterations on the Premises at Tenant's request or making such improvements to the Premises at Tenant's request of this provision exculpating Landlord of responsibility for payment and liens. Notwithstanding the foregoing, if any mechanic's lien or other lien, attachment, judgment, execution, writ, charge or encumbrance is filed or recorded against any portion of the Premises as a result of any work performed on or materials delivered to the Premises at Tenant's direction, Tenant shall, within sixty (60) days following written notice of any such lien, cause same to be paid, discharged or otherwise removed of record. In the event that Tenant fails to remove any such mechanics or materialmen's lien relating to Tenant's work at the Premises, the Landlord may cause such lien to be removed and Tenant shall reimburse Landlord for all reasonable costs and expenses, including attorney's or paralegal fees incurred by Landlord within forty-five (45) days following receipt of Landlord's written invoice and supporting documentation.

14. Insurance. Landlord understands that Tenant self-insures, and that prior to accessing the Premises, Tenant will provide Landlord with a letter of such self-insurance. In the event that Tenant ceases to self-insure, then, during the Term of this Lease, and thereafter so long as Tenant operates, uses or maintains any portion of the Premises:

(a) Tenant shall procure and maintain, at Tenant's sole cost and expense, commercial general liability insurance providing coverage which protects Tenant and Landlord and the Landlord's Related Parties from and against any and all claims and liabilities for bodily injury, death and property damage arising from operations, premises liability, and fire with respect to the Premises. Such insurance shall provide minimum coverage of $1,000,000.00 per occurrence and $2,000,000.00 aggregate. Tenant shall be and remain liable for and pay all deductibles and other amounts not covered, paid or reimbursed under the insurance policies.

(b) Tenant shall procure and maintain, at Tenant's sole cost and expense, workers' compensation insurance, as required by applicable law, and employers' liability insurance, with coverage amounts with a limit of (i) One Million Dollars ($1,000,000) for bodily injury per

accident, (ii) One Million Dollars ($1,000,000) for bodily injury by disease per policy and (iii) One Million Dollars ($1,000,000) for bodily injury by disease per employee.

(c) Tenant shall procure and maintain, at Tenant's sole cost and expense, insurance with respect to all buildings, improvements, equipment and machinery constituting a part of the Premises against loss or damage by perils customarily included under standard "all risk" (including windstorm) policies, in an amount equal to one hundred percent (100%) of the then full replacement value (without deducting depreciation) of such buildings, improvements, equipment and machinery, including the cost of removal of debris and Landlord shall be named as additional insured. Tenant has the right to self-insure this exposure.

(d) The certificate of insurance required herein for commercial general liability insurance, including, without limitation, all renewals, shall include a blanket additional insured endorsement and provide for at least thirty (30) days advance notice to Landlord of any non-renewal or cancellation. Tenant shall provide Landlord with a copy of certificates of insurance stating that the coverage as required herein is in full force and effect no later than the Effective Date. Tenant shall cause certificates of insurance or a self-insured letter in conformance with the requirements hereof to be promptly provided to Landlord for each subsequent policy renewal.

(e) Tenant's insurance in all instances shall be primary and any insurance that may be maintained by Landlord shall be in excess of and shall not contribute with Tenant's insurance. All insurance policies shall be issued by a company or companies licensed to do business in the State of Florida.

(f) Landlord shall have the right to periodically review the adequacy of the required insurance, its forms and types, the amounts of coverage and, notwithstanding any other provision of this Lease, unilaterally modify the insurance requirements of this Section 14 by giving notice of such modification to Tenant. Such modification shall be as found reasonably necessary in the sole discretion of Landlord. Factors which may be considered by Landlord include, without limitation, changes in generally accepted insurance industry standards and practices, changes in use of the Premises, changes in risk exposure, measurable changes in local and national economic indicators and changes in Landlord's policies and procedures.

(g) Tenant understands and acknowledges that the responsibility and obligation to provide and maintain insurance in the forms, types and coverages required herein are solely Tenant's responsibilities and obligations which continue for the entire Term of this Lease, and until such time as Tenant no longer operates or enters the Premises, whichever date is later.

(h) In the event that Tenant fails for any reason to procure or maintain insurance in the forms, types or coverages required and to name Landlord as an additional insured on the certificates of insurance, Tenant shall cure such material breach within fifteen (15) calendar days after Tenant is given notice of such breach. Should Tenant fail to cure the breach within such period or such other time as may be agreed to by the Parties in writing, Landlord in Landlord's sole discretion may, but is not obligated to, secure replacement insurance coverage at Tenant's sole expense. Should Landlord elect to secure replacement insurance, Tenant shall thereafter reimburse Landlord within fifteen (15) calendar days of Landlord's providing to Tenant an

invoice for the costs and premiums incurred by Landlord for the replacement insurance coverage, plus an administrative charge of ten percent (10%) or $250.00, whichever is greater. Tenant shall continue to be responsible for the payment of all deductibles applicable to the insurance policies and all losses incurred with respect to any lapse in coverage. Should Tenant subsequently obtain the required insurance, Tenant shall remain responsible for and reimburse Landlord for all costs and expenses to Landlord for the insurance premiums incurred by Landlord and the administrative charges set forth in this Section 14(h).

(i) Tenant's obligations under this Section 14 shall survive the termination or expiration of this Lease.

15. No Consequential Damages. Notwithstanding any other provisions in this Lease to the contrary, neither Party nor any of its elected officials, directors, officers, employees, lenders, shall be liable to the other Party for consequential, incidental, exemplary, punitive, anticipatory profits or indirect loss or damage of any nature, including, without limitation, loss of profit, loss of use, loss of operating time, loss of revenue, increased costs of producing revenues, cost of capital or loss of goodwill whether arising in tort, contract, warranty, strict liability, by operation of law or otherwise, even if by such Party's, its representatives', agents', contractors', subcontractors', invitees' or licensees' negligence or fault, in connection with this Lease, except to the extent claimed by third parties. The Parties further agree that the waivers and disclaimers of liability, indemnities, releases from liability, sole remedy provisions and limitations on liability expressed in this Lease shall survive termination or expiration of this Lease and shall extend to the parent, affiliates, and subsidiaries of each Party and their respective, partners, directors, officers, and employees and elected officials.

16. Taxes. Tenant shall pay any and all real property taxes for the Premises for the entire Term. As used herein, the term "**real property tax**" shall include any form of real estate tax or assessment, general, special, ordinary or extraordinary, and any license fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income or estate taxes) imposed on the Premises or any portion thereof by any authority having the direct or indirect power to tax, including, without limitation, any city, county, state or federal government, or any school, agricultural, sanitary, fire, street, drainage or other improvement district thereof, as against any legal or equitable interest of Landlord or Tenant in the Premises or in any portion thereof. Tenant shall pay the real property taxes and shall deliver to Landlord official receipts evidencing such payment, which payment of real property taxes shall be made and the receipts delivered at least thirty (30) days before the real property taxes would become delinquent in accordance with the law then in force governing the payment of such real property taxes. If, however, Tenant desires to contest the validity of any real property taxes, Tenant may do so without being in default hereunder, provided Tenant gives Landlord notice of Tenant's intention to do so and provided the real property taxes are paid before any such real property taxes become delinquent after any applicable contest or appeal period.

17. Utilities. Tenant shall pay for all water, gas, heat, light, power, telephone and other utilities and services supplied to the Premises, together with any taxes thereon.

18. Compliance with Laws. During the Term, Tenant shall, at its expense, comply with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning,

fire and other governmental laws, ordinances, regulations and rules applicable to the Substation. Further, during the Term, Tenant shall, at its expense, cause the Premises to attain compliance or remain in compliance with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Premises.

19. Assignment and Subletting. Landlord acknowledges that this Lease and Tenant's interests hereunder shall be subject to the encumbrance of Tenant's pre-existing mortgage with Deutsche Bank Trust Company Americas. Tenant shall not otherwise mortgage or assign its interest in this Lease without the prior written consent of Landlord, and such consent may be withheld in Landlord's unfettered discretion unless such proposed assignment is to the purchaser of all or substantially all of the assets of Florida Power & Light Company, as a part of a bona fide sale by Florida Power & Light Company to a third party purchaser for value and in such event Landlord's consent will not be unreasonably withheld or delayed. Notwithstanding any assignment of this Lease, Tenant will not be released from any of its obligations hereunder unless such assignee executes an assignment and assumption agreement in form reasonably acceptable to Landlord agreeing to be bound by the terms of this Lease and Landlord determines in its reasonable discretion that such assignee is creditworthy. Further, any assignment in violation of this Section 18 shall be deemed void and a breach of this Lease by Tenant.

20. Intentionally deleted.

21. Default and Remedies.

(a) **Tenant Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by Tenant**" under this Lease by Tenant:

(i) The failure by Tenant to make any payment of Rent or any other payment required to be made by Tenant hereunder, as and when due, which failure continues for a period of ten (10) days following notice given by Landlord to Tenant.

(ii) Failure by Tenant to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Tenant, where such failure shall continue for a period of forty-five (45) days after notice thereof given by Landlord to Tenant. In the event the default cannot reasonably be cured within such forty-five (45) day period, Tenant shall not be in default if Tenant commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(iii) (A) The making by Tenant of any general arrangement or general assignment for the benefit of creditors; (B) Tenant becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Tenant, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where possession is not restored to Tenant within sixty (60) days; or (D) the attachment,

execution or other judicial seizure of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease, where such seizure is not discharged within sixty (60) days.

(b) **Landlord Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by Landlord**" under this Lease by Landlord:

(i) Failure by Landlord to observe or perform any of the covenants, conditions or provisions of this Lease to be observed or performed by Landlord, where such failure shall continue for a period of forty-five (45) days after notice thereof is given by Tenant to Landlord. In the event the default cannot reasonably be cured within such forty-five (45) day period, Landlord shall not be in default if Landlord commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by Landlord of any general arrangement or general assignment for the benefit of creditors; (B) Landlord becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Landlord, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Landlord 's assets, where possession is not restored to Landlord within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of Landlord's assets, where such seizure is not discharged within sixty (60) days.

(c) **Remedies.** If an Event of Default by Tenant or an Event of Default by Landlord occurs hereunder, the non-defaulting Party shall have the right at its option and without further notice, but subject to the limitations set forth in the last sentence of this subsection, to exercise any remedy available at law or in equity, including, without limitation, a suit for specific performance of any obligations set forth in this Lease or any appropriate injunctive or other equitable relief, or for damages resulting from such event of default. The Parties agree that remedies at law may be inadequate to protect against any actual or threatened breach of this Lease. In the event of any breach or threatened breach, either Party shall have the right to apply for the entry of an immediate order to restrain or enjoin the breach and otherwise specifically enforce the provisions of this Lease. If an Event of Default by Tenant occurs, Landlord may, in addition to any other remedies set forth in this Lease or available under applicable law, accelerate the Rent due under this Lease for the entire remaining Term, which amount shall be due and payable immediately. Notwithstanding the foregoing or anything to the contrary contained in this Lease, in no event shall any Event of Default by Tenant or Event of Default by Landlord, terminate, or entitle any Party to terminate, rescind or cancel this Lease or the rights granted hereunder. In the event that Tenant, by failing or neglecting to do or perform any act or thing herein provided by it to be done or performed, shall be in default under this Lease, then Landlord may, but shall not be required to, do or perform or cause to be done or performed such act or thing, and Tenant shall repay to Landlord on demand the entire expense incurred within forty-five (45) days following receipt of Landlord's invoice and supporting documentation thereof. Any act or thing done by Landlord pursuant to the provisions of this subsection shall not be or be construed as a waiver of any such Event of Default by Tenant, or as a waiver of any

covenant, term or condition herein contained or the performance thereof, or of any other right or remedy of Landlord, hereunder or otherwise. Except for Landlord's obligations set forth in Section 10 of this Lease, Landlord's liability under this Lease shall be at all times limited to the fair market value of Landlord's interest in the Premises. All amounts payable by Tenant to Landlord under this Lease, if not paid when the amounts become due under this Lease, shall bear interest from the date they become due until paid at the highest rate allowed by law.

22. Condemnation. If the Premises or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of such power (all of which are herein called "**condemnation**"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If so much of the Premises is taken under the power of eminent domain such that the Premises is no longer suitable for its intended use or suitable access cannot be provided to the Premises, Tenant may, at Tenant's option, to be exercised in writing only within ten (10) days after Landlord shall have given Tenant notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Lease as of the date the condemning authority takes such possession. If Tenant does not terminate this Lease in accordance with the foregoing, this Lease shall remain in full force and effect as to the portion of the Premises remaining. Any award for the taking of all or any part of the Premises under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Landlord; provided, however, that Tenant shall be entitled to any award for loss of Tenant's leasehold interest.

23. Severability. If any provision or portion of this Lease shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (a) such portion or provision shall be deemed separate and independent, (b) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling or adjudication, and (c) the remainder of this Lease shall remain in full force and effect.

24. Repair Obligations. Landlord shall have absolutely no obligations of any kind for the repair or maintenance of any part of the Premises or any improvement or equipment thereon. During the Term, Tenant shall repair any damage or casualty to and maintain the Premises, and the improvements and equipment thereon. Tenant shall be solely responsible at its own expense for regular removal and disposal of all refuse, garbage, debris, trash and other discarded materials and shall not allow an accumulation thereof on, in or adjacent to the Premises.

25. Termination. On the Expiration Date, or earlier termination of this Lease, Tenant shall peaceably and quietly deliver possession of the Premises to Landlord and the Premises shall be in substantially the same condition as on the Effective Date, reasonable wear and tear accepted. At Landlord's request, Tenant shall remove any and all improvements, fixtures and equipment from the Premises and deliver the Premises to Landlord free of any improvements or equipment of any kind. Tenant agrees that, upon expiration or termination of this Lease, Tenant will, within thirty (30) business days of request by Landlord, execute and deliver to Landlord a release of this Lease in recordable form. The foregoing provisions shall survive expiration or earlier termination of this Lease.

26. Waivers. Any waiver by either Party with respect to this Lease must be in writing, signed by the Party granting the waiver, and shall be limited to the express terms set forth in the waiver.

27. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity. Any and all sums due from Tenant to Landlord under this Lease shall be considered rent.

28. Binding Effect. This Lease shall bind the Parties, and their respective successors and permitted assigns.

29. Signs. Subject to applicable rules and regulations, Tenant will be permitted, without Landlord's consent, to have one or more signs on the Premises which identify the Premises as a Florida Power & Light Company Warehouse.

30. Quiet Possession. Upon Tenant paying the Rent for the Premises and observing and performing all of the covenants, conditions and provisions on Tenant's part to be observed and performed hereunder, Tenant shall have quiet possession of the Premises and use of the Premises from any interference from Landlord for the entire Term.

31. Right of Entry. Subject to Landlord's duties, if any, relating to police, fire and other municipal services for which no advance notice is required, Landlord, or any of its agents, shall have the right to enter the Premises during reasonable hours to examine the same but only when accompanied by a qualified or designated employee of Tenant.

32. Force Majeure. In the event that either Party is unable to fulfill, or shall be delayed or restricted in the fulfillment of any obligation, or the curing of a default, under any provision of this Lease due to reasons outside of its reasonable control, or not wholly or mainly within such Party's reasonable control, including strike, lock-out, war, acts of military authority, acts of terrorism, sabotage, rebellion or civil commotion, fire or explosion, flood, wind, storm, hurricane, water, earthquake, acts of God or other casualty or by reason of any statute or law or any regulation or order passed or made, or by reason of any order or direction of any administrator, controller, board or any governmental department or officer or other authority (other than, in the case of City claiming relief under this Section 27, any statute or law or any regulation or order passed or made, or by reason of any order or direction of, any administrator, controller, board or any governmental department or officer or other authority of City), and whether of the foregoing character or not, such Party shall, so long as any such impediment exists, be relieved from the fulfillment of such obligation and the other Party shall not be entitled to compensation for any damage, inconvenience, nuisance or discomfort thereby occasioned or to terminate this Lease.

33. Counterparts. This Lease may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

34. Brokerage. Landlord and Tenant each represent and warrant one to the other that neither of them has employed any broker in connection with the negotiations of the terms of this Lease or the execution thereof. Landlord and Tenant hereby agree to indemnify and to hold each other

harmless against any loss, expense or liability with respect to any claims for commissions or brokerage fees arising from or out of any breach of the foregoing representation and warranty. This provision shall survive the expiration or earlier termination of this Lease.

35. Attorneys' Fees. In the event Tenant or Landlord defaults in the performance of any of the terms, covenants, conditions, agreements, or provisions contained in this Lease and Landlord or Tenant employs attorneys and brings suit in connection with the enforcement of this Lease or any provision hereof or the exercise of any of its remedies hereunder, then the prevailing Party in any suit so instituted shall be promptly reimbursed by the other Party for all reasonable attorneys' fees and expenses so incurred, including, without limitation, any such fees and expenses incurred in appellate, bankruptcy and post-judgment proceedings. Any monetary judgment rendered in any litigation concerning this Lease shall bear interest at the highest rate allowed by applicable law. The foregoing provisions shall survive expiration or earlier termination of this Lease.

36. Estoppel Certificate. Landlord and Tenant shall, from time to time and without additional consideration, execute and deliver to each other or to any person whom the requesting Party may designate, within twenty (20) days after the request therefor: (a) an estoppel certificate consisting of statements, if true, that (i) this Lease is in full force and effect, with Rent current through the date of the certificate; (ii) this Lease has not been modified or amended (or setting forth all modifications and amendments); and (iii) to the best of such Party's knowledge and belief, the other Party is not then in default (or if in default, specifying such default), and Tenant and Landlord have fully performed all of Tenant's and Landlord's obligations, respectively, required to have been performed under this Lease as of the date of the certificate; and (b) such further consents and instruments of a similar nature evidencing the agreement (subject to the provisions of this Lease) of Landlord or Tenant to the mortgage or other hypothecation by Tenant of the leasehold estate created hereby, as may be reasonably requested by Tenant or any approved leasehold mortgagee, or authorized assignee or transferee of the interest of Landlord or Tenant, as applicable. Notwithstanding the foregoing, neither Party may make excessive requests for estoppel certificates, and neither Party shall be obligated to provide more than two (2) estoppel certificates in any Lease Year.

37. Notices. Every notice, approval, consent or other communication required or permitted under this Lease shall be in writing, shall be deemed to have been duly given on the date of receipt, and shall be deemed delivered if either served personally on the Party to whom notice is to be given, or sent to the Party to whom notice is to be given, by overnight courier or by first class registered or certified mail (return receipt requested), postage prepaid, and addressed to the addressee at the address stated opposite its name below, or at the most recent address specified by notice given to the other Party in the manner provided in this Section.

To Landlord: City of Vero Beach
1053 20th Place
Vero Beach, FL 32960
Attention: City Manager

With a required copy to:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Attorney
To Tenant:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Corporate Real Estate
With a required copy to:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Law Department

38. Recording. This Lease shall be recorded in the Public Records of Indian River County, Florida at Tenant's expense.

39. No Personal Liability. Excluding any successor-in-interest to Landlord or Tenant under this Lease, notwithstanding anything to the contrary in this Lease, no present or future parent, subsidiary, affiliate, member, principal, shareholder, manager, officer, official, director, or employee of Tenant or Landlord will be personally liable, directly or indirectly, under or in connection with this Lease, or any document, instrument or certificate securing or otherwise executed in connection with this Lease, or any amendments or modifications to any of the foregoing made at any time or times, or with respect to any matter, condition, injury or loss related to this Lease, and each of the Parties, on behalf of itself and each of its successors and assignees, waives and does hereby waive any such personal liability.

40. Entire Agreement. This Lease and any exhibits, schedules or addenda attached hereto and forming a part hereof, contains the entire agreement between the Parties hereto with respect to the subject matter of this Lease, and supersedes all previous negotiations leading thereto, and it may be modified only by an agreement in writing executed and delivered by Landlord and Tenant. All exhibits, schedules or addenda attached to this Lease are expressly incorporated herein by this reference.

41. Governing Law; Forum. This Lease shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, OR ANY CLAIM FOR INJURY OR DAMAGE, SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR

PROCEEDING. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.

42. WAIVER OF JURY TRIAL. THE PARTIES HERETO SHALL, AND THEY HEREBY DO, IRREVOCABLY WAIVE TRIAL BY JURY IN ANY AND EVERY ACTION OR PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS LEASE, THE RELATIONSHIP OF LANDLORD AND TENANT, TENANT'S USE OR OCCUPANCY OF THE PREMISES, AND ANY CLAIM FOR INJURY OR DAMAGE. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS LEASE.

43. Radon Gas. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present a health risk to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

44. Holding Over. If Tenant remains in possession of the Premises after this Lease expires or terminates for any reason:

(a) Tenant shall be deemed to be occupying the Premises as a tenant from month-to-month at the sufferance of Landlord. Tenant will continue to be subject to and comply with all of the provisions of this Lease, except that, at Landlord's discretion, the rent will be at a monthly rate up to an amount equal to 1/12th of the fair market annual rental value of the Premises, including all improvements and fixtures, calculated at the time of the expiration or termination, and paid by Tenant on the first day of each month subsequent to the expiration or termination.

(b) Tenant shall reimburse Landlord and indemnify and hold Landlord harmless for any and all additional losses and damages which Landlord suffers by reason of Tenant's continued occupancy.

(c) Tenant shall indemnify Landlord from and against all claims made by any successor tenant insofar as such delay is occasioned by Tenant's failure to surrender possession of the Premises.

45. Landlord/Tenant Relationship; and Third Party Beneficiaries. This Lease creates a landlord/tenant relationship, and no other relationship, between the Parties. This Lease is for the sole benefit of the Parties hereto and, except for assignments permitted hereunder, no other person or entity shall be a third party beneficiary hereunder.

46. No Waiver of Regulatory Authority. Nothing in this Lease constitutes a waiver of Landlord's regulatory, public safety or other municipal authority with respect to the Premises or any other matter. Further, nothing in this Lease shall be deemed to waive Landlord's or Tenant's right of eminent domain.

47. Sovereign Immunity. Landlord is a Florida municipal corporation whose limits of liability are set forth in section 768.28, Florida Statutes, and nothing herein shall be construed to extend the liabilities of Landlord beyond that provided in section 768.28, Florida Statutes. Further, nothing herein is intended as a waiver of Landlord's sovereign immunity under section 768.28, Florida Statutes. Nothing hereby shall inure to the benefit of any third party for any purpose, including but not limited to, anything that might allow claims otherwise barred by sovereign immunity or operation of law.

48. Time, Interpretation. In computing any period of time pursuant to this Lease, the day of the act, event, or default from which the designated period of time begins to run shall not be included, but the time shall begin to run on the next succeeding day. The last day of the period so computed shall be included, unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or legal holiday. A legal holiday as used in this Lease includes days on which banks in Vero Beach, Florida are not open for regular business. Time is of the essence. The captions in this Lease are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Lease or any of the provisions hereof. This Lease shall not be construed more strongly against or for either Party regardless of the drafter. Unless the context otherwise requires, (a) all references to Sections or Exhibits are to Sections or Exhibits in or to this Lease, and (b) words in the singular or plural include the singular and plural and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter and the term "including" shall mean by way of example and not by way of limitation.

[Remainder of page intentionally blank; Signature pages follows]

City of Vero Beach Execution Pages

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Lease to be executed as of the Effective Date.

ATTEST: **CITY OF VERO BEACH**

_____ By:_____
Tammy K. Bursick Laura Moss
City Clerk Mayor

[SEAL]

WITNESSES:

_____
Print
name:_____

_____
Print
name:_____

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing Lease Agreement was acknowledged before me this _____ day of _____ 2017 by **Laura Moss, as Mayor**, and attested by **Tammy K. Bursick, as City Clerk**, of the City of Vero Beach, Florida. They are both known to me.

_____
NOTARY PUBLIC
Print name:
Commission No. [SEAL]
My Commission Expires:

ADMINISTRATIVE REVIEW

(For Internal Use Only–Sec. 2-77 COVB Code)

Approved as to form and legal sufficiency:

Wayne R. Coment
City Attorney

Approved as conforming to municipal policy:

James R. O'Connor
City Manager

Approved as to technical requirements:

Ted Fletcher
Director of Electric Utility Operations

Approved as to technical requirements:

Cynthia D. Lawson
Director of Finance

Approved as to technical requirements:

Timothy J. McGarry
Director of Planning and Development

Florida Power & Light Company Execution Page

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Lease to be executed as of the Effective Date specified in this Lease.

WITNESSES:

TENANT:

FLORIDA POWER & LIGHT COMPANY, a Florida corporation

_____
Print
name:_____

_____
Print
name:_____

By:_____
Name:_____
Title:_____

STATE OF FLORIDA
COUNTY OF _____

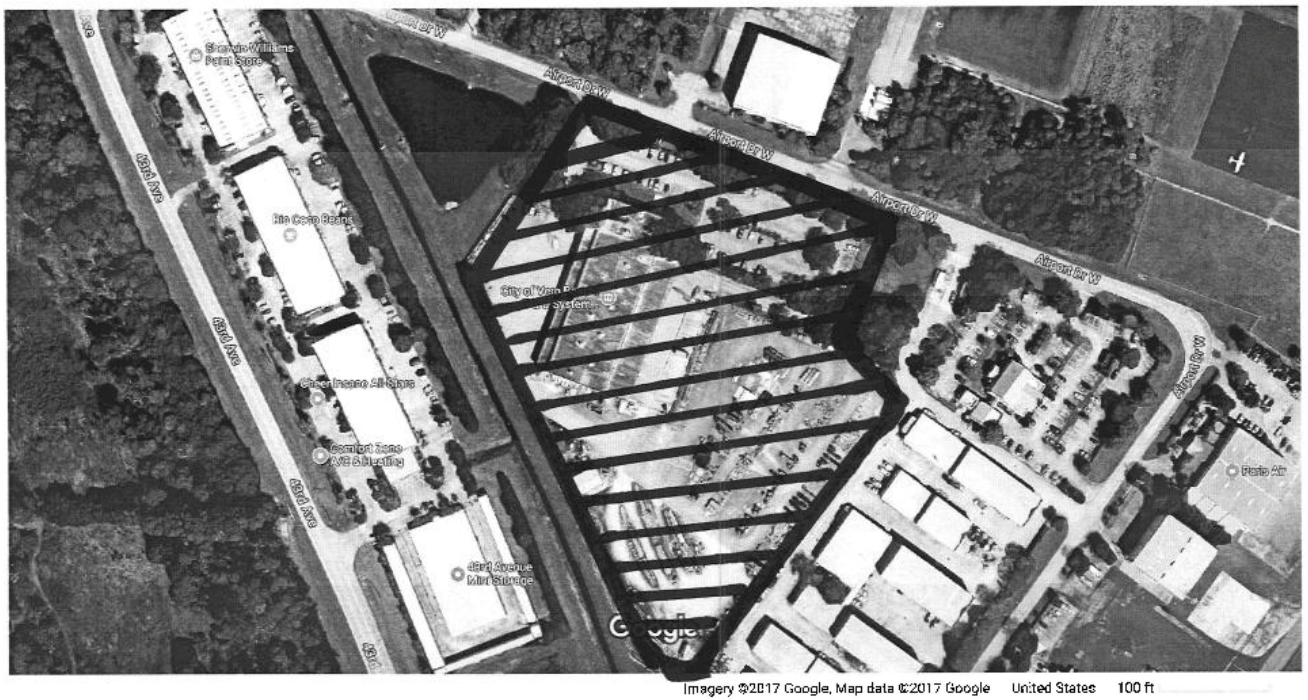
The foregoing instrument was acknowledged before me this day of _____, 20__, by , the of **FLORIDA POWER & LIGHT COMPANY**, a Florida corporation, who [ ] is personally known to me or [ ] has produced as identification.

Seal:

_____
Notary Public, State of Florida at Large
Print Name: _____
Notary Commission No.: _____
My Commission Expires: _____

Lease by and between the City of Vero Beach, Florida and Florida Power & Light Company

Exhibit "A"



HATCH MARKED AREA DEPICTS PREMISES
DIMENSIONS TO BE SUPPLIED

Exhibit J

Current Form of Streetlight Agreement

[*Exhibit begins on the following page.*]

FPL Account Number:
FPL Work Order Number:

STREET LIGHTING AGREEMENT

In accordance with the following terms and conditions, ___ (hereinafter called the Customer), requests on this ___ day of ___, ___ , from FLORIDA POWER & LIGHT COMPANY (hereinafter called FPL), a corporation organized and existing under the laws of the State of Florida, the following installation or modification of street lighting facilities at (general boundaries) ___, located in ___, Florida.
(city/county)

(a) Installation and/or removal of FPL-owned facilities described as follows:

Lights Installed

Fixture Rating (in Lumens)	Fixture Type	# Installed

Lights Removed

Fixture Rating (in Lumens)	Fixture Type	# Removed

Poles Installed

Pole Type	# Installed

Poles Removed

Pole Type	# Removed

Conductors Installed

Feet not Under Paving

Feet Under Paving

Conductors Removed

Feet not Under Paving

Feet Under Paving

(b) Modification to existing facilities other than described above (explain fully):

That, for and in consideration of the covenants set forth herein, the parties hereto covenant and agree as follows:

FPL AGREES:

1. To install or modify the street lighting facilities described and identified above (hereinafter called the Street Lighting System), furnish to the Customer the electric energy necessary for the operation of the Street Lighting System, and furnish such other services as are specified in this Agreement, all in accordance with the terms of FPL's currently effective street lighting rate schedule on file at the Florida Public Service Commission (FPSC) or any successive street lighting rate schedule approved by the FPSC.

THE CUSTOMER AGREES:

2. To pay a contribution in the amount of $___ prior to FPL's initiating the requested installation or modification.

3. To purchase from FPL all of the electric energy used for the operation of the Street Lighting System.

4. To be responsible for paying, when due, all bills rendered by FPL pursuant to FPL's currently effective street lighting rate schedule on file at the FPSC or any successive street lighting rate schedule approved by the FPSC, for facilities and service provided in accordance with this agreement.

5. To provide access, final grading and, when requested, good and sufficient easements, suitable construction drawings showing the location of existing and proposed structures, identification of all non-FPL underground facilities within or near pole or trench locations, and appropriate plats necessary for planning the design and completing the construction of FPL facilities associated with the Street Lighting System.

6. To perform any clearing, compacting, removal of stumps or other obstructions that conflict with construction, and drainage of rights-of-way or easements required by FPL to accommodate the street lighting facilities.

IT IS MUTUALLY AGREED THAT:

7. Modifications to the facilities provided by FPL under this agreement, other than for maintenance, may only be made through the execution of an additional street lighting agreement delineating the modifications to be accomplished. Modification of FPL street lighting facilities is defined as the following:

   a. the addition of street lighting facilities:
   b. the removal of street lighting facilities; and
   c. the removal of street lighting facilities and the replacement of such facilities with new facilities and/or additional facilities.

   Modifications will be subject to the costs identified in FPL's currently effective street lighting rate schedule on file at the FPSC, or any successive schedule approved by the FPSC.

8. FPL will, at the request of the Customer, relocate the street lighting facilities covered by this agreement, if provided sufficient right-of-ways or easements to do so. The Customer shall be responsible for the payment of all costs associated with any such Customer- requested relocation of FPL street lighting facilities. Payment shall be made by the Customer in advance of any relocation.

9. FPL may, at any time, substitute for any luminaire/lamp installed hereunder another luminaire/lamp which shall be of at least equal illuminating capacity and efficiency.

10. This Agreement shall be for a term of ten (10) years from the date of initiation of service, and, except as provided below, shall extend thereafter for further successive periods of five (5) years from the expiration of the initial ten (10) year term or from the expiration of any extension thereof. The date of initiation of service shall be defined as the date the first lights are energized and billing begins, not the date of this Agreement. This Agreement shall be extended automatically beyond the initial the (10) year term or any extension thereof, unless either party shall have given written notice to the other of its desire to terminate this Agreement. The written notice shall be by certified mail and shall be given not less than ninety (90) days before the expiration of the initial ten (10) year term, or any extension thereof.

11. In the event street lighting facilities covered by this agreement are removed, either at the request of the Customer or through termination or breach of this Agreement, the Customer shall be responsible for paying to FPL an amount equal to the original installed cost of the facilities provided by FPL under this agreement less any salvage value and any depreciation (based on current depreciation rates as approved by the FPSC) plus removal cost.

12. Should the Customer fail to pay any bills due and rendered pursuant to this agreement of otherwise fail to perform the obligations contained in this Agreement, said obligations being material and going to the essence of this Agreement, FPL may cease to supply electric energy or service until the Customer has paid the bills due and rendered or has fully cured such other breach of this Agreement. Any failure of FPL to exercise its rights hereunder shall not be a waiver of its rights. It is understood, however, that such discontinuance of the supplying of electric energy or service shall not constitute a breach of this Agreement by FPL, nor shall it relieve the Customer of the obligation to perform any of the terms and conditions of this Agreement.

13. The obligation to furnish or purchase service shall be excused at any time that either party is prevented from complying with this Agreement by strikes, lockouts, fires, riots, acts of God, the public enemy, or by cause or causes not under the control of the party thus prevented from compliance and FPL shall not have the obligation to furnish service if it is prevented from complying with this Agreement by reason of any partial, temporary or entire shut-down of service which, in the sole opinion of FPL, is reasonably necessary for the purpose of repairing or making more efficient all or any part of its generating or other electrical equipment.

14. This Agreement supersedes all previous Agreements or representations, either written, oral or otherwise between the Customer and FPL, with respect to the facilities referenced herein and constitutes the entire Agreement between the parties. This Agreement does not create any rights or provide any remedies to third parties or create any additional duty, obligation or undertakings by FPL to third parties.

15. This Agreement shall inure to the benefit of, and be binding upon the successors and assigns of the Customer and FPL.

16. This Agreement is subject to FPL's Electric Tariff, including, but not limited to, the General Rules and Regulations for Electric Service and the Rules of the FPSC, as they are written, or as they may be hereafter revised, amended or supplemented. In the event of any conflict between the terms of this Agreement and the provisions of the FPL Electric Tariff or the FPSC Rules, the provisions of the Electric Tariff and FPSC Rules shall control, as they are now written, or as they may be hereafter revised, amended or supplemented.

IN WITNESS WHEREOF, the parties hereby caused this Agreement to be executed in triplicate by their duly authorized representatives to be effective as of the day and year first written above.

Charges and Terms Accepted:

Customer (Print or type name of Organization)

FLORIDA POWER & LIGHT COMPANY

By:_____
Signature (Authorized Representative)

_____
(Print or type name)

Title:_____

By:_____
(Signature)

(Print or type name)

Title: Construction Services Representative

EXHIBIT L-1

Form of Fiber License Agreement

L-1

FIBER LICENSE AGREEMENT BETWEEN THE CITY OF VERO BEACH AND FLORIDA POWER & LIGHT COMPANY

THIS FIBER LICENSE AGREEMENT (this "License Agreement") is made this ___ day of _____, 20__ by and between the City of Vero Beach, Florida, a municipal corporation organized under the laws of the State of Florida (hereinafter "LICENSOR"), with an address of 1053 20th Place, Vero Beach, Florida and Florida Power & Light Company, a Florida corporation (hereinafter "Licensee"), with a principal office at 700 Universe Boulevard, Juno Beach, Florida 33408. LICENSOR AND LICENSEE may individually be referred to herein as a "Party", and together as the "Parties".

WITNESSETH

WHEREAS, the Parties have entered into an Asset Purchase and Sale Agreement dated as of _____, 2017(the "APA") in connection with Licensee's acquisition of substantially all of the assets of LICENSOR's electric system; and

WHEREAS, the APA requires that the Parties enter into and deliver this Agreement at the Closing, as defined in the APA;

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

ARTICLE I
ADOPTION AND INCORPORATION OF RECITALS

The above recitals are true and correct and by this reference are incorporated herein and made a part of this License Agreement.

ARTICLE II
DEFINITIONS

Each defined term shall have the meaning set forth in this Article II, except that all terms used herein and not defined herein shall have the meanings assigned to them in the APA. When used herein with initial or complete capitalization whether in the singular or in the plural, the following terms shall have the following meanings:

"Consortium" means the School District of Indian River County, Indian River County, and LICENSOR, all of which are parties to the Interlocal Agreement.

"Fiber Acceptance Date" means the date that LICENSEE accepts or conditionally accepts the Licensor Fiber Optic Strands as set forth Article VII herein.

"Interlocal Agreement" means the Revised and Restated Joint Fiber Optics Project Interlocal Agreement, made as of May 19, 2015, by and among the School District of Indian River County, Indian River County, and LICENSOR, as such Agreement may be amended or superseded from time to time.

"Licensee Facilities" means any telecommunications equipment owned by LICENSEE, including the cables, conduit, bays, panels, jacks, ironworks, associated electronics, fiber optic termination equipment, regenerators, power sources and other related equipment owned by LICENSEE, but excluding the Licensor Fiber Optic Strands and Licensor Facilities.

"License Fee" means, as more particularly described in Article IV below, the amount paid by LICENSEE to LICENSOR for the license and privilege of using, directly, certain Licensor Fiber Optic Strands and, indirectly, certain other parts of the Licensor Facilities necessary to LICENSEE'S stated use in Section 4.4 hereof.

"Licensor Facilities" means the fiber optic strands and those facilities owned by LICENSOR, either individually or together with one or both other members of the Consortium, including equipment, cables, conduit, bays, panels, jacks, ironworks, associated electronics, fiber optic termination equipment, regenerators, power sources and other related equipment owned by LICENSOR, structures, rights-of-way and easements.

"Licensor Fiber Optic Strands" means all dark fiber optic strands owned by LICENSOR, either individually or together with one or both other members of the Consortium, and which may or may not be licensed to LICENSEE depending upon the terms of this License Agreement.

"Make-Ready Work" means the work necessary with respect to the Licensor Facilities in order to accommodate the relocations of the Licensor Fiber Optic Strands or the construction of new installations of Licensor Fiber Optic Strands.

"Relocation" means any adjustment, rearrangement or relocation of the Licensor Fiber Optic Strands licensed to LICENSEE.

"Splice" means a point where two separate sections of Fibers are physically connected.

"Term" means the initial five-year term of this License Agreement, and any extension term, as described in Article III of this Agreement.

ARTICLE III
TERM AND EXTENSION

This License Agreement shall commence on the date of this Agreement and shall continue for an initial term of five (5) years, unless earlier terminated as provided in this Agreement. Unless earlier terminated as provided in this Agreement, LICENSEE, at its sole option, may extend this License Agreement, after the initial term, for up to five (5) successive five-year terms by providing notice to LICENSOR not less than eighteen (18) months prior to expiration of the initial term or any extension term, as the case may be.

ARTICLE IV
SCOPE OF LICENSE; AND LICENSE FEES

4.1 License of Fibers.

The routes with respect to which the Licensor Fiber Optic Strands are configured are described in Exhibit A, Route Diagram. LICENSOR shall provide LICENSEE not less than one hundred twenty (120) days prior notice of any proposed changes in right-of-way configurations that affect, in any material respect, the license granted under this Agreement. All of the Licensor Fiber Optic Strands are, or, to the extent not yet installed, will be, engineered and constructed in substantial compliance with Exhibit B. The following Exhibits, attached hereto, are by this reference incorporated herein:

Exhibit A	Route Diagram
Exhibit B	Fiber Specifications and connections
Exhibit C	Contact List and Outage Notice Form
Exhibit D	Sample Notice of Acceptance

4.2 Number of Fibers, License Fee and Payment.

LICENSOR hereby licenses to LICENSEE, and LICENSEE hereby licenses from LICENSOR, exclusive use of certain Licensor Fiber Optic Strands previously used by LICENSOR in the operation of its electric system, which specifically consist of: (a) not less than twenty-four (24) Licensor Fiber Optic Strands previously used by LICENSOR for protection of all existing substations; and (b) not less than twenty (20) Licensor Fiber Optic Strands previously used by LICENSOR for supervisory control and data acquisition (SCADA) functions necessary in the operation of the substations and other electric utility assets. LICENSEE shall have the exclusive use of such Licensor Fiber Optic Strands along routes as set forth in Exhibit A, Route Diagram, at a License Fee of Four and 54/100 Dollars ($4.54) per Licensor Fiber Optic Strand per mile per month. Notwithstanding anything to the contrary herein: (a) in no event shall the maximum License Fee due and owing to LICENSOR for all Licensor Fiber Optic Strands exceed Twenty-Three Thousand Eight Hundred Forty-seven Dollars ($23,847.00) per month; and (b) LICENSOR shall reserve not less than two (2) spare Licensor Fiber Optic Strands for LICENSEE's use solely as set forth in Section 4.4, and LICENSEE's use shall be rolled to such spare fibers should any activity undertaken by LICENSOR pursuant to this License Agreement cause an outage on, or any impairment of, the Licensor Fiber Optic Strands originally licensed to LICENSEE hereunder. Upon exercising any option to extend this License Agreement as more fully described in Article III above, LICENSEE shall have the right in its reasonable discretion to relinquish its license to any of the Licensor Fiber Optic Strands licensed to LICENSEE hereunder and which constitute the subject matter of this License Agreement, and the License Fee thereafter due and owing shall be reduced proportionately. The License Fee paid hereunder shall be inclusive of all charges, and shall begin on the Fiber Acceptance Date. LICENSEE shall pay the License Fee to LICENSOR for each calendar month within five days after the beginning of such calendar month. Payments for partial calendar months shall be pro-rated accordingly. Any amounts due and not paid in full when due shall be deemed delinquent and shall accrue interest at a rate equal to one percent (1%) per month.

4.3 CPI Adjustment.

The License Fee shall be subject to an annual adjustment. The first adjustment shall occur as of the January 1 that next follows a full year of the initial five-year term. Subsequent adjustments shall occur as of January 1 of each subsequent calendar year during the Term. The adjustment shall be determined in accordance with the percentage change in index known as the "United States Bureau of Labor Statistics Consumer Price Index (CPI) For All Urban Consumers" (the "Index") using the most recent October to October Reports by applying the following formula: (Current monthly License Fee) x (annual percentage increase (October to October) as reported in the most recent Index (or if the Index no longer is published, then as reported in its successor index). The adjustment for any calendar year shall not exceed five percent (5%). In no event shall the License Fee for any calendar year be less than the License Fee for the immediately preceding calendar year.

4.4 Use.

LICENSEE shall use the Licensor Fiber Optic Strands solely for the protection, control and monitoring of LICENSEE's electric transmission and distribution system that formerly was operated by LICENSOR. Nothing herein shall preclude LICENSEE from sub-licensing any excess fiber or capacity to third parties in accordance with all applicable laws and regulations, provided that LICENSEE submits a proposal for such sub-licensing and obtains the approval of LICENSOR as more fully described in Section 14 of the Interlocal Agreement. In case of such sub-licensing, LICENSEE shall remain primarily liable to LICENSOR under this License Agreement. In the case of such sub-licensing, LICENSEE shall remain bound by all of its covenants and obligations under this License Agreement, and shall be liable to LICENSOR for violation of its covenants and obligations contained in this License Agreement and any applicable laws and regulations. If LICENSEE chooses to sublicense to a third party then, in the event that LICENSOR knows of an outage, LICENSOR shall notify LICENSEE in accordance with Exhibit C, and LICENSEE shall be responsible for notifying all of its sub-licensees of such outage.

ARTICLE V
OWNERSHIP OF EXISTING FIBER OPTIC STRANDS

5.1 Ownership.

The Licensor Fiber Optic Strands and cable, including jacket, structure, attachments and conduits and which constitute the Licensor Facilities along the designated route, shall at all times remain the sole and exclusive property of, and legal title shall be held by, LICENSOR or the Consortium, as the case may be. LICENSEE's license of the Licensor Fiber Optic Strands is a right of use only and neither such use nor payment to LICENSOR for such use shall create or vest in LICENSEE any easement or any ownership right in the Licensor Facilities or the Licensor Fiber Optic Strands.

5.2 LICENSEE's Equipment.

Notwithstanding any contrary provisions of this License Agreement, LICENSEE shall own all of the Licensee Facilities in the exercise of, or associated with, LICENSEE's use under Section 4.4 of this License Agreement.

ARTICLE VI
NEW INSTALLATIONS

6.1 Construction.

If, at any point during the Term, replacement of existing Licensor Fiber Optic Strands is required in any route identified in Exhibit A, as reasonably determined by LICENSOR or pursuant to the requirements of any governmental entity, LICENSOR shall construct such new fiber optic strands, at the sole cost and expense of LICENSOR, in accordance with the specifications in Exhibit B attached hereto including Make-Ready Work associated with such installations. Make-Ready Work shall include any and all improvements to the Licensor Facilities necessary to physically accommodate the given route identified in Exhibit A and to maintain electrical and operating safety standards and fiber circuit continuity. LICENSOR shall perform, or cause to be performed, any engineering, cable installation, splicing, material procurement, installation and testing required to complete the installation of the fiber optic strands using LICENSOR's specifications and subject to LICENSEE's approval, which shall not be unreasonably withheld or delayed. LICENSOR and LICENSEE shall each assign a project engineer as a point of contact for all necessary approvals and will assign construction inspectors for review of all construction activities to assure compliance with the approved design.

6.2 Connections.

In the event of a new installation of fiber optic cable, LICENSOR shall install Splices as agreed to by the Parties at specified locations along the routes. LICENSOR shall be responsible for its network electronics, fiber Splices, and the Licensor Facilities. LICENSEE shall be responsible for its network electronics, fiber Splices and Licensee Facilities.

6.3 Specifications and Documentation.

All permits required for LICENSOR's construction of new installations are the responsibility of LICENSOR. LICENSOR shall provide to LICENSEE as-built drawings on the newly-installed route, and relocation of any routes shall be documented on the as-built drawings and made part of this License Agreement. The newly-installed fiber optic strands shall be in substantial compliance with the performance standards and criteria set forth in Exhibit B. LICENSOR and LICENSEE may be present, observe and participate in the analysis and testing of the fiber optic strands. Acceptance of newly-installed fiber optic strands shall be undertaken and shall be subject to the provisions of Article VII herein.

ARTICLE VII
ACCEPTANCE

7.1 Acceptance of Licensor Fiber Optic Strands.

Upon completion of construction of the newly-installed replacement fiber optic strands, if any, and any LICENSEE Make-Ready Work, LICENSOR shall test the Licensor Fiber Optic Strands to insure that the new fiber optic strands meet or exceed the Licensor Fiber Optic Strand specifications outlined in Exhibit B. In the event the new fiber optic strands meet such specifications, LICENSOR shall notify LICENSEE in writing of the availability of the fiber optic strands (the "Fiber Notice"). Within five (5) Business Days of LICENSEE receiving the Fiber Notice, LICENSEE shall give LICENSOR notice of any failure of the fiber optic strands to satisfy any acceptance test, or to otherwise meet specifications.

7.2 Corrections.

If LICENSEE gives LICENSOR notice of any failure as described in Section 7.1, LICENSOR shall use its Commercially Reasonable Efforts to correct such failure within five Business Days or such longer time as may be mutually agreed upon by the Parties whereupon LICENSEE and LICENSOR shall jointly conduct another acceptance test. This procedure shall be repeated until all new fiber optic strands are in substantial compliance with the performance standards and criteria set forth in Exhibit B.

7.3 Conditional Acceptance.

In the event a failure continues to be identified after the third round of testing pursuant to Section 7.2, LICENSEE may, at its option, conditionally accept the new fiber optic strands. LICENSOR shall have an obligation nonetheless to correct any such deficiencies within sixty (60)days of conditional acceptance.

7.4 Acceptance by Default.

If LICENSEE does not give LICENSOR notice of any such failure within five Business Days of LICENSEE receiving the Fiber Notice, it shall be deemed that LICENSEE has accepted the new fiber optic strands and they shall constitute Licensor Fiber Optic Strands.

7.5 Fiber Acceptance Date.

The date on which LICENSEE has accepted or conditionally accepted the new fiber optic strands will be considered the Fiber Acceptance Date.

ARTICLE VIII
RELOCATION OF FIBER OPTIC CABLE; LICENSOR'S OBLIGATION TO MAINTAIN AND RESTORE FIBER OPTIC CABLE

8.1 Requests of LICENSOR or Third Party.

If relocation of any Licensor Facilities, including any Licensor Fiber Optic Strands licensed to LICENSEE hereunder, is required by LICENSOR or by a third party (e.g., the Department of Transportation) the relocation expenses of the LICENSOR Fiber Optic Strands (including engineering, materials, construction, and Make-Ready Work) shall be borne by LICENSOR except to the extent that LICENSOR may obtain reimbursement from a third party.

8.2 Requests of LICENSEE.

If relocation of any Licensor Facilities, including any Licensor Fiber Optic Strands licensed to LICENSEE hereunder, is required by LICENSEE and is not caused by a third party or LICENSOR, LICENSEE shall pay or reimburse LICENSOR for the total cost of such relocation, including engineering, material, construction and Make-Ready Work.

8.3 Avoidance of Interruptions.

During any relocation of the Licensor Facilities, LICENSOR and LICENSEE shall use good faith efforts to avoid interruption of or interference with the use by the other Party of such Licensor Facilities for the purposes herein described.

8.4 Duty to Maintain.

LICENSOR shall be responsible for the maintenance and restoration of the Licensor Fiber Optic Strands and LICENSOR shall pay all costs associated with the maintenance and restoration of all of the Licensor Fiber Optic Strands; *provided, however*, that in the event that LICENSOR cannot commit to restoration within the timeframes in Section 9.1.4 below, LICENSEE may restore the LICENSEE Fiber Optic Strands within the Licensor Facilities as set forth in Section 9.1.4.

8.5 Maintenance of LICENSOR Fiber Optic Strands.

Maintenance and restoration provided by LICENSOR shall be limited to the Licensor Fiber Optic Strands. LICENSOR shall have no obligation to perform maintenance or restoration on any electronics or other equipment not owned by the Consortium or one or more members thereof.

ARTICLE IX
COVENANTS

9.1 LICENSOR Covenants.

9.1.1 Periodic Inspections, Maintenance and Scheduled Repairs. LICENSOR agrees to perform annual inspections of the Licensor Facilities. LICENSOR further agrees to perform annual inspections, testing and any and all maintenance required for the provision of the Licensor Fiber Optic Strands licensed to LICENSEE hereunder and to maintain and provide adequate spare equipment and parts as is appropriate for its obligations hereunder. LICENSOR shall use Commercially Reasonable Efforts to schedule maintenance from midnight to 6:00 A.M., Eastern Time, and to avoid performing maintenance during the period beginning two days prior to Thanksgiving and ending on the following January 3. LICENSOR shall notify LICENSEE, as set forth in Exhibit C, at least five (5) Business Days in advance of any such work.

9.1.2 Notice of Unscheduled Outage.

In the event of any unscheduled outage, LICENSEE shall notify LICENSOR promptly and LICENSOR shall as soon as reasonably practicable perform an assessment of the outage. Upon completion of such assessment, LICENSOR shall notify LICENSEE, as soon as reasonably practicable and in the manner set forth in Exhibit C, of the results of such assessment and include in its notification to LICENSEE the nature and cause of the interruption, the extent of the repairs required, and the estimated time to restore, if known.

9.1.3 LICENSOR Restoration of Fiber.

LICENSOR shall use its Commercially Reasonable Efforts to restore the provision of the Licensor Fiber Optic Strands on an expedited basis, and to restore the route segment and any splicing of the Licensor Fiber Optic Strands in a systematic and rotational manner, with the Licensor Fiber Optic Strands licensed to LICENSEE having equal priority to other fibers within the cable, to the extent permitted by the Interlocal Agreement and applicable law. LICENSOR further agrees that it shall use Commercially Reasonable Efforts to dispatch repair technicians to the affected site within two (2) hours after LICENSEE's notification of outage to LICENSOR and to use its reasonable efforts to keep the outage to less than four (4) hours from the time notification of the outage was received by LICENSOR. All permanent repair work shall be performed by LICENSOR during a maintenance window mutually agreed upon by the Parties.

9.1.4 LICENSEE Restoration of Licensee Fiber.

If LICENSOR fails to dispatch repair technicians within two (2) hours following LICENSEE's notification of outage to LICENSOR, LICENSEE, at its sole discretion and after notification to LICENSOR, may dispatch repair technicians to assess the situation and temporarily repair the Licensor Fiber Optic Strands licensed to LICENSEE hereunder. If LICENSEE's repair technicians are dispatched to repair any Licensor Fiber Optic Strands pursuant to the immediately preceding sentence, LICENSEE shall use reasonable efforts to perform the work under the supervision of LICENSOR. LICENSEE's repair, which shall be solely on the Licensor Fiber Optic Strands licensed to LICENSEE hereunder and will be of a temporary nature. LICENSOR shall be responsible for the permanent repair work in the Licensor Facilities, including the Licensor Fiber Optic Strands licensed to LICENSEE hereunder. LICENSEE's work shall be performed according to current industry standards and in accordance with applicable law, including all necessary covering to protect the repaired area(s). All reasonable costs incurred by LICENSEE in undertaking LICENSOR's duty to repair or restore the Licensor Fiber Optic Strands licensed to LICENSEE hereunder shall constitute an offset, on a dollar for dollar basis, against any one or more payments due to be made to LICENSOR by LICENSEE as License Fees hereunder. Nothing herein shall diminish or excuse the initial duty of LICENSOR to make Commercially Reasonable Efforts to dispatch repair technicians within two (2) hours after notification of an outage. Except as provided herein, no liability shall accrue to LICENSOR on account of the failure of LICENSOR to dispatch repair technicians or to repair the damage within the time specified hereon, except to the extent of LICENSOR'S willful misconduct, subject to the limitations of section 768.28, Florida Statutes.

9.1.5 Credits.

In the event that an outage exceeds eight (8) hours, except in the case of a force majeure as defined in Section 19.0 below, LICENSOR shall extend to LICENSEE a credit equal to one day's License Fee for the strands affected (to be considered 1/30th of the then current monthly rate) for each consecutive eight (8) hour outage interval, or fraction thereof, in excess of the initial eight (8) hours. By way of example, an eight (8) hour outage = I day credit; an 10 hour outage = 1 day credit; and a 17 hour outage = 2 days credit). The credit shall apply whether or not LICENSEE dispatched repair technicians to the repair site, and shall constitute an offset against LICENSEE's payment of License Fees to LICENSOR.

9.2 LICENSEE Covenants.

9.2.1 LICENSEE Responsibilities. LICENSEE shall be solely responsible, at its own expense, for the purchase, installation, operation, maintenance and repair of all LICENSEE equipment and Licensee Facilities required in connection with its use of the Licensor Fiber Optic Strands licensed to LICENSEE hereunder.

9.2.2 Future Splices.

In the future, LICENSEE may require additional Splice into the Licensor Fiber Optic Strands licensed to LICENSEE hereunder. LICENSOR shall perform the future Splice and LICENSEE shall provide LICENSOR with not less than forty-eight (48) hours prior notice of the need for such splicing activities. LICENSEE shall bear all costs of such splicing.

9.2.3 Taxes Franchise Fees.

LICENSEE shall pay, when they become due, any and all taxes, assessments, and governmental charges of any kind whatsoever (whether sales tax, use tax, excise tax or other tax) lawfully levied or assessed and attributable to LICENSOR'S license to LICENSEE hereunder, LICENSEE's use of the Licensor Facilities or the Licensor Fiber Optic Strands licensed to LICENSEE hereunder, or any portion thereof, with regard to the licensing, operation or use of the Licensor Facilities or the Licensor Fiber Optic Strands. LICENSEE shall include with each month's License Fee, and in addition thereto, any and all sales or use tax amounts thereon (currently at the rate of ___%). LICENSEE shall pay without apportionment any taxes levied on it that are based on LICENSEE's business profits. In addition, LICENSEE shall pay, or as appropriate, reimburse LICENSOR, without apportionment, for any ad valorem taxes, fees, assessments or other charges which are assessed against LICENSOR that arise from LICENSEE's use of the Licensor Facilities or Licensor Fiber Optic Strands licensed to LICENSEE hereunder or any portion thereof. LICENSOR shall be responsible for or pay any taxes, fees, or charges attributable to its ownership of the Licensor Facilities and Licensor Fiber Optic Strands, if any, when such taxes, fees, or charges are not based on or imposed by virtue of LICENSEE's use of any such facilities or its receipt of License Fees from LICENSEE under this License Agreement.

ARTICLE X
COMPLIANCE WITH LAWS

10.0 By LICENSOR.

LICENSOR shall have and maintain in effect at all times, all necessary franchises, consents, rights-of-way, easements, permits and authorizations applicable to this License Agreement from Federal, State, County, City and other regional or local authorities, to construct, maintain, operate and use LICENSOR'S Facilities.

10.1 By LICENSEE.

LICENSEE shall have and maintain in effect at all times, all necessary franchises, consents, permits and authorizations applicable to this License Agreement from Federal, State, county, City and other regional or local authorities.

10.2 All Applicable Laws.

LICENSEE and LICENSOR each shall comply with all applicable federal, state and local laws and regulations, including those of the Federal Communications Commission and the Florida Public Service Commission.

ARTICLE XI
NO CONSEQUENTIAL DAMAGES

Notwithstanding any other provisions of this License Agreement, and irrespective of any fault or negligence or gross negligence, neither party shall be liable to the other for any indirect, incidental, consequential exemplary, punitive or special damages (including damages for harm to business, lost revenues, lost savings or lost profits), regardless of the form of action, whether based on statute, contract, warranty or tort (including, without limitation, negligence of any kind whether active or passive and strict liability). Each Party hereby releases the other Party (and its respective parents, subsidiaries, and affiliated companies, and each of their respective agents, officers, employees, and representatives) from any claim or liability for any indirect, incidental, consequential, exemplary, punitive or special damages incurred as a result of or in connection with the performance or nonperformance of this License Agreement.

ARTICLE XII
NO THIRD PARTY BENEFICIARIES

This License Agreement does not provide third parties (including, without limitation, customers of LICENSOR or of LICENSEE) with any remedy, claim, liability, reimbursement, cause of action or other right or privilege, except that the provisions hereof involving indemnification or limitation of liability of either Party shall also inure to the benefit of that Party's employees, officers, agents, affiliates and with respect to LICENSOR, also to the benefit of the other members of the Consortium, including, without limitation, their respective employees, officers, agents and affiliates.

ARTICLE XIII
INDEMNITY, HOLD HARMLESS

13.1 LICENSEE Indemnity of LICENSOR.

LICENSEE shall indemnify, hold harmless and defend LICENSOR, and the other members of the Consortium, and their respective governing body members, directors, officers, employees and agents against any claim, action, loss, damage, injury liability, cost or expense, including, without limitation, reasonable attorneys' fees and court costs, arising out of injury to persons, including, without limitation, death or damage to property, caused by the negligence of LICENSEE, or its directors, officers, employees or agents, in connection with this License Agreement or any breach of this License Agreement by LICENSEE or its officers, employees or agents.

13.2 LICENSOR Indemnity of LICENSEE.

Subject to the limitations of section 768.28, Florida Statutes and subsequent amendments thereto, LICENSOR shall indemnify, defend and hold harmless LICENSEE, its affiliates, and respective directors, officers, employees and agents against any claim, action, loss, damage, injury, liability, cost or expense, including, without limitation, reasonable attorneys' fees and court costs, arising out of injury to persons, including, without limitation, death or damage to property, caused by the negligence of LICENSOR, its directors, officers, employees or agents in connection with this License Agreement.

13.3 Additional Remedies.

The remedies in this Article XIII shall be in addition to any other remedy available under this License Agreement, or at law or equity, and shall survive the termination or expiration of this License Agreement, with respect to any circumstance or event occurring before such termination; *provided however*, under no circumstances shall LICENSOR be liable for damages of any kind or nature, other than personal injury or death, to LICENSEE, its successors, assigns or sub-licensees in excess of one year's License Fees due under or with respect to this License Agreement. This Section 13.3 shall not be deemed a waiver of the liability limitations of section 768.28, Florida Statutes.

ARTICLE XIV
INSURANCE

14.1 LICENSOR understands that LICENSEE self-insures, and that LICENSEE has provided LICENSOR with a letter of such self-insurance. In the event that LICENSEE ceases to self-insure, then, during the Term:

(a) LICENSEE shall procure and maintain, at LICENSEE's sole cost and expense, commercial general liability insurance providing coverage which protects LICENSEE and LICENSOR from and against any and all claims and liabilities for bodily injury, death and property damage arising from operations, premises liability, and fire with respect to the Substation. Such insurance shall provide minimum coverage of $1,000,000.00 per occurrence and $2,000,000.00 aggregate. LICENSEE shall be and remain liable for and pay all deductibles and other amounts not covered, paid or reimbursed under the insurance policies.

(b) LICENSEE shall procure and maintain, at LICENSEE's sole cost and expense, workers' compensation insurance and employers' liability insurance with coverage amounts with a limit of (i) One Million Dollars ($1,000,000) for bodily injury per accident, (ii) One Million

Dollars ($1,000,000) for bodily injury by disease per policy and (iii) One Million Dollars ($1,000,000) for bodily injury by disease per employee .

(c) The certificates of insurance required herein for commercial general liability insurance, including, without limitation, all renewals, shall include LICENSOR as an additional insured, and provide for at least thirty (30) days advance notice to LICENSOR by the insurer prior to any non-renewal or cancellation. LICENSEE shall provide LICENSOR with a copy of certificates of insurance stating that the coverage as required herein is in full force and effect no later than the date of this Agreement. LICENSEE shall cause certificates of insurance or self-insured letter in conformance with the requirements hereof to be promptly provided to LICENSOR for each subsequent policy renewal.

(d) LICENSEE's insurance in all instances shall be primary and any insurance that may be maintained by LICENSOR shall be in excess of and shall not contribute with LICENSEE's insurance. All insurance policies shall be issued by a company or companies licensed to do business in the State of Florida.

(e) LICENSEE understands and acknowledges that the responsibility and obligation to provide and maintain insurance in the forms, types and coverages required herein are solely LICENSEE's responsibilities and obligations which continue during the Term.

(f) In the event that LICENSEE fails for any reason to procure or maintain insurance in the forms, types or coverages required and to name the LICENSOR as an additional insured on the certificates of insurance, LICENSEE shall cure such material breach within fifteen (15) calendar days after LICENSEE is given notice of such breach. Should LICENSEE fail to cure the breach within such period or such other time as may be agreed to by the Parties in writing, LICENSOR in LICENSOR's sole discretion may, but is not obligated to, secure replacement insurance coverage at LICENSEE's sole expense. Should LICENSOR elect to secure replacement insurance, LICENSEE shall thereafter reimburse LICENSOR within fifteen (15) calendar days of LICENSOR's providing to LICENSEE an invoice for the costs and premiums incurred by LICENSOR for the replacement insurance coverage, plus an administrative charge of ten percent (10%) or $250.00, whichever is greater. LICENSEE shall continue to be responsible for the payment of all deductibles applicable to the insurance policies and all losses incurred with respect to any lapse in coverage. Should LICENSEE subsequently obtain the required insurance, LICENSEE shall remain responsible for and reimburse LICENSOR for all costs and expenses to LICENSOR for the insurance premiums incurred by LICENSOR and the administrative charges set forth in this Section 14.1(f).

(g) LICENSEE's obligations under this Article XIV shall survive the termination or expiration of this License Agreement.

ARTICLE XV
TERMINATION

15.1 Termination.

Except as may be provided elsewhere in this License Agreement, this License Agreement may be terminated prior to expiration of the Term as set forth in this Article XV:

15.2 By LICENSEE.

LICENSEE may terminate this License Agreement as follows:

15.2.1 Upon 60 days' Notice.

LICENSEE may terminate this License Agreement at any time after the initial five-year term, as described in Article III, with or without cause, upon providing LICENSOR with not less than sixty (60) days' notice. After five (5) days' prior notice to LICENSEE and upon the sixtieth (60th) day after notice of termination is given by LICENSEE under this Section, LICENSOR, at the sole discretion of LICENSOR, may disconnect the Licensor Fiber Optic Strands licensed to LICENSEE under this License Agreement without recourse to LICENSOR by LICENSEE and LICENSOR shall not be held liable by LICENSEE or LICENSEE's sub-licensees, if any, as a result of such disconnection.

15.2.2 If LICENSEE as Telecommunications Company.

By entering into this License Agreement, LICENSEE does not intend to, and shall not, be classified as a telecommunications company, telecommunications carrier, telecommunications service or any other telecommunications entity, or come under the jurisdiction or existing or future regulation of any state or Federal regulatory agency as a telecommunications company, including, without limitation, the Federal Communications Commission or the Florida Public Service Commission. If, however, a proceeding is commenced in which it is sought to classify LICENSEE as a telecommunications company, LICENSOR and LICENSEE shall cooperate with each other to determine whether and to what extent this License Agreement can be amended to remove that classification. If this License Agreement cannot be so amended or if there is no agreement as to such amendment, then LICENSEE may terminate this License Agreement immediately upon agency or court order approving such termination, or, at the sole discretion of LICENSEE, after five (5) days' prior notice to LICENSOR. if the proceeding described in this Section has been pending for not less than sixty 60) days. Upon such termination, LICENSOR may disconnect the Licensor Fiber Optic Strands licensed to LICENSEE under this License Agreement as provided in Section 15.2.1 above.

15.3 By LICENSOR.

LICENSOR may terminate this License Agreement as follows:

15.3.1 Default of LICENSEE.

Upon a default by LICENSEE under this Agreement including, without limitation, a payment default, LICENSOR shall be entitled to terminate this Agreement, by giving notice of termination to LICENSEE, if LICENSOR has previously given LICENSEE notice of such default and LICENSEE has not cured such default within thirty (30) days after notice of such default was given.

If LICENSOR terminates this License Agreement under this Section 15.3.1, LICENSOR shall have the right to disconnect the Licensor Fiber Optic Strands licensed to LICENSEE under this License Agreement without recourse to LICENSOR by LICENSEE. Furthermore LICENSOR shall not be liable to LICENSEE or LICENSEE's sub-licensees as a result of such disconnection.

15.3.2 If LICENSOR is Found to be a Telecommunications Company. By entering into this License Agreement, LICENSOR does not intend to, and shall not, be classified as a telecommunications company, telecommunications carrier, telecommunications service or any other telecommunications entity, or come under the existing or future jurisdiction or regulation of any State or Federal regulatory agency as a telecommunications company, including, without limitation, the Federal Communications Commission or the Florida Public Service Commission. If, however, a proceeding is commenced in which it is sought to classify LICENSOR as a telecommunications company, LICENSEE and LICENSOR shall cooperate with each other to determine whether and to what extent this License Agreement can be amended to remove that classification. If this License Agreement cannot be so amended or if there is no Agreement as to such amendment, then LICENSOR may terminate this License Agreement immediately upon agency or court order approving such termination, or at the sole discretion of LICENSOR, after five (5) days' prior notice to LICENSEE if the proceeding described in this Section has been pending for not less than sixty 60) days. Notwithstanding the preceding provisions of this Section 15.3.2, if LICENSOR becomes certified by the Florida Public Service Commission as a telecommunication company, this License Agreement shall remain in full force and effect.

ARTICLE XVI
RESTRICTIONS AGAINST TRANSFER

Neither Party shall sell, assign, transfer, or otherwise alienate or dispose of this License Agreement or the privileges hereby granted, without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed.

ARTICLE XVII
FAILURE TO ENFORCE PROVISIONS IS NOT A WAIVER

The consent by a Party to any act by the other Party shall not be deemed to imply consent or to constitute the waiver of a breach of any provision hereof or continuing waiver of any subsequent breach of the same or any other provision, nor shall any custom or practice which may arise between the Parties in the administration of any part of the provisions hereof be construed to waive or lessen the right of a Party to insist upon the performance by the other Party in strict accordance with the provisions hereof.

ARTICLE XIII
SEVERABILITY

In the event that any provision of this License Agreement shall be held unconscionable, unenforceable, or void for any reason by any tribunal of competent jurisdiction, it is agreed that the provision in question shall be modified to eliminate the elements of concern to the tribunal

and as modified shall be binding on the Parties. The remaining provisions of this License Agreement shall not be affected by the action of any tribunal or modification of such provision, and shall remain in full force and effect.

ARTICLE XIX
FORCE MAJEURE

Except as otherwise expressly provided herein, neither Party shall be liable for any failure or delay in the performance of its obligations under this License Agreement due to causes not reasonably within its control, including, without limitation, acts of courts and regulatory agencies, superior governmental authority, acts of God, war, riot or insurrection, inability to obtain required construction permits, blockages, embargoes, sabotages, terrorism, epidemics, fires, floods, strikes, lockouts or other labor difficulties, provided such labor difficulties do not arise from inequitable labor practices. In the event of any failure or delay resulting from any of such causes, upon notice of such force majeure being given to the other Party, the time for performance hereunder shall be extended for a period of time reasonably necessary to overcome the effects of such delays. In the event any such failure or delay shall last for a period of more than one hundred eighty (180) days, then either Party may terminate this License Agreement forthwith, in whole or in part, by notice thereof to the other.

ARTICLE XX
NOTICE

Except for notifications relating to construction, outages or maintenance which shall be as provided in Exhibit C attached hereto, any notice, request, instruction, demand, consent, or other communication required or permitted to be given under this License Agreement shall be in writing and shall be delivered either by hand or by certified mail, postage prepaid, and certified return receipt requested to the following address or such other address as the Parties may provide to each other in writing:

To LICENSEE:

Florida Power & Light Company
Attn: _____
700 Universe Boulevard
Juno Beach, Florida 33408

To LICENSEE:

Florida Power & Light Company
Attn: General Counsel
700 Universe Boulevard
Juno Beach, Florida 33408

To Vero Beach:	City Manager City of Vero Beach 1053 20th place Vero Beach, Florida 32960
With a Copy to:	Carlton Fields P.O. Box 3239, Tampa, Florida 33601 Attention: Nathaniel L. Doliner, Attorney at Law (if by mail) or 4221 West Boy Scout Boulevard Tampa, FL 33607 Attention: Nathaniel L. Doliner, Attorney at Law (if by other than mail)

ARTICLE XXI
CHOICE OF LAW; VENUE; NO JURY TRIAL

21.1 This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including matters of validity, construction, effect, performance and remedies.

21.2 THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS RELATED TO THE SUBJECT MATTER OF THIS AGREEMENT SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT.

21.3 EACH OF THE PARTIES HERETO IRREVOCABLY WAIVES ITS RIGHT TO A JURY TRIAL WITH RESPECT TO ANY ACTION OR CLAIM ARISING OUT OF ANY DISPUTE IN CONNECTION WITH THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED HEREBY. THIS PROVISION IS A MATERIAL INDUCEMENT FOR THE PARTIES HERETO TO ENTER INTO THIS AGREEMENT, AND SHALL SURVIVE THE CLOSING OR TERMINATION OF THIS AGREEMENT.

ARTICLE XXII
ENTIRE AGREEMENT; AMENDMENTS

This License Agreement constitutes the entire Agreement between the Parties and supersedes all prior agreements, whether written or oral, with respect to the subject matter hereof. There are no representations, warranties, agreements or understandings (whether oral or written) between the Parties relating to the subject matter hereof which are not fully expressed herein. No provision of this License Agreement may be changed or amended except by written agreement signed by both Parties.

ARTICLE XXIII
PARTIES BOUND

This License Agreement shall be binding upon the Parties hereto and their respective successors and permitted assigns.

ARTICLE XXIV
CONSTRUCTION OF AGREEMENT

24.1. Ambiguities Not To Be Resolved Against Drafting Party.

Each Party and its counsel have reviewed this License Agreement. Accordingly, the normal rule of construction to the effect that any ambiguities are to be resolved against the drafting Party shall not be employed in the construction and interpretation hereof.

25.2 Captions.

The captions are inserted for convenience of reference only and shall have no effect on the construction or interpretation of this License Agreement.

25.3 Usage.

Unless the context otherwise requires, the word "including" shall mean "including, without limitation." The fact that in certain instances in this Agreement, the phrase "including, without limitation" appears shall not affect the interpretation of the preceding sentence.

The terms "hereof", "hereunder" and "herein" shall refer to this License Agreement as a whole.

[*Signature Pages Follow*]

The Parties hereto have caused these presents to be executed, by their respective officers thereunto duly authorized, on the day, month and year first above written.

ATTEST:

Sign: _____

Print: _____

Title: _____

LICENSOR: CITY OF VERO BEACH

Sign: _____

Print: _____

Title: _____

Approved as to form
and legal sufficiency

_____
City Attorney

Approved as conforming to
municipal policy:

_____
City Manager

[SEAL]

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing instrument was acknowledged before me this day ____ of _____, 2013, by _____ as Mayor, and attested by _____, as City Clerk, of the City of Vero Beach, Florida. They are both known to me and did not take an oath.

NOTARY PUBLIC

Sign:_____
Print:_____
State of Florida at Large [SEAL]
My Commission Number:___
My Commission Expires:____

Corporation: THIS LICENSE AGREEMENT MUST BE EXECUTED BY THE CHIEF EXECUTIVE OFFICER, OR PRESIDENT OR VICE-PRESIDENT, AND THE SECRETARY OR ASSISTANT SECRETARY, UNLESS THE BYLAWS OR A RESOLUTION OF THE BOARD OF DIRECTORS SHALL OTHERWISE PROVIDE, IN WHICH EVENT A CERTIFIED COPY OF THE BYLAWS OR RESOLUTION, AS THE CASE MAY BE, MUST BE FURNISHED. ALSO, THE CORPORATE SEAL OF LICENSEE, IF LICENSEE HAS SUCH A SEAL, MUST BE AFFIXED.

ATTEST:

Sign: _____

Print: _____

Title: Secretary

LICENSEE

Sign: _____

Print: _____

Title: President

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing instrument was acknowledged before me this ____ day of _____, 2013, by _____, as President, and attested by _____, as Secretary, on behalf of _____. They are personally known to me or produced _____as identification and did / did not take an oath.

NOTARY PUBLIC

Sign:_____
Print:_____
State of Florida at Large [SEAL]
My Commission Number:_____
My Commission Expires:_____

EXHIBIT "A"
ROUTE DIAGRAM

[PLEASE INSERT]

EXHIBIT "B"
FIBER SPECIFICATIONS AND CONNECTION DETAILS

FIBER:

All Fiber will meet or exceed the Corning SMF-28, dual 1310/1550 window optical glass specifications:

Maximum attenuation for 1310 nm systems will be .35 dB/km

Maximum attenuation for 1550 nm systems will be .25 dB/km

SPAN SPECIFICATIONS:

Discontinuities (known as steps, Splices, or attenuation non-uniformities) shall be measured with an Optical Time Domain Reflectometer (OTDR) to determine the loss for the localized attenuation.

No Fiber shall show a point discontinuity greater than 1.0 dB. However, a Fiber Span that includes a discontinuity in excess of specifications may still be considered acceptable, with mutual agreement of LICENSOR and LICENSEE, provided said Fiber still meets LICENSEE's overall attenuation and dispersion specifications.

Performance levels will be maintained as accepted through the duration of the Agreement.

GENERAL CONSTRUCTION:

OPTICAL SYSTEM LOSS TABLE					
WAVE LENGTH NM	MAXIMUM FIBER Loss/KM	MAXIMUM CONNECTOR Loss	AVERAGE Loss PER SECTION	MAXIMUM Loss PER SPLICE	AVERAGE Loss PER SPLICE
1310	.35dB	.5 dB	.06 dB	.2 dB	.06 dB
1550	.25 dB	.5 dB	.06 dB	.2 dB	.06 dB

The Fiber will be constructed in accordance with sound commercial practices. The National Electric Safety Code will be followed in every case except where local regulations are more stringent, in which case local regulations shall govern.

Optical and span test data, including OTDR traces, will be submitted by LICENSOR to LICENSEE at an agreed upon schedule.

EXHIBIT "C"

NOTICES

Notifications to FPL:

All notifications relating to construction, outage, or maintenance should be relayed to Licensee through this number:[1]

Notifications to Vero Beach:

All notifications relating to construction, outage, or maintenance should be relayed to the LICENSOR through this number:

[1] NTD: Needs to be provided for both parties.

EXHIBIT "D"

SAMPLE NOTICE OF ACCEPTANCE

Date:

To [Person Specified in Article 20]

Re: Notice of Acceptance of Licensed Fibers

Dear [Person Specified in Article 20]:

Our technician tested the licensed fibers, today, and confirmed that they meet the Performance Specifications required by our Agreement. Accordingly, today, we accepted the Licensed Fibers as operational.

In accordance with our Agreement, I have enclosed, herewith, the first installment of the License Fee ($_____.__).

Sincerely yours,

_____

By:

cc: [Person Specified in Article 20]

Exhibit L-2

Form of Substation Easement Agreement

[*Exhibit begins on the following page.*]

Prepared by and return to:
Nathaniel L. Doliner
Carlton Fields
4221 W. Boy Scout Blvd., Ste. 1000
Tampa, Florida 33607-5780

SUBSTATION EASEMENT AGREEMENT

THIS SUBSTATION EASEMENT AGREEMENT (the "**Agreement**"), made and entered into as of [_____ __], 201[__] (the "**Effective Date**"), is between CITY OF VERO BEACH, FLORIDA, a Florida municipal corporation (herein called "**City**"), with an address of 1053 20th Place, Vero Beach, FL 32960, and FLORIDA POWER & LIGHT COMPANY, a Florida corporation (herein called "**FPL**"), with an address of 700 Universe Boulevard, Juno Beach, FL 33408. City and FPL are sometimes together referred to herein as the "**Parties**" and individually as a "**Party.**"

RECITALS

A. As of the Effective Date, City has sold, assigned and conveyed certain electric utility assets of City to FPL, as contemplated under that certain Asset Purchase and Sale Agreement, dated [_____], 2017, by and between City and FPL (the "**Asset Purchase and Sale Agreement**"). As used in this Agreement, the "**Vero Beach Electric Utility**" means the electric utility system of electricity transmission and distribution owned or operated by FPL providing retail electric service to City of Vero Beach's electric utility customers on and after the Effective Date.

B. To operate the Vero Beach Electric Utility efficiently, FPL seeks to establish an electric substation on the real property consisting of approximately 1.75 acres described and depicted on attached **Exhibit "A"** (the "**Substation Premises**").

C. To provide ingress and egress for the Substation Premises, the City desires to provide a non-exclusive access easement (the "**Access Easement**") in favor of FPL and benefitting the Substation Premises, across property adjacent to the Substation Premises, as legally described and depicted on **Exhibit "B"** attached hereto and made a part hereof (the "**Access Parcel**").

D. The equipment and improvements constructed or placed on the Substation Premises by or for FPL from time to time are referred to in this Agreement collectively as the "**Facilities**." The Substation Premises together with the Facilities, are described in this Agreement collectively as the "**Substation**." In accordance with the Asset Purchase and Sale

Agreement, City has agreed to grant an easement to FPL over the Substation Premises subject to the provisions of this Agreement.

NOW THEREFORE, for $10.00 and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Parties, and in consideration of and subject to the terms, covenants, agreements, provisions and limitations set forth in this Agreement, City and FPL agree as follows:

1. Recitals. The above-stated recitals are true and correct and are incorporated herein by this reference.

2. Grant of Easements.

(a) **Substation Premises**. Subject to the provisions of this Agreement, City does hereby grant unto FPL, the exclusive, perpetual right, privilege and easement to install, operate and maintain in perpetuity, the Facilities on, under or over the Substation Premises together with all rights necessary of convenient for the full use and enjoyment of the Substation Premises for the purposes granted herein, (subject to the provisions of this Agreement), including without limitation, the right: (a) to patrol, inspect, alter, improve, add to, repair, rebuild, relocate and remove the Facilities; (b) to increase or decrease the voltage and to change the quantity and type of Facilities; (c) of ingress and egress over the Substation Premises; (d) to trim, cut or remove from the Substation Premises, at any time, trees, limbs, undergrowth, structures or other obstructions; and (e) to trim, cut or remove and to keep trimmed or remove dead, diseased, weak or leaning trees or limbs outside of the Substation Premises which, in the commercially reasonable discretion of FPL, might interfere with or fall upon the Facilities. Excluding removal of vegetation and obstructions as provided herein, any physical damage to the City's adjoining property caused by FPL or its contractors shall be repaired to a condition equal to or better than the previous condition.

(b) **Access Parcel**. City grants and conveys to FPL, for the duration of the Term, the Access Easement benefitting the Substation Premises and providing ingress and egress to and from the Substation Premises over and across the Access Parcel.

3. Use of Substation. The Substation Premises shall be used solely and exclusively for the purpose of electric power purposes as a part of the Vero Beach Electric Utility, and the Facilities shall be installed, repaired, replaced and maintained by FPL, at FPL's sole cost and expense.

4. City Access to Substation Premises/Non-Exclusive Access Easement. The City may, with FPL's prior consent, and accompanied by an FPL representative, access the Substation Premises from time to time. Further, City may use the Access Parcel for any purpose which does not interfere with FPL's use and enjoyment of the easement rights granted herein. FPL acknowledges and agrees that the Access Parcel may be used as a common driveway for ingress, egress, and utilities serving multiple parcels of real property, and that neither FPL, the City or any subsequent user of the Access Parcel shall construct any fences, gates or other impediments to the common use of the Access Parcel. Further, City reserves the right to grant rights to others affecting the Access Parcel provided that all such third parties enter into a road maintenance agreement between FPL, City and all users of the Access Parcel, and provided that such rights do

not block FPL's access to the Substation Premises, create an unsafe condition or conflict with the rights granted to FPL herein.

5. Cash Consideration. The cash consideration to be paid by FPL to City for this Agreement shall be Two Million Dollars ($2,000,000.00), and shall be paid to City in a single payment at the Closing, as defined in, and in accordance with, the Asset Purchase and Sale Agreement as a part of the Purchase Price under the Asset Purchase and Sale Agreement. FPL shall also pay any and all applicable documentary stamp tax or other taxes on the consideration for this Agreement or the conveyance of the easements described herein.

6. Representations and Warranties.

(a) City represents and warrants to FPL as follows:

(i) City has full power and authority to enter into this Agreement.

(ii) The person executing and delivering this Agreement on City's behalf is acting pursuant to proper authorization and this Agreement is the valid, binding and enforceable obligation of City enforceable against City in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

(b) FPL represents and warrants to City as follows:

(i) FPL is a corporation duly incorporated, validly existing and having active status under the laws of the State of Florida, with the necessary corporate power and authority to enter into this Agreement.

(ii) The person executing and delivering this Agreement on FPL's behalf is acting pursuant to proper authorization, and this Agreement is the valid, binding and enforceable obligation of FPL enforceable against FPL in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

7. Improvements to Substation Premises/Relocation of Fiber Optic Lines.

(a) As described in the Substation Equipment Operating and Dismantling Agreement between the Parties, FPL shall relocate the portion of the Fiber Optic System, as defined in the Asset Purchase and Sale Agreement, to the Substation Premises or otherwise, at City's direction so that the Fiber Optic System will have continuous connectivity at all times without any interruption. Such relocation of the Fiber Optic System shall be completed in connection with or prior to the construction of improvements to the Substation Premises or Access Parcel described in this Section 7.

(b) In addition to City's regulatory authority, if any, FPL acknowledges that City, as the owner of lands adjacent to the Substation Premises and Access Parcel, has an interest in the manner in which the Substation Premises and Access Parcel are developed. Accordingly, prior to construction, FPL shall provide the City with four (4) copies of the site plan, landscape plan and civil design for the Substation Premises (collectively, the "Plans"), and City shall have the right to review and approve such Plans within forty-five (45) days following City's receipt of such plans. Failure of the City to provide FPL with written approval of the Plans such forty-five (45) days period, or if the Plans are not approved, to provide FPL with written comments to the Plans within such forty-five (45) day period, shall be deemed an approval of the Plans. The City's approval of the Plans shall not be deemed to be an assumption of the responsibility by City for the accuracy, sufficiency or propriety of the Plans.

The Plans will show the following: (i) location of any buildings, fixtures or equipment; (ii) the areas and related improvements (including, without limitation, ingress and egress, curb cuts, signage, utility lines and lighting); (iii) the location and nature of decorative features, including, without limitation, landscaping, planters and walls; (iv) setback lines; (v) proposed height of the proposed Facilities, and the area of any building; (vi) grading and drainage plans; and (vii) exterior dimensions, exterior design concept, the type, grade, color and texture of exterior materials and the basic exterior painting design, and any and all exterior signs or other signs contemplated for location on the Substation Premises.

City shall at all times act reasonably and in good faith in its review of and comments to the Plans.

8. Hazardous Materials and Pre-Existing Conditions.

(a) For purposes of this Agreement :

(i) "***Environmental Claim***" means any and all communications, whether written or oral, alleging potential Liability, administrative or judicial actions, suits, orders, liens, notices alleging Liability, notices of violation, investigations which have been disclosed to City, complaints, requests for information relating to the Release or threatened Release into the Environment of Hazardous Substances, proceedings, or other communication, whether criminal or civil, pursuant to or relating to any applicable Environmental Law, by any person (including any governmental authority) based upon, alleging, asserting, or claiming any actual or potential (i) violation of, or Liability under any Environmental Law, (ii) violation of any Environmental Permit, or (iii) Liability for investigatory costs, cleanup costs, removal costs, remedial costs, response costs, monitoring costs, natural resource damages, property damage, personal injury, fines, or penalties arising out of, based on, resulting from, or related to the presence, Release, or threatened Release into the environment of any Hazardous Substances at the Substation Premises or Access Parcel including any off-Site location to which Hazardous Substances, or materials containing Hazardous Substances, were sent.

(ii) "***Environmental Laws***" means all Laws regarding pollution or protection

of the Environment, the conservation and management of land, natural resources and wildlife or human health and safety or the Occupational Safety and Health Act (only as it relates to Hazardous Substances), including Laws regarding Releases or threatened Releases of Hazardous Substances (including Releases to ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, Release, transport, disposal or handling of Hazardous Substances, including the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. §§ 9601 et seq.), the Hazardous Materials Transportation Act (49 U.S.C. §§ 1801 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. §§ 6901 et seq.), the Federal Water Pollution Control Act (33 U.S.C. §§ 1251 et seq.), the Clean Air Act (42 U.S.C. §§ 7401 et seq.), the Toxic Substances Control Act (15 U.S.C. §§ 2601 et seq.), the Oil Pollution Act (33 U.S.C. §§ 2701 et seq.), the Emergency Planning and Community Right-to-Know Act (42 U.S.C. §§ 11001 et seq.), and all other Laws analogous to any of the above.

(iii) "***Environmental Permit***" means any Permit under or in connection with any Environmental Law, including any and all orders, consent orders or binding agreements issued or entered into by a governmental authority under any applicable Environmental Law, that is used in, or necessary for, (i) the business of the Vero Beach Electric Utility, or (ii) the ownership, use or operation of the Substation Premises, in each case under clause (i) or (ii), as conducted prior to the Effective Date.

(iv) "***Hazardous Substances***" means: (i) any petroleum, asbestos, asbestos-containing material, and urea formaldehyde foam insulation and transformers or other equipment that contains polychlorinated biphenyls; (ii) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "contaminants," "pollutants," "toxic pollutants," "hazardous air pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law; and (iii) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

(v) "***Liability***" means any direct or indirect liability, commitment, indebtedness or obligation (whether known or unknown, whether asserted or unasserted, whether absolute or contingent, whether accrued or un-accrued, whether liquidated or un-liquidated, and whether due or to become due) of any kind, character or nature, or any demand, claim or action asserted or brought against the relevant Party.

(vi) ***"Law"*** means any foreign, federal, state or local law, constitutional provision, statute, charter, ordinance or other law, rule, regulation, code (including any zoning code, fire code or health and safety code), or interpretation of any governmental authority or any order of or by any governmental authority,

including all Environmental Laws, requirements and regulations, applicable to the Substation Premises or the Vero Beach Electric Utility.

(vii) "***Loss***" or "***Losses***" means any and all damages, fines, fees, penalties, deficiencies, losses, Liabilities, interest, awards, judgments, actions and expenses (whether or not involving a third party claim), including all remediation costs, reasonable fees of attorneys, accountants and other experts, or other expenses of litigation or proceedings or of any claim, default or assessment relating to the foregoing.

(viii) "***Release***" means any actual, threatened or alleged spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dumping or disposing of a Hazardous Substance into the environment or within any building, structure, facility or fixture.

(ix) "***Remediation***" means any action of any kind required by applicable Law to address the presence or Release of Hazardous Substances, including: (i) monitoring, investigation, assessment, treatment, cleanup containment, removal, mitigation, response or restoration work, as well as obtaining any permits necessary to conduct any such activity; (ii) preparing and implementing any plans or studies for any such activity; and (iii) obtaining a written notice from a governmental authority with competent jurisdiction under Environmental Laws, that no material additional work is required.

(b) As may be more fully described in the Asset Purchase and Sale Agreement, except to the extent exacerbated or contributed to by FPL, City agrees to be responsible for any and all Losses of FPL, and pay and perform when due any and all Liabilities of FPL:

(i) under Environmental Laws, Environmental Permits or Environmental Claims with respect to the Substation Premises arising from any event, condition, circumstance, act or omission that occurred prior to the Effective Date; or

(ii) arising from the presence of Hazardous Substances that originated on the Substation Premises prior to the Effective Date or the Release of Hazardous Substances at, on, in, under, or migrating from the Substation Premises prior to the Effective Date (such Losses or Liabilities under this Section 8(b)(i) or Section 8(b)(ii) hereof, the "**Environmental Liabilities**");

Provided, however, that as an absolute condition to such responsibility, FPL must give to City notice (the "**Environmental Notice**") of any claim of Environmental Liabilities no later than thirty (30) days prior to the anticipated Effective Date and, solely with respect to any Environmental Liability which FPL demonstrates occurred subsequent to FPL's Phase II Environmental Testing described below, FPL must give the Environmental Notice prior to the Effective Date, which Environmental Notice, in either case, must contain the estimated total amount of the Environmental Liabilities and a summary of facts then known to FPL that support such claim; and provided, further, that in no event shall City be liable or responsible for any

Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate, from all sources as described in the Asset Purchase and Sale Agreement, (the "**Aggregate Environmental Cap**"). FPL hereby releases City from, and City shall not be liable or responsible for, any and all Environmental Liabilities as to which FPL does not give City the Environmental Notice or Environmental Notices prior to the time required in the immediately preceding sentence. FPL also hereby releases City from, and City shall not be responsible for, any and all Environmental Liabilities that exceed Five Hundred Thousand Dollars ($500,000) in the aggregate from all sources as described in the Asset Purchase and Sale Agreement. The limitations on City's liability or responsibility for Environmental Liabilities under this Section 8 are absolute limitations and will control over any other provisions in this Agreement or other agreements between the Parties that are or may be to the contrary.

(c) In order to make a claim against City pursuant to Section 8 (b) above, FPL must have completed its environmental testing, including Phase II environmental testing, on the Substation Premises and the Access Parcel and, if so performed, must have submitted the results of such testing to City at least thirty (30) days prior to the Effective Date (collectively, "**FPL's Phase II Environmental Testing**"). If FPL has not performed such actions by the within the time periods specified, FPL shall be deemed to have waived its right to make a claim against City under Section 8 (b) above with respect to the Substation Premises and the Access Parcel.

(d) FPL shall not cause or permit the Release in any manner of any Hazardous Substances upon the Substation Premises, the Access Parcel or upon adjacent lands, which violates any Environmental Laws. FPL shall give prompt notice to City of any Release of a Hazardous Substance in violation of Environmental Laws, whether caused by FPL or, to the knowledge of FPL, any third party.

(e) To evidence any changes to the environmental condition of the Substation Premises at the expiration or termination of this Agreement, FPL shall perform an environmental assessment, including soils and groundwater sampling, of the Substation Premises (the **"Closure Environmental Assessment")** as close in time as practical to the Expiration Date or the earlier termination of this Agreement, at its expense and provide a copy thereof to City as soon as practical. FPL's obligation to provide the Closure Environmental Assessment shall survive the expiration or termination of this Agreement.

(f) Except to the extent of City's responsibility as described in Section 8 (b) above, FPL shall be responsible, at FPL's sole cost and expense, for commencing and thereafter performing, or causing to be performed, any and all assessments, Remediation, cleanup and monitoring of all Hazardous Substances existing or Released on, in, under, from or related to the Substation Premises during the Term in violation of Environmental Laws; provided, however, that the foregoing shall not in any way limit or expand any liability, obligations or rights of FPL or City, to the extent expressly provided in the Agreement for Sale and Purchase. In the event any Remediation is required in the previous sentence, FPL shall furnish to City, within a reasonable period of time, written proof from the appropriate local, state or federal agency with jurisdiction over the Remediation that the Remediation has been satisfactorily completed in full compliance with all Environmental Laws. FPL's obligation to provide Remediation as required by this Section 8 shall survive the expiration or termination of this Agreement .

(g) FPL shall indemnify, defend and hold harmless City from and against, and pay, reimburse and fully compensate as the primary obligor City for, any and all claims, suits, judgments, loss, damage, and liability which may be incurred by City including, without limitation, City's reasonable attorney's fees and costs, arising in any way from Hazardous Substances existing or Released on, in, under, from the Substation Premises by FPL, its employees agents or contractors, or related to FPL's use of the Substation Premises or the Access Parcel during the Term in violation of Environmental Laws, or any violation of the Environmental Laws, by FPL, its agents, licensees, invitees, subcontractors or employees on, in, under or related to the Substation Premises or the Access Parcel during the Term. This responsibility shall continue to be in effect for any such Release or presence of Hazardous Substances as to which City gives notice to FPL on or before the fifth (5^{th}) anniversary of the Expiration Date. FPL's obligation to provide the indemnity, defense and hold harmless required by this Agreement shall survive the expiration or termination of this Agreement .

9. Abandonment and Termination. The term of this Agreement (the "Term") begins on the Effective Date and continues perpetually, unless terminated as described in this Agreement. FPL may terminate this Agreement without charge or penalty by giving not less than six (6) months prior notice to City. Furthermore, the Parties acknowledge that technology may change the methods for the delivery of electric power in the future. Accordingly, if FPL abandons the Substation or ceases to use the Substation as a actively functioning electrical substation for the distribution of electric power, and such abandonment or cessation of use continues for a period of not less than two (2) consecutive years, then this Agreement shall be deemed terminated. In the event of such termination, City and FPL shall promptly execute a Notice of Easement Termination, in form and substance that is mutually agreeable, reciting the termination of this Agreement and removing this Agreement as an encumbrance on the Substation Premises and Access Parcel, which shall be recorded in the Public Records. If this Agreement is terminated, for any reason whatsoever, whether in whole or in part, FPL shall not be entitled to any proration or return of the consideration for this Agreement. In addition, within six (6) months after termination of this Agreement, FPL shall, at its sole cost and expense, remove all Facilities from the Substation Premises and during such time FPL shall be deemed to be occupying the Substation Premises and Access Parcel as a licensee and FPL will continue to be subject to and comply with all of the provisions of this Agreement. FPL's obligations to remove the Facilities from the Substation Premises include the obligation to remove any and all fixtures and any and all improvements that may exist on, over or under the Substation Premises, installed by or for FPL, such as, but not limited to, lines, structures, poles, concrete slabs, footers, reinforcements, walls, gates and fences.

10. Assumption of Risk; Indemnification. FPL agrees as follows:

(a) FPL will rely exclusively upon its own investigation into the title relating to the Substation Premises and the Access Parcel and City makes no warranty of title relating to the Substation Premises or the Access Parcel. FPL's easement interest in the Substation Premises and Access Parcel pursuant to this Agreement is made subject to the Permitted Encumbrances (as defined in the Asset Purchase and Sale Agreement).

(b) Except as specifically provided in this Agreement, FPL acknowledges and agrees that City has not made, does not make and specifically negates and disclaims any

representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future of, as to, concerning or with respect to the Substation Premises and Access Parcel and that the rights granted with respect to the Substation Parcel provided for in this Agreement are made on an "as is" condition and basis and with all faults. Without in any way limiting the generality of the foregoing, the grant of easement rights contemplated hereby is without any warranty other than City's express representations and warranties in this Agreement; and City and City's elected and appointed officials, officers, directors, employees, and affiliates (collectively the "**City's Related Parties**") have made no, and expressly and specifically disclaim, and FPL accepts that City and the City's Related Parties have disclaimed, any and all representations, guaranties or warranties, express or implied, or arising by operation of law (except for the representations and warranties, if any, expressly made by City in this Agreement), of or relating to: (i) the use, expenses, operation, characteristics or condition of the Substation Premises and Access Parcel, or any portion thereof, including, without limitation, warranties of suitability, habitability, merchantability, design or fitness for any specific or particular purpose, or good and workmanlike construction; (ii) the environmental condition of the Substation Premises or Access Parcel, or contamination by hazardous materials, or the compliance of any portion of the Substation Premises or Access Parcel with any or all Environmental Laws; or (iii) the soil conditions, drainage, flooding characteristics, accessibility or other conditions existing in, on or under any portion of the Substation Premises or Access Parcel. FPL acknowledges and agrees that it is not relying on any representations or statements (oral or written) which may have been made or may be made by City or any of the City's Related Parties (except for City's representations and warranties expressly set forth in this Agreement), and is relying solely upon FPL's or FPL's representatives' own physical inspection of the Substation Premises and Access Parcel and other investigations by FPL or FPL's representatives. FPL acknowledges that any condition of the Substation Premises or Access Parcel, whether apparent or latent, which FPL discovers or desires to correct or improve on or after the Effective Date shall be subject to City's review and approval rights, as set forth in this Agreement, and shall be at FPL's sole expense.

(c) FPL recognizes and hereby expressly and fully assumes all risks, known and unknown, that arise or might arise incidental to or in any way connected with the condition or use of the Substation Premises or access to the Substation Premises. This assumption of risk by FPL is made for and on behalf of FPL and FPL's successors, and permitted assigns.

(d) FPL agrees to indemnify, defend and hold harmless City and City's Related Parties against any and all claims, including costs and expenses, of any kind or nature, including, without limitation, costs of investigation, attorneys' fees, paralegal fees, experts' fees and costs through regulatory proceedings, trial and review or appeal, including but not limited to claims for personal injury, death of persons and property damage, or other liability to the extent arising from FPL's use, improvement, operation, condition or maintenance of the Substation or the Substation Premises, provided however that this indemnity shall not apply to the negligence or willful misconduct of the City and/or the City's Related Parties as determined by a court of competent jurisdiction.

(e) FPL's obligations under this Section 10 shall survive the termination of this Agreement.

11. Construction, Mechanics and Materialmen's Liens. FPL will make no alteration, change, improvement or addition to the landscaping or exterior of the Substation without the prior written consent of City which will not be unreasonably withheld, conditioned or delayed. FPL will be responsible for payment of any and all work performed on FPL's behalf on the Substation Premises and Access Parcel. In no event will City be responsible for payment of any work relating to the Substation nor will the Substation Premises or Access Parcel, or any interest therein, be subject to any lien for payment of any construction or similar work performed by or for FPL on or for the Substation or Access Parcel. Further, FPL shall promptly notify the contractor performing any such work or alterations on the Substation Premises or Access Parcel at FPL's request or making such improvements to the Substation Premises or Access Parcel at FPL's request of this provision exculpating City of responsibility for payment and liens. Notwithstanding the foregoing, if any mechanic's lien or other lien, attachment, judgment, execution, writ, charge or encumbrance is filed or recorded against any portion of the Substation or Access Parcel as a result of any work performed on or materials delivered to the Substation Premises or Access Parcel at FPL's direction, FPL shall, within sixty (60) days following written notice of any such lien, cause same to be paid, discharged or otherwise removed of record. In the event that FPL fails to remove any such mechanics or materialmen's lien relating to FPL's work at the Substation Premises or Access Parcel, the City may cause such lien to be removed and FPL shall reimburse City for all reasonable costs and expenses, including attorney's or paralegal fees incurred by City within forty-five (45) days following receipt of City's written invoice and supporting documentation.

12. Insurance. City understands that FPL self-insures, and that prior to accessing the Substation Premises or Access Parcel, FPL will provide City with a letter of such self-insurance. In the event that FPL ceases to self-insure, then, during the Term of this Agreement, and thereafter so long as FPL operates, uses or maintains any portion of the Substation:

(a) FPL shall procure and maintain, at FPL's sole cost and expense, commercial general liability insurance providing coverage which protects FPL and City and the City's Related Parties from and against any and all claims and liabilities for bodily injury, death and property damage arising from operations, premises liability, fire with respect to the Substation. Such insurance shall provide minimum coverage of $1,000,000.00 per occurrence and $2,000,000.00 aggregate. FPL shall be and remain liable for and pay all deductibles and other amounts not covered, paid or reimbursed under the insurance policies.

(b) FPL shall procure and maintain, at FPL's sole cost and expense, workers' compensation insurance as required by applicable law, and employers' liability insurance, with coverage amounts with a limit of (i) One Million Dollars ($1,000,000) for bodily injury per accident, (ii) One Million Dollars ($1,000,000) for bodily injury by disease per policy and (iii) One Million Dollars ($1,000,000) for bodily injury by disease per employee.

(c) The certificate of insurance required herein for commercial general liability insurance, including, without limitation, all renewals, shall include a blanket additional insured endorsement and provide for at least thirty (30) days advance notice to City of any non-renewal or cancellation. FPL shall provide City with a copy of certificates of insurance stating that the coverage as required herein is in full force and effect no later than the Effective Date. FPL shall

cause certificates of insurance or a self-insured letter in conformance with the requirements hereof to be promptly provided to City for each subsequent policy renewal.

(d) FPL's insurance in all instances shall be primary and any insurance that may be maintained by City shall be in excess of and shall not contribute with FPL's insurance. All insurance policies shall be issued by a company or companies licensed to do business in the State of Florida.

(e) City shall have the right to periodically review the adequacy of the required insurance, its forms and types, the amounts of coverage and, notwithstanding any other provision of this Agreement, unilaterally modify the insurance requirements of this Section 12 by giving notice of such modification to FPL. Such modification shall be as found reasonably necessary in the sole discretion of City. Factors which may be considered by City include, without limitation, changes in generally accepted insurance industry standards and practices, changes in use of the Substation Premises, changes in risk exposure, measurable changes in local and national economic indicators and changes in City's policies and procedures.

(f) FPL understands and acknowledges that the responsibility and obligation to provide and maintain insurance in the forms, types and coverages required herein are solely FPL's responsibilities and obligations which continue for the entire Term of this Agreement, and until such time as FPL no longer operates the Substation or enters the Substation Premises, whichever date is later.

(g) In the event that FPL fails for any reason to procure or maintain insurance in the forms, types or coverages required and to name City as an additional insured on the certificates of insurance, FPL shall cure such material breach within fifteen (15) calendar days after FPL is given notice of such breach. Should FPL fail to cure the breach within such period or such other time as may be agreed to by the Parties in writing, City in City's sole discretion may, but is not obligated to, secure replacement insurance coverage at FPL's sole expense. Should City elect to secure replacement insurance, FPL shall thereafter reimburse City within fifteen (15) calendar days of City's providing to FPL an invoice for the costs and premiums incurred by City for the replacement insurance coverage, plus an administrative charge of ten percent (10%) or $250.00, whichever is greater. FPL shall continue to be responsible for the payment of all deductibles applicable to the insurance policies and all losses incurred with respect to any lapse in coverage. Should FPL subsequently obtain the required insurance, FPL shall remain responsible for and reimburse City for all costs and expenses to City for the insurance premiums incurred by City and the administrative charges set forth in this Section 12(g).

(h) FPL's obligations under this Section 12 shall survive the termination or expiration of this Agreement.

13. No Consequential Damages. Notwithstanding any other provisions in this Agreement to the contrary, neither Party nor any of its elected officials, directors, officers, employees, lenders, shall be liable to the other Party for consequential, incidental, exemplary, punitive, anticipatory profits or indirect loss or damage of any nature, including, without limitation, loss of profit, loss of use, loss of operating time, loss of revenue, increased costs of producing revenues, cost of

capital or loss of goodwill whether arising in tort, contract, warranty, strict liability, by operation of law or otherwise, even if by such Party's, its representatives', agents', contractors', subcontractors', invitees' or licensees' negligence or fault, in connection with this Agreement, except to the extent claimed by third parties. The Parties further agree that the waivers and disclaimers of liability, indemnities, releases from liability, sole remedy provisions and limitations on liability expressed in this Agreement shall survive termination or expiration of this Agreement and shall extend to the parent, affiliates, and subsidiaries of each Party and their respective, partners, directors, officers, and employees and elected officials.

14. Taxes. FPL shall pay any and all real property taxes for the Substation Premises during the entire Term of this Agreement. As used herein, the term "**real property tax**" shall include any form of real estate tax or assessment, general, special, ordinary or extraordinary, and any license fee, commercial rental tax, improvement bond or bonds, levy or tax (other than inheritance, personal income or estate taxes) imposed on the Substation Premises or any portion thereof by any authority having the direct or indirect power to tax, including, without limitation, any city, county, state or federal government, or any school, agricultural, sanitary, fire, street, drainage or other improvement district thereof, as against any legal or equitable interest of City or FPL in the Substation Premises or in any portion thereof. If separately assessed to FPL, FPL shall pay such real property taxes directly to the taxing authorities. FPL shall pay the real property taxes and shall deliver to City official receipts evidencing such payment, which payment of real property taxes shall be made and the receipts delivered at least thirty (30) days before the real property taxes would become delinquent in accordance with the law then in force governing the payment of such real property taxes. If, however, FPL desires to contest the validity of any real property taxes, FPL may do so without being in default hereunder, provided FPL gives City notice of FPL's intention to do so and provided the real property taxes are paid before any such real property taxes become delinquent after any applicable contest or appeal period.

15. Utility and Service Charges Associated with Substation. FPL shall be responsible for the payment of any and all water, gas, heat, light, power, telephone and other utilities and services supplied to the Substation Premises at FPL's request, together with any taxes on such services.

16. Compliance with Laws. During the Term, FPL shall, at its expense, comply with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Substation. Further, during the Term, FPL shall, at its expense, cause the Substation to attain compliance or remain in compliance with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Substation.

17. Assignment. City acknowledges that this Agreement and FPL's interests hereunder shall be subject to the encumbrance of FPL's pre-existing mortgage with Deutsche Bank Trust Company Americas. FPL shall not otherwise mortgage or assign its interest in this Agreement without the prior written consent of City, and such consent may be withheld in City's unfettered discretion unless such proposed assignment is to the purchaser of all or substantially all of the assets of Florida Power & Light Company, as a part of a bona fide sale by Florida Power & Light

Company to a third party purchaser for value and in such event City's consent will not be unreasonably withheld or delayed. Notwithstanding any assignment of this Agreement, FPL will not be released from any of its obligations hereunder unless such assignee executes an assignment and assumption agreement in form reasonably acceptable to City agreeing to be bound by the terms of this Agreement and City determines in its reasonable discretion that such assignee is creditworthy. Further, any assignment in violation of this Section 17 shall be deemed void and a breach of this Agreement by FPL.

18. Default and Remedies.

(a) **FPL Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by FPL**" under this Agreement by FPL:

(i) Failure by FPL to observe or perform any of the covenants, conditions or provisions of this Agreement to be observed or performed by FPL, where such failure shall continue for a period of forty-five (45) days after notice thereof given by City to FPL. In the event the default cannot reasonably be cured within such forty-five (45) day period, FPL shall not be in default if FPL commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by FPL of any general arrangement or general assignment for the benefit of creditors; (B) FPL becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against FPL, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of FPL's assets or of FPL's interest in this Agreement, where possession is not restored to FPL within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of FPL's assets or of FPL's interest in this Agreement, where such seizure is not discharged within sixty (60) days.

(b) **City Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by City**" under this Agreement by City:

(i) Failure by City to observe or perform any of the covenants, conditions or provisions of this Agreement to be observed or performed by City, where such failure shall continue for a period of forty-five (45) days after notice thereof is given by FPL to City. In the event the default cannot reasonably be cured within such forty-five (45) day period, City shall not be in default if City commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by City of any general arrangement or general assignment for the benefit of creditors; (B) City becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against City, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of City 's assets, where possession

is not restored to City within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of City's assets, where such seizure is not discharged within sixty (60) days.

(c) **Remedies.** If an Event of Default by FPL or an Event of Default by City occurs hereunder, the non-defaulting Party shall have the right at its option and without further notice, to exercise any remedy available at law or in equity, including, without limitation, a suit for specific performance of any obligations set forth in this Agreement or any appropriate injunctive or other equitable relief, or for damages resulting from such event of default. The Parties agree that remedies at law may be inadequate to protect against any actual or threatened breach of this Agreement. In the event of any breach or threatened breach, either Party shall have the right to apply for the entry of an immediate order to restrain or enjoin the breach and otherwise specifically enforce the provisions of this Agreement. In no event shall any Event of Default by FPL or Event of Default by City, terminate, or entitle either Party to terminate, rescind or cancel this Agreement or the rights granted hereunder. In the event that FPL or City, fail or neglect to do or perform any act that they are required to perform under this Agreement, following forty-five (45) days prior written notice (except in the event of an emergency), the other party may cure such default and be reimbursed by the other party within forty-five (45) days following receipt of the performing party's invoice and supporting documentation.

21. Condemnation. If the Substation Premises or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of such power (all of which are herein called "condemnation"), this Agreement shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If so much of the Substation Premises is taken under the power of eminent domain such that the Substation Premises is no longer suitable for its intended use or suitable access cannot be provided to the Substation Premises, FPL may, at FPL's option, to be exercised in writing only within ten (10) days after City shall have given FPL written notice of such taking (or in the absence of such written notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Agreement as of the date the condemning authority takes such possession. If FPL does not terminate this Agreement in accordance with the foregoing, this Agreement shall remain in full force and effect as to the portion of the Substation Premises remaining. Any award for the taking of all or any part of the Substation Premises under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of City; provided, however, that FPL shall be entitled to any award for loss of FPL's easement interest in the Substation Premises created by this Agreement.

19. Recording. This Agreement shall be recorded in the Public Records of Indian River County, Florida at FPL's expense.

20. Radon Gas. Radon is a naturally occurring radioactive gas that, when it has accumulated in a building in sufficient quantities, may present a health risk to persons who are exposed to it over time. Levels of radon that exceed federal and state guidelines have been found in buildings in Florida. Additional information regarding radon and radon testing may be obtained from your county public health unit.

21. Severability. If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or

other governmental authority: (a) such portion or provision shall be deemed separate and independent; (b) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling or adjudication; and (c) the remainder of this Agreement shall remain in full force and effect.

22. Repairs, Trash and Storage. City shall have absolutely no obligations of any kind for the repair, replacement, or maintenance of any part of the Substation or Access Parcel. FPL shall maintain the Substation and Access Parcel in a neat, clean, safe and sanitary condition. During the term of this Agreement FPL shall be solely responsible at its own expense for the regular removal from the Substation Premises and disposal of all refuse, garbage, debris, trash and other discarded materials and shall not allow refuse, garbage, debris and trash to accumulate on the Substation Premises. FPL shall not use the Substation Premises or Access Parcel for the storage of any materials, vehicles or equipment.

23. Waivers. Any waiver by either Party with respect to this Agreement must be in writing, signed by the Party granting the waiver, and shall be limited to the express terms set forth in the waiver.

24. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

25. Binding Effect. This Agreement shall bind the Parties, and their respective successors and permitted assigns.

26. Right of Entry. Subject to City's duties, if any, relating to police, fire and other municipal services for which no advance notice is required, City, or any of its agents, shall have the right to enter the Substation Premises during reasonable hours to examine the same but only when accompanied by a qualified or designated employee of FPL.

27. Force Majeure. In the event that either Party is unable to fulfill, or shall be delayed or restricted in the fulfillment of any obligation, or the curing of a default, under any provision of this Agreement due to reasons outside of its reasonable control, or not wholly or mainly within such Party's reasonable control, including strike, lock-out, war, acts of military authority, acts of terrorism, sabotage, rebellion or civil commotion, fire or explosion, flood, wind, storm, hurricane, water, earthquake, acts of God or other casualty or by reason of any statute or law or any regulation or order passed or made, or by reason of any order or direction of any administrator, controller, board or any governmental department or officer or other authority (other than, in the case of City claiming relief under this Section 27, any statute or law or any regulation or order passed or made, or by reason of any order or direction of, any administrator, controller, board or any governmental department or officer or other authority of City), and whether of the foregoing character or not, such Party shall, so long as any such impediment exists, be relieved from the fulfillment of such obligation and the other Party shall not be entitled to compensation for any damage, inconvenience, nuisance or discomfort thereby occasioned or to terminate this Agreement.

28. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

29. Attorneys' Fees. In the event of any dispute between the Parties relating to this Agreement, each Party shall pay its own legal fees except as otherwise provided herein. Any monetary judgment rendered in any litigation concerning this Agreement shall bear interest at the highest rate allowed by applicable law. The foregoing provisions shall survive expiration or earlier termination of this Agreement.

30. Notices. Every notice, approval, consent or other communication required or permitted under this Agreement shall be in writing, shall be deemed to have been duly given on the date of receipt, and shall be deemed delivered if either served personally on the Party to whom notice is to be given, or sent to the Party to whom notice is to be given, by overnight courier or by first class registered or certified mail (return receipt requested), postage prepaid, and addressed to the addressee at the address stated opposite its name below, or at the most recent address specified by notice given to the other Party in the manner provided in this Section.

To City:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Manager
With a required copy to:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Attorney
To FPL:	Florida Power & Light Company 700 Universe Boulevard, LAW/JB Juno Beach, Florida 33408 Attention: Corporate Real Estate
With a required copy to:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Law Department

31. No Personal Liability. Excluding any successor-in-interest to FPL or City under this Easement, notwithstanding anything to the contrary in this Agreement, no present or future parent, subsidiary, affiliate, member, principal, shareholder, manager, officer, official, director, or employee of FPL or City will be personally liable, directly or indirectly, under or in connection with this Agreement, or any document, instrument or certificate securing or otherwise executed in connection with this Agreement, or any amendments or modifications to any of the foregoing made at any time or times, or with respect to any matter, condition, injury or loss related to this Agreement, and each of the Parties, on behalf of itself and each of its successors and assignees, waives and does hereby waive any such personal liability.

32. Entire Agreement. This Agreement and any exhibits, schedules or addenda attached hereto and forming a part hereof, contains the entire agreement between the Parties hereto with respect to the subject matter of this Agreement, and supersedes all previous negotiations leading

thereto, and it may be modified only by an agreement in writing executed and delivered by City and FPL. All exhibits, schedules or addenda attached to this Agreement are expressly incorporated herein by this reference.

33. Governing Law; Forum. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF CITY AND FPL, FPL'S USE OF THE SUBSTATION, OR ANY CLAIM FOR INJURY OR DAMAGE, SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. THE FOREGOING PROVISIONS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

34. WAIVER OF JURY TRIAL. THE PARTIES HERETO SHALL, AND THEY HEREBY DO, IRREVOCABLY WAIVE TRIAL BY JURY IN ANY AND EVERY ACTION OR PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF CITY AND FPL, FPL'S USE OR OPERATION OF THE SUBSTATION, AND ANY CLAIM FOR INJURY OR DAMAGE. THE FOREGOING PROVISIONS OF THIS SECTION SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

35. City/FPL Relationship; No Third Party Beneficiaries. This Agreement creates a grantor/grantee relationship, and no other relationship, between the Parties. This Agreement is for the sole benefit of the Parties hereto and, except for assignments permitted hereunder, no other person or entity shall be a third party beneficiary hereunder.

36. No Waiver of Regulatory Authority or Right of Eminent Domain. Nothing in this Agreement constitutes a waiver of City's regulatory, public safety or other municipal authority with respect to the construction of improvements or any other matter. Further, nothing in this Agreement shall be deemed to waive City's or FPL's right of eminent domain.

37. Sovereign Immunity. City is a Florida municipal corporation whose limits of liability are set forth in section 768.28, Florida Statutes, and nothing herein shall be construed to extend the liabilities of City beyond that provided in section 768.28, Florida Statutes. Further, nothing herein is intended as a waiver of City's sovereign immunity under section 768.28, Florida Statutes, or otherwise. Nothing hereby shall inure to the benefit of any third party for any purpose, including, without limitation, anything that might allow claims otherwise barred by sovereign immunity or operation of law.

38. Time, Interpretation. In computing any period of time pursuant to this Agreement, the day of the act, event or default from which the designated period of time begins to run shall not be included, but the time shall begin to run on the next succeeding day. The last day of the period so computed shall be included, unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or legal holiday. A legal holiday as used in this Agreement includes days on which banks in Vero Beach, Florida are not open for regular business. Time is of the essence. The captions in this Agreement are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof. This Agreement shall not be construed more strongly against or for either Party regardless of the drafter. Unless the context otherwise requires, (a) all references to Sections or Exhibits are to Sections or Exhibits in or to this Agreement, and (b) words in the singular or plural include the singular and plural and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter and the term "including" shall mean by way of example and not by way of limitation.

[Remainder of page intentionally blank; Signature pages follows]

City of Vero Beach Execution Pages

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the Effective Date.

CITY:

ATTEST: **CITY OF VERO BEACH**

_____ By:_____
Tammy K. Bursick Laura Moss
City Clerk Mayor

[SEAL]

WITNESSES:

_____
Print
name:_____

_____
Print
name:_____

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

The foregoing instrument was acknowledged before me this _____ day of _____ _____ 2016 by **Laura Moss, as Mayor**, and attested by **Tammy K. Bursick, as City Clerk**, of the City of Vero Beach, Florida. They are both known to me.

_____
NOTARY PUBLIC
Print name:
Commission No. [SEAL]
My Commission Expires:

ADMINISTRATIVE REVIEW

(For Internal Use Only–Sec. 2-77 COVB Code)

Approved as to form and legal sufficiency:

Wayne R. Coment
City Attorney

Approved as conforming to municipal policy:

James R. O'Connor
City Manager

Approved as to technical requirements:

Ted Fletcher
Director of Electric Utility Operations

Approved as to technical requirements:

Cynthia D. Lawson
Director of Finance

Approved as to technical requirements:

Timothy J. McGarry
Director of Planning and Development

Florida Power & Light Company Execution Page

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the Effective Date specified in this Agreement.

WITNESSES:

FPL:

FLORIDA POWER & LIGHT COMPANY, a Florida corporation

_____
Print
name:_____

By:_____
Name:_____
Title:_____

_____
Print
name:_____

STATE OF FLORIDA
COUNTY OF _____

The foregoing instrument was acknowledged before me this day of _____, 20__, by , the of **FLORIDA POWER & LIGHT COMPANY**, a Florida corporation, who [ ] is personally known to me or [ ] has produced as identification.

_____
Notary Public, State of Florida at Large
Seal: Print Name: _____
Notary Commission No.: _____
My Commission Expires: _____

Substation Easement Agreement by and between the City of Vero Beach, Florida and Florida Power & Light Company

Exhibit "A"

Substation Premises Legal Description and Map

NEW SUBSTATION EASEMENT
(SUBJECT TO REVISION)

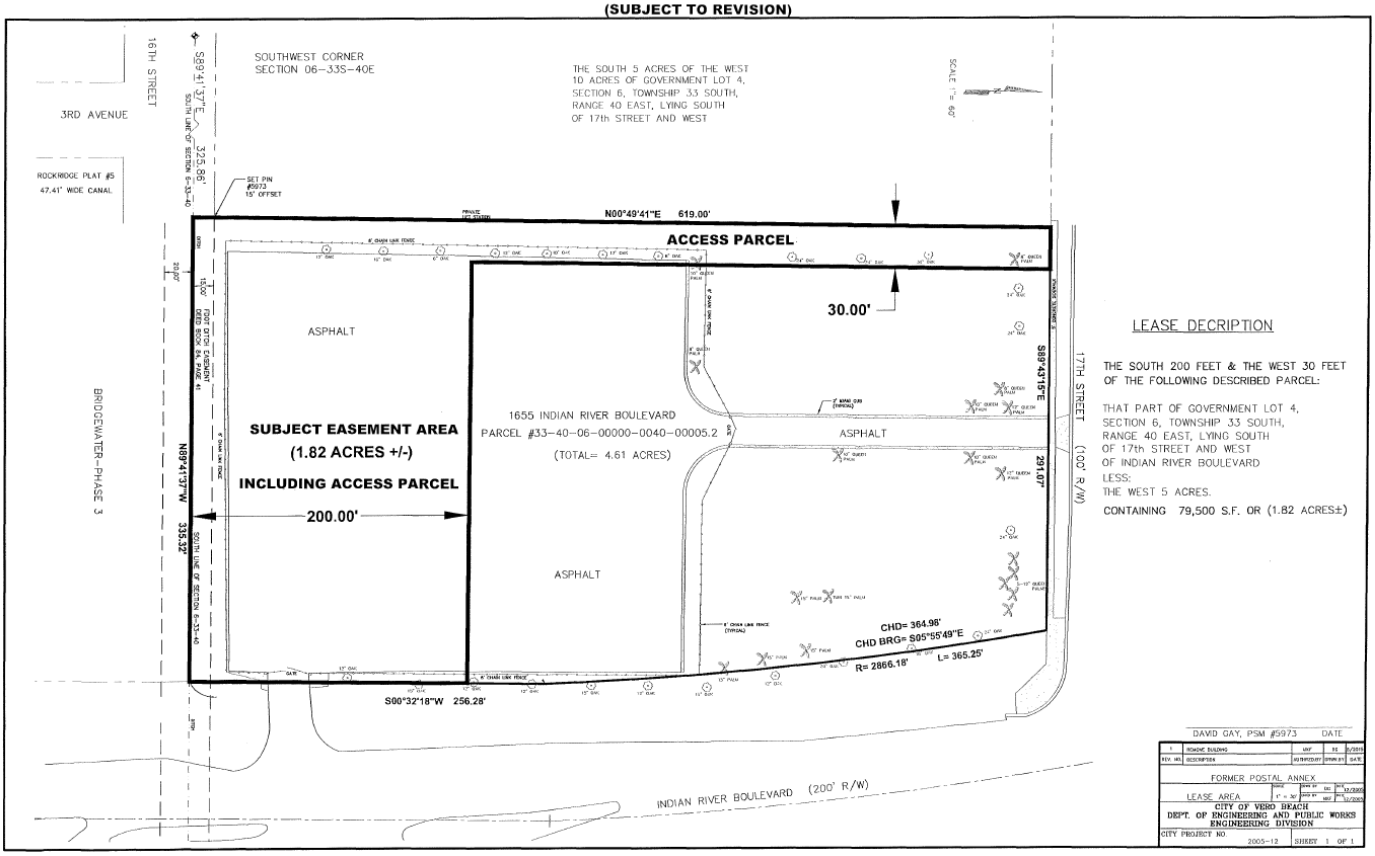
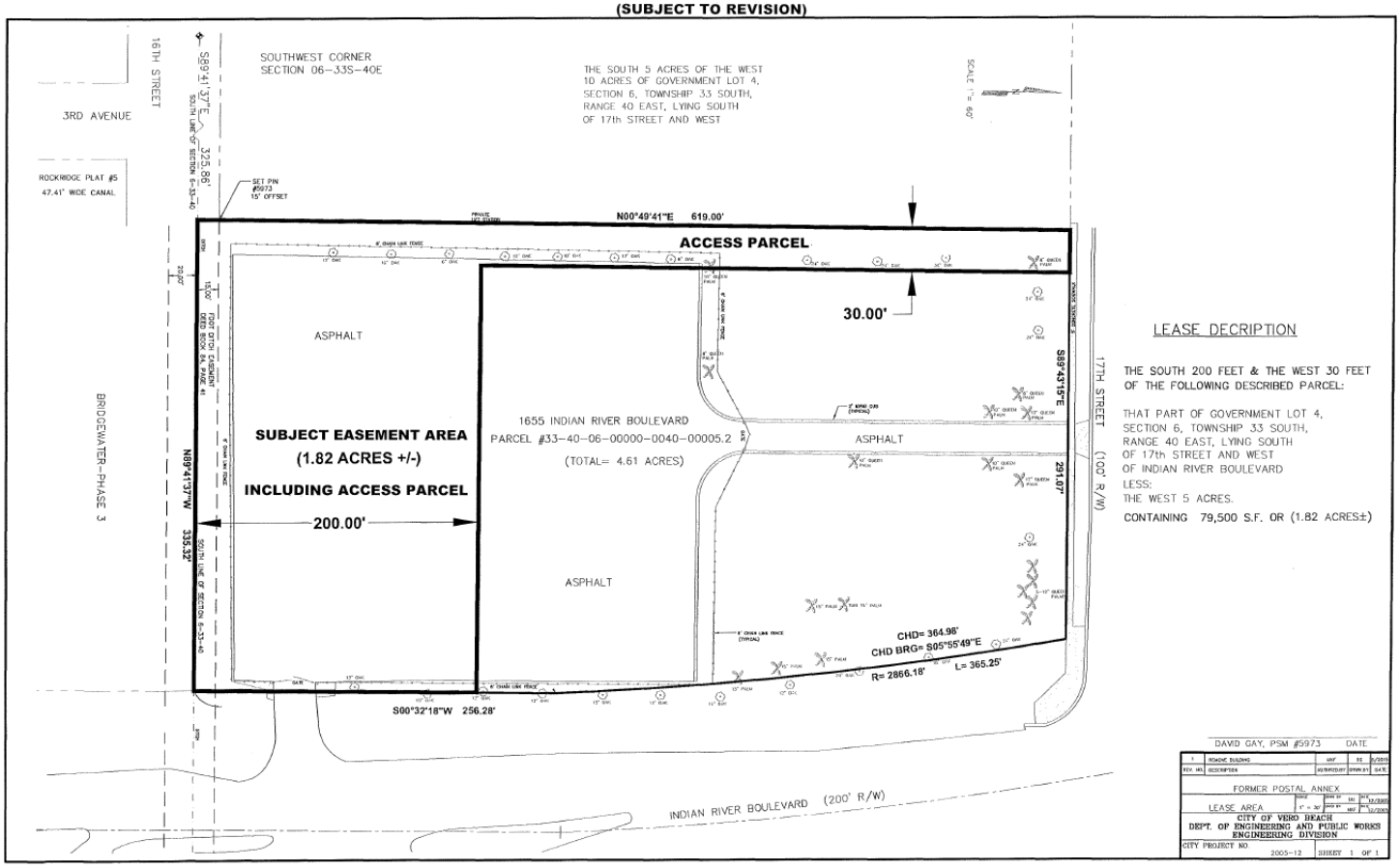


Exhibit "B"
Access Parcel Legal Description and Map

NEW SUBSTATION EASEMENT
(SUBJECT TO REVISION)



LEASE DECRIPTION

THE SOUTH 200 FEET & THE WEST 30 FEET OF THE FOLLOWING DESCRIBED PARCEL:

THAT PART OF GOVERNMENT LOT 4, SECTION 6, TOWNSHIP 33 SOUTH, RANGE 40 EAST, LYING SOUTH OF 17th STREET AND WEST OF INDIAN RIVER BOULEVARD
LESS:
THE WEST 5 ACRES.

CONTAINING 79,500 S.F. OR (1.82 ACRES±)

DAVID GAY, PSM #5973 DATE

FORMER POSTAL ANNEX
LEASE AREA
CITY OF VERO BEACH
DEPT. OF ENGINEERING AND PUBLIC WORKS
ENGINEERING DIVISION
CITY PROJECT NO. 2005-12 SHEET 1 OF 1

Exhibit L-3

Form of Substation Equipment Operating and Dismantling Agreement

[*Exhibit begins on the following page.*]

SUBSTATION EQUIPMENT OPERATING AND DISMANTLING AGREEMENT

THIS SUBSTATION EQUIPMENT OPERATING AND DISMANTLING AGREEMENT (the "**Agreement**"), made and entered into as of [_____ __], 201[__] (the "**Effective Date**"), is between CITY OF VERO BEACH, FLORIDA, a Florida municipal corporation (herein called "**City**"), with an address of 1053 20th Place, Vero Beach, FL 32960, and FLORIDA POWER & LIGHT COMPANY, a Florida corporation (herein called "**FPL**"), with an address of 700 Universe Boulevard, Juno Beach, FL 33408. City and FPL are sometimes together referred to herein as the "**Parties**" and individually as a "**Party.**"

RECITALS

A. As of the Effective Date, City has sold, assigned and conveyed certain electric utility assets of City to FPL, as contemplated under that certain Asset Purchase and Sale Agreement, dated [_____], 2017, by and between City and FPL (the "**Asset Purchase and Sale Agreement**"). As used in this Agreement, the "**Vero Beach Electric Utility**" means the electric utility system of electricity transmission and distribution owned or operated by FPL providing retail electric service to City of Vero Beach's electric utility customers on and after the Effective Date.

B. However, City has retained ownership of the real property located in the area described and depicted on attached **Exhibit "A"** (the "**Substation Premises**") and all of the equipment, poles, lines and improvements located thereon (collectively, the "**Substation Equipment**"). A list identifying the Substation Equipment is attached hereto as **Exhibit "B."** The Substation Premises together with the Substation Equipment may be referred to collectively as the "**Substation**."

C. Prior to execution of the Asset Purchase and Sale Agreement, FPL obtained a Phase I environmental assessment of the Substation Premises that identified various recognized environmental conditions identified on **Schedule "1"** attached hereto.

D. Prior to the Effective Date, FPL may have obtained an Phase II environmental assessment and all recognized environmental conditions set forth in such Phase II are identified on **Schedule "2"** attached hereto (the "**Baseline Recognized Environmental Conditions**").

E. FPL intends to construct a new substation (the "**New Substation**") on property west of Indian River Boulevard in Vero Beach pursuant to that certain Substation Easement Agreement between the Parties, the "**New Substation Easement Agreement**")] to replace the Substation, but, in order for FPL to provide reliable retail electric services to its electric utility customers as contemplated by the Asset Purchase and Sale Agreement, the Substation Equipment must remain in operation until the New Substation is completed.

F. City seeks to have the Substation Equipment dismantled and removed from the Substation Premises as soon as practical, but FPL has requested that City permit the continued operation of the Substation Equipment for a limited period of time (the "**Construction Period**") described herein.

G. City desires its citizens to have reliable electric service and, for that reason, is willing to delay dismantling the Substation Equipment for the Construction Period, so that the Substation Equipment may be used as a part of the Vero Beach Electric Utility on the terms and conditions set forth in this Agreement.

NOW THEREFORE, in consideration of and subject to the terms, covenants, agreements, provisions and limitations set forth in this Agreement, City and FPL agree as follows:

1. Recitals. The above-stated recitals are true and correct and are incorporated herein by this reference.

2. City's Continued Ownership of Substation Equipment. For the duration of the Construction Period, the Substation Equipment will remain owned by City, and City will take no action to remove the Substation Equipment from the Substation Premises or to dismantle the Substation Equipment.

3. FPL's Appointment as Bailee of the Substation Equipment. City hereby appoints FPL as its bailee of the Substation Equipment during the Construction Period, and FPL hereby accepts such appointment. As a result of its appointment as bailee, FPL hereby accepts from City the right to possess and control the Substation Equipment during the Construction Period for the limited purposes described in this Agreement. Except as may be set forth in this Agreement, FPL accepts and assumes all responsibilities, obligations and liabilities associated with the Substation Equipment during the Construction Period.

4. Access to Substation Equipment. The Parties acknowledge that FPL will have control of the Substation Equipment during the Construction Period and will require access to the Substation in order to exercise its obligations under this Agreement. Accordingly, during the Construction Period, City will take no action to prevent FPL from accessing the Substation, and, to the extent practical, City will provide FPL with reasonable access to the Substation so that FPL can perform its duties relating to the Substation Equipment at all times during the Construction Period.

5. FPL Duty to Protect and Maintain. At all times during the Construction Period, and at its own expense, FPL shall protect and maintain the Substation Equipment in good working condition in accordance with electric utility industry standard best practices and all federal and state regulations, orders and other requirements applicable to the Substation Equipment. To protect the Substation Equipment, and to protect the general public from the dangers inherent in the operation of the Substation Equipment, at all times during the Construction Period, and at its own expense, FPL shall restrict access to the Substation to those with a reasonable need for such access. At all times during the Construction Period, and at its own expense, FPL shall protect and maintain the Substation Premises including any fencing or other barrier around the Substation Premises in accordance with electric utility industry standard best practices and all federal and state regulations, orders and other requirements applicable to the Substation Premises.

6. Use of Substation Equipment. City consents to FPL's use of the Substation Equipment as an operating part of the Vero Beach Electric Utility during the Construction Period, but FPL may not use the Substation for any other purpose.

7. Construction Period. Unless otherwise provided by this Agreement, the Construction Period shall commence on the Effective Date and shall terminate (the "**Termination Date**") on the earliest of the following: (i) the date that is thirty (30) calendar months after the Effective Date, as may be extended to account for delays in the commencement of operations of the new Substation to the extent provided for in the New Substation Easement Agreement; (ii) the date that is eighteen (18) calendar months after the New Substation first begins to operate as a part of the Vero Beach Electric Utility; or (iii) the date that is eighteen (18) calendar months after the Substation Equipment ceases to be used as an operating part of the Vero Beach Electric Utility.

8. Dismantling Substation Equipment and Relocation of Fiber Optic Lines Prior to Termination Date.

(a) On or before the Termination Date, FPL shall, at its sole cost and expense, remove all the Substation Equipment from the Substation Premises. FPL's obligations to remove the Substation Equipment from the Substation Premises include the obligation to remove any and all fixtures and any and all improvements that may exist on, over or under the Substation Premises such as, but not limited to, lines, structures, poles, concrete slabs, footers, reinforcements, gates and fences. After removal of the Substation Equipment from the Substation Premises, FPL shall place sod, or other ground covering as City may approve, over and across the entire Substation Premises. To the extent the Substation Equipment has any salvage value or otherwise may be used by FPL, FPL will be entitled to retain the Substation Equipment after it is removed from the Substation Premises and may retain any and all sums it may receive from salvaging the Substation Equipment. Furthermore, City will assign to FPL any right, title and interest City may have in or to the Substation Equipment effective as of the time it is removed from the Substation Premises so that FPL may deal with such Substation Equipment as it deems appropriate.

(b) A portion of the Fiber Optic System, as defined in the Asset Purchase and Sale Agreement, is serving, connected with or existing on or under the Substation Premises. As a part of its work to dismantle the Substation Equipment, FPL shall remove and relocate or replace the portions of the Fiber Optic System serving, connected with or existing on or under the Substation Premises either along the new electrical distribution poles that are installed to facilitate the replacement of the existing Substation Equipment with equipment to be located in New Substation or to be dead-ended at an existing and remaining distribution pole, as decided by the City (the "***Fiber Optic Substitution Work***"). To the extent the City desires to relocate the fiber optic lines and equipment through an alternate location, the incremental cost above relocating the fiber optic lines to the new distribution poles and equipment to a location adjacent to the New Substation shall be at the City's expense. To the extent the dismantlement of the Substation Equipment will prevent the Fiber Optic System from remaining fully operational, FPL will perform the Fiber Optic Substitution Work in a manner that allows the Fiber Optic System to remain fully operational at all times in order to provide municipal services, and FPL's work to remove and relocate, replace or dead-end the affected portions of the Fiber Optic System shall be performed in accordance with this Agreement, subject to agreement by the other owners of the

Fiber Optic System. Within the Construction Period, subject to the City's timely direction as to whether the Fiber Optic System will be relocated to the new distribution poles and adjacent to the New Substation or dead-ended, FPL shall, at its sole cost and expense, remove and relocate the portion of the Fiber Optic System serving or on the Substation Premises, dead-end the existing fiber optic lines at the direction of the City, or install new fiber optic lines as may be necessary or expedient to relocate the fiber optic lines serving or on the Substation Premises to the new distribution poles, or to such new location (subject to the City's reimbursement obligation as set forth above). The Parties shall exercise commercially reasonable efforts to develop the plan for relocation and construction involving the Fiber Optic System as described in this Section 8 (b) including reimbursement procedures, the selection of contractors and procurement of equipment to perform the Fiber Optic Substitution Work, and the review and approval of plans and specifications, in accordance with each Parties' standard practices.

(c) With respect to remediation of any Releases at the Substation Premises or migrating from the Power Plant Site, FPL will remediate such Release, including any Baseline Recognized Environmental Conditions or Hazardous Substances migrating from the Power Plant Site (such Baseline Recognized Environmental Conditions and Hazardous Substances migrating from the Power Plant Site (but excluding any impacts to extent of any contribution or exacerbation by FPL), the "**City Responsible Environmental Conditions**") as part of dismantling the Substation or earlier if required by the Florida Department of Environmental Protection or Environmental Protection Agency, as applicable, subject the following conditions:

(1) Unless otherwise agreed by the Parties, FPL will remediate a Release to the least stringent standard permitted by the Florida Department of Environmental Protection and Environmental Protection Agency, as applicable, and obtain a final non-appealable agency action approving such remediation, if applicable (such remediation standard, the "**Minimum Required Standard"**). The City may direct FPL to remediate to a higher (cleaner) standard in which case the incremental cost (the "**Incremental Cost**") will be the City's responsibility.

(2) If the cost of remediating any City Responsible Environmental Conditions to the Minimum Required Standard, or such higher standard as may be requested or required by the City, will exceed $50,000 as reasonably estimated by FPL based on reasonable bids from a third party contractor in accordance with FPL's standard procurement practices, the total cost of remediating the City Responsible Environmental Condition will be the responsibility of City ; subject to the limitation set forth in Section 8(c)(4), below.

(3) If the Florida Department of Environmental Protection or Environmental Protection Agency requires remediation or other actions (e.g., monitoring) prior to dismantling the Substation, FPL has the sole right to direct such remediation activities regardless of the estimated cost and the City shall be responsible for the costs associated with remediating the City Responsible Environmental Conditions, subject to the limitation set forth in Section 8(c)(4), below.

(4) With respect to the City's payment obligations set forth in Section 8(c)(2)-(3), the City shall reimburse FPL within fifteen (15) calendar days of FPL's providing to the City an invoice for the costs incurred by FPL along with copies of the underlying invoices from the contractors who performed the work. Notwithstanding anything herein to the contrary, in no

event shall the City shall be responsible for the costs to remediate City Responsible Environmental Conditions in excess of the Aggregate Environmental Cap as defined in Section 6.22 of the Asset Purchase and Sale Agreement, except for Incremental Costs that exceed the Aggregate Environmental Cap.

9. Representations and Warranties.

(a) City represents and warrants to FPL as follows:

(i) City has full power and authority to enter into this Agreement.

(ii) The person executing and delivering this Agreement on City's behalf is acting pursuant to proper authorization and this Agreement is the valid, binding and enforceable obligation of City enforceable against City in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

(b) FPL represents and warrants to City as follows:

(i) FPL is a corporation duly incorporated, validly existing and having active status under the laws of the State of Florida, with the necessary corporate power and authority to enter into this Agreement.

(ii) The person executing and delivering this Agreement on FPL's behalf is acting pursuant to proper authorization, and this Agreement is the valid, binding and enforceable obligation of FPL enforceable against FPL in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

10. Hazardous Materials.

(a) For purposes of this Agreement:

(i) "***Environmental Laws***" means all applicable federal, state or local laws, statutes, ordinances, rules, regulations or other governmental restrictions regarding pollution or protection of the environment, the conservation and management of land, natural resources and wildlife or human health and safety or the Occupational Safety and Health Act (only as it relates to Hazardous Substances), including laws regarding Releases or threatened Releases of Hazardous Substances (including Releases to ambient air, surface water, groundwater, land, surface and subsurface strata) or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, Release, transport, disposal or handling of Hazardous Substances.

(ii) "***Hazardous Substances***" means: (i) any petroleum, asbestos, asbestos-containing material, and urea formaldehyde foam insulation and transformers or other equipment that contains polychlorinated biphenyls; (ii) any chemicals, materials or substances defined as or included in the definition of "hazardous substances," "hazardous wastes," "hazardous materials," "hazardous constituents," "restricted hazardous materials," "extremely hazardous substances," "toxic substances," "contaminants," "pollutants," "toxic pollutants," "hazardous air pollutants" or words of similar meaning and regulatory effect under any applicable Environmental Law; and (iii) any other chemical, material or substance, exposure to which is prohibited, limited or regulated by any applicable Environmental Law.

(iii) ***"Power Plant Site"*** has the meaning set forth in the Asset Purchase and Sale Agreement.

(iv) "***Release***" means any actual, threatened or alleged spilling, leaking, pumping, pouring, emitting, emptying, discharging, injecting, escaping, leaching, migrating, dumping or disposing of a Hazardous Substance into the environment or within any building, structure, facility or fixture.

(b) FPL shall indemnify, defend and hold harmless City from and against, and pay, reimburse and fully compensate as the primary obligor City for, any and all claims, suits, judgments, loss, damage and liability which may be incurred by City including, without limitation, City's reasonable attorneys' fees, paralegal fees, expert fees, and costs, through regulatory proceedings, trial, and review or appeal, arising in any way from Hazardous Substances existing or Released on, in, under, from or related to the Substation during the Construction Period in violation of Environmental Laws, or any violation of the Environmental Laws, by FPL, its agents, licensees, invitees, subcontractors or employees on, in, under or related to the Substation during the Construction Period; provided, however, FPL assumes no liability with respect to any City Responsible Environmental Conditions, and no duty or obligation to indemnify, defend and hold harmless City or any of the City's Related Parties with respect to such City Responsible Environmental Conditions except as expressly set forth herein. FPL's responsibility to the extent explicitly set forth in this Agreement and subject to the express limitations contained in this Agreement shall continue to be in effect for any such Release or presence of Hazardous Substances as to which City gives notice to FPL on or before the fifth (5^{th}) anniversary of the Expiration Date. In no event shall FPL be liable for any Release that occurs after the Construction Period except to the extent such Release is caused by FPL, its agents, licensees, invitees, subcontractors or employees. FPL's obligation to provide the indemnity, defense and hold harmless required by this Agreement shall survive the expiration or termination of this Agreement.

11. Assumption of Risk; Indemnification. FPL agrees as follows:

(a) Except as specifically provided in this Agreement, FPL acknowledges and agrees that City has not made, does not make and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future of, as to,

concerning or with respect to the Substation Equipment and that the rights granted with respect to the Substation Equipment provided for in this Agreement are made on an "as is" condition and basis and with all faults. Without in any way limiting the generality of the foregoing, the grant of rights contemplated hereby is without any warranty other than City's express representations and warranties in this Agreement; and City and City's elected and appointed officials, officers, directors, employees, and affiliates (collectively the "**City's Related Parties**") have made no, and expressly and specifically disclaim, and FPL accepts that City and the City's Related Parties have disclaimed, any and all representations, guaranties or warranties, express or implied, or arising by operation of law (except for the representations and warranties, if any, expressly made by City in this Agreement), of or relating to: (i) the use, expenses, operation, characteristics or condition of the Substation Equipment, or any portion thereof, including, without limitation, warranties of suitability, habitability, merchantability, design or fitness for any specific or particular purpose, or good and workmanlike construction; (ii) the environmental condition of the Substation Premises, or contamination by hazardous materials, or the compliance of any portion of the Substation Premises with any or all Environmental Laws; or (iii) the soil conditions, drainage, flooding characteristics, accessibility or other conditions existing in, on or under any portion of the Substation Premises. FPL acknowledges and agrees that it is not relying on any representations or statements (oral or written) which may have been made or may be made by City or any of the City's Related Parties (except for City's representations and warranties expressly set forth in this Agreement), and is relying solely upon FPL's or FPL's representatives' own physical inspection of the Substation Equipment and Premises and other investigations by FPL or FPL's representatives. FPL acknowledges that any condition of the Substation Equipment or Premises, whether apparent or latent, which FPL discovers or desires to correct or improve on or after the Effective Date shall be subject to City's review and approval rights, as set forth in this Agreement, and shall be at FPL's sole expense.

(b) FPL recognizes and hereby expressly and fully assumes all risks, known and unknown, that arise or might arise incidental to or in any way connected with the condition or use of the Substation Equipment or Premises. This assumption of risk by FPL is made for and on behalf of FPL and FPL's successors, and permitted assigns.

(c) FPL agrees to indemnify, defend and hold harmless City and City's Related Parties against any and all claims, including costs and expenses, of any kind or nature, including, without limitation, costs of investigation, attorneys' fees, paralegal fees, experts' fees and costs through regulatory proceedings, trial and review or appeal, including but not limited to claims for personal injury, death of persons and property damage, or other liability to the extent arising from FPL's use, improvement, operation, condition or maintenance of the Substation Equipment or Premises, provided however that this indemnity shall not apply to the negligence or willful misconduct of the City and/or the City's Related Parties as determined by a court of competent jurisdiction.

(d) FPL's obligations under this Section 11 shall survive the termination of this Agreement.

12. Construction, Mechanics and Materialmen's Liens. FPL will make no alteration, change, improvement or addition to the Substation without the prior written consent of City which will not be unreasonably withheld, conditioned or delayed. FPL will be responsible for

payment of any and all work performed on FPL's behalf on the Substation Equipment or Premises. In no event will City be responsible for payment of any work relating to the Substation nor will the Substation, or any interest therein, be subject to any lien for payment of any construction or similar work performed by or for FPL on or for the Substation. Further, FPL shall promptly notify the contractor performing any such work or alterations on the Substation at FPL's request or making such improvements to the Substation at FPL's request of this provision exculpating City of responsibility for payment and liens. Notwithstanding the foregoing, if any mechanic's lien or other lien, attachment, judgment, execution, writ, charge or encumbrance is filed or recorded against any portion of the Substation as a result of any work performed on or materials delivered to the Substation Premises or Access Parcel at FPL's direction, FPL shall, within sixty (60) days following written notice of any such lien, cause same to be paid, discharged or otherwise removed of record. In the event that FPL fails to remove any such mechanics or materialmen's lien relating to FPL's work at the Substation, the City may cause such lien to be removed and FPL shall reimburse City for all reasonable costs and expenses, including attorney's or paralegal fees incurred by City within forty-five (45) days following receipt of City's written invoice and supporting documentation.

13. Insurance. City understands that FPL self-insures, and that prior to accessing the Substation, FPL will provide City with a letter of such self-insurance. In the event that FPL ceases to self-insure, then, during the Construction Period, and thereafter so long as FPL operates, uses or maintains any portion of the Substation:

(a) FPL shall procure and maintain, at FPL's sole cost and expense, commercial general liability insurance providing coverage which protects FPL and City and the City's Related Parties from and against any and all claims and liabilities for bodily injury, death and property damage arising from operations, premises liability, fire with respect to the Substation. Such insurance shall provide minimum coverage of $1,000,000.00 per occurrence and $2,000,000.00 aggregate. FPL shall be and remain liable for and pay all deductibles and other amounts not covered, paid or reimbursed under the insurance policies.

(b) FPL shall procure and maintain, at FPL's sole cost and expense, workers' compensation insurance as required by applicable law, and employers' liability insurance, with coverage amounts with a limit of (i) One Million Dollars ($1,000,000) for bodily injury per accident, (ii) One Million Dollars ($1,000,000) for bodily injury by disease per policy and (iii) One Million Dollars ($1,000,000) for bodily injury by disease per employee.

(c) The certificate of insurance required herein for commercial general liability insurance, including, without limitation, all renewals, shall include a blanket additional insured endorsement and provide for at least thirty (30) days advance notice to City of any non-renewal or cancellation. FPL shall provide City with a copy of certificates of insurance stating that the coverage as required herein is in full force and effect no later than the Effective Date. FPL shall cause certificates of insurance or a self-insured letter in conformance with the requirements hereof to be promptly provided to City for each subsequent policy renewal.

(d) FPL's insurance in all instances shall be primary and any insurance that may be maintained by City shall be in excess of and shall not contribute with FPL's insurance. All

insurance policies shall be issued by a company or companies licensed to do business in the State of Florida.

(e) City shall have the right to periodically review the adequacy of the required insurance, its forms and types, the amounts of coverage and, notwithstanding any other provision of this Agreement, unilaterally modify the insurance requirements of this Section 13 by giving notice of such modification to FPL. Such modification shall be as found reasonably necessary in the sole discretion of City. Factors which may be considered by City include, without limitation, changes in generally accepted insurance industry standards and practices, changes in use of the Substation Premises, changes in risk exposure, measurable changes in local and national economic indicators and changes in City's policies and procedures.

(f) FPL understands and acknowledges that the responsibility and obligation to provide and maintain insurance in the forms, types and coverages required herein are solely FPL's responsibilities and obligations which continue for the entire Term of this Agreement, and until such time as FPL no longer operates the Substation or enters the Substation Premises, whichever date is later.

(g) In the event that FPL fails for any reason to procure or maintain insurance in the forms, types or coverages required and to name City as an additional insured on the certificates of insurance, FPL shall cure such material breach within fifteen (15) calendar days after FPL is given notice of such breach. Should FPL fail to cure the breach within such period or such other time as may be agreed to by the Parties in writing, City in City's sole discretion may, but is not obligated to, secure replacement insurance coverage at FPL's sole expense. Should City elect to secure replacement insurance, FPL shall thereafter reimburse City within fifteen (15) calendar days of City's providing to FPL an invoice for the costs and premiums incurred by City for the replacement insurance coverage, plus an administrative charge of ten percent (10%) or $250.00, whichever is greater. FPL shall continue to be responsible for the payment of all deductibles applicable to the insurance policies and all losses incurred with respect to any lapse in coverage. Should FPL subsequently obtain the required insurance, FPL shall remain responsible for and reimburse City for all costs and expenses to City for the insurance premiums incurred by City and the administrative charges set forth in this Section 13(g).

(h) FPL's obligations under this Section 13 shall survive the termination or expiration of this Agreement.

14. No Consequential Damages. Notwithstanding any other provisions in this Agreement to the contrary, neither Party nor any of its elected officials, directors, officers, employees, lenders, shall be liable to the other Party for consequential, incidental, exemplary, punitive, anticipatory profits or indirect loss or damage of any nature, including, without limitation, loss of profit, loss of use, loss of operating time, loss of revenue, increased costs of producing revenues, cost of capital or loss of goodwill whether arising in tort, contract, warranty, strict liability, by operation of law or otherwise, even if by such Party's, its representatives', agents', contractors', subcontractors', invitees' or licensees' negligence or fault, in connection with this Agreement, except to the extent claimed by third parties. The Parties further agree that the waivers and disclaimers of liability, indemnities, releases from liability, sole remedy provisions and

limitations on liability expressed in this Agreement shall survive termination or expiration of this Agreement and shall extend to the parent, affiliates, and subsidiaries of each Party and their respective, partners, directors, officers, and employees and elected officials.

15. Charges Associated with Substation. FPL shall be responsible for the payment of any and all water, gas, heat, light, power, telephone and other utilities and services supplied to the Substation Premises at FPL's request, together with any taxes on such services. In addition, to the extent that any taxes are due on any consideration due to City under this Agreement and any taxes are assessed thereon or on the Substation Premises during the Construction Period, FPL shall pay all such taxes or reimburse City for such taxes at City's option.

16. Compliance with Laws. During the Construction Period, FPL shall, at its expense, comply with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Substation. Further, during the Construction Period, FPL shall, at its expense, cause the Substation to attain compliance or remain in compliance with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Substation.

17. Assignment and Subletting. City acknowledges that this Agreement and FPL's interests hereunder may be subject to the encumbrance of FPL's loan with Deutsche Bank Trust Company Americas. FPL shall not otherwise assign its interest in this Agreement without the prior written consent of City, and such consent may be withheld in City's unfettered discretion unless such proposed assignment is to the purchaser of all or substantially all of the assets of Florida Power & Light Company, as a part of a bona fide sale by Florida Power & Light Company to a third party purchaser for value and in such event City's consent will not be unreasonably withheld or delayed. Notwithstanding any assignment of this Agreement, FPL will not be released from any of its obligations hereunder unless such assignee executes an assignment and assumption agreement in form reasonably acceptable to City agreeing to be bound by the terms of this Agreement and City determines in its reasonable discretion that such assignee is creditworthy. Further, any assignment in violation of this Section 17 shall be deemed void and a breach of this Agreement by FPL.

18. Default and Remedies.

(a) **FPL Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by FPL**" under this Agreement by FPL:

(i) Failure by FPL to observe or perform any of the covenants, conditions or provisions of this Agreement to be observed or performed by FPL, where such failure shall continue for a period of forty-five (45) days after notice thereof given by City to FPL. In the event the default cannot reasonably be cured within such forty-five (45) day period, FPL shall not be in default if FPL commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by FPL of any general arrangement or general assignment for the benefit of creditors; (B) FPL becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against FPL, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of FPL's assets or of FPL's interest in this Agreement, where possession is not restored to FPL within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of FPL's assets or of FPL's interest in this Agreement, where such seizure is not discharged within sixty (60) days.

(b) **City Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by City**" under this Agreement by City:

(i) Failure by City to observe or perform any of the covenants, conditions or provisions of this Agreement to be observed or performed by City, where such failure shall continue for a period of forty-five (45) days after notice thereof is given by FPL to City. In the event the default cannot reasonably be cured within such forty-five (45) day period, City shall not be in default if City commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by City of any general arrangement or general assignment for the benefit of creditors; (B) City becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against City, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of City 's assets, where possession is not restored to City within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of City's assets, where such seizure is not discharged within sixty (60) days.

(c) **Remedies.** If an Event of Default by FPL or an Event of Default by City occurs hereunder, the non-defaulting Party shall have the right at its option and without further notice, but subject to the limitations set forth in the last sentence of this subsection, to exercise any remedy available at law or in equity, including, without limitation, a suit for specific performance of any obligations set forth in this Agreement or any appropriate injunctive or other equitable relief, or for damages resulting from such event of default. The Parties agree that remedies at law may be inadequate to protect against any actual or threatened breach of this Agreement. In the event of any breach or threatened breach, either Party shall have the right to apply for the entry of an immediate order to restrain or enjoin the breach and otherwise specifically enforce the provisions of this Agreement. Notwithstanding the foregoing or anything to the contrary contained in this Agreement, in no event shall any Event of Default by FPL or Event of Default by City, terminate, or entitle any Party to terminate, rescind or cancel this Agreement or the rights granted hereunder except that City may terminate this Agreement, at its option, for an Event of Default by FPL of the requirements of Section 6 of this Agreement. In the event that FPL, by failing or neglecting to do or perform any act or thing herein provided by it to be done or performed, shall be in default under this Agreement, then City may, but shall not be required to, do or perform or cause to be done or performed such act or thing, and FPL shall

repay to City on demand the entire expense thereof, including, without limitation, compensation to the agents and employees of City. Any act or thing done by City pursuant to the provisions of this subsection shall not be or be construed as a waiver of any such Event of Default by FPL, or as a waiver of any covenant or condition herein contained or the performance thereof, or of any other right or remedy of City, hereunder or otherwise.

19. Severability. If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority: (a) such portion or provision shall be deemed separate and independent; (b) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling or adjudication; and (c) the remainder of this Agreement shall remain in full force and effect.

20. Repairs, Trash and Storage. City shall have absolutely no obligations of any kind for the repair, replacement, or maintenance of any part of the Substation during the Construction Period. During the Construction Period, FPL shall maintain the Substation in a neat, clean, safe and sanitary condition. FPL shall be solely responsible at its own expense for regular removal and disposal of all refuse, garbage, debris, trash and other discarded materials and shall not allow an accumulation thereof on, in or adjacent to the Substation Premises. FPL shall not use the Substation Premises for the storage of any materials, vehicles or equipment.

21. Waivers. Any waiver by either Party with respect to this Agreement must be in writing, signed by the Party granting the waiver, and shall be limited to the express terms set forth in the waiver.

22. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

23. Binding Effect. This Agreement shall bind the Parties, and their respective successors and permitted assigns.

24. Right of Entry. Subject to City's duties, if any, relating to police, fire and other municipal services for which no advance notice is required, City, or any of its agents, shall have the right to enter the Substation Premises during reasonable hours to examine the same but only when accompanied by a qualified or designated employee of FPL.

25. Force Majeure. In the event that either Party is unable to fulfill, or shall be delayed or restricted in the fulfillment of any obligation, or the curing of a default, under any provision of this Agreement by reason of strike, lock-out, war, acts of military authority, acts of terrorism, rebellion or civil commotion, fire or explosion, flood, wind, storm, hurricane, water, earthquake, acts of God or other casualty or by reason of any statute or law or any regulation or order passed or made, or by reason of any order or direction of any administrator, controller, board or any governmental department or officer or other authority (other than, in the case of City claiming relief under this Section 25, any statute or law or any regulation or order passed or made, or by reason of any order or direction of, any administrator, controller, board or any governmental department or officer or other authority of City), or by reason of any other cause beyond such Party's reasonable control or not wholly or mainly within such Party's reasonable control,

whether of the foregoing character or not, such Party shall, so long as any such impediment exists, be relieved from the fulfillment of such obligation and the other Party shall not be entitled to compensation for any damage, inconvenience, nuisance or discomfort thereby occasioned or to terminate this Agreement.

26. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

27. Attorneys' Fees. In the event FPL or City defaults in the performance of any of the terms, covenants, conditions, agreements, or provisions contained in this Agreement and City or FPL employs an attorney and brings suit in connection with the enforcement of this Agreement or any provision hereof or the exercise of any of its remedies hereunder, then the prevailing Party in any suit so instituted shall be promptly reimbursed by the other Party for all reasonable attorneys' fees, paralegal fees, and expenses so incurred, including, without limitation, any such fees and expenses incurred in regulatory, appellate, bankruptcy and post-judgment proceedings. Any monetary judgment rendered in any litigation concerning this Agreement shall bear interest at the highest rate allowed by applicable law. The foregoing provisions shall survive expiration or earlier termination of this Agreement.

28. Notices. Every notice, approval, consent or other communication required or permitted under this Agreement shall be in writing, shall be deemed to have been duly given on the date of receipt, and shall be deemed delivered if either served personally on the Party to whom notice is to be given, or mailed to the Party to whom notice is to be given, by overnight courier or by first class registered or certified mail (return receipt requested), postage prepaid, and addressed to the addressee at the address stated opposite its name below, or at the most recent address specified by notice given to the other Party in the manner provided in this Section.

To City:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Manager
With a required copy to:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Attorney
To FPL:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Corporate Real Estate
With a required copy to:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Law Department

29. No Recording. Neither this Agreement, nor any memorandum, portion or copy hereof shall be recorded in the Public Records of Indian River County, Florida.

30. No Personal Liability. Excluding any successor-in-interest to FPL or City under this Agreement, notwithstanding anything to the contrary in this Agreement, no present or future parent, subsidiary, affiliate, member, principal, shareholder, manager, officer, official, director, or employee of FPL or City will be personally liable, directly or indirectly, under or in connection with this Agreement, or any document, instrument or certificate securing or otherwise executed in connection with this Agreement, or any amendments or modifications to any of the foregoing made at any time or times, or with respect to any matter, condition, injury or loss related to this Agreement, and each of the Parties, on behalf of itself and each of its successors and assignees, waives and does hereby waive any such personal liability.

31. Entire Agreement. This Agreement and any exhibits, schedules or addenda attached hereto and forming a part hereof, contains the entire agreement between the Parties hereto with respect to the subject matter of this Agreement, and supersedes all previous negotiations leading thereto, and it may be modified only by an agreement in writing executed and delivered by City and FPL. All exhibits, schedules or addenda attached to this Agreement are expressly incorporated herein by this reference.

32. Governing Law; Forum. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF CITY AND FPL, FPL'S USE OF THE SUBSTATION, OR ANY CLAIM FOR INJURY OR DAMAGE, SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

33. WAIVER OF JURY TRIAL. THE PARTIES HERETO SHALL, AND THEY HEREBY DO, IRREVOCABLY WAIVE TRIAL BY JURY IN ANY AND EVERY ACTION OR PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF CITY AND FPL, FPL'S USE OR OPERATION OF THE SUBSTATION OR THE SUBSTATION EQUIPMENT, AND ANY CLAIM FOR INJURY OR DAMAGE. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

34. City/FPL Relationship; No Third Party Beneficiaries. This Agreement creates a bailor/bailee relationship, and no other relationship, between the Parties. This Agreement is for

the sole benefit of the Parties hereto and, except for assignments permitted hereunder, no other person or entity shall be a third party beneficiary hereunder.

35. No Waiver of Regulatory Authority. Nothing in this Agreement constitutes a waiver of City's regulatory, public safety or other municipal authority with respect to the Substation or any other matter. Further, nothing in this Agreement shall be deemed to waive City's right of eminent domain.

36. Sovereign Immunity. City is a Florida municipal corporation whose limits of liability are set forth in section 768.28, Florida Statutes, and nothing herein shall be construed to extend the liabilities of City beyond that provided in section 768.28, Florida Statutes. Further, nothing herein is intended as a waiver of City's sovereign immunity under section 768.28, Florida Statutes, or otherwise. Nothing hereby shall inure to the benefit of any third party for any purpose, including, without limitation, anything that might allow claims otherwise barred by sovereign immunity or operation of law.

37. Time, Interpretation. In computing any period of time pursuant to this Agreement, the day of the act, event. or default from which the designated period of time begins to run shall not be included, but the time shall begin to run on the next succeeding day. The last day of the period so computed shall be included, unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or legal holiday. A legal holiday as used in this Agreement includes days on which banks in Vero Beach, Florida are not open for regular business. Time is of the essence. The captions in this Agreement are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof. This Agreement shall not be construed more strongly against or for either Party regardless of the drafter. Unless the context otherwise requires, (a) all references to Sections or Exhibits are to Sections or Exhibits in or to this Agreement, and (b) words in the singular or plural include the singular and plural and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter and the term "including" shall mean by way of example and not by way of limitation.

[Remainder of page intentionally blank; Signature pages follows]

City of Vero Beach Execution Pages

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the Effective Date.

ATTEST: **CITY OF VERO BEACH**

_____ By:_____

Tammy K. Bursick Laura Moss
City Clerk Mayor

[SEAL]

ADMINISTRATIVE REVIEW
(For Internal Use Only–Sec. 2-77 COVB Code)

Approved as to form and legal sufficiency:

Wayne R. Coment
City Attorney

Approved as conforming to municipal policy:

James R. O'Connor
City Manager

Approved as to technical requirements:

Ted Fletcher
Director of Electric Utility Operations

Approved as to technical requirements:

Cynthia D. Lawson
Director of Finance

Approved as to technical requirements:

Timothy J. McGarry
Director of Planning and Development

Florida Power & Light Company Execution Page

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the Effective Date specified in this Agreement.

FPL:

FLORIDA POWER & LIGHT COMPANY, a Florida corporation

By:_____
Name:_____
Title:_____

Substation Equipment Operating and Dismantling Agreement by and between City of Vero Beach, Florida and Florida Power & Light Company

Exhibit "A"

Substation Premises Legal Description and Map

(To be Supplied)

Exhibit "B"

List of Substation Equipment

(To Be Supplied)

Schedule "1"

Phase 1 Recognized Environmental Conditions

- **Recognized Environmental Conditions**
  - REC-1: Leaking Transformer (Unit 1) – The transformer adjacent to Unit 1 has a leak on the southern side. Gravel stains were identified below the unit.
  - REC 2: Asbestos Containing Material – Potential asbestos-containing materials were identifies as Substation 01.
  - REC 3: Lead-Based Paint Containing Material – Lead containing materials were identified at Substation 01.
  - REC 4: Historic Leaky Transformer (Unit 5) – The transformer adjacent to Unit 5 has a report historic leak.
  - REC 5: Historic Use of PCBs – Based on the age of the substation and presence of leaking transformers, presence of PCBs are suspected.

- **Phase II Recommendations**
  - 2 soil samples, with analysis for PCBs and TRPH. Additive specific sampling.
  - Limited groundwater sampling pending soil sampling results
  - Quantitative sampling for asbestos, lead-based paint, PCBs in concrete

Substation Equipment Operating and Dismantling Agreement by and between City of Vero Beach, Florida and Florida Power & Light Company

Schedule "2"

Phase II Recognized Environmental Conditions

EXHIBIT L-4

SUBSTATION LICENSE AND ACCESS AGREEMENT Error! Bookmark not defined.

THIS SUBSTATION LICENSE AND ACCESS AGREEMENT ("**License**"), is made this _____ day of [_____], 2017 (the "**Effective Date**") by and between Florida Power & Light Company, a Florida corporation ("**Licensor**"), whose mailing address is 700 Universe Blvd., CRE/JB, Juno Beach, Florida 33408-0420, and City of Vero Beach, a municipal corporation organized and existing under the laws of the state of Florida ("**Licensee**"), whose mailing address is 1053 20th Place, Vero Beach, Florida 32961. Licensor and Licensee each is called a "**Party**" and together are called the "**Parties**."

WITNESSETH

WHEREAS, the Parties have entered into and are contemporaneously herewith consummating an Asset Purchase and Sale Agreement, dated _____, 2017 (the "**APA**") in connection with Licensor's acquisition of certain assets of Licensee. this License; and

WHEREAS, immediately prior to the date of this License, Licensee has used substations numbered 10-Central Beach; 11- South Beach; 20-County Line; 3-Mall Substation; 5- Piper Substation; 6- Gifford Substation; 7- West Substation; 8-South Substation; and 9- North Substation and the real property on which such Substations are located (collectively, the "**Existing Substations**" for the housing, operation, maintenance, repair and replacement of Licensee's communication equipment which is unrelated to the operation, protection and control of the electric utility assets to be purchased by Licensor; and

WHEREAS Licensor intends to construct a new substation on real property which is the subject of the Substation Easement Agreement between the Parties ("**New Substation**") (the Existing Substations together with the New Substation are referred to collectively as the "**Licensed Premises**") and

WHEREAS, pursuant to the APA, Licensor will obtain title to, and easement for or a lease of the Licensed Premises; and

WHEREAS, pursuant to a Fiber License Agreement, dated the date hereof, between the Parties (the "**Fiber License Agreement**") Licensee has licensed the use of certain fiber assets (the "**Fibers**") to Licensor; and

WHEREAS, Licensee requires certain access to the Licensed Premises, and Licensor is willing to provide Licensee such access under the terms of this License;

WHEREAS, Licensor plans to relocate, under the terms of this License, the Communications Equipment, as defined below, and Licensor is willing for Licensee to do so;

NOW, THEREFORE, for good and valuable consideration the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows: :

TERMS, CONDITIONS, AND PROVISIONS

1. **Use**. Licensee may use the Licensed Premises solely for: (a) the transmission and reception of telecommunication signals pursuant to all applicable rules and regulations including without limitation, the Federal Communications Commission ("**FCC**"); (b) perform no less than annual inspections, testing, and all necessary maintenance, relocation and restoration required in order that the Fibers may operate within certain required parameters; and (c) the construction, installation, operation, alteration, maintenance, repair, removal, and replacement of communication equipment including horizontal and vertical conduits, cables, wires, fibers, junction boxes, hangers, pull boxes and other appurtenant facilities and improvements owned or operated by Licensee or by Licensee together with Indian River County and the School Board of Indian River County, Florida under the Revised and Restated Joint Fiber Optics Project Interlocal Agreement, made as of May 19, 2015, singularly and collectively (collectively, the "**Communications Equipment**") for the purpose of providing telecommunication services to or for the benefit of entities other than and in addition to Licensor, but not for any other purpose. Licensee and its authorized personnel and subcontractors may at any and all times, enter the Licensed Premises, including Licensor's substation control structures at those structures where Licensee's Communications Equipment is installed and/or for the specific purposes set forth above. Licensee shall, and shall ensure that its personnel and subcontractors, (i) only enter the Licensed Premises while being escorted by an FPL Transmission employee and (ii) at all times strictly comply with the instructions of such FPL Transmission employee. Licensee is the sole owner of substation 1, and nothing in this License will be deemed or construed as granting, acknowledging or conveying any interest is such substation to Licensor. However, operation of such substation is subject to the Substation Equipment Operating and Dismantling Agreement between the Parties and Licensor acknowledges and agrees that Licensee will continue to use the fiber optic system located at substation number 1 until such lines and system is modified, moved or relocated in accordance with the Substation Equipment Operating and Dismantling Agreement.

2. **Term**. This License shall continue in full force and effect until all of the following have occurred: (a) Licensor has relocated all Communications Equipment from the current location of such Communications Equipment to the locations approved by the parties as a part of the Change Plan, defined below, as to each parcel of the Licensed Premises and (b) the appropriate instrument or agreement is executed and delivered by Licensor permitting the Communication Equipment to remain at the location constructed in accordance with the Change Plan on a permanent basis as described in Section 5 (d) below, and (c). Licensee has accepted such relocated Communications Equipment. .

3. **Access Fees**. If access to the Licensed Premises, or any of them, is required by Licensee solely for the purpose of accessing the Licensee's Communications Equipment, and for no other purpose, Licensee shall have the right during the first year of the Term to make entry free of charge no more than two (2) trips per month and after the first year of the Term to make entry free of charge no more than one (1) trip per month, each trip not to exceed ten (10) hours, including travel time between substations ("Monthly Allowed Access"). Licensee may visit more than one substation during a particular trip. Should Licensee exceed the Monthly Allowed Access, Licensee shall be charged the sum of One Hundred Dollars and 00/100 ($100.00) per hour for each hour or partial hour access to any of the Licensed Premises is required (the "Access Fees"). Such Access Fees shall constitute an offset, on a dollar for dollar basis, against any one or more payments due to be made from Licensor to Licensee as License Fees pursuant to the terms of the Fiber License Agreement. Notwithstanding anything to the contrary herein, Licensee shall not be required to pay Access Fees if such access is required for Work to be performed on the Fibers. Licensee agrees to pay the fees specified in this section 3 as to its access to substation 1 to compensate Licensor for any

Licensor personnel needed to accompany Licensee employees or contractor at the substation for safety reasons.

4. **Licensor's Rights**. Licensee agrees to never claim any interest or estate of any kind or extent whatsoever to or in the Licensed Premises by virtue of this License or the occupancy or use hereunder. Licensee's use of the Licensed Premises shall always be subordinate to Licensor's rights to and in the Licensed Premises, except as may be otherwise provided in the Fiber License Agreement. Licensor reserves the right to enter upon the Licensed Premises at any time and Licensee shall notify its employees, agents, contractors, subcontractors, licensees, and invitees accordingly. Licensor, its employees and contractors are not and shall not be responsible or liable for any injury, damage or loss to Licensee resulting from Licensor's use and/or Licensee's use of the Licensed Premises. Licensor may at its sole discretion, install and/or permit others to install facilities upon, over and/or under the surface of the Licensed Premises.

5. **Conditions and Restrictions On Use**.

(a) With respect to any work undertaken by Licensee in or around the Licensed Premises, Licensee shall at its sole cost and expense comply with all laws, rules, and regulations of all governmental authorities having jurisdiction over the Licensed Premises or use of the Licensed Premises. Licensee shall not within the Licensed Premises construct or erect any permanent or temporary building, structure, fixture, fence, shelter, attachment or improvement without prior written permission from Licensor. All work to be performed by Licensee upon the Licensed Premises shall be in accordance with detailed plans and specifications to be prepared by Licensee and submitted to Licensor for written approval thereof. Licensee shall not commence any such work until plans and specifications have been approved by Licensor. Licensee shall pay directly on its own behalf for all costs associated with construction and maintenance of all improvements and facilities that it constructs, operates and maintains upon the Licensed Premises. Licensee shall not cause or allow any waste of the Licensed Premises and shall not remove soil, import soil or alter the existing surface elevation of the Licensed Premises without first obtaining written permission of Licensor. Licensee shall pay for all utility and other services furnished to or for Licensee upon the Licensed Premises.

(b) Licensee shall not use the Licensed Premises in any manner which, in the sole opinion of Licensor, might interfere with Licensor's use of the Licensed Premises or might reasonably be expected to cause a hazardous condition to exist. Licensee acknowledges that electrical equipment and appurtenances including, but not limited to utility poles, overhead and underground wires, cables, circuits, insulators, transformers, guy wires, and guy wire anchors (collectively "**Licensor Facilities**"), are installed or may be installed over, upon and under the surface of the Licensed Premises by Licensor and by others and are conductors of high-voltage electricity. Licensee understands that contact with or disturbance of any of these Licensor Facilities may cause a condition hazardous to persons and/or property. Licensee shall exercise extraordinary precautions to prevent injury or damage to persons and/or property that could result from contact with or disturbance of Licensor Facilities. Licensee shall notify its employees, agents, contractors, subcontractors, licensees and invitees of the existence of Licensor Facilities when working in the vicinity of the Licensed Facilities.

(c) Licensee shall not cause or allow anything to exceed fourteen (14) feet in height above the surface of the Licensed Premises, nor allow any equipment capable of extending greater than fourteen (14) feet above the surface of the Licensed Premises to be brought upon the Licensed Premises, except that this provision shall not apply to equipment and items brought onto the Licensed Premises by Licensor or Licensor's employees, agents, and contractors. Licensee shall utilize effective dust control measures to prevent contamination of high-voltage circuit insulators. In each and every location where an

electrical circuit exists above the surface of the Licensed Premises, Licensee shall not allow to be planted in the ground within less than fifty (50) lateral feet of such circuit, any type of vegetation that is capable of growing to a height greater than fourteen (14) feet above the ground surface. Licensor shall have the right, but no form of obligation, to inspect the Licensed Premises to determine if Licensee is in compliance with all terms, conditions and provisions of this License.

(d) Within five (5) years after the Effective Date, Licensor shall remove all of Licensee's Communications Equipment from the relay vaults in each of the Licensed Premises and relocate such Communications Equipment in each case to an enclosure provided by Licensor in an area approved by Licensor and Licensee which does not require escorted access, and in such manner as Licensor shall determine in its sole but reasonable discretion ("**Change Plan**"). Licensor shall be responsible for the payment of all costs associated with the removal of Licensee's Communication Equipment from the relay vaults to a mutually agreeable area upon the Licensed Premises that does not require escorted access under the Plan. Licensor shall prepare a detailed design to accomplish the Change Plan and submit it to Licensee for review and approval, which will not be unreasonably withheld by Licensee. Upon Licensee's approval of the Change Plan, Licensor shall commence and complete such work in a safe manner consistent with generally accepted construction standards, in a good and workmanlike manner employing materials of good quality and in compliance with all applicable laws, approvals and authorizations. Licensee's approval of any portion of the Change Plan is not a representation that such Change Plan is in compliance with applicable legal requirements or that the Communications Equipment will not cause interference with other communications operations on or near the Licensed Premises, or that the Communications Equipment will function appropriately for Licensee's purposes following execution of the Change Plan. Licensor shall be solely responsible for performing all work under the Plan in a manner that does not unreasonably cause interference with or impair the function of the Communications Equipment for Licensee's purposes and, upon reasonable notice from Licensee, Licensor shall perform at its sole expense all work reasonably necessary to restore the functionality of the Communications Equipment or resolve any interference with the Communications Equipment.. In no event, however, shall Licensor, or any of Licensor's employees, agents, contractors, subcontractors or suppliers be liable for any indirect, consequential, incidental, or special damages, however caused and regardless of the theory of liability asserted (including negligence or tort) arising out of this License, or any work, facilities or equipment provided hereunder, even if Licensee has been informed of the possibility of such damages. As the Change Plan is completed for each parcel comprising the Licensed Premises, Licensor will grant an easement or other property right as may be reasonably necessary or expedient, and to the extent of Licensor's interest in the Licensed Premises, to permit the Communication Equipment to remain permanently at the new location as constructed in accordance with the Change Plan.

6. <u>Environmental</u>.

(a) Licensee agrees that no hazardous substance, as the term is defined in Section 101 (14) of the Comprehensive Environmental Response Compensation and Liability Act ("**CERCLA**") (42 USC Section 9601 [14]), petroleum products, liquids or flammables shall be placed upon, under, transported across, or stored upon the Licensed Premises, which restricts, impairs, interferes with, or hinders the use of the Licensed Premises by Licensor or the exercise by Licensor of any of its rights thereto.

(b) After the Effective Date, Licensee may perform a Phase I and/or Phase II environmental site assessment as per ASTM criteria to investigate the existing environmental condition of the Licensed Premises that is the subject of this License. The performance or the failure to perform an environmental site assessment does not relieve the Licensee from compliance with any other provision of this section.

Licensee shall maintain copies of any local, state or federal permits, licenses or other authorizations required for any and all of its activities on the Licensed Premises and present copies of such permits, licenses or other authorizations to Licensor and to any local, state and federal governmental agency official that requests to see the same.

(c) Licensee shall not create or contribute to any Environmental Contamination, Unauthorized or Unpermitted Wetland Impacts, Unpermitted Groundwater Wells, Illegal Use of Ground or Surface Waters or any Other Environmental Impacts, (collectively, referred to as "**Environmental Conditions**") as a result of its use of the Licensed Premises.

(1) Environmental Contamination is defined as any spilling or discharge of any chemical constituent by the Licensee to the environment that results in any pollution, sheen or contamination of the groundwater, surface water, soil, or any other environmental media, on or from the Licensed Premises, above the federal, state or local regulatory levels; including, (a) for groundwater: Chapters 62-777, Table I, 62-520, or 62-550 of the Florida Administrative Code ("**FAC**"); (b) for surface waters: Chapters 62-777, Table I, or 62-302 of the FAC; and (c) for soils: Chapters 62-777, FAC, Table II; or above natural background levels.

(2) Wetland Impacts are defined as activities impacting areas defined as "**wetland**" under the following: (a) federal law (for example, Section 404 of the Clean Water Act); (b) federal rules (for example, current approved Army Corps of Engineers ("**ACOE**") Delineation Manual); (c) federal guidance; (d) state law (for example, Section 373.019(22), Florida Statutes); (e) state rules (for example, Chapter 62-340, FAC); (f) state guidance; (g) case law as formulated that further explains wetland jurisdictional criteria; or (h) local law (for example, Miami-Dade County Ordinances; (i) local guidance; or (j) local policy. Unauthorized or Unpermitted Wetland Impacts shall mean the failure to obtain all required federal, state and local permits to impact the wetland or undertaking any action or activity in violation of any such permits. Some examples of permits needed to impact the wetland are the Miami-Dade County Department of Environmental Resources Management Permits, the State of Florida Department of Environmental Protection or Water Management District Permits, and the Federal ACOE Permits.

(3) Unpermitted Groundwater Wells means the installation or the use of an existing groundwater well without obtaining the appropriate state and local permits for the well installation and/or well pumping for use of groundwater or surface water in the area.

(4) Illegal Use of Ground or Surface Waters means the withdrawal or use of either ground water or surface water without obtaining any required consumptive use or water use permits from the St. Johns River Water Management District ("**SJRWMD**") or in violation of any consumptive use or water use permit issued by the SJRWMD.

(5) Other Environmental Impacts, include, but are not limited to; failure to apply pesticides consistent with labeling instructions; failure to dispose of pesticide containers as per label instructions; failure to have licensed and trained personnel applying pesticides; failure to properly manage pesticide mix/load sites to avoid pesticide release to soils or surface waters in quantities or concentrations other than that specified on the label application instructions; or any violations of Federal Insecticide, Fungicide, and Rodenticide Act, or its state law equivalent; or any violations of the Florida Department of Agriculture and Consumer Services rules or Best Management Practices for the activities contemplated by this License.

(d) If the Licensee causes any Environmental Conditions to occur because of the performance of activities contemplated by this License, Licensee shall notify Licensor immediately upon discovery. Licensee acknowledges that the failure to deliver such notification may cause Licensor to file a damage claim against Licensee and confers to Licensor the right to terminate this License as set forth in Section 8. Within seventy-two (72) hours of discovering such Environmental Conditions, Licensee shall, at its sole cost and expense, correct such condition or situation; provided that the Licensor retains the right to enter upon the Licensed Premises and correct any such condition or situation at any time. Any release notifications required to be submitted to federal, state or local regulatory agencies, because of the actions of Licensee pursuant to this License or any other notifications based on Environmental Conditions, shall be coordinated with Licensor.

(e) If Licensee, or its employees, contractors, subcontractors or anyone else working at the direction of the Licensee causes Environmental Conditions on the Licensed Premises, or causes contamination that originates on the Licensed Premises, the Licensee, on its own behalf and on behalf of its shareholders, officers, directors, employees, servants, agents, and affiliates, shall and hereby does forever hold harmless, indemnify, and release Licensor, and its parent, subsidiaries, shareholders, officers, directors, employees, servants, agents and affiliates (collectively "**Licensor Entities**"), not including Licensee which is part of Licensor Entities, of and from all claims, demands, costs, loss of services, compensation, actions or investigations on account of or in any way growing out of the Environmental Conditions, and from any and all known and unknown, foreseen and unforeseen damages, and the consequences thereof, resulting from the Environmental Conditions, including but not limited to, restoration of the site to the condition existing prior to the Environmental Conditions.

7. **Right to Cure**. Licensor, at its sole discretion, may remove or cause to be removed by it or by its employees, agents, contractors, subcontractors, licensees, and invitees, all objects, materials, debris, or structures that could create a condition hazardous to persons or property or interfere with Licensor's use of its Licensed Premises or with Licensor Facilities. All costs expended by Licensor pursuant to this section which are caused by Licensee, its employees, agents, contractors, subcontractors, licensees, and invitees, are and shall be the sole obligation of Licensee, who shall reimburse Licensor upon demand. If any of Licensee's activities or Licensee's use of the Licensed Premises results in an interruption of electric utility service, then Licensee shall reimburse Licensor for all costs to restore electric utility service, not to exceed $1 million.

8. **Default.** A party shall be in default under this License if such party fails to perform any obligation required under this License and such failure continues for more than thirty (30) days after written notice, provided that if the breach is of such a nature that it cannot be cured within thirty (30) days, then such party shall not be in default so long as it commences to cure within such period of time and thereafter diligently and continuously pursues such cure to completion. Upon the occurrence of a default, the non-defaulting party shall not have the right to terminate the License, but may seek any and all other remedies available at law and/or equity, including but not limited to an action for recovery of monetary damages or specific performance. Except as set forth to the contrary herein, any right or remedy of Licensor and Licensee shall be cumulative and without prejudice to any other right or remedy, whether contained herein or not.

9. **Surrender**. Upon termination or expiration of this License, Licensee shall vacate and leave the Licensed Premises in as good a condition as existed prior to the Effective Date excluding any change in conditions resulting from the work performed by Licensor under the Change Plan. No later than thirty (30) calendar days following the date upon which this License becomes expired, terminated or revoked, Licensee shall remove all remaining personal property and improvements, if any, placed in areas

requiring escorted access within the Licensed Premises by Licensee and shall repair and restore and save Licensor harmless from all damage caused by such removal. If all such personal property and improvements placed in areas requiring escorted access within the Licensed Premises by Licensee are not so removed by Licensee within the above prescribed thirty (30) day period, then Licensor shall have the right to take possession of and appropriate unto itself, without any payment or offset thereof, any remaining personal property and improvements placed in areas requiring escorted access within the Licensed Premises by Licensee or any other entity acting on Licensee's behalf, and/or Licensor shall have the right to effect removal of such personal property and improvements at Licensee's sole cost and expense, the amount of which Licensee agrees to reimburse to Licensor immediately upon Licensor's demand. It expressly understood and agreed by Licensor and Licensee that the surrender rights under the section of the Substation License Agreement do not apply to any Licensee personal property or improvements relocated to areas that do not require escorted access upon the Licensed Premises under the Change Plan.

10. **No Encumbrances**. Licensee expressly covenants and agrees that the Licensed Premises shall not be subject to any encumbrance by any mortgage, lien, financial instrument or other agreement outside of or in addition to this License, nor shall the Licensed Premises be liable to satisfy any indebtedness that may result from Licensee's operation or activity. Licensor expressly covenants and agrees that the Licensee's Communications Equipment shall not be subject to any encumbrance by any mortgage, lien, financial instrument or other agreement outside of or in addition to this License, nor shall the Licensee's Communications Equipment be liable to satisfy any indebtedness that may result from Licensor's operation or activity.

11. **Indemnity**. Each party (each an "Indemnifying Party") shall exercise its respective rights and privileges herein at its sole risk and agrees to indemnify and save harmless the other party (each an "Indemnified Party"), from all liability, loss, cost, and expense, including attorneys' fees, which may be sustained by the Indemnified Party, incurred by any person, natural or artificial, by reason of the death of or injury to any person or damage to any property arising from or in connection with the use of the Licensed Premises by such Indemnifying Party and its employees, agents, contractors, subcontractors, licensees, and invitees. Such Indemnifying Party agrees to defend, at its sole cost and expense, but at no cost and expense to the Indemnified Party, any and all suits or actions instituted against the Indemnified Party for the imposition of such liability, loss, cost, and expense arising from the use of the Licensed Premises by the Indemnifying Party and its employees, agents, contractors, subcontractors, licensees, and invitees. Notwithstanding the foregoing, Licensee's obligations under this Section 11 shall be subject to the limitations set forth and provided for in Section 768.28 of the Florida Statutes with respect to injury to or death of employees or agents of Licensor or property damage of Licensor or its employees or agents, in each case caused directly by employees of Licensee.

12. **Insurance**. During the Term, Licensor and Licensee shall maintain, at their respective sole cost and expense, a liability policy with minimum limits of $1,000,000.00 for bodily injury or death of a person(s), and $1,000,000.00 for property damage arising out of each single occurrence, and workers compensation coverage as mandated by the applicable laws of the State of Florida. Said policy shall be endorsed to insure against obligations assumed by Licensor or Licensee, respectively, in the indemnity herein. A certificate of insurance shall be furnished to Licensor and Licensee evidencing that said policy of insurance is in force and will not be cancelled or materially changed so as to affect the interests of Licensor or Licensee Entities, as the case may be, until ten (10) days advance written notice has been furnished to Licensor. Upon request, copies of said policy will be furnished to Licensor or Licensee, respectively.

13. **No Transfer**. Licensee shall not, without the prior written consent of Licensor, allow any other entity or party to occupy or use the Licensed Premises or in any way transfer, assign, lease, sublease, license, sublicense or in any other manner, convey this License to any entity or party not specifically named herein by Licensor as a party to this License. Licensee shall not hypothecate this License, nor enter into any license, concession agreement, mortgage, contract or other agreement which conflicts with or is contradictory to the terms and provisions of this License.

14. **Holding Over**. If Licensee continues to occupy and/or use the Licensed Premises, or any part thereof, after expiration, termination or revocation of this License, then no tenancy, ownership or other legal interest in the Licensed Premises to the benefit of Licensee shall result therefrom, but such holding over shall be an unlawful detainer and all parties occupying and/or using the Licensed Premises shall be subject to immediate eviction and removal and Licensee shall upon demand pay to Licensor, as liquidated damages, a monthly sum equal to the monthly License Fees owed by Licensor to Licensee pursuant to the Fiber License Agreement for and during any and all period(s) which Licensee and/or its employees, agents, contractors, subcontractors, licensees, and invitees fail to vacate the Licensed Premises after the date upon which this License becomes expired, terminated, or revoked.

15. **Waiver of Jury Trial**. **Licensee and Licensor knowingly, voluntarily and intentionally waive any and all right(s) they may have to a trial by jury with respect to any litigation based upon, or arising from, under, or in connection with this License, or any document contemplated to be executed in conjunction herewith, or any course of conduct, course of dealing, statement (whether oral or written) or action of Licensee or Licensor.** In any and all litigation arising out of or in connection with enforcement of the terms, conditions or provisions of this License, the prevailing party in such litigation shall be entitled to recovery of each and all of its costs, including reasonable attorneys' fees.

16. **Applicable Law and Venue**. This License, including each and all of its terms, conditions and provisions, is governed by and interpreted according to the laws of the State of Florida. Venue for all legal matters arising out of, or in connection with this License are and shall be the courts of the State of Florida in Indian River County, Florida, which court shall have exclusive jurisdiction for such purpose**.** If any term, condition or provision, or any part thereof, is found by a Florida court to be unlawful, void or unenforceable, then that term, condition, provision or part thereof shall be deemed severable and will not affect the validity and enforceability of any of the remaining terms, conditions and provisions of this License.

17. **Time and Entire Agreement**: Time is of the essence, and no extension of time shall be deemed granted unless made in writing and executed by both Licensor and Licensee. This instrument constitutes the entire agreement between the parties hereto and relative to the License, and any agreement or representation which is not expressly set forth herein and covered hereby is null and void. All amendments, modifications, changes, alterations and supplements to this License must be in writing and executed by both Licensor and Licensee in order to be deemed valid and enforceable. If Licensor or Licensee fails or elects to not enforce the other party's breach of any term, condition or provision of this License, then Licensor's or Licensee's failure or election to not enforce the other party's breach shall not be deemed a waiver of the non-breaching party's right to enforce one or more subsequent breaches of the same or any other term, condition or provision of this License.

18. **Notices**. All notices associated with and related to this License shall be deemed to have been served upon the date and time received by Licensor or Licensee at the addresses set forth in the Preamble by: government postal service, private delivery service, electronic email or facsimile transmission. Either party

may, at any time, designate in writing a substitute address for the address first written above, and thereafter notices shall be directed to such substituted address.

19. **Counterparts**. This License may be executed in multiple counterparts, each of which shall be deemed an original, and all of which together shall constitute a single instrument.

IN WITNESS WHEREOF, Licensor and Licensee have caused this License to be signed and executed effective as of the Effective Date.

Witnesses for Licensor:

Signature: _____
Print Name: _____

Signature: _____
Print Name: _____

Licensor:
Florida Power & Light Company,
a Florida corporation

By: _____
Name: _____
Title: _____

Witnesses for Licensee:

Signature: _____
Print Name: _____

Signature: _____
Print Name: _____

Licensee:
City of Vero Beach, Florida, a municipal corporation

By: _____
Name: _____
Title: _____

EXHIBIT P

Prepared by/Return to:
_____
_____
_____
_____

PERMIT AND INTERLOCAL AGREEMENT
(No. VB-[_])

THIS PERMIT AND INTERLOCAL AGREEMENT (the "Agreement"), dated this [___] day of [_____], 201[__], by and between **INDIAN RIVER FARMS WATER CONTROL DISTRICT**, a drainage district organized and existing under the General Drainage Laws of the State of Florida, whose address is 7305 4th Street, Vero Beach, Florida (the "**District**"), and the **CITY OF VERO BEACH, FLORIDA**, a municipal corporation of the State of Florida, whose address is 1053 20th Place, P.O. Box 1389, Vero Beach, Florida 32961-1389 (the "**Permittee**").

NOW, THEREFORE, the District does hereby grant unto the Permittee a permit and license (collectively, the "**Permit**"), which Permit shall be effective from the date hereof and continue for a period of fifty (50) years (collectively, the "**Term**"), for the purpose of installing, maintaining, inspecting, operating, repairing and using electrical transmission lines, utility poles and related improvements collectively, (the "**Electrical Facilities**") on, over and across District right-of-way along the Main Canal at the locations (the "**Permit Area**") and in accordance with the plans and specifications attached hereto as "**Exhibit A**" signed by the parties and, incorporated herein by reference, together with the right of ingress and egress on and over the property at said locations.

Permittee agrees to and with the District as follows:

1. That the rights herein granted shall extend into the Permit Area from utility pole to utility pole in the locations and widths, which vary from utility pole to utility pole, as shown on the plans approved by the District in accordance with said "**Exhibit A**". Unless otherwise agreed to by District, the rights shall extend only for Electrical Facilities owned and used exclusively by Permittee or its sublicensee pursuant to Paragraph 19 herein, and Permittee, except as specifically permitted pursuant to Paragraph 19 herein, shall not have any right to

otherwise assign, sublet, grant a sub-permit or sublicense of the Permit or this Agreement or any part thereof unto a third party.

2. Permittee assumes full responsibility for the operation and maintenance of said Electrical Facilities and shall save and hold harmless District from any expense, loss, damage or claim in regard thereto, and the District assumes and shall have no liability in connection therewith.

3. Permittee and District acknowledge and agree that each operates critical infrastructure and provides necessary services to Florida residents. As a result, Permittee and District agree to work together in good faith to ensure that neither interferes with the facilities or operations of the other, and to work together in a cooperative fashion following any storm event to ensure prompt restoration of critical services. Each party will provide the other with a direct emergency contact number to be used for purposes of addressing issues arising in the field. All such field issues will be addressed by the parties within twenty-four (24) hours of the affected party's notice to the other party. Notwithstanding the foregoing, Permittee agrees and acknowledges that the Permit is subject always to the paramount right of the District to keep and maintain its drainage district functions and operations, and should the occupation or use by Permittee of District's property by Permittee hinder or prevent District's water control function, then Permittee's use or occupation of such property must and will yield to water control functions, and is subject to revocation and cancelation following a default by Permittee herein and Permittee's failure to cure such default. The parties further agree that within sixty (60) days following the District's delivery of written notice to Permittee advising of an interference, problem or obstruction caused by Permittee's use or occupation of District's property that is adversely affecting District's functions Permittee shall cure the problem, interference or obstruction, provided, however, in the event the functional loss, problem, interference or obstruction is not reasonably capable of cure within sixty (60) days following the delivery of written notice from the District to Permittee of such loss and Permittee, within sixty (60) days of the receipt of such notice, commences to cure such loss and thereafter diligently and continuously prosecutes such cure to completion, Permittee shall not be in default under this Agreement.

4. In no event shall the District be liable for any damages done or caused by the Permittee to the public or any other person using the Permit Area under the Permit, and Permittee shall, to the extent provided and allowed by law, save the District, its officers, agents, supervisors, and employees harmless from any costs, charge, expense, claim or demand of any person against the District for bodily injury, death or property damage arising from or pertaining to Permittee's exercise of rights under the Permit. Permittee shall, prior to accessing the Permit Area, provide the District with evidence satisfactory to District, of adequate reserves held or owned by Permittee or Sublicensee, as self-insurer, to protect the interests of District.

5. Permittee is cautioned that electrical, water, sewer, gas or other installations or utilities may be located within the Permit Area, and Permittee shall use diligent efforts to first detect and locate all such installations and shall coordinate construction with all other lawful users of the right-of-way within the Permit Area. Permittee shall be liable for all damages proximately resulting from its interference with or interruption of services provided by other lawful right-of-way users within the Permit Area. District shall ensure that this provision is

included in all permits issued to water, sewer, gas or other installations or utilities that are or may be located within the Permit Area.

6. Any construction on the Permit Area by Permittee and related cleanup shall be completed promptly by Permittee and in a workmanlike manner with minimum disturbance to existing berm, channel slopes and grade, with proper restoration and planting of any disturbed areas to prevent erosion occurring within thirty (30) days after completion of Permittee construction or installation of Electrical Facilities.

7. District and Permittee acknowledge that Permittee's Electrical Facilities currently exist within the Permit Area. For all replacements of Permittee's Electric lines, Permittee shall at all times maintain cable markers above ground at 100 foot intervals to show the location of the electrical transmission cables. For all newly replaced Electrical Facilities, the replacement of electrical transmission lines and utility poles shall be constructed and installed to permit the crossing of heavy equipment used by the District for the maintenance of its laterals, sublaterals and canals and for any similar heavy equipment used by land owners within the District. In any case i) where replacement Electrical Facilities, including electrical transmission lines, cross a pipe or culvert used for drainage or irrigation purposes, or ii) where a pipe or culvert is needed hereafter for drainage or irrigation of adjacent lands, and the pipe or culvert is deemed by District to be in need of repair or replacement, then District will provide Permittee with written notice of such event, and Permittee and District will devise a mutually agreeable schedule for the implementation of such work. Permittee agrees to make personnel and equipment available at the time of such repair or replacement work, at no cost to the District, to insure that the transmission lines do not interfere with such activities. District agrees that all District contractors and employees will attend a Permittee Safety Six presentation (which will be provided without cost to the District or its contractors) prior to commencing any such work in the vicinity of the Electrical Facilities. The District has the right to approve the location of each new electrical transmission pole installed within the Permit Area, which approval will not be unreasonably withheld, conditioned or delayed, to ensure that such installation will not interfere with the District's functions and operations.

8. Permittee shall provide advance notice to the District's office of any planned construction, or the anticipated completion date of all new construction.

9. Permittee shall not discharge any pollutants or contaminants into waters or canals owned or maintained by, or subject to the jurisdiction of District, nor shall Permittee permit Permittee's employees, contractors and agents to obstruct the flow of water within the District's canals. Permittee shall save and hold District harmless from any expense, loss or damage incurred by the District as a result of Permittee, its employees, contractors or agents discharging pollutants or contaminants into the waters or canals owned, operated or maintained by the District in violation of applicable environmental law, or obstructing the flow of waters in such canals. Permittee shall cure, or commence to cure, any such default within thirty (30) days following written notice of such default from District to Permittee.

10. Permittee shall comply with all applicable requirements of the Department of Environmental Protection for the State of Florida, as such requirements relate to Permittee's use of the District's Permit Area under the Permit, and if, at any time, the Permittee shall fail to meet

such requirements, which failure continues beyond the applicable cure period as set forth in paragraph 3 of this Agreement, Permittee shall be in default of this Agreement.

11. Permittee shall reimburse District, within forty-five (45) days of District's demand together with detailed, supporting documentation, for any reasonable fees for testing or other professional services, costs or expenses to District associated with or arising from Permittee's use of District's Permit Area.

12. The Permittee shall pay to the District for the use of the Permitted area [$12,015 for VB-2/$1,950 for VB-5/$5,280 for VB-6], payable in advance, as the first year's rent. District may increase the amount due hereunder by the annual cost of living over that of the first year hereof, or by 3% per year, whichever is greater.

13. [Reserved].

14. District and Permittee shall be entitled to exercise any remedy available at law or in equity, including without limitation, a suit for specific performance of any obligations set forth in this Agreement or any appropriate injunctive or other equitable relief, or for damages resulting from a default or breach. Notwithstanding the foregoing or anything to the contrary contained in this Agreement or applicable law, in no event shall any default or breach of this Agreement, or any failure to perform any obligations under this Agreement, terminate, or entitle the District or Permittee to terminate, rescind or cancel the Permit or the rights granted under this Agreement.

15. Following termination of the Permit, the Permittee shall, at its expense, promptly remove all Electrical Facilities from the Permit Area.

16. The Permit shall be considered to be a license only for the Term, for the limited purpose of installation, maintenance, inspection, operation, repair and use of the Electrical Facilities specified in this Agreement, and does not convey any other right, title or interest of the District in the subject right-of-way property.

17. In the event of any dispute arising hereunder, the parties agree that, as a condition precedent to litigation, the parties shall first submit the same to non-binding mediation for resolution.

18. Permittee assumes all risks of its use of the Permit Area under this Agreement, which use is at Permittee's sole risk. Any loss or damage to Permittee's Electrical Facilities or bodily injury or death of Permittee's personnel while on the Permit Area, regardless of the cause of the same, is Permittee's responsibility and not District's and, as a condition of the Permit, Permittee promises, covenants and agrees to release District from any such Permittee claims and indemnify District, to the extent provided and allowed by law, against any claims by Permittee's employees against District by reason of bodily injury, death or property damage suffered by such Permittee employees, including reasonable attorney's fees, fines and penalties. The parties hereto further acknowledge and agree that this hold harmless, indemnification and release is further consideration to the District for Permittee's use of the Permit Area under the Permit.

19. Concurrent with the sale of all or substantially all of Permittee's electrical power system, Permittee may enter into a sub-license of the Permit of Permittee's rights and obligations

under this Agreement (a "**Sublicense**") with the new owner of Permittee's electrical power system (the "**Sublicensee**"). Permittee shall not grant or attempt to grant any greater rights or powers to the Sublicensee than are permitted or granted to Permittee herein. Permittee shall not charge Sublicensee more than the amounts set forth in paragraph 12 of this Agreement. In the event Permittee enters into a Sublicense as provided herein, the following terms shall apply:

a. within three (3) business days following the execution of the Sublicense by Permittee and Sublicensee, an original of the fully executed Sublicense shall be delivered to the District;

b. the District, Sublicensee and Permittee shall be subject to all of the terms, conditions and obligations imposed upon District and Permittee pursuant to the Permit;

c. a Sublicense of Permittee's interests under this Agreement shall not release Permittee from any of the terms or conditions of this Agreement, provided, however, that if the District makes any claim against Licensee for indemnification hereunder and such claim is based on the acts or omissions of Sublicensee, Permittee shall enforce such claim against Sublicensee pursuant to the terms of the Sublicense, and the liability of Permittee to the District shall be limited to the amount of its recovery from Sublicensee;

d. in the event any of Sublicensee's Electrical Facilities within the Permit Area described in the Permit are abandoned by the Sublicensee, the Sublicensee shall provide District and Permittee with written notice of such abandonment within ten (10) business days of such event, and Sublicensee shall promptly cause all Electrical Facilities within the abandoned Permit Area to be removed within ninety (90) days from Sublicensee's notice of abandonment, and the Permit shall terminate as to the abandoned Permit Area;

e. the District may not amend, release or terminate the Permit without at least ninety (90) days prior written notice to Sublicensee and receipt of Sublicensee's written consent to such amendment, release or terminations, which written consent not to be unreasonably withheld, conditioned or delayed;

f. District agrees to provide Sublicensee with written notice of any default by Permittee under this Agreement simultaneously with any notice of default to Permittee. Sublicensee shall have an additional thirty (30) days following the expiration of Permittee's cure period within which to cure or, as the case may be, commence the cure, of the Permittee default.

g. Except for the Sublicense to the Sublicensee, neither the Permit, nor any portion thereof, may be otherwise assigned, sublet, licensed or otherwise conveyed (collectively, a "**Conveyance**") by Permittee to a third party without the District's prior written consent, which consent can be withheld in the District's sole and absolute discretion. A Conveyance without the District's consent shall be a default by Permittee herein.

20. If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each

Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

21. In consideration of the grant of the Permittee, for itself, its successors and assigns, of the right to use and occupy District's property without acquiring the same, Permittee expressly waives and relinquishes power of eminent domain or condemnation of the property as to which the Permit applies for the use for which the Permit is granted. This clause shall survive termination or expiration of the Permit for so long as Permittee has the right to use and occupy District's property for the use for which the Permit is granted.

[remainder of page intentionally left blank]

[signatures on following page]

IN WITNESS WHEREOF, said District has caused these present to be executed in its name, by its Secretary and its corporate seal hereto affixed, by due authority of its Board of Supervisors, this ____ day of _____, 201__.

Signed, Sealed and delivered
in the presence of:

_____

_____
as to District

(SEAL)

INDIAN RIVER FARMS WATER CONTROL DISTRICT

By: _____
David E. Gunter, Secretary

[Permittee acceptance on following page]

Permittee hereby accepts the terms of this Agreement, and covenants and agrees that it will comply with the terms and condition of this Agreement and the Permit.

Dated this __ day of _____, 201__.

Signed, Sealed and delivered
in the presence of:

_____

_____
as to Permittee

_____

_____
as to Permittee

CITY OF VERO BEACH

By: _____
Mayor

Attest: _____
City Clerk

(SEAL)

"**Exhibit A**"

Plans and Specifications

EXHIBIT Q

Prepared by/Return to:
_____
_____
_____
_____

SUBLICENSE AGREEMENT
(No. VB-2, VB-5, and VB-6)

THIS SUBLICENSE AGREEMENT ("**Agreement**"), dated as of this [___] day of [_____], 201[__] (the "**Effective Date**"), by and between the **CITY OF VERO BEACH, FLORIDA**, a municipal corporation of the State of Florida, whose address is 1053 20th Place, P.O. Box 1389, Vero Beach, Florida 32961-1389 (the "**Sublicensor**") and **FLORIDA POWER & LIGHT COMPANY**, a corporation organized under the laws of the State of Florida whose address is 700 Universe Blvd, Juno Beach, FL 33408 (the "**Sublicensee**"). The Sublicensor and the Sublicensee are sometimes collectively referred to herein as the "**Parties**" and individually as a "**Party**."

WHEREAS, the Sublicensor and Indian River Farms Water Control District, a drainage district organized and existing under the General Drainage Laws of the State of Florida (the "**District**"), have entered into that certain Permit and Interlocal Agreement (No. VB-2, VB-5 and VB-6), dated 1, 201[__] (the "**License Agreement**"), pursuant to which the District has granted unto the Sublicensor a permit and license (collectively, the "**Permit**"), which Permit is effective from the date of the License Agreement and continues for a period of fifty (50) years (collectively, the "**Term**"), for the purpose of installing, maintaining, inspecting, operating, repairing and using electrical transmission lines, utility poles and related improvements (collectively, the "**Electrical Facilities**") on, over and across the District's right-of-way along the North side of the Main Canal, South Relief Canal & Lat. "B", and Lat. J Canal R/W at the locations (the "**Permit Area**") and in accordance with the plans and specifications attached hereto and thereto as "**Exhibit A** signed by the District and the Sublicensor and incorporated in this Agreement and the License Agreement by reference, together with the right of ingress and egress on and over the property at said locations;

WHEREAS, as of the Effective Date, the Sublicensor has either conveyed or leased to Sublicensee all right, title and interest in and to certain electric utility assets of the City of Vero Beach, and the Sublicensee will commence on the Effective Date providing retail electric service to the City of Vero Beach's electric utility customers as contemplated under that certain Asset Purchase and Sale Agreement, dated as of [_____], 201[__], by and between the Sublicensor and the Sublicensee (the "**Asset Purchase and Sale Agreement**");

WHEREAS, in order to provide retail electric services to said electric utility customers as contemplated by the Asset Purchase and Sale Agreement, the Sublicensee desires to sublicense from the Sublicensor, and the Sublicensor desires to sublicense to the Sublicensee, all of the Sublicensor's rights and obligations under the Permit for the remainder of the Term, as permitted by and in accordance with paragraph 19 of the License Agreement.

NOW, THEREFORE, in consideration of and subject to the terms, covenants, agreements, provision and limitations set forth in this Agreement, the Sublicensor and the Sublicensee agree as follows:

1. Capitalized terms used in this Agreement and not otherwise defined herein shall have the same meanings when used herein as in the License Agreement.

2. Subject to all of the terms, conditions and obligations set forth in the License Agreement, the Sublicensor does hereby grant unto the Sublicensee an exclusive sub-permit and sub-license of all of the Sublicensor's rights and obligations under the Permit and under the License Agreement for the remainder of the Term for the purpose of installing, maintaining, inspecting, operating, repairing and using the Electrical Facilities on, over and across the Permit Area. If the License Agreement is hereafter extended, renewed or replaced upon the expiration of the Term, then, at the option of the Sublicensee exercised by written notice to the Sublicensor, the Parties agree that this Agreement shall be extended, renewed or replaced on terms and conditions equivalent to those set forth in the extension, renewal or replacement of the License Agreement. Notwithstanding the foregoing and for purposes of clarity, Sublicensor shall maintain all rights under the Permit, if any, necessary for Sublicensor to provide municipal services other than providing electricity, including without limitation providing water and sewer services.

3. The Sublicensee, except as specifically permitted pursuant to paragraph 18 herein, shall not have any right to otherwise assign, sublet, grant a further sub-permit or sub-license of the Permit or any part thereof unto a third party. The Sublicensor agrees that it will not, without the prior written consent of the Sublicensee, which consent may be withheld in the Sublicensee's sole and absolute discretion, amend, release or terminate the License Agreement or the Permit.

4. Beginning on the Effective Date, Sublicensee assumes full responsibility for all future payments due to the District under the License Agreement, and, except as set forth below, for all responsibilities and indemnity obligations of Sublicensor under the License Agreement. Sublicensor shall remain responsible for its municipal facilities, including water and sewer facilities, installed on District property under the License, if any, and Sublicensor shall be responsible for indemnity obligations to the District under the License to the extent arising from

Sublicensor's ownership, use or operation of its municipal facilities on the Permit Area.. Without limiting the foregoing, from and after the Effective Date, the Sublicensee assumes full responsibility for the operation and maintenance of the Electrical Facilities and use of the Permit Area by Sublicensee for the Electrical Facilities. Sublicensee agrees to indemnify, defend and hold harmless Sublicensor and Sublicensor's elected and appointed officials, officers, directors, employees, and affiliates (collectively the "**Sublicensor's Related Parties**") against any and all claims, including costs and expenses, of any kind or nature, including, without limitation, costs of investigation, attorneys' fees, paralegal fees, experts' fees and costs through regulatory proceedings, trial and review or appeal, including but not limited to claims for personal injury, death of persons and property damage, or other liability to the extent arising from Sublicensee's use, improvement, operation, condition or maintenance of the Electrical Facilities or entry onto the Permit Area or other District property, provided however that this indemnity shall not apply to the negligence or willful misconduct of the Sublicensor and/or the Sublicensor's Related Parties as determined by a court of competent jurisdiction. Such right of indemnity and defense shall include the right to be paid by the Sublicensee reasonable expenses incurred in investigating or defending any such claim in advance of its final disposition within forty-five (45) days following Sublicensee's receipt of Sublicensor's invoice and supporting documentation.

In no event shall the Sublicensor or the District be liable for any damages done or caused by the Sublicensee to the public, to the Sublicensor or any other person, using the right-of-way or Permit Area under the Permit.

5. Notwithstanding any other provisions in this Agreement to the contrary, neither Party nor any of its elected officials, directors, officers, employees, lenders, shall be liable to the other Party for consequential, incidental, exemplary, punitive, anticipatory profits or indirect loss or damage of any nature, including, without limitation, loss of profit, loss of use, loss of operating time, loss of revenue, increased costs of producing revenues, cost of capital or loss of goodwill whether arising in tort, contract, warranty, strict liability, by operation of law or otherwise, even if by such Party's, its representatives', agents', contractors', subcontractors', invitees' or licensees' negligence or fault, in connection with this Agreement, except to the extent claimed by third parties. The Parties further agree that the waivers and disclaimers of liability, indemnities, releases from liability, sole remedy provisions and limitations on liability expressed in this Agreement shall survive termination or expiration of this Agreement and shall extend to the parent, affiliates, and subsidiaries of each Party and their respective, partners, directors, officers, and employees and elected officials.

6. The Sublicensee is cautioned that electrical, water, sewer, gas or other installations or utilities may be located within the Permit Area, and the Sublicensee shall use diligent efforts to first detect and locate all such installations and shall coordinate construction with all other lawful users of the right-of-way within the Permit Area. The Sublicensee shall be liable for all damages proximately resulting from its interference with or interruption of services provided by other lawful right-of-way users within the Permit Area. The Sublicensee acknowledges that the District has agreed in the License Agreement to ensure that this provision is included in all permits issued to water, sewer, gas or other installations or utilities that are or may be located within the Permit Area. The Parties covenant to one another, that their respective activities related to this

Agreement or the Permit will not interfere with the other's right or ability to provide electrical or municipal services, including without limitation providing water and sewer services.

7. Any construction on the Permit Area and cleanup shall be completed promptly by the Sublicensee and in a workmanlike manner with minimum disturbance to existing berm, channel slopes and grade, with proper restoration and planting of any disturbed areas to prevent erosion occurring within thirty (30) days after completion of the Sublicensee construction or installation of Electrical Facilities.

8. Electrical Facilities acquired by the Sublicensee from the Sublicensor pursuant to the Asset Purchase and Sale Agreement currently exist within the Permit Area. For all newly installed Electric Facilities, the Sublicensee shall at all times maintain cable markers above ground at 100 foot intervals to show the location of the electrical transmission cables. For all newly installed Electrical Facilities, the electrical transmission lines and utility poles shall be constructed and installed to permit the crossing of heavy equipment used by the District for the maintenance of its laterals, sublaterals and canals and for any similar heavy equipment used by land owners within the District. In any case i) where newly installed Electric Facilities, including electrical transmission lines, cross a pipe or culvert used for drainage or irrigation purposes, or ii) where a pipe or culvert is needed hereafter for drainage or irrigation of adjacent lands, and the pipe or culvert is deemed by the District to be in need of repair or replacement, then the Sublicensor will provide the Sublicensee with a copy of any written notice of such event received from the District, and the Sublicensee and the District will devise a mutually agreeable schedule for the implementation of such work. The Sublicensee agrees to make personnel and equipment available at the time of such repair or replacement work, at no cost to the District and Sublicensor, to insure that the transmission lines do not interfere with such activities. The Sublicensee acknowledges that the District has agreed that all District contractors and employees will attend a Sublicensee Safety Six presentation (which will be provided without cost to the District or its contractors or Sublicensor) prior to commencing any such work in the vicinity of the Electrical Facilities. The Sublicensee acknowledges that the District has the right to approve the location of each new electrical transmission line installed within the Permit Area, which approval will not be unreasonably withheld, conditioned or delayed, to ensure that such installation will not interfere with the District's functions and operations.

9. The Sublicensee shall provide advance notice to the District's office of any planned construction, or the anticipated completion date of all new construction.

10. The Sublicensee shall not discharge any pollutants or contaminants into waters or canals owned or maintained by, or subject to the jurisdiction of the District, nor shall the Sublicensee permit the Sublicensee's employees, contractors and agents to obstruct the flow of water within the District's canals. The Sublicensee shall indemnify, defend and save and hold harmless the District and the Sublicensor from any and all expense, loss, damage or claim of any kind or nature whatsoever and incurred by or against the District or the Sublicensor to the extent it is as a result of the Sublicensee, its employees, contractors or agents discharging pollutants or contaminants into the canals owned, operated or maintained by the District in violation of applicable environmental law, or obstructing the flow of waters in such canals. Such right of

indemnity and defense shall include the right to be paid by the Sublicensee reasonable expenses incurred in investigating any such claim in advance of its final disposition within forty-five (45) days following Sublicensee's receipt of an invoice and adequate supporting documentation. The Sublicensee shall cure, or commence to cure, any such discharge, release or obstruction by Sublicensee, its employees, contractors or agents within thirty (30) days following written notice of such default from the District or the Sublicensor to the Sublicensee.

11. The Sublicensee shall comply with all applicable requirements of the Department of Environmental Protection for the State of Florida, as such requirements relate to the Sublicensee's use of the Permit Area under this Agreement, and if, at any time, the Sublicensee shall fail to meet such requirements, the Sublicensee shall be in default under this Agreement if such failure continues beyond the applicable cure period available to the Sublicensee as set forth in paragraph 19(f) of the License Agreement.

12. The Sublicensee shall reimburse the District, within forty-five (45) days of the District's demand together with detailed, supporting documentation, for any reasonable fees for testing or other professional services, costs or expenses to the District associated with or arising from the Sublicensee's use of the Permit Area. The Sublicensee acknowledges that the Permit may be suspended by the District for so long as such costs or expenses remain unpaid beyond such forty-five (45) day period.

13. The Sublicensee shall pay to the District on behalf of the Sublicensor the amounts payable under paragraphs 12 of the License Agreement as and when due from the Sublicensor to the District under the License Agreement as consideration (except as otherwise provided in Section 16 of this Agreement) for the sub-permit and sub-license granted hereunder by the Sublicensor to the Sublicensee.

14. The Sublicensor and the Sublicensee shall be entitled to exercise any remedy available at law or in equity, including without limitation, a suit for specific performance of any obligations set forth in this Agreement or any appropriate injunctive or other equitable relief, or for damages resulting from a default or breach. Notwithstanding the foregoing or anything to the contrary contained in this Agreement or applicable law, in no event shall any default or breach of this Agreement, or any failure to perform any obligations under this Agreement, terminate, or entitle the Sublicensor or the Sublicensee to terminate, rescind or cancel this Agreement or the rights granted hereunder. Notwithstanding any provision of this Agreement or the License Agreement to the contrary, the Sublicensee shall have the right at all times during the Term to take any and all actions it deems necessary or appropriate to maintain the License Agreement in full force and effect, including, without limitation, the right to cure any and all breaches or defaults by the Sublicensor thereunder whether during or after any cure period granted to the Sublicensor pursuant to the License Agreement and with or without notice from the District of the occurrence of any such breach or default, and the Sublicensor shall reimburse the Sublicensee for the cost of the cure of any such breach or default caused by Sublicensor or any employee, agent or subcontractor thereof within thirty (30) days after demand therefor. In addition, if the District defaults in any of its obligations under the License Agreement or seeks to terminate or repudiate the License Agreement, the Sublicensor agrees that Sublicensee may, at its expense, pursue a

claim against the District in the name of the Sublicensor to enforce the rights of the Sublicensor under the License Agreement and Sublicensor agrees to cooperate with Sublicensee in pursuit of such claim.

15. This Agreement shall be considered to be an irrevocable sub-permit and sub-license only for the Term, for the limited purpose of installation, maintenance, inspection, operation, repair and use of the Electrical Facilities specified in the License Agreement, and does not convey any other right, title or interest of the District in the subject right-of-way property.

16. The Sublicensee assumes all risks of its use of the Permit Area under this Agreement, which use is at Sublicensee sole risk. Any loss or damage to Sublicensee's Electrical Facilities or bodily injury or death of Sublicensee's personnel while on the Permit Area, regardless of the cause of the same, is not District's responsibility and, as a condition of this Agreement, Sublicensee promises, covenants and agrees to release District from any such Sublicensee claims and indemnify District, to the extent provided and allowed by law, against any claims by Sublicensee's employees against District by reason of bodily injury, death or property damage suffered by such Sublicensee employees, including reasonable attorney's fees, fines and penalties. The Parties hereto further acknowledge and agree that this hold harmless, indemnification and release is further consideration for Sublicensee's use of the Permit Area under this Agreement.

17. In the event any of the Sublicensee's Electrical Facilities within the Permit Area are abandoned by the Sublicensee, the Sublicensee shall provide the District and the Sublicensor with written notice of such abandonment within ten (10) business days of such event, and the Sublicensee shall promptly cause all Electrical Facilities within the abandoned Permit Area to be removed within ninety (90) days from the Sublicensee's notice of abandonment, and this Agreement shall terminate as to the abandoned Permit Area.

18. Sublicensor acknowledges that this Agreement and FPL's interests hereunder shall be subject to the encumbrance of FPL's pre-existing mortgage with Deutsche Bank Trust Company Americas. Except for the rights granted to the Sublicensee pursuant to this Agreement, neither the Permit, nor any portion thereof, may be otherwise assigned, sublet, licensed or otherwise conveyed (collectively, a "**Conveyance**") by the Sublicensor and any Conveyance in contravention of this sentence by the Sublicensor shall be null and void and without force or effect. The Sublicensee shall not, without the consent of the District, enter into any Conveyance with respect to the Sublicensee's rights, title or interest in the Permit, nor any portion thereof, nor of or under this Agreement.

19. Sublicensor agrees to deliver to the District a fully executed counterpart of this Agreement within three (3) business days following the Effective Date.

20. If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (1) such portion or provision shall be deemed separate and independent, (2) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each

Party that were affected by such ruling, and (3) the remainder of this Agreement shall remain in full force and effect.

21. No waiver by any Party of any provision of this Agreement shall be deemed to be a waiver of any other provision hereof or of any subsequent breach by the other Party of the same or any other provision.

22. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

23. This Agreement shall bind the Parties, and their respective successors and permitted assigns.

24. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

25. In the event the Sublicensee or the Sublicensor defaults in the performance of any of the terms, covenants, conditions, agreements, or provisions contained in this Agreement and the Sublicensor or the Sublicensee employs attorneys and brings suit in connection with the enforcement of this Agreement or any provision hereof or the exercise of any of its remedies hereunder, then the prevailing Party in any suit so instituted shall be promptly reimbursed by the other Party for all reasonable attorneys' fees so incurred.

26. [Reserved]

27. Every notice, approval, consent or other communication required or permitted under this Agreement shall be in writing, shall be deemed to have been duly given on the date of receipt, and shall be deemed delivered if either served personally on the Party to whom notice is to be given, or mailed to the Party to whom notice is to be given, by overnight courier or by first class registered or certified mail (return receipt requested), postage prepaid, and addressed to the addressee at the address stated opposite its name below, or at the most recent address specified by written notice given to the other Party in the manner provided in this paragraph.

To the Sublicensor: City of Vero Beach
1053 20th Place
Vero Beach, FL 32960
Attention: City Manager

With a copy to: City of Vero Beach
1053 20th Place
Vero Beach, FL 32960
Attention: City Attorney

To the Sublicensee: Florida Power & Light Company
700 Universe Boulevard
Juno Beach, Florida 33408
Attention: Corporate Real Estate

With a copy to: Florida Power & Light Company
700 Universe Boulevard, LAW/JB
Juno Beach, Florida 33408
Attention: Law Department

28. This Agreement and the Asset Purchase and Sale Agreement contain the entire agreement between the Parties hereto as to the subject matter hereof and supersedes all previous negotiations leading hereto, and it may be modified only by an agreement in writing executed and delivered by the Sublicensor and the Sublicensee. Any formally executed addendum to or modification of this Agreement shall be expressly deemed incorporated by reference herein unless a contrary intention is clearly stated therein.

29. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF THE SUBLICENSOR AND THE SUBLICENSEE, THE SUBLICENSEE'S USE OR OCCUPANCY OF THE PERMIT AREA, OR ANY CLAIM FOR INJURY OR DAMAGE, SHALL BE IN THE COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. SERVICE OF PROCESS MAY BE MADE IN ANY MANNER RECOGNIZED BY SUCH COURT.

30. THE PARTIES HERETO SHALL, AND THEY HEREBY DO, IRREVOCABLY WAIVE TRIAL BY JURY IN ANY AND EVERY ACTION OR PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF THE SUBLICENSOR AND THE SUBLICENSEE, THE SUBLICENSEE'S USE OR OCCUPANCY OF THE PERMIT AREA, AND ANY CLAIM FOR INJURY OR DAMAGE.

31. In consideration of the grant to the Sublicensee of the rights under this Agreement, Sublicensee expressly waives and relinquishes the power of eminent domain or condemnation of the property as to which the Permit applies for the use for which the Permit is granted. This clause shall survive termination or expiration of the Permit for so long as Sublicensee has the rights under this Agreement.

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the date first set forth above.

Sublicensor:	**Sublicensee**:
CITY OF VERO BEACH, FLORIDA	FLORIDA POWER & LIGHT COMPANY, a Florida Corporation
By: _____ Name: Title: _____	By: _____ Name: _____ Title: _____
_____ Witness:	_____ Witness:
_____ Witness:	_____ Witness:

Sublicense Agreement by and between The City of Vero Beach, Florida and Florida Power
&
Light Company

Exhibit "A"

Description of Permit Area

Exhibit T

Grant Harbor Property Description

[*Exhibit begins on the following page.*]

480332

QUIT-CLAIM DEED FROM CORPORATION

RAMCO FORM 42

This Quit-Claim Deed, *Executed this* 17 *day of* October *, A. D. 19* 86*, by*

GRAND HARBOR, INC.,

a corporation existing under the laws of the State of Florida *, and having its principal place of business at* 660 Beachland Boulevard, Vero Beach, Florida 32963 *, first party, to*

THE CITY OF VERO BEACH, a municipal corporation of the State of Florida,

whose postoffice address is P.O. Box 1389, Vero Beach, Florida 32961-1389

second party:

(Wherever used herein the terms "first party" and "second party" shall include singular and plural, heirs, legal representatives, and assigns of individuals, and the successors and assigns of corporations, wherever the context so admits or requires.)

Witnesseth, *That the said first party, for and in consideration of the sum of $* 10.00 *in hand paid by the said second party, the receipt whereof is hereby acknowledged, does hereby remise, release and quit-claim unto the said second party forever, all the right, title, interest, claim and demand which the said first party has in and to the following described lot, piece or parcel of land, situate, lying and being in the County of* Indian River *State of* Florida *, to wit:*

SEE SKETCH AND DESCRIPTION ATTACHED HERETO AS EXHIBIT A.

The described property is subject to the following Mortgages:

SEE EXHIBIT B ATTACHED HERETO.

Title of the property shall revert to the Grantor should the Grantee utilize the property for any purpose other than use as a utility substation site.

DOC ST. - AMT. $ 50
FRED A. WRIGHT, Clerk of Circuit Court
Indian River County - by Agnes Karaney D.C.

To Have and to Hold *the same together with all and singular the appurtenances thereunto belonging or in anywise appertaining, and all the estate, right, title, interest, lien, equity and claim whatsoever of the said first party, either in law or equity, to the only proper use, benefit and behoof of the said second party forever.*

In Witness Whereof *the said first party has caused these presents to be executed in its name, and its corporate seal to be hereunto affixed, by its proper officers thereunto duly authorized, the day and year first above written.*

(CORPORATE SEAL)

ATTEST: ..... Secretary

GRAND HARBOR, INC.

By ..... RICHARD G. SCHAUB, Jr. President

Signed, sealed and delivered in the presence of:

.....

.....

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State and County aforesaid to take acknowledgements personally appeared

RICHARD G. SCHAUB, Jr.,

well known to me to be the President of the corporation named as first party in the foregoing deed and that they severally acknowledged executing the same in the presence of two subscribing witnesses freely and voluntarily under authority duly vested in them by said corporation and that the seal affixed thereto is the true corporate seal of said corporation.

WITNESS my hand and official seal in the County and State last aforesaid this 17 day of October A. D. 19 86.

(Notarial Seal)

Notary Public, State of Florida at Large

My Commission Expires:

NOTARY PUBLIC, STATE OF FLORIDA
MY COMMISSION EXPIRES APRIL 4, 1988

This instrument prepared by: STEVE L. HENDERSON, Esq.
Address P.O. Box 3406, Vero Beach, Florida 32964-3406

RETURN TO: CITY ATTORNEY

O.R. 0751 PG 1269

DESCRIPTION

1. Beginning on the center 1/4 section corner of Section 23, Township 32 South, Range 39 East and run S 00°01'26" W, 663.16 feet to the Northwest corner of the West 1/2 of the South 1/2 of the Northwest 1/4 of the Southeast 1/4 of Section 23, Township 32 South, Range 39 East, said point being the Northwest corner of that property deeded by Barnes to Barnes, et al, as recorded in Official Record Book 171 on page 660, public records of Indian River County, Florida;

2. thence, continue S 00°01'26" W, 663.16 feet on the West boundary of said Barnes property;

3. and S 89°50'15" E, 665.92 feet on the South boundary of said Barnes property to the Southeast corner thereof and the True Point of Beginning;

4. thence, N 00°01'16" E, 577.14 feet on the East boundary of the Barnes property to an intersection with the West right-of-way line of Indian River Boulevard (200 ft. right-of-way);

5. thence, on a nontangent curve, concave to the West, run Southeasterly 456.00 feet to a point of reverse curvature on a curve having a radius of 5,000 feet, the chord to said curve bears S 22°30'45" E, 455.83 feet;

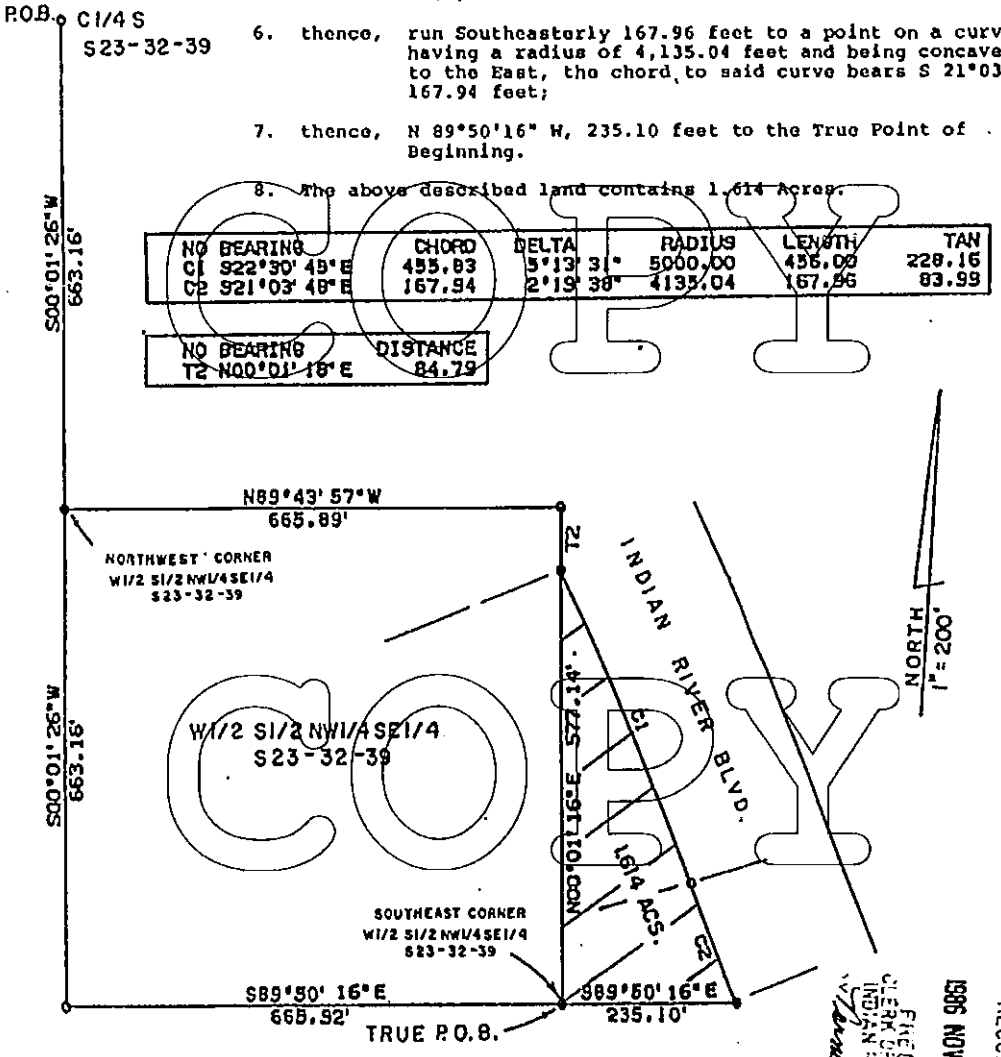
6. thence, run Southeasterly 167.96 feet to a point on a curve having a radius of 4,135.04 feet and being concave to the East, the chord to said curve bears S 21°03'48" E, 167.94 feet;

7. thence, N 89°50'16" W, 235.10 feet to the True Point of Beginning.

8. The above described land contains 1.614 Acres.

NO	BEARING	CHORD	DELTA	RADIUS	LENGTH	TAN
C1	S22°30'45"E	455.83	5°13'31"	5000.00	456.00	228.16
C2	S21°03'48"E	167.94	2°19'38"	4135.04	167.96	83.99

NO	BEARING	DISTANCE
T2	N00°01'16"E	84.79

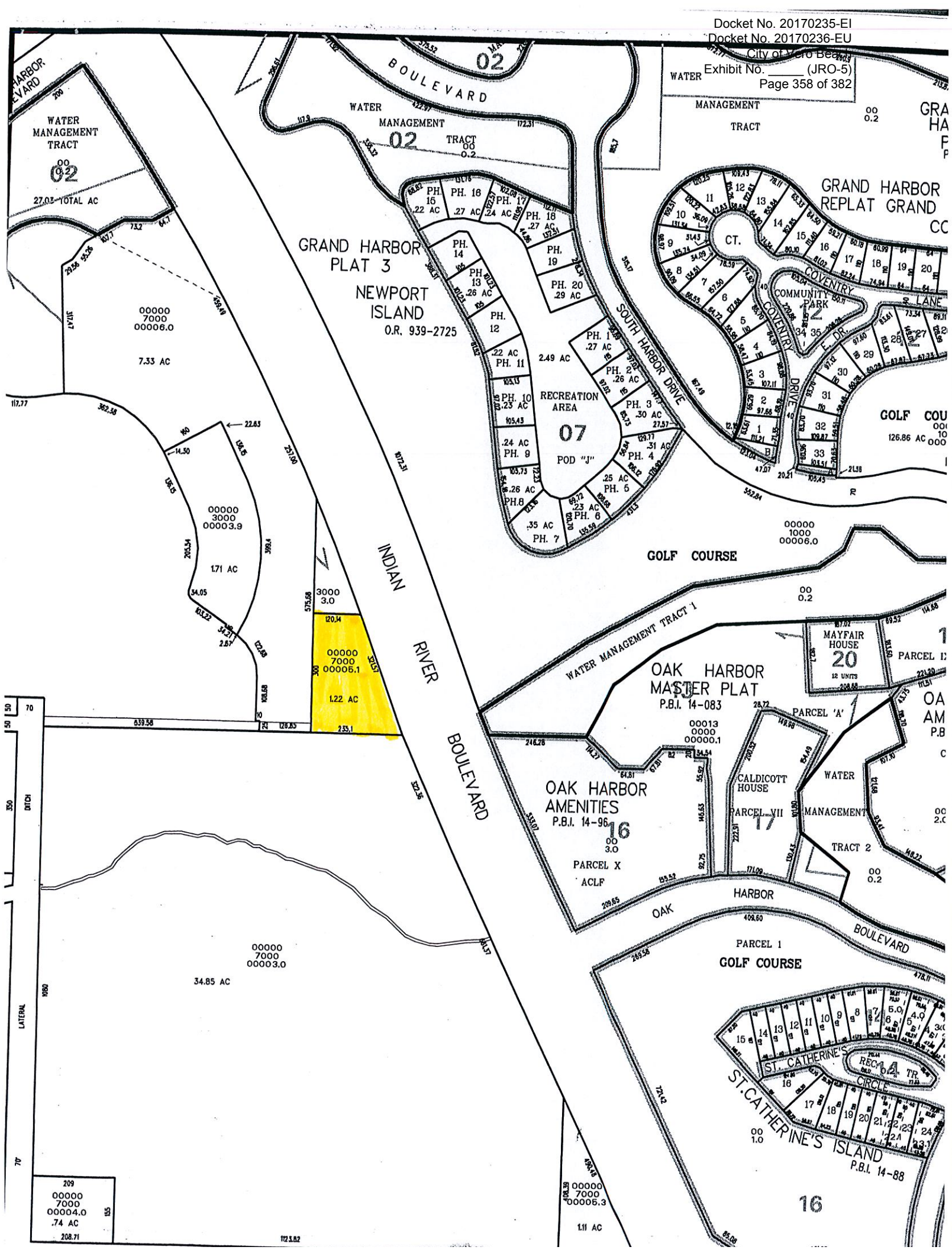


FILED FOR RECORD
BOOK AND PAGE ABOVE
RECORD VERIFIED
CLERK OF CIRCUIT COURT
INDIAN RIVER CO., FLA.
1986 NOV 12 AM 11: 25
O.R. 0751 PG 1220

LLOYD & ASSOCIATES, INC.
CONSULTING ENGINEERS, SURVEYORS, PLANNERS
1038 20TH STREET
VERO BEACH, FLORIDA 32960
(305) 569-6116

PART "B"

PROPERTY DESCRIPTION AND SKETCH


WATER MANAGEMENT TRACT
02
27.03 TOTAL AC
BOULEVARD
WATER MANAGEMENT TRACT
02
00 0.2
GRAND HARBOR PLAT 3
NEWPORT ISLAND
O.R. 939-2725
PH. 15 .22 AC
PH. 16 .27 AC
PH. 17 .24 AC
PH. 18 .27 AC
PH. 14
PH 13 .26 AC
PH. 12 .22 AC
PH. 11
PH. 10 .23 AC
PH. 9 .24 AC
PH.8 .26 AC
PH. 7 .35 AC
PH. 19
PH. 20 .29 AC
PH. 1 .27 AC
PH. 2 .26 AC
PH. 3 .30 AC
PH. 4 .31 AC
PH. 5 .25 AC
PH. 6 .23 AC
2.49 AC
RECREATION AREA
07
POD "J"
SOUTH HARBOR DRIVE
GRAND HARBOR REPLAT GRAND CC
CT.
COVENTRY
COMMUNITY PARK
12
COVENTRY DRIVE
E. DR.
LANE
GOLF COU
126.86 AC
00000 7000 00006.0
7.33 AC
00000 3000 00003.9
1.71 AC
3000 3.0
00000 7000 00006.1
1.22 AC
INDIAN RIVER BOULEVARD
GOLF COURSE
00000 1000 00006.0
WATER MANAGEMENT TRACT 1
00 0.2
MAYFAIR HOUSE
20
12 UNITS
PARCEL I
OAK HARBOR MASTER PLAT
P.B.I. 14-083
00013 0000 00000.1
PARCEL 'A'
OAK HARBOR AMENITIES
P.B.I. 14-96
16
00 3.0
PARCEL X
ACLF
CALDICOTT HOUSE
PARCEL VII
17
WATER MANAGEMENT TRACT 2
00 0.2
OAK HARBOR BOULEVARD
PARCEL 1
GOLF COURSE
ST. CATHERINE'S CIRCLE
REC 0.2 TR.
14
ST. CATHERINE'S ISLAND
P.B.I. 14-88
00 1.0
16
00000 7000 00003.0
34.85 AC
DITCH
LATERAL
209 00000 7000 00004.0 .74 AC
00000 7000 00006.3
1.11 AC

Docket No. 20170235-EI
Docket No. 20170236-EU
City of Vero Beach
Exhibit No. _____ (JRO-5)
Page 359 of 382

Indian River County GIS

ParcelID	OwnerName	PropertyAddress
32392300000700000005.1	CITY OF VERO BEACH	INDIAN RIVER BLVD VERO BEACH, FL 32967

Notes

498895

1300
50

This Quit-Claim Deed, Executed this 19th day of March, 1987, by THE CITY OF VERO BEACH, FLORIDA, a municipal corporation existing under the laws of the state of Florida, having its principal place of business in the county of Indian River and state of Florida, and lawfully authorized to transact business in the state of Florida, Grantor* to GRAND HARBOR, INC., a corporation of the State of Florida existing under the laws of the State of Florida, 660 Beachland Blvd., Vero Beach, Florida 32963
Grantee

Witnesseth: That the said Grantor, for and in consideration of the sum of $ 10.00 (Ten Dollars) and no/100---------- in hand paid by the said Grantee, the receipt whereof is hereby acknowledged, does hereby remise, release and quit-claim unto the said Grantee forever, all the right, title, interest, claim and demand which the said Grantor has in and to the following described lot, piece or parcel of land, situate, lying and being in the County of Indian River, State of Florida, to-wit:

The land described in the description and sketch attached hereto as Exhibit "A" LESS the land described in the description and sketch attached hereto as Exhibit "B".

1987 MAR 19 PM 2:15

DOC. ST. - PAT. $ .50
Jeffrey R. Smith, Clerk of Circuit Court
Indian River County - by Brenda K. Warnock D.C.

Return To: City Attorney

To Have and to Hold the same together with all and singular the appurtenances thereunto belonging or in anywise appertaining, and all the estate, right, title, interest, lien, equity and claim whatsoever of the said Grantor, either in law or equity, to the only proper use, benefit and behoof of the said Grantee forever.

*"Grantor" and "Grantee" are used for singular or plural, as context requires.

In Witness Whereof, Grantor hereunto set Grantor's hand and seal the day and year first above written.

Attest: Phyllis A. Neuberger
CITY CLERK

By William H. Cochrane
MAYOR

Signed, sealed and delivered in presence of:

Jammy K. Yoch

(Corporate Seal)

CITY OF VERO BEACH FLORIDA SEAL

STATE OF FLORIDA
COUNTY OF INDIAN RIVER

I Hereby Certify, that on this 19th day of March 19 87, before me personally appeared William H. Cochrane and Phyllis A. Neuberger Mayor and City Clerk respectively of THE CITY OF VERO BEACH, a municipal corporation under the laws of the State of Florida, to me known to be the persons who signed the foregoing instrument as such officers and severally acknowledged the execution thereof to be their free act and deed as such officers for the uses and purposes therein mentioned and that they affixed thereto the official seal of said corporation, and that the said instrument is the act and deed of said corporation.

WITNESS my hand and official seal at Vero Beach in the County of Indian River and State of Florida, the day and year last aforesaid.

IRENE B. MOORE NOTARY PUBLIC STATE OF FLORIDA

Notary Public
My commission expires:

Notary Public, State of Florida at Large
My Commission Expires Sept. 21, 1988

This instrument prepared by:
Terrence P. O'Brien, Esq.
P.O. Box 1389
Vero Beach, Fl. 32961-1389

O.R. 0763 PG 0877

EXHIBIT "A"

DESCRIPTION

1. Beginning on the center 1/4 section corner of Section 23, Township 32 South, Range 39 East and run S 00°01'26" W, 663.16 feet to the Northwest corner of the West 1/2 of the South 1/2 of the Northwest 1/4 of the Southeast 1/4 of Section 23, Township 32 South, Range 39 East, said point being the Northwest corner of that property deeded by Barnes to Barnes, et al, as recorded in Official Record Book 171 on page 660, public records of Indian River County, Florida;

2. thence, continue S 00°01'26" W, 663.16 feet on the West boundary of said Barnes property;

3. and S 89°50'15" E, 665.92 feet on the South boundary of said Barnes property to the Southeast corner thereof and the True Point of Beginning;

4. thence, N 00°01'16" E, 577.14 feet on the East boundary of the Barnes property to an intersection with the West right-of-way line of Indian River Boulevard (200 ft. right-of-way);

5. thence, on a nontangent curve, concave to the West, run Southeasterly 456.00 feet to a point of reverse curvature on a curve having a radius of 5,000 feet, the chord to said curve bears S 22°30'45" E, 455.83 feet;

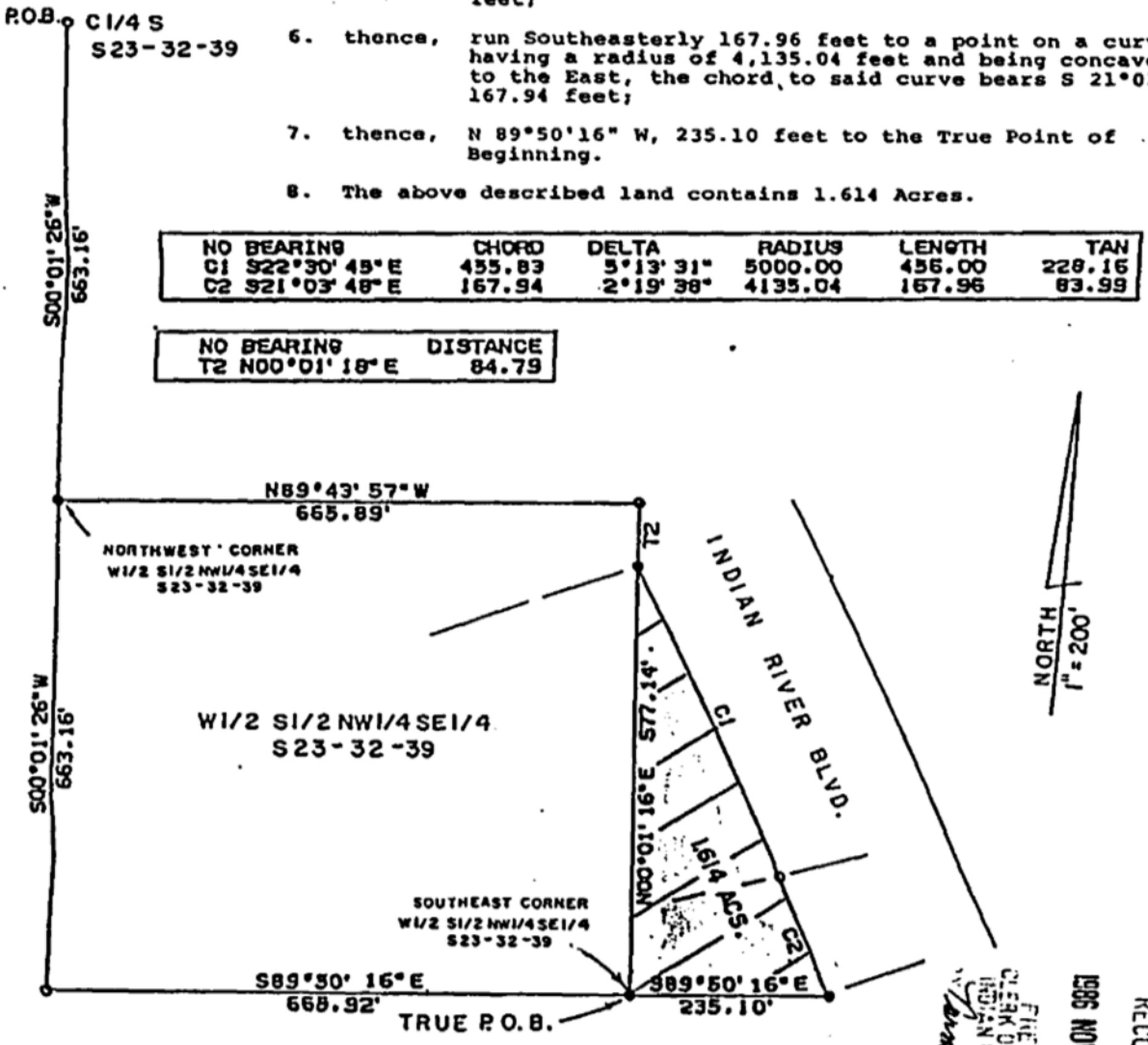
6. thence, run Southeasterly 167.96 feet to a point on a curve having a radius of 4,135.04 feet and being concave to the East, the chord to said curve bears S 21°03'48" E, 167.94 feet;

7. thence, N 89°50'16" W, 235.10 feet to the True Point of Beginning.

8. The above described land contains 1.614 Acres.

NO	BEARING	CHORD	DELTA	RADIUS	LENGTH	TAN
C1	S22°30'45"E	455.83	5°13'31"	5000.00	456.00	228.16
C2	S21°03'48"E	167.94	2°19'38"	4135.04	167.96	83.99

NO	BEARING	DISTANCE
T2	N00°01'16"E	84.79



ASSOCIATES, INC.

PART "B"

PROPERTY DESCRIPTION AND SKETCH

FILED FOR RECORD
BOOK AND PAGE ABOVE
RECORD VERIFIED

1986 NOV 12 AM 11:25

FILED FOR RECORD
CLERK OF CIRCUIT COURT
INDIAN RIVER CO., FLA.

O.R. 0751 PG 1270

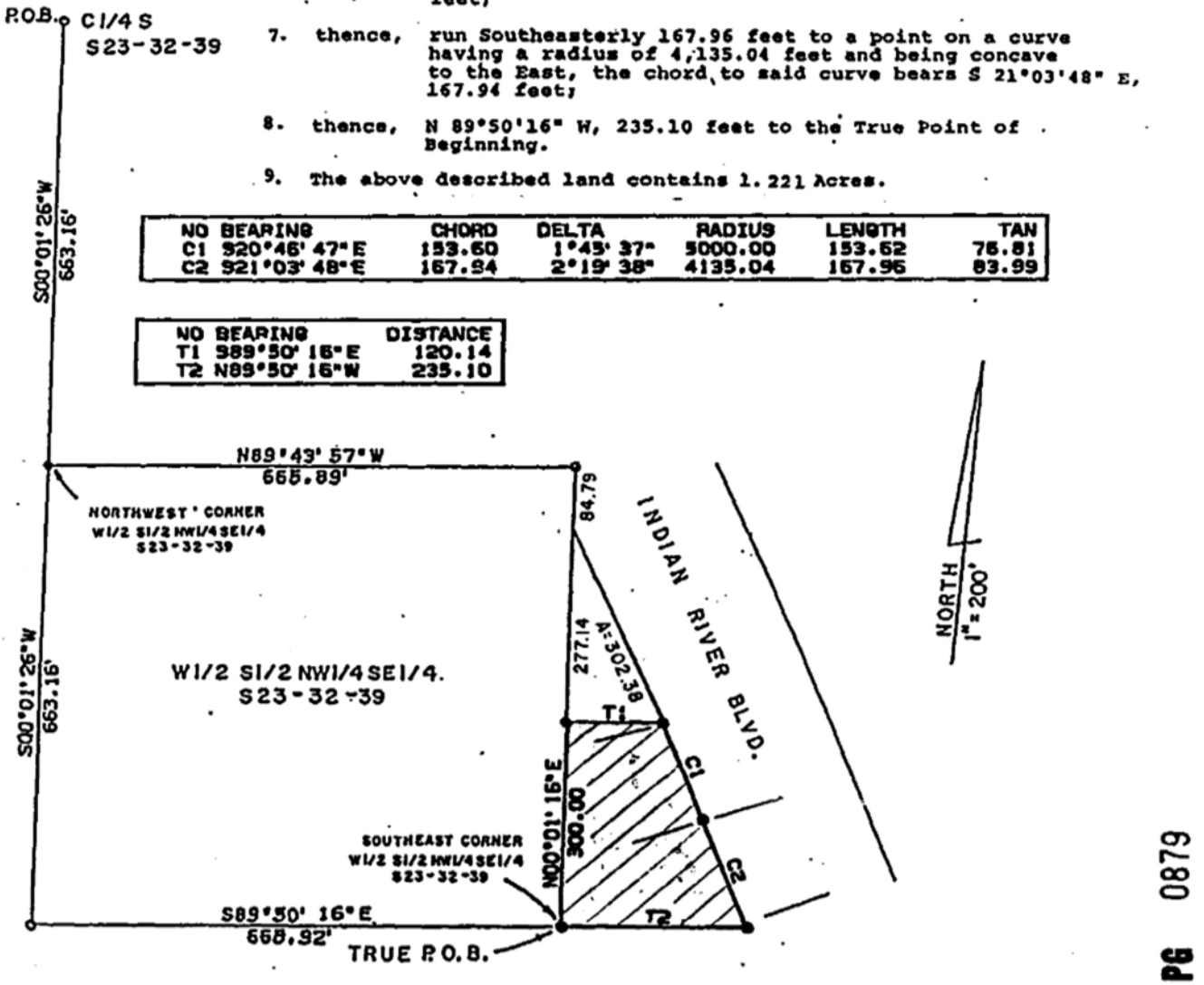
O.R. 0763 PG 0878

DESCRIPTION

1. Beginning on the center 1/4 section corner of Section 23, Township 32 South, Range 39 East and run S 00°01'26" W, 663.16 feet to the Northwest corner of the West 1/2 of the South 1/2 of the Northwest 1/4 of the Southeast 1/4 of Section 23, Township 32 South, Range 39 East, said point being the Northwest corner of that property deeded by Barnes to Barnes, et al, as recorded in Official Record Book 171 on page 660, public records of Indian River County, Florida;
2. thence, continue S 00°01'26" W, 663.16 feet on the West boundary of said Barnes property;
3. and S 89°50'16" E, 665.92 feet on the South boundary of said Barnes property to the Southeast corner thereof and the True Point of Beginning;
4. thence, N 00°01'16" E, 300.00 feet on the East boundary of the Barnes property;
5. thence, S 89°50'16" E, 120.14 feet to an intersection with the West right-of-way line of Indian River Boulevard (200 ft. right-of-way);
6. thence, on a nontangent curve, concave to the West, run Southeasterly 153.62 feet to a point of reverse curvature on a curve having a radius of 5,000 feet, the chord to said curve bears S 20°46'47" E, 153.60 feet;
7. thence, run Southeasterly 167.96 feet to a point on a curve having a radius of 4,135.04 feet and being concave to the East, the chord to said curve bears S 21°03'48" E, 167.94 feet;
8. thence, N 89°50'16" W, 235.10 feet to the True Point of Beginning.
9. The above described land contains 1.221 Acres.

NO	BEARING	CHORD	DELTA	RADIUS	LENGTH	TAN
C1	S20°46'47"E	153.60	1°45'37"	5000.00	153.62	76.81
C2	S21°03'48"E	167.94	2°19'38"	4135.04	167.96	83.99

NO	BEARING	DISTANCE
T1	S89°50'16"E	120.14
T2	N89°50'16"W	235.10



LLOYD & ASSOCIATES, INC.
SURVEYING ENGINEERS, CONSULTANTS, PLANNERS
1000 20TH STREET
VERO BEACH, FLORIDA 32960
(561) 562-1110

O.R. 0763 PG 0879

PROPERTY DESCRIPTION AND SKETCH

Exhibit V

Form of Grounding License Agreement

[*Exhibit begins on the following page.*]

GROUNDING LICENSE AGREEMENT

THIS GROUNDING LICENSE AGREEMENT (the "**Agreement**"), made and entered into as of [_____ __], 201[__] (the "**Effective Date**"), is between THE CITY OF VERO BEACH, FLORIDA, a Florida municipal corporation (the "**City**"), the SCHOOL BOARD OF INDIAN RIVER COUNTY, FLORIDA (the "**School District**"), and INDIAN RIVER COUNTY, a political subdivision of the State of Florida (the "**County**") (the City, School District and the County herein collectively called "**Licensor**"), with an address of 1053 20th Place, Vero Beach, FL 32960, and FLORIDA POWER & LIGHT COMPANY, a Florida corporation (herein called "**Licensee**"), with an address of 700 Universe Boulevard, Juno Beach, FL 33408. Licensor and Licensee are sometimes together referred to herein as the "**Parties**" and individually as a "**Party.**"

RECITALS

A. As of the Effective Date, City has sold, assigned and conveyed certain electric utility assets of City to Licensee, and Licensee has commenced providing retail electric service to the City of Vero Beach's electric utility customers as contemplated under that certain Asset Purchase and Sale Agreement, dated [_____], 201[__], by and between City and Licensee (the "**Asset Purchase and Sale Agreement**"). As used in this Agreement, the "**Vero Beach Electric Utility**" means the electric utility system of electricity transmission and distribution owned or operated by Licensee providing retail electric service to the City of Vero Beach's electric utility customers on and after the Effective Date.

B. In order to provide retail electric services to the electric utility customers as contemplated by the Asset Purchase and Sale Agreement, Licensee desires to license from Licensor, and Licensor desires to license to Licensee, the cable casing and other parts of the Fiber Optic System, as described in the Asset Purchase and Sale Agreement (the "**Fiber Optic System**"), that are owned by Licensor and used as the grounding for any part of the Acquired Assets, as defined in the Asset Purchase and Sale Agreement (collectively, the "**Grounding Equipment**"). The Grounding Equipment shall be used by Licensee only for grounding its electric facilities used in the Vero Beach Electric Utility.

C. Licensors are parties to the Revised and Restated Joint Fiber Optics Project Interlocal Agreement, made as of May 19, 2015, and recorded in Official Records Book 290, Page 1151 of the Public Records of Indian River County, Florida, as such agreement may be amended or superseded from time to time (the "**Interlocal Agreement**").

D. As described in the Interlocal Agreement, the Fiber Optic System is owned by Licensors, and the Interlocal Agreement governs the use and operation of the Fiber Optic System.

E. Section 14 of the Interlocal Agreement authorizes the license of the Grounding Equipment to be used for electric utility system grounding.

F. Licensee has requested that Licensor permit the continued use of the Grounding Equipment as the Grounding Equipment has been used by the City in its past operation of the Vero

Beach Electric Utility and Licensor is willing to permit such use of the Grounding Equipment in accordance with the terms and conditions of this Agreement.

G. The License (as hereinafter defined) granted by this Agreement is non-exclusive to Licensor's retained right to use the Fiber Optic System for any and all purposes.

H. Because the Fiber Optic System may be changed or relocated as determined by Licensor, the Grounding Equipment may change over time and no right to any particular portion of the Fiber Optic System is granted by this Agreement or any rights to any particular portion of real property where the Fiber Optic System may now or hereafter exist. Instead, the rights granted to Licensee pursuant to this Agreement are limited to the right to use the Grounding Equipment, as needed, and as the Grounding Equipment may exist from time to time, for grounding its electric facilities used in the Vero Beach Electric Utility.

I. It is intended that the Fee (as hereinafter defined) provided for in this Agreement shall be absolutely net to Licensor throughout the Term (as hereinafter defined), free of any taxes, costs, utilities, insurance expenses, liabilities, charges or other deductions whatsoever with respect to the Grounding Equipment and the operation, maintenance, repair, rebuilding, use or occupation thereof all of which shall be Licensee's sole responsibility during the entire Term.

NOW THEREFORE, in consideration of and subject to the terms, covenants, agreements, provision and limitations set forth in this Agreement and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, Licensor and Licensee agree as follows:

1. Recitals. The above-stated recitals are true and correct and are incorporated herein by this reference.

2. License of Grounding Equipment. Licensor hereby Licenses to Licensee the right to use the Grounding Equipment as described in this Agreement solely for grounding its electric facilities used in the Vero Beach Electric Utility (the "**License**"). The License is non-exclusive to Licensor's right to use the Grounding Equipment for any purpose. The License is made subject to any and all matters of record, any and all matters that would be disclosed by an accurate inspection, the rights of any owner of real property where any of the Grounding Equipment is located and the conditions or limitations of any real property rights associated with the locations where any of such Grounding Equipment may exist from time to time.

3. Access to Grounding Equipment. Licensor grants and conveys to Licensee, for the duration of the Term, the right to access the Grounding Equipment over and across property owned by any of the Licensors for maintenance, replacement and repair of the Grounding Equipment at reasonable times. In the event of entry onto property owned by any Licensor for access to the Grounding Equipment for repair or otherwise, in the event of any alteration of such property of Licensor, Licensee shall restore such property to its condition prior to such entry. In no circumstances will any work on the Grounding Equipment by Licensor cause any interruption in the communication through the Fiber Optic System.

4. No Expense to Licensor. During the entire Term, Licensor shall have absolutely no cost, obligation, responsibility or liability whatsoever relating to the Grounding Equipment, and no

obligation to Licensee to repair or maintain the Fiber Optic System. Without limiting the generality of the foregoing, Licensor shall have no obligations to Licensee for repairing or maintaining any portion of the Grounding Equipment or any systems with respect thereto. All sums due to Licensor shall be paid by Licensee to Licensor without notice, demand, counterclaim, setoff, deduction or defense and without abatement, suspension, deferment, diminution or reduction whatsoever and Licensee shall pay any and all applicable sales and use tax, local surtaxes, any and any ad valorem taxes on the Grounding Equipment, or arising due to the License on the real property where the Grounding Equipment may exist from time to time, and any documentary stamp tax or other taxes on any fees payable to Licensor hereunder or the grant of rights described in this Agreement.

5. Use. Use of the Grounding Equipment is not exclusive to Licensee, but Licensee may use the Grounding Equipment for grounding the electric facilities of the Vero Beach Electric Utility and for no other purpose whatsoever. Licensee shall not use the Grounding Equipment in such a manner as to materially interfere with the operation, maintenance, repair or replacement of the Fiber Optic System. Licensee covenants that it shall comply with the provisions of all recorded covenants, conditions and restrictions, if any, and all building, zoning, fire and other governmental laws, ordinances, regulations and rules applicable to the Grounding Equipment and the real property where the Grounding Equipment may exist.

6. Term. This Agreement shall commence on the Effective Date of this Agreement and shall continue for an initial term of five (5) years, unless earlier terminated as provided in this Agreement. Unless earlier terminated as provided in this Agreement, Licensee, at its sole option, may extend this Agreement, after the initial term, for up to five (5) successive five-year terms by providing notice to Licensor not less than eighteen (18) months prior to expiration of the initial term or any extension term, as the case may be. The initial term of five (5) years, together with any extensions as provided herein, may be referred to this this Agreement and the "**Term**."

7. Termination Upon Abandonment or Termination of the Franchise Ordinance. The Parties acknowledge that technology may change the methods for the delivery of electric power in the future. Accordingly, if Licensee abandons the Grounding Equipment or ceases to use the Grounding Equipment in the Vero Beach Electric Utility, and such abandonment or cessation of use continues for a period of not less than two (2) consecutive years, then this Agreement and the License shall be deemed terminated. In addition, if the Franchise Ordinance between the City and Licensee described in the Asset Purchase and Sale Agreement (such Franchise Ordinance, together with any replacements, extensions or modifications thereof is described in this Agreement collectively as the "**Franchise Ordinance**") terminates or is not renewed for any reason then this Agreement shall terminate automatically contemporaneously with the termination of the Franchise Ordinance.

8. Fees. The fee (the **"Fee"**) to be paid under this Agreement shall be paid in a single installment in the sum of Ten and 00/100 Dollars ($10.00), plus any and all applicable sales and use tax, local surtaxes, and any documentary stamp tax or other taxes on the Fee, or rights granted to Licensee by this Agreement, and shall be paid to Licensor upon execution of this Agreement.

9. Representations and Warranties.

(a) Licensor represents and warrants to Licensee as follows:

(i) Licensor has full power and authority to enter into this Agreement.

(ii) The persons executing and delivering this Agreement on Licensors' behalf are acting pursuant to proper authorization and this Agreement is the valid, binding and enforceable obligation of Licensor enforceable against Licensor in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

(b) Licensee represents and warrants to Licensor as follows:

(i) Licensee is a corporation duly incorporated, validly existing and having active status under the laws of the State of Florida, with the necessary corporate power and authority to enter into this Agreement.

(ii) The person executing and delivering this Agreement on Licensee's behalf is acting pursuant to proper authorization, and this Agreement is the valid, binding and enforceable obligation of Licensee enforceable against Licensee in accordance with its terms, except as enforceability may be limited by bankruptcy, insolvency, reorganization, moratorium or other similar laws now or hereinafter in effect relating to creditors' rights generally, and general equitable principles (whether considered in a proceeding in equity or at law).

10. Acceptance of Condition of Grounding Equipment, Assumption of Risk; and Indemnification. Licensee agrees as follows:

(a) Except as specifically provided in this Agreement, Licensee acknowledges and agrees that Licensor has not made, does not make and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, past, present or future of, as to, concerning or with respect to the Grounding Equipment and that the rights granted with respect to the Grounding Equipment provided for in this Agreement are made on an "as is" condition and basis and with all faults. Without in any way limiting the generality of the foregoing, the grant of rights contemplated hereby is without any warranty other than Licensor's express representations and warranties in this Agreement; and Licensor and Licensor's elected and appointed officials, officers, directors, employees, and affiliates (collectively the "**Licensor's Related Parties**") have made no, and expressly and specifically disclaim, and Licensee accepts that Licensor and the Licensor's Related Parties have disclaimed, any and all representations, guaranties or warranties, express or implied, or arising by operation of law (except for the representations and warranties, if any, expressly made by Licensor in this Agreement), of or relating to: (i) the use, expenses, operation, characteristics or condition of the Grounding Equipment, or any portion thereof,

including, without limitation, warranties of suitability, habitability, merchantability, design or fitness for any specific or particular purpose, or good and workmanlike construction; (ii) the environmental condition of the Grounding Equipment or the real property where the Grounding Equipment may exist, or the compliance of any portion of the Grounding Equipment with any or all Environmental Laws; or (iii) the soil conditions, drainage, flooding characteristics, accessibility or other conditions existing in, on or under any portion of the real property where the Grounding Equipment may exist. Licensee acknowledges and agrees that it is not relying on any representations or statements (oral or written) which may have been made or may be made by Licensor or any of the Licensor's Related Parties (except for Licensor's representations and warranties expressly set forth in this Agreement), and is relying solely upon Licensee's or Licensee's representatives' own physical inspections and other investigations by Licensee or Licensee's representatives of or related to the Grounding Equipment. Licensee acknowledges that any condition of the Grounding Equipment, whether apparent or latent, which Licensee discovers or desires to correct or improve on or after the Effective Date shall be subject to Licensor's review and approval rights, as set forth in this Agreement, and shall be at Licensee's sole expense.

(b) Licensee recognizes and hereby expressly and fully assumes all risks, known and unknown, that arise or might arise incidental to or in any way connected with the condition or use of the Grounding Equipment or access to the Grounding Equipment. This assumption of risk by Licensee is made for and on behalf of Licensee and Licensee's successors, and permitted assigns.

(c) Licensee agrees to indemnify, defend and hold harmless Licensor and Licensor's Related Parties against any and all claims, including costs and expenses, of any kind or nature, including, without limitation, costs of investigation, attorneys' fees, paralegal fees, experts' fees and costs through regulatory proceedings, trial and review or appeal, including but not limited to claims for personal injury, death of persons and property damage, or other liability to the extent arising from Licensee's use, improvement, operation, condition or maintenance of the Grounding Equipment, provided however that this indemnity shall not apply to the negligence or willful misconduct of the Licensor and/or the Licensor's Related Parties as determined by a court of competent jurisdiction.

(d) Licensee's obligations under this Section 12 shall survive the termination of this Agreement.

11. Construction, Mechanics and Materialmen's Liens; Notice of Work. Licensee will make no alteration, change, improvement or addition to the Grounding Equipment without the prior written consent of Licensor which will not be unreasonably withheld, conditioned or delayed. Licensee will be responsible for payment of any and all work performed on Licensee's behalf on the Grounding Equipment. In no event will Licensor be responsible for payment of any work relating to the Grounding Equipment, or any interest therein, be subject to any lien for payment of any construction or similar work performed by or for Licensee on or for the Grounding Equipment. Further, Licensee shall promptly notify the contractor performing any such work or alterations on the Grounding Equipment at Licensee's request or making such improvements to the Grounding Equipment at Licensee's request of this provision exculpating Licensor of responsibility for payment and liens. Notwithstanding the foregoing, if any mechanic's lien or other lien, attachment, judgment, execution, writ, charge or encumbrance is filed or recorded against any property of Licensor as a result of any work performed relating to the Grounding Equipment by or

for Licensee or for materials delivered to any property of any Licensor at Licensee's direction, Licensee shall, within sixty (60) days following written notice of any such lien, cause same to be paid, discharged or otherwise removed of record. In the event that Licensee fails to remove any such mechanics or materialmen's lien relating to Licensee's work relating to the Grounding Equipment, the Licensor may cause such lien to be removed and Licensee shall reimburse Licensor for all reasonable costs and expenses, including attorney's or paralegal fees incurred by Licensor within forty-five (45) days following receipt of Licensor's written invoice and supporting documentation.

12. Insurance. Licensor understands that Licensee self-insures, and that prior to accessing or using the Grounding Equipment, Licensee will provide each Licensor with a letter of such self-insurance. In the event that Licensee ceases to self-insure, then, during the Term of this Agreement, and thereafter so long as Licensee operates, uses or maintains any portion of the Grounding Equipment:

(a) Licensee shall procure and maintain, at Licensee's sole cost and expense, commercial general liability insurance providing coverage which protects Licensee and Licensor and the Licensor's Related Parties from and against any and all claims and liabilities for bodily injury, death and property damage arising from operations, Grounding Equipment liability, and fire with respect to the Grounding Equipment. Such insurance shall provide minimum coverage of $1,000,000.00 per occurrence and $2,000,000.00 aggregate. Licensee shall be and remain liable for and pay all deductibles and other amounts not covered, paid or reimbursed under the insurance policies.

(b) Licensee shall procure and maintain, at Licensee's sole cost and expense, workers' compensation insurance, as required by applicable law, and employers' liability insurance, with coverage amounts with a limit of (i) One Million Dollars ($1,000,000) for bodily injury per accident, (ii) One Million Dollars ($1,000,000) for bodily injury by disease per policy and (iii) One Million Dollars ($1,000,000) for bodily injury by disease per employee.

(c) Licensee shall procure and maintain, at Licensee's sole cost and expense, insurance with respect to the Grounding Equipment against loss or damage by perils customarily included under standard "all risk" (including windstorm) policies, in an amount equal to one hundred percent (100%) of the then full replacement value (without deducting depreciation) of such buildings, improvements, equipment and machinery, including the cost of removal of debris and Licensor shall be named as additional insured. Licensee has the right to self-insure this exposure.

(d) The certificate of insurance required herein for commercial general liability insurance, including, without limitation, all renewals, shall include a blanket additional insured endorsement and provide for at least thirty (30) days advance notice to Licensor of any non-renewal or cancellation. Licensee shall provide Licensor with a copy of certificates of insurance stating that the coverage as required herein is in full force and effect no later than the Effective Date. Licensee shall cause certificates of insurance or a self-insured letter in conformance with the requirements hereof to be promptly provided to Licensor for each subsequent policy renewal.

(e) Licensee's insurance in all instances shall be primary and any insurance that may be maintained by Licensor shall be in excess of and shall not contribute with Licensee's insurance. All insurance policies shall be issued by a company or companies licensed to do business in the State of Florida.

(f) Licensor shall have the right to periodically review the adequacy of the required insurance, its forms and types, the amounts of coverage and, notwithstanding any other provision of this Agreement, unilaterally modify the insurance requirements of this Section 12 by giving notice of such modification to Licensee. Such modification shall be as found reasonably necessary in the sole discretion of Licensor. Factors which may be considered by Licensor include, without limitation, changes in generally accepted insurance industry standards and practices, changes in use of the Grounding Equipment, changes in risk exposure, measurable changes in local and national economic indicators and changes in Licensor's policies and procedures.

(g) Licensee understands and acknowledges that the responsibility and obligation to provide and maintain insurance in the forms, types and coverages required herein are solely Licensee's responsibilities and obligations which continue for the entire Term of this Agreement, and until such time as Licensee no longer operates or enters the Grounding Equipment, whichever date is later.

(h) In the event that Licensee fails for any reason to procure or maintain insurance in the forms, types or coverages required and to name Licensor as an additional insured on the certificates of insurance, Licensee shall cure such material breach within fifteen (15) calendar days after Licensee is given notice of such breach. Should Licensee fail to cure the breach within such period or such other time as may be agreed to by the Parties in writing, Licensor in Licensor's sole discretion may, but is not obligated to, secure replacement insurance coverage at Licensee's sole expense. Should Licensor elect to secure replacement insurance, Licensee shall thereafter reimburse Licensor within fifteen (15) calendar days of Licensor's providing to Licensee an invoice for the costs and premiums incurred by Licensor for the replacement insurance coverage, plus an administrative charge of ten percent (10%) or $250.00, whichever is greater. Licensee shall continue to be responsible for the payment of all deductibles applicable to the insurance policies and all losses incurred with respect to any lapse in coverage. Should Licensee subsequently obtain the required insurance, Licensee shall remain responsible for and reimburse Licensor for all costs and expenses to Licensor for the insurance premiums incurred by Licensor and the administrative charges set forth in this Section 12(h).

(i) Licensee's obligations under this Section 12 shall survive the termination or expiration of this Agreement.

13. No Consequential Damages. Notwithstanding any other provisions in this Agreement to the contrary, neither Licensor (and none of Licensor's elected officials, directors, officers, employees, or lenders) nor Licensee (and none of Licensee's elected officials, directors, officers, employees, or lenders) shall be liable to the other Party for consequential, incidental, exemplary, punitive, anticipatory profits or indirect loss or damage of any nature, including, without limitation, loss of profit, loss of use, loss of operating time, loss of revenue, increased costs of producing revenues, cost of capital or loss of goodwill whether arising in tort, contract, warranty,

strict liability, by operation of law or otherwise, even if by such Party's, its representatives', agents', contractors', subcontractors', invitees' or licensees' negligence or fault, in connection with this Agreement, except to the extent claimed by third parties. The Parties further agree that the waivers and disclaimers of liability, indemnities, releases from liability, sole remedy provisions and limitations on liability expressed in this Agreement shall survive termination or expiration of this Agreement and shall extend to the parent, affiliates, and subsidiaries of each Party and their respective, partners, directors, officers, and employees and elected officials.

14. Removal or Sale of Grounding Equipment. Licensor may modify or abandon the Grounding Equipment as a part of a modification, relocation or other change to the Fiber Optic System. If Licensor permanently ceases to use the Fiber Optic System, or any portion thereof, and the Grounding Equipment is at that time reasonably needed in the Vero Beach Electric Utility, then Licensor will, upon request of Licensee, convey all its right, title and interest, if any, in or to the Grounding Equipment to Licensee, and Licensee will pay Licensor the fair market value of the Grounding Equipment to be conveyed to Licensee. Licensee will enter into a written agreement in connection with the conveyance of the Grounding Equipment whereby Licensee will agree to assume any and all responsibilities of Licensor associated with the Grounding Equipment and will indemnify Licensor from and against any losses associated therewith. In the event Licensor conveys title to the Grounding Equipment to a third party, the transferee shall be required to accept such conveyance subject to this Agreement.

15. Assignment. Licensor acknowledges that the License and Licensee's interests hereunder may be subject to the encumbrance of Licensee's pre-existing mortgage with Deutsche Bank Trust Company Americas. Licensee shall not otherwise mortgage or assign its License granted pursuant to this Agreement without the prior written consent of Licensor, and such consent may be withheld in Licensor's unfettered discretion unless such proposed assignment is to the purchaser of all or substantially all of the assets of Florida Power & Light Company, as a part of a bona fide sale by Florida Power & Light Company to a third party purchaser for value and in such event Licensor's consent will not be unreasonably withheld or delayed. Notwithstanding any assignment of this Agreement, Licensee will not be released from any of its obligations hereunder unless such assignee executes an assignment and assumption agreement in form reasonably acceptable to Licensor agreeing to be bound by the terms of this Agreement and Licensor determines in its reasonable discretion that such assignee is creditworthy. Further, any assignment in violation of this Section 16 shall be deemed void and a breach of this Agreement by Licensee.

16. Default and Remedies.

(a) **Licensee Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by Licensee**" under this Agreement by Licensee:

(i) The failure by Licensee to make any payment of the Fee or any other payment required to be made by Licensee hereunder, as and when due, which failure continues for a period of ten (10) days following notice given by Licensor to Licensee.

(ii) Failure by Licensee to observe or perform any of the covenants, conditions or provisions of this Agreement to be observed or performed by Licensee, where

such failure shall continue for a period of forty-five (45) days after notice thereof given by Licensor to Licensee. In the event the default cannot reasonably be cured within such forty-five (45) day period, Licensee shall not be in default if Agreement commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion. Notwithstanding the foregoing, if Licensor reasonably expects the default by Licensee to interfere with the regular operation of the Fiber Optic System, Licensee shall only be entitled to a notice of two (2) days to cure such default.

(iii) (A) The making by Licensee of any general arrangement or general assignment for the benefit of creditors; (B) Licensee becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Licensee, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Licensee's assets or of Licensee's interest in this Agreement, where possession is not restored to Licensee within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of Licensee's assets or of Licensee's interest in this Agreement, where such seizure is not discharged within sixty (60) days.

(b) **Licensor Events of Default.** The occurrence of any one or more of the following events shall constitute an "**Event of Default by Licensor**" under this Agreement by Licensor:

(i) Failure by Licensor to observe or perform any of the covenants, conditions or provisions of this Agreement to be observed or performed by Licensor, where such failure shall continue for a period of forty-five (45) days after notice thereof is given by Licensee to Licensor. In the event the default cannot reasonably be cured within such forty-five (45) day period, Licensor shall not be in default if Licensor commences the cure within the forty-five (45) day period and thereafter diligently prosecutes the cure to completion.

(ii) (A) The making by Licensor of any general arrangement or general assignment for the benefit of creditors; (B) Licensor becomes a debtor as defined in 11 U.S.C. 101 or any successor statute thereto (unless, in the case of a petition filed against Licensor, the same is dismissed within sixty (60) days); (C) the appointment of a trustee or receiver to take possession of substantially all of Licensor 's assets, where possession is not restored to Licensor within sixty (60) days; or (D) the attachment, execution or other judicial seizure of substantially all of Licensor's assets, where such seizure is not discharged within sixty (60) days.

(c) **Remedies.** If an Event of Default by Licensee or an Event of Default by Licensor occurs hereunder, the non-defaulting Party shall have the right at its option and without further notice, but subject to the limitations set forth in the last sentence of this subsection, to exercise any remedy available at law or in equity, including, without limitation, a suit for specific performance of any obligations set forth in this Agreement or any appropriate injunctive or other equitable relief, or for damages resulting from such event of default. The Parties agree that remedies at law may be inadequate to protect against any actual or threatened breach of this Agreement. In the

event of any breach or threatened breach, either Party shall have the right to apply for the entry of an immediate order to restrain or enjoin the breach and otherwise specifically enforce the provisions of this Agreement. If an Event of Default by Licensee occurs, Licensor may, in addition to any other remedies set forth in this Agreement or available under applicable law, accelerate any and all unpaid Fee due under this Agreement for the entire remaining Term, which amount shall be due and payable immediately. Notwithstanding the foregoing or anything to the contrary contained in this Agreement, in no event shall any Event of Default by Licensee or Event of Default by Licensor, terminate, or entitle any Party to terminate, rescind or cancel this Agreement or the rights granted hereunder. In the event that Licensee, by failing or neglecting to do or perform any act or thing herein provided by it to be done or performed, shall be in default under this Agreement, then Licensor may, but shall not be required to, do or perform or cause to be done or performed such act or thing, and Licensee shall repay to Licensor on demand the entire expense incurred within forty-five (45) days following receipt of Licensor's invoice and supporting documentation thereof. Any act or thing done by Licensor pursuant to the provisions of this subsection shall not be or be construed as a waiver of any such Event of Default by Licensee, or as a waiver of any covenant, term or condition herein contained or the performance thereof, or of any other right or remedy of Licensor, hereunder or otherwise. Licensor's liability under this Agreement shall be at all times limited to the fair market value of Licensor's interest in the Grounding Equipment. All amounts payable by Licensee to Licensor under this Agreement, if not paid when the amounts become due under this Agreement, shall bear interest from the date they become due until paid at the highest rate allowed by law.

17. Condemnation. If the Grounding Equipment or any portion thereof are taken under the power of eminent domain, or sold under the threat of the exercise of such power (all of which are herein called "**condemnation**"), this Agreement shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever first occurs. If so much of the Grounding Equipment is taken under the power of eminent domain such that the Grounding Equipment is no longer suitable for its intended use or suitable access cannot be provided to the Grounding Equipment, Licensee may, at Licensee's option, to be exercised in writing only within ten (10) days after Licensor shall have given Licensee notice of such taking (or in the absence of such notice, within ten (10) days after the condemning authority shall have taken possession) terminate this Agreement as of the date the condemning authority takes such possession. If Licensee does not terminate this Agreement in accordance with the foregoing, this Agreement shall remain in full force and effect as to the portion of the Grounding Equipment remaining. Any award for the taking of all or any part of the Grounding Equipment under the power of eminent domain or any payment made under threat of the exercise of such power shall be the property of Licensor; provided, however, that Licensee shall be entitled to any award for loss of Licensee's License.

18. Severability. If any provision or portion of this Agreement shall for any reason be held or adjudged to be invalid or illegal or unenforceable by any court of competent jurisdiction or other governmental authority, (a) such portion or provision shall be deemed separate and independent, (b) the Parties shall negotiate in good faith to restore insofar as practicable the benefits to each Party that were affected by such ruling or adjudication, and (c) the remainder of this Agreement shall remain in full force and effect.

19. Repair Obligations. Licensor shall have absolutely no obligations of any kind for the repair or maintenance of any part of the Grounding Equipment or any improvement or equipment related thereto. During the Term, Licensee shall repair any damage or casualty to and maintain the Grounding Equipment.

20. Termination. On the Expiration Date, or earlier termination of this Agreement, Licensee shall peaceably and quietly deliver possession of the Grounding Equipment to Licensor. Licensee agrees that, upon expiration or termination of this Agreement, Licensee will, within ten (10) business days of request by Licensor, execute and deliver to Licensor a release of this Agreement in recordable form. The foregoing provisions shall survive expiration or earlier termination of this Agreement.

21. Waivers. Any waiver by any Party with respect to this Agreement must be in writing, signed by the Party granting the waiver, and shall be limited to the express terms set forth in the waiver.

22. Cumulative Remedies. No remedy or election hereunder shall be deemed exclusive but shall, wherever possible, be cumulative with all other remedies at law or in equity.

23. Binding Effect. This Agreement shall bind the Parties, and their respective successors and permitted assigns.

24. Force Majeure. In the event that either Licensor or Licensee is unable to fulfill, or shall be delayed or restricted in the fulfillment of any obligation, or the curing of a default, under any provision of this Agreement due to reasons outside of its reasonable control, or not wholly or mainly within such Party's reasonable control, including strike, lock-out, war, acts of military authority, acts of terrorism, sabotage, rebellion or civil commotion, fire or explosion, flood, wind, storm, hurricane, water, earthquake, acts of God or other casualty or by reason of any statute or law or any regulation or order passed or made, or by reason of any order or direction of any administrator, controller, board or any governmental department or officer or other authority (other than, in the case of Licensor claiming relief under this Section 25, any statute or law or any regulation or order passed or made, or by reason of any order or direction of, any administrator, controller, board or any governmental department or officer or other authority of Licensor), and whether of the foregoing character or not, such Party shall, so long as any such impediment exists, be relieved from the fulfillment of such obligation and the other Party shall not be entitled to compensation for any damage, inconvenience, nuisance or discomfort thereby occasioned or to terminate this Agreement.

25. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which together shall constitute but one instrument.

26. Attorneys' Fees. In the event Licensee or Licensor defaults in the performance of any of the terms, covenants, conditions, agreements, or provisions contained in this Agreement and Licensor or Licensee employs attorneys and brings suit in connection with the enforcement of this Agreement or any provision hereof or the exercise of any of its remedies hereunder, then the prevailing Party in any suit so instituted shall be promptly reimbursed by the other Party for all reasonable attorneys' fees and expenses so incurred, including, without limitation, any such fees

and expenses incurred in appellate, bankruptcy and post-judgment proceedings. Any monetary judgment rendered in any litigation concerning this Agreement shall bear interest at the highest rate allowed by applicable law. The foregoing provisions shall survive expiration or earlier termination of this Agreement.

27. Notices. Every notice, approval, consent or other communication required or permitted under this Agreement shall be in writing, shall be deemed to have been duly given on the date of receipt, and shall be deemed delivered if either served personally on the Party to whom notice is to be given, or sent to the Party to whom notice is to be given, by overnight courier or by first class registered or certified mail (return receipt requested), postage prepaid, and addressed to the addressee at the address stated opposite its name below, or at the most recent address specified by notice given to the other Party in the manner provided in this Section.

To Licensor:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Manager
With a required copy to:	City of Vero Beach 1053 20th Place Vero Beach, FL 32960 Attention: City Attorney
To Licensee:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Corporate Real Estate
With a required copy to:	Florida Power & Light Company 700 Universe Boulevard Juno Beach, Florida 33408 Attention: Law Department

28. Recording. A memorandum of this Agreement executed by Licensor and Licensee may be recorded in the public records.

29. No Personal Liability. Excluding any successor-in-interest to Licensor or Licensee under this Agreement, notwithstanding anything to the contrary in this Agreement, no present or future parent, subsidiary, affiliate, member, principal, shareholder, manager, officer, official, director, or employee of Licensee or Licensor will be personally liable, directly or indirectly, under or in connection with this Agreement, or any document, instrument or certificate securing or otherwise executed in connection with this Agreement, or any amendments or modifications to any of the foregoing made at any time or times, or with respect to any matter, condition, injury or loss related to this Agreement, and each of the Parties, on behalf of itself and each of its successors and assignees, waives and does hereby waive any such personal liability.

30. Entire Agreement. This Agreement contains the entire agreement between the Parties hereto with respect to the subject matter of this Agreement, and supersedes all previous negotiations leading thereto, and it may be modified only by an agreement in writing executed and delivered by Licensor and Licensee. Any formally executed addendum to or modification of this Agreement shall be expressly deemed incorporated by reference herein unless a contrary intention is clearly stated therein. All exhibits attached to this Agreement are expressly incorporated herein by this reference.

31. Governing Law; Forum. This Agreement shall be governed by and construed in accordance with the laws of the State of Florida (without giving effect to conflict of law principles) as to all matters, including but not limited to matters of validity, construction, effect, performance and remedies. THE PARTIES HERETO AGREE THAT VENUE IN ANY AND ALL ACTIONS AND PROCEEDINGS ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF LICENSOR AND LICENSEE, LICENSEE'S USE OF THE GROUNDING EQUIPMENT, OR ANY CLAIM FOR INJURY OR DAMAGE, SHALL BE IN THE CIRCUIT COURT OF THE STATE OF FLORIDA IN INDIAN RIVER COUNTY, FLORIDA, WHICH COURT SHALL HAVE EXCLUSIVE JURISDICTION FOR SUCH PURPOSE AND THE PARTIES HERETO IRREVOCABLY SUBMIT TO THE EXCLUSIVE JURISDICTION OF SUCH COURT AND IRREVOCABLY WAIVE THE DEFENSE OF AN INCONVENIENT FORUM TO THE MAINTENANCE OF ANY SUCH ACTION OR PROCEEDING. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

32. WAIVER OF JURY TRIAL. THE PARTIES HERETO SHALL, AND THEY HEREBY DO, IRREVOCABLY WAIVE TRIAL BY JURY IN ANY AND EVERY ACTION OR PROCEEDING BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTERS WHATSOEVER ARISING OUT OF, OR IN ANY WAY CONNECTED WITH, THIS AGREEMENT, THE RELATIONSHIP OF LICENSOR AND LICENSEE, LICENSEE'S USE OF THE GROUNDING EQUIPMENT, AND ANY CLAIM FOR INJURY OR DAMAGE. THE FOREGOING PROVISIONS SHALL SURVIVE EXPIRATION OR EARLIER TERMINATION OF THIS AGREEMENT.

33. Licensor/Licensee Relationship; and Third Party Beneficiaries. This Agreement creates a Licensor/Licensee relationship, and no other relationship, between the Licensor and Licensee. This Agreement is for the sole benefit of the Parties hereto and, except for assignments permitted hereunder, no other person or entity shall be a third party beneficiary hereunder.

34. No Waiver of Regulatory Authority. Nothing in this Agreement constitutes a waiver of Licensors' regulatory, public safety or other municipal or governmental authority with respect to the Grounding Equipment or any other matter. Further, nothing in this Agreement shall be deemed to waive any Party's right of eminent domain.

35. Sovereign Immunity. Licensors are entities whose limits of liability are set forth in section 768.28, Florida Statutes, and nothing herein shall be construed to extend the liabilities of any Licensor beyond that provided in section 768.28, Florida Statutes. Further, nothing herein is intended as a waiver of any Licensor's sovereign immunity under section 768.28, Florida Statutes. Nothing hereby shall inure to the benefit of any third party for any purpose, including but not

limited to, anything which might allow claims otherwise barred by sovereign immunity or operation of law.

36. Time, Interpretation. In computing any period of time pursuant to this Agreement, the day of the act, event, or default from which the designated period of time begins to run shall not be included, but the time shall begin to run on the next succeeding day. The last day of the period so computed shall be included, unless it is a Saturday, Sunday or legal holiday, in which event the period shall run until the end of the next day which is not a Saturday, Sunday or legal holiday. A legal holiday as used in this Agreement includes days on which banks in Vero Beach, Florida are not open for regular business. Time is of the essence. The captions in this Agreement are inserted for convenience of reference only and in no way define, describe or limit the scope or intent of this Agreement or any of the provisions hereof. This Agreement shall not be construed more strongly against or for either Party regardless of the drafter. Unless the context otherwise requires, (a) all references to Sections or Exhibits are to Sections or Exhibits in or to this Agreement, and (b) words in the singular or plural include the singular and plural and pronouns stated in either the masculine, the feminine or neuter gender shall include the masculine, feminine and neuter and the term "including" shall mean by way of example and not by way of limitation.

[Remainder of page intentionally blank; Signature pages follows]

City of Vero Beach Execution Pages

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the Effective Date.

ATTEST:

_____
Tammy K. Bursick
City Clerk

CITY OF VERO BEACH

By:_____
Laura Moss
Mayor

[SEAL]

ADMINISTRATIVE REVIEW

(For Internal Use Only–Sec. 2-77 COVB Code)

Approved as to form and legal sufficiency:

Wayne R. Coment
City Attorney

Approved as conforming to municipal policy:

James R. O'Connor
City Manager

Approved as to technical requirements:

Ted Fletcher
Director of Electric Utility Operations

Approved as to technical requirements:

Cynthia D. Lawson
Director of Finance

Approved as to technical requirements:

Timothy J. McGarry
Director of Planning and Development

Indian River County Execution Page

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the Effective Date.

ATTEST:

INDIAN RIVER COUNTY,
a political subdivision of the State of Florida

_____ By:_____

[SEAL]

School Board of Indian River County, Florida Execution Page

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the Effective Date.

ATTEST:

SCHOOL BOARD OF INDIAN RIVER COUNTY FLORIDA

_____ By:_____

[SEAL]

Florida Power & Light Company Execution Page

IN WITNESS WHEREOF, and intending to be legally bound hereby, the undersigned have caused this Agreement to be executed as of the Effective Date specified in this Agreement.

LICENSEE:

FLORIDA POWER & LIGHT COMPANY,
a Florida corporation

By:_____
Name:_____
Title:_____

34

FPL's response to OPC's First set of Interrogatories Nos. 1, 4.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 34
PARTY: STAFF – (DIRECT)
DESCRIPTION: Scott Bores (1,4)Sam Forrest (1,4)

QUESTION:
Please refer to the live spreadsheet version of Exhibit SRB-1 provided as Attachment 1 in response to Staffs Second Data Request, Item No. 1.

a. Explain why there are no "System Impact" costs shown on this exhibit until 2033 under the heading "Base Rates: Incremental Revenue Requirement." Use each of the cost components shown in the columns on the Rap Summary tab for each year as a general guide for your response.

b. Explain why this economic analysis reflects no "lost" capacity or energy revenues for the FPL capacity and energy that will be used to supply the COVB load prior to 2033.

c. Indicate whether the avoided cost per mWh shown on the Rap Summary tab would be a relevant proxy for the Company's "lost" capacity and energy revenues for the FPL capacity and energy that otherwise would have been sold to a third party instead of used to supply COVB load prior to 2033. Please provide a detailed explanation for your position.

d. Refer to the following statements in Mr. Forrest's Direct Testimony at 11-12:

> Of the $185 million cash purchase price, a payment of up to $108 million may be transferred directly to FMPA, at COVB' s direction, to satisfy COVB's obligations and liabilities to FMPA under their respective agreements. Additionally, up to $20 million may be transferred directly to OUC, at COVB's direction, to settle COVB's share of its termination obligations and liabilities to OUC. An estimated $20.4 million will be used by COVB to defease the current outstanding COVB electric utility bonds. $2 million of the cash purchase price is designated for FPL' s right to use the parcel of land on which a new substation will be located. The remaining $34.6 million will be paid directly to COVB at their direction.

Indicate whether the payments that will be made by COVB to FMPA and OUC described in the preceding statements would be a relevant proxy for the Company's "lost" capacity and energy revenues for the FPL capacity and energy that otherwise would have been sold to a third party instead of being using to supply COVB load prior to 2033. Provide a detailed explanation for your position.

e. Regarding the incremental cost of each employee benefit for each year of the forecast period for the additional FPL employees resulting from the acquisition, please indicate where these incremental costs are included on this exhibit.

f. Indicate whether FPL will extend its "hardening" program to the Vero Beach system. If not, explain why not.

RESPONSE:

a. The line "System Impacts" under the heading "Base Rates: Incremental Revenue Requirements" in Exhibit SRB-1 represents incremental fixed costs and capital for generation needed to serve Vero's load. There were no changes to FPL's generation resource plan due to the COVB transaction through 2032, and therefore no Base Rate Incremental Revenue Requirements through that year. Other incremental system costs such as power purchases, fuel, variable O&M and emission costs are captured in the "Clause: Incremental Revenue Requirements" section of Exhibit SRB-1.

b. System economy and short-term sales are opportunistic in nature and depend on wholesale power market and other factors which are beyond FPL's ability to predict with any level of accuracy. It is FPL's practice to not include any forecasts of such sales or revenues in long-term analyses.

c. The costs labeled "Avoided Costs $/mwh" on the RAP summary tab represent FPL's incremental variable (fuel, variable O&M and emission) costs associated with serving the COVB load and are not a relevant proxy for any potential sales that FPL could make on the wholesale energy market. Please refer to the response in subpart (b) above.

d. No, the payments made by COVB to FMPA and OUC would not be a good proxy for FPL's lost capacity and energy revenues. As described in the response to subpart (b) above, FPL cannot predict the value of future wholesale power sales. The payments being made by COVB are to terminate existing purchased power contracts COVB has with FMPA and OUC. The pricing and terms included in those purchased power contracts are likely vastly different than what FPL might expect to receive in the future capacity market if there were a need for excess wholesale power.

e. The incremental costs associated with the additional employees are reflected in multiple locations on Exhibit SRB-1. For those employees whose costs are projected to be an O&M expense, the costs are located in 'Operations and Maintenance'. For those employees, or portions of employee time that is forecast to be capitalized, the costs are included in 'Depreciation and Amortization,' 'Interest Expense,' 'Return on Equity' and 'Income Tax.'

f. Yes, FPL plans to extend its hardening program to the Vero Beach system and has included the projected costs for this work in its forecasted capital costs.

QUESTION:
Refer to the following statement on page 2 of the Company's Application.

> With respect to the OUC PPA, FPL proposes and requests that the Commission approve recovery of the energy portion of charges through FPL's Fuel and Purchased Power Cost Recovery ("FCR") Clause and the capacity charges component through the Capacity Cost Recovery ("CCR") Clause.

a. Explain why the capacity and energy costs of the OUC PPA should not be assigned to the former Vero Beach customers instead of socialized to all FPL customers.

b. Confirm that the Asset Purchase and Sale Agreement ("Agreement") does not require that the capacity and energy costs of the OUC PPA be socialized to and recovered from all FPL customers. If this is not correct, then cite the relevant provisions of the Agreement that set forth this requirement.

RESPONSE:

a. As shown on Exhibit SRB-1, current FPL customers are projected to receive a $105 million CPVRR benefit from the addition of COVB customers while Vero Beach customers joining the FPL system will benefit through lower rates and the other quantitative and qualitative benefits of being part of the FPL system. In order to make the acquisition economically feasible and the savings for both FPL's existing customers and Vero Beach electric utility customers achievable, it is appropriate and necessary that all such costs of the transaction be allocated to all customers.

b. The Agreement does not explicitly require that the capacity and energy costs of the OUC PPA be socialized to and recovered from all FPL customers. However, pursuant to Section 7.2(c) of the Asset Purchase and Sale Agreement between Vero Beach and FPL, Vero Beach has the contractual right not to consummate the transaction if the conditions of the FPSC approval are disadvantageous to Vero Beach in any material respect. In light of the lengthy and detailed negotiations resulting in the agreement for FPL to acquire the Vero Beach electric utility, an FPSC order that assigns the OUC PPA capacity and energy costs to the former Vero Beach customers would likely result in Vero Beach cancelling the transaction. In addition, FPL has the contractual right not to consummate the transaction if the conditions of the FPSC approval are not satisfactory to FPL in FPL's reasonable discretion.

DECLARATION

I sponsored the answer to Interrogatory No. 2 and I co-sponsored the answers to Interrogatory Nos. 1 and 4 from Office of Public Counsel's 1st Set of Interrogatories to Florida Power & Light Company in Docket No. 20170235-EI, and the responses are true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answers identified above, and that the facts stated therein are true.

Scott R. Bores

Date: 4/6/18

DECLARATION

I sponsored the answers to Interrogatory Nos. 3 and 5 and I co-sponsored the answers to Interrogatory Nos. 1 and 4 from Office of Public Counsel's 1st Set of Interrogatories to Florida Power & Light Company in Docket No. 20170235-EI, and the responses are true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answers identified above, and that the facts stated therein are true.

Sam Forrest

Date: 4/9/18

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FPL's response to OPC's First set of Production of Documents Nos. 1, 12-14.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 35
PARTY: STAFF – (DIRECT)
DESCRIPTION: Scott Bores (1)Sam Forrest (12, 13, 14)

QUESTION:
Please refer to the live spreadsheet version of Exhibit SRB-1 provided as Attachment 1 in response to Staffs Second Data Request, Item No. 1.

a. Provide a copy of all data, analyses, and source documents relied on for assumptions and inputs into this analysis, including all calculations and workpapers in live Excel spreadsheet format with all formulas intact.
b. Provide all support for each of the cost components shown in the columns on the Rap Summary tab for each year that are used for the "System Impact" costs under the heading "Base Rates: Incremental Revenue Requirement" starting in 2033.
c. Provide all support for the "System Impact" costs under the heading "Clause: Incremental Revenue Requirement."
d. Provide the "lost" capacity and energy revenues for the FPL capacity and energy that otherwise would have been sold to a third party instead of used to supply COVB load prior to 2033.
e. Provide the projections and all underlying support for the "Base Rate Revenue from COVB Customers," including the base revenue requirement and related revenue projections before allocation to Vero Beach. Indicate if any of the base revenue requirement and related revenue projections assume the acquisition of Vero Beach. If so, describe and provide the related costs each year included in the base revenue requirement with and without Vero Beach.
f. Provide the projections and all underlying support for the "Clause Revenue from COVB Customers," including the revenue projections before allocation to Vero Beach. Indicate if any of the clause revenue requirements and related revenue projections assume the acquisition of Vero Beach. If so, describe and provide the related costs each year included in the base revenue requirement with and without Vero Beach.
g. Provide the transmission and distribution capital expenditure projections for each year and the related revenue requirement, including, but not limited to, depreciation, property taxes, insurance, interest return, equity return, and income taxes. Indicate where each of these components of the revenue requirement are reflected on this exhibit.
h. Provide the incremental cost of each employee benefit for each year of the forecast period for the additional FPL employees resulting from the acquisition. Provide all underlying support, including calculations, electronic spreadsheets in live format with all formulas intact, and a copy of all source documents relied on for this purpose. Indicate where these incremental costs are included on this exhibit.
i. If FPL will extend its "hardening" program to the Vero Beach, please provide the amounts included in each line item of this exhibit and provide all underlying support for the calculations of these amounts.

RESPONSE:
a. Refer to the attached "COVB CPVRR Inputs" (confidential).

b. Refer to the attached master fixed cost spreadsheets (confidential) and the fixed cost comparison and summary.

c. Refer to the attached master fixed cost spreadsheets (confidential) and the fixed cost comparison and summary.

d. As noted in FPL's response to OPC's First Set of Interrogatories No. 1 subpart (b), system economy and short-term sales are opportunistic in nature and depend on wholesale power market and other factors which are beyond FPL's ability to predict with any level of accuracy. It is FPL's practice to not include any forecasts of such sales or revenues in long-term analyses.

e. FPL prepared the CPVRR analysis to incrementally layer on COVB's base revenue requirement and incremental base revenues to the existing FPL system absent COVB. Please reference the "Base and Clause Revenue" worksheet included within the attached "COVB CPVRR INPUTS" workbook for the underlying support of "Base Rate Revenue from COVB Customers."

f. FPL prepared the CPVRR analysis to incrementally layer on COVB's clause revenue requirement and incremental clause revenues to the existing FPL system absent COVB. Please reference the "Base and Clause Revenue" worksheet included within the attached "COVB CPVRR INPUTS" workbook for the underlying support of "Clause Revenue from COVB Customers."

g. The distribution and transmission capital expenditures can be found in the "Input" worksheet within the attached "COVB CPVRR INPUTS" workbook. The revenue requirement associated with the forecast distribution and transmission capital expenditures can be found in the "Revenue Requirement" worksheet within the attached "COVB CPVRR INPUTS" workbook.

h. Refer to the "Input" worksheet, Row 29 of the attached "COVB CPVRR INPUTS" workbook for the incremental costs associated with the additional employees associated with the COVB transaction.

i. FPL projects to spend approximately $72 million over the next 10 years in order to harden the transmission and distribution system in COVB. The costs projections were generated using FPL's historical costs to install the various types of equipment on either a per-piece of equipment cost (for example, per feeder) or on a per-mile (feeder/lateral hardening) cost depending on the type of equipment installed. Refer to the "Input" worksheet of the attached "COVB CPVRR INPUTS" workbook for the incremental costs associated with FPL's forecast of hardening work.

QUESTION:
Provide a copy of FPL's load and capacity resource forecast with and without the Vero Beach load and OUC PPA capacity.

RESPONSE:
Please refer to FPL's response to OPC's First Request for Production of Documents No. 1. FPL's load and capacity resource forecast with and without the Vero Beach load and OUC PPA capacity can be obtained from the attached file labeled "FC Comparison and summary -Vero Beach" and the tab labeled "Resource Plan". The capacity resource forecast for the with Vero Beach plan is Column G and the capacity resource forecast for the without Vero Beach plan is Column C respectively.

QUESTION:
Provide a copy of all agreements entered into between FPL and the City of Vero Beach in conjunction with the proposed transaction, other than the Asset Purchase and Sale Agreement, if any.

RESPONSE:
Please see attached the following documents:

1. Common Interest Agreement.pdf
2. Contribution Agreement - signed(113276155_1).pdf
3. Letter of Intent - signed – Vero.pdf

QUESTION:
Provide a copy of all agreements entered into between City of Vero Beach and any party other than FPL, e.g., OUC and FMPA, in conjunction with the proposed transaction.

RESPONSE:
Because OPC's First Request for Production of Documents No. 14 requests copies of any and all agreements entered into with parties other than FPL, FPL is not in a position to state that what it has in its possession represents the complete universe of documents that might be responsive to this request. With that caveat, please see the following documents attached which represent the responsive documents in FPL's possession:

1. OUC - COVB Termination and Settlement Agreement
2. TRANSFER AGREEMENT - ST. LUCIE PROJECT
3. TRANSFER AGREEMENT - STANTON II PROJECT [EXECUTED]
4. TRANSFER AGREEMENT - STANTON PROJECT [EXECUTED]

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FPL's response to OPC's Second set of Interrogatories No. 10.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 36
PARTY: STAFF – (DIRECT)
DESCRIPTION: Scott Bores (10)

QUESTION:
Refer to the Monthly Capacity OUC PPA tab in the COVB CPVRR Inputs Excel spreadsheet.

a. Identify the source of the "market proxy" amounts in column G.

b. Explain how the market proxy amounts were used in the economic analysis.

RESPONSE:

a. The market proxy column was created based on information provided by FPL's wholesale origination team. Given FPL's extensive participation in the wholesale markets as both a seller and a buyer, column G is the reasonable approximation of the fixed capacity charge FPL would expect to see for a similar heat-rate call option contract.

b. The market proxy was used to model the tax accounting for the OUC PPA. For tax purposes, the at-market cost, as approximated by the market proxy, is expensed as incurred. The remaining above-market portion of the PPA is treated as consideration for the acquisition of assets is recorded through MACRS depreciation.

DECLARATION

I sponsored the answers to Interrogatory Nos. 9-14 from Office of Public Counsel's 2nd Set of Interrogatories to Florida Power & Light Company in Docket No. 20170235-EI, and the responses are true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answers identified above, and that the facts stated therein are true.

Scott R. Bores

Date: 5-10-18

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FPL's response to OPC's Second set of Production of Documents No. 23.

Additional files contained on Staff Hearing Exhibits CD for No. 23.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 37
PARTY: STAFF – (DIRECT)
DESCRIPTION: Scott Bores (23)

QUESTION:
Refer to the response to OPC POD 1-12, which asked for FPL's load and capacity forecasts with and without the VB load. Typically, such a forecast lists each of the utility's capacity resources (typically consisting of owned generating units, leased generating units, and individual PPAs) and DSM resources, as well as the related MW available from each such resource to meet peak load, the utility's peak load, and the reserve margin for each year of the planning horizon, in this case 30 or more years. The "resource" plans with and without the VB load provided in the Company's response do not provide this information. Please provide FPL's load and capacity forecasts with and without the VB load in the format described in this request.

RESPONSE:
Please see attachment "OPC 2nd Set of POD No. 23 - Attachment 1" to this response.

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FPL's response to Staff's First set of Interrogatories Nos.1-5, 7-15.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 38
PARTY: STAFF – (DIRECT)
DESCRIPTION: Scott Bores (1-5, 7-15)

QUESTION:
Is it FPL's position the Commission's policy on acquisition adjustments applies different standards or procedures when an Investor Owned Utility purchases Municipal utility assets as opposed to other Investor Owned Utility assets? If yes, please explain these differences and the basis for such differences.

RESPONSE:
No, it is not FPL's position that there are different standards or procedures for a municipal acquisition. It is FPL's position that the Commission's policy is to evaluate each acquisition on its unique set of facts and circumstances to determine whether that acquisition is in the public interest. In making its public interest determination, the Commission's policy is to consider whether extraordinary circumstances exist and whether they are sufficient to authorize an acquisition adjustment. The Commission's basic policy makes no distinction between an investor-owned utility acquisition versus a municipal acquisition. However, consistent with its policy, there may be relevant considerations that are more applicable to a municipal acquisition than an investor-owned acquisition. This was noted by the Commission in its Order No. PSC-92-1468-FOF-EU approving the acquisition of Sebring Utilities (a municipal utility) by Florida Power Corporation (an investor-owned utility). In its Order, the Commission identified two considerations that more aptly apply to a municipal acquisition as opposed to an investor-owned acquisition: the opportunity for the municipal customers to participate in conservation programs and the resolution of longstanding territorial conflict. And in its PAA Order No. PSC-2018-0336-PAA-EU concerning the acquisition of the City of Vero Beach electric system (COVB) by FPL, the Commission noted that approximately 60 to 65 percent of COVB's customers reside outside the City's municipal borders which resulted in customer dissatisfaction and associated controversy and litigation. The Commission correctly concluded that this is an extraordinary circumstance justifying an acquisition adjustment. These extraordinary circumstances would not exist for an investor-owned utility acquisition, but are certainly relevant considerations for a municipal acquisition.

QUESTION:
FPL's CPVRR analysis shows no increase in incremental system impact costs through the year 2028. Please explain why FPL expects no additional system impact costs related to generation costs to serve the Vero Beach load.

RESPONSE:
With regard to base rates, FPL does not project any incremental system impact costs through 2028 as there were no changes to FPL's existing generation resource plan as a result of adding Vero Beach load. However, FPL does project and has included within the CPVRR analysis the incremental fuel and purchased capacity costs that will flow through clause rates.

QUESTION:
Does FPL forecast any offsetting reduction in revenues for the period from 2018-2028, related to generation used for the COVB customer load instead of used or sold in an alternative method, such as on the wholesale market? If yes, please detail where this is shown in FPL's CPVRR analysis.

RESPONSE:
No, system economy and short-term sales are opportunistic in nature and depend on wholesale power markets and other factors which are beyond FPL's ability to predict with any level of accuracy. It is FPL's practice to not include any forecasts of such sales or revenues in long-term analyses unless they are already contracted.

QUESTION:
In Witness Bores' initial CPVRR analysis set forth in Exhibit SRB-1, he showed nominal 30-year savings of $285.9 million to FLP customers. However, in Witness Bores' updated CPVRR analysis set forth in Exhibit SRB-2, he now shows 30-year nominal savings of $86.0 million to FPL customers. This equates to a reduction of $199.9 million in nominal customer savings over the 30-year period. Are these updated nominal cost savings correctly reflected in Exhibit SRB-2? If yes, please explain the cause for the reduction in nominal customer savings.

RESPONSE:
Yes, the nominal savings are correctly reflected. Please refer to FPL's response to Staff's First Set of Interrogatories No. 5 for an explanation on the change in system impact that is driving approximately $181 million of the change. The remaining nominal difference of approximately $18 million is primarily the result of a change in FPL's long-term price of electricity.

QUESTION:
In Witness Bores' initial CPVRR analysis, he showed nominal system impact costs of $433.9 million over the 30-year period. However, in Witness Bores' updated CPVRR analysis, he shows 30-year nominal system impact costs of $614.9 million, an increase of $181 million in nominal costs over the 30-year period. Please explain the cause of these additional system impact costs.

RESPONSE:
The line "system impact costs" in the Base Rates section of Exhibit SRB-1 captures the capital and O&M costs from the addition of incremental future generation resources. The additional system impact costs in the updated analysis result from changes in the generation resource plan caused by using the most recent system assumptions. As a result of this update, there were changes in the timing and quantity of future generating units.

The major component of the $181 million increase in nominal costs was a change in the resource plan in the year 2048. In the original analysis, both the "without" and "with" COVB load resource plans required a filler unit in that year. In the revised analysis, only the "with" COVB load case required a filler unit. This change represents an increase in approximately $121 million in nominal system impact costs (or $12.4 million CPVRR). The remaining $60 million in nominal system impact costs were due to changes in the timing of filler units between 2031 and 2040.

All together, the $181 million increase in system impact costs represents an increase in CPVRR terms of $31.5 million. This increase was more than offset by a decrease of $57.4 million CPVRR in the variable system impact costs (primarily lower fuel cost) as shown in the Clause section of Exhibit SRB-1.

QUESTION:
When does FPL project to incur costs related to storm hardening of the COVB system? Are these costs reflected in Witness Bores' CPVRR analysis? If yes, where? If no, why not?

RESPONSE:
FPL projects to begin incurring costs in 2023 related to storm hardening the COVB system. The costs are included in FPL's CPVRR analysis and flow through the depreciation and amortization, interest expense, return on equity and income tax expense line items within the base rate incremental revenue requirements.

Please refer to the tab "PD Cost Summary" in Attachment No. 8 to FPL's response to FIPUG's First Set of Interrogatories No. 1, for the costs included within the analysis.

QUESTION:
Does FPL plan to install AMI meters for the acquired COVB system? If yes, were those costs reflected in Witness Bores' CPVRR analysis?

RESPONSE:
Yes, FPL plans to install AMI meters for the acquired COVB customers. The costs are reflected in the CPVRR analysis.

Please refer to the tab "Customer Service" in Attachment No. 8 to FPL's response to FIPUG's First Set of Interrogatories No. 1 for the costs included within the analysis.

QUESTION:
Has FPL forecasted any additional capacity, conservation, or environmental costs associated with serving the COVB customer load? If yes, please describe where this is calculated is in the FPL CPVRR analysis. If FPL has not forecasted these incremental costs, please explain why not.

RESPONSE:
FPL has included incremental capacity cost within the system impacts included in the clause revenue requirement associated with the OUC PPA as well as additional forecast purchased power that it will need to meet COVB incremental load.

FPL has not included incremental conservation or environmental costs within the CPVRR analysis as FPL does not project it will incur incremental conservation or environmental costs as a result of acquiring the COVB system.

QUESTION:
Does FPL's updated CPVRR analysis forecast any incremental O&M expenses for the COVB customer load related to customer service planning, demand side management, marketing and communications, or information technology? If yes, please describe where this is calculated is in the FPL CPVRR analysis. If FPL has not forecasted these incremental O&M expenses, please explain why.

RESPONSE:
Yes, FPL's updated CPVRR analysis includes incremental O&M costs for customer service, marketing and communications and information technology. The customer service incremental costs do not include any additional costs for planning or demand side management as FPL does not project it will incur those incremental costs to serve COVB.

These costs are included within the operations and maintenance line under the incremental base revenue requirements of the CPVRR analysis. These costs can be found in further detail on the "Customer Service" tab in Attachment No. 8 to FPL's response to FIPUG's First Set of Interrogatories No. 1.

QUESTION:
Please explain why FPL used its Weighted Average Cost of Capital as the chosen discount rate for the 30-year CPVRR analysis instead of the grossed up rate of return number that FPL used to calculate its revenue requirement.

RESPONSE:
FPL utilizes the after-tax Weighted Average Cost of Capital ("WACC") to discount the revenue requirements in preparing CPVRR analyses. This is consistent with all prior CPVRR analyses presented before the Commission. In selecting a discount rate, the Company must consider: 1) the financing mix for the investment (59.6% equity and 40.4% debt for FPL); 2) the risk of the cash flows; and 3) the tax benefits associated with using debt financing. Taking these factors into account, revenue requirements are calculated and evaluated with the goal of allowing debt and equity investors the opportunity to earn a net present value of zero on an after-tax cash flow basis. Because each dollar of tax expense requires a revenue gross-up of the same amount, it is appropriate to discount revenue requirements with the same after-tax WACC used to evaluate after-tax cash flows.

QUESTION:
In reference to question 11 above, please explain why it is appropriate to use two different recovery rates in various sections of the CPVRR analysis.

RESPONSE:
As described in FPL's response to Staff's First Set of Interrogatories No. 11, in calculating revenue requirements, it is appropriate to include income taxes in calculating the actual revenue requirement. However, when calculating the present value of revenue requirements, it is appropriate to use an after-tax weighted average cost of capital to present value the true cash flows to the debt and equity investors.

QUESTION:
When does FPL currently forecast that its next general rate case proceeding to occur? Has FPL's CPVRR analysis correctly reflected any changes in this forecasted general rate proceeding date since FPL's initial filing in these dockets?

RESPONSE:
In the updated CPVRR analysis, FPL projects that its next general rate case proceeding will occur in 2021 for new rates effective January 1, 2022. This results in a one-year delay in the timing of a general base rate proceeding from that presented in the CPVRR analysis in the initial filing.

QUESTION:
In calculating forecasted incremental base rate revenues in its CPVRR analysis, has FPL adjusted its forecasted base rates per kilowatt hour to incorporate the customer load from the COVB customers? If yes, please show the calculation for the adjustment. If no, please explain why not.

RESPONSE:
No, FPL did not adjust its forecasted base rates per kilowatt hour as a result of the load from COVB as this was an incremental analysis to demonstrate the benefit that adding the COVB customers provides to FPL's existing customers. If FPL were to adjust both the base and clause rates to account for the COVB load, it would ultimately result in a CPVRR benefit of zero, which therefore would not impact the CPVRR analysis or in any way alter the quantification of the benefit of this transaction to existing FPL customers.

QUESTION:
In calculating forecasted incremental clause revenues in its CPVRR analysis, has FPL adjusted its capacity, conservation, and environmental clause rates per kilowatt hour to incorporate the customer load from the COVB customers? If yes, please show the calculation for the adjustment. If no, please explain why not.

RESPONSE:
No, FPL did not adjust its forecasted clause rates per kilowatt hour as a result of the load from COVB as this was an incremental analysis to demonstrate that adding the COVB customers provides benefit to FPL's existing customers. If FPL were to adjust both the base and clause rates to account for the COVB load, it would ultimately result in a CPVRR benefit of zero, which therefore would not impact the CPVRR analysis or in any way alter the quantification of the benefit of this transaction to existing FPL customers.

DECLARATION

I sponsored the answers to Interrogatory Nos. 2-15 from Staff's First Set of Interrogatories to Florida Power & Light Company in Docket Nos. 20170235-EI & 20170236-EU, and the responses are true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answers identified above, and that the facts stated therein are true.

Scott R. Bores

Date: 8/31/18

DECLARATION

I sponsored the answer to Interrogatory No. 1 from Staff's First Set of Interrogatories to Florida Power & Light Company in Docket No. 20170235-EI, & 20170236-EU, and the response is true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answer identified above, and that the facts stated therein are true.

Terry Deason

Date: 9-4-18

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FPL's response to Staff's Second set of Interrogatories Nos. 16-22.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 39
PARTY: STAFF – (DIRECT)
DESCRIPTION: Sam Forrest (16-21)Keith Ferguson (22)

QUESTION:
Please refer to pages 13-14 of witness Forest's direct testimony.

a. Please explain how the $6.9 million in fuels savings was estimated.
b. Please provide an itemized list of the fixed costs associated with the OUC PPA.
c. Has FPL sought cost-recovery for a PPA that exceeds avoided cost in the past? If so, please identify the PPA(s) and associated dockets. If no, please explain why not.

RESPONSE:
Please note, FPL's response to subparts (a) and (b) were provided in FPL's response to Staff's Third Data Request No. 1 subparts (a) and (b).

a. The base FPL system is run in the GenTrader production cost model. The hourly marginal cost of the system is then extracted from this base model. The hourly marginal cost extracted from this base model is then input into a GenTrader model containing the parameters for the OUC PPA. With this information the model identifies those days and hours where the OUC PPA is cheaper than the marginal cost of the FPL system. The savings are then calculated as the FPL system marginal cost minus the fuel and variable O&M cost of the OUC PPA when it is taken.

b. The only fixed costs of the PPA are the capacity payments due to OUC detailed in Appendix A of exhibit SAF-2. FPL is obligated to pay the following charges regardless of whether the energy is called upon:

    i. 2018: $10,275/MW-Month (no longer expected to be applicable)
    ii. 2019: $9,705/MW-Month
    iii. 2020: $10,946/MW-Month

c. Yes, just as the PPA with OUC was a critical step in facilitating the execution of the COVB acquisition agreement, which stands to unlock significant value for existing FPL customers and customers currently served by COVB, FPL sought and received approval to recover costs for PPAs that were above avoided cost related to the retirements of SJRPP, Indiantown, and Cedar Bay. Consistent with the current proposal, the approved recovery of the PPA costs in the SJRPP, Indiantown and Cedar Bay proceedings allowed FPL to buy out the remaining terms of those PPAs as a part of larger transactions that resulted in the retirement of those facilities and provided tremendous customer benefit. In all these instances, the PPA cost recovery was, and in the COVB transaction is, a key component of a transaction with many interdependent requirements that will provide significant benefits to existing FPL.

    As a separate example, this Commission also approved cost recovery for the Unit Power Sales (UPS) PPA in 2005 despite the fact there was a more cost effective way to meet the capacity need. In that instance, the Commission agreed there were other benefits outside of economics that justified the prudence of entering into such an agreement. Indeed, the

Commission has demonstrated a forward-thinking vision and approach in looking beyond a single factor of avoided cost and seeing the larger picture of how approving these agreements in specific circumstances provided the greatest benefit for customers.

QUESTION:
Please complete the table below summarizing the estimated fuel savings associated with the OUC PPA.

	Fixed Payment to OUC	**Variable Payment to OUC**	**Total Payment to OUC ($)**	**Fuel Savings ($)**
2018				
2019				
2020				

RESPONSE:
Please note that FPL previously responded to this question in response to Staff's Third Data Request No. 2; however, the response has been updated consistent with what was filed in the Petition for Approval of Fuel Cost Recovery and Capacity Cost Recovery Factors for January through December, which was filed on August 24, 2018.

	a	b	a + b	
	Fixed Payment to OUC	*Variable Payment to OUC*	**Total Payment to OUC**	**Fuel Savings $**
2018	*Not Applicable (Assumption is closing will take place 1/1/19 or later)*	*Not Applicable (Assumption is closing will take place 1/1/19 or later)*	*Not Applicable (Assumption is closing will take place 1/1/19 or later)*	*Not Applicable (Assumption is closing will take place 1/1/19 or later)*
2019	*$ 9,899,100*	*$ 5,231,984*	**$ 15,131,084**	**$ 4,021,412**
2020	*$ 11,167,980*	*$ 3,953,320*	**$ 15,121,300**	**$ 2,832,074**

QUESTION:
Please describe how the OUC PPA was used as an input in FPL's GenTrader model. Please include in this description an explanation of how the OUC PPA was considered in terms of economic dispatch.

RESPONSE:
Please note the following response was provided in FPL's response to Staff's Third Data Request No. 3. The OUC PPA contains three separate inputs for the dispatch parameters.

1) The capacity available to dispatch, which is shaped monthly to better match FPL forecasted load.

2) The variable O&M payment of $2.50 per MWh.

3) The energy cost of each MW dispatched, which varies in heat rate based on assumed runtime and the daily price of natural gas measured as the mid-point of FGT Zone 3 plus applicable adders.

These parameters were entered into the GenTrader model containing the FPL marginal costs. The model then identifies those days and hours where the OUC PPA is cheaper than the marginal cost of the FPL system.

QUESTION:
On page 13 of witness Forrest's testimony, the witness states that the OUC PPA will effectively be exercised as a peaking option for FPL to use during periods of high demand. Please complete the table below describing FPL's combustion turbine/peaking generation.

Unit Name	Unit Type	Summer Heat Rate (MMBtu/MWh)	Winter Heat Rate (MMBtu/MWh)

RESPONSE:
Please note that FPL previously responded to this question in response to Staff's Third Data Request No. 4; however, the response has been updated consistent with what was filed in the 2018 TYSP.

Unit Name	Unit Type	Summer Heat Rate (MMBtu/MWh)	Winter Heat Rate (MMBtu/MWh)
Fort Myers 3A	Simple Cycle	10,148	10,128
Fort Myers 3C	Simple Cycle	10,148	10,128
Fort Lauderdale 6A	Simple Cycle	10,148	10,128

QUESTION:
Please complete the table below summarizing the estimated energy delivery associated with the OUC PPA.

	Average Duration of Purchase (Hours/day)	**Average Quantity of Purchase (MWh/day)**
2018		
2019		
2020		

RESPONSE:
Please note that FPL previously responded to this question in response to Staff's Third Data Request No. 5; however, the response has been updated consistent with what was filed in the Petition for Approval of Fuel Cost Recovery and Capacity Cost Recovery Factors for January through December 2019, which was filed on August 24, 2018.

	Average Duration of Purchase (Hours/day)	**Average Quantity of Purchase (MWh/day)**
2018	*Not Applicable (Assumption is closing will take place 1/1/19 or later)*	*Not Applicable (Assumption is closing will take place 1/1/19 or later)*
2019	13	1,209
2020	12	1,140

QUESTION:
Please refer to exhibit SAF-2.

a. What would be the impact on the OUC PPA if the transaction between Vero Beach and FPL occurs after October 2018?
b. Please explain in detail, the intent of paragraph 10. b.
c. Under the terms of the OUC PPA, is FPL required to purchase capacity and energy from OUC?

RESPONSE:
Please note the following response was provided in FPL's response to Staff's Third Data Request No. 6.

a. The OUC PPA has a fixed termination date of December 2020, so every month after October 2018 the Vero transaction is delayed means the OUC PPA term is correspondingly one month shorter.

b. Paragraph 10(b) makes clear that in the event the conditions precedent described in paragraph 10(a) of the Native Load Firm Day-Ahead Call Option on Capacity and Energy Agreement Between Orlando Utilities Commission and Florida Power & Light Company (the "OUC-FPL PPA") are not satisfied, the OUC-FPL PPA will terminate automatically with the exception of any provisions that by their express terms survive such termination. In short, this paragraph ties the enforceability of the OUC-FPL PPA to the closing of the Vero transaction, such that the OUC-FPL PPA would not be effective unless and until FPL completes the acquisition of the City of Vero Beach's electric utility and the OUC-Vero PPA has been terminated.

c. Under the terms of the PPA, FPL is obligated to begin purchasing a specified amount of capacity at a specified price from OUC once the Vero transaction closes and the OUC-Vero PPA has terminated. The purchase of energy is completely at FPL's option and is based on FPL anticipating an economic benefit of calling on the energy versus dispatching the marginal unit in the supply stack.

QUESTION:
On page 13 of witness Ferguson's testimony, the witness states that FPL would include the annual capacity payments as an expense in its CCR Clause filings. Please describe how FPL typically seeks cost-recovery for PPAs with other Utilities.

RESPONSE:
As described on page 13 of witness Ferguson's testimony, FPL is seeking to recover the cost of the annual capacity payments through the Company's CCR and the associated energy portion of the PPA through the Fuel and Purchased Power Cost Recovery Clause. This recovery mechanism is consistent with the way FPL has typically sought cost-recovery of PPAs with other utilities in the past.

DECLARATION

I sponsored the answers to Interrogatory Nos. 16-21 from Staff's Second Set of Interrogatories to Florida Power & Light Company in Docket Nos. 20170235-EI & 20170236-EU, and the responses are true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answers identified above, and that the facts stated therein are true.

Sam Forrest

Date: 9/11/18

DECLARATION

I sponsored the answer to Interrogatory No. 22 from Staff's Second Set of Interrogatories to Florida Power & Light Company in Docket No. 20170235-EI, & 20170236-EU, and the response is true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answer identified above, and that the facts stated therein are true.

Keith Ferguson

Date: 9/6/2018

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City of Vero Beach's response to Staff's First set of Interrogatories No. 5.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 40
PARTY: STAFF – (DIRECT)
DESCRIPTION: James O'Connor (5)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Florida Power & Light Company (FPL) for authority to charge FPL rates to former City of Vero Beach customers and for approval of FPL's accounting treatment for City of Vero Beach transaction.	DOCKET NO. 20170235-EI
In re: Joint petition to terminate territorial agreement, by Florida Power & Light and the City of Vero Beach.	DOCKET NO. 20170236-EU DATED: SEPTEMBER 17, 2018

CITY OF VERO BEACH RESPONSES
TO STAFF'S FIRST SET OF INTERROGATORIES

Pursuant to Florida Administrative Code Rule 28-106.206, Rules 1.340 and 1.280 of the Florida Rules of Civil Procedure, and the Order Establishing Procedure, Order No. PSC-2018-0370-PCO-EU, issued July 25, 2018 (the "Order") in this matter, the City of Vero Beach ("COVB") serves its responses to the Staff's First Set of Interrogatories to City of Vero Beach (Nos. 1-6) and states as follows:

INTERROGATORIES

1. Please provide the rates for Vero Beach Electric for the last 20 years, showing rates inside the city limits and outside, if different.

   RESPONSE:

   Please see Exhibit A to COVB's answers to Staff's First Set of Interrogatories to the City of Vero Beach.

2. Do the Florida Statutes authorize Vero Beach Electric to charge different rates outside its municipal boundary than inside its boundary? If yes, where is this authorized?

   RESPONSE:

   No.

3. Please identify each Florida municipal utility (electric and/or water) that serves customers outside of the municipality's boundaries.

RESPONSE:

Please see Florida Power & Light Company's (FPL) answer to Staff's Third Set of Interrogatories to FPL No. 26.

4. Of the municipal utilities serving outside of municipal boundaries, please identify those with at least 50% of their customers outside of the municipal boundaries.

RESPONSE:

Please see FPL's answer to Staff's Third Set of Interrogatories to FPL No. 27.

5. Please identify each obligation to Florida Municipal Power Agency (FMPA), if any, from Vero Beach Electric would be released from under the either the purchase and sale agreement or transactions transactions related thereto. If applicable, please provide details regarding each of the following:

a) PPA(s) with OUC
b) PPA(s) with any IOU
c) Participation in or PPA related to any nuclear project.

RESPONSE:

COVB is confused by the wording of the interrogatory but COVB assumes that the interrogatory asks COVB to identify its contractual obligations with the Florida Municipal Power Agency (FMPA) and the Orlando Utilities Commission (OUC) that will be released as a result of the Asset Purchase and Sale Agreement (APA) between COVB and Florida Power and Light Company (FPL). The best evidence of the COVB released contractual obligations is the APA itself and the relevant contractual agreements which are produced with this interrogatory response.

(a). COVB is released from all contractual obligations and liabilities to OUC under the First Amended and Restated Agreement for Purchase and Sale of Electric Energy and Capacity, Gas Transportation Capacity and Asset Management Services dated October 20, 2015 ("OUC-Vero Beach PPA"), pursuant to the OUC

Termination Agreement and the APA. Please see the OUC-Vero-Beach PPA, OUC Termination Agreement, and APA produced with this answer.

(b). COVB has no PPA with any investor-owned utility (IOU) covered by the APA apart from COVB's project power sales and project support contracts with FMPA for the St. Lucie Unit 2 nuclear power plant under the FMPA St. Lucie Unit No. 2 Participation Agreement. Please see the response to interrogatory No. 5 (c) below.

(c). COVB is released from all contractual obligations and liabilities to FMPA under the St. Lucie Project Power Sales Contract dated June 1, 1982, as amended, and the St. Lucie Project Support Contract dated June 1, 1982, as amended, among the other FMPA Agreements, pursuant to the APA and FMPA Transfer Agreement. Please see the APA, the FMPA Transfer Agreement, and the FMPA Agreements produced with this answer.

6. Please identify the function of the Vero Beach Utilities Commission and its makeup.

   a) In what percentage are city residents and noncity residents represented in the makeup?

   b) Are elected officials included on the Vero Beach Utilities Commission?

RESPONSE:

The Vero Beach Utilities Commission is an advisory commission to the COVB Council pursuant to the COVB Code. Please see Section 2-102 subsection (7) of the COVB Code which describes the purpose and make-up of the Vero Beach Utilities Commission.

COVB CODE: Sec. 2-102. - Advisory commissions.

The city's advisory commissions and their designated purpose shall be as follows:

> **(7) Utilities commission. The utilities commission shall provide recommendations and advice to the city council on all matters related to the administration and operation of the city's utilities, including finances and accounting; efficient and economic operations; maintenance; expansion and contraction of service areas; rates and fees, including taxes; improvements; and other matters specifically relating to the electric, water and sewer, and solid waste enterprise funds. The commission may seek counsel with the city manager and the other charter officers from time to time, as well as city department heads and employees as the commission finds necessary. In performing its mission, the commission shall initiate and provide its own proposals, recommendations, and alternatives to the city council. In addition,**

the commission shall also review and constructively critique all proposals from city staff, consultants, and the public and make its own independent recommendations on such proposals in order to provide the best and most complete information possible to the city council. Any commission member may request the city clerk to coordinate with the commission chairman to place items on the commission agenda and/or request a commission meeting. Meetings may also be called by the city council to review issues prior to city council deliberations. The utilities commission shall meet at least once every quarter. The commission is expressly charged with representing and considering all utility customers of the city in its activities, including city resident and non-resident customers alike. As long as the Town of Indian River Shores receives utility services from the City of Vero Beach under a franchise, at least one regular voting member of the utilities commission shall be a resident of the Town of Indian River Shores. All regular voting and alternate members shall reside within the city utilities service area.

(a). The current make-up of the COVB Utilities Commission is 4 COVB members, 2 Indian River County members, and 1 Indian River Shores member. This make-up is 57% COVB members and 43% non-COVB members. In addition to the voting members of the COVB Utilities Commission there are also 1 COVB, 1 Indian River County, and 1 Indian River Shores alternative members. If the alternate members are included in the percentage make-up the make-up is 50% COVB and 50% non-COVB members.

(b). Elected officials are not required members of the COVB Utilities Commission. However, one current member of the COVB Utilities Commission is an elected official from the Indian River Shores town council.

VERIFICATION OF ANSWERS TO INTERROGATORIES

Under penalities of perjury, I hereby swear or affirm that the above responses to Staff's First Set of Interrogatories are true and correct to the best of my knowledge.

CITY OF VERO BEACH

By: _____

As its: _____

I hereby certify that on this 17th day of September, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared James D'Connor who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) 1 - 7 from STAFF'S FIRST SET OF INTERROGATORIES TO CITY OF VERO BEACH (NO. 7) in Docket No(s). 20170235-EI, 20170236-EU, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 17th day of September, 2018.

Tammy K Bursick
Notary Public
State of Florida, at Large

My Commission Expires:

TAMMY K. BURSICK
MY COMMISSION # GG 039993
EXPIRES: May 6, 2020
Bonded Thru Notary Public Underwriters

115716289.1

CITY OF VERO BEACH ELECTRIC SERVICE RATES - LAST 20 YEARS

Effective Date		As of: 8/17/1999	12/1/2005	1/1/2010	10/1/2010	10/1/2011	5/1/2017	As of: 9/6/2018	
CUSTOMER CHARGE									
Residential	per month	$ 7.00	$ 7.21	$ 7.95	$ 8.14	$ 8.33	$ 8.33	$ 8.33	*Note (1)*
Commercial -Non Demand	per month	7.80	8.03	9.00	9.21	9.43	9.43	9.43	*Note (2)*
Commercial - Demand	per month	36.00	37.08	38.00	38.89	39.80	39.80	39.80	*Note (3)*
Industrial - Demand	per month	68.50	70.56	38.00	38.89	39.80	39.80	39.80	*Note (4)*
ENERGY CHARGE									
Residential	all metered kWh (no tiers)	0.0739	0.0761						
	0-1,000 kWh metered			0.0440	0.0450	0.0461	0.0461	0.0461	*Note (1)*
	above 1,000 kWh metered			0.0690	0.0706	0.0723	0.0723	0.0723	*Note (1)*
Commercial -Non Demand	per kWh metered	0.0750	0.0773	0.0504	0.0516	0.0528	0.0528	0.0528	*Note (2)*
Commercial - Demand	for the first 400 kWh per Kw	0.0586	0.0604						
	for all additional kWh	0.0391	0.0403						
	per kWh metered (no tiers)			0.0318	0.0325	0.0333	0.0333	0.0333	*Note (3)*
Industrial - Demand	for the first 400 kWh per Kw	0.0586	0.0604	0.0286	0.0293	0.0300	0.0300	0.0300	*Note (4)*
	above 400 kW	0.0398	0.0410	0.0081	0.0083	0.0085	0.0085	0.0085	*Note (4)*
DEMAND CHARGE (per kW of the maximum metered recorded demand during the month)									
Commercial - Demand	minimum charge 30 kW per month	3.70	3.81	4.25	4.35	4.45	4.45	4.45	*Note (3)*
Industrial - Demand	minimum charge 500 kW per month	3.60	3.71	6.34	6.49	6.64	6.64	6.64	*Note (4)*
PURCHASED POWER ADJUSTMENT CLAUSE (PPA) a.k.a. BULK POWER COST ADJUSMENT CLAUSE (BCPA)									
All Customer Classes	all energy kWh sales - no tiers	adjusted periodically per tariff sheet 18.0 - see history attached							

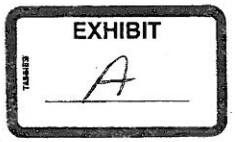
Notes:

(1) Automatic increases for 10/1/2012 and 10/1/2013 authorized by tariff sheet No. 8.0 Tenth Revision were not implemented.

(2) Automatic increases for 10/1/2012 and 10/1/2013 authorized by tariff sheet No. 9.0 Tenth Revision were not implemented.

(3) Automatic increases for 10/1/2012 and 10/1/2013 authorized by tariff sheet No. 10 Ninth Revision were not implemented.

(4) Automatic increases for 10/1/2012 and 10/1/2013 authorized by tariff sheet No. 11 Ninth Revision were not implemented.



City of Vero Beach Purchased Power Adjustment (PPA) / Bulk Power Adjustment (BCPA) - Rate History

Month/Year	per kWh
August-99	0.000300
September-99	0.000300
October-99	0.000300
November-99	**-0.001300**
December-99	-0.001300
January-00	-0.001300
February-00	-0.001300
March-00	-0.001300
April-00	-0.001300
May-00	-0.001300
June-00	-0.001300
July-00	**0.001700**
August-00	0.001700
September-00	0.001700
October-00	0.001700
November-00	0.001700
December-00	0.001700
January-01	**0.004200**
February-01	0.004200
March-01	0.004200
April-01	0.004200
May-01	**0.009700**
June-01	0.009700
July-01	0.009700
August-01	0.009700
September-01	0.009700
October-01	0.009700
November-01	0.009700
December-01	0.009700
January-02	0.009700
February-02	**0.005850**
March-02	0.005850
April-02	0.005850
May-02	0.005850
June-02	0.005850
July-02	0.005850
August-02	0.005850
September-02	0.005850
October-02	0.005850
November-02	0.005850
December-02	0.005850
January-03	0.005850
February-03	0.005850
March-03	0.005850
April-03	0.005850
May-03	**0.009350**
June-03	0.009350

Month/Year	per kWh
July-03	0.009350
August-03	0.009350
September-03	0.009350
October-03	0.009350
November-03	**0.013300**
December-03	0.013300
January-04	0.013300
February-04	0.013300
March-04	0.013300
April-04	0.013300
May-04	0.013300
June 1st to 4th	0.013300
June 6th to 30th	**0.023480**
August-04	0.023480
August-04	0.023480
October-04	0.023480
November-04	0.023480
December-04	0.023480
January-05	0.023480
February-05	0.023480
March-05	0.023480
April-05	0.023480
May-05	0.023480
June-05	0.023480
July-05	**0.026980**
August-05	0.026980
September-05	0.026980
October-05	0.026980
November-05	**0.048200**
December-05	0.048200
January-06	0.048200
February-06	0.048200
March-06	0.048200
April-06	0.048200
May-06	0.048200
June-06	0.048200
July-06	0.048200
August-06	0.048200
September-06	**0.039480**
October-06	0.039480
November-06	**0.032700**
December-06	0.032700
January-07	0.032700
February-07	0.032700
March-07	**0.038560**
April-07	0.038560
May-07	0.038560

Month/Year	per kWh
June-07	0.038560
July-07	0.038560
August-07	**0.048860**
September-07	0.048860
October-07	0.048860
November-07	0.048860
December-07	0.048860
January-08	**0.040870**
February-08	0.0409
March-08	0.0409
April-08	**0.049440**
May-08	0.0494
June-08	0.0494
July-08	**0.054590**
August-08	0.054590
September-08	0.054590
October-08	**0.057700**
November-08	0.057700
December-08	0.057700
January-09	**0.051370**
February-09	0.051370
March-09	0.051370
April-09	0.051370
May-09	**0.055220**
June-09	**0.075510**
July-09	0.075510
August-09	0.075510
September-09	0.075510
October-09	0.075510
November-09	0.075510
December-09	0.075510
January-10	**0.074000**
February-10	0.074000
March-10	**0.071500**
April-10	**0.069500**
May-10	0.069500
June-10	0.069500
July-10	0.069500
August-10	0.069500
September-10	0.069500
October-10	**0.064000**
November-10	0.064000
December-10	0.064000
January-11	**0.060000**
February-11	0.060000
March-11	0.060000
April-11	0.060000

City of Vero Beach Purchased Power Adjustment (PPA) / Bulk Power Adjustment (BCPA) - Rate History

Month/Year	per kWh
May-11	**0.056000**
June-11	0.056000
July-11	**0.060000**
August-11	0.060000
September-11	0.060000
October-11	0.060000
November-11	0.060000
December-11	0.060000
January-12	**0.067000**
February-12	0.067000
March-12	0.067000
April-12	0.067000
May-12	0.067000
June-12	0.067000
July-12	0.067000
August-12	0.067000
September-12	0.067000
October-12	0.067000
November-12	0.067000
12/18/13	0.067000
12/19/13	**0.074000**
January-13	0.074000
February-13	0.074000
March-13	0.074000
April-13	0.074000
May-13	0.074000
June-13	0.074000
July-13	0.074000
August-13	0.074000
September-13	0.074000
October-13	0.074000
November-13	**0.076500**
December-13	0.076500
January-14	0.076500
February-14	**0.075000**
March-14	0.075000
April- 14	0.075000
May-14	0.075000
June-14	**0.069500**
July-14	0.069500
August-14	0.069500
September-14	0.069500
October-14	0.069500
November-14	0.069500
December-14	0.069500
January- 15	0.069500
February- 15	0.069500

Month/Year	per kWh
March- 15	0.069500
April- 15	0.069500
May- 15	0.069500
June- 15	0.069500
July- 15	0.069500
August- 15	0.069500
September- 15	**0.067650**
October- 15	0.067650
November- 15	0.067650
December- 15	**0.065150**
January-16	0.065150
February-16	0.065150
March-16	0.065150
April-16	0.065150
May-16	0.065150
June-16	0.065150
June 15,2016	**0.063150**
July-16	0.063150
August-16	0.063150
September-16	0.063150
10/14/2016	0.063150
10/15/2016	**0.061500**
November-16	0.061500
December-16	0.061500
January-17	0.061500
February-17	0.061500
March-17	0.061500
April-17	0.061500
May-17	0.061500
June-17	0.061500
July-17	0.061500
August-17	0.061500
September-17	0.061500
October-17	0.061500
November-17	0.061500
12/5/2017	0.061500
12/6/2017	**0.068520**
January-18	0.068520
February-18	0.068520
March-18	0.068520
April-18	0.068520
May-18	0.068520
June-18	0.068520
July-18	0.068520
August-18	0.068520
September-18	0.068520

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FPL's response to Staff's Third set of Interrogatories Nos. 23, 25, 27-28, 30-35.

Additional files contained on Staff Hearing Exhibits CD for Nos. 27, 28.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 41
PARTY: STAFF – (DIRECT)
DESCRIPTION: Sam Forrest (23, 28, 30-33), Tiffany Cohen (25), Terry Deason (27, 34),

QUESTION:
On page 13 of witness Ferguson's testimony, the witness states that projected energy costs associated with purchases from OUC will be estimated and included in FPL's Purchased Power Cost Recovery Clause. Please explain how the costs or savings associated with the OUC PPA will be considered in FPL's asset optimization plan.

RESPONSE:
Fuel savings that are realized when the OUC PPA is dispatched will be flowed back to customers through the fuel clause. These cost savings will not be considered part of FPL's optimization plan.

QUESTION:
Do the Florida Statutes authorize Vero Beach Electric to charge different rates outside its municipal boundary than inside its boundary? If yes, where is this authorized?

RESPONSE:
No.

QUESTION:
Of the municipal utilities serving outside of municipal boundaries, please identify those with at least 50% of their customers outside of the municipal boundaries.

RESPONSE:
Please see Attachment No. 1 to this response, which identifies each Florida municipal electric utility that serves customers outside of the municipality's boundaries and the percentage of customers served outside of the municipal boundaries for each utility. The data included in Attachment No. 1 was provided to the Florida Municipal Electric Association (FMEA) by 29 of the 34 municipal electric utilities in Florida as part of FMEA's regular research and reporting efforts, and subsequently obtained by FPL. The percentage of customers outside of the municipal boundaries is current as of 2018 for each city that is underlined in the table and current as of 2010 for the other cities shown.

Of the 29 municipal electric utilities for which FMEA data are available, only five serve at least 50% of their customers outside their respective municipal boundaries, including the City of Vero Beach. FMEA reports that in 2010, the City of Vero Beach served 61% of its customers outside of the City's boundaries. The City of Vero Beach confirmed independently to FPL that it served 62.6% of its customers outside the City's municipal boundaries as of April 2017. To FPL's knowledge, no other municipal electric utility serves more than 57% of its customers outside of its municipal boundaries.

QUESTION:
Please identify each obligation to Florida Municipal Power Agency (FMPA), if any, from Vero Beach Electric would be released from under the either the purchase and sale agreement or transactions transactions related thereto. If applicable, please provide details regarding each of the following:

a) PPA(s) with OUC
b) PPA(s) with any IO
c) Participation in or PPA related to any nuclear project.

RESPONSE:
Please refer to COVB's response to Staff's First Set of Interrogatories to City of Vero Beach No. 5.

As part of FPL's purchase of the Vero Beach electric system, Vero Beach is being released from all obligations from the following Florida Municipal Power Agency (FMPA) agreements, all of which are identified in Attachment No. 1 – and which include the following:

1. Stanton – The City of Vero Beach currently participates in the All-Requirements Project and has an approximately 32% power entitlement share in the Stanton Power Plant. FPL's purchase of the Vero Beach electric system will result in the following related to the Stanton Power Plant:

   - Assignment of certain rights and obligations under the Stanton Project Power Sales Contract, as amended, and Project Support Contract, as amended, between FMPA and the City of Vero Beach to be assigned to the Stanton Bond Trustee to enforce such contracts

   - Waiver and Release Agreement between FMPA and the City of Vero Beach for liabilities and obligations related to the Stanton Project

2. Stanton II – The City of Vero Beach currently participates in the All-Requirements Project and has an approximately 16% power entitlement share in the Stanton II Power Plant. FPL's purchase of the Vero Beach electric system will result in the following related to the Stanton Power Plant:

   - Assignment of certain rights and obligations under the Stanton II Project Power Sales Contract, as amended, and Project Support Contract, as amended, between FMPA and the City of Vero Beach to be assigned to the Stanton Bond Trustee to enforce such contracts

   - Waiver and Release Agreement between FMPA and the City of Vero Beach for liabilities and obligations related to the Stanton II Project

3. Agency – The City of Vero Beach is currently a member of FMPA. FPL's purchase of the Vero Beach electric system will result in the following:

   - Execution and delivery of documents necessary for the withdrawal of the City of Vero Beach as a member of FMPA

   - Approval of the complete release and total discharge of all liabilities and obligations between the City of Vero Beach and FMPA including, without limitation, obligations with respect to the Stanton, Stanton II and St. Lucie Projects

4. St. Lucie Nuclear Power Plant (described further below).

Details on additional obligation releases are listed below and identified in Attachment No. 2:

a) The City of Vero Beach signed an Agreement for the Purchase and Sale of Electric Energy and Capacity, Gas Transportation Capacity and Asset Management Services on April 21, 2008 with Orlando Utilities Commission. This agreement was amended and restated on October 20, 2015. FPL's purchase of the City of Vero Beach assets includes a termination of the agreement and release of all the City of Vero Beach's obligations related to the Power Purchase Agreement with Orlando Utilities Commission going forward.

b) To FPL's knowledge, Vero Beach does not have Power Purchase Agreements with any Investor Owned utilities.

c) The City of Vero Beach currently participates in the All-Requirements Project and has an approximately 15% power entitlement share in the St. Lucie Nuclear Power Plant. FPL's purchase of the Vero Beach electric system will result in the following related to the St. Lucie Nuclear Power Plant:

   a. Assignment of certain rights and obligations under the St. Lucie Power Sales Contract, as amended, and the Project Support Contract, as amended, between FMPA and the City of Vero Beach to be assigned to the St. Lucie Bond Trustee to enforce such contracts

   b. Waiver and Release Agreement between FMPA and the City of Vero Beach for liabilities and obligations related to the St. Lucie Project

QUESTION:
Please describe the current condition of the Vero Beach Electric Utility assets that FPL will acquire as a result of the proposed transaction. For purposes of this response, state whether the system is in excellent, fair, or poor condition.

RESPONSE:
Please note the following response was provided in response to Staff's Fourth Data Request No. 1.

Based on FPL's assessment, the current condition of the Vero Beach electric utility assets that FPL will acquire as a result of the proposed transaction may generally be described as fair. Some parts of the electric system, such as the underground system, are in better condition than other parts of the system, so it is difficult to describe the condition of the entire system through the use of a single descriptive term. However, additional hardening, improvements and upgrades are required in order to bring the Vero Beach electric system up to the condition and standards of FPL's system.

Examples of additional hardening, improvements and upgrades include hardening of transmission lines and distribution feeders, as well as installation of smart meters and smart grid equipment such as automated feeder switches (AFS) and automated lateral switches (ALS) that improve the reliability of the system. This equipment will improve the level of service provided to the City of Vero Beach customers and will help to improve the condition and operation of the electric system to be acquired through this transaction.

QUESTION:
Does FPL anticipate that it will have to make substantial upgrades to the Vero Beach utility system over the next five to ten years? In this context, please identify each anticipated upgrade whether or not it is considered substantial.

RESPONSE:
Please note that FPL previously responded to this question in response to Staff's Fourth Data Request No. 3 and Staff's Third Set of Interrogatories No. 30.

FPL plans to make capital investments of approximately $112 million over the next 10 years in order to upgrade and improve the Vero Beach electric system. These anticipated upgrades and improvements will include installation of smart meters as part of the AMI rollout, hardening of transmission and distribution facilities, and installation of devices such as automated feeder switches (AFS), automated lateral switches (ALS), substation cameras, oil filtration systems and other improvements similar to those that currently exist on FPL's electric system. These anticipated upgrades and improvements will represent substantial upgrades for Vero Beach's existing electric system.

QUESTION:
How much does FPL anticipate it will invest in the Vero Beach utility system over the next 10 years? For purposes of this response, provide an estimate of the amount FPL anticipates it will invest in the Vero Beach utility system in each of the next 10 years.

RESPONSE:
Please note that FPL previously responded to this question in response to Staff's Fourth Data Request No. 3; however, the response has been updated below for the forecast closing date of January 1, 2019.

FPL plans to make capital investments of approximately $112 million over the next 10 years in order to upgrade and improve the Vero Beach electric system. These upgrades and improvements will include installation of smart meters as part of the AMI rollout, hardening of transmission and distribution facilities, and installation of devices such as automated feeder switches (AFS), automated lateral switches (ALS), substation cameras, oil filtration systems and other improvements similar to those that currently exist on FPL's electric system.

The projected investments over the next 10 years are broken down into the following categories:

Category	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Customer Service - AMI Rollout and Other Capital Investments	5,124	2,124	-	-	-	-	-	-	-	-	7,248
Distribution Capital (including Hardening)	2,671	860	4,455	9,285	9,446	13,406	8,625	8,892	9,168	9,374	76,181
Transmission Capital (including Hardening and New Substation)	23	1,303	10,934	2,907	2,041	2,081	1,673	1,817	2,737	2,797	28,316
Total	7,818	4,288	15,389	12,191	11,487	15,487	10,298	10,709	11,905	12,171	111,744

QUESTION:
On page 15 of witness Forest's testimony, he explains that the benefit to FPL's existing customers is derived largely due to the positive effect of spreading FPL's fixed costs of operation over a larger total customer base when the COVB customers are added. Please explain specifically how adding 34,000 customers to an existing base of 4.9 million customers will have a material impact on the fixed costs paid by the latter group.

RESPONSE:
Please note that FPL previously responded to this question in response to Staff's Fourth Data Request No. 6; however, the response has been updated below to account for the latest CPVRR analysis prepared by FPL and presented as Exhibit SRB-2.

Witness Forrest's testimony does not imply a level of materiality in the estimated savings from this transaction; rather, the size of FPL's system and existing customer base affords FPL the opportunity to combine its best in class cost performance with scale economies, i.e., FPL's expected incremental costs to serve 34,000 customers of COVB is less than FPL's average cost of serving its existing 4.9 million customers. Since the former COVB customers will pay FPL rates which reflect average costs, the incremental revenue paid by the former COVB customers is expected to exceed the incremental costs to serve them thus producing the estimated $99 million CPVRR savings. A large portion of this benefit is FPL's ability to cost effectively serve the COVB customers without the need to construct incremental generation until 2031.

QUESTION:
On page 14 of witness Deason's testimony, he explains that the size of FPL in comparison to the COVB is such that the acquisition's impact would not have a material impact on FPL's surveillance reports. If the acquisition is so small that it would not have a material impact on FPL's surveillance reports, please explain how is it large enough to materially spread fixed costs.

RESPONSE:
Please note the following response was provided in FPL's response to Staff's Fourth Data Request No. 7.

As illustrated in Exhibit SRB-2 and FPL's response to Staff's Third Set of Interrogatories No. 33, the incremental benefits of adding COVB customers are greater than the incremental costs. However, due to the size of the transaction in the context of FPL's entire system, neither the benefits nor the costs will have a material impact on FPL's surveillance reports.

QUESTION:
FPL's request assumes the acquisition adjustment will be recovered over 30 years. Will FPL earn an equity return on the unamortized balance of the acquisition adjustment over the 30 year recovery period? If yes, please identify the total equity return FPL will earn on the proposed acquisition adjustment over the 30 year period. For purposes of this response, please provide the value on both a nominal and cumulative net present value basis.

RESPONSE:
Please note the following response was provided in FPL's response to Staff's Fourth Data Request No. 9.

Yes, FPL will be investing both debt and equity capital to finance this transaction, therefore it is requesting Commission approval to earn an equity return on the portion of the acquisition adjustment that is financed with equity. As a result of the change in timing of the transaction, the revised acquisition adjustment is $114.3 million. The after-tax return on equity is $98.1 million on a nominal basis and $50.5 million on a net present value basis. FPL has included the equity return in the CPVRR analysis that is projected to provide a $99 million benefit to customers.

DECLARATION

I sponsored the answers to Interrogatory Nos. 23 and 26-31 from Staff's Third Set of Interrogatories to Florida Power & Light Company in Docket Nos. 20170235-EI & 20170236-EU, and the responses are true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answers identified above, and that the facts stated therein are true.

Sam Forrest

Date: 9/17/18

DECLARATION

I sponsored the answers to Interrogatory Nos. 24 and 25 from Staff's Third Set of Interrogatories to Florida Power & Light Company in Docket Nos. 20170235-EI & 20170236-EU, and the responses are true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answers identified above, and that the facts stated therein are true.

Tiffany C. Cohen

Date: 9/13/18

DECLARATION

I sponsored the answers to Interrogatory Nos. 32-35 from Staff's Third Set of Interrogatories to Florida Power & Light Company in Docket Nos. 20170235-EI & 20170236-EU, and the responses are true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answers identified above, and that the facts stated therein are true.

Scott R. Bores

Date: 9/13/18

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FPL's response to Staff's Fifth set of Interrogatories Nos. 41-42.

Additional files contained on Staff Hearing Exhibits CD for Nos. 41, 42.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 42
PARTY: STAFF – (DIRECT)
DESCRIPTION: Scott Bores

QUESTION:
On page 4 of FPL's witness Borse's direct testimony, the witness states that FPL's latest CPVRR analysis includes its long-term incremental generation and purchased power plan consistent with that in the 2018 TYSP. Please complete the table describing the long-term incremental generation and purchased power plan used in the 2018 TYSP, 2017 TYSP, 2016 TYSP, and FPL's most recent need determination filing. Within the table please include the capacity (MW) and generation technology for future additions. Please provide the same information for any capacity retirements.

	Capacity Changes	Total Capacity Available	Summer Peak Demand	Summer Reserve Margin
2018				
2019				
2020				
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
2043				
2044				
2045				
2046				
2047				
2048				

RESPONSE:
Please see Attachment No. 1 for the table describing the long-term incremental generation and purchased power plan used in the 2018 TYSP, 2017 TYSP, 2016 TYSP, and the Dania Beach need determination filing. This table includes the capacity and generation technology for future additions and also the information for capacity retirements.

QUESTION:
On page 4 of witness Borse's direct testimony, the witness states that FPL's latest CPVRR analysis includes its long-term incremental generation and purchased power plan consistent with that in the 2018 TYSP. Please complete the table describing the long-term incremental generation and purchased power plan assuming FPL does not acquire Vero Beach. Within the table please include the capacity (MW) and generation technology for future additions. Please provide the same information for any capacity retirements.

	Capacity Changes	Total Capacity Available	Summer Peak Demand	Summer Reserve Margin
2018				
2019				
2020				
2021				
2022				
2023				
2024				
2025				
2026				
2027				
2028				
2029				
2030				
2031				
2032				
2033				
2034				
2035				
2036				
2037				
2038				
2039				
2040				
2041				
2042				
2043				
2044				
2045				
2046				
2047				
2048				

RESPONSE:
Please see Attachment No. 1 for the table describing the long-term incremental generation and purchased power plan assuming FPL does not acquire Vero Beach. This table includes the capacity and generation technology for future additions and also the information for capacity retirements.

DECLARATION

I sponsored the answers to Interrogatory Nos. 41 and 42 from Staff's Fifth Set of Interrogatories to Florida Power & Light Company in Docket Nos. 20170235-EI & 20170236-EU, and the responses are true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answers identified above, and that the facts stated therein are true.

Scott R. Bores

Date: 9/24/18

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CAIRC's response to Staff's First set of Interrogatories No. 1.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 43
PARTY: STAFF – (DIRECT)
DESCRIPTION: Herbert Whittall

INTERROGATORIES

1. Please refer to CAIRC's witness Whittall's direct testimony on page 2. Why did the City of Vero Beach Utilities Commission not review the purchase power agreement with Orlando Utilities Commission?

RESPONSE:

From: Herbert Whittall, 19 Park Avenue, Vero Beach, FL 32960
Relationship to CAIRC: None.

Civic Association of IRC
Docket No. 20170235-EI
Staff's 1st Interrogatories, #1

PAGE 1 OF 1

INTERROGATORIES

Please refer to CAIRC's witness Whittall's direct testimony on page 2. Why did the City of Vero Beach Utilities Commission not review the purchase power agreement with Orlando Utilities Commission?

RESPONSE: To clarify my testimony regarding review by the Utilities Commission of the purchase power agreement between the COVB and OUC, we did indeed review that contract on more than one occasion. In two separate meetings, attorney Schef Wright appeared before the Utilities Commission, along with the head of the Utilities Department, to present details of the agreement, including some legal aspects of the way the agreement would work. Mr. Wright was particularly suited to this task, as he had been the lead attorney in negotiating this contract. Questions were answered by each presenter as fully as was needed, for as long as was needed. As none of the members of the Utilities Commission are themselves attorneys, my prior testimony regarding "legal detail" simply referred to the fact that we cannot speak to particular legal aspects or details. We are not prohibited from asking about any aspect of the proposed contract, however, should a solely legal question arise.

Civic Association of IRC
Docket No. 20170235-EI
Staff's 1st Interrogatories, #1

AFFIDAVIT

STATE OF FLORIDA:

COUNTY OF Indian River

I hereby certify that on this 20 day of September, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared HERBERT WITTALL, who is personally known to me, and he acknowledged before me that he provided the answers to interrogatory number one from STAFF'S FIRST SET OF INTERROGATORIES TO CIVIC ASSOCIATION OF INDIAN RIVER COUNTY, INC. (NO. 1) in Docket No(s). 20170235-EI, 20170236-EU, and that the responses are true and correct based on his personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid on this day of 2018.

Notary Public
State of Florida at Large

Kedra Leake

My Commission Expires:
6/5/2022

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OPC's response to Staff's First set of Interrogatories Nos. 1-2.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 44
PARTY: STAFF – (DIRECT)
DESCRIPTION: Lane Kollen

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Florida Power & Light Company (FPL) for authority to charge FPL rates to former City of Vero Beach customers and for approval of FPL's accounting treatment for City of Vero Beach transaction.	DOCKET NO. 20170235-EI
	DOCKET NO. 20170236-EU
In re: Joint petition to terminate territorial agreement, by Florida Power & Light and the City of Vero Beach.	FILED: OCTOBER 1, 2018

OFFICE OF PUBLIC COUNSEL'S RESPONSES TO STAFF'S FIRST SET OF INTERROGATORIES (Nos. 1-2)

Office of Public Counsel, on behalf of the Citizens of the State of Florida (OPC or Citizens), by the requirements set forth in the Commission Order No. PSC-2018-0370-PCO-EU, Rule 28-106-206, Florida Administrative Code, and Rule 1.340, Florida Rules of Civil Procedure, submit the following responses to the First Set Of Interrogatories (Nos. 1-2) propounded by the Commission Staff ("Staff") on September 11, 2018.

GENERAL OBJECTIONS

A. With respect to the "Definitions" and "Instructions" in the requests, Citizens object to any definitions or instructions that are inconsistent with Citizens' discovery obligations under applicable rules. If some question arises as to Citizens' discovery obligations, Citizens will comply with applicable rules and not with any of Staff's definitions or instructions that are inconsistent with those rules.

B. Citizens object to each and every request to the extent it is vague, ambiguous, overly broad, imprecise, or utilizes terms that are subject to multiple interpretations but are not properly

defined or explained for purposes of such discovery requests. Any responses provided by Citizens are provided subject to, and without waiver of, the foregoing objection.

C. Citizens also object to any request that purports to require Citizens or its experts to prepare studies, analyses, or to do work for Staff that has not been done for Citizens.

D. Citizens generally object to any request that calls for information prepared in anticipation of litigation or hearing, for data or information protected by the attorney-client privilege, the work product doctrine, the accountant-client privilege, the trade secret privilege, or any other applicable privilege or protection afforded by law.

E. Citizens reserve the right to supplement any of its responses if Citizens cannot locate the answers immediately due to their magnitude and the work required to aggregate them, or if Citizens later discover additional responsive information in the course of this proceeding.

F. By making these responses herein, Citizens do not concede that any request is relevant to this action or is reasonably calculated to lead to the discovery of admissible evidence. Citizens expressly reserve the right to object to further discovery into the subject matter of any of these requests, to the introduction of evidence of any response or portion thereof, and to supplement its responses should further investigation disclose responsive information.

G. In responding to these discovery request, Citizens have made a reasonable inquiry of those persons likely to possess information responsive thereto and has conducted a reasonable search of those records in Citizens' possession, custody, or control where the requested information would likely be maintained in the ordinary course of business. To the extent that the requests ask Citizens to go to greater lengths, Citizens object because such requests are overly broad, unduly burdensome, and unreasonable.

H. Citizens object to providing information to the extent that such information is already in the public record before the Florida Public Service Commission and available through normal procedures.

I. Citizens object to any request that purports to require disclosure of the Public Counsel deliberative process and internal reviews to determine what if any issues to protest in any case. The Public Counsel is authorized by Section 350.0611, Florida Statutes, to represent the customers before the Commission. The Legislature granted the Public Counsel the following specific power:

> To recommend to the commission or the counties, by petition, the commencement of any proceeding or action or to appear, in the name of the state or its citizens, in any proceeding or action before the commission or the counties and urge therein any position which he or she deems to be in the public interest, whether consistent or inconsistent with positions previously adopted by the commission or counties, . . .

The Public Counsel's decision-making and grant of discretion to take any position he deems in the public interest is not subject to review or an issue in this case. Thus, any such request is not relevant nor can it be reasonably calculated to lead to the discovery of admissible evidence.

J. In responding to these Requests, Citizens do not waive the foregoing objections, or any specific objections that are set forth in the responses to particular requests.

INTERROGATORIES

1. On page 4 of OPC's witness Kollen's direct testimony, the witness states that OPC supports the proposed acquisition. Does OPC support the PPA with OUC based on FPL witness Forrest's explanation (On pages 13 and 14 of his direct testimony) of the agreement?

Response:

OPC has not offered an opinion on the PPA with OUC. Mr. Kollen was retained to address the acquisition premium.

2. On page 11 of witness Kollen's direct testimony, the witness estimates that FPL overstates savings by approximately $55 million by incorrectly assuming that it can serve the Vero Beach load through 2032 without incurring the cost to purchase or build additional capacity. Please describe in detail how the $55 million was calculated.

Response:

Mr. Kollen calculated the capacity cost using the $4.00 per mW-month "market proxy" cost reflected on the Monthly Capacity tab in the COVB CPVRR Inputs Excel Workbook provided by FPL in response to discovery. Mr. Kollen weighted the 162 mW COVB peak using the load profile shown on this same tab. Mr. Kollen calculated this as $6.6 million annually. Mr. Kollen then discounted these annual amounts using FPL's study model and methodology.

/s/*Stephanie A. Morse*
Stephanie A. Morse
Associate Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street, Room 812
Tallahassee, FL 32399-1400
(850) 488-9330

Attorneys for the Citizens
of the State of Florida

DECLARATION

I sponsored the answers to Interrogatories from Staff's 1st Set of Interrogatories (Nos. 1-2) to the Office of Public Counsel in Docket Nos. 20170235-EI and 20170236-EU, and that the responses are true and correct to the best of my personal knowledge and belief.

Under penalties of perjury, I declare that I have read the forgoing declaration and the interrogatory answers identified, and that the facts stated therein are true and correct to the best of my personal knowledge and belief.

Signature

Lane Kollen

Date: 10/2/18

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OPC's response to FPL's First set of Production of Documents No. 2.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 45
PARTY: STAFF – (DIRECT)
DESCRIPTION: Lane Kollen

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Florida Power & Light Company (FPL) for authority to charge FPL rates to former City of Vero Beach customers and for approval of FPL's accounting treatment for City of Vero Beach transaction.	DOCKET NO. 20170235-EI
	DOCKET NO. 20170236-EU
In re: Joint petition to terminate territorial agreement, by Florida Power & Light and the City of Vero Beach.	FILED: OCTOBER 2, 2018

OFFICE OF PUBLIC COUNSEL'S RESPONSE TO FPL'S FIRST SET OF REQUESTS FOR PRODUCTION OF DOCUMENTS (NOS. 1-4)

Office of Public Counsel, (OPC), by the requirements set forth in the Commission Order No. PSC-2018-0370-PCO-EU, Rule 28-106-206, Florida Administrative Code, and Rule 1.350, Florida Rules of Civil Procedure, submit the following response to the First Set of Requests for Production of Documents (Nos. 1-4) propounded by the Florida Power and Light Company (FPL) on September 12, 2018. To the extent that OPC's responses contain data which has been designated by FPL as "confidential," those responses will be sent separately via overnight mail to parties who have signed Nondisclosure Agreements with FPL to protect the information.

GENERAL OBJECTIONS

A. With respect to the "Definitions" and "Instructions" in the requests, Citizens object to any definitions or instructions that are inconsistent with Citizens' discovery obligations under applicable rules. If some question arises as to Citizens' discovery obligations, Citizens will comply with applicable rules and not with any of Commission's definitions or instructions that are inconsistent with those rules.

B. Citizens object to each and every request to the extent it is vague, ambiguous, overly broad, imprecise, or utilizes terms that are subject to multiple interpretations but are not

properly defined or explained for purposes of such discovery requests. Any responses provided by Citizens are provided subject to, and without waiver of, the foregoing objection.

C. Citizens also object to any request that purports to require Citizens or its experts to prepare studies, analyses, or to do work for FPL that has not been done for Citizens.

D. Citizens generally object to any request that calls for information prepared in anticipation of litigation or hearing, for data or information protected by the attorney-client privilege, the work product doctrine, the accountant-client privilege, the trade secret privilege, or any other applicable privilege or protection afforded by law.

E. Citizens reserve the right to supplement any of its responses if Citizens cannot locate the answers immediately due to their magnitude and the work required to aggregate them, or if Citizens later discover additional responsive information in the course of this proceeding.

F. By making these responses herein, Citizens do not concede that any request is relevant to this action or is reasonably calculated to lead to the discovery of admissible evidence. Citizens expressly reserve the right to object to further discovery into the subject matter of any of these requests, to the introduction of evidence of any response or portion thereof, and to supplement its responses should further investigation disclose responsive information.

G. In responding to these discovery request, Citizens have made a reasonable inquiry of those persons likely to possess information responsive thereto and has conducted a reasonable search of those records in Citizens' possession, custody, or control where the requested information would likely be maintained in the ordinary course of business. To the extent that the requests ask Citizens to go to greater lengths, Citizens object because such requests are overly broad, unduly burdensome, and unreasonable.

H. Citizens object to providing information to the extent that such information is already in the public record before the Florida Public Service Commission and available to through normal procedures.

I. Citizens object to any request that purports to require disclosure of the Public Counsel deliberative process and internal reviews to determine what if any issues to protest in any case. The Public Counsel is authorized by Section 350.0611, Florida Statutes, to represent the customers before the Commission. The Legislature granted the Public Counsel the following specific power:

> To recommend to the commission or the counties, by petition, the commencement of any proceeding or action or to appear, in the name of the state or its citizens, in any proceeding or action before the commission or the counties and urge therein any position which he or she deems to be in the public interest, whether consistent or inconsistent with positions previously adopted by the commission or counties, . . .

The Public Counsel's decision-making and grant of discretion to take any position he deems in the public interest is not subject to review or an issue in this case. Thus, any such request is not relevant nor can it be reasonably calculated to lead to the discovery of admissible evidence.

J. In responding to these Requests, Citizens do not waive the foregoing objections, or any specific objections that are set forth in the responses to particular requests.

DOCUMENTS REQUESTED

1. Please provide all studies, workpapers, reports and/or other documents developed or consulted by witness Lane Kollen in developing his testimony.

Response:

Mr. Kollen relied on the Company's filing, testimony, and responses to parties' interrogatories and requests for production. Mr. Kollen quantified two issues. The confidential workpapers for these

calculations are provided in response to Request for Production #2(a) and (b), pursuant to the conditions explained above. Mr. Kollen provided comments at the Commission's June 5th meeting; the transcript of the hearing, including Mr. Kollen's comments, can be found on the PSC's website, at http://www.psc.state.fl.us/library/filings/2018/04133-2018/04133-2018.pdf. In addition, Mr. Kollen filed Direct Testimony in this proceeding.

2. Please provide calculations to support the following figures from the testimony of Lane Kollen:

a. $55 million (page 11, line 3)

Response:

Refer to the Confidential Excel workbook COVB CPVRR INPUTS-LOST OPPORTUNITY CAPACITY SALES.XLSX (OPC-FPLPOD1-2A-000001), which is being delivered via overnight mail, pursuant to the conditions described above

b. $41 million (page 11, line 15)

Response:

Refer to the Confidential Excel workbook COVB CPVRR INPUTS-GROSSED-UP RATE OF RETURN AS DISCOUNT RATE (OPC-FPLPOD1-2B-000002), which is being delivered via overnight mail, pursuant to the conditions described above

3. Please provide Mr. Kollen's retention document(s) to perform services for OPC in this proceeding.

Response:

Refer to the attached Contracts for Professional Services between OPC and J. Kennedy and Associates, Inc.

4. Please provide any document(s) indicating Mr. Kollen's scope of work and/or services tobe performed for this proceeding.

Response:

Refer to the response to Request for Production #3. Also refer to the proposal submitted by J. Kennedy and Associates, Inc. to OPC in a February 22, 2018 email from Mr. Kollen to Mr. Rehwinkel and Ms. Morse, a copy of which is attached. In addition, refer to the proposal submitted by J. Kennedy and Associates, Inc. to OPC in an August 3, 2018 email from Mr. Kollen to Mr. Rehwinkel.

/s/ Stephanie A. Morse
Stephanie A. Morse
Associate Public Counsel
Office of Public Counsel
c/o The Florida Legislature
111 West Madison Street
Room 812
Tallahassee, FL 32399
(850) 488-9330

Attorney for the Citizens
of the State of Florida

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FPL's Supplemental Response to Staff's 1st set of Production of Documents No. 1.

Additional files contained on Staff Hearing Exhibits CD for Nos. 1 Supplemental.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 46
PARTY: STAFF – (DIRECT)
DESCRIPTION: Scott Bores

QUESTION:
Please provide the original Excel file with formulas intact for Witness Bores' CPVRR analysis as filed in FPL's Exhibit SRB-2.

RESPONSE:
FPL is supplementing its September 6, 2018 response to this request for production of documents by providing Attachment No. 1, which includes the original Excel file with formulas intact for FPL's Exhibit SRB-2 and excludes the confidential tab 7 containing FPL's long-term price of electricity.

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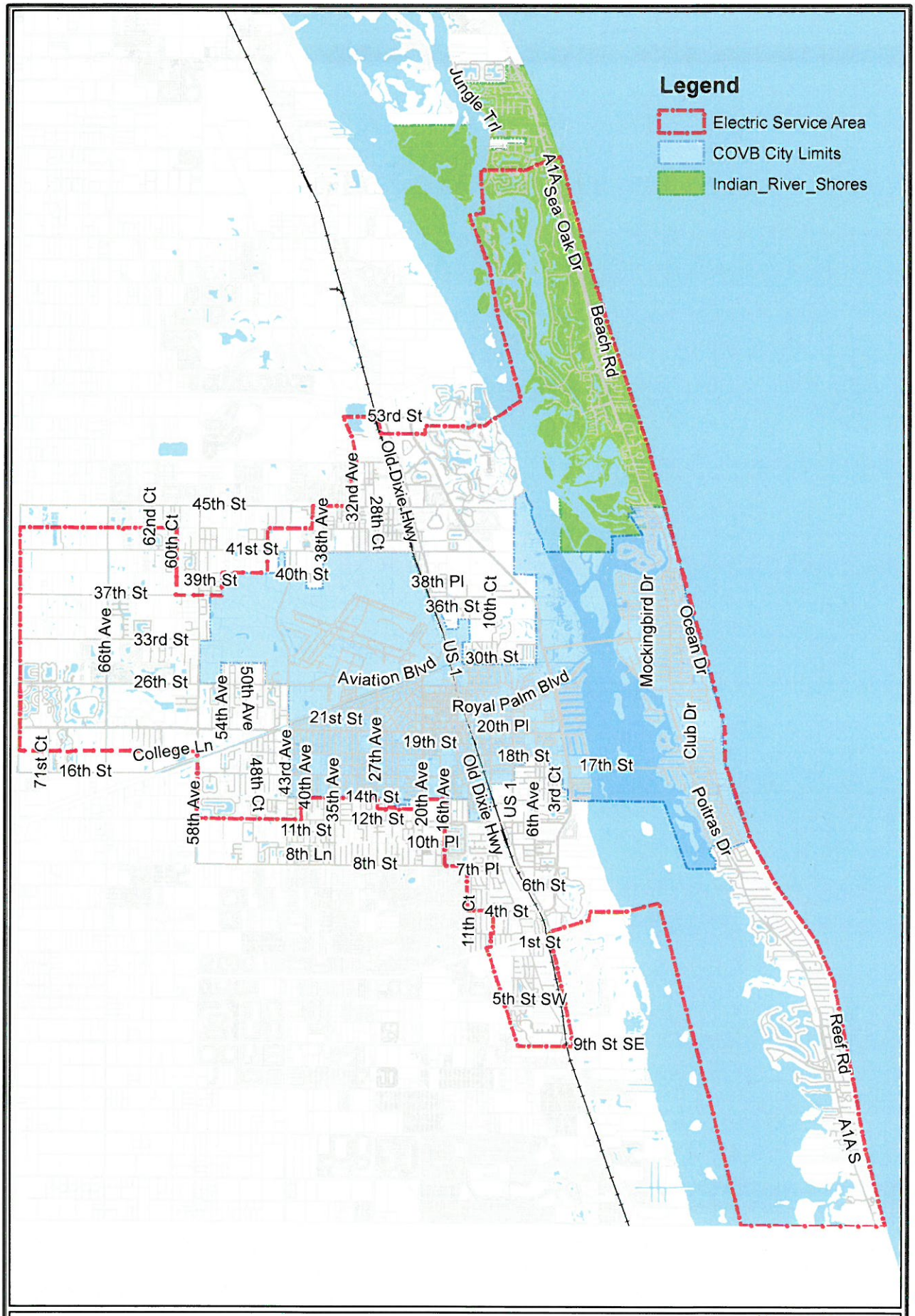
FPL's Response to Staff's 2nd set of Production of Documents No. 2.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 47
PARTY: STAFF – (DIRECT)
DESCRIPTION: Tiffany Cohen (2)Terry Deason (2)

QUESTION:
Please provide a map of the Vero Beach Electric service area, showing the city limits.

RESPONSE:
Please see the attached Vero Beach Electric service area map.



T&D Department
Elect. System Design Division
TERRITORIAL MAP

Date: 12/13/2012

FPL 002294
20170235-EI

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COVB's Responses to Staff's 1st Set of Interrogatories Nos. 1-2.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 48
PARTY: STAFF – (DIRECT)
DESCRIPTION: James O'Connor (1, 2)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Florida Power & Light Company (FPL) for authority to charge FPL rates to former City of Vero Beach customers and for approval of FPL's accounting treatment for City of Vero Beach transaction.	DOCKET NO. 20170235-EI
In re: Joint petition to terminate territorial agreement, by Florida Power & Light and the City of Vero Beach.	DOCKET NO. 20170236-EU DATED: SEPTEMBER 17, 2018

CITY OF VERO BEACH RESPONSES
TO STAFF'S FIRST SET OF INTERROGATORIES

Pursuant to Florida Administrative Code Rule 28-106.206, Rules 1.340 and 1.280 of the Florida Rules of Civil Procedure, and the Order Establishing Procedure, Order No. PSC-2018-0370-PCO-EU, issued July 25, 2018 (the "Order") in this matter, the City of Vero Beach ("COVB") serves its responses to the Staff's First Set of Interrogatories to City of Vero Beach (Nos. 1-6) and states as follows:

INTERROGATORIES

1. Please provide the rates for Vero Beach Electric for the last 20 years, showing rates inside the city limits and outside, if different.

   RESPONSE:

   Please see Exhibit A to COVB's answers to Staff's First Set of Interrogatories to the City of Vero Beach.

2. Do the Florida Statutes authorize Vero Beach Electric to charge different rates outside its municipal boundary than inside its boundary? If yes, where is this authorized?

   RESPONSE:

   No.

VERIFICATION OF ANSWERS TO INTERROGATORIES

Under penalities of perjury, I hereby swear or affirm that the above responses to Staff's First Set of Interrogatories are true and correct to the best of my knowledge.

CITY OF VERO BEACH

By: _____

As its: _____

I hereby certify that on this 17th day of September, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared James D'Connor who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) 1 - 7 from STAFF'S FIRST SET OF INTERROGATORIES TO CITY OF VERO BEACH (NO. 7) in Docket No(s). 20170235-EI, 20170236-EU, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 17th day of September, 2018.

Tammy K. Bursick
Notary Public
State of Florida, at Large

My Commission Expires:

_____

TAMMY K. BURSICK
MY COMMISSION # GG 039993
EXPIRES: May 6, 2020
Bonded Thru Notary Public Underwriters

115716289.1

CITY OF VERO BEACH ELECTRIC SERVICE RATES - LAST 20 YEARS

Effective Date		As of: 8/17/1999	12/1/2005	1/1/2010	10/1/2010	10/1/2011	5/1/2017	As of: 9/6/2018	
CUSTOMER CHARGE									
Residential	per month	$ 7.00	$ 7.21	$ 7.95	$ 8.14	$ 8.33	$ 8.33	$ 8.33	*Note (1)*
Commercial -Non Demand	per month	7.80	8.03	9.00	9.21	9.43	9.43	9.43	*Note (2)*
Commercial - Demand	per month	36.00	37.08	38.00	38.89	39.80	39.80	39.80	*Note (3)*
Industrial - Demand	per month	68.50	70.56	38.00	38.89	39.80	39.80	39.80	*Note (4)*
ENERGY CHARGE									
Residential	all metered kWh (no tiers)	0.0739	0.0761						
	0-1,000 kWh metered			0.0440	0.0450	0.0461	0.0461	0.0461	*Note (1)*
	above 1,000 kWh metered			0.0690	0.0706	0.0723	0.0723	0.0723	*Note (1)*
Commercial -Non Demand	per kWh metered	0.0750	0.0773	0.0504	0.0516	0.0528	0.0528	0.0528	*Note (2)*
Commercial - Demand	for the first 400 kWh per Kw	0.0586	0.0604						
	for all additional kWh	0.0391	0.0403						
	per kWh metered (no tiers)			0.0318	0.0325	0.0333	0.0333	0.0333	*Note (3)*
Industrial - Demand	for the first 400 kWh per Kw	0.0586	0.0604	0.0286	0.0293	0.0300	0.0300	0.0300	*Note (4)*
	above 400 kW	0.0398	0.0410	0.0081	0.0083	0.0085	0.0085	0.0085	*Note (4)*
DEMAND CHARGE (per kW of the maximum metered recorded demand during the month)									
Commercial - Demand	minimum charge 30 kW per month	3.70	3.81	4.25	4.35	4.45	4.45	4.45	*Note (3)*
Industrial - Demand	minimum charge 500 kW per month	3.60	3.71	6.34	6.49	6.64	6.64	6.64	*Note (4)*
PURCHASED POWER ADJUSTMENT CLAUSE (PPA) a.k.a. BULK POWER COST ADJUSMENT CLAUSE (BCPA)									
All Customer Classes	all energy kWh sales - no tiers	adjusted periodically per tariff sheet 18.0 - see history attached							

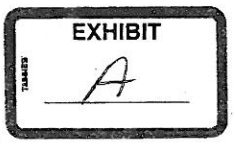
Notes:

(1) Automatic increases for 10/1/2012 and 10/1/2013 authorized by tariff sheet No. 8.0 Tenth Revision were not implemented.

(2) Automatic increases for 10/1/2012 and 10/1/2013 authorized by tariff sheet No. 9.0 Tenth Revision were not implemented.

(3) Automatic increases for 10/1/2012 and 10/1/2013 authorized by tariff sheet No. 10 Ninth Revision were not implemented.

(4) Automatic increases for 10/1/2012 and 10/1/2013 authorized by tariff sheet No. 11 Ninth Revision were not implemented.



City of Vero Beach Purchased Power Adjustment (PPA) / Bulk Power Adjustment (BCPA) - Rate History

Month/Year	per kWh
August-99	0.000300
September-99	0.000300
October-99	0.000300
November-99	**-0.001300**
December-99	-0.001300
January-00	-0.001300
February-00	-0.001300
March-00	-0.001300
April-00	-0.001300
May-00	-0.001300
June-00	-0.001300
July-00	**0.001700**
August-00	0.001700
September-00	0.001700
October-00	0.001700
November-00	0.001700
December-00	0.001700
January-01	**0.004200**
February-01	0.004200
March-01	0.004200
April-01	0.004200
May-01	**0.009700**
June-01	0.009700
July-01	0.009700
August-01	0.009700
September-01	0.009700
October-01	0.009700
November-01	0.009700
December-01	0.009700
January-02	0.009700
February-02	**0.005850**
March-02	0.005850
April-02	0.005850
May-02	0.005850
June-02	0.005850
July-02	0.005850
August-02	0.005850
September-02	0.005850
October-02	0.005850
November-02	0.005850
December-02	0.005850
January-03	0.005850
February-03	0.005850
March-03	0.005850
April-03	0.005850
May-03	**0.009350**
June-03	0.009350

Month/Year	per kWh
July-03	0.009350
August-03	0.009350
September-03	0.009350
October-03	0.009350
November-03	**0.013300**
December-03	0.013300
January-04	0.013300
February-04	0.013300
March-04	0.013300
April-04	0.013300
May-04	0.013300
June 1st to 4th	0.013300
June 6th to 30th	**0.023480**
August-04	0.023480
August-04	0.023480
October-04	0.023480
November-04	0.023480
December-04	0.023480
January-05	0.023480
February-05	0.023480
March-05	0.023480
April-05	0.023480
May-05	0.023480
June-05	0.023480
July-05	**0.026980**
August-05	0.026980
September-05	0.026980
October-05	0.026980
November-05	**0.048200**
December-05	0.048200
January-06	0.048200
February-06	0.048200
March-06	0.048200
April-06	0.048200
May-06	0.048200
June-06	0.048200
July-06	0.048200
August-06	0.048200
September-06	**0.039480**
October-06	0.039480
November-06	**0.032700**
December-06	0.032700
January-07	0.032700
February-07	0.032700
March-07	**0.038560**
April-07	0.038560
May-07	0.038560

Month/Year	per kWh
June-07	0.038560
July-07	0.038560
August-07	**0.048860**
September-07	0.048860
October-07	0.048860
November-07	0.048860
December-07	0.048860
January-08	**0.040870**
February-08	0.0409
March-08	0.0409
April-08	**0.049440**
May-08	0.0494
June-08	0.0494
July-08	**0.054590**
August-08	0.054590
September-08	0.054590
October-08	**0.057700**
November-08	0.057700
December-08	0.057700
January-09	**0.051370**
February-09	0.051370
March-09	0.051370
April-09	0.051370
May-09	**0.055220**
June-09	**0.075510**
July-09	0.075510
August-09	0.075510
September-09	0.075510
October-09	0.075510
November-09	0.075510
December-09	0.075510
January-10	**0.074000**
February-10	0.074000
March-10	**0.071500**
April-10	**0.069500**
May-10	0.069500
June-10	0.069500
July-10	0.069500
August-10	0.069500
September-10	0.069500
October-10	**0.064000**
November-10	0.064000
December-10	0.064000
January-11	**0.060000**
February-11	0.060000
March-11	0.060000
April-11	0.060000

City of Vero Beach Purchased Power Adjustment (PPA) / Bulk Power Adjustment (BCPA) - Rate History

Month/Year	per kWh
May-11	**0.056000**
June-11	0.056000
July-11	**0.060000**
August-11	0.060000
September-11	0.060000
October-11	0.060000
November-11	0.060000
December-11	0.060000
January-12	**0.067000**
February-12	0.067000
March-12	0.067000
April-12	0.067000
May-12	0.067000
June-12	0.067000
July-12	0.067000
August-12	0.067000
September-12	0.067000
October-12	0.067000
November-12	0.067000
12/18/13	0.067000
12/19/13	**0.074000**
January-13	0.074000
February-13	0.074000
March-13	0.074000
April-13	0.074000
May-13	0.074000
June-13	0.074000
July-13	0.074000
August-13	0.074000
September-13	0.074000
October-13	0.074000
November-13	**0.076500**
December-13	0.076500
January-14	0.076500
February-14	**0.075000**
March-14	0.075000
April- 14	0.075000
May-14	0.075000
June-14	**0.069500**
July-14	0.069500
August-14	0.069500
September-14	0.069500
October-14	0.069500
November-14	0.069500
December-14	0.069500
January- 15	0.069500
February- 15	0.069500

Month/Year	per kWh
March- 15	0.069500
April- 15	0.069500
May- 15	0.069500
June- 15	0.069500
July- 15	0.069500
August- 15	0.069500
September- 15	**0.067650**
October- 15	0.067650
November- 15	0.067650
December- 15	**0.065150**
January-16	0.065150
February-16	0.065150
March-16	0.065150
April-16	0.065150
May-16	0.065150
June-16	0.065150
June 15,2016	**0.063150**
July-16	0.063150
August-16	0.063150
September-16	0.063150
10/14/2016	0.063150
10/15/2016	**0.061500**
November-16	0.061500
December-16	0.061500
January-17	0.061500
February-17	0.061500
March-17	0.061500
April-17	0.061500
May-17	0.061500
June-17	0.061500
July-17	0.061500
August-17	0.061500
September-17	0.061500
October-17	0.061500
November-17	0.061500
12/5/2017	0.061500
12/6/2017	**0.068520**
January-18	0.068520
February-18	0.068520
March-18	0.068520
April-18	0.068520
May-18	0.068520
June-18	0.068520
July-18	0.068520
August-18	0.068520
September-18	0.068520

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COVB's Responses to Staff's 2nd set of Interrogatories No. 7.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 49
PARTY: STAFF – (DIRECT)
DESCRIPTION: James O'Connor (7)

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Florida Power & Light Company (FPL) for authority to charge FPL rates to former City of Vero Beach customers and for approval of FPL's accounting treatment for City of Vero Beach transaction.	DOCKET NO. 20170235-EI
In re: Joint petition to terminate territorial agreement, by Florida Power & Light and the City of Vero Beach.	DOCKET NO. 20170236-EU DATED: SEPTEMBER 17, 2018

CITY OF VERO BEACH RESPONSES
TO STAFF'S SECOND SET OF INTERROGATORIES

Pursuant to Florida Administrative Code Rule 28-106.206, Rules 1.340 and 1.280 of the Florida Rules of Civil Procedure, and the Order Establishing Procedure, Order No. PSC-2018-0370-PCO-EU, issued July 25, 2018 (the "Order") in this matter, the City of Vero Beach ("COVB") serves its responses to the Staff's Second Set of Interrogatories to City of Vero Beach (No. 7) and states as follows:

INTERROGATORIES

7. Vero Beach's ninth revised tariff sheet No. 4.0, the currently approved tariff sheet on file with the Commission, refers to a two percent Hurricane Recovery charge that will be applied for a period of no more than 2 years. Please identify the period over which Vero Beach has billed, or will bill, its customers the two percent Hurricane Recovery charge.

Response:

The City of Vero Beach billed its customers the 2% hurricane recovery charge for the period from December 2005 through September 2006.

VERIFICATION OF ANSWERS TO INTERROGATORIES

Under penalities of perjury, I hereby swear or affirm that the above responses to Staff's Second Set of Interrogatories are true and correct to the best of my knowledge.

CITY OF VERO BEACH

By: _____

As its: _____

I hereby certify that on this 17th day of September, 2018, before me, an officer duly authorized in the State and County aforesaid to take acknowledgments, personally appeared James O'Connor, who is personally known to me, and he/she acknowledged before me that he/she provided the answers to interrogatory number(s) #7 from STAFF'S SECOND SET OF INTERROGATORIES TO CITY OF VERO BEACH (NO. 7) in Docket No(s). 20170235-EI, 20170236-EU, and that the responses are true and correct based on his/her personal knowledge.

In Witness Whereof, I have hereunto set my hand and seal in the State and County aforesaid as of this 17th day of September, 2018.

Tammy K. Bursick
Notary Public
State of Florida, at Large

My Commission Expires:

_____

TAMMY K. BURSICK
MY COMMISSION # GG 039993
EXPIRES: May 6, 2020
Bonded Thru Notary Public Underwriters

115716337.1

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FPL's responses to Staff's 4th set of Interrogatories Nos. 37-40.

Additional files contained on Staff Hearing Exhibits CD for Nos. 37, 40.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 50
PARTY: STAFF – (DIRECT)
DESCRIPTION: Tiffany Cohen (37-40)

QUESTION:
Referring to the Bill Comparisons provided in the Supplemental Direct Testimony of Witness Cohen, Exhibit TCC-3, page 1, please provide additional bill calculations for the following scenarios, showing all the bill components separately, for a 1,000 KWh residential bill. Please include all applicable taxes, surcharges, and fees.

a) A Vero Beach customer living inside the city limits
b) A Vero Beach customer living outside the city limits
c) Vero Beach customer living in the unincorporated areas of Indian River County who is assessed the County fee-in-lieu-of-franchise fee (Vero Beach tariff sheet No. 4.)

RESPONSE:
Please see Attachment No. 1 to this response.

QUESTION:
FPL's tariff sheet Nos. 8.031 and 8.032 provide for a franchise fee clause and tax adjustment clause. Please describe which FPL customers currently pay a franchise fee and which FPL customers currently pay a tax adjustment clause.

RESPONSE:
FPL's franchise fees are assessed to customers based on the franchise ordinance adopted by the local governmental entity in which the customer's service address is located. FPL currently holds 182 franchise agreements with various municipalities and counties in Florida, and FPL collects franchise fees from customers whose service address is located within those municipalities and counties and remits funds to the local governmental entities pursuant to the individual franchise agreements. FPL also serves customers in certain municipalities and counties that have not adopted franchise ordinances or are not covered by an umbrella franchise ordinance and as a result, FPL customers whose service address is located in these municipalities and counties are not assessed a franchise fee. The franchise fee in municipalities and counties that have adopted franchise ordinances varies by franchise and is based on the specific franchise agreement.

No FPL customers pay a tax adjustment clause.

QUESTION:
If the Vero Beach customers become FPL customers, will FPL collect a City Utility Tax or an Outside City Surcharge from the former Vero Beach customers?

RESPONSE:
Once current Vero Beach customers become FPL customers, it will be up to the local governmental entity in which they receive service to determine whether to adopt an ordinance imposing a municipal or city utility tax authorized by Chapter 166, Florida Statutes, and if so, in what amount. If the local governmental entity adopts or has in place such an ordinance, FPL will collect the tax and remit same to the local governmental entity. At the present time, the City of Vero Beach imposes a 10% municipal utility tax which, upon closing, FPL will collect from customers whose service address is located within the City of Vero Beach and remit those funds to the City of Vero Beach as required by law. Indian River Shores has not adopted a municipal utility tax and as a result, no such tax will be collected by FPL from customers whose service address is located within Indian River Shores.

FPL interprets the portion of the question asking about an "Outside City Surcharge" to be the surcharge authorized by Rule 25-9.0525, F.A.C. entitled "Municipal Surcharge on Customers Outside Municipal Limits." That provision allows for a surcharge by a municipal electric utility, not by investor owned utilities, and as such no Outside City Surcharge will be collected by FPL from former Vero Beach customers. The Vero Beach customers living in unincorporated Indian River County (outside the city limits) currently pay a 5.9% fee-in-lieu of a franchise fee to the City of Vero Beach. This charge will cease when these customers become FPL customers. However, FPL and Indian River County have a franchise agreement in place where FPL collects a franchise fee from customers it serves in unincorporated Indian River County and remits a 5.9% franchise fee to Indian River County. Once the Vero customers in unincorporated Indian River County become FPL customers, they will also be subject to the 5.9% franchise fee.

QUESTION:
If the Vero Beach customers become FPL customers, please identify each tax and franchise fee that will apply to such customers and provide a 1,000 kWh residential bill calculation including all such taxes and fees

RESPONSE:
Please see Attachment No. 1 to this response.

DECLARATION

I sponsored the answers to Interrogatory Nos. 36 – 40 from Staff's Fourth Set of Interrogatories to Florida Power & Light Company in Docket Nos. 20170235-EI & 20170236-EU, and the responses are true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answers identified above, and that the facts stated therein are true.

Tiffany C. Cohen

Tiffany C. Cohen

Date: 9/21/18

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FPL's response to Staff's Sixth set of Interrogatories Nos. 43-44.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 51
PARTY: STAFF – (DIRECT)
DESCRIPTION: Tiffany Cohen(43)Scott Bores(44)

QUESTION:
Based on FPL's current rates, what would be the rate impact on a residential bill on a 1,000 kWh basis for recovery of the revised acquisition amount of $114 million and the associated carrying cost (exclusive of the CPVRR analysis)?

RESPONSE:
In the absence of the benefits identified in FPL's CPVRR analysis, recovery of $114 million and the associated carrying cost would result in an expected bill impact of $0.11 per month on a 1,000 kWh residential bill, following expiration of the 2016 Settlement Agreement. However, as indicated in FPL's response to Staff's Second Data Request No. 3, and as more fully outlined in FPL's CPVRR analysis, under the proposal that is before the Commission the hypothetical bill impact described in this response will be more than offset by the projected revenues to be collected from the former COVB customers. As a result, with the CPVRR analysis and corresponding benefits included, there will be no rate impact on FPL's customers as a result of this transaction.

QUESTION:
FPL's request assumes the acquisition adjustment will be recovered over 30 years. Please identify the total equity return FPL will earn on the $114 million acquisition adjustment over the 30 year period. For purposes of this response, please provide the value on both a nominal and cumulative net present value basis.

RESPONSE:
Please see FPL's response to Staff's Third Set of Interrogatories No. 35 – Amended.

DECLARATION

I sponsored the answer to Interrogatory No. 43 from Staff's Sixth Set of Interrogatories to Florida Power & Light Company in Docket Nos. 20170235-EI & 20170236-EU, and the responses are true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answer identified above, and that the facts stated therein are true.

Tiffany C. Cohen

Tiffany C. Cohen

Date: 9/27/18

DECLARATION

I sponsored the answer to Interrogatory No. 44 from Staff's Sixth Set of Interrogatories to Florida Power & Light Company in Docket Nos. 20170235-EI & 20170236-EU, and the responses are true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answer identified above, and that the facts stated therein are true.

Scott R. Bores

Date: 9/27/18

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FPL's responses to Staff's First Data Request Nos. 1-5.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 52
PARTY: STAFF – (DIRECT)
DESCRIPTION: Scott Bores (1-2)Terry Deason (3-4) Keith Ferguson (5)

QUESTION:
FPL has claimed that the City of Vero Beach (COVB) transaction will be beneficial to its current customers by citing a 30-year CVPRR analysis which shows cumulative present value savings of $105 million to current FPL customers. FPL's analysis reflects significant savings beginning in 2021 when the Orlando Utilities Commission (OUC) PPA payments cease.

a. Why does FPL believe using a 30-year term is appropriate for their CPVRR analysis of this transaction?

b. What are the associated costs with replacing the OUC PPA, and how are they reflected in FPL's CPVRR analysis?

c. Please explain the assumptions made in the CPVRR analysis beginning in 2021 which lead to reduced Base Rate revenue requirements, and increased Base Rate revenue from the COVB customers.

RESPONSE:

a. The 30-year term is appropriate because it approximates the weighted-average book life of the acquired assets, and because it is sufficient to capture the long-term effects of a transaction of this nature.

b. COVB's load can be served by FPL's system without the capacity from the OUC PPA. FPL's decision to enter into the OUC PPA was made at the request of OUC in order to effectuate the transaction, which allows for the $105 million in cumulative present value savings. The $23.5 million cost associated with the OUC PPA is reflected in the CPVRR model as a clause revenue requirement.

c. The drop in Base Rate Revenue Requirements in 2021 is primarily driven by FPL no longer incurring operations and maintenance costs associated with transitioning COVB to FPL's system. The increase in Base Rate Revenue from COVB Customers in 2021 is driven by assumptions regarding base rate increases after the initial term of FPL's 2016 Settlement Agreement. These base rate increases reflect FPL's existing system and are not a result of the COVB transaction.

QUESTION:
In Witness Bores's testimony, he claims that the expected savings to existing FPL customers are generated by, "an expanded customer base which would reduce each existing FPL customer's economic share of fixed costs included in projected electric rates." What is the amount of fixed costs that FPL projects the additional COVB customers will assume each year?

RESPONSE:
Please refer to Exhibit SRB-1 from FPL Witness Scott Bores' testimony.

From 2018 to 2028, "Rate Base Revenue from COVB Customers" is projected to contribute an annualized average of $52.9 MM per year toward fixed costs. The incremental fixed costs associated with the acquisition (reflected in "Total Incremental Base Rate Revenue Requirements") are projected to average $41.0 MM on an annualized basis. As a result, COVB customers are projected to contribute a net amount averaging $11.9 MM per year toward FPL's fixed costs.

Please note: The averages above are calculated by summing the values from 2018 to 2028 and dividing by 10.25 years, to reflect the partial year in 2018.

QUESTION:
In his testimony, Witness Deason cited the acquisition of Sebring Utility System by Florida Power Corporation in Docket No. 920949-EU as an example of a positive acquisition adjustment being allowed for an investor owned electric utility. In Order No. PSC-92-1468-FOF-EU, the Commission approved $5.7 million of the $36.2 million difference between the purchase price and net book value of the Sebring utility assets which FPC had requested be considered as "going concern". The Commission did allow for specific items that it deemed to benefit FPC and its general class of ratepayers. These items included: maps and records, experienced personnel, and the avoidance of future territorial disputes. However, the Commission disallowed the remaining amount on the grounds that it "must insure that the amount we approve for recovery from FPC's general body of ratepayers is related to the benefits that they receive."

a. Please list and provide the estimated value of any items that FPL believes directly benefit its existing general body of ratepayers.

b. Please explain the need for the above items and describe how its acquisition benefits FPL's existing general body of ratepayers.

c. Please explain why FPL believes the entire $116.2 million acquisition adjustment to be recovered by FPL's existing general body of ratepayers is directly related to the benefits they receive.

RESPONSE:
Before entering into an Asset Purchase and Sale Agreement with the City of Vero Beach (COVB), FPL's principal requirement was that its existing customers would not be harmed by the transaction. This basic requirement is consistent with Commission precedent and policy which is to approve acquisitions that are in the public interest. The transaction being proposed by FPL not only meets but greatly exceeds this requirement. As demonstrated by the testimony of FPL Witness Scott Bores, the proposed acquisition is expected to produce net present value savings to FPL's existing customers of approximately $105 million over 30 years. These savings primarily result from an expanded customer base whose incremental revenues exceed the incremental costs to serve them. This in turn reduces each existing FPL customer's share of fixed costs included in projected electric rates. This is the conclusion of the Cumulative Present Value of Revenue Requirements (CPVRR) analysis sponsored by Witness Bores.

The basic requirement to not harm existing customers was addressed by the Commission when it approved the acquisition of the Sebring Utility System by Florida Power Corporation (FPC) in Docket No. 920949-EU. Based on the record evidence in that case, the Commission determined that FPC's customers would benefit through increased revenues and improved system efficiencies and approved $5.7 million of the amount paid in excess of net book value as a positive acquisition adjustment. The Commission's order does not show that the remaining amount paid in excess of net book value was "disallowed" for rate recovery. Rather, to ensure no harm to existing FPC customers, the Commission approved a rate rider to recover the remaining amount paid in excess of net book value. This remaining amount in excess of net

book value was primarily attributable to the cost of retiring Sebring debt which was in danger of default. In its Order No. PSC-92-1468-FOF-EU, the Commission recognized this was a cost more appropriately recovered exclusively from Sebring customers:

> We find that the Sebring rider rate appropriately identifies the additional cost to serve Sebring customers, appropriately allocates that cost to those customers, and appropriately insulates Florida Power Corporation's general body of ratepayers from the costs that were not incurred for their benefit.

This is in contrast to the facts and evidence in FPL's proposal to acquire the COVB electric system. When approving the $5.7 million positive acquisition adjustment in the Sebring case, the Commission stated that it could not find reasonable support for a higher amount in the record. In the present case, FPL has provided significant record evidence, including a CPVRR analysis that clearly demonstrates that FPL's existing customers will benefit greatly from the COVB acquisition, which benefits will not be received by FPL's customers absent the transaction.

a. FPL Witness Sam Forrest's testimony identifies both economic and non-economic benefits for both existing FPL customers and prospective COVB customers. With respect to the economic benefits specifically attributable to its existing customers, FPL is taking a holistic approach by looking at the overall impact on customer rates. The result is the estimated savings of $105 million as evidenced by FPL's CPVRR analysis. As such, FPL has not endeavored to identify any specific items with greater granularity than what is holistically captured in its CPVRR analysis.

b. Please see response to subpart (a) above.

c. The COVB acquisition, including the $116.2 million acquisition adjustment, is in the overall public interest and should be approved consistent with Commission policy and precedent. The acquisition results in substantial savings to existing customers, even after factoring in the positive acquisition adjustment. This is the benefit that existing customers receive. COVB customers also receive substantial economic and non-economic benefits including but not limited to lower rates, increased quality of service and access to FPL's many programs beneficial to customers.

QUESTION:
In his testimony, Witness Deason outlines five factors the Commission has historically judged acquisition adjustments by, these factors are:

- Quality of service
- Lower operating costs
- Increased ability to attract capital
- Lower overall cost of capital
- More professional and experienced managerial, financial, technical and operational resources

a. Does FPL believe that acquiring the COVB electric system will improve the quality of service FPL provides to its existing customers? If so, how would that be achieved?

b. Does FPL expect any reduction in its overall operating costs due to the acquisition of the COVB electric system? If so, what is the total amount of savings that FPL expects to realize from this acquisition?

c. Please show how acquiring the COVB electric system would increase FPL's ability to attract additional capital investment.

d. Does FPL believe acquiring the COVB electric system will lower its overall cost of capital? If so, please explain how and by what amount.

e. Does FPL believe it acquires an added level of experience or expertise in managerial, financial, technical, or operational resources through this acquisition? If yes, please explain what additional expertise is being acquired and how it benefits FPL's existing general body of ratepayers.

RESPONSE:
The five factors identified by FPL Witness Terry Deason were enumerated in Commission Order No. PSC-14-0015-PAA-GU. In this Order, the Commission approved a positive acquisition adjustment associated with the acquisition of Indiantown Gas Company by Florida Public Utilities Company and explained how the new customers of FPUC benefited based on the enumerated factors. In each explanation, the Commission's focus was on how the acquired customers would specifically benefit. Effects on the acquired system's customers has historically been the focus of these factors since a large part of the public interest determination involves situations of smaller (sometimes troubled or challenged) systems being acquired by larger companies with greater resources and managerial expertise. Thus these five factors do not normally lend themselves to an evaluation of the effects on existing customers who normally are already receiving the substantial benefits of being served by a large company with greater resources and managerial expertise. Rather, the focus is on the basic requirement that existing customers not be harmed, as opposed to their current level of service being enhanced by the

acquisition. Nevertheless, FPL Witness Sam Forrest addresses the five factors and describes how these factors should be evaluated in regard to the proposed COVB acquisition.

a. As explained in detail by Witness Forrest, the proposed acquisition will significantly improve the quality of service for prospective COVB customers. The excellent quality of service currently provided to and enjoyed by FPL's existing customers will continue after the acquisition.

b. Yes, costs will be reduced by approximately $105 million on a net present value basis over 30 years.

c. Because the proposed COVB acquisition is small in comparison to FPL's rate base, there is no anticipated effect on FPL's already strong ability to attract capital.

d. Because the proposed COVB acquisition is small in comparison to FPL's rate base, there is no anticipated effect on FPL's overall cost of capital.

e. Witness Forrest describes the high level of managerial performance and expertise that currently exists at FPL and how prospective COVB customers would benefit from this performance and expertise. The acquisition is not expected to have any negative impact on this high level of performance and expertise on a going forward basis.

To help ensure the continued high performance of and knowledge about the current Vero Beach system, and to facilitate a smooth transition, the intent of FPL, as outlined in the Asset Purchase and Sale Agreement and subject to any applicable collective bargaining requirements, is to offer employment to all eligible Vero Beach electric utility employees. This includes those who are employed at the time of closing, have not been previously terminated for cause with FPL, and meet applicable qualification requirements, which includes passing pre-employment screening.

QUESTION:
Since Commission practice is to utilize original cost net book value for determining appropriate utility investment for ratemaking purposes, please explain why FPL has chosen to use alternative methods of valuation for the COVB electric system in lieu of the original cost net book value.

RESPONSE:
FPL will record the acquired electric assets of Vero Beach at original cost net book value as of the acquisition date in the appropriate plant accounts (i.e., distribution, transmission, and general) in accordance with the FERC Uniform System of Accounts and Commission practice (see FPL witness Keith Ferguson's testimony, page 7, line 14). However, since the acquisition price is greater than the net book value of the acquired assets, FPL is required under Accounting Standards Codification 805, *Business Combinations*, to determine the fair value of the transaction in order to support the reasonableness of the overall purchase price and the amount of the acquisition adjustment. As such, FPL engaged Duff & Phelps to perform an enterprise valuation of the Vero Beach utility, which is addressed by FPL witness David Herr in his testimony.

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FPL's responses to Staff's Second Data Request Nos. 1-5.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 53
PARTY: STAFF – (DIRECT)
DESCRIPTION: Scott Bores (1-3)Sam Forrest(4)Terry Deason (5)

QUESTION:
Please provide the electronic file containing the worksheet or spreadsheet of the 30-year CPVRR analysis with all formulas intact.

RESPONSE:
Please see Attachment No. 1 to this response.

QUESTION:
FPL's assertion that the acquisition of COVB customers will alleviate fixed costs from the general body of FPL ratepayers is largely based on the assumption that incremental revenues from COVB customers will significantly and consistently outpace the incremental costs to serve those customers.

a. How can FPL assert with confidence that this differential between incremental revenues and incremental cost to serve will exist and remain constant for the entire length of the 30-year CPVRR analysis?

b. How does the presumptive decision made by FPL to "stay out" an extra year until the end of 2021, due to the recent tax reform, affect the CPVRR analysis of increased base rate revenues from COVB customers, shown beginning 2021 on the 30-year CPVRR analysis?

c. FPL's analysis reflects approximately a 15-percent growth in base rate revenue from COVB customers beginning in 2021, which grows to approximately 35-percent by 2028. Meanwhile, the incremental revenue requirement of those customers remains approximately flat. What is the explanation for this large and growing divergence between the Incremental Revenue Requirements and Base Rate Revenues for COVB customers?

RESPONSE:
a. FPL prepared the CPVRR analysis utilizing the same rigorous forecasting process that it utilizes in all analyses presented before the Commission. The revenue forecast utilized in the CPVRR analysis was developed based on COVB's most recent load forecast, which demonstrated annual growth of approximately 0.5%. FPL reviewed the COVB load forecast and concluded that it appeared reasonable based on forecasted annual growth of approximately 1.0% for FPL's existing system. FPL then utilized its long-term price of electricity forecast to project the annual revenues that would be received from COVB customers under FPL rates.

   In developing the incremental costs, FPL projected the costs to serve COVB using its UPLAN model for the incremental generation and cost estimates for the COVB system for functions such as distribution, transmission and customer service. FPL believes that the cost projections are reasonable, given its strong ability to enhance processes, leverage technology and efficiently manage costs.

b. If FPL were to stay out through the end of 2021, and defer a base rate increase until 2022, the CPVRR analysis would reflect a positive benefit to existing FPL customers of $101 million, representing a decrease of $4 million from the $105 million amount presented on Exhibit SRB-1.

c. The COVB customers will be subject to FPL rates once they join FPL's system. As a result, they will see the same increase in rates as all other FPL customers for items such as the previously forecasted base rate increase in 2021 as well as the costs associated with new generation that will be needed for the FPL system in 2028. At the same time, while the COVB customer load is projected to grow on average 0.5% per year, the costs associated with serving that customer base are expected to grow roughly in line with inflation over the same period. As a result, the incremental revenues collected from the COVB customers will exceed the incremental costs of those customers on a standalone basis, but will help pay for the investments made to the overall FPL system that helps give rise to the benefit for existing customers.

QUESTION:
What is the bill impact to existing FPL ratepayers, on a 1,000 kWh basis, of FPL's proposed amortization of the acquisition adjustment based on current rates?

RESPONSE:
In the near term, there will be no impact to FPL customers under the 2016 Settlement Agreement. As seen on Exhibit SRB-1, even after the expiration of the Settlement Agreement, existing customers will see a benefit as the projected revenues to be collected from the COVB customers exceed the revenue requirements, which include the proposed amortization of the acquisition adjustment.

QUESTION:
In the Sebring Order No. PSC-92-1468-FOF-EU, the Commission made clear that: "we must insure that the amount we approve for recovery from FPC's general body of ratepayers is related to the benefits that they receive."

a. Aside from the 30-year CPVRR analysis, does FPL believe that its general body of ratepayers will materially benefit from this acquisition in any other way?

b. Based on previous responses, is it fair to say that FPL believes there will be no measurable difference in quality of service provided to FPL's existing customers?

RESPONSE:
a. The projected material benefits to FPL's existing customer base resulting from the proposed acquisition are captured in the CPVRR analysis. The projected material benefits to COVB's current customer base, as explained in FPL's responses to Staff's First Data Request Nos. 3 and 4, include benefits beyond those embedded in the CPVRR analysis due to the nature of being served by a large company with greater resources and managerial expertise, including but not limited to lower rates, increased quality of service, award-winning reliability, the benefits of FPL's storm response efforts, as well as access to FPL's many programs beneficial to customers. Additionally, approval of FPL's pending Petitions[1] related to the COVB transaction will eliminate pending or potential future territorial disputes or litigation involving COVB, Indian River Shores, Indian River County and FPL, including but not limited to the matters addressed in Docket No. 20160049-EU (In re: Petition for modification of territorial order based on changed legal circumstances emanating from Article VII, Section 2(c) of the Florida Constitution, by the Town of Indian River Shores).

b. Yes.

[1] FPL's Petition for Authority to Charge FPL Rates to Former City of Vero Beach Customers and for Approval of FPL's Accounting Treatment for City of Vero Beach Transaction (Docket No. 20170235-EI) and Joint Petition to Terminate Territorial Agreement (Docket No. 20170236-EU)

QUESTION:
Also, in the Sebring Order, the Commission concluded that: "[a]s a general rule, we do not preapprove the prudence of rate base acquisitions outside of a rate case, nor do we usually permit acquisition adjustments, particularly outside of a rate case." However, in that specific case, the Commission did consider the acquisition adjustment because of the "extraordinary circumstances" surrounding that case, based primarily on the fact that existing Sebring ratepayers were facing significantly rising rates due to Sebring's debt situation. Furthermore, the Commission clearly established that because of the extraordinary circumstances, the Sebring Order could not be considered precedential in nature.

a. Does FPL assert that existing COVB ratepayers face similar "extraordinary circumstances" that would warrant similar Commission action? If so, please explain why in detail.

b. Why does FPL believe it is appropriate for the Commission to consider its request at this time, when Commission practice is to consider acquisition adjustments through general rate proceedings?

RESPONSE:
a. Yes, FPL believes that the COVB acquisition is of such great public importance that it should be expeditiously considered outside of a rate case. The COVB electric utility is a municipally-owned electric provider to the City, portions of Indian River County and the Town of Indian River Shores. Of the 34,000 customers served, approximately 60 percent are geographically located outside of the City limits. These customers feel that they do not have adequate recourse to address or challenge decisions concerning the operations and rates of the COVB utility as currently constituted. They have sought recourse through both their local and state-level elected officials as well as through the courts and the Commission. These initiatives have taken place over a long period of time and have taken various forms.[1] Because FPL's residential rates, which will become the rates of current COVB customers, are among the lowest in Florida, the COVB City Council and their electric customers overwhelmingly support the proposed acquisition and naturally desire to see the transaction approved as expeditiously as possible.

[1] Disputes over the provision of electric service provided by the COVB electric utility have resulted in significant litigation involving a number of parties and amici, including but not limited to the Commission, the City of Vero Beach, the Town of Indian River Shores, Indian River County, FPL, OUC, FECA and FMEA. The litigation includes the following: Docket No. 20140142-EM (Petition for declaratory statement or other relief regarding the expiration of the Vero beach electric service franchise agreement, by the Board of County Commissioners, Indian River County, Florida); Docket No. 20140244-EM (In re: Petition for declaratory statement regarding the effect of the Commission's orders approving territorial agreements in Indian River County, by the City of Vero Beach); Docket No. 20160049-EU (In re: Petition for modification of territorial order based on changed legal circumstances emanating from Article VIII, Section 2(c) of the Florida Constitution, by the Town of Indian River Shores) ; Town of Indian River Shores et. al. v. City of Vero Beach (Indian River Circuit Court Case No. 2014-CA-000748); and Board of County Commissioners of Indian River County v. Art Graham et. al., 191 So. 3d 890 (Fla. 2016).

It should also be noted that there is an open docket before the Commission that is being held in abeyance pending the outcome of the proposed acquisition. This docket (Docket No. 20160049-EU) was opened in response to the petition of the Town of Indian River Shores for a modification of a territorial order due to changed legal circumstances emanating from Article VIII, Section 2(c) of the Florida Constitution. On January 2, 2018, the Town of Indian River Shores and the City of Vero Beach filed a joint status report and motion to continue to hold in abeyance the hearing on the Town's and City's protest of the Florida Public Service Commission's (FPSC) Proposed Agency Action Order No. PSC-2016-0427-PAA-EU. The motion cites the City's approval of a purchase and sale agreement between the City and FPL, the closing on which "would resolve the issues in dispute in the docket." On January 11, 2018, the Prehearing Officer assigned to the docket, Commissioner Polmann, granted the motion holding the hearing in abeyance until December 31, 2018.

b. FPL believes it is appropriate for the Commission to consider its request at this time for four reasons:

1) It is not Commission practice to consider acquisition adjustments exclusively within the context of a rate case. Indeed, from time to time, acquisition adjustments have been considered by the Commission as part of the initial acquisition and prior to a post-acquisition rate case. Please see Order No. PSC-2007-0913-PAA-GU, Order No. PSC-2012-0010-PAA-GU, and Order No. PSC-2014-0015-PAA-GU.

2) Positive acquisition adjustments and the accompanying benefits that give rise to them must be demonstrated in the record to the Commission, whether or not the request is made in connection with a general rate proceeding. While FPL recognizes that such acquisition adjustments are not routine, the Company has presented evidence to support the Commission finding in this case that the adjustment is warranted to facilitate an otherwise beneficial proposal. Furthermore, delaying such a finding until the next general rate proceeding would result in prolonged regulatory uncertainty. For that reason, and particularly for an investment of this magnitude, such a delay will preclude the closing of the transaction.

3) Most acquisitions are complex with matters that are time-sensitive. To bring these transactions to a successful conclusion that brings customer benefits, it is important to have them considered expeditiously and to have needed regulatory certainty. Otherwise, parties may be reluctant to enter into such complex negotiations when unnecessary delays may bring more uncertainty. In this case, after many years of negotiations and public debate within the COVB, FPL and COVB have successfully negotiated an agreement for the purchase and sale of the COVB electric utility which also involves related transactions involving Orlando Utilities Commission and FMPA. Requiring parties such as those involved in this series of transactions to attempt to negotiate on a schedule that corresponds with the possible timing of a general rate proceeding would make it virtually impossible for an acquisition such as this to take place.

4) Please see FPL's response to subpart (a) above concerning the importance of an expeditious decision for customers and the possibility to make a pending hearing (currently in abeyance) essentially moot.

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FPL's responses to Staff's Third Data Request Nos. 1-6.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 54
PARTY: STAFF – (DIRECT)
DESCRIPTION: Sam Forrest

QUESTION:
Please refer to page 14, lines 1 through 5, of witness Forrest's direct testimony.

a. Please explain how the $6.9 million in fuels savings was estimated.

b. Please provide an itemized list of the fixed costs associated with the OUC PPA.

RESPONSE:
a. The base FPL system is run in the GenTrader production cost model. The hourly marginal cost of the system is then extracted from this base model. The hourly marginal cost extracted from this base model is then input into a GenTrader model containing the parameters for the OUC PPA. With this information the model identifies those days and hours where the OUC PPA is cheaper than the marginal cost of the FPL system. The savings are then calculated as the FPL system marginal cost minus the fuel and variable O&M cost of the OUC PPA when it is taken.

b. The only fixed costs of the PPA are the capacity payments due to OUC detailed in Appendix A of exhibit SAF-2. FPL is obligated to pay the following charges regardless if the energy is called upon.
   i. 2018: $10,275/MW-Month
   ii. 2019: $9,705/MW-Month
   iii. 2020: $10,946/MW-Month

QUESTION:
Please complete the table below summarizing the estimated fuel savings associated with the OUC PPA.

	Payment to OUC ($)	**Fuel Savings ($)**
2018		
2019		
2020		

RESPONSE:

	a	b	a + b	
	Fixed Payment OUC	*Variable Payment to OUC*	**Total Payment to OUC**	**Fuel Savings $**
2018	*$ 2,466,000*	*$ 671,555*	**$ 3,137,555**	**$ 585,963**
2019	*$ 9,899,100*	*$ 3,202,003*	**$ 13,101,103**	**$ 3,250,640**
2020	*$ 11,167,980*	*$ 3,493,628*	**$ 14,661,608**	**$ 3,060,082**

QUESTION:
Please describe how the OUC PPA was used as an input in FPL's GenTrader model. Please include in this description an explanation of how the OUC PPA was considered in terms of economic dispatch.

RESPONSE:
The OUC PPA contains three separate inputs for the dispatch parameters.

1) The capacity available to dispatch, which is shaped monthly to better match FPL forecasted load.

2) The variable O&M payment of $2.50 per MWh.

3) The energy cost of each MW dispatched, which varies in heat rate based on assumed runtime and the daily price of natural gas measured as the mid-point of FGT Zone 3 plus applicable adders.

These parameters were entered into the GenTrader model containing the FPL marginal costs. The model then identifies those days and hours where the OUC PPA is cheaper than the marginal cost of the FPL system.

QUESTION:
On page 13 of witness Forrest's testimony, the witness states that the OUC PPA will effectively be exercised as a peaking option for FPL to use during periods of high demand. Please complete the table below describing FPL's combustion turbine/peaking generation.

Unit Name	Unit Type	Summer Heat Rate (MMBtu/MWh)	Winter Heat Rate (MMBtu/MWh)

RESPONSE:

Unit Name	Unit Type	Summer Heat Rate (MMBtu/MWh)	Winter Heat Rate (MMBtu/MWh)
Fort Myers 3A	Simple Cycle	10,498	10,477
Fort Myers 3C	Simple Cycle	10,187	10,128
Fort Lauderdale 6A	Simple Cycle	10,075	10,027

QUESTION:
Please complete the table below summarizing the estimated energy delivery associated with the OUC PPA.

	Average Duration of Purchase (Hours/day)	Average Quantity of Purchase (MWh/day)
2018		
2019		
2020		

RESPONSE:
When the call option is struck:

	Average Duration of Purchase (Hours/day)	Average Quantity of Purchase (MWh/day)
2018	7	587
2019	8	500
2020	8	518

QUESTION:
Please refer to exhibit SAF-2.

a. What would be the impact on the OUC PPA if the transaction between Vero Beach and FPL occurs after October 2018?
b. Please explain in detail, the intent of paragraph 10(b).
c. Under the terms of the OUC PPA, is FPL required to purchase capacity and energy from OUC?

RESPONSE:

a. The OUC PPA has a fixed termination date of December 2020, so every month after October 2018 the Vero transaction is delayed means the OUC PPA term is correspondingly one month shorter.

b. Paragraph 10(b) makes clear that in the event the conditions precedent described in paragraph 10(a) of the Native Load Firm Day-Ahead Call Option on Capacity and Energy Agreement Between Orlando Utilities Commission and Florida Power & Light Company (the "OUC-FPL PPA") are not satisfied, the OUC-FPL PPA will terminate automatically with the exception of any provisions that by their express terms survive such termination. In short, this paragraph ties the enforceability of the OUC-FPL PPA to the closing of the Vero transaction, such that the OUC-FPL PPA would not be effective unless and until FPL completes the acquisition of the City of Vero Beach's electric utility and the OUC-Vero PPA has been terminated.

c. Under the terms of the PPA, FPL is obligated to begin purchasing a specified amount of capacity at a specified price from OUC once the Vero transaction closes and the OUC-Vero PPA has terminated. The purchase of energy is completely at FPL's option and is based on FPL anticipating an economic benefit of calling on the energy versus dispatching the marginal unit in the supply stack.

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FPL's responses to Staff's Fourth Data Request Nos. 1-10.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 55
PARTY: STAFF – (DIRECT)
DESCRIPTION: Sam Forrest (1-3)Terry Deason (4-5)Keith Ferguson(4-5)Scott Bores

QUESTION:
Please describe the current condition of the Vero Beach electric utility assets that FPL will acquire as a result of the proposed transaction. For purposes of this response, state whether the system is in excellent, fair, or poor condition.

RESPONSE:
Based on FPL's assessment, the current condition of the Vero Beach electric utility assets that FPL will acquire as a result of the proposed transaction may generally be described as fair. Some parts of the electric system, such as the underground system, are in better condition than other parts of the system, so it is difficult to describe the condition of the entire system through the use of a single descriptive term. However, additional hardening, improvements and upgrades are required in order to bring the Vero Beach electric system up to the condition and standards of FPL's system.

Examples of additional hardening, improvements and upgrades include hardening of transmission lines and distribution feeders, as well as installation of smart meters and smart grid equipment such as automated feeder switches (AFS) and automated lateral switches (ALS) that improve the reliability of the system. This equipment will improve the level of service provided to the City of Vero Beach customers and will help to improve the condition and operation of the electric system to be acquired through this transaction.

QUESTION:
Does FPL anticipate that it will have to make substantial upgrades to the Vero Beach utility system over the next five to ten years?

RESPONSE:
Yes, FPL will be making substantial upgrades to the Vero Beach utility system over the next five to ten years to incorporate best practices currently used on FPL's system in the areas of advanced metering infrastructure (AMI), storm hardening and smart grid device deployment. These improvements and upgrades avoid customer interruptions (CI), improve system average interruption duration index (SAIDI), system average interruption frequency index (SAIFI), customer minutes of interruption (CMI) and expedite the response times following severe weather conditions. The upgrades described above are included in the CPVRR model previously provided by FPL.

These upgrades will be in addition to the ongoing capital investments and operations and maintenance expenditures made by FPL on a system-wide basis that benefit all customers, including former Vero Beach customers who will become FPL customers through FPL's acquisition of the Vero Beach electric utility.

QUESTION:
How much does FPL anticipate it will invest in the Vero Beach utility system over the next 10 years? For purposes of this response, provide an estimate of the amount FPL anticipates it will invest in the Vero Beach utility system in each of the next 10 years.

RESPONSE:
FPL plans to make capital investments of approximately $119 million over the next 10 years in order to upgrade and improve the Vero Beach electric system. These upgrades and improvements will include installation of smart meters as part of AMI rollout, hardening of transmission and distribution facilities, and installation of devices such as automated feeder switches (AFS), automated lateral switches (ALS), substation cameras, oil filtration systems and other improvements similar to those that currently exist on FPL's electric system.

The projected investments over the next 10 years are broken down into the following categories:

Category	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	Total
Customer Service - AMI Rollout and Other Capital Investments	5,830	1,418	-	-	-	-	-	-	-	-	7,248
Vero Beach New Substation 1	850	7,475									8,325
Distribution Hardening	0	0	5,112	5,140	5,180	4,040	4,161	4,286	4,336	4,386	36,641
Automated Feeder Switches	0	-	2,351	2,351	2,351	-	-	-	-	-	7,054
Automated Lateral Switches	0	-	1,943	1,943	1,943	-	-	-	-	-	5,828
Substation Cameras	0	-	490	490	490	-	-	-	-	-	1,470
Fault Circuit Indicators	0	-	197	221	257	-	-	-	-	-	675
Additional Employee Capital	665	2,753	2,849	2,949	3,052	3,159	3,270	3,384	3,503	3,625	29,210
Street Light and IT Costs	28	116	119	122	125	128	131	134	138	141	1,183
Fiber Optic Relocation Costs	119	369	-	-	-	-	-	-	-	-	488
Conversion and Standardization Costs	2,671	-	-	-	-	-	-	-	-	-	2,671
Centralized Costs (for example - Cable costs)	30	1,175	1,205	1,235	1,266	1,297	1,330	1,363	1,397	1,432	11,729
Other Costs	494	3,501	(2,074)	(2,964)	(2,959)	1,673	1,817	2,737	2,797	2,191	7,215
Total	10,689	16,807	12,191	11,487	11,704	10,298	10,709	11,905	12,171	11,776	119,737

The cost projections were generated using FPL's historical costs to install the various types of equipment on either a per-piece of equipment (for example, per feeder) cost or on a per-mile (feeder/lateral hardening) cost depending on the type of equipment installed.

Additionally, once the transaction closes and the Vero Beach utility system has been integrated into the FPL system, former customers of the Vero Beach utility system will also benefit from FPL's ongoing capital investments and operations and maintenance expenditures that benefit all customers.

QUESTION:
On page 9 of witness Deason's testimony, he discusses the concept of "going concern value." Has FPL identified the "going concern value" of the Vero Beach utility system? If no, explain why not. If yes, what is the going concern value of the Vero Beach utility customer base?

RESPONSE:
The term "going concern value" was used by the Commission when it approved the acquisition of the Sebring Utility System by Florida Power Corporation. As discussed by FPL witness Terry Deason, the Commission used that term to describe a situation justifying an acquisition price in excess of the net book value of the acquired assets. As further discussed by FPL witness Deason, this concept recognizes that the value of a fully functional business is almost always in excess of the value of the individual assets, either at their net book value or their liquidation value.

Yes, FPL has identified the going concern value of the Vero Beach system in two ways. First, fair value presumptively is established through bilateral negotiations between sophisticated parties. Thus, in this case FPL entered into extensive negotiations with Vero Beach to establish a fair value for Vero's electric system. During these negotiations, both parties attempted to arrive at a fair value. The City's requirements in negotiating the sale included its customers receiving FPL's lower rates, excellent service and award-winning reliability, the City's release from its FMPA Entitlements, and the termination of the City's contract with OUC. As a result of the negotiations that resulted in the sale price of $185 million, FPL was also able to structure the transaction in a manner that will deliver more than $100 million in CPVRR benefits for its existing customers. This negotiation process yielded a fair or going concern value of the Vero electric system of $185 million.

The second way FPL identified the going concern value of the Vero electric system was through a fair value study which concluded that the highest and best use of the acquired Vero electric system would be realized by its acquisition by another utility which would allow the acquired Vero assets to continue to be operated as part of a going concern utility. (Please see page 5, lines 9-19 of FPL witness David Herr's testimony.) This study and FPL witness Herr's testimony corroborate the $185 million purchase price as representative of the Vero electric system's going concern value.

QUESTION:
If identified in Question 4, specifically how did FPL arrive at the going concern value of the Vero Beach utility customer base? For purposes of this response, explain how the value was determined and what is included in the valuation.

RESPONSE:
Please see the FPL's response to Staff's Fourth Data Request No. 4.

QUESTION:
On page 15 of witness Forrest's testimony, he explains that the benefit to FPL's existing customers is derived largely due to the positive effect of spreading FPL's fixed costs of operation over a larger total customer base when the COVB customers are added. Please explain specifically how adding 34,000 customers to an existing base of 4.9 million customers, an addition of less than 1 percent, will have a material impact on the fixed costs paid by the latter group.

RESPONSE:
Witness Forrest's testimony does not imply a level of materiality in the estimated savings from this transaction; rather, the size of FPL's system and existing customer base affords FPL the opportunity to combine its best in class cost performance with scale economies, i.e., FPL's expected incremental costs to serve 34,000 customers of COVB is less than FPL's average cost of serving its existing 4.9 million customers. Since the former COVB customers will pay FPL rates which reflect average costs, the incremental revenue paid by the former COVB customers is expected to exceed the incremental costs to serve them thus producing the estimated $105 million CPVRR savings.

QUESTION:
On page 14 of witness Deason's testimony, he explains that the size of FPL in comparison to the COVB is such that the acquisition's impact would not have a material impact on FPL's surveillance reports. If the acquisition is so small that it would not have a material impact on FPL's surveillance reports, please explain how it is large enough to materially spread fixed costs.

RESPONSE:
As illustrated in Exhibit SRB-1 and FPL's response to Staff's Fourth Data Request No. 6, the incremental benefits of adding COVB customers are greater than the incremental costs. However, due to the size of the transaction in the context of FPL's entire system, neither the benefits nor the costs will have a material impact on FPL's surveillance reports.

QUESTION:
Please refer to the Company's response to Data Request No. 3 of Staff's Second Data Request. Based on FPL's current rates, what would be the rate impact on a residential bill on a 1,000 kWh basis for recovery of $116.2 million and the associated carrying cost (exclusive of the CPVRR analysis)?

RESPONSE:
In the absence of the benefits identified in FPL's CPVRR analysis, recovery of $116.2 million and the associated carrying cost would result in an expected bill impact of $0.12 per month on a 1,000 kWh residential bill, following expiration of the 2016 Settlement Agreement. However, as indicated in FPL's response to Staff's Second Data Request No. 3, and as more fully outlined in FPL's CPVRR analysis, under the proposal that is before the Commission the hypothetical bill impact described in this response will be more than offset by the projected revenues to be collected from the former COVB customers. As a result there will be no rate impact on FPL's customers as a result of this transaction.

QUESTION:
FPL's request assumes the acquisition adjustment will be recovered over 30 years. Will FPL earn an equity return on the unamortized balance of the acquisition adjustment over the 30 year recovery period? If yes, please identify the total equity return FPL will earn on the $116.2 million acquisition adjustment over the 30 year period. For purposes of this response, please provide the value on both a nominal and cumulative net present value basis.

RESPONSE:
Yes, FPL will be investing both debt and equity capital to finance this transaction, therefore it is requesting Commission approval to earn an equity return on the portion of the unamortized balance of the $116.2 million acquisition adjustment that is financed with equity. Over the 30-year period, this is estimated to amount to $92.5 million on a nominal basis and $50.3 million on a cumulative net present value basis. FPL has included the equity return in the CPVRR analysis that is projected to provide a $105 million benefit to customers.

QUESTION:
Please refer to the Company's response to Data Request No. 1 of Staff's Second Data Request, Summary of Economic Analysis. For the line item labeled System Impact, please explain why FPL has assumed it will incur zero incremental fixed costs and capital for generation needed to serve Vero's load for the initial 15 years 2018 through 2032 and that it will incur between $20 million and $31 million each and every year from 2033 through 2047, or a total of $415.2 million, over the latter 15 years.

RESPONSE:
The line "System Impacts" represents incremental fixed costs and capital for generation needed to serve COVB's load. There were no changes to FPL's existing generation resource plan through 2032 related to FPL's ability to serve former COVB customers, and as such, no Base Rate Incremental Revenue Requirements associated with this component of the analysis through that year. Starting in 2033, FPL projects that it will need incremental generation to begin to serve COVB's load and as such, has included the fixed costs associated with such generation in the analysis.

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FPL's responses to Staff's Fifth Data Request No. 1.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 56
PARTY: STAFF – (DIRECT)
DESCRIPTION: Sam Forrest

QUESTION:
Exhibit SAF-1, Page 585 of 589 is a draft of Schedule 5.3(b) that states: [TO BE UPDATED BY BUYER]. Please provide a copy of Schedule 5.3(b) that identifies "Buyer's Required Regulatory Approvals" as referenced in Section 1.1(34) (Exhibit SAF-1, Page 12 of 589) and in Section 5.3(b) (Exhibit SAF-1, Page 54 of 589).

RESPONSE:
Please see Attachment No. 1 to this response.

Schedule 5.3(b)

Buyer's Required Regulatory Approvals

1. FERC Approval
2. FPSC Approval
3. FAA and FDOT approval of Airport Substation Lease Agreement (Substation #5)
4. FAA and FDOT approval of Airport Substation Lease Agreement (Substation #6)
5. FAA and FDOT approval of Airport Warehouse Lease Agreement

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FPL's responses to Staff's First Data Request Nos. 1-9.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 57
PARTY: STAFF – (DIRECT)
DESCRIPTION: Tiffany Cohen(1-2, 9)Sam Forrest(3-8)Scott Bores (4)

*Staff Hearing Exhibit #57 is from the 20170236-EU docket. Not to be confused with #52, which was gathered from the 20170235-EI.

QUESTION:
Paragraph 3 of the petition states that City of Vero Beach electric utility (COVB) serves approximately 34,000 customers. Please provide the number of COVB customers by customer class who will become FPL customers.

RESPONSE:
Please see table below.

Customer Class	Number of COVB Customers
Residential	29,258
Commercial	5,721
Street light and street signal	144

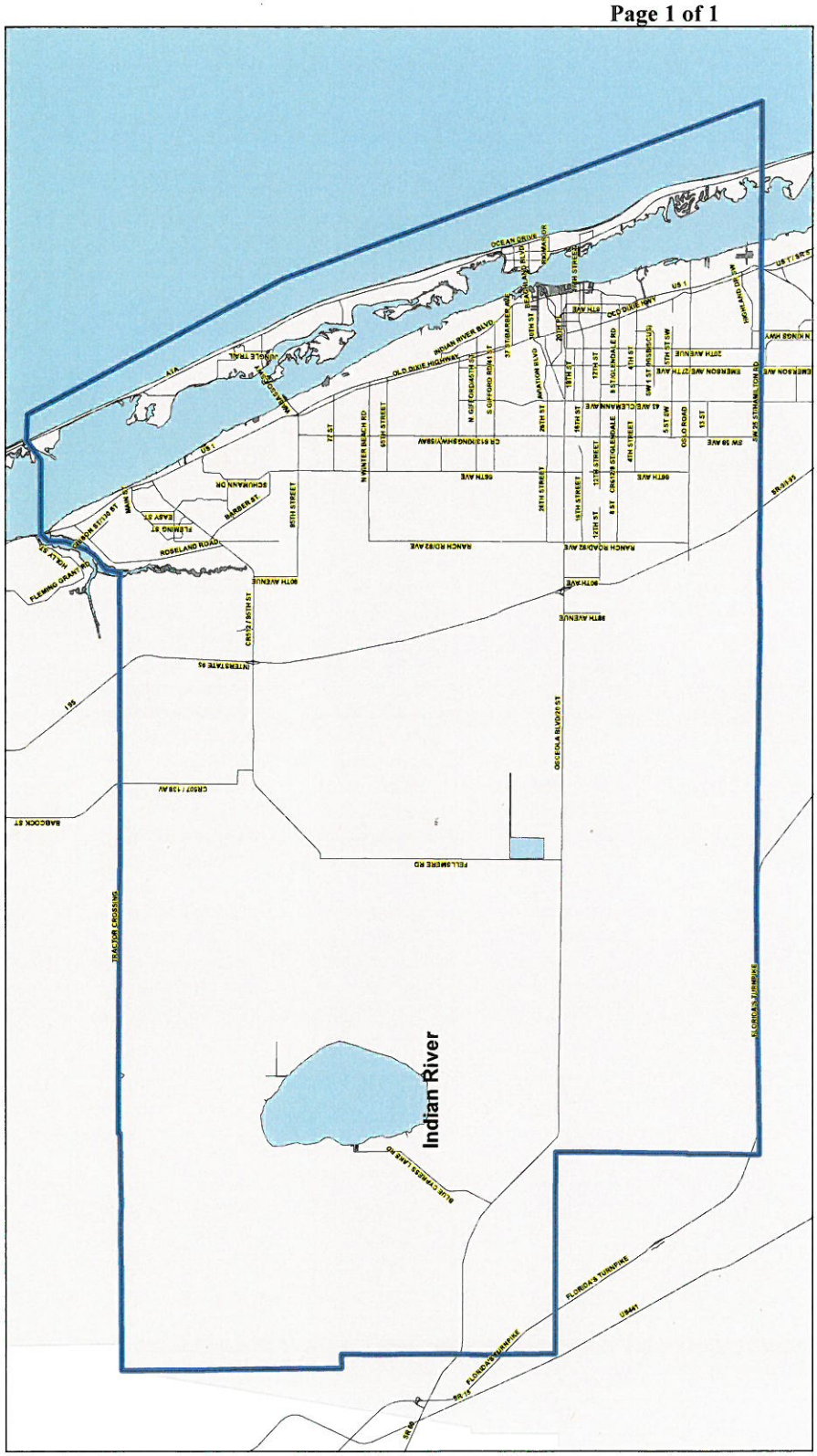
QUESTION:
FPL's tariff sheets Nos. 3.020 and 3.010 need to be revised if the Commission approves the instant petition. Please state when FPL will file these revised tariff sheets.

RESPONSE:
FPL will file these revised tariffs along with tariff sheet 7.020 on or after the closing date of the transaction.

QUESTION:
Please provide a revised Exhibit B (to the petition) map of FPL's new service territory in Indian River County (assuming Commission approval of the instant petition).

RESPONSE:
Please see Attachment No. 1 to this response.

Florida Power & Light Company
Docket No. 20170236-EI
Staff's First Data Request
Request No. 3
Attachment No. 1
Page 1 of 1



QUESTION:
Paragraph 13 of the petition asserts that this transaction/termination of the territorial agreement is projected to result in more economical service to the COVB customers and to FPL's current customers. Please elaborate on this statement and state with examples how this transaction is economical. Please also discuss what type of energy saving programs the newly acquired customers could participate in that was not previously available to them.

RESPONSE:
With reference to current COVB customers, FPL witness Cohen explains that COVB's customers will begin receiving immediate savings on their electric bills once they begin to take service from FPL. In terms of existing FPL customers, FPL witness Bores' testimony illustrates that the transaction is also projected to result in a $105 million CPVRR benefit. The savings will primarily be achieved by spreading fixed costs over the expanded customer base that is achieved through the combination of FPL and COVB. Some examples include:

- Utilizing FPL's existing and planned generating fleet to meet the generation needs of COVB customers;
- Achieving cost synergies in customer service billing and call center operations; and
- Consolidating back-office functions such as finance, human resources, legal and energy marketing/trading to reduce costs.

COVB customers will be eligible to participate in the following FPL energy conservation programs.

Residential customers:
- Free in-home energy surveys
- Air Conditioning rebates for eligible equipment
- BuildSmart® new home program
- Ceiling insulation rebates for qualifying homes

Business customers:
- Free on-site business energy evaluation
- HVAC rebates for eligible equipment
- Efficient lighting rebates
- Business Custom Incentives based on energy efficiency measures installed
- Commercial/Industrial Load Control incentives

As substation upgrades are completed, customers will also be able to take advantage of the On Call® program. In addition to these offerings, COVB customers will be able to manage their consumption using FPL's online customer dashboard. The customer's experience with the dashboard will be enhanced once smart meters are installed and interval meter read data is available. This will provide the customer additional savings opportunities by analyzing and managing their energy consumption usage. Business customers will also be able to take advantage of incentives such as Economic Development rates.

QUESTION:
Paragraph 14 of the petition states that the termination of the territorial agreement will result in excellent service and reliability for COVB's customers and that FPL's SAIDI has been extremely favorable. Please explain and discuss how the termination of the agreement will provide service reliability and provide assurance(s) that the newly acquired COVB customer base will not decrease the reliability of electric service to the existing FPL customers and rate payers.

RESPONSE:
Once the COVB electric system has been integrated into the FPL system, FPL will be providing its award winning service and reliability to all COVB customers. This will include the use of smart grid technology developed by FPL which provides numerous service and reliability benefits, including the prevention and/or reduction of outages. As far as the effect on existing FPL customers, because the number of COVB accounts acquired represents less than 1% of FPL's total existing accounts, FPL will be able to seamlessly integrate the new accounts into the FPL system with no impact on the reliability of electric service to existing customers.

QUESTION:
Paragraph 15 of the petition states that the termination of the agreement will eliminate existing or potential uneconomic duplication of facilities. Please discuss in detail how the termination of the territorial agreement will eliminate existing or potential uneconomic duplication of facilities.

RESPONSE:
The acquisition of the COVB utility will result in the elimination of duplicative COVB facilities via consolidation of facilities and services with existing FPL facilities such as control centers that FPL already operates which cover and serve the surrounding area. Utilizing FPL's existing facilities for control and operations of COVB facilities, as well as the use of FPL's support staff for activities such as NERC compliance, environmental compliance and other activities, allows for economies of scale that are not currently available for COVB's staff and customers.

QUESTION:
Have the potential customers of COVB been informed of the termination of the COVB- FPL territorial agreement? Please provide details of how the customers have been informed.

RESPONSE:
FPL's proposal to acquire the COVB electric utility has been the subject of public debate and discussion for nearly a decade leading up to the time when the Vero Beach City Council voted in favor of the sale in October of 2017. In the years leading up to that vote, the proposed sale of the COVB electric utility to FPL was specifically addressed in two public referendums, the results of which showed that the majority of Vero Beach voters favored the sale, and during numerous publicly noticed City Council meetings. Throughout this lengthy process, COVB customers have been provided the opportunity to stay abreast of the circumstances surrounding the sale of the COVB electric utility to FPL which, by definition, would also eliminate the need for and purpose of the territorial agreement.

Additionally, FPL is planning to hold two open houses to occur before the transaction closes in order to address all customer questions and concerns, including termination of the territorial agreement.

QUESTION:
What is the degree of acceptance of FPL as the new electric service provider to COVB customers?

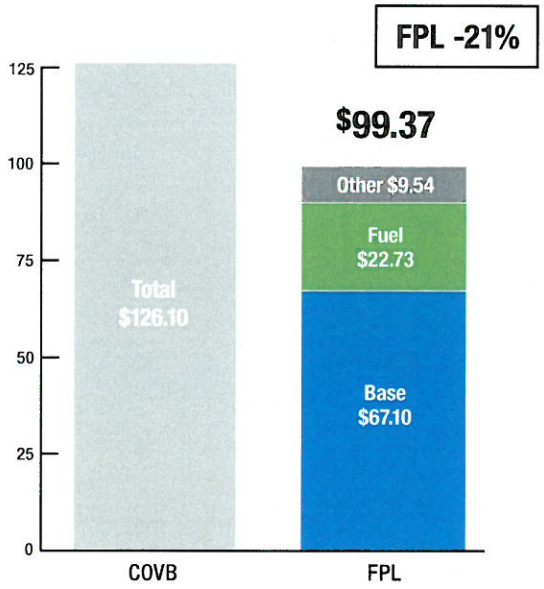
RESPONSE:
In two previous public referendums related to the acquisition of the COVB utility by FPL, nearly two-thirds of Vero Beach voters supported the effort. Additionally, in October 2017, the duly elected city council members represented the voices of their electorate and voted to approve the sale of the utility to FPL. All of the members who voted in favor of the sale who were up for reelection in November of 2017 were subsequently reelected. COVB customers located outside of the Vero Beach city limits and in the Town of Indian River Shores, through actions of Indian River Shores' elected officials, have sought to become customers of FPL by virtue of filing a Petition for Modification of Territorial Order Based on Changed Legal Circumstances Emanating From Article VIII, Section 2(C) of the Florida Constitution, Docket No. 160049-EU. That docket is being held in abeyance until December 31, 2018 pending resolution of matters related to the sale of the COVB electric system to FPL. (See Order No. PSC-2018-0036-PCO-EU.)

QUESTION:
For the following question, please refer to the petition in Docket No. 20170235-EU. Please provide an updated Exhibit TCC-1 of Witness Cohen testimony reflecting current FPL rates (i.e., rates effective March 2018) and updated COVB rates (if updated)

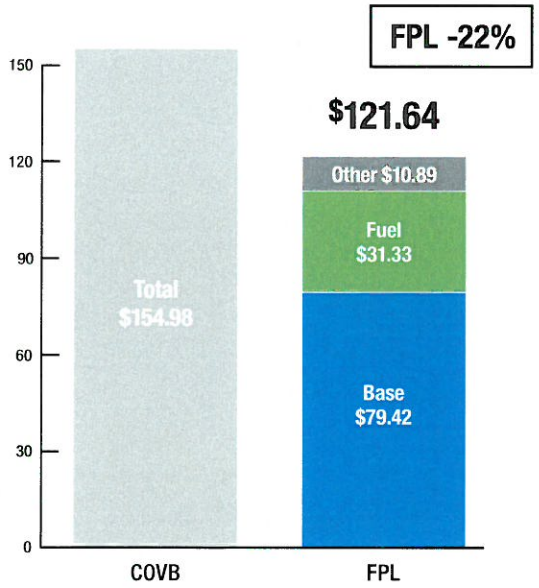
RESPONSE:
Please see Attachment No. 1 to this response.

Typical Bill Comparisons — FPL vs. COVB

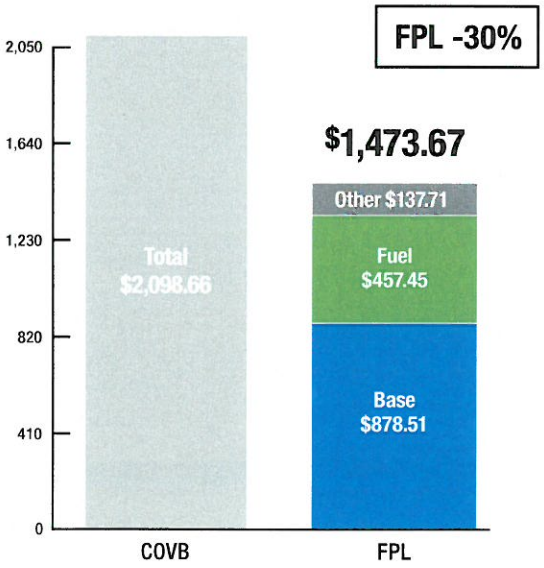
1,000 kWh Residential Bill Comparison



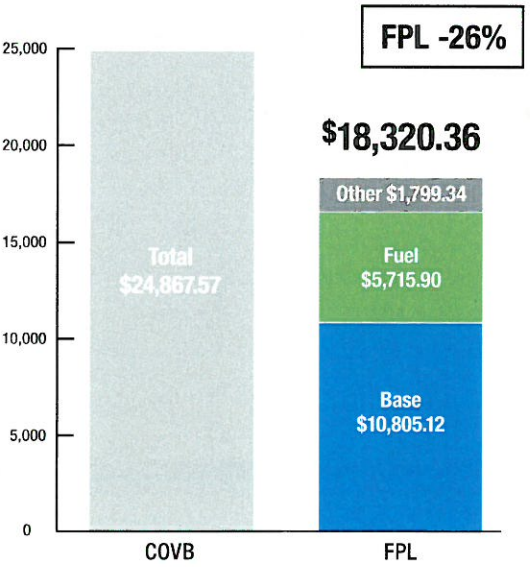
1,200 kWh Small Non-Demand Commercial Bill Comparison "Small Store Front"



17,520 kWh/50 kW Medium Demand Commercial Bill Comparison "Office Building or School"



219,000 kWh/600 kW Large Commercial Bill Comparison "Large Retailer or Hospital"



Notes:

FPL and COVB typical bills are as of March 1, 2018, and include gross receipts tax.

58

FMEA Response to FPSC Staff Data Requests.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 58
PARTY: STAFF – (DIRECT)
DESCRIPTION: FMEA Response to FPSC Data Request

FMEA Response to FPSC Staff Data Request

On August 29, 2018, the FPSC staff issued a data request to the Florida Municipal Electric Association (FMEA) that sought to identify, for each Florida municipal electric utility, the percentage of customers who are inside and outside of the municipality's city limits or corporate boundaries. Pursuant to the staff data request, the FMEA surveyed its members, compiled the information requested and created the table below. FMEA explained that all cities that are underlined in the table, provided the FMEA with their current information as of 2018. Data for cities that are not underlined is based upon a 2010 FMEA survey.

2018		
City	% Customers Inside or Outside City Limits	
	Inside	Outside
Alachua	100	0
Bartow	71	29
Blountstown	91	9
Bushnell	96	4
Chattahoochee	98	2
Clewiston	75	25
Fort Meade	91	9
Fort Pierce	83	17
Gainesville	68	32
Green Cove Springs	84	16
Havana	74	26
Homestead	77	23
Jacksonville Beach	43	57
JEA	93	7
Key West	53	47
Kissimmee	43	57
Lake Worth	70	30
Lakeland	43	57
Leesburg	40	60**
Mount Dora	91	9
New Smyrna Beach	74	26
Newberry	100	0
Ocala	61	39
OUC	60	40*
Tallahassee	84	16
Vero Beach	39	61
Wauchula	79	21
Williston	100	0
Winter Park	100	0

**16% of OUC's 40% outside is the City of St. Cloud which OUC serves and operates*

*** 20% of Leesburg's 60% outside is Fruitland Park that Leesburg has franchise agreement with*

STIPULATED COMPOSITE EXHIBIT NO. 59

DOCKET NO: 170235-EI & 170236-EU

PARTY: TOWN OF INDIAN RIVER SHORES

DESCRIPTION: Four (4) Franchise and Interlocal Agreements referenced or related to Staff Exhibit No. 58 (FMEA Response to FPSC State Data Requests).

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 59
PARTY: Town Indian River Shores
DESCRIPTION: 4 Franchise, Interlocal agreements related to staff's EX 58

RESOLUTION NO. 83- 2032

RESOLUTION AUTHORIZING THE EXECUTION OF AGREEMENT WITH THE CITY OF FRUITLAND PARK FOR THE PURPOSE OF FURNISHING ELECTRICAL ENERGY TO FRUITLAND PARK FOR MUNICIPAL PURPOSES AND OBTAINING EXCLUSIVE RIGHT TO SELL ELECTRICAL ENERGY WITHIN THE CORPORATE LIMITS OF FRUITLAND PARK, FLORIDA.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA:

That the Mayor-Commissioner and the City Clerk of the City of Leesburg, Florida, are hereby authorized and directed to execute on behalf of the City of Leesburg, Florida, an Agreement, entitled "Electrical Franchise Agreement," between the City of Leesburg and the City of Fruitland Park, Florida, for the purpose of furnishing electrical energy to Fruitland Park for municipal purposes and for the purpose of obtaining the exclusive right to sell electrical energy within the corporate limits of Fruitland Park, Florida, a copy of said agreement being attached hereto.

PASSED AND ADOPTED at the regular meeting of the City Commission of the City of Leesburg, Florida, on the 10th day of October, 1983.

Sanna Henderson
Sanna Henderson, Mayor-Commissioner

ATTEST:

James C. Schuster, City Clerk

124:clfpe:100783:21

ELECTRICAL FRANCHISE AGREEMENT

WHEREAS, the City of Fruitland Park, Lake County, Florida, a municipal corporation, organized and existing under the provisions of Chapter 12755, Laws of Florida, Special Acts of 1927, and Amendments thereto, hereinafter referred to as the "Grantor," and the City of Leesburg, a municipal corporation organized and existing under Chapter 9820, Laws of Florida, Special Acts of 1923, and Amendments thereto, hereinafter referred to as the "Grantee," have been negotiating for the purpose of entering into a franchise agreement wherein and whereby the said Grantee would have the sole and exclusive privilege and right of selling electrical energy within the corporate limits of said City of Fruitland Park, as well as furnishing electrical energy to the Grantor for municipal purposes, and,

WHEREAS, the said City of Fruitland Park and the City of Leesburg have arrived at an agreement and meeting of the minds on said subject, and,

WHEREAS, the City Commission of said City of Fruitland Park has authorized the officials of the City of Fruitland Park to enter into such franchise agreement,

NOW, THEREFORE, KNOW ALL MEN BY THESE PRESENTS:

That said City of Fruitland Park, Lake County, Florida, and the City of Leesburg, also in Lake County, Florida, do hereby agree as follows:

SECTION 1: That the said City of Fruitland Park does hereby give and grant unto the City of Leesburg, and to its legal representatives, successors and assigns, the right and privilege of a franchise for constructing, maintaining and operating for a period of twenty-five (25) years, in the said City of Fruitland Park, electric substations, distribution systems and other lighting systems for the purpose of lighting the streets or public squares of the Grantor and the dwellings, houses and places of business of its inhabitants, and for distributing and/or transmitting electric energy for the purpose of light, power and heat, or any other purpose for which electricity may be used.

SECTION 2: That the City of Leesburg shall have for a period of twenty-five years, the privilege, franchise, power, right and authority to lay, erect and maintain in and upon the squares, streets, avenues, alleys, bridges, and/or other public thoroughfares and parks of the Grantor, as

they now exist or may hereafter be constructed, opened, laid out or extended within the present limits of the Grantor, or within such territory as may hereafter be added to it, all necessary poles, or other supports, conductors or appliances for the poles or other means of conveyance to be used in transmitting electric energy for the purpose of lighting, heat or power, or for such other purposes as electricity may be used, and for these purposes the authority and right is hereby granted to make all necessary excavations in said squares, streets, avenues, alleys or other thoroughfares and parks of the Grantor, provided that in the event that any streets, alleys, parks or other public properties are excavated, altered or changed, the same shall be replaced and/or restored by the City of Leesburg at its expense to the same condition existing before such alteration, excavation or other work was done; and the Grantee shall have the right, power and authority to fasten and to stretch and lay along the line of said poles or other means of conveyance, all the wires or other media necessary for transmitting and conveying the electric energy to be used in said business, together with all the rights and privileges necessary or convenient for the full use or enjoyment thereof, including the right to trim, cut and keep clear all trees and limbs along said lines that may in any way endanger the proper operation of the same; and Grantee shall have the right, privilege and authority to construct, erect and maintain within the limits of the Grantor electric substations, distribution systems, or other lighting systems and devices that may be required for distributing electricity and for carrying on the business aforesaid; provided that in accomplishing the purpose aforesaid the streets of said Grantor shall not be unreasonably obstructed, and that such work shall be done and carried on in conformity with such reasonable rules and regulations with reference thereto as may be adopted by the City Commission of the Grantor for the protection of the public; provided further that any building or other structures erected by the Grantee under this franchise within the territorial limits of the Grantor shall be constructed in accordance with present or future zoning laws, rules and regulations applicable thereto as may be adopted by the Grantor; provided however, that any application by the Grantee for rezoning or variance shall not be unreasonably withheld by the Grantor; and provided further, that the said Grantee shall assume all liability for damage or personal injury caused by its negligence in doing such work.

SECTION 3: That the Grantee shall, at its sole cost and expense, furnish and maintain an adequate modern electrical distribution system in the City of Fruitland Park sufficient to meet the requirements of the users of electricity therein, and to maintain reasonably uninterrupted service sufficient to meet such requirements; provided however, the Grantee shall not be liable or responsible for interruption of service or voltage fluctuation as the result of fire, strike, riot, vandalism, explosion, failure of defective equipment or materials, flood, wind storm, lightning, accidents, acts of God, or the public enemy, or any act by the supplier of bulk electrical energy to the Grantee or other acts beyond the control of the Grantee, but the Grantee shall be prompt and diligent in removing and overcoming the cause or causes of said interruption, but nothing herein contained shall be construed as permitting the Grantee to refuse to deliver electrical energy after the cause of the interruption has been removed; and that the Grantee does not guarantee that the supply of electrical energy furnished hereunder shall be free from interruption occasioned by any of the causes heretofore mentioned, and it is agreed that such interruption shall not constitute a breach of this contract on the part of the Grantee. With respect to restoration of the distribution of electrical energy, the Grantee shall not discriminate among its customers, including the Grantor, and the services rendered hereunder shall be on an equal basis. The City of Leesburg agrees that the materials to be used in the construction and maintenance of the electrical distribution system shall be equal to those generally used throughout the City of Leesburg, and that under the provision of this franchise it will give to the City of Fruitland Park and its inhabitants the same favorable consideration extended to the inhabitants of the City of Leesburg under like conditions.

SECTION 4: That, as a further consideration of this franchise, said City of Fruitland Park agrees not to engage in the businesses of distribution and selling electrical energy during the life of this franchise or any extension thereof in competition with the City of Leesburg, its legal representatives, successors and assigns.

SECTION 5: That the said Grantee shall have the right and privilege to enlarge such substations and distribution systems, increase the number of poles, conveyances or appliances, extend its wires, lines or conveyances, and to generally develop or change its service or methods to meet the growth and progress of said City of Fruitland Park and to conform to the scientific

and mechanical advancement and discovery of the age, and that such work shall be done and carried on in conformity with such reasonable rules and regulations with reference thereto, as may be adopted by the City Commission of the Grantor, that are within and conform to state and federal regulations relating to the transmission and sale of electrical energy.

SECTION 6: The City of Fruitland Park reserves the right at the expiration of five (5) years after the effective date of this agreement and after any five (5) year period until expiration of this agreement, or at any time after the initial period of twenty-five (25) years, to purchase the distribution system, lines, conduits, and other conveyances for distribution of said electric energy or property used under or in connection with the franchise or right, or such part of such property, real and personal located within the corporate limits at the date of the purchase by said City of Fruitland Park, which grantor may desire to purchase, for which valuation shall be determined and mutual agreement, excepting from this reservation, all distribution lines, constructed outside the corporate limits of the City of Fruitland Park and all transmission lines owned by the City of Leesburg and connected with its general system of distribution and used for the purpose of serving areas other than grantor herein.

In the event the City of Fruitland Park exercises its option to purchase, it shall notify the City of Leesburg of its intention to do so by written notice at least nine (9) months prior to the expiration of said period, with the name of a professional appraisal firm, qualified by education and experience to perform utility asset appraisals for electric distribution systems. Such appraisal firm shall be independent and not affiliated in any manner with the City of Leesburg, City of Fruitland Park or any electric company, cooperative, district or municipal electric system. No later than six (6) months prior to the expiration of said period, the professional appraisal firm shall submit an appraisal of the assets to be purchased to the City of Leesburg. If the City of Leesburg does not agree with the appraisal submitted as the purchase price of the system, it may select its own independent appraiser to conduct an appraisal of the assets to be purchased. Such appraisal shall be completed within four (4) months of the receipt of the appraisal from the City of Fruitland Park. If after receipt of the second appraisal, agreement is not reached on the purchase price, then the two appraisers shall select a third appraiser for the purpose of arriving at a valuation agreed to by the majority of the

appraisers. Each party shall bear the expense of its own appraiser, with the cost of the third to be borne equally by the parties; provided however that if no sale is consummated, all appraisal costs and fees will be borne by the prospective purchaser. In the event that a valuation is not agreed upon by the majority of the appraisers, either party may invoke arbitration pursuant to Chapter 682, Florida Statutes. Purchase price shall be paid within thirty (30) days after the final determination of the purchase price. In the event of such purchase, all rights of the City of Leesburg under this franchise shall terminate, except as herein specifically reserved or as set forth as a consideration in or for this agreement, and the City of Leesburg shall have no further right to render electric service to consumers supplied by lines or conduits or conductors so purchased by grantor, except upon consent and permit of the City of Fruitland Park. In the event that the City of Fruitland Park purchases from the City of Leesburg the distribution system as described in this paragraph, and subsequently wishes to sell it, the City of Fruitland Park shall first offer to sell the distribution system to the City of Leesburg. After receiving notification from the City of Fruitland Park that it wishes to sell the distribution system, the City of Leesburg shall give notice of its desire to repurchase the system within three (3) months. In this event, the negotiation and arbitration provisions of this paragraph shall likewise apply to a repurchase of the distribution system by the City of Leesburg.

In the event the City of Fruitland Park does not wish to exercise its option to purchase at the end of twenty-five (25) years as set forth herein, this agreement shall be extended on a year to year basis until terminated by either party after four (4) months written notice of such election to terminate has been delivered to the other party.

SECTION 7: That the City of Leesburg shall have the right to make reasonable rules and regulations for the use of electric energy sold and distributed by the Grantee to private parties and for municipal purposes, and the Grantee agrees that the rates charged for such electric energy shall at no time be more than the rates charged for electric energy to consumers within the City of Leesburg for similar services. It is further understood that the City of Leesburg shall have the right and authority to discontinue service to any customer for non-payment of utility charges, utility taxes or franchise fees, or such other charges as may be applicable, in accordance

with such reasonable rules and regulations as may be established by the City of Leesburg.

The City of Leesburg agrees to furnish electric energy to the City of Fruitland Park for municipal purposes at rates, charges, and conditions as set out below and for the period covered by this franchise granted to the City of Leesburg as follows:

METERS: All electrical energy consumed by facilities owned, leased, or operated by the Grantor, except unmetered street lights, shall be measured by means of watt-hour meters and billing for such electrical energy consumption shall be based thereon; provided, however, that demand meters shall be installed wherever and whenever the facility qualifies therefor. The Grantee shall notify the Grantor of any change in the municipal rate at least thirty (30) days prior to the effective date of such change.

STREET LIGHTS: All unmetered street lights now existing or installed in the future in the City of Fruitland Park shall be maintained, repaired, installed or re-installed or replaced by the Grantee, including lamps, fixtures, arms, ballasts, photoelectric cells, switches, standards and other appurtenances necessary to the normal maintenance and operation of unmetered street lights, during the life of this agreement.

The Grantor shall pay to the Grantee a monthly flat-rate charge per unmetered street light in accordance with the current published flat-rate street light charge of the Grantee as is now or hereafter in effect for the Grantee. Such flat-rate monthly charge shall cover all installation and maintenance costs and the cost of electrical energy consumed by said unmetered street lights.

RATES TO CONSUMERS: The Grantee shall furnish electrical energy to all consumers within the corporate limits of the City of Fruitland Park in accordance with the published and established schedules of rates and regulations for the purchase of electrical energy, as are now or hereafter in effect for consumers within the corporate limits of the City of Leesburg. Consumers shall be subject to the rules and regulations of the Grantee for the purchase of electrical energy, provided however, that in the event any of such rules and regulations conflict with the terms of this Agreement, then the terms of this Agreement shall govern.

SECTION 8: That the Grantee shall have the exclusive right to enter into such contracts or agreements concerning the joint use of its poles, conduits or other facilities for the erection or furnishing of compatible

services including, but not limited to, telephone, telegraph, and cable television service, as it may in its discretion desire, so long as it will not unreasonably interfere with the discharge of the obligations of the Grantee hereunder. Any and all income derived from said joint use of poles, conduits or other facilities shall accrue solely and exclusively to the Grantee.

SECTION 9: That, as a further consideration for the granting of this franchise, the said City of Leesburg shall, during the term of this franchise, pay to the City of Fruitland Park as one of the expressed conditions and considerations for the franchise, rights and privileges granted and conferred by this Agreement, a franchise fee which shall be computed on the gross revenues derived from the sale of electric energy consumed within the corporate limits of the City of Fruitland Park during the term of this franchise, excepting therefrom the gross revenues derived from the sale of electric energy delivered to and consumed by the Grantor for municipal purposes. Beginning with the effective date of this Agreement and terminating on September 30, 1984, a twelve percent (12%) franchise fee shall be passed along to consumers within the corporate limits of the City of Fruitland Park in accordance with the "direct" method for application of such fee as established by Florida Public Service Commission Order No. 8524, dated October 11, 1978, and Rule 25-6.100, Florida Administrative Code, effective May 16, 1983. Beginning October 1, 1984 and effective with the balance of the term of this agreement the franchise fee as established above will be billed at the rate of eight percent (8%). Payments of the franchise fee shall be computed and paid monthly, becoming due on the last day of the month succeeding the month's billings to which the fee is applied. Grantee reserves the right to adjust the amount of gross revenues at any time by the amount of bad debts for uncollectable accounts served within Grantor's corporate limits. The records kept by the Grantee of the accounts for electric service within the corporate limits of the Grantor shall be open for inspection by the proper officials of the Grantor at reasonable intervals during normal business hours.

SECTION 10: That, as a further consideration for the execution of such Agreement and franchise on the part of the Grantee, the City of Fruitland Park shall assess no ad valorem taxes against any real or personal property owned by the City of Leesburg within Grantor's corporate limits during the term of said franchise; and any license tax imposed by the Grantor upon the

Grantee for doing business within the said City of Fruitland Park shall not exceed the sum of five dollars ($5.00) per annum during the term of such franchise.

SECTION 11. That, each and every month, the City of Leesburg will bill, collect and pay to the City of Fruitland Park in the same manner as the franchise fee discussed in Section 9, any utility tax that might be levied by the grantor pursuant to Chapters 166.231 or 166.232, Florida Statutes, which tax shall be billed to each consumer within the corporate limits of the City of Fruitland Park, excepting therefrom those consumers which are, by law, tax exempt. It is understood and agreed that the City of Fruitland Park shall by written notice immediately notify the City of Leesburg of any change in the utility tax. For this tax collection service, the City of Fruitland Park shall pay to the City of Leesburg each month a fee at the rate of three percent (3%) of the first one thousand dollars ($1,000) and one percent (1%) of the remainder of the utility tax so collected for that month, which is the same rate as that presently allowed by the State of Florida for businesses which collect the State sales tax.

SECTION 12: This Agreement supersedes, as of the effective date hereof, all previous agreements, contracts or representations, whether written or verbal, heretofore in effect by and between the City of Leesburg and the City of Fruitland Park with respect to matters herein contained, and constitutes the sole Agreement by and between the parties hereto concerning such matters. The effective date of this Agreement shall be November 1, 1983.

IN WITNESS WHEREOF the said City of Leesburg and the said City of Fruitland Park have caused this franchise agreement to be executed by their duly authorized and acting officials as of the 10th day of October, 1983.

CITY OF FRUITLAND PARK, FLORIDA

By: Tom Stivender
Mayor

ATTEST: Nancy Giannarino
City Clerk

CITY OF LEESBURG, FLORIDA

By: Sanne Henderson
Mayor-Commissioner

ATTEST: [signature]
City Clerk/Finance Director

f/p fran agmt/ELECT
Rev. 8310051md

RESOLUTION NO. 9315

RESOLUTION OF THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE THE FIRST AMENDMENT TO ELECTRIC FRANCHISE AGREEMENT BETWEEN THE CITY OF LEESBURG AND THE CITY OF FRUITLAND PARK; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF LEESBURG, FLORIDA:

THAT the Mayor and City Clerk are hereby authorized to execute the First Amendment to the Electric Franchise Agreement Between the City of Leesburg and the City of Fruitland Park.

THAT this resolution shall become effective immediately.

PASSED AND ADOPTED by the City Commission of the City of Leesburg, Florida, at a regular meeting held the 18th day of November 2013.

Mayor

ATTEST:

Betty M Richardson
City Clerk

FIRST AMENDMENT TO ELECTRIC FRANCHISE AGREEMENT BETWEEN THE CITY OF LEESBURG AND THE CITY OF FRUITLAND PARK

This First Amendment is to that certain Electric Franchise Agreement, entered into on October 10, 1983, hereinafter referred to as the "Electric Franchise Agreement" by and between the City of Leesburg, Florida, hereinafter referred to as "Leesburg" and the City of Fruitland Park, Florida, hereinafter referred to as "Fruitland Park"," and jointly referred to herein as the "Parties."

WHEREAS, the Parties entered into the Electric Franchise Agreement for the mutually beneficial purposes of authorizing Leesburg to provide electric services within the municipal boundaries of Fruitland Park; and

WHEREAS, in accordance with the terms of the Electric Franchise Agreement, in 2009, Fruitland Park exercised its option rights to purchase the assets as described in Section 6 of the Electric Franchise Agreement; and

WHEREAS, to date the purchase and sale transaction pursuant to Fruitland Park's option rights has not been completed, Leesburg has continued to provide electricity service to Fruitland Park and the Parties have operated under the terms of the Electric Franchise Agreement essentially pursuant to the automatic extension provisions of Section 6; and

WHEREAS, the Electric Franchise Agreement is in full effect and has not been terminated by either party; and

WHEREAS, due, in part, to the new electrical facilities which would be required by the proposed development known as "The Villages of Fruitland Park", the Parties wish to amend certain terms of the Electric Franchise Agreement;

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein, the Parties agree as follows:

1. The above-stated whereas clauses are agreed to by the Parties and adopted as true and correct.

2. The term of the franchise rights as set forth in Section 1 of the Electric Franchise Agreement is hereby extended so that the term shall now expire at midnight on December 31, 2018. The expiration of the extended term on December 31, 2018 shall act as an automatic exercise of Fruitland Park's option to purchase those certain assets described in Section 6 of the Electric Franchise Agreement and the valuation and payment terms contained therein shall be applicable and binding upon the Parties. The notice and milestone dates set forth in Section 6 of the Electric Franchise Agreement, shall apply as if Fruitland Park had exercised its option to purchase as of December 31, 2018. Upon expiration of the extended term, the Electric Franchise Agreement shall continue and remain in full force and affect until such time as Fruitland Park's

purchase referred to above is completed. In the event that the referenced purchase is not completed on or before December 31, 2019, the term of the Electric Franchise Agreement shall automatically extend so that the term will expire on December 31, 2043. However, if Fruitland Park is working diligently and in good faith to complete a purchase as of December 31, 2019, Fruitland Park shall be allowed a reasonable extension of time to complete such purchase. Moreover, Fruitland Park reserves the right at the end of any five (5) year period commencing January 1, 2020 until expiration of this agreement and extension thereof, to purchase the distribution system, lines, conduits, and other conveyances for distribution of electric energy or property used under or in connection with the franchise or right, or such part of such property, real and personal located within the corporate limits of Fruitland Park as of the date of the purchase by Fruitland Park which Fruitland Park may desire to purchase. Valuation for any such purchase shall remain as set forth in the Electrical Franchise Agreement. Upon expiration of the Electric Franchise Agreement as of December 31, 2043, unless otherwise agreed to in writing by the Parties, the term of the Electric Franchise Agreement shall automatically extend on a year to year basis until terminated by either party upon one hundred and twenty (120) days written notice to the non-terminating party.

3. As further consideration for this Amendment Fruitland Park agrees that its 2009 purchase option exercise is withdrawn and of no future effect.

4. All other terms and conditions of the Electric Franchise Agreement shall remain unchanged and in full force and effect.

5. The Effective Date of this Amendment shall be the date that the last party signs as set forth below.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their duly authorized officers as of the date set forth below.

Attest:

By: _____
City Clerk

City of Leesburg

By: _____
Mayor David Knowles
Date: November 18, 2013

Attest:

By: _____
City Clerk

City of Fruitland Park

By: _____
Mayor Chris Bell
Date: November 21, 2013

ORDINANCE 2013-008

AN ORDINANCE OF THE CITY COMMISSION OF THE CITY OF FRUITLAND PARK, FLORIDA; APPROVING AN AMENDMENT TO FRUITLAND PARK'S ELECTRIC FRANCHISE AGREEMENT WITH THE CITY OF LEESBURG, FLORIDA; EXTENDING THE TERM OF THE FRANCHISE WHILE RETAINING A PURCHASE OPTION; PROVIDING FOR CERTAIN TERMS AND CONDITIONS; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the City of Fruitland Park, as Grantor, and the City of Leesburg, as Grantee, previously entered into an electric franchise agreement dated October 10, 1983 (the "Electric Franchise Agreement"), which authorized Leesburg to provide electric services within the municipal boundaries of Fruitland Park; and

WHEREAS, the Electric Franchise Agreement is in full effect and has not been terminated by either party; and

WHEREAS, the parties have negotiated an extension agreement, which, among other things, extends the term of the Electric Franchise Agreement while allowing Fruitland Park to retain its purchase option; and

WHEREAS, Fruitland Park desires to approve and authorize this extension agreement.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF FRUITLAND PARK, FLORIDA, AS FOLLOWS:

Section 1. The agreement entitled "First Amendment to Electric Franchise Agreement Between the City of Leesburg and the City of Fruitland Park" attached as Exhibit "A" and incorporated herein for all purposes is authorized and approved. The Mayor is authorized to execute this agreement on behalf of the City of Fruitland Park, Florida, with an attest by the City Clerk.

Section 2. All ordinances in conflict with the provisions of this ordinance are hereby repealed.

Section 3. This Ordinance shall be effective upon passage on second and final reading.

Section 4. If any section, sentence, clause, or phrase of this ordinance is held to be invalid or unconstitutional by any court of competent jurisdiction, then said holding shall in no way affect the validity of the remaining portion of this ordinance.

PASSED AND ORDAINED this 21st day of November, 2013, by the City Commission of the City of Fruitland Park, Florida.

Christopher J. Bell, City Mayor

ATTEST:

Esther Lewin-Coulson, CMC, City Clerk

Passed First Reading November 14, 2013
Passed Second Reading November 21, 2013

Approved as to form:

Scott A. Gerken, City Attorney

Vice Mayor Kelly	✓ (Yes),	___ (No),	___ (Abstained),	___ (Absent)
Commissioner Goldberg	✓ (Yes),	___ (No),	___ (Abstained),	___ (Absent)
Commissioner Cheshire	✓ (Yes),	___ (No),	___ (Abstained),	___ (Absent)
Commissioner Gunther	✓ (Yes),	___ (No),	___ (Abstained),	___ (Absent)
Mayor Bell	✓ (Yes),	___ (No),	___ (Abstained),	___ (Absent)

ORDINANCE 1275

AN ORDINANCE OF THE CITY OF POLK CITY, FLORIDA; REPEALING EXISTING CHAPTER 124, CODE OF ORDINANCES OF THE CITY OF POLK CITY, FLORIDA ENTITLED "WATER AND ELECTRIC FRANCHISE"; PROVIDING A SHORT TITLE; PROVIDING FINDINGS AND INTENT; GRANTING TO THE CITY OF LAKELAND, FLORIDA, A NON-EXCLUSIVE FRANCHISE TO USE THE PUBLIC STREETS, ALLEYS, HIGHWAYS, WATERWAYS, BRIDGES EASEMENTS AND OTHER PUBLIC WAYS OF THE CITY OF POLK CITY FOR THE CONSTRUCTION, MAINTENANCE AND OPERATION OF AN ELECTRIC SYSTEM IN THE CITY OF POLK CITY; PRESCRIBING THE TERMS AND CONDITIONS UNDER WHICH SAID NONEXCLUSIVE RIGHTS AND PRIVILEGES MAY BE EXERCISED; PROVIDING FOR SEVERABILITY; PROVIDING AN EFFECTIVE DATE.

NOW, THEREFORE, BE IT ENACTED BY THE CITY COUNCIL OF POLK CITY, FLORIDA:

SECTION 1. REPEAL OF CHAPTER 124. The Code of the City of Polk City is hereby amended by repealing Chapter 124, WATER AND ELECTRIC FRANCHISE.

SECTION 2. SHORT TITLE. This ordinance shall be known and may be cited as the "Lakeland Electric System Franchise."

SECTION 3. FINDINGS. The City Council of the City of Polk City, Florida (the "City") hereby makes the following findings and declares its legislative intent as follows:

(1) The City exercises control over all publicly dedicated rights-of-way located within the limits of the City of Polk City (the "Franchise Area").

(2) The City of Lakeland, Florida ("Lakeland") is an electric power utility whose rates, terms and conditions of service are self-regulated.

(3) Lakeland was granted a franchise by Polk City for a period of 20 years to construct, maintain, equip, and operate a waterworks and electric light and power system for the 20-year period by the City of Polk City Ordinance 23 on February 7, 1949, by Ordinance 30 on October 12, 1979, and by Ordinance No. 91-6 on April 2, 1991.

(4) The Franchise granted by such ordinances has or is about to expire.

(5) The City and Lakeland are willing to enter into a new, twenty (20) year, non-exclusive Franchise to provide for the construction, maintenance and operation of electric facilities in the City's public rights-of-way pursuant to the terms and conditions set forth herein (the "Franchise")

SECTION 4. GRANT OF AUTHORITY. Subject to the terms and conditions herein and the provisions in Sections 39, 40, and 46, Chapter 11016, Laws of Florida (1925), there is hereby granted by the City to Lakeland, its successors and assigns, the following:

(1) The non-exclusive right, privilege and franchise to construct, maintain and operate in, under, over and across the present and future streets, alleys, bridges, easements, and other public places of the City of Polk City, Florida and its successors, in accordance with established practice with respect to electrical construction and maintenance, for a term of thirty years from the date of acceptance hereof, electric light and power facilities (including conduits, poles, wires and transmission lines, and for its own use, telephone and telegraph lines) for the purpose of supplying electric energy to the City, its successors, inhabitants thereof, and persons and corporations beyond the limits thereof;

(2) The City's covenant that it will not engage in the business of distributing and selling electric energy during the term of this franchise or any extension thereof in competition with Lakeland, its successors and assigns, includes a grant of the City's right to own and operate an electric utility system as a revenue producing enterprise for municipal purposes within the area served by Lakeland during said term;

(3) Upon the annexation of any territory to the City of Polk City, the portion of Lakeland's facilities located within such annexed territory and upon the streets, alleys or public grounds thereof, shall thereafter be subject to all the terms of this franchise as though it were an extension made hereunder.

SECTION 5. TERM OF FRANCHISE. This Franchise and rights herein granted shall take effect and be in force from and after the final passage hereof, as required by law and full execution by both parties, It shall continue in full force and effect for a term of twenty (20) years after the later of the date on which this Franchise Agreement has been (i) executed by Lakeland and (ii) the final passage and approval of this Ordinance by the City Council and execution of the same by the Mayor of the City ("Effective Date").

SECTION 6. CONSIDERATION FOR THE FRANCHISE; PAYMENT TO CITY. As consideration for the franchise herein granted, Lakeland shall provide certain services to Polk City. The cost of the services identified below shall be computed at the same rate the City of Lakeland's Department of Electric and Water Utilities uses to compute charges for similar services to other departments within the City of Lakeland.

(1) A credit of four (4%) percent of the total gross revenue received from customers within the corporate limits of Polk City will be deducted from any billing for services. If four percent of the total gross revenue exceeds the billing for services, no credit in excess of the monthly charges shall be made; however, an annual review shall be performed by Lakeland and a "true-up" of the previous billings will be performed. It is the intent of this section to provide for a franchise fee of four (4%) percent of the annual total gross revenue from Polk City customers.

Additional services to be provided are:

1. Electric services for city hall, the fire station, recreation center, tennis court, Freedom Park, Rails-to-Trails facilities, and the Community Center;

2. Street lights at locations to be designated by the City Council of Polk City, Florida; and

Calculation of the franchise amount to be paid by Lakeland to the City and the manner of its payment shall be as follows:

(2) The City may raise the rate of the Franchise Fee anytime during the term hereof up to an amount not to exceed six percent (6%) of Base Revenues. The City may raise the rate of the Franchise Fee by providing Lakeland written notice (in the manner provided for notice herein) of the amount of the increase. The City may raise the rate of the Franchise Fee to the maximum allowed in one notice or in multiple notices of increase not to exceed three (3) in number during the term of this Franchise. If the multiple increase approach is used, each notice shall be no less than one (1) year apart. Notwithstanding any such notice, Lakeland shall not be obligated to collect and remit the increased payment until the time frame provided in Section 6(3) below.

(3) The City may adopt any such adjustment or change to the rate of the Franchise Fee as described in Section 6(2) above in the sound discretion of the City, and such adjustment or change shall automatically become part of this Franchise effective as of the date so stated with the collection of such new or adjusted Franchise Fee rate subject to the notice provisions specified in Section 6. Such adjustment or change shall be conclusively evidenced when provided by written notice to Lakeland signed by the Mayor of the City of Polk City. Lakeland shall pay the City on or before the twentieth (20th) of each month a monthly franchise amount equal to the product of the then applicable Franchise Fee rate and the Base Revenues for the prior month. Upon any change in the rate of the Franchise Fee, Lakeland shall have until the twentieth (20th) day of the month beginning three (3) full months after the month in which the written notice of increase was received, (or such later date, if specified in the written notice) to begin charging the new amount reflecting the increased rate of the Franchise Fee.

SECTION 7. CONTROL OF PUBLIC PROPERTY RESERVED.

(1) This grant and franchise shall be subject to the right of the City to control at all times the distribution of space in, over and across or under all streets, alleys, or public grounds, occupied by Lakeland's fixtures, and, when in the opinion of the City the public interest so requires, such fixtures may be caused to be reconstructed, relocated, altered or discontinued; and the City shall at all times have the power to pass all regulatory ordinances affecting such utilities which, in the opinion of the City, are required in the interest of the public health, safety or accommodation. The reconstruction, relocation, alteration or discontinuance of Lakeland's fixtures shall be at the expense of Lakeland unless reimbursement is specifically allocated for Lakeland's benefit in a state or federal grant, or otherwise authorized by the City.

(2) Lakeland's facilities shall be so located or relocated and so erected as not to interface with traffic over the streets, alleys, bridges and public places within the City of Polk City, and with reasonable egress from and ingress to abutting property. The location or relocation of all facilities shall be under the supervision of and with the approval of the City Manager, but such supervision shall not reasonably interfere with the proper operation of Lakeland's facilities and service. When any portion of a street, alley, or public place is excavated by Lakeland in the location or relocation of any of its facilities, the portion of the street, alley, or public place so excavated shall be replaced by Lakeland at its expense and in as good condition as it was at the time of such excavation within such reasonable time as may be directed by the City Manager.

SECTION 8. RECORDS AND REPORTS. The City shall have access, at all reasonable business hours, to all of Lakeland's plans, contracts, engineering, accounting, finance, statistical, customer and service records relating to performance under this ordinance. As well, the City shall have access to all records on file with the Florida Public Service Commission. Lakeland does hereby acknowledge they have a statutory right to maintain confidentiality with regard to certain items filed with the Florida Public Service Commission. Lakeland does hereby permit the disclosure to City of any and all records and reports filed with the Florida Public Service Commission, which may be relevant to this ordinance, as may be requested by the City. The City shall maintain confidentiality of said records and reports provided the City is legally permitted to do so. In accordance herewith, Lakeland does hereby authorize the Florida Public Service Commission to furnish full and complete records and reports to the City, as may, from time to time, be requested by the City. As well, Lakeland shall provide directly to the City an annual summary report showing gross revenues received by Lakeland from its operations within the City during the preceding fiscal year and such other information as the City shall request with respect to properties, quality control, and expenses related to Lakeland's service within the City. The CITY may audit the financial records of the Lakeland for the purpose of determining that proper collection or payment of franchise fees is being made by Lakeland in accordance with this Ordinance at the CITY's initial

expense. Lakeland shall cooperate with and make available those records necessary for CITY to perform the audit. If the audit demonstrates that payment or collection of franchise fees is more than 5% less than the monthly amount that should have been paid or collected the Lakeland shall, in addition to paying the fees that should have been paid or collected, pay the cost of the audit.

SECTION 9. PROVISION OF SERVICE. Lakeland shall provide electric service, in accordance with its filed and approved tariffs and in compliance with the regulatory agencies having jurisdiction over Lakeland's operations, including safety and efficiency.

SECTION 10. APPROVAL OF TRANSFER. The Franchise hereby granted and any rights attendant thereto shall not be leased, assigned, or otherwise alienated or disposed of except with the express consent of the City to such lease, assignment, alienation or other disposition prior to the making of same; provided, however, that nothing herein contained, shall be so construed as to prohibit Lakeland from leasing, assigning or otherwise alienating and transferring this Franchise in connection with the lease or sale of its entire system or upon its merger and consolidation with any other corporation engaged in a similar business, nor as prohibiting the pledging or mortgaging of such franchise in connection with all the physical property owned and used by it in the operating of its electric system for the purpose of securing payment of moneys borrowed by Lakeland. Such transfer or assignment shall hereinafter be referred to as a "Permitted Transfer". Lakeland shall provide the City written notice of such Permitted Transfer 30 days in advance of closing. However, such notice shall not be construed as creating an express or implied right on the part of the City to approve or consent to such transfer. The express consent of the City is hereby given to Permitted Transfers, but such consent shall not be construed to accept, consent or join in the terms, covenants, provisions or warranties of such Permitted Transfers or any alteration of this Franchise.

SECTION 11. INDEMNITY. Subject to the conditions set forth in this Section 11, Lakeland agrees to indemnify and hold City harmless of and from any and all third party claims for personal injury, death or property damage, any other losses, damages, charges or out-of-pocket expenses, including reasonable attorneys' fees, witness fees, court costs and any orders, judgments or decrees which may be entered, but only to the extent that such claims arise from, in connection with, or attributable to, Lakeland's negligent acts or omissions in connection with its construction, operation, maintenance, relocation or removal of its Facilities or other action related hereto ("Indemnity Claims"). Upon receiving notice from City in time to reasonably conduct an investigation and prepare a defense, Lakeland shall undertake at its own expense the defense of any action which may be brought against City for damages, injunctive relief or for any other cause of action arising out of, in connection with or attributable to the foregoing, and, in the event any final judgment therein should be rendered against City resulting from the foregoing, Lakeland shall promptly pay the final judgment together with all costs relating thereto for such portion of the final judgment not

attributable to City's sole, contributory or concurrent negligence or the sole, contributory or concurrent negligence of third parties, Lakeland being allowed, however, an appeal or appeals to the appropriate court or courts from the judgment rendered in any such suit or action upon the filing of such supersede as bond as shall be required to prevent levy or judgment against City during such appeal or appeals. The above notwithstanding, Lakeland shall have no obligation to indemnify the City for those claims resulting from: (i) a Force Majeure (as defined in Section 23 below); or (ii) the acts, omissions or negligence of third parties who were not acting as Lakeland employees, agents, representatives or independent contractors. Furthermore, Lakeland shall have no obligation to indemnify the City to the extent that such claims result from the sole, contributory and/or concurrent negligence of City or the sole, contributory or concurrent negligence of third parties. The City covenants to promptly notify Lakeland of any Indemnity Claims in order to allow Lakeland sufficient time to reasonably conduct an investigation and prepare a defense of any such Indemnity Claim brought against City. If any allegation is made with respect to City negligence, whether sole, contributory, or concurrent, or any combination thereof arising or directly related to activities under this Franchise, the City shall have the right to represent itself directly with respect to those Issues, and if the City prevails in that regard and Lakeland is found negligent, the reasonable costs, fees and expenses shall be paid by Lakeland.

SECTION 13. REPAIR AND REPLACEMENT OF DAMAGE TO PROPERTY.

(1) Except as otherwise provided herein, neither Party hereto shall in any way displace, damage or destroy any facility of the other Party without such party's consent. In the event of such occurrence, to the extent authorized by law, the responsible Party shall be liable to the other party for the cost of any repairs made necessary by any such displacement, damage or destruction and shall pay such costs upon demand; provided, that no such liability shall exist in the event the Party whose facilities were displaced, damaged or destroyed incorrectly marked or located such faculties.

(2) Upon notice from City's Public Works and Utility Services Administrator or designee, Lakeland shall promptly, at its own cost, replace and repair any sidewalk, street, alley, highway, waterway, bridge, or other public place that has been excavated, broken, removed, displaced or disarranged by it in the conduct of its construction, maintenance, removal and operation of any portion of its facilities, or as a result of the deterioration of any portion of its Facilities, and restore the same to as good a condition as the same existed prior to Lakeland commencing its work. Lakeland shall, to the reasonable satisfaction of the City's Public Works and Utility Services Administrator or designee, maintain any repairs it makes pursuant to this Section 14 for a period of one (1) year following the date of such repair, when required as the result of poor

workmanship or materials quality. Should Lakeland fail to make such repairs within a reasonable time following notification, the City may, upon five (5) business days advance written notification to Lakeland make such repairs and replacements as it deems reasonably necessary, and Lakeland shall pay City all reasonable costs of such repairs and replacements.

SECTION 15. FORFEITURE OF FRANCHISE: VIOLATIONS. The failure on the part of Lakeland upon reasonable notice from the City to reasonably comply with any of the conditions of this ordinance, or otherwise fail to provide the service for which this franchise is granted, shall be grounds for forfeiture of this franchise; provided that nothing herein prevents Lakeland from seeking appropriate remedy in a court of competent jurisdiction (subject to appellate review) to ascertain whether compliance with the City's request is required by this ordinance and whether such non-compliance can be grounds for forfeiture. Upon a finding that compliance is required and can result in forfeiture, it is the intention of these parties that the court shall allow Lakeland a reasonable time to correct the deficiency before forfeiture shall become effective.

SECTION 16. NO GRANT OF OR BAR TO OTHER FRANCHISE. Neither this Franchise as a whole, nor any of its parts, portions or terms, shall be construed as granting or intending to grant to Lakeland a franchise to use the Public Rights-of-Way or Lakeland's Facilities therein for cable television; but nothing herein shall preclude Lakeland from entering into a contract for the use of its facilities with any person, firm, partnership or corporation which hereafter may be granted a franchise for cable television by the City of Polk City. Nor shall this Ordinance be a bar to Lakeland seeking or obtaining any such franchise or other approval authorized by federal or state law to the extent required by law.

SECTION 17. SEVERABILITY. Should any section or provision of this Franchise or any portion thereof, the deletion of which would not adversely affect (in the general sense) the receipt of any material benefits or, substantially increase the burden of any party hereunder, be declared by a judicial or administrative tribunal of competent jurisdiction to be invalid, such decision shall not affect the validity of the remainder, as a whole or any part thereof, other than the part declared to be invalid. In the event of any such partial invalidity, the City and Lakeland shall meet and negotiate in good faith to obtain a replacement provision that is in compliance with the judicial or administrative authority's decisions and consistent with the original intent of the parties as contained herein. If such decision is fundamental to or alters the essence of this Franchise, then the parties agree to negotiate a new franchise agreement.

SECTION 18. GOVERNING LAW AND VENUE. The rights and privileges granted to Lakeland by this Franchise shall at all times be subordinate and inferior to the rights of the public in and to the ordinary use of the Public Rights-of-Way and nothing in this Franchise shall be considered as a surrender by the City of its right and power to use and relocate the use of its rights-of-way. In the event that any legal proceeding is brought to enforce the terms of this

Franchise, the same shall be brought in Hillsborough County, Florida, or, if a federal claim, in the U.S. District Court in and for the Middle District of Florida, Tampa Division.

SECTION 19. NOTICES. Except in exigent circumstances, and except as otherwise specifically provided in this Franchise, all notices by either City or Lakeland to the other shall be made by either depositing such notice in the United States Mail, Certified Mail return receipt requested or by facsimile. Any notice served by certified mail return receipt shall be deemed delivered five (5) days after the date of such deposit in the United States Mail unless otherwise provided. Any notice given by facsimile is deemed received by next Business Day. "Business Day" for purposes of this section shall mean Monday through Friday, with Saturday, Sunday and City and Lakeland observed holidays excepted. All notices shall be addressed as follows:

To City:

Mayor
City of Polk City
_____
Polk City, FL 33
Fax No.: 863-

Copy to:

City Attorney
City of Polk City
301 East Pine Street, Suite 1400
Orlando, FL 32801
Fax No.: 407-244-5690

To Lakeland:

Mayor,
City of Lakeland
_____
Tampa, FL 33
Attn: President
Fax No. 863-534-

Copy to:

City Attorney
City of Lakeland
_____
Lakeland, FL 338
Fax No.: 863-534-

Notice shall be given as required by this Franchise and for all other emergencies. Notice shall be provided to the above-named addressees unless directed otherwise in writing by the City or Lakeland.

SECTION 20. NON-WAIVER PROVISION. The failure of either Party to insist in anyone or more instances upon the strict performance of anyone or more of the terms or provisions of this Franchise shall not be construed as a waiver or relinquishment for the future of any such term or provision, and the same shall continue in full force and effect. No waiver or relinquishment shall be deemed to have been made by either party unless said waiver or relinquishment is in writing and signed by the Parties.

SECTION 22. COMPLETE AGREEMENT. This Franchise together with the exhibits (as may be amended from time to time in accordance with the terms hereof) represents the entire agreement of the Parties and supersedes all prior representations whether oral or in writing with respect to the rights of the Parties.

SECTION 23. FORCE MAJEURE. Except as otherwise expressly provided herein, neither Party shall be liable for any delay or other non-compliance with the terms of this Franchise due to causes not reasonably within its control, including, but not limited to, acts of civil or military authority, including courts and regulatory agencies, acts of God, war, riot or insurrection, blockades, embargoes, sabotage, epidemics, fires, floods, strikes, lockouts or other labor difficulties. Failure of contractors and subcontractors for reasons other than those specified above shall not be considered as a force majeure delay. In the event of any delay resulting from any force majeure cause provided herein, upon notice to the other Party within five (5) days of the occurrence of the event giving rise to the delay, the time for performance hereunder shall be extended for a period of time reasonably necessary to overcome the effects of the delay. Each Party has the duty to mitigate the impact of any such Force Majeure event, and to take all reasonable actions to prevent, avoid, or mitigate the effect of any Force Majeure event as described herein.

SECTION 24. OTHER OBLIGATIONS OF THE CITY OF LAKELAND. All rights of the franchise herein granted are made subject to the performance by Lakeland of the following conditions:

(1) The rates for electricity which shall be charged the residents, citizens, and businesses of Polk City shall not be greater than the rates charged the residents, citizens, and businesses of Polk County who are being furnished such service outside of the corporate limits of Lakeland.

(2) All lines, mains, extensions, and other improvements shall be constructed, installed and maintained according to required engineering standards.

(3) Lakeland, shall promptly repair damages to the streets and sidewalks occasioned by reason of construction and/or maintenance of poles or conduits to the reasonable satisfaction of Polk City.

(4) Lakeland shall in good faith extend to Polk City the services contemplated by the franchise granted herein and at all times make all additions and extensions necessitated by any increased public demand as requested by Polk City.

SECTION 25. RIGHTS OF THE CITY OF LAKELAND.

(1)Lakeland shall have the right and privilege to make rules, regulations, and restrictions to be binding between itself and the users of water and electricity in regard to the time of the payment of bills, the type of electric appliances to be supplied with power, and such other matters as may be necessary in the convenient

and efficient operation of its business.

(2) Lakeland may extend its facilities and services beyond the corporate limits of Polk City as it may deem expedient, provided such extension shall not impair the standard of service within the corporate limits of Polk City.

SECTION 26. POLK CITY'S PURCHASE OPTION RIGHT.

(1) Polk City reserves the right to purchase properties, facilities, and other rights of Lakeland used in connection with the right of the franchise granted herein upon the first or second anniversary of this ordinance or upon each third-year anniversary thereafter at a price to be agreed upon between the parties, or in the absence of such agreement, by arbitration as may now or hereafter be provided by general law, as set out in section 46 of the 1925 Polk City charter, which was preserved as an ordinance by artide VII, section C-31 of the 1986 charter of the City of Polk City.

(2) The franchise hereby granted shall not be sold, transferred, or assigned until Polk City shall first have had the opportunity of purchasing the electric utilities system and properties within the corporate limits of Polk City used in connection with the exercise of the franchise granted herein upon as favorable a basis as that proposed by any prospective purchaser.

SECTION 27. NEW INSTALLATIONS.I The usual electric rules of public safety shall prevail in connection with the installations made by Lakeland in the exercise of the franchise granted herein, including applicable provisions of federal, state, county, or other regulatory agencies. Where new installations shall be required for the extension of any requested service beyond existing facilities, such adjustments shall be consistent with the policies of Lakeland in its utilities operation.

SECTION 28. EFFECTIVE DATE. . This Ordinance granting a franchise to Lakeland shall take effect immediately upon becoming a law; provided, however, this Ordinance shall become effective only upon the written acceptance by Lakeland all as provided in Section 18 hereinabove.

PASSED ON FIRST READING this _____ day of _____, 2011.

PASSED AND CERTIFIED AS TO PASSAGE ON SECOND READING this _____ day of _____, 2011.

CITY OF POLK CITY, FLORIDA

_____
Joseph LaCascia, Mayor

ATTEST:

_____
Patricia Jackson, City Clerk

APPROVED AS TO FORM AND
LEGALITY:

_____
Thomas A. Cloud, Esquire
City Attorney

STATE OF FLORIDA
COUNTY OF POLK

The foregoing instrument was acknowledged before me this ____ day of _____, 2011 by Joseph LaCascia, as Mayor of the CITY OF POLK CITY, FLORIDA, on behalf of the CITY.

_____
Signature of Notary Public

_____
(Print Notary Name)
My Commission Expires:_____
Commission No.:_____
☐ Personally known, or
☐ Produced Identification
Type of Identification Produced:
_____

AFFIX NOTARY STAMP

CITY OF LAKELAND, FLORIDA

_____
Gow B. Fields, Mayor

ATTEST:

_____
Kelly S. Koos, City Clerk

APPROVED AS TO FORM AND
LEGALITY:

_____
Timothy J. McCausland
City Attorney

STATE OF FLORIDA
COUNTY OF POLK

The foregoing instrument was acknowledged before me this ____ day of _____, 2011, by Gow Fields, as Mayor of the CITY OF LAKELAND, FLORIDA, on behalf of the CITY.

_____
Signature of Notary Public

_____
(Print Notary Name)
My Commission Expires:_____
Commission No.:_____
☐ Personally known, or
☐ Produced Identification
Type of Identification Produced:

_____

AFFIX NOTARY STAMP

Document No. 875

ELECTRIC SERVICE AGREEMENT

Between

CITY OF JACKSONVILLE BEACH, FLORIDA

and

CITY OF NEPTUNE BEACH, FLORIDA

COPY

THIS AGREEMENT, made and entered into this 1st day of October, 2002, by and between the City of Jacksonville Beach, a municipal corporation of the State of Florida, and the City of Neptune Beach, a municipal corporation of the State of Florida, pursuant to the resolutions of their respective councils adopted at public meetings held on October 7, 2002 and Sept. 23, 2002, respectively.

WITNESSETH:

That in consideration of the premises and of the mutual undertakings, covenants, promises and agreements of the respective parties hereto as hereinafter provided, and other valuable considerations moving to each of said parties, it is hereby mutually covenanted and agreed by and between the parties hereto, as follows:

SECTION 1. DATE AND TERM: This Agreement shall become effective on October 1, 2002, and shall continue in effect for a period of ten (10) years, and shall thereafter continue in effect on a year to year basis.

During the initial ten (10) years, this Agreement can not be terminated by either party except for failure to comply in a substantial respect with the provisions of this Agreement.

After the expiration of the initial ten (10) years, this Agreement may be terminated at the option of either party by giving written advance notice of not less than six (6) months prior to the end of any calendar year of its intention to terminate this Agreement at the end of said calendar year.

SECTION 2. RIGHT OF THE CITY OF JACKSONVILLE BEACH TO OPERATE ELECTRIC DISTRIBUTION SYSTEM: Subject to the terms and conditions hereinafter set forth, the City of Jacksonville Beach, and its successors and assigns, shall have and exercise the exclusive right, privilege and authority to construct, maintain and operate in, under, upon, over and across the present and future streets, alleys, bridges, easements and other public places of the City of Neptune Beach and its successors, in accordance with established practice with respect to electrical distribution system construction and maintenance, electric light and power facilities including conduits, poles, wires, cables, transformers and the like, for the purpose of supplying electricity to the City of Neptune Beach, its successors, the inhabitants thereof and persons and corporations within and without the limits thereof, and including the operation and maintenance of watt hour meters, the reading thereof and billing and collection for the electrical service rendered. The facilities shall be so located and so erected as to interfere as little as possible with traffic over said streets, alleys, bridges and public places, and with reasonable egress from and ingress to abutting property. When any portion of a street is excavated in the location or relocation of electric facilities, the portion of the street so excavated shall, within a reasonable time and as early as practicable after such excavation, be replaced by the City of Jacksonville Beach at its expense and in as good condition as it was at the time of such excavation.

SECTION 3. OBLIGATION OF THE CITY OF JACKSONVILLE BEACH TO SUPPLY ELECTRICAL ENERGY: The City of Jacksonville Beach shall, at its sole cost and expense, furnish and maintain an adequate modern electrical distribution system in the City of Neptune Beach, sufficient to meet the requirements of the users of electricity therein, and to maintain reasonably uninterrupted service sufficient to meet such requirements; provided, however, that the City of Jacksonville Beach shall not be liable or responsible for interruption of service or voltage fluctuation as the result of fire, strike, riot, vandalism, explosion, failure of defective equipment or materials, flood, windstorm, lightning, accident, acts of God, or the public enemy, any act by the supplier of bulk electrical energy to the City of Jacksonville Beach or other acts beyond the control of the

City of Jacksonville Beach, but the City of Jacksonville Beach shall be prompt and diligent in removing and overcoming the cause or causes of said interruption, but nothing herein contained shall be construed as permitting the City of Jacksonville Beach to refuse to deliver electrical energy after the cause of the interruption has been removed.

The City of Jacksonville Beach does not guarantee that the supply of electrical energy hereunder shall be free from interruption occasioned by any of the causes heretofore mentioned, and it is agreed that such interruption shall not constitute a breach of this contract on the part of the City of Jacksonville Beach. With respect to the distribution of electrical energy, the City of Jacksonville Beach shall not discriminate among its customers, including the City of Neptune Beach, and the services rendered hereunder shall be on an equal basis.

SECTION 4. ELECTRICAL ENERGY CONSUMED BY THE CITY OF NEPTUNE BEACH: All electrical energy consumed by facilities owned, leased, or operated by the City of Neptune Beach except unmetered street lights shall be measured by means of watt hour meters and billing for such electrical energy consumption shall be at the current municipal service rate established by ordinances of the City of Jacksonville Beach and charged to facilities of the City of Jacksonville Beach. Jacksonville Beach shall notify Neptune Beach of any change in the municipal rate at least thirty (30) days prior to the effective date of such change.

SECTION 5. STREET LIGHTS: All non-metered street lights now existing or installed in the future in the City of Neptune Beach shall be maintained, repaired, installed or re-installed or replaced by the City of Jacksonville Beach, including lamps, fixtures, arms, ballasts, photoelectric cells, switches, standards and other appurtenances necessary to the normal maintenance and operation of un-metered street lights, during the life of this agreement.

The City of Neptune Beach shall pay to the City of Jacksonville Beach a monthly flat-rate charge per unmetered street light in accordance with the then current published flat-rate street light charge of the City of Jacksonville Beach as now or hereafter in effect

for consumers within the corporate limits of the City of Jacksonville Beach. Such flat-rate monthly charge shall cover all installation and maintenance costs and the cost of electrical energy consumed by said unmetered street lights.

SECTION 6. RATES TO CONSUMERS: The City of Jacksonville Beach shall furnish electrical energy to all consumers within the corporate limits of the City of Neptune Beach in accordance with the published and established schedules of rates and regulations for the purchase of electrical energy, as now or hereafter in effect for consumers, within the corporate limits of the City of Jacksonville Beach. Consumers shall be subject to the rules and regulations of the City of Jacksonville Beach for the purchase of electrical energy, provided, however, that in the event any of such rules and regulations conflict with the terms of this agreement, then and in such event, the terms of this agreement shall control.

SECTION 7. LIABILITY: The City of Neptune Beach shall in no way be liable or responsible for any accident or damage that may occur in the construction, operation or maintenance by the City of Jacksonville Beach of its facilities hereunder and the City of Jacksonville Beach agrees to indemnify the City of Neptune Beach and hold it harmless against any and all liability, loss, cost, damage or expense which may accrue to the City of Neptune Beach by reason of neglect, default or misconduct of the City of Jacksonville Beach in the construction, operation or maintenance of its facility hereunder.

SECTION 8. JOINT POLE USE: The City of Jacksonville Beach shall have the right to enter into such contracts or agreements concerning the joint use of its poles, conduits or other facilities for the erection or furnishing of telephone, telegraph, and cable television service as it may in its discretion desire, so long as it will not unreasonably interfere with the discharge of the obligations of the City of Jacksonville Beach hereunder. Any and all income derived from said joint use of poles, conduits or other facilities shall accrue solely and exclusively to the City of Jacksonville Beach; provided, however, nothing herein shall be construed to either prevent the granting of a franchise for any or all such services by the City of Neptune Beach or the retention of all

income from such franchise; and, provided further, in the absence of the grant of any such franchise, no such use for such services shall be permitted by the City of Jacksonville Beach.

SECTION 9. PAYMENT IN LIEU OF TAXES: The City of Jacksonville Beach, its successors and assigns, shall pay to the City of Neptune Beach and its successors an amount that will equal $0.00302 per kilowatt hour for all metered electrical energy sold during each calendar year of this agreement to all customers, including the City of Neptune Beach, within the corporate limits of the City of Neptune Beach. The aforementioned payment to the City of Neptune Beach by the City of Jacksonville Beach shall be made monthly on or before the last day of the calendar month immediately following the calendar month during which the sales occurred. Payment to the City of Neptune Beach shall not include the sales from flat-rate charges for street lights whether such revenues be collected from the City of Neptune Beach or the inhabitants thereof and no payment shall be made on sales or revenues collected by the City of Jacksonville Beach for other electric companies, late charges, connection or reconnection charges, electric service installation charges, appliance repair charges, service charges, nor on sales tax collected on behalf of the State of Florida. Such payment shall be accepted by the City of Neptune Beach in lieu of any property, privilege, occupation, franchise, or other tax against the electrical distribution system situated in the City of Neptune Beach or the right or privilege of carrying on and conducting the business of selling and delivering electrical energy as contemplated hereunder. The remittances to the City of Neptune Beach shall be accompanied by a statement showing the amount of gross metered kilowatt hours sold by the City of Jacksonville Beach in the City of Neptune Beach. The City of Jacksonville Beach shall keep proper records of its gross sales and revenues derived from the provisions of electrical service within the corporate limits of the City of Neptune Beach and such records shall be kept open to inspection at all reasonable times by the duly authorized representatives of the City of Neptune Beach. Said authorized representatives are hereby given the right of access to and full authority to inspect, examine, audit, and verify such records relating to the sale of electrical energy within the corporate limits of the City of Neptune Beach.

SECTION 10. FAILURE TO COMPLY: Failure on the part of the City of Jacksonville Beach to comply in any substantial respect with any of the provisions of this agreement, shall be grounds for cancellation of the agreement, but no such cancellation shall take effect if the reasonableness or propriety thereof is protested by the City of Jacksonville Beach, until a court of competent jurisdiction, with right of appeal in either party, shall have found that the City of Jacksonville Beach has failed to comply in a substantial respect with any of the provisions of this agreement, and the City of Jacksonville Beach shall have six (6) months after the final determination of the question, to make good the default before a cancellation shall result, with the right in the City of Neptune Beach at its discretion to grant such additional time to the City of Jacksonville Beach for compliance as necessities in the case require.

SECTION 11. In the event that during the life of this agreement the City of Jacksonville Beach shall negotiate a similar agreement with another municipality, then and in that event the City of Neptune Beach shall have the right and privilege to substitute any section, paragraph or provision of such agreement which may be considered more favorable than that contained herein. Any such substitution shall not be held to change, modify or affect the validity of any other section, paragraph or provision of this franchise.

SECTION 12. RIGHT TO REMOVE: Upon the termination of this agreement upon notice, by forfeiture or otherwise, every right and privilege of the City of Jacksonville Beach to have, operate or maintain; or to furnish or distribute electrical energy in the City of Neptune Beach shall cease and desist, and the City of Jacksonville Beach shall have a period of twelve (12) months from the date of such termination within which to remove its equipment and property from the City of Neptune Beach; and the City of Neptune Beach hereby disclaims any right, title, claim, interest or estate in, of and to the physical equipment and properties constituting the electrical distributions system as now located in the City of Neptune Beach or as may be extended or replaced under the provisions of this agreement.

SECTION 13. SUPERSEDURE: This agreement supersedes, as of the effective date hereof, all previous contracts or representations, whether written or verbal, heretofore in effect by the City of Jacksonville Beach and the City of Neptune Beach with respect to matters herein contained, and constitutes the sole contract by the parties hereto concerning such matters.

IN WITNESS WHEREOF the City of Jacksonville Beach and the City of Neptune Beach have each caused these presents to be duly executed in their respective names, by their respective officers thereunto duly authorized, and their respective seals to be hereto affixed, the day and the year first above written.

ATTEST:

~~Heidi Reagan,~~ City Clerk Asst.
Judy L. Bullock

CITY OF JACKSONVILLE BEACH, FLORIDA

Bob D. Marsden, Mayor

George D. Forbes, City Manager

ATTEST:

Lisa Volpe, City Clerk

CITY OF NEPTUNE BEACH, FLORIDA

Richard Brown, Mayor

CERTIFICATION

I certify this to be a true and correct copy of the official record on file in the office of the City Clerk.

WITNESSETH my hand and official seal of the City of Neptune Beach, Florida,
this the 27th day of September, 2018

_____ City Clerk

CITY OF ST. CLOUD, FLORIDA

1300 NINTH STREET • ST. CLOUD, FLORIDA 34769

LARRY WHALEY 32P
OSCEOLA COUNTY, FLORIDA
CLERK OF CIRCUIT COURT

CL 2001160097 OR 1951/1574
PAL Date 11/01/2001 Time 10:18:08

PHONE
(407) 957-7301
(407) 957-7304

FAX
(407) 957-7385

I, Paul G. Kaskey, duly appointed City Manager for the City of St. Cloud, a Municipal Corporation, do hereby certify that this is a true and correct copy of the original document of the Interlocal Agreement between the City of St. Cloud and Orlando Utilities Commission. Witness my hand under the Seal of the City of St. Cloud, at St. Cloud, Florida on this 31st day of October, 2001.

Paul G. Kaskey, Clerk of Records

CL 2001160097 OR 1951/1575

4/25/97

INTERLOCAL AGREEMENT BETWEEN THE CITY OF ST. CLOUD AND ORLANDO UTILITIES COMMISSION

This Agreement is made and entered into this 25 day of April, 1997, by and between the City of St. Cloud, Florida, a public agency and a municipal corporation organized and existing under the laws of the State of Florida, herein referred to as the "City" and the Orlando Utilities Commission, a public agency and a statutory commission existing under the laws of the State of Florida, herein referred to as "OUC," and jointly referred to herein as the "Parties."

ARTICLE I

Section 1.1 Purpose and Intent.

Section 1.1.1 Interlocal Cooperation Agreement. It is the purpose and intent of OUC and the City to draft and enter into this Agreement formed in reliance upon and under the authority of the Florida Interlocal Cooperation Act of 1969, Section 163.01, Florida Statutes.

Section 1.1.2 Provision of Services. It is the intent of the Parties to make the most efficient use of their powers by cooperating with each other and engaging in a joint and bilateral endeavor in order to provide the best electric service possible to the customers of each of the Parties at the lowest rates possible.

Section 1.1.3 No Transfer of Powers. It is the purpose and intent of the Parties not to transfer powers from one to the other. Instead, the Parties intend by this Agreement to enter into a cooperative project wherein the Parties decide upon each of the systems, facilities, and services that can best be provided by each Party for their mutual advantage, as a bilateral exercise of jointly held powers which each may exercise separately.

Section 1.1.4 Intent. The intent of this Agreement is to expand the planned consolidation of the electric utility functions of the City and OUC. It is the intent of this Agreement that OUC shall become the full requirements supplier of the City. The first phase of this plan was evidenced by the Full Requirements and Transmission Contract entered into by the Parties on November 8, 1994. This Agreement representing the second phase, extends the power supply responsibilities of OUC under the previous contract to now include all functions associated with the supply of electrical energy at the retail level. This Agreement provides the benefits of economies of scale and a more efficient utilization of the existing resources owned by the City and OUC to provide more economical and more reliable electric service to the customers of the City. It is envisioned that the ultimate consolidation of electric utility functions will provide further economies ultimately resulting in approximate rate parity between the retail rates of OUC and the City.

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Section 1.1.5 Service to Retail Customers. It is the intent of the Parties to work together to serve retail customers in the City's Service Territory; OUC shall compensate the City for any retail customers served by OUC in the City's Service Territory, as defined in Appendix B, pursuant to Section 2.8.2.

Section 1.2 Findings and Determinations.

Section 1.2.1 Public Agency. OUC and the City are each public agencies which have certain powers, privileges, and authority in common which each currently exercises separately.

Section 1.2.2 Efficient Use of Powers. OUC and the City can make the most efficient use of the powers which each has in common by cooperating with each other on a basis of mutual advantage.

Section 1.2.3 Service and Lower Rates. The City can provide service and lower rates to its customers within its electric service area in Osceola and Orange Counties by cooperating with OUC in the provision of electric service.

Section 1.2.4 Achievement of Goals. The City can further the achievement of its goals by contracting with OUC to assist the City in the management, operation, and servicing of the City's electric utility system by the more efficient and economic use of available electric system resources.

Section 1.2.5 Benefits for Customers. Cooperation between OUC and the City will produce benefits for both the customers of OUC and the City.

Section 1.2.6 City's Ability to Provide Certain Services. The City is able to provide; and is providing; electric distribution, transmission and generation, system engineering, construction, operations, maintenance, billing, customer services, and metering services, in the City's electric service area .

Section 1.2.7 OUC's Ability to Provide Certain Services. For the City's municipal electric service area, OUC is able to provide at the retail level the following services: electric distribution, transmission and generation, system engineering, construction, operations, maintenance, billing, customer services, and metering services.

Section 1.2.8 Effect of City's Charter. Article II, Section 2.40 (q) of the City's Charter prohibits the City from selling its plant without prior authority from the voters of the City, but the Charter does not prevent the City and OUC from entering into an interlocal service cooperation agreement pursuant to Section 163.01, Florida Statutes for the purposes set forth herein.

Section 1.2.9 Effect of Section 9(1) of the OUC Special Act Charter. Section 9(1) of the OUC Special Act Charter prohibits OUC from unilateral retail electric service by OUC outside of Orange County, but the Charter does not prevent OUC and the City from bilateral exercise of

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jointly held powers that each may separately exercise pursuant to an interlocal cooperation agreement expressly under the provisions of Section 163.01, Florida Statutes for the purposes set forth herein.

Section 1.2.10 Power to Enter Into Interlocal Agreement. The City and OUC have the power, privilege, right and authority to enter into a Florida interlocal cooperation agreement so long as the agreement is negotiated, executed, and administered under, pursuant to, and in express compliance with, all provisions in the Florida Interlocal Cooperation Agreement Act of 1969, as amended, Section 163.01, Florida Statutes, and so long as the agreement is limited to systems, facilities, and services provided by the parties as delineated pursuant to Section 163.01, Florida Statutes, and so long as those services and facilities are shared in common and are services which each might exercise separately under Section 163.01, Florida Statutes.

Section 1.2.11 Full Requirements Contract. The "Full Requirements and Transmission Line Contract Between the City of St. Cloud and the Orlando Utilities Commission," dated November 8, 1994, is superseded and placed in abeyance by this Agreement so long as this Agreement is in force and effect. The City shall have the option to reinstate the "Full Requirements and Transmission Line Contract Between the City of St. Cloud and the Orlando Utilities Commission," should this Agreement be terminated prior to September 30, 2022.

Section 1.2.12 Consistency with Powers Granted. The powers, duties, and related provisions of this Agreement are consistent with and authorized by the respective charters of the City and OUC and Section 163.01, Florida Statutes.

Section 1.2.13 Definitions. Terms used in this agreement have the meanings ascribed to them in Appendix A attached hereto.

ARTICLE II

Powers, Duties, and Related Provisions

Section 2.1 This Agreement is a Florida Interlocal Cooperation Agreement negotiated, executed, and to be operated expressly under the authority of the Florida Interlocal Cooperation Act of 1969, §163.01, Florida Statutes (1996).

Section 2.2 Based upon the statements of intent and purpose and the findings and determinations set forth in Article I, expressly herein adopted and incorporated as dispositive, the City and OUC hereby agree and accordingly shall exercise jointly and bilaterally those powers that each may exercise separately within the respective jurisdiction of each party. The method by which the contractual purposes will be accomplished and the powers exercised will be by a joint contract administration committee ("Committee"), as set forth in Article III. The Committee shall not be a separate legal or administrative entity.

Section 2.3 [Reserved].

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Section 2.4 Services, Powers, and Duties of the Parties. The Parties agree that the services, powers, and duties which each may exercise separately within their own jurisdictions and which the Parties intend to exercise together bilaterally, are hereinafter delineated.

Section 2.4.1 OUC. Services, Powers and Duties.

Section 2.4.1.1 Services Provided. OUC shall provide all services associated with the supply of retail electric energy to all customers of the City. These services shall include all services provided by OUC to OUC's retail customers. OUC will also provide all management services and resources necessary to maintain City's electric utility system and assets consistent with the provisions of Section 6.2. OUC will protect and defend the City of St. Cloud's Electric Utility Territory, as defined in Appendix B. OUC shall have the responsibility to construct the tie line between OUC Stanton and the City's North Substation; the tie line has a scheduled in-service date of January 1, 1998.

Section 2.4.1.2 Operation of City's Diesel Plant. OUC shall assume complete control of and responsibility for all cost of, except as provided for in Section 2.4.2.3, and for the operation of and the service of the City's diesel generators, as shown in Appendix F, and other related facilities and the delivering of generation to the system. OUC shall schedule service on the City's diesel generators. OUC shall be responsible for making decisions regarding the availability and the retirement of the diesel generators. OUC reserves the option to decommission the City's diesel generators at any time after May 1, 1997. If OUC elects to decommission the City's diesel generators, OUC will assume all of the management and financial responsibilities associated with that action, except as provided for in Section 2.4.2.3. OUC will supply all power supply requirements of the City including those formerly supplied by said generators. OUC shall operate the City's power system consistent with the operation of its own power system. OUC may, over the term of the Agreement, modify operating limits, guidelines, and procedures submitted to OUC due to new regulations, re-configuration of the power system or other valid reasons.

Section 2.4.1.3 Fuel Supply - Natural Gas. Consistent with the provision of Section 2.4.1.1, OUC shall nominate on behalf of the City the daily requirements for the use of natural gas. OUC may redirect, sell, or otherwise modify this nominated quantity of natural gas. OUC must operate within the terms and conditions of the gas contracts; OUC may not modify, extend, or amend the City's contracts without prior written approval from the City.

Section 2.4.1.4 Fuel Supply - Oil. OUC shall procure and direct the use of Number 2 oil by the City's diesel generators. OUC shall own the Number 2 oil inventory that will be used to supply the diesel generators. OUC will purchase from the City the existing supply of Number 2 oil at City's embedded cost.

Section 2.4.1.5 Transmission and Distribution System. OUC shall operate and maintain the City's electric distribution and transmission system consistent with OUC's operating and maintenance practices.

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Section 2.4.1.6 Environmental Issues. OUC agrees to indemnify the City for any and all environmental-related claims, actions, demands, suits, losses, costs, expenses, assessments, obligations, liabilities, penalties or other damages, including, without limitation, attorneys' fees, costs, and expenses incurred or arising under state or local law, based upon any facts or events known or unknown which occur after May 1, 1997 and during the term of this Agreement. Any reimbursement for environmental clean-up cost from the State of Florida's Petroleum Reimbursement Program shall be credited to the party incurring the cost.

Section 2.4.1.7 Maintenance of Property Records. Upon the execution of this Agreement, OUC shall be responsible for the maintenance of property records associated with the electric utility facilities of the City.

Section 2.4.2 City - Services, Powers, and Duties.

Section 2.4.2.1 Appointment of OUC as Agent. During the term of this Agreement, the City consents, contractually authorizes, and empowers OUC to act as its exclusive agent to direct the commitment and dispatch of the City's diesel generators and Purchase Power and Other Contracts within the equipment constraints of the City's diesel generators and within the terms and conditions of the Purchase Power and Other Contracts. The City shall, to the extent they are assignable, assign to OUC the City's Purchase Power and Other Contracts set forth in Appendix E. At the expiration of this Agreement the City shall, at its option, have the right to have any or all of these contracts assigned back to the City. During the term of this Agreement, the City also consents, contractually authorizes, and empowers OUC to act as its agent to procure and manage its fuel resources and manage its Purchase Power and Other Contracts. The City hereby appoints OUC as its agent to the extent necessary to permit OUC to carry out its functions under this Agreement. OUC may not enter into any new contracts on behalf of the City; OUC may not modify, extend, terminate, or amend any of the City's Purchase Power and Other Contracts without prior written approval from the City. To the extent that any of the Purchase Power and Other Contracts, set forth in Appendix E, are not assigned by the City to OUC, OUC will act as the City's agent in administering those contracts and OUC shall be responsible for all costs associated with those contracts.

Section 2.4.2.2 Prohibition Against New Purchase Power Contracts. Unless otherwise provided for in this Agreement, the City shall not execute any options of its Purchase Power Contracts, shall not build any new generation or enter into any new purchase power or power supply contracts that would become effective during the term of this Agreement, except as mutually agreed to by the Parties. To the extent that the City is unable to assign the Purchase Power Contracts, then the City shall notify FPC and TEC that, during the term of this Agreement, OUC will act as the City's agent with respect to the Purchase Power Contracts.

Section 2.4.2.3 Indemnification. City agrees to indemnify OUC for any and all environmentally related claims (against the City), actions, demands, suits, losses, costs, expenses, assessments, obligations, liabilities, penalties or other damages, including, without limitation, attorneys' fees, costs and expenses incurred or arising under federal, state or local law, based on any facts or events known or unknown which occurred prior to May 1, 1997. In the event an

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environmentally related claim, relating to the City's system, arises due to events which occurred prior to May 1, 1997, OUC will make application to all available State and Federal Reimbursement Programs in an effort to recover the required funds. In the event that funds are not recovered after all reimbursement options are exhausted, the City shall implement a non-by-passable charge on all retail sales to customers of the City.

Section 2.4.2.4 Transfer of Existing Property Records. Upon the effective date of this Agreement, the City shall provide the necessary assistance to transfer to OUC the existing property records associated with the electric utility facilities of the City.

Section 2.5 Financing, Repayment, and Related Matters.

Section 2.5.1 The source of the financial support for the services described by this Agreement is as follows:

Section 2.5.1.1 OUC. OUC shall bill and collect, on behalf of the City and OUC, all revenue as described in Section 2.8.1 and subsections thereunder.

Section 2.5.2 Identification of the Personnel, Equipment, or Property of the Parties to the Agreement for Use in the Place of Other Contributions or Advances.

Section 2.5.2.1 OUC. Any of the City's electric system materials and inventory needed by OUC to perform its obligations under this Agreement may be purchased from City pursuant to the terms of Sections 2.9.1 and 2.9.2.

Section 2.5.2.2 City. The Parties agree that OUC will not contribute any personnel or property in the place of payments as described in this Agreement.

Section 2.6 Allocating and Financing Capital and Operating Costs.

Section 2.6.1 [Reserved].

2.6.2 Use of City's Renewal and Replacement Fund. OUC may request the City to provide funds to pay the cost of capital additions, extensions or enlargements to the Electric System, which funding, if approved by the City, will be made through disbursements from the City's Utility System Refunding Revenue Bonds Renewal, Improvement and Replacement Fund. Any assets so funded shall be the property of the City.

Section 2.7 Employment and Related Engagement, Compensation, Transfers or Discharge, as Related to Applicable Personnel Systems of the Parties.

Section 2.7.1 OUC's Employment of City's Employees. OUC shall offer employment to all employees listed in Appendix D. Employees transferred to OUC will be subject to the same terms and conditions of employment as OUC's regular full and part time employees,

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except as outlined below. Any City employee who decides not to accept employment with OUC will continue employment with the City, under the City's rules, regulations and policies. OUC will utilize these employees on a contract basis, and OUC will pay to the City negotiated hourly rates for the utilization of these employees for up to a maximum of three years. If more than one employee elects to remain with the City then one of the individuals will be contracted as a supervisor and the others will be contracted for service. The supervisor will act as the liaison between the City and OUC.

Transferred employees will be placed in a comparable position at OUC, consistent with OUC's business needs, and maintain their current base rate of pay until a skills assessment has been completed lasting approximately six months. After the six month period, those employees who meet the requirements of the position will receive the OUC rate of pay for that position. Such placement will be based on the employee's total performance including skills, knowledge, ability, initiative, and may be based on time worked in a directly related position for those employees in positions where time worked is a requirement of the OUC promotion guidelines for that position. Those employees who do not meet the requirements of the position will receive an additional six months of on the job experience and training. If then the requirements of the position are met, the employee will receive the OUC rate of pay for that position. If after one year an employee does not meet the requirements of the position, then a determination will be made regarding the appropriate job placement consistent with OUC's pay policies and employment practices. All employees will be given the training necessary for advancement and participate in OUC's established training and development programs.

Section 2.7.2 Employee Benefits Excluding Pension Benefits. Employees transferred to OUC will be covered by OUC's employee benefits subject to the terms and conditions of OUC's employee benefits plans and policies except as outlined below:

(a) The twelve-month comprehensive medical plan pre-existing condition limitation will be waived for employees whose date of hire was at least one year prior to May 1, 1997. This limitation will apply for the balance of one year from the date of employment by City for employees hired on or after May 1, 1997.

(b) The comprehensive medical plan deductible and out-of-pocket expenses incurred by City employees on or after January 1, 1997 will be applied against services rendered on or after May 1, 1997.

(c) The City will pay employees for the accrued balances of vacation earned through the pay period ending April 27, 1997. Employees may, however, elect to have the City hold back and transfer vacation earnings, including social security and medicare tax, for any period up to ten vacation days to OUC to be used during the balance of calendar year 1997. Should the employee not use the entire transferred vacation amount he/she will be paid for the remaining balance as of December 31, 1997, at the employee's

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transferred rate of pay. The schedule of use will be subject to approval by OUC's management. OUC will grant five additional vacation days to each employee regardless of the number of days transferred. Commencing January 1, 1998, OUC will grant vacation according to its schedule for all employees, based on the employees' dates of hire by the City. Up to five days may be carried over from 1997 to 1998, in keeping with the OUC policy.

(d) Unused compensatory, employee of the month, and administrative time as of April 30, 1997, will also be paid by the City directly to the employees in a lump sum.

(e) Any unused sick leave on April 30, 1997, will be forfeited. In addition, the City will pay the employee $1.00 for every hour of sick leave earned at the employee's time of transfer to OUC.

Upon transfer to OUC, employees will be credited with their forfeited balance of sick leave up to a maximum of 160 hours. This balance is available for use during the first two years at OUC for non-job related illness, injury or accident.

The City will reimburse OUC for the cost of utilization of sick leave, including social security and medicare tax, referred to in the preceding paragraph during the first two years of employment by OUC.

Upon transfer to OUC, employees will begin accruing sick leave according to OUC's policy. This accrual will be in addition to any time credited in the second paragraph of this Section 2.7.2(e). Additional sick leave will be credited annually, using May 1, 1997 as the employee's date of hire.

At the end of the two year period, any balance remaining from the second paragraph above will be eliminated.

(f) Life insurance will be provided for transferred employees in the amount provided OUC's employees and will become effective on the first day actively on the job on or after May 1, 1997.

(g) Any other accrued, vested or outstanding employee benefits, not including pension benefits, that a transferred employee may have from the City at the time of his or her transfer to OUC, will remain the exclusive responsibility or liability of the City.

(h) The City shall remain responsible for compliance with any and all federal, state and local laws regarding the accrued, vested and outstanding employee benefits that a transferred employee may have from the City prior to the time

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of his or her transfer to OUC. The City will assist OUC with whatever information may be necessary concerning transferred employees in order for them to be transferred into OUC's employee benefits plans.

(i) City employees will be entitled to two (2) floating holidays in calendar year 1997.

(j) The City will reimburse employees for courses commencing while employed by St. Cloud under the terms of St. Cloud's education assistance plan. Courses commencing on or after May 1, 1997 will be eligible for reimbursement by OUC under the terms of OUC's education assistance plan.

Section 2.7.3 Pension and Retirement Benefits. City employees who are transferred to OUC will participate in OUC's pension plan effective May 1, 1997.

(a) A transferred employee's date of hire and service with the City will be used and adopted by OUC for the purpose of participation in and credit for vesting in OUC's pension plan. Under OUC's pension plan, an employee's pension benefit is vested 100% after five years of combined service with St. Cloud and OUC. However, transferred employees participating in an alternative pension plan other than the defined benefit plan provided by the City, will not receive credit for benefit determination purposes other than vesting for any period in which they participated in the alternative pension plan.

(b) For employees transferred to OUC, the present value of benefits accrued under the City's pension plan as of April 30, 1997 will be credited to the Group Pension Plan for Employees of OUC. The present value to be transferred will be an amount agreed upon by the actuaries for the City's and OUC's pension plans.

(c) For employees transferred to OUC, their pension benefits will be based on the transferred employee's highest thirty-six month average base earnings without adjustment for overtime (scheduled or otherwise), incentive compensation, or any other adjustment to income provided by OUC. The benefit will be credited at the percentage of income rates commensurate with service provided the transferred employee by the City's plan for service prior to May 1, 1997 and at the rates provided by OUC's plan for service thereafter. In no event will the pension benefit paid by OUC's pension plan be less than the transferred employee's monthly accrued benefit accrued under the City's pension plan.

(d) The required 4% employee contribution to the OUC retirement plan will be paid by City for the first six months of employment for all transferred employees, as provided in Section 2.9.1.

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(e) A transferred employee's retirement prior to age 65 during the first ten (10) years of employment by OUC will be subject to the full actuarial adjustment for early retirement benefits under the City's pension plan. Upon completion of ten (10) years of service with OUC, a transferred employee who otherwise meets the requirements of OUC's pension plan for early retirement will be eligible for the early retirement adjustment factor specified in the OUC plan at the time of retirement.

(f) Transferred employees who retire with less than five (5) years of employment with OUC and their eligible dependents may continue their OUC comprehensive medical benefits, provided they pay the entire cost to OUC.

(g) Specifications regarding the pension plan benefits are subject to approval by OUC and the Department of Administration of the State of Florida.

(h) Any accrued, vested, or outstanding pension benefits other than those outlined above that a transferred employee may have from the City at the time of his or her transfer to OUC will remain the exclusive responsibility or liability of the City. The City will assist OUC with whatever information may be necessary regarding transferred employees in order for them to be transferred into OUC's pension plan.

Section 2.7.4 Employee Related Claims. City agrees to indemnify OUC for any and all employment related claims, actions, demands, suits, losses, costs, expenses, assessments, obligations, diminution in value, deficiencies, taxes, workers' compensation contributions, liabilities, penalties, or other damages, including, without limitation, attorneys' fees, interest and costs and expenses reasonably incurred in investigating, attempting to avoid, or defending against any and all employment related claim(s) arising under federal, state, or local law, based on any facts or events, known or unknown, which occurred prior to May 1, 1997. The City also agrees to assist OUC with investigating, attempting to avoid, or defending against any and all employment related claim(s) based on any facts or events, known or unknown, which have occurred prior to May 1, 1997. Any occurrence as listed in the aforementioned occurring subsequent to May 1, 1997 becomes the liability of OUC.

Section 2.8 Determining, Fixing, Collecting and Remitting Certain Charges, Rates, Rents, or Fees and the Related Necessary Rules and Regulations of the Respective Parties.

Section 2.8.1 Revenue Collection. OUC shall bill and collect all revenue for electric rates billed to the City's customers in the St. Cloud municipal electric service area in Osceola and Orange County. The St. Cloud municipal electric service area is shown in Appendix B.

Section 2.8.1.1 Determination of Electric Rates. The rates billed to the customers

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of the City for the provision of the services provided under this Agreement shall be based upon the retail electric rates of OUC in effect each month. The retail rates of OUC for the purpose of this section shall be the total of the Customer Charge, Energy Charge, and Demand Charge and shall not include gross receipt, municipal or other government taxes. The rates shall be equal to the OUC rates, plus a percentage adder as reflected in the following table:

Effective Date	Residential	Gen. Svc. Non-Demand	Gen. Svc. Demand	Gen. Svc. Large Demand	Street Lights
5/1/1997	8.0%	17.0%	20.0%	20.0%	20.0%
10/1/1998	7.0%	15.0%	15.0%	15.0%	15.0%
10/1/1999	6.0%	10.0%	10.0%	10.0%	10.0%
10/1/2000	6.0%	6.0%	6.0%	6.0%	6.0%
10/1/2001	5.5%	5.5%	5.5%	5.5%	5.5%
10/1/2002	5.0%	5.0%	5.0%	5.0%	5.0%
10/1/2003	4.5%	4.5%	4.5%	4.5%	4.5%
10/1/2004	4.0%	4.0%	4.0%	4.0%	4.0%

The applicable OUC rates as of the effective date of this Agreement are included by reference in Appendix G; OUC may change their Published Rate Tariff during the term of this Agreement.

The percentage adder in effect on 10/1/2004 shall remain in effect for the remainder of the term of this Agreement.

The percentage adders for all classes of customers not listed above will be the same as the General Service Demand class, or as determined by the Committee.

City customers will be entitled to all rate options available to OUC customers as of the effective date of this Agreement and for the term of the Agreement.

All rates will be applied identically to both Parties' customers with the exception of the applicable rate class adder. The rate class adder will be applied only to charges included in OUC's Published Rate Tariff.

All street lights installed prior to the effective date of this Agreement will be billed at OUC's rate where the customer has paid for installation, plus the appropriate percentage adder.

Section 2.8.1.2 OUC Revenue Based Payments. As OUC currently includes revenue based payments to the City of Orlando and to Orange County in its electric rates, the percentage adders in the above section are based upon this treatment of payments. If, in the future, these payments are not included in the electric rate, the above table shall be recalculated so that the relationship between the bills of OUC's customers and the City's customers shall be preserved. These calculations will be presented to the Committee for review and approval.

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Section 2.8.2 Disbursements to City. OUC shall disburse all revenue collected as indicated hereinafter.

Section 2.8.2.1 Revenue Based Disbursements. Payment by OUC to the City during each fiscal year shall be based on the retail sales to the customers of the City for the second preceding fiscal year. Retail sales shall be the total revenues received from the customers of the City for electric energy, electric demand, electric transmission, electric distribution, and customer charges. Retail sales shall not include interest, CIAC, late penalties, service fees, rental of system facilities, proceeds from sale of system assets, or wholesale revenues. It is the intent of this Agreement that retail sales shall be those revenues upon which the State of Florida Gross Receipts Tax is levied in 1996 plus sales to the City. The amount of the annual revenue collected that shall be disbursed by OUC to the City shall be equal to 9.5 percent of retail sales of the second preceding Fiscal Year; however, the annual disbursement shall not be less than $2,361,000. This amount shall be divided by twelve and paid monthly to the City prior to the fifteenth (15th) of each month.

Section 2.8.2.2 Minimum Payment Restriction. The minimum payment provision of the preceding paragraph is not applicable in the event (a) of a decline in unit retail sales from a declared natural disaster or (b) loss of retail customers to an energy supplier other than OUC. In this case, the minimum payment provision of the preceding paragraph shall be adjusted on a pro rata basis in accordance with the following:

$$\text{Rev Based Payment FY(X)} = \frac{\text{Retail Sales FY(X-2)+Z(X-2)}}{\text{Retail Sales FY 95}} \times \$2{,}361{,}000$$

Z(X-2) = Loss in retail sales which is not due to a declared natural disaster or loss of retail customers to an energy supplier other than OUC.

Notwithstanding the foregoing, in the event that the payments by OUC under this Section 2.8.2 are no longer permitted to be treated as operating expenses of OUC under applicable accounting rules or OUC's revenue bond resolutions, the minimum annual payment to the City under Section 2.8.2.1 shall not be less than $600,000.00. OUC's commitment to this minimum will be offset by interest earnings from bond funds and revenue, if any, that the City receives from other Power Providers to the City's customers.

Section 2.8.2.3 Competitive Rate Provision. If, in the future, rates require revision to remain competitive, proposals to revise the rates and adjust the revenue based payments to the City may be brought to the Committee for review and approval.

Section 2.8.2.4 Electric System Disbursement. In addition to the disbursement required by Section 2.8.2.1, OUC shall disburse revenue collected to the City as detailed in Appendix C. The payments shall be made prior to the 15th day of each month.

Section 2.8.2.5 Failure to Make Payments; Payments as Operating Expenses. The payments provided for in Section 2.8.2.4 (the "Fixed Disbursements") are not subject to

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reduction, set off, counterclaim, or any other defense or reduction and shall be due, regardless of the operating status of the Electric System and without regard to level of sales. If OUC fails to timely make any of the disbursements required under this Section 2.8, including the Fixed Disbursements and the revenue-based payments under Section 2.8.2.1 and such failure continues for a period of 10 days after receipt of notice of such failure from the City, at the option of the City, OUC's right to collect the revenues as set forth in Section 2.5.1.1 and Section 2.8.1 of this Agreement shall be terminated. Upon such occurrence, the City shall collect the revenues and, after the deduction of all amounts owed to the City under this Agreement (including interest on any delayed payment in accordance with Section 6.9.2 hereof), shall turn the remainder of such revenue over to OUC.

OUC agrees to elect that the payments to be made to the City under this section shall constitute "Operating Expenses" for purposes of OUC's bond resolutions to the full extent permitted by OUC's bond resolutions.

Section 2.8.2.6 Surplus Revenue Retained by OUC; Guaranty of Payment to City. In consideration of the services to be performed by OUC under this Agreement, OUC shall be entitled to retain, as full compensation, all revenues collected hereunder in excess of the amounts required to be disbursed to the City pursuant to Sections 2.8.2.1 through and including 2.8.2.4 (collectively, the "City Disbursements"). In consideration of OUC's right to retain such revenues, OUC shall and does hereby guaranty the payment of the City Disbursements in full and in a timely manner, notwithstanding the fact that revenues collected during any monthly or annual period may be insufficient to make such City Disbursements. Such guaranty by OUC shall be an unsecured obligation of OUC payable from, but not secured by, any revenue source available to OUC.

Section 2.9 Real or Personal Property (Acquisition, Ownership, Custody, Operation, Maintenance, Lease, or Sale).

Section 2.9.1 City Existing Electric Warehoused Inventory. Prior to the effective date of this Agreement, OUC shall inventory all material and supplies in the Electric System Warehoused Inventory. OUC shall determine those items necessary for OUC to perform its duties under this Agreement. OUC may purchase these items from the City at system average cost. All material not purchased by OUC shall remain the property of the City. The first $65,000 of proceeds from the sale of inventory to OUC shall be deposited in the OUC pension fund as reimbursement for provision 2.7.3(d).

Section 2.9.2 Equipment. Prior to January 1, 1998, OUC may purchase from the City any equipment that OUC determines is necessary to perform its duties. The purchase price will be based on current market value as determined by:

a) Mutual agreement of the parties.
b) Third party valuation.

The valuation firm will be mutually selected by the City and OUC and all fees will be paid by OUC.

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Section 2.9.3 Disposition of Proceeds. All proceeds to the City from the sale of equipment and inventory shall be deposited into the Business Development and Customer Retention Funds or other agreed upon funds.

Section 2.10 Any Property Acquired Through This Agreement and How it Will Be Disposed.

Section 2.10.1 Business Development & Customer Retention Fund. The City shall deposit three million dollars of the accumulated retained earnings as of the effective date of this Agreement plus the amount remaining from Section 2.9.3 for utilization by the City and OUC; all earnings of these deposits will be redeposited in this account which is held by the City. These funds shall be utilized only for electric customer acquisition and/or electric customer retention activities. The approval of both Parties is required prior to the disbursement of these funds.

Additionally, the funds in the Business Development & Customer Retention Fund may, without the consent of OUC, be utilized by the City to pay current debt service on its outstanding Utility System Revenue Bonds, Series 1992A and Series 1992B or to replenish the debt service reserve fund for such bonds, in the event that OUC fails to make any payments to the City under Section 2.8.2 of this Agreement.

Section 2.10.2 Purchase of Capital Improvements. At the conclusion of this Agreement, the City shall purchase from OUC at net book value (and net of remaining CIAC), the Capital Improvements provided by OUC to the electric facilities of the City.

ARTICLE III

Joint Contract Administration Committee

Section 3.1 Formation. The parties shall form a joint contract administration committee (Committee) upon execution of this Agreement, which shall not be a separate legal or administrative entity. It shall serve in a bilateral management capacity to facilitate the performance under this Agreement of the powers to be exercised and the systems, facilities, and services to be provided.

Section 3.1.1 Composition. The Committee shall have as members the following:

a) Two representatives appointed by the City Council.
b) A representative appointed by the City Manager.
c) Three representatives appointed by OUC's Chief Executive Officer.

Section 3.1.2 Procedures. The Committee shall operate pursuant to the following procedures.

Section 3.1.2.1 Meetings and Matters to be Considered. The Committee shall meet at least quarterly and may conduct emergency and special meetings when called by the

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presiding officer or 50% of the Committee. The Committee shall consider any matter brought before the Committee by any Committee representative which concerns any issue relating to this Agreement.

Section 3.1.2.2 Presiding Officer. Meetings shall be conducted by a presiding officer ("chairperson") who shall be picked annually in odd years by OUC's Chief Executive Officer and in even years by the St. Cloud City Council.

Section 3.1.2.3 Record of Meetings. Minutes of each meeting shall be kept and distributed to each representative.

Section 3.1.2.4 Decisions. Decisions shall be by majority vote. In the event of a tie the Parties shall engage in mediation and, if the matter cannot be resolved in such a manner, then the Parties shall submit the matter for binding arbitration to a qualified and licensed arbitrator within a reasonable time.

Section 3.1.3 Substantive Matters To Be Considered by the Committee. The Committee shall consider all matters regarding the performance of the Parties and make recommendations to the City Council and the OUC Commission regarding same.

ARTICLE IV

Effective Date and Term of Agreement

Section 4.1 Effective Date. This Agreement shall become effective upon the execution and delivery by both Parties.

Section 4.2 Term. The term of this Agreement and all obligations under this Agreement commence at the beginning of the day of May 1, 1997, and continue in effect until the end of the day of September 30, 2022.

ARTICLE V

Force Majeure and Indemnification

Section 5.1 Force Majeure. In case either Party hereto should be delayed in, or prevented from, performing or carrying out any of the agreements, covenants, and obligations made by and imposed upon said party by this Agreement, by reason of or through strike, stoppage in labor, failure of contractors or suppliers of materials and fuel, riot, fire, flood, ice, invasion, civil war, commotion, insurrection, military of usurped power, order of any Court granted in any bona fide adverse legal proceedings or action, order of any civil or military authority (either de facto or dejure), explosion, act of God, or the public enemies or any cause reasonably beyond its control and not proximately attributable to its neglect; then and in such case or cases, both Parties shall be relieved of

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performance under this Agreement [except for any required payments herein], including, but not limited to, payments by OUC under Section 2.8 of this Agreement, for the duration of the period for which performance is delayed or prevented and shall not be liable to the other Party for or on account of any loss, damage, injury, or expense resulting from or arising out of such delay or prevention; provided, however, that the Party suffering such delay or prevention shall use due and practicable diligence to remove the cause or causes thereof; and provided, further, that neither Party shall be required by the foregoing provisions to settle a strike except when, according to its own best judgment, such a settlement seems advisable.

Section 5.2 Responsibility and Indemnification. Each Party, to the extent permitted by law, hereto expressly agrees to indemnify and save harmless and defend the other Party to this Agreement against all claims, demands, cost or expense asserted by third parties and proximately caused by the negligence or willful misconduct of such indemnifying Party in connection with the operation of this Agreement. OUC shall not be responsible for injury to employees of the City whenever such persons are on OUC's premises on official City business. The City shall not be responsible for injury to employees of OUC whenever such persons are on the City's premises on official OUC business.

ARTICLE VI

Miscellaneous

Section 6.1 Option for Future Generation Units. OUC shall give the City the option to become a joint owner of any future generating units which OUC proposes to construct, up to an amount of capacity equal to 10% of the net output of each such unit. If the City exercises such option, it shall be responsible for its share of the costs of each such unit, comparable to the costs of each such unit being offered to other participants.

Section 6.2 No Pattern of Adverse Distinction or Undue Discrimination. OUC agrees that there shall be no pattern of adverse distinction and no pattern of undue discrimination in carrying out its obligations under this Agreement.

Section 6.3 Audit Rights. Each Party shall have access to the other Party's records that support payments made or required to be made under this Agreement. In the event that review of these records reveals incorrect payments, correct payments shall be made plus interest at the Prime Rate. The City shall have access to all OUC records that support or document activities for services performed under this Agreement.

Section 6.4 OUC Employee Conduct. OUC personnel shall conduct their actions and business in accordance with the policies set forth in the OUC Employee Handbook and OUC Safe Practices Handbook. All persons contracted by OUC shall be held to the same standards of work conduct as OUC employees.

Section 6.5 Waivers. Any waiver at any time by any Party hereto of its rights with respect to the other Party, or with respect to any matter arising in connection with this Agreement, shall not

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be considered a waiver of any such rights or matters at any subsequent time.

Section 6.6 Successors and Assigns. This Agreement shall inure to the benefit of and be binding upon the Parties hereto, their respective successors and assigns. Neither this Agreement nor the obligations contained herein, shall be assignable by either Party without the written consent of the other Party, which consent shall not be unreasonably withheld, unless such assignment or transfer is to a successor in the operation of its properties by reason of a merger, consolidation, sale or foreclosure where substantially all such properties are acquired by such a successor empowered by law and financially able to effect the purposes of this Agreement which it must assume and thereafter, be exclusively responsible for the performance of the terms of this Agreement to be performed by either Party hereunder and said assignment will not effect the tax-exempt status of the Parties bonds.

Notwithstanding the foregoing, or anything else to the contrary in this Agreement, OUC shall have no right to sell, assign, transfer, or otherwise dispose of its interest in this Agreement or the Electric System or contract for the performance of its duties under the Agreement, if such action on the part of OUC will adversely affect the exclusion from gross income of interest on the City's Utility System Revenue Bonds, Series 1992A and Series 1992B. In the event OUC desires to take any such action, the City shall be entitled to receive, at the expense of OUC, an opinion of bond counsel acceptable to the City, as to the effect of such action on the tax status of its bonds. Any action taken by OUC in contravention of this requirement shall be void and of no effect and not binding on the City.

Not withstanding the foregoing, or anything else to the contrary in this Agreement, should OUC enter into negotiations that would result in a merger, consolidation, sale or foreclosure, the City shall be notified, in writing, and given the opportunity to decide whether or not to assign this Agreement to a successor. In the event that the City objects to an attempted assignment of the obligations contain within, it shall terminate this Agreement by giving eighteen (18) months notice as prescribed in Section 6.7. During the eighteen (18) month period, OUC shall ensure that its obligations will be performed and shall assist the City in re-establishing its ability to self perform the provisions of electrical service to its customers.

Section 6.7 Written Notices. Written notices shall be given to the Parties at the following addresses or such other place or other person as each Party shall designate by similar notice.

1. **As to OUC:**
   500 South Orange Avenue
   Orlando, Florida 32802
   Attention: General Manager and Chief Executive Officer

2. **As to the City:**
   1300 Ninth Street
   St. Cloud, Florida 34769
   Attention: City Manager

Section 6.7.1 Response to Written Notices. At any time either Party desires or is

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required to respond to any written notice given pursuant to Section 6.7, such response shall be made in the manner prescribed by Section 6.7 and be given within fifteen (15) days after receipt of the notice unless otherwise provided in this Agreement.

Section 6.7.2 Notice of Default or Notice of Payment Under Protest. Any notice of default or notice of payment under protest shall be made within thirty (30) days of the Party becoming aware of the facts giving rise to the notice of default or within thirty (30) days of the Party becoming aware of the facts giving rise to any notice of payment under protest unless otherwise provided in this Agreement. Notice of payment under protest can be given as to amounts to be paid and to amounts already paid.

Section 6.8 Governing Law. This Agreement shall be governed by the laws of the State of Florida.

Section 6.9 Acts of Default. Both Parties agree to pay all monies when due and both Parties hereby agree to carry out all other duties and obligations to be performed by them pursuant to all of the terms and conditions set forth and contained in this Agreement and failure of either Party to perform the obligations and covenants herein shall be an act of default by the Party. The defaulting Party shall be liable for all direct and consequential damages incurred by the other Party.

Section 6.9.1 Notice of Default. Except as otherwise provided in Section 2.8.2.5 hereof, in the event of an act of default by either Party, the other Party shall promptly notify the defaulting Party, in writing, of the existence and nature of the default.

Section 6.9.2 Curing of Default. Within fifteen (15) days after written notice has been given, the defaulting Party shall cure such default. If either Party fails to make timely payment of any amount due and payable to the other Party, the defaulting Party shall be liable to the other Party for the amount of such payments, together with interest thereon from the due date until payment in full by the defaulting Party, at an annual rate equal to 125% of the Prime Rate at the time of such payment by the defaulting Party, or the maximum rate lawfully payable by the defaulting Party, whichever is less. In the event the defaulting Party fails to cure the default, the non-defaulting Party shall be entitled to terminate this Agreement upon thirty (30) days written notice of cancellation to the defaulting Party.

Section 6.10 Entire Agreement Severability. This Agreement constitutes the entire agreement between the Parties with respect to the subject matter contained herein and may not be amended, modified or rescinded, unless otherwise provided in this Agreement, except in writing and signed by all parties hereto. Should any provision of this Agreement be declared to be invalid, the remaining provisions of this Agreement shall remain in full force and effect unless such provision which is found to be invalid substantially alters the benefits of the Agreement for either Party.

Section 6.11 Interlocal Agreement. This Agreement shall be considered an interlocal agreement as defined in Section 163.01, F.S. However, if any part of this Agreement requires either party to do anything that it is not authorized to do, the parties hereto upon notification of such shall

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immediately and in good faith seek to resolve the issues presented in a way to keep this Agreement in effect.

Section 6.12 Section Headings Not to Affect Meanings. The descriptive headings of the various sections of this Agreement have been inserted for convenience of reference only and shall in no way modify or restrict any of the terms and provisions thereof.

Section 6.13 Prudent Utility Practice. OUC shall perform all of its obligations under this Agreement in accordance with Prudent Utility Practice.

Section 6.14 Specific Performance. It is understood and agreed between the Parties that there will be irreparable damage in the event that this Agreement is not specifically enforced. In the event any dispute arises under this Agreement, either party hereto shall be entitled to specific performance of the terms, conditions and agreements set forth in this Agreement. The remedy of Specific Performance shall be cumulative and not exclusive, and shall be in addition to any other remedy which the Parties may have.

Section 6.15 Attorneys' Fees. In the event any dispute under this Agreement results in litigation, the prevailing party shall be entitled to all fees and costs incurred in connection with such litigation, including reasonable attorneys' fees, both at the trial and appellate level.

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CL 2001160097 OR 1951/1594

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be executed by their duly authorized officers, and copies delivered to each Party, as of the day and year first above stated.

Attest:

By: _____
City Manager

City of St. Cloud

By: _____
Mayor

Attest:

By: _____
Assistant Secretary

Orlando Utilities Commission

By: _____
General Manager and
Chief Executive Officer

Form of execution of the foregoing Agreement is hereby approved:

By: _____
Attorney for OUC

By: _____
Attorney for St. Cloud

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APPENDIX A

DEFINITIONS

Capital Improvements means construction and retirement activity to serve new load or load growth, enhancements, work to maintain Power Quality, relocation of assets, new and upgraded street lighting and work that upgrades, uprates, replaces or renews a capital asset with a total installed value exceeding $500.00 or such value determined by the Committee and which extends the life of the asset by two (2) or more years and requires revision of property records.

Agreement means the Interlocal Agreement entered into between the City and OUC.

FMPA means the Florida Municipal Power Agency.

FPC means the Florida Power Corporation.

FPL means the Florida Power and Light Company.

Fuel Supply means Number 2 oil and natural gas used for operation of the City's diesel generators.

Prime Rate means the rate per annum reported in the Money Rates column of the Wall Street Journal (or the New York Times if the Wall Street Journal is not published on the specified day) on the last business day of the preceding month as the "Prime Rate," and the highest such rate if more than one is reported. The per annum rate shall be adjusted for the applicable time period (day, week, month, etc.) required for the calculation.

Prudent Utility Practice means any of the practices, methods and acts (including but not limited to the practices, methods and acts engaged in or approved by a significant portion of the electric utility industry prior to such time), which, in the exercise of reasonable judgment in light of the facts known at the time the decision was made, would have been expected to accomplish the desired result at a reasonable cost consistent with reliability, safety and expedition. Prudent Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather to a spectrum of possible practices, methods or acts which could have been expected to accomplish the desired result at a reasonable cost consistent with reliability, safety and expedition. Prudent Utility Practice includes due regard for, among other things, manufacturers' warranties and the requirements of governmental agencies of competent jurisdiction and the requirements of this Agreement.

TEC means the Tampa Electric Company.

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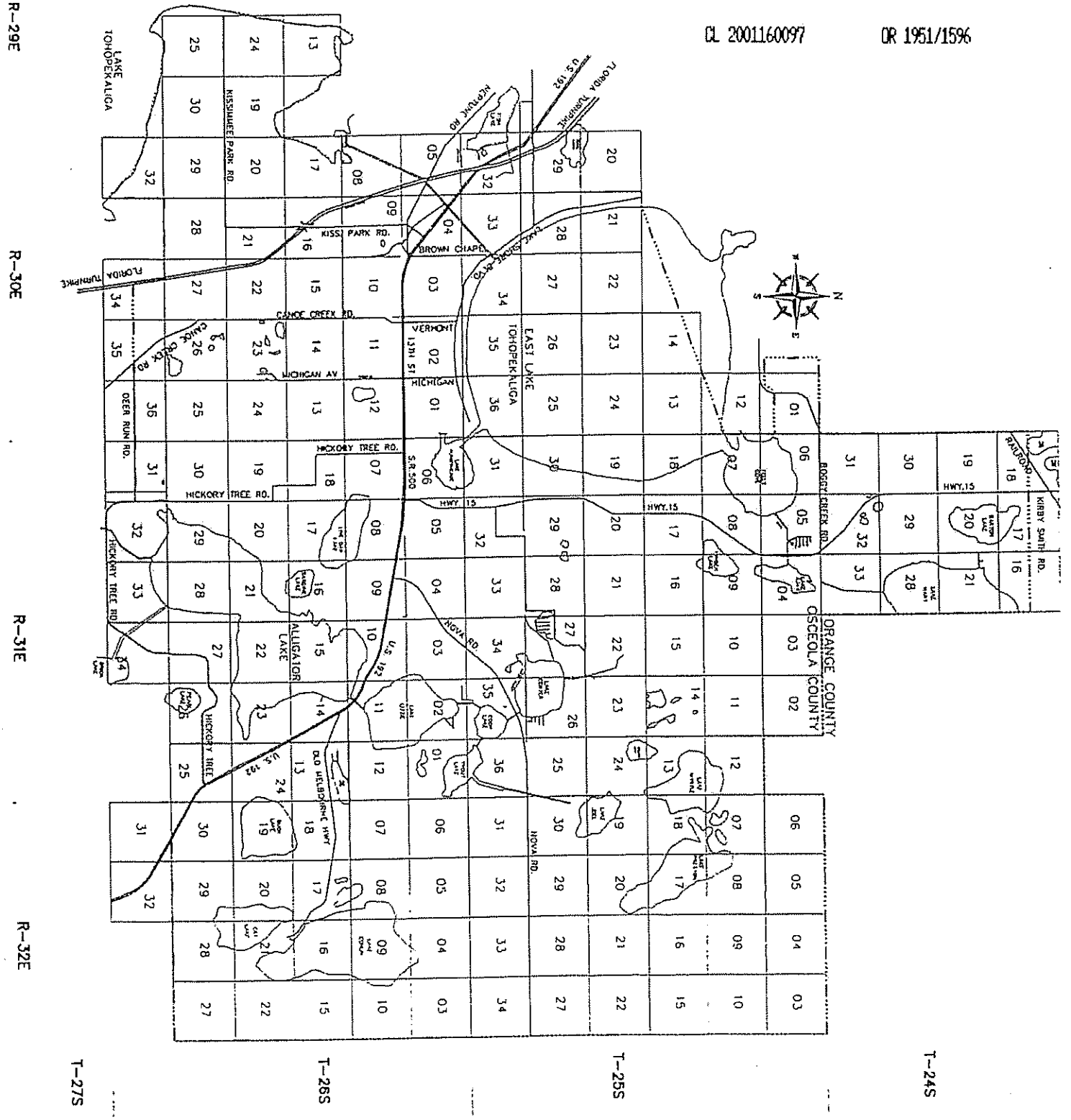
APPENDIX B

ST. CLOUD MUNICIPAL ELECTRIC SERVICE TERRITORY



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APPENDIX B
St. Cloud Municipal Electric Service Territory

Legal Description

BEGINNING at the mouth of St. Cloud canal and running Northeasterly up the center of the canal to the West right-of-way line of the Sunshine State Parkway, then Northwesterly along the West right-of-way to the North Section line of Section 5, Township 25 South, Range 30 East, thence West to the Southwest corner of Lot 1 of Emerald Lakes Colony Subdivision, Unit 1, then North along the West lot lines of Lots 1 through 13 to the Northwest corner of Lot 13, thence due West to the approximate shoreline of Fish Lake. Then following the approximate shoreline of Fish Lake to a point due South of the Northwest corner of the Northeast ¼ of Section 31, Township 25 South, Range 30 East, thence due North to the North right-of-way line of State Road 523, then due East to the East Section line of Section 30, Township 25 South, Range 30 East, excepting the existing service located on the Northwest corner of the intersection of State Road 523 and U.S. 192. Thence due North following the East Section line of Section 30 to the North right-of-way line of the Sunshine State Parkway, then running Northwesterly along the North right-of-way of the Sunshine State Parkway to the North Section line of Section 30, Township 25 South, Range 30 East, then due East along the North Section line of Section 30 to the Southwest corner of Section 20, Township 25 South, Range 30 East, thence East following the South Section line of Section 20, to the Southwest corner of Section 21, Township 25 South, Range 30 East, then due North following the West Section line of Section 21 to the Northwest corner of Section 21, then due East along the North Section line of Section 21 to the approximate shoreline of East Lake Tohopekaliga. Thence Northeasterly across East Lake Tohopekaliga to the East Section line of Section 12, Township 25 South, Range 30 East, where said East Section line intersects with the shoreline of East Lake Tohopekaliga, then North along the East Section line of Section 12, Township 25 South, Range 30 East, to the Southeast corner of Section 1, Township 25 South, Range 30 East, thence North 1320' along the East Section line of Section 1, Township 25 South, Range 30 East, then due West to the West right-of-way line of State Road 530 (Boggy Creek Road), thence Southwesterly along the Northern boundary of the right-of-way of State Road 530 to the intersection of the Southwest corner of Section 1, Township 25 South, Range 30 East, continue westerly along the Northern right-of-way of State Road 530 1500' to a point. Thence North to the North boundary line of Section 36, Township 25 South, Range 30 East, thence East along the Northern boundary line of Section 36 to the Northwest corner of Section 1, continue Easterly along the Northern boundary line of Section 1 to a point where the Northeast corner of Section 1 intersects with State Road 530, thence North along the Western boundary lines of Sections 31, 30 and 19 to the Southwest corner of Section 18 continuing Northerly along the Western boundary of Section 18 crossing State Road 417 and the railroad for approximately 3,000' to a point on the Western boundary of Section 18, thence due East to the Eastern boundary of Section 16, Township 24 South, Range 30 East, thence to a point on the Eastern boundary of Section 16, thence due South along the Eastern boundary of Section 16 to a point on the shore of Lake Hart, continuing due South on the Eastern boundary line of Sections 21, 30 and 33 through Lake Hart to the Northeast corner of Section 4 and the Orange County/Osceola County line, thence due East along the Northern border of Section 3 and 2 and the Orange County/Osceola County boundary line to the Northeast corner of Section 2, thence South along the Eastern boundary line of Section 2 to the Southeast

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corner of Section 2, thence East along the Northern boundary line of Section 12 to the Northeast corner of Section 12, Township 25 South, Range 31 East, thence North along the Western boundary of Section 6 to the Northwestern corner of Section 6, thence East along the North boundary line of Sections 6, 5, 4 and 3 to the Northeast corner of Section 3, Township 25 South, Range 32 East, thence South along the Eastern boundary of Sections 3, 10, 15, 22, 27 and 34 of Township 25 South, Range 32 East, continue South along the Eastern boundary lines of Sections 3, 10, 15, 22 and 27 to the Southeast corner of Section 27, Township 26 South, Range 32 East, thence East along the Southern boundary of Sections 27, 28, 29 and 30 to the intersection of the South boundary of Section 30 with the Northern boundary of the right-of-way of U.S. 192 in Township 26 South, Range 30 East, thence Northwesterly along the North boundary of the right-of-way of U.S. 192 to the intersection of U.S. 192 and Hickory Tree Road in Section 25, Township 26 South, Range 30 East, thence Westerly along the North boundary of Hickory Tree Road and following Hickory Tree Road through Sections 26, 27, 34, 33 and 32 until the intersection of Hickory Tree Road with Deer Run Road along the Western boundary of Section 32, Township 26 South, Range 31 East, thence Westerly along the Northern boundary of the right-of-way of Deer Run Road through Sections 31, 36 and 35 until Deer Run Road intersects with Canoe Creek Road in Section 35, Township 26 South, Range 30 East, continue due West through Sections 35 and 34, Township 26 South, Range 30 East, to a point on the Eastern boundary of the Florida Turnpike. Thence, Northerly along the right-of-way of the Florida Turnpike until said right-of-way intersects with the Northern boundary of Section 34, thence Westerly along the North boundary line of Section 34 and Section 33 to the Northeast corner of Section 32, thence South along the Eastern boundary line of Section 32, Township 26 South, Range 30 East, until the intersection of the shoreline of Lake Tohopekaliga, thence along the shoreline of Lake Tohopekaliga to THE POINT OF BEGINNING at the mouth of the St. Cloud canal.

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APPENDIX C

ELECTRIC SYSTEM DISBURSEMENT

REQUIRED MONTHLY CONTRIBUTION

FISCAL YEAR	OCT	NOV	DEC	JAN	FEB	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPT
1997								186,703	186,703	186,703	186,828	186,828
1998	186,828	186,828	186,828	186,828	186,828	186,828	186,828	186,828	186,828	186,828	186,298	186,298
1999	186,298	186,298	186,298	186,298	186,298	186,298	186,298	186,298	186,298	186,298	186,310	186,310
2000	186,310	186,310	186,310	186,310	186,310	186,310	186,310	186,310	186,310	186,310	186,449	186,449
2001	186,449	186,449	186,449	186,449	186,449	186,449	186,449	186,449	186,449	186,449	186,658	186,658
2002	186,658	186,658	186,658	186,658	186,658	186,658	186,658	186,658	186,658	186,658	186,491	186,491
2003	186,491	186,491	186,491	186,491	186,491	186,491	186,491	186,491	186,491	186,491	186,768	186,768
2004	186,768	186,768	186,768	186,768	186,768	186,768	186,768	186,768	186,768	186,768	185,232	185,232
2005	185,232	185,232	185,232	185,232	185,232	185,232	185,232	185,232	185,232	185,232	185,039	185,039
2006	185,039	185,039	185,039	185,039	185,039	185,039	185,039	185,039	185,039	185,039	185,305	185,305
2007	185,305	185,305	185,305	185,305	185,305	185,305	185,305	185,305	185,305	185,305	185,669	185,669
2008	185,669	185,669	185,669	185,669	185,669	185,669	185,669	185,669	185,669	185,669	185,226	185,226
2009	185,226	185,226	185,226	185,226	185,226	185,226	185,226	185,226	185,226	185,226	185,617	185,617
2010	185,617	185,617	185,617	185,617	185,617	185,617	185,617	185,617	185,617	185,617	185,513	185,513
2011	185,513	185,513	185,513	185,513	185,513	185,513	185,513	185,513	185,513	185,513	185,747	185,747
2012	185,747	185,747	185,747	185,747	185,747	185,747	185,747	185,747	185,747	185,747	186,086	186,086
2013	186,086	186,086	186,086	186,086	186,086	186,086	186,086	186,086	186,086	186,086	186,232	186,232
2014	186,232	186,232	186,232	186,232	186,232	186,232	186,232	186,232	186,232	186,232	186,156	186,156
2015	186,156	186,156	186,156	186,156	186,156	186,156	186,156	186,156	186,156	186,156		
2016												

CL 2001160097 OR 1951/1600

APPENDIX C

The required monthly contributions are subject to certain credits as follows:

1. The monthly amount payable in January and July of each year shall be adjusted by crediting the amount of investment earnings actually received by the City and deposited into the City's Utility System Refunding Revenue Bonds Sinking Fund (the "Sinking Fund") in accordance with Ordinance No. 92-F-1 of the City, as amended (the "City's Bond Ordinance") less any paying agent and bond registrar's fees and expenses, and less any amounts due to rounding errors in the calculation of debt service requirements . The City's Bond Ordinance provides that investment earnings on the City's Utility System Refunding Revenue Renewal, Replacement and Improvement Fund (the "R&R Fund") and the City's Utility System Refunding Revenue Bonds Debt Service Reserve Fund (the "Reserve Fund"), to the extent not required to maintain any required funding level in such fund, are required to be deposited into the City's Utility System Refunding Revenue Bonds Revenue Fund (the "Revenue Fund") and applied on a monthly basis to first pay Operating Expenses of the Electric System (which during the term of the Agreement would be the responsibility of OUC) and, second, to fund the Sinking Fund for the City's outstanding utility system refunding revenue bonds (the "City's Outstanding Bonds"). So long as the Agreement is in effect and OUC is in compliance thereunder, all investment earnings on the R&R Fund and the Reserve Fund which are transferred to the Revenue Fund in accordance with the City's Bond Ordinance, shall be transferred to the Sinking Fund and all earnings on the Sinking Fund shall be retained therein until used to pay debt service on the City's Outstanding Bonds. During the term of the Agreement, the City agrees to invest all funds held under the City's Bond Ordinance in investments permitted by the Bond Ordinance at the highest yield reasonably obtainable by the City, subject to applicable federal arbitrage tax regulations, state law, and the City's investment policy.

2. To the extent that the reserve requirement for the City's Outstanding Bonds is decreased, the City shall, in accordance with the City's Bond Ordinance, transfer the excess of the monies in such account to the Revenue Fund for further transfer to the Sinking Fund. OUC shall receive a credit against the monthly amounts due immediately succeeding such transfer in the aggregate amount of such transfer, less any paying agent and bond registrar's fees and expenses, and less any amounts due to rounding errors in the calculation of debt service requirements, together with any future investment earnings thereon in accordance with (1) above.

3. The monthly amount payable during the fiscal year 2015 shall be reduced to the extent funds on deposit in the Reserve Fund may be used to pay debt service on the City's Outstanding Bonds in accordance with the City's Bond Ordinance.

4. In the event the City's Outstanding Bonds are refunded, retired or otherwise defeased or replaced, the above monthly amounts shall be adjusted to reflect the City's then current obligation to pay debt service on such bonded debt, as refunded or modified.

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APPENDIX D
ST. CLOUD PERSONNEL

ALLEN, SCOTT
BARNELL, STEVEN
BARNES, JEFFREY
BENNER, BARRY
BOWERS, KEVIN
BRACKEN, CHARLES
BRAULT, JON
BROCKMAN, MARGARET
BUKER, JANET
BURRI, RAYMOND
CAMPBELL, JERRY
CHAPMAN, JOHN
CLARK, DAVID
CLOUSER, WILLIAM
COLLIER, RICHARD
COLLINS, DOYLE
COUGHTRY, GAIL
DITTO, CHARLES
DUFFY, MICHAEL
FARAJI-TAJRISHI, MOHSEN
FOURNIER, LESLIE
FRANEY, STEVENSON
GLASSCOCK, GERALD
GLASSCOCK, PETER
GORDON, WILLIAM
GROSS, JAMES
GUSTAFSON, JEFFREY
HALL, BOBBY
HASKER, NICHOLAS
HAYES, JOYCE
HEMPHILL, DOUGLAS
HOLDER, BOBBY
JENKINS, CHARLES
JENKINS, STEVEN
JONES, CHARLES
KEECH, RODD
KENNEDY, TIM
KERSTETTER, JR., ROBERT
KINNE, GEORGE

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KNIBBS, BYRON
KOPF, GARY
KRALIK, JOHN
LALIBERTE, KENNETH
LIWAG, MELVIN
MCMAHON, ROBERT
MILLER, RICHARD
MOORE, MICHAEL
PARRISH, LEON
PENNY, ROBERT
PERRI, JR., ANGELO
REMIAN, CLAUDIA
REYES, GLADYS
RICE, PATRICIA
ROOP, RUTH
RUSHING, DALE
SCHMIDT, SHARON
SCHULTZ, LORI
SHAW, MIMI
SHERROD, CHRIS
SHUMBERA, EDWARD
SKLAREK, TIMOTHY
SMITH, JAMES
SMITH, NICHOLAS
SMITH, OTIS
SMITH, SR., LAWRENCE
STERLING, STUART
STEVENSON, JAMES
STROUP, SHARON
SWEENOR, ANNETTE
SZYMONIAK, AL
TAGG, DAVID
TAYLOR, BARRY
TAYLOR, KATHLEEN
TOBEY, JAMES
TOBEY, REBECCA
TOZZOLO, ANTHONY
TUTTLE, LINDA
URBAN, FRED
WASHIC, KEVIN
WEST, PENNIE
WHITNEY, JR., JOHN
WOBIG, ANN MARIE
YOUNG, ROBERT

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CL 2001160097 OR 1951/1603

APPENDIX E

THE CITY'S PURCHASE POWER AND OTHER CONTRACTS

1. The Agreement for Supplemental Resale Service with FPC executed by the City on January 18,1990.

2. The TEC Agreement for Partial Requirement Electric Service for Resale to the City under Rate Schedule AR-1 (the "TEC AR Agreement") executed by the City on October 28, 1993 (including a minimum purchase of 5MW in 1997, 10MW in 1998, and 15MW from January 1, 1999 through December 31, 2012).

3. Contract for a Long-Term Capacity Unit Power Sale from OUC Stanton Unit 2, dated August 13, 1992 (5MW for the first 10 years after commercial operation June 1, 1996).

4. Stanton Unit Two Project Power Sale Contract and Project Support Contract between FMPA and the City of St. Cloud dated May 24, 1991(15MW for the Life of the Unit).

5. The City's Interchange Contracts.

6. The City's Gas Contracts and Memberships.

   FGT, CFG, FGU, FMPA

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CL 2001160097 OR 1951/1604

APPENDIX F
City's Diesel Generators

Unit	Type	Manufacturer	Heat Rate Rate (Btu/KWh)	Installed Capacity (KW)	Net Dependable Continuous Rating (KW) Winter	Summer	Fuel Type
1	Diesel	Fairbanks-Morse	9,621	2,050	1,825	1,825	Nat Gas/ No. 2 oil
2	Diesel	DeLaval-Enterprise	10,284	5,250	5,000	5,000	Nat Gas/ No. 2 oil
3	Diesel	Fairbanks-Morse	11,436	2,050	1,825	1,825	Nat Gas/ No. 2 oil
4.	Diesel	DeLaval-Enterprise	10,870	3,500	3,000	3,000	Nat Gas/ No. 2 oil
6	Diesel	Cooper-Bessemer	10,785	3,500	3,000	3,000	Nat Gas/ No. 2 oil
7	Diesel	DeLaval-Enterprise	10,519	6,300	6,000	6,000	Nat Gas/ No. 2 oil
8	Diesel	Colt-Pielstick	10,882	6,425	6,000	6,000	Nat Gas/ No. 2 oil
				29,075	26,650	26,650	

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APPENDIX G

OUC RATES

OUC rates effective October 1, 1996 are on file in the City of St. Cloud City Manager's Office; the rates are also available at OUC.

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RESOLUTION NUMBER 97-64R

A RESOLUTION AUTHORIZING THE CITY MANAGER TO ENTER INTO AN INTERLOCAL AGREEMENT BETWEEN THE CITY OF ST. CLOUD AND ORLANDO UTILITIES COMMISSION, ON BEHALF OF THE CITY OF ST. CLOUD, FLORIDA, IN A COOPERATIVE EFFORT TO MANAGE AND OPERATE THE ST. CLOUD ELECTRIC UTILITY AND THE ST. CLOUD ELECTRIC UTILITY AREA.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ST. CLOUD, FLORIDA, as follows:

SECTION 1. The City Manager is authorized to enter into an Interlocal Agreement between the City of St. Cloud and Orlando Utilities Commission, on behalf of the City of St. Cloud, Florida, in a cooperative effort to manage and operate the St. Cloud Electric Utility and the St. Cloud Electric Utility area, as more particularly set forth in the attached Exhibit "A".

SECTION II. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the City Council of the City of St. Cloud, Florida, on the 10th day of April, 1997.

CITY OF ST. CLOUD

Mayor

ATTEST:

City Manager

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LARRY WHALEY 3P
OSCEOLA COUNTY, FLORIDA
CLERK OF CIRCUIT COURT

CL 2003178061 OR 2345/2409
DLB Date 09/24/2003 Time 10:51:11

AMENDMENT TO THE INTERLOCAL AGREEMENT BETWEEN THE CITY OF ST. CLOUD AND ORLANDO UTILITIES COMMISSION

This Amendment to the Interlocal Agreement entered into on April 25, 1997, is entered into this day of April, 2003 by and between the City of St. Cloud, Florida, a public agency and a municipal corporation organized and existing under the laws of the State of Florida, herein referred to as the "City" and the Orlando Utilities Commission, a public agency and a statutory commission existing under the laws of the State of Florida, herein referred to as "OUC," and jointly referred to herein as the "Parties."

WHEREAS, the City has contracted with OUC to assist the City in the management, operation, and servicing of the City's electric utility system under the auspices of an Interlocal Agreement; and

WHEREAS, the Parties wish to modify and clarify certain terms of the original Interlocal Agreement;

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein, the Parties agree as follows:

1. Section 2.10 is replaced in its entirety by the following language:

Section 2.10 Any Property Acquired Through This Agreement and How it Will Be Disposed.

Section 2.10.1 Business Development & Customer Retention Fund. The City shall deposit three million dollars of the accumulated retained earnings as of the effective date of this Agreement plus the amount remaining from Section 2.9.3 for utilization by the City and OUC; all earnings of these deposits will be redeposited in this account which is held by the City. These funds shall be utilized for electric customer acquisition, electric customer retention activities and other business development activities. The approval of both Parties is required prior to the disbursement of these funds.

The Joint Contract Administration Committee is responsible to review the minimum level of the fund and make recommendations as to the level to be maintained as well as the funds' utilization.

Additionally, the funds in the Business Development & Customer Retention Fund may, without the consent of OUC, be utilized by the City to pay current debt service on its outstanding Utility System Revenue Bonds, Series 2001 or to replenish the debt service reserve fund for such bonds, in the event that OUC fails to make any payments to the City under Section 2.8.2 of this Agreement.

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Section 2.10.2 Purchase of Capital Improvements. At the conclusion of this Agreement, the City shall purchase from OUC at net book value (and net of remaining CIAC), the Capital Improvements provided by OUC to the electric facilities of the City.

2. Section 4.2 is replaced in its entirety by the following language:

Section 4.2 Term. The term of this Agreement and all obligations under this Agreement commence at the beginning of the day of May 1, 1997, and continue in effect until the end of the day of September 30, 2032.

3. Section 6.1 is replaced in its entirety by the following language:

Section 6.1 Future Generation Planning. A minimum of five years prior to the expiration of this Agreement, OUC and the City will conduct generation planning studies to determine power supply requirements for the City that will exist when the term of this Agreement expires. Any active generation or fuel transportation assets that were originally transferred to OUC at the beginning of the term of the original Agreement (Appendix E dated April 25, 1997) will be transferred back to the City in their entirety. Should these transferred assets be insufficient to meet the City's retail load requirements, then the balance of generation assets to be supplied by OUC will be calculated by subtracting the transferred assets from the City's retail load and reserve requirements. The balance of assets transferred to the City will be determined based on an optimization of assets utilized to serve each utilities' retail load and reserve requirements, and will be performed without adverse distinction to either OUC or the City. Ownership of the determined assets (or financial equivalent if ownership is not feasible) will be transferred at the their depreciated book value. All future capital and operating costs for the transferred assets shall be the responsibility of the City. For purposes of this section, OUC's generation assets are defined as all owned, co-owned, leased, or contracted for, production facilities and purchase power agreements in effect at the time of the study. OUC's obligation to supply the City from each determined asset will cease upon the retirement of the asset or the expiration of the term of the affected purchase power agreement.

4. All other terms and conditions remain in effect.

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CL 2003178061 OR 2345/2411

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their duly authorized officers, and copies delivered to each Party, as of the day and year first above stated.

Attest:

City of St. Cloud

By: _____
City Manager Clerk

By: _____
Deputy Mayor, Mark A. Rosenbauer

Attest:

Orlando Utilities Commission

By: _____
Assistant Secretary

By: _____
General Manager and
Chief Executive Officer

Form of execution of the foregoing Agreement is hereby approved:

By: _____
Attorney for OUC

By: _____
Attorney for St. Cloud

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RESOLUTION NUMBER 2003-237R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ST. CLOUD, FLORIDA, AUTHORIZING THE MAYOR TO ENTER INTO AN AMENDMENT TO THE INTERLOCAL AGREEMENT, DATED APRIL 25, 1997, BETWEEN THE CITY OF ST. CLOUD AND ORLANDO UTILITIES COMMISSION.

WHEREAS, the City entered into an Interlocal Agreement with Orlando Utilities Commission on April 25, 1997, to assist the City in the management. operation. and servicing of the City's electric utility system; and

WHEREAS, the City of St. Cloud and the Orlando Utilities Commission wish to modify and clarify certain terms of the original Interlocal Agreement.

NOW THEREFORE:

BE IT RESOLVED by the City Council of the City of St. Cloud, Florida, as follows:

SECTION I. The Mayor is authorized and he is directed to enter into an Amendment to the Interlocal Agreement between the City of St. Cloud and Orlando Utilities Commission, as more particularly set forth in Exhibit "A".

SECTION II. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the City Council of the City of St. Cloud, Florida, on this 11th day of September, 2003.

CITY OF ST. CLOUD

Mayor, Glenn Sangiovanni
Deputy Mayor, Mark A. Rosenbauer

ATTEST:

Lori L. McCorkle, City Clerk

LEGAL IN FORM AND VALID IF ADOPTED

Daniel F. Mantzaris, City Attorney

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SUPPLEMENT TO INTERLOCAL AGREEMENT BETWEEN THE CITY OF ST. CLOUD AND ORLANDO UTILITIES COMMISSION

This agreement is entered into as of the 12th day of December 2001 and is supplemental to the Interlocal Agreement Between the City of St. Cloud and Orlando Utilities Commission dated April 25, 1997 (the "Interlocal Agreement").

RECITALS

1. On or about April 25, 1997, the City of St. Cloud, Florida (the "City") and the Orlando Utilities Commission ("OUC") entered into the Interlocal Agreement, pursuant to which, among other obligations, OUC is required to make certain fixed monthly payments to the City. The fixed monthly payments required under Section 2.8.2.4 of the Interlocal Agreement are set forth in Appendix C to the Interlocal Agreement and are subject to certain credits and are additionally subject to adjustment in the event the City's outstanding utility system revenue refunding bonds related to the City's electric utility system (the "Outstanding Bonds") are refunded, retired or otherwise defeased or replaced.

2. On December 12, 2001, the City issued its Utility System Revenue Refunding Bonds, Series 2001 (the "Series 2001 Bonds") the purpose of which is to refund and defease the City's Outstanding Bonds.

3. It is therefore necessary and required under the terms of the Interlocal Agreement that the amounts shown on Appendix C to the Interlocal Agreement be revised to reflect the City's current obligations to pay debt service on the Series 2001 Bonds.

4. It is also necessary and beneficial to clarify the provisions of Section 5.1 of the Interlocal Agreement as such provision relates to the fixed monthly payments under Section 2.8.2.4.

NOW, THEREFORE, the City and OUC, in consideration of the reduction of the payments due under Section 2.8.2.4 of the Interlocal Agreement and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, hereby agree as follows:

Section 1. Adjustments to Appendix C. The table of required monthly contribution set forth in Appendix C is hereby amended to provide for the payments set forth in Schedule 1 attached hereto and by this reference incorporated herein. Such monthly payments shall be made on or before the 15th day of each month and shall be subject to the credits provided in the Interlocal Agreement.

Section 2. Clarification of Application of Section 5.1 To Fixed Payments. The parties hereby acknowledge their original intention that the provisions of Section 5.1 do not

apply to any required payments under the Interlocal Agreement and, to that end, the brackets around the phrase "except for any required payments herein" in such Section shall be disregarded.

Section 3. Other Provisions Unaffected. Except as supplemented and clarified herein, the Interlocal Agreement remains in full force and effect.

Agreed and entered into as of the 12th day of December 2001.

ORLANDO UTILITIES COMMISSION

By: _____
General Manager and
Chief Executive Officer

Attest:

_____
Assistant Secretary

Approved as to form and legality
OUC Legal Department

DATE: 1-23-02 By: W.A.M.

CITY OF ST. CLOUD, FLORIDA

By: _____
City Manager, under authority of Resolution No. 2001-231R

Approved as to form:

_____
City Attorney

City of St. Cloud - Reproduced from Scanned Imaging System

Schedule 1
Monthly Required Payments

SINKING FUND DEPOSIT SUMMARY

Date	Principal Requirement	Interest Requirement	Total Deposit
12/15/2001	100,625.00	49,038.04	149,663.04
1/15/2002	100,625.00	49,038.02	149,663.02
2/15/2002	100,625.00	60,046.57	160,671.57
3/15/2002	100,625.00	60,046.57	160,671.57
4/15/2002	100,625.00	60,046.56	160,671.56
5/15/2002	100,625.00	60,046.56	160,671.56
6/15/2002	100,625.00	60,046.56	160,671.56
7/15/2002	100,625.00	60,046.56	160,671.56
8/15/2002	102,500.01	58,034.07	160,534.08
9/15/2002	102,500.01	58,034.07	160,534.08
10/15/2002	102,500.01	58,034.06	160,534.07
11/15/2002	102,500.01	58,034.06	160,534.07
12/15/2002	102,500.00	58,034.06	160,534.06
1/15/2003	102,500.00	58,034.06	160,534.06
2/15/2003	102,500.00	58,034.06	160,534.06
3/15/2003	102,500.00	58,034.06	160,534.06
4/15/2003	102,499.99	58,034.07	160,534.06
5/15/2003	102,499.99	58,034.07	160,534.06
6/15/2003	102,499.99	58,034.06	160,534.05
7/15/2003	102,499.99	58,034.06	160,534.05
8/15/2003	105,833.34	54,959.07	160,792.41
9/15/2003	105,833.34	54,959.07	160,792.41
10/15/2003	105,833.34	54,959.06	160,792.40
11/15/2003	105,833.34	54,959.06	160,792.40
12/15/2003	105,833.33	54,959.06	160,792.39
1/15/2004	105,833.33	54,959.06	160,792.39
2/15/2004	105,833.33	54,959.07	160,792.40
3/15/2004	105,833.33	54,959.07	160,792.40
4/15/2004	105,833.33	54,959.06	160,792.39
5/15/2004	105,833.33	54,959.06	160,792.39
6/15/2004	105,833.33	54,959.06	160,792.39
7/15/2004	105,833.33	54,959.06	160,792.39
8/15/2004	107,500.00	51,784.07	159,284.07
9/15/2004	107,500.00	51,784.07	159,284.07
10/15/2004	107,500.00	51,784.06	159,284.06
11/15/2004	107,500.00	51,784.06	159,284.06
12/15/2004	107,500.00	51,784.06	159,284.06
1/15/2005	107,500.00	51,784.06	159,284.06
2/15/2005	107,500.00	51,784.07	159,284.07
3/15/2005	107,500.00	51,784.07	159,284.07
4/15/2005	107,500.00	51,784.06	159,284.06
5/15/2005	107,500.00	51,784.06	159,284.06
6/15/2005	107,500.00	51,784.06	159,284.06
7/15/2005	107,500.00	51,784.06	159,284.06

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CL 2002026173 OR 2003/2506

Date	Principal Requirement	Interest Requirement	Total Deposit
8/15/2005	110,833.34	48,021.56	158,854.90
9/15/2005	110,833.34	48,021.56	158,854.90
10/15/2005	110,833.34	48,021.56	158,854.90
11/15/2005	110,833.34	48,021.56	158,854.90
12/15/2005	110,833.33	48,021.57	158,854.90
1/15/2006	110,833.33	48,021.57	158,854.90
2/15/2006	110,833.33	48,021.57	158,854.90
3/15/2006	110,833.33	48,021.57	158,854.90
4/15/2006	110,833.33	48,021.56	158,854.89
5/15/2006	110,833.33	48,021.56	158,854.89
6/15/2006	110,833.33	48,021.56	158,854.89
7/15/2006	110,833.33	48,021.56	158,854.89
8/15/2006	115,000.00	44,142.40	159,142.40
9/15/2006	115,000.00	44,142.40	159,142.40
10/15/2006	115,000.00	44,142.40	159,142.40
11/15/2006	115,000.00	44,142.40	159,142.40
12/15/2006	115,000.00	44,142.39	159,142.39
1/15/2007	115,000.00	44,142.39	159,142.39
2/15/2007	115,000.00	44,142.40	159,142.40
3/15/2007	115,000.00	44,142.40	159,142.40
4/15/2007	115,000.00	44,142.40	159,142.40
5/15/2007	115,000.00	44,142.40	159,142.40
6/15/2007	115,000.00	44,142.39	159,142.39
7/15/2007	115,000.00	44,142.39	159,142.39
8/15/2007	119,583.34	40,002.40	159,585.74
9/15/2007	119,583.34	40,002.40	159,585.74
10/15/2007	119,583.34	40,002.39	159,585.73
11/15/2007	119,583.34	40,002.39	159,585.73
12/15/2007	119,583.33	40,002.40	159,585.73
1/15/2008	119,583.33	40,002.40	159,585.73
2/15/2008	119,583.33	40,002.40	159,585.73
3/15/2008	119,583.33	40,002.40	159,585.73
4/15/2008	119,583.33	40,002.40	159,585.73
5/15/2008	119,583.33	40,002.40	159,585.73
6/15/2008	119,583.33	40,002.39	159,585.72
7/15/2008	119,583.33	40,002.39	159,585.72
8/15/2008	123,750.00	35,458.23	159,208.23
9/15/2008	123,750.00	35,458.23	159,208.23
10/15/2008	123,750.00	35,458.23	159,208.23
11/15/2008	123,750.00	35,458.23	159,208.23
12/15/2008	123,750.00	35,458.23	159,208.23
1/15/2009	123,750.00	35,458.23	159,208.23
2/15/2009	123,750.00	35,458.23	159,208.23
3/15/2009	123,750.00	35,458.23	159,208.23
4/15/2009	123,750.00	35,458.23	159,208.23

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Date	Principal Requirement	Interest Requirement	Total Deposit
5/15/2009	123,750.00	35,458.23	159,208.23
6/15/2009	123,750.00	35,458.23	159,208.23
7/15/2009	123,750.00	35,458.23	159,208.23
8/15/2009	128,750.00	30,508.23	159,258.23
9/15/2009	128,750.00	30,508.23	159,258.23
10/15/2009	128,750.00	30,508.23	159,258.23
11/15/2009	128,750.00	30,508.23	159,258.23
12/15/2009	128,750.00	30,508.23	159,258.23
1/15/2010	128,750.00	30,508.23	159,258.23
2/15/2010	128,750.00	30,508.23	159,258.23
3/15/2010	128,750.00	30,508.23	159,258.23
4/15/2010	128,750.00	30,508.23	159,258.23
5/15/2010	128,750.00	30,508.23	159,258.23
6/15/2010	128,750.00	30,508.23	159,258.23
7/15/2010	128,750.00	30,508.23	159,258.23
8/15/2010	134,166.67	25,197.30	159,363.97
9/15/2010	134,166.67	25,197.29	159,363.96
10/15/2010	134,166.67	25,197.29	159,363.96
11/15/2010	134,166.67	25,197.29	159,363.96
12/15/2010	134,166.67	25,197.29	159,363.96
1/15/2011	134,166.67	25,197.29	159,363.96
2/15/2011	134,166.67	25,197.29	159,363.96
3/15/2011	134,166.67	25,197.29	159,363.96
4/15/2011	134,166.66	25,197.30	159,363.96
5/15/2011	134,166.66	25,197.29	159,363.95
6/15/2011	134,166.66	25,197.29	159,363.95
7/15/2011	134,166.66	25,197.29	159,363.95
8/15/2011	140,000.00	19,562.30	159,562.30
9/15/2011	140,000.00	19,562.29	159,562.29
10/15/2011	140,000.00	19,562.29	159,562.29
11/15/2011	140,000.00	19,562.29	159,562.29
12/15/2011	140,000.00	19,562.29	159,562.29
1/15/2012	140,000.00	19,562.29	159,562.29
2/15/2012	140,000.00	19,562.30	159,562.30
3/15/2012	140,000.00	19,562.29	159,562.29
4/15/2012	140,000.00	19,562.29	159,562.29
5/15/2012	140,000.00	19,562.29	159,562.29
6/15/2012	140,000.00	19,562.29	159,562.29
7/15/2012	140,000.00	19,562.29	159,562.29
8/15/2012	146,250.00	13,542.30	159,792.30
9/15/2012	146,250.00	13,542.29	159,792.29
10/15/2012	146,250.00	13,542.29	159,792.29
11/15/2012	146,250.00	13,542.29	159,792.29
12/15/2012	146,250.00	13,542.29	159,792.29
1/15/2013	146,250.00	13,542.29	159,792.29

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Date	Principal Requirement	Interest Requirement	Total Deposit
2/15/2013	146,250.00	13,542.30	159,792.30
3/15/2013	146,250.00	13,542.29	159,792.29
4/15/2013	146,250.00	13,542.29	159,792.29
5/15/2013	146,250.00	13,542.29	159,792.29
6/15/2013	146,250.00	13,542.29	159,792.29
7/15/2013	146,250.00	13,542.29	159,792.29
8/15/2013	152,916.67	7,034.17	159,950.84
9/15/2013	152,916.67	7,034.17	159,950.84
10/15/2013	152,916.67	7,034.17	159,950.84
11/15/2013	152,916.67	7,034.17	159,950.84
12/15/2013	152,916.67	7,034.16	159,950.83
1/15/2014	152,916.67	7,034.16	159,950.83
2/15/2014	152,916.67	7,034.16	159,950.83
3/15/2014	152,916.67	7,034.16	159,950.83
4/15/2014	152,916.66	7,034.17	159,950.83
5/15/2014	152,916.66	7,034.17	159,950.83
6/15/2014	152,916.66	7,034.17	159,950.83
7/15/2014	152,916.66	7,034.17	159,950.83
Total	18,650,000.00	5,597,308.02	24,247,308.02

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ORIGINAL

RESOLUTION NUMBER 2016-066R

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ST. CLOUD, FLORIDA, APPROVING THE SECOND AMENDMENT TO THE INTERLOCAL AGREEMENT BETWEEN ST. CLOUD AND THE ORLANDO UTILITIES COMMISSION DATED APRIL 25, 1997, AUTHORIZING THE MAYOR TO EXECUTE THE SECOND AMENDMENT AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of St. Cloud and the Orlando Utilities Commission (OUC) entered into Interlocal Agreement dated April 25, 1997, with regard to the management and operation of St. Cloud's electric utility by OUC; and

WHEREAS, the parties to the Interlocal Agreement wish to amend the Agreement as part of St. Cloud's and OUC's joint effort to promote business and economic development on the St. Cloud area.

NOW THEREFORE BE IT RESOLVED by the City Council of the City of St. Cloud, Florida, as follows:

SECTION I. The City of St. Cloud finds that it is in the best interests of the citizens of the City of St. Cloud and does hereby approve the Second Amendment to the April 25, 1997 Interlocal Agreement between the City of St. Cloud and Orlando Utilities Commission.

SECTION II. The Mayor is authorized and is directed to enter into the Second Amendment to the Interlocal Agreement, dated April 25, 1999, between the City of St. Cloud and Orlando Utilities Commission, as more particularly set forth in Exhibit "A".

SECTION III. This resolution shall take effect immediately upon its adoption.

PASSED AND ADOPTED by the City Council of the City of St. Cloud, Florida, on the 24th day of March, 2016

CITY OF ST. CLOUD

Rebecca Borders

Mayor, Rebecca Borders

ATTEST:

Linda P. Jaworski

City Clerk, Linda Jaworski

LEGAL IN FORM AND VALID IF ADOPTED.

City Attorney, Daniel F. Mantzaris

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SECOND AMENDMENT TO THE INTERLOCAL AGREEMENT BETWEEN THE CITY OF ST. CLOUD AND ORLANDO UTILITIES COMMISSION

This Second Amendment to the Interlocal Agreement entered into on April 25, 1997, as amended, is entered into this 9th day of ~~April~~ June, 2016 by and between the City of St. Cloud, Florida, a public agency and a municipal corporation organized and existing under the laws of the State of Florida, herein referred to as the "City" and the Orlando Utilities Commission, a public agency and a statutory commission existing under the laws of the State of Florida, herein referred to as "OUC," and jointly referred to herein as the "Parties."

WHEREAS, the City has contracted with OUC to assist the City in the management, operation, and servicing of the City's electric utility system under the auspices of an Interlocal Agreement; and

WHEREAS, the Parties wish to modify and clarify certain terms of the original Interlocal Agreement;

NOW THEREFORE, in consideration of the premises and mutual covenants contained herein, the Parties agree as follows:

1. Section 2.10 is replaced in its entirety by the following language:

Section 2.10 Any Property Acquired Through This Agreement and How it Will Be Disposed.

Section 2.10.1 Business Development & Customer Retention Fund. As of the original effective date of the Interlocal Agreement , the City deposited three million dollars of the accumulated retained earnings plus the amount remaining from Section 2.9.3 for utilization by the City and OUC; all earnings of these deposits have been maintained will be redeposited in this account which is held by the City. These funds shall be utilized for electric customer acquisition, electric customer retention activities, and other business activities. The approval of both Parties is required prior to the disbursement of these funds. The parties agree that the City, without further approval by OUC, may utilize $500,000.00 per City fiscal year of the funds for the purposes contemplated in this paragraph as approved by the City Council. The City shall provide to OUC at least ten (10) days written notice of any final action to be taken by the City Council on any use of the funds.

The Joint Contract Administration Committee is responsible to review the minimum level of the fund and make recommendations as to the level to be maintained as well as the funds' utilization.

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2. All other terms and conditions remain in effect.

IN WITNESS WHEREOF, the Parties hereto have caused this Amendment to be executed by their duly authorized officers, and copies delivered to each Party, as of the day and year first above stated.

Attest:

City of St. Cloud

By: _____
Linda Jaworski, City
C.C.M. approved 3/24/16

By: _____
Rebecca Borders, Mayor

Attest:

Orlando Utilities Commission

By: _____
Assistant Secretary

By: _____
General Manager and
Chief Executive Officer

Form of execution of the foregoing Agreement is hereby approved:

By: _____
~~Attorney for OUC~~

By: _____
~~Attorney for St. Cloud~~

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EXHIBIT NO. 60

DOCKET NO: 20170235-EI & 20170236-EU

WITNESS: SAM FORREST

PARTY: FLORIDA POWER & LIGHT COMPANY

DESCRIPTION: Stipulation Group Exhibit

PROFFERED BY: FLORIDA POWER & LIGHT COMPANY

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 60
PARTY: FPL
DESCRIPTION: Stipulation Group Exhibit

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Petition by Florida Power & Light Company (FPL) for authority to charge FPL rates to former City of Vero Beach customers and for approval of FPL's accounting treatment for City of Vero Beach transaction.	Docket No: 20170235-EI
In re: Joint petition to terminate territorial agreement, by Florida Power & Light and the City of Vero Beach.	Docket No. 20170236-EU Date: October 18, 2018

STIPULATION

Florida Power & Light Company ("FPL"), the City of Vero Beach ("City"), the Town of Indian River Shores ("Town"), the Indian River County Board of County Commissioners ("County"), and the Office of Public Counsel ("OPC") hereby agree and stipulate to the following terms:

1. The first CPVRR analysis filed with FPL's application on November 3, 2017 was completely replaced by the second study (updated for 2018 assumptions) that was addressed in Exhibit SRB-2 to the Supplemental Direct testimony of Scott Bores, filed August 6, 2018. Therefore, there was no need to update any discovery related to the first study, which was based on 2017 assumptions.

2. On October 1 and 2, 2018 FPL served responses to OPC's 3rd set of interrogatories nos. 15-17 and 19-21.

3. FPL served eight (8) supplemental responses to various discovery requests necessary to allow OPC and its witness, Lane Kollen, to analyze the numbers for the CPVRR analysis that were affected by the Errata filed by FPL on September 26, 2018. The eight (8) amended responses are as follows:

a. Served September 26, 2018:

i. FIPUG's 1st INT No. 1 (confidential) – which included production of the updated CPVRR analysis and model to OPC (hand delivered by FPL's Tallahassee office)

b. Served September 27, 2018:

i. Staff's 1st INT No. 4

ii. Staff's 1st INT No. 5

iii. Staff's 1st POD No. 1 – Supplemental

iv. Staff's 3rd INT No. 33

v. Staff's 3rd INT No. 34

vi. Staff's 3rd INT No. 35

vii. FIPUG's 1st INT No. 2 (confidential)

4. OPC and FPL agree to the admission into the record of the discovery responses referred to in items 2 and 3 above.

5. OPC agrees to the following errata to the Supplemental testimony of OPC Witness Kollen, which shall be entered into the record :

a. Delete sentence that begins on line 10 and ends on line 12 of page 3.

b. Delete the words "or before" on lines 8-9 of page 4.

6. FPL agrees to strike from the rebuttal testimony of FPL Witness Terry Deason (i) the sentence beginning with the words "In effect" stated at page 4, lines 17-18; and (ii) the sentence beginning with the word "First" stated at page 5, lines 14-15.

7. FPL agrees not to cross-examine OPC Witness Lane Kollen and OPC agrees not to cross-examine FPL's witnesses.

8. FPL agrees it will not oppose OPC's Motion to Accept Supplemental Direct Testimony of Lane Kollen.

9. The City, County, and Town agree they will not oppose OPC's Motion to Accept Supplemental Direct Testimony of Lane Kollen.

10. The City, County, and Town agree not to cross-examine OPC Witness Lane Kollen.

11. OPC agrees not to cross-examine the City's, County's, or Town's witnesses.

QUESTION:
Identify the date that Mr. Bores personally become aware that there were errors in the economic study addressed in his Supplemental Direct Testimony and detailed in the Excel spreadsheet titled "20170235 - Staff's 1st POD No. 1 - Supplemental - Attachment No. 1."

RESPONSE:
Mr. Bores became aware of the potential error on September 24, 2018, while reviewing Staff discovery (Staff's Fifth Set of Interrogatories, with Responses due to be served by FPL October 1, 2018) which requested a comparison of the generation plan, summer peak and reserve margin from FPL's 2018 Ten-Year Site Plan to a 2018 Ten-Year Site Plan without the acquisition of the City of Vero Beach electric system. While investigating that potential error, FPL determined that it had included the electric system load of the City of Vero Beach twice in its analysis.

FPL then began the process of correcting for that error which included a review of all other assumptions in the model to ensure the results were accurate. In reviewing all of the other assumptions, FPL discovered it had also incorrectly revised depreciation amounts in the CPVRR analysis after deferral of the assumed transaction closing date to January 1, 2019. Mr. Bores became aware of the error related to depreciation amounts on September 25, 2018.

QUESTION:
Identify the date that Mr. Bores prepared the revised Excel spreadsheet titled "20170235 - Staff's 1st POD No. 1 - Supplemental - Attachment No. 1 – Amended."

RESPONSE:
As noted in FPL's response to OPC's Third Set of Interrogatories No. 15, Mr. Bores determined there was an error in the economic study addressed in his Supplemental Direct Testimony and detailed in the Excel spreadsheet titled "20170235 - Staff's 1st POD No. 1 - Supplemental - Attachment No. 1." on September 24, and began the process of updating the analysis at that time. On September 25, while reviewing all assumptions in the CPVRR analysis, FPL identified another error that needed to be corrected to complete the preparation of the revisions to the CPVRR analysis. FPL completed its preparation of the revised analysis on September 26 and filed errata at that time.

QUESTION:
Explain why the Company did not notify the parties prior to September 26, 2018, when pre-hearing statements were due, that it had "discovered" significant errors in its economic analysis.

RESPONSE:
All parties were notified of the revision to the CPVRR analysis on September 26, 2018 as soon as FPL had completed preparation of and had thoroughly reviewed the revised CPVRR analysis. The notification occurred on that date when FPL filed errata and hand delivered a CD containing a copy of the electronic revised CPVRR analysis to the Office of Public Counsel. FPL did not notify the parties prior to September 26, 2018 because it had not completed confirmation and correction of the errors.

QUESTION:
Describe each error in the Excel spreadsheet titled "20170235 - Staff's 1st POD No. 1 - Supplemental - Attachment No. 1." and each change as a result of that error reflected in the Excel spreadsheet titled "20170235 - Staff's 1st POD No. 1 - Supplemental - Attachment No. 1 – Amended."

RESPONSE:
The analysis filed with Mr. Bores's Supplemental Direct Testimony contained two principal errors.

The first error is due to the inclusion of COVB electric load in the base case resource plan (i.e., FPL standalone view). As such, it was included in the price of electricity forecast and was double counted in the resource plan for the case in which COVB customers are added. This error was corrected in the workbook titled "20170235 - Staff's 1st POD No. 1 - Supplemental - Attachment No. 1" in two places: (a) The spreadsheet titled "RAP SUMMARY", which reflects the incremental system costs of serving COVB customers, was updated for the corrected system plan. This change flows through the model to improve CPVRR savings by a total of $36.4 million; and (b) the forecast of FPL base rates and clause rates, located on rows 19-21 and 30-33 on the "Base and Clause Revenue", were updated to reflect the corrected price of electricity forecast. This change flows through the model to improve CPVRR savings by a total of $2.9 million.

The second error, related to depreciation, was caused by a formula error. In preparation of Witness Bores's Supplemental Direct Testimony, the assumed transaction close date was moved from October 1, 2018 to January 1, 2019. The formula used to calculate the depreciation expense of assets acquired from COVB was not correctly updated. As a result, the analysis presented in "20170235 - Staff's 1st POD No. 1 - Supplemental - Attachment No. 1" excluded depreciation expense on these assets. The error was remedied by correcting the formula in cells 'Revenue Requirement' !N246:N248 as described in the table below and then removing the formulae in cells 'Revenue Requirement'!P246:P248. Making this change affects not only depreciation and amortization, but also property tax and insurance, interest expense, return on equity, and income tax because net book value and property tax basis are modeled as a function of depreciation expense. This correction results in a net increase in CPVRR costs of $2.8 MM.

Formula Location	Incorrect Formula	Corrected Formula
'Revenue Requirement'!N246	=1-P125/P214	=1-Q125/P214
'Revenue Requirement'!N247	=1-P126/P215	=1-Q126/P215
'Revenue Requirement'!N248	=1-P127/P216	=1-Q127/P216

QUESTION:
The Company stated the following in its September 26, 2018 letter submitting errata to Mr. Bores testimony:

> The errata reflect changes in FPL's CPVRR analysis correcting errors discovered while reviewing Staff discovery which requested a comparison of the generation plan, summer peak and reserve margin from FPL's 2018 ten-year site plan to a 2018 Ten-Year Site Plan without the acquisition of the City of Vero Beach electric system.
>
> FPL determined that it had included the electric system load of the City of Vero Beach twice in its analysis and had incorrectly revised depreciation amounts in the CPVRR analysis after deferral of the assumed transaction closing date to January 1, 2019. The cumulative impact of making these adjustments to FPL's CPVRR analysis is an increase in the expected CPVRR savings to FPL's customers of the transaction to approximately $135 million. The enclosed errata reflect the corrected analysis.

a. Confirm that the errors were not limited to "depreciation amounts."

b. Confirm that the errors reduced the depreciation and amortization amounts by $37 million on a CPVRR basis in the Company's second study (filed with Mr. Bores' Supplemental Direct Testimony) compared to the initial study, which then rebounded by $32 million from the second to the third study (filed as errata to Mr. Bores Supplemental Direct Testimony). In addition, provide a detailed explanation as to how including the "electric system load of the City of Vero Beach twice" in the analysis reduced the depreciation and amortization expense in the second study compared to the initial study. Be specific and provide all workpapers and all other analyses, including, but not limited to, electronic spreadsheets in live format with all formulas intact.

c. Confirm that the errors increased the "system impact" amounts by $31.5 million on a CPVRR basis in the second study compared to the initial study, which then were reduced by $35.1 million in the third study compared to the second study. In addition, provide a detailed explanation as to how including the "electric system load of the City of Vero Beach twice" in the analysis increased the system impact amounts in the second study compared to the initial study. Be specific and provide all workpapers and all other analyses, including, but not limited to, electronic spreadsheets in live format with all formulas intact.

d. Confirm that the errors decreased Clause Revenue for COVB Customers in the second study compared to the initial study.

RESPONSE:
a. FPL confirms the impact of the errors were not limited to "depreciation amounts."

b. FPL confirms that the correction of the error resulted in a $32 million increase in the CPVRR of the depreciation and amortization line item between the (unrevised) SRB-2 filed August 6, 2018 and SRB-2 Consistent with Errata filed September 26, 2018; however, it is important to note the offsetting effect of this error on other line items. As discussed in response to OPC's Third Set of Interrogatories No. 19, the net impact of the depreciation error was an understatement of CPVRR costs in the amount of $2.8 million. This was reflected in the Exhibit SRB-2 as an understatement of depreciation and amortization of $32.0 million, offset by an overstatement of property tax and insurance ($2.1 million), interest expense ($5.1 million), return on equity ($16.4 million), and income tax ($5.6 million). These offsetting items are due to the effect of depreciation expense on the net book value and property tax basis.

It is not correct to say that the depreciation error reduced the depreciation and amortization amounts by $37 million on a CPVRR basis in the Company's second study (filed with Mr. Bores' Supplemental Direct Testimony) compared to the initial study. Rather, the $37 million CPVRR variance in the Depreciation and Amortization line item between Exhibit SRB-1 and Exhibit SRB-2 is composed of the $32 million error, in addition to revisions to assumptions unrelated to the errors, such as the transaction close date and the CPVRR discount rate, as impacted by tax reform and a revision to the cost of debt assumption.

The error related to depreciation expense is separate and distinct from the error related to the inclusion twice of City of Vero Beach ("COVB") electric load.

Please refer to FPL's response to OPCs Third Set of Interrogatories No. 19 and the Excel workbook "20170235 - Staff's 1st POD No. 1 - Supplemental - Attachment No. 1 – Amended" for further explanation and work papers related to the depreciation error.

c. FPL confirms that the correction of the error related to the inclusion twice of COVB electric load in the system plan had the effect of reducing base rate system impacts by $35.1 million on a CPVRR basis between SRB-2 and SRB-2 Consistent with Errata. It also reduced the clause system impact in the amount of $1.3 million on a CPVRR basis.

It is not correct to say that this error increased the system impact amounts by $31.5 million on a CPVRR basis in the second study compared to the initial study. Rather, variances in CPVRR base rate system impact between the original Exhibit SRB-1 and the unrevised Exhibit SRB-2 include the $35.1 million in addition to revisions to assumptions unrelated to the errors, such as an updated resource plan, transaction close date, and the CPVRR discount rate as impacted by tax reform and the cost of debt.

The effect of the error was to increase the requirements for short term power purchases as well as changes in the timing and amount of combined-cycle filler units in the 2031-2048 timeframe. This error was corrected and the results of the revised analysis included in the errata filing showing an overall increase in the CPVRR benefits to customers.

Please refer to FPL's response to OPC's Third Set of Interrogatories Interrogatory No. 21 for the workpapers related to the system impact.

d. As seen by comparing the unrevised Exhibit SRB-2 to Exhibit SRB-2 Consistent with Errata, the errors had no impact on Clause Revenue from COVB Customers.

The variances between the original Exhibit SRB-1 and Exhibit SRB-2 are primarily the result of revisions to FPL's long-term fuel forecast and the emissions forecast, along with changes to the resource plan when updating to utilize the 2018 ten-year site plan.

QUESTION:
Refer to the "RAP SUMMARY" tab of "20170235 - Staff's 1st POD No. 1 - Supplemental - Attachment No. 1 – Amended" and "20170235 - Staff's 1st POD No. 1 - Supplemental - Attachment No. 1."

a. Provide the underlying data for the "with" and "without" cases for both the supplemental and the amended studies. Specifically, provide the underlying data supporting columns F:I in the workbooks. Refer to the Company's response to OPC's 1st POD No. 1, "FC Comparison and summary -Vero Beach.xlsx" for the information provided in support of the initial study. In addition, provide the translation of the resource plan into the system impact costs reflected in the Excel spreadsheet titled "20170235 - Staff's 1st POD No. 1 - Supplemental - Attachment No. 1" and in the Excel spreadsheet titled "20170235 - Staff's 1st POD No. 1 - Supplemental - Attachment No. 1 – Amended."

b. For the original study provided in response to OPC's 1st POD No. 1, "FC Comparison and summary - Vero Beach.xlsx," provide the annual costs, by expansion unit specified in the resource plan, that build up the costs in the "Vero Beach" tab, column F, and the "Base Case" tab, column F. Similarly, provide this build up for the underlying costs consistent with the supplemental study and the amended study.

c. If the study results were produced by a software model, please provide all summary reports available in native format for the 3 studies presented in support of the Company's request.

RESPONSE:
a. Attached are confidential Attachment Nos. 1 through 4 which include fixed cost spreadsheets for the "with" and "without" cases, for the supplemental and amended studies. These documents are the source for the data shown in "RAP SUMMARY" tab of "20170235 - Staff's 1st POD No. 1 - Supplemental - Attachment No. 1 – Amended" and "20170235 - Staff's 1st POD No. 1 - Supplemental - Attachment No. 1." These following attached documents show the translation of the resource plans into system impact costs:

- Attachment No. 1 – FC Spreadsheet - 2018 TYSP with Vero (Supplemental Study)
- Attachment No. 2 – FC Spreadsheet - 2018 TYSP with Vero - Update 9-24-2018 (Amended Study)
- Attachment No. 3 – FC Spreadsheet - 2018 TYSP without Vero (Supplemental Study)
- Attachment No. 4 – FC Spreadsheet - 2018 TYSP without Vero - Update 9-24-2018 (Amended Study)

b. For the original study, please see the confidential master fixed cost spreadsheets attached to FPL's responses to OPC's First Request for Production of Documents No. 1 and FIPUG's First Request for Production of Documents No. 1. For the supplemental and amended study, please refer to confidential Attachment Nos. 1 through 4 to this response.

c. The results of the production cost software, UPLAN, used in the COVB analysis are extracted from the model in EXCEL format and entered directly into the documents provided above (see UPLAN tab). No other reports were produced in UPLAN "native" or any other format.

OPC's Third Set of Interrogatories

Interrogatory No. 21, Attachments 1- 4

CONFIDENTIAL ATTACHMENTS – CD AVAILALABLE

DECLARATION

I sponsored the answers to Nos. 15-17 and 19 from OPC's Third Set of Interrogatories to Florida Power & Light Company in Docket Nos. 20170235-EI & 20170236-EU, and the responses are true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answers identified above, and that the facts stated therein are true.

Scott R. Bores

Date: 10/1/18

DECLARATION

I sponsored the answers to Nos. 20-21 from OPC's Third Set of Interrogatories to Florida Power & Light Company in Docket Nos. 20170235-EI & 20170236-EU, and the responses are true and correct based on my personal knowledge.

Under penalties of perjury, I declare that I have read the foregoing declaration and the interrogatory answers identified above, and that the facts stated therein are true.

Scott R. Bores

Date: 10/2/18

QUESTION:
In Witness Bores' initial CPVRR analysis set forth in Exhibit SRB-1, he showed nominal 30-year savings of $285.9 million to FLP customers. However, in Witness Bores' updated CPVRR analysis set forth in Exhibit SRB-2, he now shows 30-year nominal savings of $86.0 million to FPL customers. This equates to a reduction of $199.9 million in nominal customer savings over the 30-year period. Are these updated nominal cost savings correctly reflected in Exhibit SRB-2? If yes, please explain the cause for the reduction in nominal customer savings.

RESPONSE:
This response is being updated to Exhibit SRB-1 to Exhibit SRB-2 consistent with Errata. On Exhibit SRB-2 consistent with Errata, the revised nominal savings are $356.7 million, an increase of $70.8 million from the amount presented on Exhibit SRB-1. The primary driver of the increase in the nominal savings is the impact of tax reform, which reduces the amount of income tax expense to be collected from customers over the 30-year analysis period.

QUESTION:
In Witness Bores' initial CPVRR analysis, he showed nominal system impact costs of $433.9 million over the 30-year period. However, in Witness Bores' updated CPVRR analysis, he shows 30-year nominal system impact costs of $614.9 million, an increase of $181 million in nominal costs over the 30-year period. Please explain the cause of these additional system impact costs.

RESPONSE:
This response is being updated to compare the nominal system impact cost of $433.9 million on Exhibit SRB-1 to the $399.5 million Exhibit SRB-2 consistent with Errata.

The line "system impact costs" in the Base Rates section of Exhibit SRB-1 captures the capital and O&M costs from the addition of incremental future generation resources. The lower incremental system impact costs in the updated analysis result from using the most recent system assumptions. These assumptions changes include a lower load forecast, lower fuel forecast, lower CO_2 emissions forecast and an updated resource plan that results in an overall more efficient system.

QUESTION:
On page 15 of witness Forest's testimony, he explains that the benefit to FPL's existing customers is derived largely due to the positive effect of spreading FPL's fixed costs of operation over a larger total customer base when the COVB customers are added. Please explain specifically how adding 34,000 customers to an existing base of 4.9 million customers will have a material impact on the fixed costs paid by the latter group.

RESPONSE:
Please note that FPL previously responded to this question in response to Staff's Fourth Data Request No. 6; however, the response has been updated below to account for the latest CPVRR analysis prepared by FPL and presented as Exhibit SRB-2 consistent with Errata.

Witness Forrest's testimony does not imply a level of materiality in the estimated savings from this transaction; rather, the size of FPL's system and existing customer base affords FPL the opportunity to combine its best in class cost performance with scale economies, i.e., FPL's expected incremental costs to serve 34,000 customers of COVB is less than FPL's average cost of serving its existing 4.9 million customers. Since the former COVB customers will pay FPL rates which reflect average costs, the incremental revenue paid by the former COVB customers is expected to exceed the incremental costs to serve them thus producing the estimated $135 million CPVRR savings. A large portion of this benefit is FPL's ability to cost effectively serve the COVB customers without the need to construct incremental generation until 2031.

QUESTION:
On page 14 of witness Deason's testimony, he explains that the size of FPL in comparison to the COVB is such that the acquisition's impact would not have a material impact on FPL's surveillance reports. If the acquisition is so small that it would not have a material impact on FPL's surveillance reports, please explain how is it large enough to materially spread fixed costs.

RESPONSE:
Please note the following response was provided in FPL's response to Staff's Fourth Data Request No. 7.

As illustrated in Exhibit SRB-2 consistent with Errata and FPL's response to Staff's Third Set of Interrogatories No. 33, the incremental benefits of adding COVB customers are greater than the incremental costs. However, due to the size of the transaction in the context of FPL's entire system, neither the benefits nor the costs will have a material impact on FPL's surveillance reports.

QUESTION:
FPL's request assumes the acquisition adjustment will be recovered over 30 years. Will FPL earn an equity return on the unamortized balance of the acquisition adjustment over the 30 year recovery period? If yes, please identify the total equity return FPL will earn on the proposed acquisition adjustment over the 30 year period. For purposes of this response, please provide the value on both a nominal and cumulative net present value basis.

RESPONSE:
Please note the following response was provided in FPL's response to Staff's Fourth Data Request No. 9.

Yes, FPL will be investing both debt and equity capital to finance this transaction, therefore it is requesting Commission approval to earn an equity return on the portion of the acquisition adjustment that is financed with equity. As a result of the change in timing of the transaction, the revised acquisition adjustment is $114.3 million. The after-tax return on equity is $98.1 million on a nominal basis and $50.5 million on a net present value basis. FPL has included the equity return in the CPVRR analysis that is projected to provide a $135 million benefit to customers.

QUESTION:
Please provide the original Excel file with formulas intact for Witness Bores' CPVRR analysis as filed in FPL's Exhibit SRB-2.

RESPONSE:
FPL is supplementing its September 17, 2018 response to this request for production of documents by providing Attachment No. 1, which includes the original Excel file with formulas intact for FPL's Exhibit SRB-2 consistent with Errata and excludes the confidential tab 17 containing FPL's long-term price of electricity.

Staff's First Request for Production of Documents
Request No. 1- Supplemental - Amended

VOLUMINOUS ATTACHMENT - CD AVAILABLE

QUESTION:
Identify and produce all alternative CPVRR scenarios prepared by FPL in support of and subsequent to the November 3, 2017 Petition.

RESPONSE:
This amended response is filed to reflect the changes in FPL's CPVRR analysis correcting errors discovered while reviewing Staff discovery which requested a comparison of the generation plan, summer peak and reserve margin from FPL's 2018 ten-year site plan to a 2018 Ten-Year Site Plan without the acquisition of the City of Vero Beach electric system.

FPL determined that it had included the electric system load of the City of Vero Beach twice in its analysis and had incorrectly revised depreciation amounts in the CPVRR analysis after deferral of the assumed transaction closing date to January 1, 2019. Please see Amended Attachment No. 8 to this response. Please see Amended Attachment No. 8 to this response.

FIPUG First Set of Interrogatories
Interrogatory No. 1- Amended

CONFIDENTIAL ATTACHMENT - CD AVAILABLE

QUESTION:
Quantify the monthly savings to a typical residential customer resulting from the COVB transaction for the years 2018 through 2049 and provide any documents supporting such quantification.

RESPONSE:
Please see confidential Attachment No. 1 to this response. Line 11 of Attachment No. 1 identifies the illustrative monthly impacts resulting from the COVB transaction for the years 2019 through 2048 for a typical FPL residential 1,000 kWh customer. The analysis uses data provided in Exhibit SRB-2 consistent with Errata, Page 1 of 1, and assumes a January 1, 2019 effective date. There are no bill impacts in 2018. Additionally, the analysis is for 30 years and does not provide illustrative impacts for 2049.

Florida Power & Light Company
Docket No. 20170235-EI
FIPUG's First Set of Interrogatories
Interrogatory No. 2 - Amended
Attachment No. 1
Tab 1 of 1

FPL 002313
20170235-EI

CONFIDENTIAL

	A	B	C	D	E	F	G	H	I	J	K	L	M
1	Confidential												
2	FIPUG 1st Set of INTs, No. 2												
3													
4	kWh Forecast		2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
5	Residential Sales (GWHs)												
6	Total FPL Sales (GWHs)												
7	% Energy Allocation		0.53	0.53	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.54	0.55
8													
9	Total Net Customer (Savings)/ Costs (Source: SRB-2-consistent with Errata)		$0.0	($2.4)	($15.2)	($20.0)	($19.4)	($22.4)	($20.9)	($20.6)	($17.1)	($22.3)	($21.3)
10													
11	Residential 1,000 kWh per Month		$0.00	($0.02)	($0.14)	($0.18)	($0.18)	($0.20)	($0.19)	($0.18)	($0.15)	($0.20)	($0.19)
12													
13	Notes:												
14	1) Revenue Requirements are allocated on energy to illustrate bill changes. Base rate changes will otherwise be determined during the next rate case proceeding.												

N	O	P	Q	R	S	T	U	V	W	X	Y	Z	AA	AB	AC	AD	AE	AF
2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040	2041	2042	2043	2044	2045	2046	2047	2048
0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.55	0.56	0.56	0.56	0.56	0.56	0.56	0.56	0.56
($17.9)	($7.2)	$0.5	($1.3)	($1.1)	($0.4)	($4.4)	($6.5)	($10.7)	($7.5)	($7.8)	($6.9)	($12.0)	($14.3)	($13.4)	($15.4)	($15.7)	($13.8)	($22.2)
($0.15)	($0.06)	$0.00	($0.01)	($0.01)	$0.00	($0.04)	($0.05)	($0.09)	($0.06)	($0.06)	($0.05)	($0.09)	($0.11)	($0.10)	($0.12)	($0.12)	($0.10)	($0.16)

Florida Power & Light Company
Docket Nos. 20170235 & 20170236
October 18, 2018

ERRATA SHEET

REBUTTAL TESTIMONY

WITNESS: TERRY DEASON

PAGE #	LINE #	CHANGE
4	17 - 18	Remove "In effect, witness Kollen is advocating rejection of the transaction."
5	14 - 15	Remove "First, the immediate effect would be to kill the COVB acquisition."

Office of Public Counsel
Docket Nos. 20170235 & 20170236
Date: October 18, 2018

ERRATA SHEET

SUPPLEMENTAL DIRECT TESTIMONY OF LANE KOLLEN

PAGE #	LINE #	CHANGE
3	10 – 12	Remove "However, that does not appear to be an accurate or complete description of the reasons for the very significant revisions in the third study compared to the second study."
4	8 – 9	Remove "or before"

EXHIBIT NO. 61

DOCKET NO: 20170235-EI & 20170236-EU

WITNESS: Lane Kollen

PARTY: OPC

DESCRIPTION: Supplemental Direct Testimony of Scott R. Bores Exhibit with Handwritten Errata (LK-9)

PROFFERED BY: Office of Public Counsel

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 61
PARTY: OPC
DESCRIPTION: Supp Direct Testimony Bores Exhibit with handwritten errata to LK-9

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

FLORIDA POWER & LIGHT COMPANY

SUPPLEMENTAL DIRECT TESTIMONY OF SCOTT R. BORES

DOCKET NO. 20170235-EI

AUGUST 6, 2018

Q. Please state your name and business address.

A. My name is Scott R. Bores. My business address is Florida Power & Light Company, 700 Universe Boulevard, Juno Beach, Florida 33408.

Q. By whom are you employed and what is your position?

A. I am employed by Florida Power & Light Company ("FPL" or the "Company") as the Senior Director of Financial Planning and Analysis.

Q. Did you previously file testimony in this case?

A. Yes, I filed direct testimony on November 3, 2017, as part of FPL's original petition. In that testimony I presented the results of the economic analysis which demonstrated that FPL's purchase of the City of Vero Beach ("COVB") electric system is beneficial to existing FPL customers. My testimony also described the key assumptions utilized in developing the economic analysis.

Q. Are you sponsoring any exhibits in support of your supplemental direct testimony?

A. Yes. I am sponsoring two exhibits which are attached to my supplemental direct testimony:

- Exhibit SRB-2 – Updated Summary of CPVRR Impact for the City of Vero Beach Transaction;
- Exhibit SRB-3 – Comparison of CPVRR Benefits

Q. What is the purpose of your supplemental direct testimony?

A. The purpose of my supplemental direct testimony is to update the Cumulative Present Value Revenue Requirements ("CPVRR") analysis for the latest

assumptions, demonstrate and reconfirm that there are substantial benefits for existing FPL customers as a result of the transaction, and compare the change in CPVRR benefit to that presented in my direct testimony.

Q. What assumptions were updated in the latest CPVRR analysis performed by FPL?

A. There are several assumptions that were updated in support of the latest CPVRR analysis, including:

1) Incorporating the effects of the Tax Cuts and Jobs Act of 2017 ("Tax Reform"), including the deferral of new projected base rates until January 1, 2022;

2) Updating the transaction close date to January 1, 2019 from the previous anticipated close date of October 1, 2018. The postponement of the closing date to January 1, 2019 triggers several adjustments to the CPVRR analysis. First, the amount of the transaction payment will decrease by $3.3 million as the amount due to the Florida Municipal Power Agency ("FMPA") is reduced as a result of the passage of time. As a result of the reduction in the FMPA transaction payment, the overall amount of the acquisition adjustment will also decrease by the same amount. Second, FPL is not obligated to begin making payments under the purchase power agreement ("PPA") with the Orlando Utilities Commission ("OUC") until such time as the transaction closes, thereby avoiding $2.5 million of energy payments associated with the PPA for three months. Third, the net book value of COVB

assets will further depreciate, which will lead to a slight increase in the acquisition adjustment. Finally, FPL will delay a portion of O&M and capital spend that it had previously projected to spend in 2018 until after the assumed transaction close date of January 1, 2019;

3) Incorporating FPL's official 2018 net energy for load forecast, consistent with the net energy for load forecast utilized in FPL's 2018 Ten-Year Site Plan ("TYSP");

4) Updating FPL's long-term incremental generation and purchased power plan consistent with that presented in the 2018 TYSP. This includes utilizing the long-term fuel and emissions forecast consistent with the 2018 TYSP; and

5) Including the most recent 30-year long-term price of electricity forecast for FPL.

Q. Does the CPVRR analysis include the revenue requirements associated with the updated acquisition adjustment?

A. Yes, as in the prior CPVRR analysis, the updated CPVRR analysis includes the revised estimated acquisition adjustment of approximately $114 million.

Q. What are the results of the updated CPVRR analysis?

A. As shown on Exhibit SRB-2, the updated assumptions result in a ~~$99~~ 135 million CPVRR benefit for existing FPL customers over the 30-year period. This demonstrates that the transaction provides substantial value to existing FPL customers due to the economies of scale that exist in serving COVB customers.

Q. Please explain the differences between the ~~$99~~ 135 million CPVRR benefit in the updated analysis as compared to the $105 million CPVRR benefit in your direct testimony.

A. As demonstrated on Exhibit SRB-3, the change of ~~$6~~ 30 million in CPVRR benefit is comprised of several items. As described in response to prior discovery, the inclusion of the benefit of tax reform and the assumed one-year delay in establishing new base rates increased the total CPVRR benefit from $105 million to $127 million. Incorporating FPL's new net energy for load forecast and long-term generation plan, including revised fuel and emissions pricing, ~~reduce~~ increases the CPVRR benefit by ~~$3.1~~ 7.8 million. This ~~is primarily~~ includes the result of lower forecast fuel consumption and prices, combined with more efficient generation in the FPL system, which reduce the amount of projected revenues to be contributed by COVB customers to offset the overall system fuel cost. The revised long-term price of electricity ~~further~~ reduces the CPVRR benefit by ~~$8.1~~ 7.9 million, mainly the result of a change in assumptions for future rate increases as a result of tax reform. The deferral of the transaction to an assumed closing date of January 1, 2019 helps partially offset the reductions and increases the CPVRR benefit by ~~$7.5~~ 4.5 million. This benefit is being driven by lower payments to FMPA, a reduction in PPA payments to OUC and a delay in spend by FPL as it relates to integrating COVB customers into the FPL system. Finally, the revised cost of debt, which takes into account FPL's actual debt issuances in 2017 as well as the

latest Blue Chip forecast of future interest rates, increases the CPVRR benefit by $3.8 million.

Q. Does this conclude your testimony?

A. Yes.

EXHIBIT NO. 62

DOCKET NO: 20170235-EI & 20170236-EU

WITNESS: SAM FORREST, SCOTT BORES, TIFFANY COHEN

PARTY: FLORIDA POWER & LIGHT COMPANY

DESCRIPTION: FPL'S ERRATA FILED SEPTEMBER 26, 2018

PROFFERED BY: FLORIDA POWER & LIGHT COMPANY

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 62
PARTY: FPL
DESCRIPTION: Errata filed September 26, 2018

Bryan S. Anderson
Assistant General Counsel - Regulatory
Florida Power & Light Company
700 Universe Boulevard
Juno Beach, FL 33408-0420
(561) 304-5253
(561) 691-7135 (Facsimile)
Bryan.Anderson@fpl.com

September 26, 2018

-VIA ELECTRONIC FILING -

Ms. Carlotta S. Stauffer
Commission Clerk
Florida Public Service Commission
2540 Shumard Oak Blvd.
Tallahassee, FL 32399-0850

Re: Docket No. 20170235-EI - Florida Power & Light Company's Petition for Authority to Charge FPL Rates to Former City of Vero Beach Customers and for Approval of FPL's Accounting Treatment for City of Vero Beach Transaction and Docket No. 20170236-EU – Joint Petition of Florida Power & Light and the City of Vero Beach to Terminate Territorial Agreement

Dear Ms. Stauffer:

Please find enclosed for filing with the Commission FPL's Errata Sheet and Bores Exhibit SRB-2 Consistent with Errata and Bores Exhibit SRB-3 Consistent with Errata.

The errata reflect changes in FPL's CPVRR analysis correcting errors discovered while reviewing Staff discovery which requested a comparison of the generation plan, summer peak and reserve margin from FPL's 2018 ten-year site plan to a 2018 Ten-Year Site Plan without the acquisition of the City of Vero Beach electric system.

FPL determined that it had included the electric system load of the City of Vero Beach twice in its analysis and had incorrectly revised depreciation amounts in the CPVRR analysis after deferral of the assumed transaction closing date to January 1, 2019. The cumulative impact of making these adjustments to FPL's CPVRR analysis is an increase in the expected CPVRR savings to FPL's customers of the transaction to approximately $135 million. The enclosed errata reflect the corrected analysis.

Please contact me should you or your Staff have any questions or concerns regarding this filing at (561) 304-5253.

Sincerely,

/s/Bryan S. Anderson
Bryan S. Anderson
Florida Bar No. Pending

Cc: Counsel for parties of record (w/encl.)

Florida Power & Light Company
Docket Nos. 20170235 & 20170236
September 26, 2018

ERRATA SHEET

SUPPLEMENTAL DIRECT TESTIMONY AND EXHIBITS

WITNESS: SCOTT R. BORES

PAGE #	LINE #	CHANGE
4	19	Change "99" to "135"
5	1	Change "99" to "135"
5	4	Change "6" to "30"
5	10	Change "reduce" to "increases"
5	10	Change "31" to "7.8"
5	10	Change "is primarily" to "includes"
5	14	Remove "further"
5	15	Change "8.1" to "7.9"
5	18	Change "reductions" to "reduction"
5	18	Change "7.5" to "4.5"
6	2	Change "3.2" to "3.8"

EXHIBIT #	CHANGE
Exhibit SRB-2	Replace Exhibit SRB-2 with attached
Exhibit SRB-3	Replace Exhibit SRB-3 with attached

WITNESS: TIFFANY COHEN

PAGE #	LINE #	CHANGE
6	13	Change "99" to "135"

REBUTTAL TESTIMONY

WITNESS: SAM FORREST

PAGE #	LINE #	CHANGE
5	14	Change "99" to "135"

WITNESS: SCOTT R. BORES

PAGE #	LINE #	CHANGE
7	6	Change "60" to "96"
7	10	Change "cost" to "benefit"
7	10	Remove "less than"
7	10	Change "5" to "31"
7	11	Remove "essentially be held"
7	12	Change "harmless" to "benefit"
12	10	Change "98.6" to "135"

Summary of Economic Analysis

	Nominal Total	30 Year CPVRR	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029-2048
Discount Factor			0.96	0.89	0.83	0.77	0.71	0.66	0.62	0.57	0.53	0.49	0.46	
Base Rates: Incremental Revenue Requirements[1]														
Operations and Maintenance[2]	157.3	57.6	1.7	6.4	10.0	4.2	4.1	3.8	3.6	3.8	3.8	3.9	4.0	107.9
Property Tax and Insurance	105.0	31.5	0.1	1.4	1.7	1.8	2.0	2.2	2.3	2.4	2.6	2.7	2.8	82.9
Depreciation and Amortization[3]	326.9	115.1	0.3	9.6	9.2	9.4	9.7	10.1	9.5	9.8	10.1	10.4	10.3	228.6
Interest Expense[4]	122.5	44.4	0.1	3.7	3.9	3.9	3.9	4.0	4.0	4.0	4.0	4.0	4.0	83.2
Return on Equity[5]	390.8	141.7	0.5	11.9	12.3	12.4	12.4	12.7	12.6	12.6	12.7	12.7	12.7	265.4
Income Tax[6]	132.7	48.1	0.2	4.0	4.2	4.2	4.2	4.3	4.3	4.3	4.3	4.3	4.3	90.1
System Impact[7]	399.5	83.1	-	-	-	-	-	-	-	-	-	-	-	399.5
Total Incremental Base Rate Revenue Requirements	1,634.7	521.6	3.0	37.0	41.2	35.9	36.3	37.0	36.3	36.8	37.4	38.0	38.2	1,257.6
Base Rate Revenue from COVB Customers[8]	(1,984.6)	(648.8)	-	(43.2)	(44.2)	(44.6)	(49.5)	(53.4)	(54.4)	(55.4)	(56.4)	(57.4)	(59.0)	(1,467.1)
														-
Base Rate (Savings)/Cost from COVB Customers[9]	(349.9)	(127.2)	3.0	(6.2)	(3.0)	(8.7)	(13.2)	(16.4)	(18.1)	(18.6)	(19.0)	(19.4)	(20.8)	(209.5)
Clause: Incremental Revenue Requirements[1]														
OUC PPA Payments[10]	21.1	18.1	-	9.9	11.2	-	-	-	-	-	-	-	-	-
System Impact[11]	1,072.1	315.0	-	20.4	13.8	18.2	17.7	22.0	21.0	23.2	24.8	29.6	26.6	854.9
Total Incremental Clause Revenue Requirements	1,093.2	333.1	-	30.3	24.9	18.2	17.7	22.0	21.0	23.2	24.8	29.6	26.6	854.9
Clause Revenue from COVB customers[12]	(1,100.0)	(341.0)	-	(24.1)	(24.3)	(24.7)	(24.5)	(25.1)	(25.3)	(25.5)	(26.4)	(27.2)	(28.1)	(844.8)
Clause (Savings)/Cost from COVB Customers[13]	(6.8)	(7.9)	-	6.2	0.6	(6.5)	(6.7)	(3.0)	(4.3)	(2.3)	(1.6)	2.3	(1.5)	10.1
Total Net Customer (Savings)/Cost[14]	(356.7)	(135.1)	3.0	0.0	(2.4)	(15.2)	(20.0)	(19.4)	(22.4)	(20.9)	(20.6)	(17.1)	(22.3)	(199.4)

1) Incremental Revenue Requirement represents the difference between the Revenue Requirement with and without the Transaction.
2) Represents FPL's estimated incremental Operations and Maintenance cost for operating COVB's system.
3) Incremental D&A associated with the acquired COVB's assets, incremental capital expenditures to improve COVB's system and the asset acquisition adjustment.
4) Interest expense assumes 4.88% cost of debt and 40.4% debt to investor capital ratio.
5) Return on Equity assumes 10.55% cost of equity and 59.6% equity to investor capital ratio.
6) Income tax assumes blended state and federal tax rate of 25.345%.
7) Incremental fixed costs and capital for generation needed to serve Vero's load.
8) Base rate revenue from COVB's customers at FPL's forecasted rates.
9) Incremental revenue requirements netted against incremental revenue
10) Expenses associated with power purchase agreement with Orlando Utilities Commission
11) System impacts include incremental effects on fuel, emissions, variable O&M, short-term PPAs, and gas transportation.
12) Clause revenue from COVB's customers at FPL's forecasted rates.
13) Incremental clause revenue requirements netted against incremental clause revenue.
14) Total Net Customer Costs / (Savings) reflect the sum of base and clause net revenue requirement.

	Total Net Customer (Savings)/Cost CPVRR in millions
Original Petition	**(105.3)**
Tax Reform	(26.2)
Rate Case Deferral to 2022	4.6
Tax Reform Sensitivity	**(127.0)**
Update to System Plan	(7.8)
Revised Long-Term Price of Electricity	7.9
Deferral of Transaction to January 1, 2019	(4.5)
Revised Cost of Debt Estimate	(3.8)
Revised	**(135.1)**

Exhibit Nos. 63, 64 and 65 were made composited 67.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 63
PARTY: CAIRC
DESCRIPTION: COVB meeting minutes 8.16.16

Exhibit Nos. 63, 64 and 65 were made composited 67.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 64
PARTY: CAIRC
DESCRIPTION: COVB meeting minutes 8.16.16

Exhibit Nos. 63, 64 and 65 were made composited 67.

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 65
PARTY: CAIRC
DESCRIPTION: COVB meeting minutes 12.6.16

66

RESOLUTION NO. 2018-02
of the
BOARD OF TRUSTEES OF THE
INDIAN RIVER COUNTY HOSPITAL DISTRICT
to
SUPPORT THE VERO BEACH ELECTRIC SALE TO FLORIDA POWER AND LIGHT (FPL)

AT A MEETING OF THE INDIAN RIVER COUNTY HOSPITAL DISTRICT, HELD AT 1801 27TH STREET, BUILDING A, VERO BEACH, FL 32960, ON AUGUST 16TH, 2018,

RESOLUTION - SUPPORTING THE SALE OF VERO ELECTRIC TO FPL AND REQUESTING THE FLORIDA PUBLIC SERVICE COMMISSION TO ONCE AGAIN APPROVE THE SALE FOLLOWING IT'S OCT. 9-10 HEARING.

WHEREAS, Indian River County Hospital District (the "District") is a special taxing district created by the Legislature of the State of Florida, Chapter 2003-382, Laws of Florida and located in Indian River County, Florida.

WHEREAS, the District is organized and operated to establish, construct, purchase, operate, maintain and lease such health facilities and provide health and medical services as are necessary and desirable for the preservation of the health of the residents of the District and for the good of the public of the District, all of which is set forth in the District's enabling legislation.

WHEREAS, the IRCHD owns, on behalf of the taxpayers, healthcare facilities and other medical facilities within Indian River County;

WHEREAS, the IRCHD collects approximately $14 million dollars annually in ad valorem taxes from county residents;

WHEREAS, the IRCHD is funding, through taxpayer dollars, the safety net for indigent healthcare at IRCHD owned facilities and many other public and non-profit facilities throughout Indian River County;

WHEREAS, the healthcare providers receiving IRCHD funding with facilities on Vero Electric include Indian River Medical Center, University of Florida Psychiatric Clinic, Mental Health Association, Visiting Nurse Association, Indian River County Health Department, Healthy Start Coalition, Treasure Coast Community Health, New Horizons, and The Mental Health Collaborative. This includes every funded agency as well as the offices of the Indian River County Hospital District;

WHEREAS, utilities are a significant cost to the funded agencies, therefore affecting the cost of healthcare for the indigent population and, therefore affecting the ad valorem taxes assessed by the IRCHD;

WHEREAS, the IRCHD owned facilities and the facilities of the majority of the IRCHD funded agencies facilities are existing City of Vero Beach Electric customers located outside the city limits of Vero Beach;

WHEREAS, the Indian River County Hospital District has no governmental body to appeal to for relief from the significant rate disparity between Vero Electric and FPL;

WHEREAS, the Indian River County Hospital District has no other protection or government accountability other than to appeal to the Florida Public Service Commission at this point despite the Trustee's fiduciary duty to citizens;

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Indian River County Hospital District Board of Trustees, that we humbly request that the Florida Public Service Commission once again approve the sale of Vero Electric to FPL as negotiated and agreed upon by multiple parties and allow all Vero Beach Electric Customers, including our citizens and funded healthcare agencies, to experience a potential 28 percent lower electric rate, saving our County an estimated $24 million a year.

Dated: AUGUST 16th, 2018

INDIAN RIVER COUNTY HOSPITAL DISTRICT

By: _____
Marybeth Cunningham, Chairwoman

ATTEST:

_____
Ann Marie McCrystal, Secretary

DOCKET NO: 170235-EI & 170236-EU EXHIBIT # CAIRC 163

WITNESS: _____

PARTY: CIVIC ASSOCIATION OF INDIAN RIVER COUNTY, INC.

DESCRIPTION: COVB MEETING MINUTES OF AUGUST 9, 2016 UTILITIES COMMISSION

PROFFERED BY: CAIRC

FLORIDA PUBLIC SERVICE COMMISSION
DOCKET: 20170235-EI EXHIBIT: 67
PARTY: CAIRC
DESCRIPTION: Composite of City of Very Beach Utilities Commission Minutes

VERO BEACH UTILITIES COMMISSION MINUTES
Tuesday, August 9, 2016 – 9:00 a.m.
City Hall, Council Chambers, Vero Beach, Florida

PRESENT: Chairwoman, Laura Moss; Vice Chairman/Indian River Shores Representative, Robert Auwaerter; Members: J. Rock Tonkel, Stephen Lapointe and Chuck Mechling **Also Present:** City Manager, James O'Connor; Utilities Director, Ted Fletcher and Deputy City Clerk, Sherri Philo

Excused Absences: George Baczynski, Judy Orcutt, and Bill Teston

1. CALL TO ORDER

Today's meeting was called to order at 9:00 a.m.

2. PRELIMINARY MATTERS

A) Approval of Minutes

1. July 12, 2016

Mrs. Moss referred to the second to the last paragraph on page two (2) of the July 12, 2016 Utilities Commission minutes where it states, *"The City does establish the rate and does not keep the money."* She said it should state, *"The City does* ***not*** *establish the rate and does not keep the money."* Mrs. Moss then referred to the second paragraph under Member's Matters on page 10 where it states, *"Mr. Baczynski said in a recent the FMPA report ..."* She said the word **"the"** should be deleted from the statement.

Mr. Tonkel made a motion to approve the minutes of the July 12, 2016 Utilities Commission meeting as amended. Mr. Mechling the motion and it passed unanimously.

B) Agenda Additions, Deletions, and Adoption

Mr. Mechling made a motion to adopt today's agenda as written. Mr. Tonkel seconded the motion and it passed unanimously.

3. PUBLIC COMMENT

None

4. NEW BUSINESS

A) Charles Callahan, M.D., Specialist in Infectious Disease - Presentation Regarding the Water Quality of the Indian River Lagoon as a Health-Related Concern with Specific Reference to Vibrio Vulnificus (Bacteria) and Toxic Algae. Vibrio with Emphasis upon Prevention of Infection and Proper Treatment when Infection has Occurred and Toxic Algae with Emphasis upon the Nature of the Toxin, Treatment, and Prognosis.

Dr. Callahan said with regards to filtration, a British study showed that activated charcoal is the only thing deemed effective enough to remove the phosphates adequately from the water system. He said filtration is a great idea and they are looking at it as a point of source. He said Indian River Medical Center has very small filters (submicron filters) that have to be replaced about every 60 days and they cost about $50 dollars each. He agreed that would be the optimal way to go, but felt the technology and costs were up in the air with regards to the large amount of water they are talking about. He said it is extremely complicated and very expensive when filtering millions of gallons of water a day.

B) Partial Sale: Indian River Shores Customers from Vero Electric to Florida Power and Light (FPL) - Review of Most Recent Information

Mrs. Moss said the Commission is charged with representing and considering all utility customers of the City including City and non-City residents alike. She reported that on November 6, 1986 Indian River Shores (IRS) signed a 30-year contract assigning to the City of Vero Beach and electric franchise. The agreement was renewable requiring the parties to give a five (5) year notice, which would have been in 2011. No notice of renewing was given by either party so the contract will expire on November 6, 2016. She said FPL has currently offered the City $30 million dollars for the City's customers of IRS. She said overall, the context for considering the sale is favorable in that the City voted in favor of the sale of the entire system years ago and the current Mayor proposed a partial sale in 2010. She said the Florida Municipal Power Agency (FMPA), which usually is cited as a stumbling block to any kind of sale, appears to be more amiable to change. She reported that Mr. Dylan Reingold, Indian River County Attorney, scheduled a meeting with FMPA, Indian River County, FPL, and the City next Wednesday to decide how to move forward in the future.

Mr. James O'Connor, City Manager, handed out to the Commission members a letter that was received this morning from Mr. Sam Forrest, Vice President – Energy Marketing and Trading for FPL (attached to the original minutes). He said there was a meeting with FPL to discuss the sale of the IRS system, i.e., the assets that are within IRS with the exclusion of the substation that is located on the south end. The direction that he and Mr. Schef Wright, Attorney, received from the City Council was that they not negotiate. He said that he did not negotiate, but did ask for clarification in which FPL sent the letter that they received this morning. He noted that he has not had time to fully review the letter, but the bottom line is that the 138kV transmission system and the substation issues are off the table. They have confined this to the purchase of the customers of IRS and the $30 million dollar bracket. He reported that FPL has challenged some of the assumptions that Mr. Wright and his team put together as to how they arrived at the $42.4 million dollars, which was the City's proposal. He said that he told FPL during their discussion that what they were talking about was shifting of risk and what is tolerable for the City as to what risk changes the City would be willing to take, not only the City but their outside customers other than IRS. He reported that this would be presented to the City Council at their August 16th meeting. He noted that there is a deadline date of August 25, 2016, which only gives the City about 16 days, which he felt would be a major challenge.

Mrs. Amy Brunjes, External Affairs Regional Manager of FPL, said that their offer, other than the revision sent this morning, was straight forward in that they did decide to remove consideration of the transmission assets as requested by the City. She said it is a straight

$30 million dollar offer for the customers of IRS, as well as the distribution assets, which is outlined in this morning's letter. She said they are asking the City Council to consider their offer at their August 16th meeting. She said they have spent a tremendous amount of time and resources on this and feel this was a very fair offer. She noted that their original offer was $13.6 million dollars. She said they do believe it is a fair offer, it protects the City's customers, and is a win/win for all parties. She said they did impose a deadline on the offer because they have been at this long enough. She asked the Commission to encourage the City Council that this be moved forward to a decision in an expeditious manner.

Mrs. Moss said originally a $13 million dollar offer was made and an evaluation was set by the City at about $64 million dollars, which was very far apart. Now the numbers are a lot closer at $30 million dollars and $42.4 million dollars. She asked Mrs. Brunjes to explain how FPL came up with $30 million dollars and how the City came up with $42.4 million dollars.

Mrs. Brunjes said FPL did start with $42.4 million dollars as that was what the City wanted for the system. One thing FPL challenged was the escalation of the City's expenses. She said the City modeled it at 3% escalation of expenses every year over a 30 year period. She said that would definitely create some pressure on customer bills going forward. At the same time, the City based the sales growth at .5% annually. FPL is suggesting that if they change the escalation for the City's expenses to 2.5% to be consistent with revenue growth that would change the net present value to $36.8 million dollars. She said the City's model assumes a reduction in expenses of 7.1% for Non-Departmental expenses and 3.8% for Electric Fund expenses, which is a step in the right direction because expenses will go down. She said by changing the 7.1% to 8.7%, which is consistent with IRS customer base, after five (5) years it would bring the net present value down further to $27.5 million dollars, which is $2.5 million dollars below FPL's offer. That $2.5 million dollars would be for any contingent liabilities or reserves that the City feels they need. She said FPL made an offer based on the sale price in what they feel is a fair price. They have spent a lot of time and both the City and FPL has said they are not going to negotiate.

Mr. Auwaerter said that he did his own independent analysis, separate from FPL. He handed out to the Commission members two (2) pages of backup material on his analysis (attached to the original minutes).

Mr. Lapointe asked how was the deadline of August 25, 2016 arrived at.

Mrs. Brunjes said to take any politics out of the consideration in that the offer would be decided on its merits. She said it is time to make a decision.

At this time, Mr. Auwaerter explained the spreadsheet that he handed out was put together by Mr. Bill Harrington and Mr. Schef Wright, Attorneys for the City, that has details regarding the *General Fund Transfer, Electric Debt Service, Non-Departmental Expenses, and Electric Fund Expenses* that shows both with and without Indian River Shores. He took those numbers and made some relatively modest changes that doesn't put the City at risk and shows that the offer from FPL is fair. His first assumption was the *Non-Departmental expenses and Electric Fund expenses* would only grow at 2% rate, rather than 3% each year. He said initially Mr. Wright's analysis made a one (1) time cut

of *Non-Departmental expenses* of 7.1% and *Electric Fund expenses* of 3.8%. If they look down in red under *Without Indian River Shores, Savings from Sale* what he did was for the first three (3) years they would go with the City's assumption of 7.1% and then in the fourth year they would drop by 8.7%, which is the share of the IRS customer revenues. Similarly with the *Electric Fund expenses,* he gave the City three (3) years to adjust their expenses dropping them from 3.8% to 8.7%. Just making those three (3) modest changes, the present value of revenue, what he calls "the shortfall needed to make everyone whole" for 30-years drops down to $25,058,286 dollars. He said in this analysis, it does not make any adjustment to profit transfer, return on investment, or whatever they want to call it. All the changes up top remain the same. If they look at the General Fund Transfer *With Indian River Shores* in the model it represents 6% of revenues. If they look under *Without Indian River Shores* they would see that the numbers are exactly the same. Therefore, the impact to the City's General Fund expenses were not touched at all by the changes that he made to the model. It actually shows a growth in the profit transfer, return on investment, or whatever term they want to use, over the entire model. He then briefly went over the second handout, *Partial Sale of VB Electric Assets Supporting Indian River Shores Present Value Analysis* with the Commission members. He felt that the changes made were reasonable. He then gave a brief overview of a third handout that he gave the Commission members, *City of Vero Beach Electric System Potential Use of Sales Proceeds of Assets that Support Indian River Shores Customers* (attached to the original minutes).

Mr. Tonkel thanked Mr. Auwaerter for the work that he did. He felt that the assumptions made were very reasonable and defensible.

Mr. Mark Mucher said it was his understanding that the $30 million dollars would be put into the Electric Fund. If that is the case, it would seem that it would have some impact on lowering rates.

Mr. Layne Sikes said when the City of Vero Beach transfers funds from the Electric Utility and revenue to the General Fund on the backs of ratepayers living outside the City limits is without argument taxation without representation. They can all agree that FPL offers lower rates than FMPA, OUC, and the City of Vero Beach is able to offer. FPL has a standing offer, not only for a partial sale, but to purchase the entire electric system. He said in 2011 FPL offered to the City what amounted to about $3,000 dollars per customer for the partial sale. This current offer is over three (3) times that amount. He hoped that the Commission would send to the City Council a strongly worded recommendation for this offer with a copy sent to the President of the Florida Senate, the Speaker of the House, as well as members of the Joint Legislative Auditing Committee. He said the politicizing of the issues has got to stop. This is a fair offer and almost single handedly solves the financial crater that the City finds itself in and it is the first step in selling the entire electric system to FPL.

Mr. Harry Howle, Councilmember, thanked Mr. Auwaerter for his analysis. He then read a prepared statement. He said that he heard rumors that some people might want an impact study on the offer. He said that he could tell them the impact without a study. He said the City is tens of millions of dollars in the hole as a result of unfunded pension liabilities. He said they have an offer on the table that will relieve their neighbors of extremely harsh electric rates above and beyond what they would be paying to FPL. He said they could undo 30 years of poor planning in one (1) action. If they plan properly

they could turn a train wreck into a flower garden almost overnight. In addition, discretionary spending habits would lead to an improved local economy. Less money spent on fixed expenses means more money spent on dinners, plays at Riverside Theatre, etc. He said this offer was not a political football and they shouldn't allow it to be treated as such. It is a clear solution for the future of the City of Vero Beach. He said they are three (3) years shy of the City's 100th Anniversary and it would be a travesty to still be hearing whispers of bankruptcy when they could be discussing celebrations and plans for the next 100 years. He encouraged anyone present for today's meeting or watching it on television to show up at Tuesday's City Council meeting in favor and support of this offer. He said they must accept this offer now and hope that it is followed by the sale of the entire system. His vision is that one day in the near future there would be lower taxes and this offer is the first step in doing so.

Mr. Robert Stabe, Town Manager of IRS, said one area that was not discussed today is that by accepting this offer, the City could enjoy the litigation expenses alone. In the City's original analysis, they indicated a cost of about $900,000 dollars in litigation expenses that could be saved. In their revised analysis they no longer included that. However, if they took that $900,000 dollars and reduced it down to $100,000 dollars in savings, the effect that has on the net present value is nearly $2 million dollars. More importantly, this has been ongoing for a number of years and has become an emotionally charged issue for residents of IRS and in the City. He felt this transaction would benefit everyone involved and put an end to litigation and allow them to start rebuilding their relationship as neighboring municipalities.

Mr. Glenn Heran felt that Mr. Howle and Mr. Sike's points were right on. He said this is a terrific offer. It is almost twice what the last offer was. More importantly, the City needs the cash. The City's pensions are under water and they haven't even been looking at OPEB liabilities. He said that Mr. Mucher mentioned that there is a possibility that the $30 million dollars would stay in the Enterprise Fund. Mr. Heran said to his knowledge the City is unregulated on how much they can transfer from the Enterprise Fund to the General Fund. Even if the City did this over a period of time, they would be able to fund the pension and OPEB costs that are underwater. He said there is no need for delay. They know this is a terrific offer and this issue has been studied to death. They have been doing this for eight (8) years. In addition to the cash, it finally sets the City on the path of selling. The electric business is a failed business and it will continue to fail. They will not be able to compete with FPL. He said that he has been tracking the electric rates and for the past 16 years there has never been a time where the City could compete with FPL. At some point, the City has to get off the train and this will be a representation of the City's commitment to doing just that. They would be doing what the City's voters chose to do back in 2013, which is to sell the entire system.

Mr. Peter Gorry, Chairman of the Finance Commission, noted that he was not speaking today on behalf of the Finance Commission. He said it has been eight (8) years of them trying to understand a contract and trying to execute a contract. He said the feeling that there is no issue with FMPA is not good enough for him. He felt that they should be cautious before they recommend a date certain to sell without understanding what the total risks are. He said the gap between the $30 million dollars and the $42 million dollars could potentially be a difference in rates that would have to be made up. He said the kWh usage for everyone except IRS, is an average of 960 kWh per month. The average with IRS is 1,060 kWh. IRS's usage per meter is 1,300 kWh. He said as they

know, there is an escalator in the tiers once they go over 1,000 kWh. Therefore, they are taking the top revenue producers, which has to be made up. All he was saying was that they need to be very cautious and not have a "feeling" about FMPA, but something in writing on all the potential risks.

Mrs. Moss said that she doesn't have a "feeling" about FMPA. It is a fact that FMPA approached Mr. Reingold, Indian River County Attorney, to have a conversation. She said the State Audit uncovered that FMPA lost $250 million dollars engaging with practices inconsistent with industry standard.

Mr. Gorry said because of the uncertainty of the contract with FMPA, they need to have something in writing before they go forward and accept an offer.

Mr. Auwaerter said they can get to the point where there is paralysis by analysis. In his analysis, he utilized Mr. Wright and Mr. Harrington's analysis. If they look at the numbers going out into the future, they showed some fairly hefty rises in costs per megawatt hour. He said some higher costs are built in and in spite of that, the deal still makes sense. They could all discuss the escalator on what is appropriate, but he felt that he put out some good facts as to why the escalator should be at 2%. He said that he made some very modest changes, but more importantly the 6% of revenues was not touched in his analysis. He felt that this deal made sense.

Mr. Harry Howle, Councilmember, said this does not need to be a political football that they punt around. At some point the deal has to be completed, whether it is a yes or a no. But, if they want to look at this from a philosophical standpoint, they have a group of people that are essentially being held hostage. They are being taxed without representation, which to him is completely un-American. He said the $30 million dollars would help the City and their citizens get through some high hurdles that they created on their own.

Mr. Mechling asked if there has been any discussions with FMPA.

Mr. O'Connor said FMPA verbally stated that they did not think there would be a problem with this transfer of approximately 10% of the City's customer base. But, that is verbal and they obviously would have to have it documented.

Mr. Tony Young said that he has given a lot of consideration to this partial sale. What concerned him most and what he would ask the Commission to do is step back and think about what are the larger implications. One of the implications is that they are showing preference for a wealthy neighborhood (IRS). People who live on Oslo Road would not be able to come to the City and use attorney's to represent them if they didn't like the rates. But, IRS has a good case and this might be a good offer, financially speaking. But, he has had people come to him and threaten the City with bankruptcy by incrementally attacking the City Electric Utilities. He takes this as a serious concern. He asked the Commission members to look at the implications. He said maybe the right answer now is to go back and look at the entire sale as opposed to just the sale of IRS. Some concerns were made about the financial circumstances of the City, but it depends on what their perspective is. The reserves of the City are quite substantial so it can be said that the City is not in dire need. They could look at OPEB as an accounting measure that is roughly new. This is not a simple analysis that should be made in haste.

Mr. Auwaerter referred to the threat to the City of bankruptcy. He said that he knows municipal bankruptcy well and no one can take a municipality into bankruptcy unless the municipality wants to do it. It is not like a corporation where they could be forced into bankruptcy. If someone made that comment to Mr. Young, they are completely uninformed and have no idea how the laws work. He said no one is thinking of bankruptcy. In fact, this deal as he laid it out, to try to plug some retirement related pension and OPEB gaps would make the City a stronger entity from a financial perspective.

Mrs. Moss said regarding the comment of "class" preference a survey was sent to all the City's customers including the County and IRS and all parties were in favor of the sale and they are still in favor of the sale.

Mr. O'Connor referred to the term "bankruptcy" that keeps coming up and asked that they look at the City's bond ratings and the City's CAFR. He said they would see that the City is in a very good financial situation. He said the City has a very good positive long term affect with or without this sale. They have taken a lot of extreme measures to get themselves balanced just right in the financial makings. Also, the City's electric rates are not the highest in the State. They are higher than FPL and he does not see in the foreseeable future that they will have FPL rates. But, FPL rates are not the only achievable goal. The question is, is this a good deal for the City of Vero Beach and the ratepayers who would be surviving the contract. He felt that was what it really came down to. He said they, as a community, have to determine the risk in what they can bare and what they can tolerate.

Mr. Glenn Heran said that he has been involved with this issue for eight (8) years and he can hear the voices in the room. He can hear the naysayers, the voices of complacency, the voices to study this more, etc. He said not at one point in the past 16 years has the City been able to compete with FPL. No utility in the State of Florida has. He said the naysayers offer nothing. There is no alternative. The alternative is that they continue to lose $20 million dollars a year because they don't have FPL rates. He said this community has already voted not to delay, this is a great deal.

Mr. Mechling said he appreciated Mr. Young's comments. He looks at this as a situation where there is a 30-year agreement that is coming to an end and there has to be some resolution with that. He also appreciated Mr. Auwaerter's analysis. He felt it was time for some action. He said a lot of money has been spent on debating these issues, there have been referendums that had the support of the citizenry in their votes, and although he agrees with the concept of selling the entire system, he also realizes that others, such as FMPA, have a different viewpoint. At the time Mayor Kramer brought forward the concept of a partial sale, he didn't think it was realistic. Now they have a contract that is coming due with IRS and he felt that the concept of this partial sale could be an excellent alternative to seeing how all this might work if they can get an agreement with FMPA.

Mr. Mechling made a motion that the Commission recommends to the City Council to move ahead with this offer from FPL. Mr. Tonkel seconded the motion.

Mrs. Moss said if acceptable to Mr. Mechling she would like to amend the motion to include the deadline date of August 25th. Mr. Mechling agreed to the amendment to the motion.

Mr. Auwaerter said to make the motion more clear, that they state, "within the framework of the FPL letter dated August 9, 2016."

Mr. Mechling agreed.

Mr. Tonkel said that he was very impressed with the logic that has been expressed. He hoped that in some way they capture the essence of the comments made today. He felt it was important that the public understands that the architect of this has been the City Council, particularly led by the Mayor. He felt that while there were people that doubted that initiative originally, that they have come to accept the fact that the two (2) parties have found a way to respond to that challenge and FPL has laid out a generous approach, which he hoped the City Council would accept. He also felt that there would be community acceptance and believed that there would be broad support. He said what they have not discussed today is if this offer is not accepted by the City, that is going to reopen a lot of discussion on what initiatives must be taken to take the City out of the power business. He did not think the City should be in the power business as they cannot compete and never will. He said there would be some negative consequences if this deal doesn't happen. He felt that this was a very fair and reasonable offer and is something that needs to be done.

Mrs. Moss said it is important to her that the will of the people be honored and she viewed this as the first step.

Mr. Lapointe said that his intention is to vote in favor of the motion, but he would be very interested in what the Finance Commission recommends in their analysis of the offer.

Mayor Kramer referred to the Referendum where the people voted in favor of the sale. He said that was a different deal. This deal is going to make the citizens of Vero Beach pay more for their electric rates. The people in the County to the west and on South Beach are going to pay more for electric rates. The number of $42.5 million dollars was not a sale price. That was the price for a breakeven so the City would not feel the financial burdens. He said that he spoke with Mayor Brian Barefoot of IRS about this and the specific language was to develop a framework to make this happen. He said that he would not be voting in favor of this deal. It is a "no" for him. He will not throw the City's customers under the bus for FPL and IRS. He said they are going to be paying higher rates. Not only would they be paying higher rates, but the liabilities are going to get compressed on the remaining customers and it would be harder to do a future sale with FPL. He will be voting no on this as it is not a good deal.

Mr. Auwaerter said that he made some very reasonable changes to the assumptions with regards to adjusting expenses and having the cost go up 2% rather than 3%. He said the number came in at just around $26 million dollars, which leaves $4 million dollars for liabilities or contingencies. He said IRS customers only represent about 1/12th and if they take that $4 million dollars and multiply it by 12, they have $50 million dollars for contingencies, which none are listed in the FMPA annual statements of September 30, 2015. He said that his assumptions did not change the 6% of revenue transfer to the City.

Even with the lower revenues with IRS going away, his analysis shows that those numbers are still there. Actually, the rest of the ratepayers are kept whole and the taxpayers are kept whole.

Mr. Tonkel asked Mayor Kramer if it would change his mind to think of this as the beginning of a succession of steps that need to be taken. He said that he (Mayor Kramer) supported the idea that the utilities should be sold.

Mayor Kramer said as one option, yes that is true. He said this has only been a one option deal from day one.

Mr. Tonkel said now they have a second option and he is looking at it as a stepladder. He said if they have to take this step in order to reach the ultimate goal then why not.

Mayor Kramer said because they would be taking a small step that makes the next step even larger.

Mr. Lapointe said the motion made was not a strong endorsement of the offer. It is simply a recommendation that the City Council in their wisdom consider the offer.

Mr. Auwaerter said it was a recommendation that the City Council approve it.

At this time, the Deputy City Clerk reread the motion.

Mr. Auwaerter asked that they amend the motion to "approve" the offer of FPL.

Mr. Tonkel said that he would withdraw his second to the motion so they could insert the word "approve."

Mr. Mechling amended his motion to "approve" the FPL offer.

Mr. Auwaerter said they need to be very clear on the wording of the motion. The motion is that the Vero Beach Utilities Commission recommends to the City Council that they approve the offer that FPL made for the assets that support customers in Indian River Shores as described in their letter dated August 9, 2016. Mr. Mechling agreed that is the motion on the floor.

Mr. Tonkel felt that because references were made in the second letter that they received this morning that it should be referenced in the motion as well.

Mr. Mechling felt that the letter itself would stand on its own. Mr. Auwaerter agreed.

Mr. Auwaerter seconded the motion and it passed 5-0 with Mr. Lapointe voting yes, Mr. Mechling yes, Mr. Tonkel yes, Mr. Auwaerter yes, and Mrs. Moss yes.

C) 2016 Electric Reliability Performance Report Second Quarter – Mr. Ted Fletcher

Mr. Ted Fletcher, Utilities Director, gave a brief overview of the 2016 Electric Reliability Performance Report Second Quarter with the Commission members (attached to the

original minutes). He noted that the reliability numbers are better because of some of the capital improvements they have been making.

Mr. Mechling said the report is well put together as it is very easy to read and understand.

Mr. Fletcher asked the Commission members if at any time they want to see more information on the outage report that they contact him.

Mrs. Moss felt that Mr. Fletcher did a nice job on the report.

Mr. Tonkel noted that the Commission members need to make sure that if they want information that they contact Mr. Fletcher before he has to produce the data. He said sometimes they tend to put a lot of pressure on some of the staff and whatever they could do to give staff plenty of notice would be beneficial to both the Commission and to staff.

D) FMPA Solar Power Survey – Vice Chairman Auwaerter

Mr. Auwaerter reported that they had a two hour conference call regarding what they want in the Request for Proposals (RFP). He received the revised RFP yesterday and signed off on it. He reported that most of the cities involved in the survey only want to survey residential customers. If the City wants to survey commercial customers it will cost more. He said that Mr. O'Connor did indicate that he would be willing to survey commercial customers, but they need to find out the cost. Mr. Auwaerter said the short survey would consist of four (4) or five (5) minutes at a cost of about $3,000 to $5,000 dollars to be borne by each member who is having the survey done. The long survey would be nine (9) to 12 minutes and could cost up to $10,000 to $12,000 dollars. They hope to conduct the surveys in December and have the results sometime in late January or early February.

Mr. Mechling asked who is in charge of the length of survey.

Mr. Auwaerter said that wasn't clear. He thought they would get actual proposals and then come up with one (1) standardized survey so they would have a standardized set of the data across the State.

Mr. Mechling said it has been his experience that when there is a three (3) to five (5) minute survey more people tend to do it as opposed to a survey that takes 10 to 12 minutes.

5. OLD BUSINESS

None

6. CHAIRMAN'S MATTERS

Mrs. Moss reported that she would be making a presentation to the Airport Commission at their meeting this Friday to explain what they were doing regarding the survey on solar power. She asked Mr. Auwaerter to send the City Clerk's office a brief bio so she could use the information in her presentation.

Mrs. Moss asked the Commission members if they had any matters they would like on next month's agenda. She said they do have two items at this point. One item was Mr. Baczynski's item on the Kilroys and the Indian River Lagoon. The other item was Mr. Tonkel's item regarding the budget.

Mr. Tonkel thought that Mr. O'Connor told the Commission members that they would make the presentation on the budget at their October meeting.

Mrs. Moss said that she spoke with Ms. Cindy Lawson, Finance Director, and she wasn't sure what Mr. Tonkel wanted.

Mr. Tonkel said that he would speak to Ms. Lawson prior to the October meeting.

7. MEMBER'S MATTERS

None

8. ADJOURNMENT

Today's meeting adjourned at 11:28 a.m.

/sp

DOCKET NO: 170235-EI & 170236-EU EXHIBIT # CAIRC 6H

WITNESS: _____

PARTY: CIVIC ASSOCIATION OF INDIAN RIVER COUNTY, INC.

DESCRIPTION: COVB MEETING MINUTES OF AUGUST 16 2016

PROFFERED BY: CAIRC

CITY OF VERO BEACH, FLORIDA
AUGUST 16, 2016 9:30 A.M.
REGULAR CITY COUNCIL MINUTES
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA

The invocation was given by Assistant Pastor Kenny Pope of Calvary Chapel of Vero Beach followed by the Pledge of Allegiance to the flag.

1. CALL TO ORDER

A. Roll Call

Mayor Jay Kramer, present; Vice Mayor Randy Old, present; Councilmember Pilar Turner, present; Councilmember Richard Winger, present and Councilmember Harry Howle, present **Also Present:** James O'Connor, City Manager; Wayne Coment, City Attorney and Tammy Vock, City Clerk

2. PRELIMINARY MATTERS

A. Agenda Additions, Deletions, and Adoption

Mrs. Turner made a motion to adopt the agenda as presented. Mr. Howle seconded the motion and it passed unanimously.

B. Proclamations and recognitions by Council.

1. 93.7 WGYL to make a presentation to the City Council.

The radio station presented City Council with a guitar that had autographed by all the bands that played at the July 4th event.

C. Staff/Consultant special reports and information items.

1. Attorney Schef Wright to discuss the proposal made by Florida Power and Light (FPL) to purchase the Indian River Shores (IRS) Electric System.

Mayor Kramer asked Mr. Wright to give them a brief synopsis of the offer on the table.

Mr. Jim O'Connor, City Manager, suggested having Florida Power and Light (FPL) speak first.

Ms. Pam Raush, Vice President of External Affairs and Economic Development for FPL, requested to speak. She said she knew all of them have had the opportunity to work with Mrs. Amy Brunjes from FPL for the last several years. She knows that Mrs. Brunjes has represented FPL well and always treated everyone with respect, she has been transparent and committed in finding the best solution and she always does the right thing. It has

been about one (1) year now since FPL came back to Vero Beach with a partial sale solution. She said while the City and FPL were apart on price at that time initially, Mayor Kramer recently came to them and asked them to reengage in those discussions with the understanding that they would not be able to get to the $42 million purchase price that the City consultants had initially arrived at. She said FPL could not get comfortable with the analysis that was put into that assumption as to what would make the remaining Vero Beach customers whole. The proposal that Mr. Sam Forrest, Vice President of Energy Marketing & Trading, will be presenting to them is the right thing for their City customers and the right thing for the City of Vero Beach. She said FPL knows that their customers need to be protected and that is exactly what their offer here today does. She said that Mr. Forrest would be presenting their final offer to the City. She said that is why they have included an expiration date of August 25, 2016. She said the FPL "Team" has exhausted all of their analysis and she knows that IRS has done the same. At FPL, their goal from day one (1), which was actually six (6) years ago, has been to find a solution to lower electric bills for customers, but at the same time protect the City of Vero Beach. They have worked very hard to overcome every obstacle that has come their way. She said the question has been asked, why they are doing that. She said it is because they have always been committed to doing the right thing. She said while the 3,000 customers that they would acquire under this partial solution does not dramatically move the needle for their company and it gives the City a very unique opportunity to significantly improve their financial conditions. She asked Council to consider their proposal and do the right thing.

Mr. Sam Forrest, FPL Vice President of Energy Marketing & Trading, stated that it was a pleasure to be at their meeting this morning to discuss the updated proposal for the customers for IRS that are currently served by the City utilities. They appreciated the City's willingness to engage with FPL to bring low rates to as many Vero Beach customers as possible. They started this endeavor six (6) years ago and that was the ultimate goal throughout this entire process. Their original letter of intent to acquire the City of Vero Beach's electric utility was signed in May 2011. Then they made their initial offer for IRS customers about one (1) year ago. They hope their proposal for the 3,000 customers located in IRS will be accepted by the City Council. They believe the offer is fairly straight forward. They are offering $30 million in cash for the Vero Beach facilities inside the IRS boundaries including distribution lines and feeders, real property rights, meters, and the associated equipment and infrastructure that provide electrical distribution service directly to the IRS customers, as well as customer information requested to set up customer accounts by FPL. The City of Vero Beach's rights, title and interest in the City of Vero Beach's 138kV transmission system and the seller's rights, title and interest in the Fort Pierce Utilities Authority joint facilities. He appreciated the fact that the City Council has always tried to put together a proposal that would benefit all. He said FPL has approached this as well from their side. They reviewed the IRS analysis as performed by the City's consultants and believe by making two (2) reasonable changes to the model it shows the City's remaining customers are kept whole and unharmed by the potential transaction and the City will benefit greatly by having the $30 million in hand. The changes he references have to do with estimates of expenses that have to do more with their projections on base sales growth. It also reflects the loss of

IRS accounts and implementing a system that reflects a smaller business. The value of the IRS customers comes out to about $27.5 million in their analysis. They appreciated the City Council's careful consideration of this offer and are looking forward to working together on this. The offer provides a good value to the City and keeps the City's remaining customers whole, while providing customers within IRS, FPL's lower electric rates.

Mr. Winger referred his questions to Mr. Wright. He said that FPL and IRS have offered to buy the City's facilities that serve the City's customer accounts in IRS for $30 million. He asked in his opinion, would this offer, if accepted, keep the City, our citizens, and the City's remaining electric customers whole, including any shift of fixed cost responsibility and reasonable protection against future cost risks, which are also referred to as contingent liabilities. He asked for a yes or no answer.

Mr. Schef Wright, City's outside attorney, answered no.

Mr. Winger then asked the same question to Mr. Wright as to Mayor Kramer's $47 million suggestion outlined in his August 11, 2016 letter to Mayor Brian Barefoot (attached to the original minutes).

Mr. Wright answered yes with a brief explanation. He said as to the fixed cost responsibility away from the departing IRS customers and the remaining City customers. He said the extra $5 million estimated by Mr. Herrington (City consultant) is a reasonable and sound estimate of potential cost impacts that could occur and an estimate of IRS's share of what they would pay towards the City's share of cost risks associated with the three (3) big power plants in which the City participates. He said things could be worse, which underscores the point that if IRS was to depart the City citizens and remaining electric customers would be taking on all of the risks that anything could happen. He said when things go wrong with nuclear power plants across the state things could be really bad and really expensive and even more expensive then what Mr. Herrington has anticipated.

Mr. Winger stated at the end of this discussion, he will be ready to accept Mayor Kramer's proposal outlined in his August 11, 2016 letter and will not accept less than that.

Mr. Wright continued with his presentation. He said that Council asked him to assemble a team of experts to estimate the rate impacts on the remaining Vero Beach customers or citizens if the City was no longer to serve IRS. The team consisted of Mr. Bill Herrington, Mr. Gerry Warren, Mr. Henry Thomas, Mr. Murray Hamilton, and himself. He said that Mr. Thomas and Mr. Hamilton are their rate experts, Mr. Warren and Mr. Herrington have an extensive knowledge in the electric utility industry and he has over 36 years of experience in the energy industry in Florida. The "Team" prepared the best estimates that they could come up with. Their estimates are if there were to be a shift and they were to no longer serve IRS it would take a one (1) time payment of approximately $42 million to keep the remaining customers whole with respect to the fixed cost

responsibility shift. He said if the City no longer served IRS some costs would be reduced and is reflected in their analysis. But there are a lot of bulk power costs that don't change. There are fixed costs of operating the City's electric department and non-departmental functions that support the City's electric that don't change. He said there is a General Fund transfer and the City's electric debt that doesn't change. If they were to consider reducing the General Fund transfer then there is a real economic cost to everyone who is remaining on the system. He said either customers have to pick paying higher utility rates, higher taxes or those who benefit from City services will have to accept a lower level of City services because there will be less money available to fund those services. He said the Team came up with their best estimates and their best estimate is that $42 million should be the cost paid to the City if they were to sell their IRS customers. He said $30 million does not cover it and does not keep the remaining customers whole. In addition they were asked to look at "contingent liabilities" and the City are virtual co-owners in three (3) big power plants. He said they are Stanton I, Stanton II, and St. Lucie II. If something goes wrong with one (1) of those plants the repair bill will be part of their obligation and the City will have to pay their share. He addressed the escalation rate by saying the Team assumed 3% including customer growth. He said this is a rounded down value from the 3.2% values that are included in the rate study their consultants are currently working on. He said regarding escalation, he told Council in the current pending rate case before the Public Service Commission (PSC) there is the issue of what are the appropriate inflation and other trend factors for use in forecasting the 2017 test your budget (FPL's 2017 budget). He said FPL's position is the appropriate inflation factor forecasting the 2017 test year budget is a 2.5% increase in the Consumer Price Index (CPI). The suggested criticism that the City should be able to reduce its cost by more than 3% to 7% assumed in their analysis for the Electric Fund and non-departmental costs is unfounded. He said it is because those are numbers founded by an analysis by the City's Finance Director and Utilities Director.

Mr. Howle asked Mr. Wright with regards to the $5 million in contingent liabilities and assuming that IRS makes up less than this and let's just assume they make up 10%. He said if that is the case then one would discern for the entire whole system they would have contingent liabilities of $48 million. He asked where is that $48 million in their budget today for those contingent liabilities.

Mr. O'Connor explained that this money is not in a budget because it is dealt with as an "expense occurs." He said it would be reflected in the rates.

Mr. Howle continued by saying that they have had numbers brought before them several different ways and several different times. It is his understanding that just a few years ago Mayor Kramer estimated the value of each of these consumers to be approximately $3,000 per person. He said now FPL has figured $10,000 per person, which has more than doubled what Mayor Kramer was proposing. He doesn't know how they could not see that this was a fair deal for the City. Especially if they consider the fact if the sale does go through the City would be making a smaller electric utility business. He said a 3% escalation rate is very cautious. He recalled that Mr. Bob Auwaerter brought up

some interesting numbers showing that the City would not be at a loss if this deal is to be completed.

Mr. Wright stated that he felt their escalation rate was probably conservative and given findings that may come from the efficiency study that they may be under staffed and he thought 3% was a very conservative number in favor of IRS with respect to the cost savings that would kick in, in 2019.

Mr. O'Connor commented that they did the Optimization Study on the electric system and one of the findings was that their employee to customer ratio was very low considering the standard electric utility working under the same environment. The idea that they could reduce their employee workforce when they are too low aready is impractical.

Mr. Howle stated that if he was to take a 3% escalation rate and expand on it for a 30 year period, he does not know if anyone would be able to pay their electric bill because it would be such an absorbent cost. He does not know how this could be possible considering the fact that no one would be able to afford electricity at the end of that 30 year period.

Mr. Wright explained that there are a lot of variables that go into whether you would be able to afford electricity in 30 years. He said they are using a 2½% inflation rate. He said as sales grow someone would spend more money on water, electricity, etc. He said if your income grows by 3% or more then you would be able to afford electricity in 30 years to the same extent that you can afford your electricity bill today.

Mr. Howle said if they don't take advantage of this deal that has been brought before them and in turn could utilize this money for debt service they have in the City today and don't take this offer there is a judgment in favor of IRS essentially allowing them to get out of their relationship with the electrical business in Vero Beach. He assumed that $30 million is off the table and also assumes they will only hit an amortized rate for the remaining electrical equipment that is on IRS's property.

Mr. Wright did not agree with the statement made by Mr. Howle. He said that IRS has dismissed with prejudice its lawsuit and they cannot bring those claims back and the standard evaluation principle articulated in Florida Statutes for the purchase of an electric utility system in a domain proceeding is replacement cost new, less depreciation, plus going concern value. He said the shift cost responsibility is the going concern value.

Mrs. Turner asked Mr. Wright if it was true in both his analysis, as well as the offer they received from IRS that both of those offers include the 6% transfer from IRS customers, that dollar amount for the 30 and 50 year period.

Mr. Wright said not specifically. He said the $42.4 million number provided to them by their Team includes that. He said IRS's offer ($30 million offer) does not provide for 6% of the General Fund.

Mrs. Turner commented that they have recently executed a new contract with Orlando Utilities Commission (OUC) and asked if there was anything in the OUC contract imposed on the City that would prevent them from agreeing to sell 10% of their customers. Mr. Wright answered no. Mrs. Turner then asked the same question regarding their FMPA contract. Mr. Wright said not specifically. He said his understanding is that FMPA has communicated with IRS that they do not believe that the sale of 10% of their customer base would cause a violation of the City's obligation to them under the project contracts. His answer was no with an explanation.

Mr. Howle went back to contingent liabilities and asked if they had any incidences in the past where they were responsible for any contingent liabilities that he is unaware of.

Mr. Wright explained when the City entered into its contract projects for the St. Lucie project in 1984 they did not foresee that FPL would spend several million dollars upgrading the plant in 2011. He said as a virtual co-owner the City had to step up and pay for their share. He said as far as the discount rate, they assumed is 3%. He said the 3% they assumed was a round-up in favor of IRS from the 30-year Treasury Bond rate that was prevailing in April of this year.

Mr. Bob Auwaerter, Vice President of the Utilities Commission, passed out a memo that he referred to and explained it (please see attached). He addressed Crystal River. When looking at FMPA financial notices the only thing they talk about in regards to Crystal River is suing Duke Power for money. He said they (FMPA) will end up getting their money back and not the other way around. He concluded by saying that the $30 million offer from FPL is a win/win situation for all parties involved.

Mr. Winger asked Mr. Auwaerter if he was an FPL or City utility customer. Mr. Auwaerter said that he was a City utilities customer. Mr. Winger asked Mr. Auwaerter where did he live. Mr. Auwaerter said that he lives in IRS. Mr. Winger said so he advocates for lower power rates for himself. Mr. Auwaerter said yes and admitted that he had some "skin" in the game.

Mr. Howle stated for the record that he was in favor of lower power rates.

Mrs. Laura Moss, Chairwoman of the Utility Commission, stated that she has been through all the numbers. The Utilities Commission voted unanimously to recommend this offer to the City Council that they are in favor of it and expressed the expiration date that is included in the letter. She showed a newspaper article from 2013 where the headline was the Vero Beach Utilities Commission supports the sale of the utilities to FPL (sell the entire utility). She said that Mr. Scott Stradley was Chairman of the Utilities Commission at that time. She read some excerpts from that article and said they have been looking at this for a long time. In 2010 there was an article printed stating that Mayor Kramer proposed a partial sale and it was not well received, but it was talked about. She said what they are leaving out of the equation is the will of the people. They have spoken and voted on this and it is time to fulfill the will of the people. She said the

Utilities Commission spent more than an hour discussing this matter. She invited everyone to review that meeting, which is on the City's website. She said on behalf of the community let's fulfill the will of the people.

Mr. Winger asked at that time was this to sell part or the whole system. Mrs. Moss said it was to sell the whole system. Mr. Winger felt if they sell off part of the system it will make it difficult to sell the rest of the system. He questioned if FPL has increased their offer for IRS, why aren't they pushing for the entire sale for all the people. Mrs. Moss said that Mr. Auwaerter did a good job explaining the numbers and the offer from FPL is a solid one. As far as the will of the people the Utilities Commission believes that there is no harm in doing this. It is the first step in deliberating. Mr. Winger reiterated by making the utilities smaller it will be less attractive to sell. Mrs. Moss did not agree.

Mr. Howle commented that when looking at the numbers provided by Mr. Auwaerter he felt that this was a great deal.

Mr. Brian Barefoot, Mayor of IRS, stated that he was a resident of IRS and thanked Council for allowing him to speak. He then read a prepared speech (please see attached).

Mr. Lange Sykes commented that politicians make promises and a majority make promises that they don't keep. He said this deal is a no brainer, but the majority of the City Council lacks the willingness to push for this deal. He asked Council to please vote in favor of this deal for the future of Vero Beach and Indian River County.

Mrs. Debbie Mayfield, State Representative, said that no one is a stranger to this issue and there is a one person swing vote on the Council. She hoped that Council would listen to the people. The Utilities Commission came back with a decision of 5-0 in favor of the sale. Their comments are right on target. Council is supposed to be representing all of their customers. The Utilities Commission has laid out the right thing to do. She said FMPA is the driving force in not wanting this to happen. The electric department has been the City's cash cow for a long time. The citizens of IRS should have the opportunity to choose who they want for their services. This is a fair price. She said they probably know how this vote will go. She asked them to listen to the people. There have been two (2) referendums held and the people voted to sell and are still being blocked by the City Council to sell.

Mr. David Hunter brought up the concerns of the pension liability. He said that is a serious issue, but they are mixing apples and oranges. The issue today is if you want to do a partial sale, but not a give away. They have hired consultants who have done an economic analysis and decided the numbers that work for Mayor Barefoot assuming no contingent liabilities is like having a king walk around without clothes saying he has clothes on. The question of the gap is between $42 million and $30 million. They have to consider and be concerned about the General Fund transfer if they don't get that reimbursement from the partial sale. They would have to cut costs throughout the City or raise taxes, which means declining services in the City of Vero Beach. He told Council to stand with their experts and ask that the counter offer be more realistic.

Mr. Richard Gilmore recalled nine (9) years ago he was at a Florida League of Cities (FLOC) conference sitting with former Mayor Tom White and his wife and he asked him about the sale of the utilities. He said ultimately the best thing for Vero Beach would be to switch over to FPL for lower rates. This would save their constituents millions of dollars for years. Mr. Gilmore said when companies take over piece-mill it generates more cash then sold whole. He said $30 million now for their clients is a good deal and should be considered seriously. He thanked Council for all their hard work.

Mr. Toby Hill stated that he lives in the City of Vero Beach, his business operates in the County, but he pays City utilities. He said as a contractor most of his sites are on City of Vero Beach power. He is in favor of the sale and would like lower rates. He mentioned the number of years this has been going on and that it took two (2) years for Dr. Faherty and Mr. Heran to bring it to the public's attention. He knew that Council was familiar with his involvement with the Tea Party and he recalled at one of their meetings, Mr. Winger indicated approval of the sale.

Mr. Winger stated that he was in favor of a total sale and this would make a total sale harder.

Mr. Hill honored the Mayor's request to not get into any sort of debate. He said that Mr. Winger has been a proponent to sell the utilities when running for office. He said when Mayor Kramer first ran for office he was in favor of the sale of the utilities. He was also a proponent of having a partial sale of their 3,000 IRS customers and now has said that he won't vote for it. The question of what is going on here is a good question. He feels this has gotten very political. He brought up the FMPA contracts and the OUC contracts when they were first signed. He said taking dollars without getting approval from their neighbors is deplorable. He questioned why they mistreated IRS. He understands that the unfunded liabilities are a daunting number, but mistreating their neighbors is not the answer. He said until forced to address this issue head on they will continue to be stuck in the sand.

Mr. J. Rock Tonkel read his prepared speech that he submitted to the Press Journal.

Mr. Mark Mucher commented that when this was brought up before the Utilities Commission he reminded them that this $30 million was going into the electric coffers. It cannot be used to pay off Other Post Employee Benefits (OPEB) or anything like that. If the $30 million were to remain in the Electric Fund the rates could be reduced and not raised. He questioned if their rate consultants examined what would happen if they put this $30 million in the Electric Fund what impact would it have on their rates. He asked them to minimize this concept of contingent liability. He suggested having their rate consultants look at putting the $30 million into the Electric Fund.

Mayor Kramer reminded Mr. Mucher that they have a deadline of August 25th to give their decision to FPL.

Mr. Al Benkert mentioned his background and said FPL is a for profit company. The electric utilities are a profitable business owned by the City of Vero Beach. They have an asset that makes money for the citizens of Vero Beach. The City Council is responsible for this asset and before selling any asset they better make sure they are getting a good price for it. He suggested having FPL or IRS be responsible for the contingent liabilities. He asked for a raise of hands from the Council members who were supported by FPL in the last election that they ran in or accepted contributions from residents in IRS.

Mayor Kramer told Council that they did not need to respond to Mr. Benkert's request. He said the City Clerk has those records on file if anyone would like to request them. They don't need to get into any animosity.

Mr. Benkert felt that if there is someone on Council who has an allegiance to FPL or IRS they should recluse themselves from voting. He hoped any Councilmember voting to sell the utilities to FPL would remember the asset they are selling and it is their job to protect the City.

Mrs. Erin Grall appreciated the opportunity to speak today. She thanked the City Council for their service. She commented that she recently moved into a different home and when they were looking for a home it made a difference to her whether the utilities was on FPL or City utilities. They did purchase a home that is in the County, but on City utilities and their electric rates are high. She said they are being taxed by the City of Vero Beach without representation on this Board. Since she started campaigning for the State Representative position she has been knocking on a lot of doors and has spoken to people, not just in IRS, who have told her that their electric rates are burdensome. This is coming from both residents and businesses. She supports this sale to FPL. She would love it if the total utilities could be sold, however she understands what is in front of them and this is the first step. She knows that there are a lot of people in this community who would help the City of Vero Beach with their challenges in moving forward. The City will have challenges, but if they work together these things can be accomplished.

Mr. Philip Katrovitz commented that he is hearing people say that it is the will of the people to sell their utilities to FPL and he cannot agree with that. He said that FPL has brainwashed a lot of people with a myth that the rates would stay the same. He said once they get control and their lobbyist do their job then rates will start going up. He lives in Vero Beach and pays electric rates and is happy with the service he receives. He said if it wasn't for Vero Beach electric years ago, IRS would not have power because FPL turned them down. The sale is not the will of the people and if you have to sell a partial of it you will need to get a decent price.

At this time, Council took a five-minute break and the meeting reconvened at 11:25 a.m.

Mr. Erin Indian stated that he lives in Vero Beach and is on City utilities. He said his bills are high even though he tries to conserve electric. He felt that the basic point was not being addressed. If this is an asset and the City Council is the Board of Directors what are the chances having them think outside the box that they hold the key to the

energy available today. By releasing the power to a large corporation getting things done is a lot easier than if it is in their hands. He said they may want to consider alternative energy sources.

Mr. Miles Conway, South Beach Homeowner's Association, stated that he was representing 20 of the 31 Associations on South Beach. There are 2,600 utility customers located in this area. He said that he would basically tell Council what the will of the people in South Beach is. He was able to send out an email to these different Associations asking them to let him know how they feel. He then shared with Council the results that he received back. One Association said they would support it if it lead to a total sale. Another Association said they could not support the sale because they want the whole system sold. He said that Mayor Kramer is attempting to protect the full time residents in South Beach as well as mainland residents. The next Association said they would go either way. Another Association opposed any increase on top of what they were already paying. The next Association (Group 5) the vote currently stands 3-2 against the partial sale. In Association Group 6 it was an inclusive recommendation. He said Group 7 was in favor of the sale providing that it would lead to a further sale to FPL and Group 9 remained neutral. He said the overall consensus was not to support the sale if would not lead to a total sale.

Mr. Conway then made some personal remarks. He said that he has lived in the unincorporated area of Vero Beach for the last 25 years. His electric bills range around $1,000 a month. He has put a human touch to the numbers, which he will explain. There is a real estate lady who lives in the South Beach area and who is a mother to her 54 year old son suffering from terminal cancer. She struggles to cover her electric bills. Now with this proposal they are going to be asked to subsidize IRS. He told the Mayor not to listen to a word that 32963 magazine (he referred to it as a "rag") says about him. He urged the City Council to look at the Mayor's honesty and go with his leadership.

Mr. John Bezzy (spelling may not be correct) said that he would like to have his electric rates lowered if possible. He appreciated the difficult decision this Council was facing today. He heard earlier that in 2011 there was an FPL letter of intent to buy the whole utility and included all liabilities, which they know has been peeled away. He noted that FPL has the lowest rates in the state. He asked if this agreement is still in place. He was told that it is still in place until December 2016. Mr. Bezzy continued by saying that he has not heard any more on discussions of that exclusive agreement. He said right now they are dealing with a partial sale to FPL. He believes in the economy of scale and something whole is more valuable then when you take it apart.

Mrs. Linda Hillman stated that she lives in the City of Vero Beach and pays utilities and is in favor of a complete sale of the whole system. She recalled in the 1960's IRS petitioned to the City of Vero Beach asking for help. They begged the City for water, sewer, and electricity and now they say they are not represented. She pays taxes to both the County and the City and doesn't complain about her utility bill. She doesn't complain because a couple of years ago on Christmas Day her electricity went out at 7:15 a.m. and very soon after there was someone from the City of Vero Beach utility company

fixing the problem and getting her electricity turned back on. It was only out for approximately twenty-minutes. She agreed that $30 million would bring down the debt and $47 million would pay it off so the City of Vero Beach wouldn't have to foot the bill. The City stepped up to help IRS when they needed it. She mentioned that FPL has been putting thousands of dollars into campaigns to buy people. The City voters voted this Council in and they (City Council) need to help them. They do not need or want a partial sale. When Mayor Kramer brought this up years ago every City Councilmember said no.

Mr. Jerry Weick, IRS ratepayer and Vice Mayor of IRS, requested to speak. He said the agenda item is a partial sale for $30 million. The City Council is concerned that the ratepayers and taxpayers should be kept whole. The deal is between FPL and the City of Vero Beach for $30 million to buy 3,000 customers. That $30 million should go into the Electric Fund and if that is done there will be no downsizing for taxpayers or ratepayers. This would be good for 50 years in subsidizing their taxpayers. Now if the money is put in other places then the taxpayers could lose. He understands if they went over power authorization and had to pay higher cost for electricity if IRS was to leave they would have less power demands and a cushion before going over their power limit. In the winter time they go over their limit more often because heat is more expensive. He asked who is going to pay for the Power Plant to be torn down. They could use some of the proceeds from the sale to cover this expense. The ratepayers would get the building torn down and the City would save money. There will be fewer customers in Vero Beach so they won't be sending out so many utility bills and will be saving in postage. Maintenance costs would go down because they would not have to maintain the facility in IRS. They would save on material cost (telephone poles, transfer poles, etc.). So the taxpayers are being taken care of by money being invested and the ratepayers are being taken care of by taking down the building. This City Council will be able to make a decision that is best for everyone. Ratepayers and taxpayers are not harmed by this $30 million offer.

Mr. Ken Daige stated that he has heard a lot of interesting comments today and the City Council has a tough decision ahead of them. They (City Council) are elected to represent the taxpayers of this City. They have taken an oath to do what is right for this City. The Council hired consultants to do a study and they have hired a City Manager and a Finance Director to give them advice on what is best for the City. These are people they rely on for pertinent information. The consultant hired to do the rate impact study did their analysis and is responsible for the results they presented to Council. The offer on the table from FPL on behalf of IRS does not keep the City whole. He went through the consultant's report, which says this is not going to work (referring to the money needed). He asked staff what would be the benefit of this partial sale to their residents and he was told there is none. A number of years ago they were approached by IRS to bring water, sewer, and electric to their City in order to help them develop, which they did. They have to honor the agreements they made years ago. Some people do feel any contract can be broken. Take a look at what has happened to the City of Vero Beach. There have been lawsuits from Indian River County and IRS. So far the City has had victories with all of these lawsuits. He said everyone needs to understand that you cannot break certain laws and statutes. He said it was very clear in going forward that the City, City residents, and

City taxpayers, will have to pay in the future for this partial sale if it goes through. He doesn't think any of them should pay one (1) dime to make this happen. Council is under political pressure to go along with the partial sale. The City is under constraint with the agreements that the City has signed. They have to follow what is in the contract that they signed. If they break up the system then there will be less value to it. How much risk are they willing to put them (City residents) under. A number of years ago, he was pushed to do what he was told regarding this situation, but he was not willing to push it without certain things being addressed. He asked Council to please do what is right for the people they serve. It is not a great idea to go with this offer. Everything has not been weighed out. Do what is right for the City. As a Councilmember you have reduced their electric rates and should continue to look for other ways in reducing their costs.

Mr. Weick clarified that if they tore down the Power Plant then the City could reap the profits of that piece of property. Also, by not serving IRS they won't have any contingencies for that area in case of a hurricane. These are some more pluses for the City taxpayers.

Mrs. Honey Minuse stated that she has been a City resident for 28 years and remembered when the idea of a partial sale came up some years ago that there were not very many people in favor of it. When it was suggested, FPL said that they wanted to see if they could get a full sale first. Unfortunately, the numbers don't work. Council needs to trust the attorneys and experts hired to look at these numbers. The numbers received from FPL are the best they can do. The function of the City is to provide service. Council needs to listen to their hired outside attorney and the experts they hired to evaluate this and not proceed with doing something that would be burdensome to their customers residing in the City and in the County. She congratulated Council in their continuing efforts to lower the electric rates.

Mrs. Peggy Thompson commented that three (3) of the five (5) Council members received her vote when they were running for election because they were in favor of selling the utilities. They were put in this position by the majority of the people who want this sale to happen. She said six (6) years have gone by and the person she is speaking to knows who they are and ran on the platform for this sale and now all of sudden is saying he is not going to do this. She reminded Council that they appoint the members who serve on the Utilities Commission and these members have unanimously recommended approval of this partial sale. She urged Council to listen to the people they have appointed to the Utilities Commission to make this decision.

Mr. Peter Gorry, Chairman of the Finance Commission, stated that unlike the Utilities Commission, everyone sitting on the Finance Commission must reside in the City. The Utilities Commission's only responsibility is giving advice on the electric, water, sewer, and solid waste, and none of the other entities residing in Vero Beach. He expressed that the City is in good financial shape. He made a presentation at the Utility Commission meeting and had some questions because the due diligence done in the total sale was flawed. He has a concern about FPL's deadline of December 2016. He has some real reservations about the numbers they are looking at today. He feels they should do due

diligence and not in one week make a decision. He would be happy to have the Finance Commission review this if Council would like them to.

Mr. Jeff Thompson stated that he is an advocate for the sale. He has heard people say $30 million is not a lot of money. He said it is a lot of money. He brought up the unfunded liabilities that they are looking at. He said this $30 million would help with those liabilities. They have a verified offer from FPL for $30 million and the majority of the City of Vero Beach voted for this sale. He asked the City Council to make a good decision, because this offer is fixing to disappear.

Mrs. Turner made a motion to accept the $30 million offer for the sale of IRS. Mr. Howle seconded the motion.

Mayor Kramer amended the motion that IRS pay an additional $17 million to make it $47 million. Mr. Winger seconded the amendment to the motion.

Mrs. Turner commented that she was a bit shocked to see the letter sent to Mayor Barefoot on Mayor Kramer's own initiative. She said they are a five (5) member Council and as Mayor he is given the authority to preside over a meeting and to handle ceremonial manners. She said putting forward that negotiation she felt would have required review and discussion of the total Council.

Mayor Kramer noted that the memo that went out was not on any type of stationary and was signed by Jay Kramer and not Mayor Jay Kramer. It was signed as an individual and any individual could write that letter.

Mr. Howle stated that IRS has a franchise agreement that is going to expire. He said at the end of the day this is taxation without representation. They need to take into consideration what is right and what is correct.

Mr. Old commented that this is a very difficult decision for them to make. He has spent a lot of time on this issue. He attended the Utilities Commission meeting and the discussion was good so he had to stop and think how strongly he felt about these numbers. He said that he is good with numbers, however maybe not as good as Mr. Auwaerter and his presentation before the Utilities Commission was very good. Mr. Old said he spent a lot of time after that meeting going through the numbers and he came away supporting the numbers given to them by their consultants. He said in his mind the inflation rate going forward is conservative. He knows that there are things that have not been done with the utilities in the last couple of years because it has been up for sale. He said it makes sense to try and make sure that they go with what the experts they hired are recommending. He feels very comfortable sticking with the $42 million in terms of the idea of what doesn't hurt their citizens. He said that he is up for re-election and he doesn't understand people calling him and saying that they will support him if... He doesn't get that and doesn't think that many people get it. He said people do not influence him. He said the insinuation that they are in someone's pocket is just not true. He said this is a hard decision to make when there have been a lot of good arguments

come up about how to handle this and why it should be done this way or that way. He reiterated that he felt comfortable concluding that their numbers were correct.

Mrs. Turner commented on the amendment and said obviously looking at the contingent liability if this estimate is correct that they have been given for IRS and they are looking at a $53 million contingent liability for the total electric utility in addition to another $42 million that FMPA has claimed that they owe to get out of All Requirements Project (ARP) then they are all going in the wrong direction. They have stopped fighting FMPA early on, which is why they are here today. She said if they had kept that fight to push forward for the total sale they wouldn't be looking at a partial sale. She felt the whole contingent liability was a nightmare. She said this City Council is also the Board of Directors for the utilities. They have a vested interest to look out for all of their utility ratepayers. She said although they have not asked that IRS customers be put up for sale, IRS is an independent City. She believes in home rule and every municipality has the right to decide what goes on within their boundaries. She said IRS has complied with the franchise agreement and given proper notice. They have paid Vero Beach electric rates for over 30 years and now they have come to the City with a reasonable offer whether someone wants to agree with one group of experts or another group of experts. She said they need to look at the objective market and see what has been sold at a National and State level. She said this offer is two (2) to three (3) times higher per customer then what has ever been offered. She said they can keep hiring consultants and playing the game. But, they need to be looking at the objective market. They have been given a reasonable offer. She believes in protecting their customers and feels this $30 million offer does that. It protects their customers and will return tranquility to their community. She said IRS are their neighbors and should be treated fairly. She said this is a good deal for the City of Vero Beach.

Mr. Winger stated that he agrees with the comments made earlier by Mr. Old. He felt that he would be violating his fiduciary responsibility to take anything less than the advice given to them by their consultants. He has studied this, been involved in it, but felt they were talking about the wrong subject. He said what they really should be talking about is FPL enhancing their offer and buying the whole utilities. He feels the right course in the long run would be to sell all of their utilities.

Mr. Howle felt that this was a step in the right direction to get a full sale. He said it was better than nothing and won't falter any eventuality of that happening.

Mayor Kramer wanted them to keep in mind that this was not something that they could sell a piece here and then sell a piece there. He said once they start eroding their pay there becomes a limit where you are not allowed to do that anymore.

Mrs. Turner commented that yet the impact of the sale of IRS was evaluated as negligent when they first did the analysis.

Mayor Kramer stated that there does come a point where it does matter.

Mr. Weick asked what the motion was and if it has been amended.

Mayor Kramer told him that the motion was amended, but they have not voted on it yet.

Mr. Weick continued that this sale is between FPL and the City of Vero Beach and they are amending a motion that IRS has never discussed and as Vice-Mayor of IRS, he is saying that it won't be discussed. It is not on their agenda. The item on their agenda is for a partial sale for $30 million and that is what the motion should be not with amendments to it.

Mayor Kramer said that the agenda item was a presentation from their attorney.

Mrs. Turner understood Mr. Weick's objections to the wording of the motion.

Mr. Weick said that the motion maker has to accept the amendment to the motion. He asked Mrs. Turner if she accepted the amendment.

Mrs. Turner answered no, that she has not accepted the amendment.

Mr. Wayne Coment, City Attorney, instructed Council that they need to vote on the amendment first, then they go back to the original motion. He said there is a motion on the floor and there should be no public comment once a motion is on the floor.

Mayor Kramer commented that he does not believe that this vote is the end, although some people believe it is. He is amazed at some of the work that has been done with the numbers to justify this $30 million. He said if the numbers are supposed to be good for them, why are they not good for IRS. They need to put their money where their mouth is. He said that is what needs to be done and what he has done. He said if they want to come up with a method to mitigate those things they have not had the time to go through that.

Mr. Weick said they have heard the presentation for the $30 million and that is it.

The Clerk read the amended motion back for the record.

Mr. Coment suggested that considering the objections they were just hearing that perhaps the amendment would be to counter to FPL for $47 million.

Mayor Kramer said that he would accept that. Mr. Winger seconded it.

On a roll call vote the amended motion passed 3-2 with Mr. Howle voting no, Mr. Winger voting yes, Mrs. Turner voting no, Mr. Old yes, and Mayor Kramer yes.

Mayor Kramer stated that there is a motion on the floor for the offer. He asked Mrs. Vock to call the roll.

There was some confusion as to what the motion was.

Mr. Wright stated that he would try to clear this up. He said that Mrs. Turner made a motion and it was seconded by Mr. Howle and before it was voted on it was amended to accept an offer of $47 million. That amendment passed as it was by a vote of 3-2. Then Mr. Coment chimed in to clarify that there is no offer of $47 million on the table. He would understand the intent of the amendment was to extend a counteroffer to FPL to sell the Shore's business as defined in FPL's nonbinding offer letter for a price of $47 million. He thought this is what Council voted on.

Mr. Coment commented that Mrs. Turner made a good point that the original motion was to accept the offer of $30 million and he might of misspoke when he said a counteroffer of $47 million. He said the option is to go back to the $30 million and if that doesn't pass then another motion could be made or to consider the amendment, which is that the City would accept an offer of $47 million.

Mr. Wright felt that the intent is to make a counteroffer to FPL that this City would sell the Shore's business as set forth in FPL's non-binding offer for $47 million.

Mayor Kramer withdrew his amendment. Mr. Winger withdrew his second.

Mr. Wright said now they need to amend the original motion to make a counteroffer to FPL to sell the Shore's business for $47 million.

Mrs. Turner suggested taking a vote on the original motion because she said that this is becoming so confusing that no one knows what is being voted on.

The Clerk polled the Council on the amended motion to make a counteroffer to FPL to sell the Shore's business for $47 million. Mr. Howle voted no, Mr. Winger yes, Mrs. Turner stated that she was still not clear on what the motion was. Mrs. Vock reread the motion. Mrs. Turner said that this was an amendment to her motion, which was to accept a $30 million offer and she would vote no, Mr. Old voted yes, and Mayor Kramer voted yes. The motion passed 3-2 with Mr. Howle and Mrs. Turner voting no.

Ms. Jackie Rauch, Vice President of External Affairs and Economic Development for FPL, stated that their offer was final and will remain open until the deadline date of August 25th. She said if the City chooses not to accept the offer then FPL wishes them the best of luck.

At 12:49 p.m., Council took a lunch break and the meeting reconvened at 2:00 p.m.

D. Presentation items by the public.

3. CONSENT AGENDA

1. **Regular City Council Minutes – July 12, 2016**
2. **Request for Alcohol – Burgers & Brews Event – July 1, 2017**

DOCKET NO: 170235-EI & 170236-EU EXHIBIT # CAIRC 65

WITNESS: _____

PARTY: CIVIC ASSOCIATION OF INDIAN RIVER COUNTY, INC.

DESCRIPTION: COVB MEETING MINUTES OF DECEMBER 6, 2016

PROFFERED BY: CAIRC

CITY OF VERO BEACH, FLORIDA
DECEMBER 6, 2016 9:30 A.M.
REGULAR CITY COUNCIL MINUTES
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA

The invocation was given by Pastor Michael Ashburn, Freedom Center Church of Vero Beach, followed by the Pledge of Allegiance to the flag, which was led by Vice Mayor Howle.

1. CALL TO ORDER

A. Roll Call

Mayor Laura Moss, present; Vice Mayor Harry Howle, present; Councilmember Richard Winger, present; Councilmember Lange Sykes, present and Councilmember Tony Young, present **Also Present:** James O'Connor, City Manager; Wayne Coment, City Attorney and Tammy Bursick, City Clerk

Mayor Moss commented that she has had jobs that were just as demanding as this one and maybe paid a little bit better, but being Mayor is the best job of her life. She absolutely loves it. She thanked the public for giving her this opportunity. She also thanked Piper for providing their new M600 turb prop jet to fly Santa in to their beautiful Airport last Friday. Their Airport is better than ever with Elite Airlines there and thanks to Mr. Eric Menger, Airport Director, and the singers from Oslo Middle School for making the event really special. She said speaking of students they are so fortunate to have a Charter High School student at their meeting today. They will again be on their best behavior so that they can set a good example.

Mr. Winger felt that they need to bring two (2) items forward in commemoration. He said the first item was that they lost a young man and the other is Pearl Harbor Day. He suggested that they have a moment of silence for Mr. Jimmy Graves who was killed in a tragic accident.

At this time, in honor of those who served at Pearl Harbor, the Council read the names of the men honored on the Veterans Memorial Island Sanctuary Pearl Harbor Survivors Memorial (list attached to the original minutes). There will be a Memorial service tomorrow at 12:30 p.m. in Sebastian to honor these individuals.

2. PRELIMINARY MATTERS

A. Agenda Additions, Deletions, and Adoption

Mayor Moss stated that with regards to the agenda, she has had a request to move the consent agenda forward. The next item would be to move forward item 2C-2), which are the discussion items pertaining to the partial sale. She requested that items 11A-1), 11A-2), 11A-3, and 11A-4) be heard while this discussion is taking place as they are related to

Mr. Young would also like to know the plans for Indian River Boulevard. He was told that Indian River Boulevard is a County and State operated road.

Mr. Brian Heady requested that within the confines of this project to please fix the problem from 43rd Avenue to St. Helen's Church. He said the far right lane is so terrible to drive on that he avoids driving on it. He said if they could fix that lane of the road it would be great.

Mr. Joseph Guffanti requested that in their domain that they reconfigure the intersection of Royal Palm Pointe/Place and get rid of one of those lights.

Mr. Dorvil said he would look into these different problems just mentioned to see if improvements are needed.

2) Discussion of Partial Sale (Vero Electric)

Mayor Moss stated that in order to establish the context of how the partial sale of Vero Beach Electric to Florida Power and Light (FPL) will occur, she asked the City Clerk to play a very short excerpt from the Utilities Commission meeting of November 8, 2016.

Mayor Moss explained that this excerpt was from a regularly scheduled Utilities Commission meeting that happened to occur on election day. She was at that entire meeting and then went back to campaigning for City Council once the meeting was over. The reason that she asked that this excerpt be played was because the meeting did occur the morning of the election so no one knew what the outcome of that City Council race would be. They knew that the election was functioning in effect as a referendum on the electric issue. As Chairwoman of the Utilities Commission her position was well known. She voted for the partial sale in August as a member of the Utilities Commission and she has fully supported the full sale long before that and continues to work towards that. She said the main point here is that the voters are the residents of the City of Vero Beach. In the recent election she received the most votes for candidates for City Council and again the voters are the residents of the City of Vero Beach. This was their opportunity to make their wishes known with regards to both the partial sale and the full sale. Her position on both has been well known for a long period of time. She has a mandate from the people of the City of Vero Beach and she will do everything in her power not to disappoint them. She serves them and she is honored to do so. She thanked all the voters of the City of Vero Beach. She hears them and she urges all other parties involved in this matter to hear them also. She said at this time they will move on to discussing the Letter of Intent.

Mr. Winger asked the City Clerk to make as a part of the record, the letter that the City Council received from the Civic Association of Indian River County, Inc. that was dated December 3, 2016 (attached to the original minutes).

Mayor Moss stated that before they discuss the Letter of Intent she wanted to update the context in which this letter comes to them. She said that she had a meeting with Mr. Jacob Williams, who is the new CEO of the Florida Municipal Power Agency (FMPA) last Thursday. She said at that meeting she requested that FMPA provide a valuation of our assets. She said that Mr. Williams agreed to provide these numbers. She said for the community, FMPA is often cited as the main stumbling block to a full sale. She said if they begin to work with the City and not against us then that is very favorable. She said a valuation has been requested for quite a long time, but has not been forthcoming until now. She reiterated what she said at the last meeting, that this is a unique moment in time with regard to the electric issue. She said Mr. Williams is new in his job and she is new in hers. They have both come with a fresh point of view that she believes will be helpful in settling this matter. Additionally, she has done some preliminary research on the bond covenant issue raised at the last meeting, thus far it is her understanding that the $30 million in proceeds from the partial sale must remain within the utilities to be used for debt service or capital improvements. She said this $30 million would be used to benefit the City. She said with regard to the Letter of Intent there is a specific phrase that she thinks should be a comfort to everyone and that is on page 1, part 1, paragraph 2, where it states *"neither Party is bound to proceed with the Potential Transaction unless and until mutually acceptable..."* She asked Mrs. Amy Brunjes to come forward and give her comments on the partial sale and to reaffirm FPL's commitment to a full sale. Then she will invite other parties with an interest in this matter to make their comments. This way they will be fully informed prior to City Council's discussion. She said after they have heard from everyone she plans to make a motion on this matter.

Mr. Winger asked Mayor Moss if it would be appropriate to ask Mrs. Brunjes questions about the Letter of Intent.

Mayor Moss asked Mrs. Brunjes to make her comments. Mr. Peter Gorry wished to make comments about the election, but was asked by the Mayor for his indulgence in first letting Mrs. Brunjes speak.

Mrs. Amy Brunjes, Representative from FPL, stated that Council has been provided with a Letter of Intent for the purchase of Indian River Shores (IRS) customers served by the City of Vero Beach Electric. She said the letter is fairly straight forward and FPL's Senior Attorney, Mr. Patrick Bryan, is at today's meeting to answer any questions that Council might have. She said they are asking for the City Council's acceptance of this letter today so that they can begin the transaction process of the partial sale. She also emphasized that FPL remains totally committed to a full sale. She said as Ms. Pam Raush stated in her November 21, 2016 letter that she wanted to insure the City that FPL remains very interested in pursuing a full sale and looks forward in assisting the City and all interested parties to developing that path forward. She was happy to see Mr. Winger's agenda item to press forward with a full sale. She said FPL will certainly look forward to working with him and his leadership on this issue in the future.

Mr. Patrick Bryan, FPL Senior Counsel, provided an overview of the Letter of Intent. He said the letter sets out FPL's offer, which is similar to the offer that was made several

months ago. As has been mentioned the Letter of Intent is not binding in that signing the letter by the City does not commit the City to go forward with the deal. The only binding transaction would be when the parties enter into a definitive purchase sale agreement for the deal. The Letter of Intent sets the purchase price of $30 million. There is a provision in the letter that FPL would need to provide power over to the City's transmission lines for a period of time. The worst case would be through 2020 in which they propose that FPL compensate the City at FPL's FERC tariff open access transmission rate. The reason for that is it is their understanding that the City does not have FERC transmission rates. He briefly explained.

Mr. Winger explained that the City spends about $250,000 - $270,000 a month for the portion of the transmission from Orlando Utilities Commission (OUC) and FMPA that comes over FPL at the tariff rates. So what is being suggested is the same tariff rates be used in reverse. He said it is a reasonable proposal.

Mr. Bryan continued by saying the Letter of Intent provides for a due diligence period, which will end on March 1, 2017. At this time the Parties would attempt to come up with a definitive agreement for approval.

Mr. Winger asked Mr. Bryan to go to Article 5, Section 5.1, in the Letter of Intent. He said they allow for due diligence for FPL and they are aware of some due diligence issues on their side having to do with transmission assets. He asked that this please be made mutual due diligence. He then read this paragraph "*written notice by FPL to COVB that FPL is not satisfied (in its sole Discretion) with its due diligence, or (iv) written notice by COVB that it is no longer interested in pursuing the Potential Transaction.*" Mr. Winger asked that the words *due diligence* be added. He said this is why they have never closed the contract for the total sale because they never did the due diligence with FMPA. He said if they find issues of due diligence, they need to be able to tell FPL they have a problem that they cannot overcome.

Mr. Bryan felt that was a reasonable request. He said perhaps the reason it was not there was because the next line does give the City its unilateral discretion to back away. He said the Letter of Intent also provides for an outside closing date of December 31, 2017 and hopefully it can be closed before then.

Mr. Winger referred to page 1, part 1, of the Letter of Intent. He said that this is a very broad statement. He said they have substation 9 in IRS and across the river line are necessary for electric reliability in Bethel Creek, Central Beach, or Riomar, and they are not trying to define that today. But, he wanted to point out that the devil is in the details and currently the City does not have an attorney to handle the negotiations. He said the details of a partial sale are probably more complicated than a total sale. With a total sale the City would just turn over the keys. He said there would have to be procedurally a great many things looked at. Since the City owns the land that substation 9 sits on the system cannot be operated without it. He knows this will be a big issue and those are a tremendous amount of detail items that will need to be looked at.

Mayor Moss said that will not be a problem for Mr. Bryan to look at the details because he is an attorney.

Mr. Bryan added that FPL's engineers and the City's engineers will survey the facilities. He asked Mr. Winger if that substation that he was referring to is a transmission substation. Mr. Winger explained it is the transmission line and he went over the areas that it serves.

Mr. O'Connor reported that the two (2) transmission and distribution groups will get together tomorrow morning and visit the substation.

Mayor Moss expressed the purpose of the Letter of Intent will give the City the ability to move forward to address the details.

Mr. Bryan commented that the parties will work together on all of these different things and it will require time and expenditure on the part of both parties. He said nothing is binding and if at the end of the period the City decides it does not want to go through with the deal they can walk away. The Letter of Intent provides some insurance to FPL that this is serious and they are willing to commit these resources.

Mr. Winger stated that there are utility distribution assets that the City owns, which the way this Letter of Intent is worded it doesn't say that. He expressed the importance that the City's system remains whole.

Mr. Bryan said that is understood.

Mr. Young realized that the Letter of Intent was not binding, but it does set precedence. One of the areas of concerns that he would like more information on is located on page 2, (G) Separation of Assets. This paragraph reads, "*To the extent the Assets need to be separated from other COVB assets, such separation shall be the cost of COVB.*"

Mr. Bryan explained what that means is that the systems will need to be separated. He said the intent of this section is that in order for the City system to continue to operate on the City side, the City will take those steps to tie those lines off and reconnect them however they need to be. He said by the end of the due diligence period both parties will have a pretty good sense of what those costs will be.

Mr. Young said his concern was that there were some joint structural necessities and if there is a joint use for a line for a conduit for IRS and the City incurs the cost allowing for separation, which could be a huge cost, that would substantially impact the terms of the agreement. He said for the City to assume responsibility unilaterally does not seem appropriate.

Mr. Winger went back to the FPL agreement of 2013. He said there is a provision of $3 or $5 million in the contract to be absorbed by the City to redo transmission assets. He agreed with Mr. Young that the assets needed to be separated and the separation costs

should be determined and negotiated. He said the City of Vero Beach has no need to spend money in separating assets in order to facilitate this deal. He felt the wording on the Letter of Intent can be improved.

Mr. Bryan reiterated that this Letter of Intent is non-binding.

Mr. Howle agreed that this was a non-binding letter and all of these necessary things will be sorted out in the negotiation period. What they need to focus on today is whether they can accept this Letter of Intent or not.

Mr. Winger told Mr. Howle that the Letter of Intent can be changed.

Mr. Young felt that what they were doing with this agreement was setting precedent even though it is non-binding and FPL needs to understand their concerns.

Mayor Moss asked the City Manager if he had a concern about the separation of assets.

Mr. O'Connor stated that his view of this letter is different than some people's view because he has met with Mr. Sam Forrest, as well as Mr. Bryan and was told that any reasonable separation interaction costs will be borne by FPL. He knows that the word reasonable has not been defined. The way he is working this is when he brings a contract back to the City Council they will need to decide if there are deducts. If there are not any deducts a clean sale could happen. He said right now the devil is in the details, but when the Council gets down to the point of voting this contract for the transaction they will know what the cost is associated with that transaction.

Mr. Winger suggested that each party pay their reasonable cost rather than the City paying all the costs, which is what the Letter of Intent says.

Mr. O'Connor had no problem with changing the wording.

Mayor Moss stated that they could do some deducting if and when we go forward or quibble about every little thing right now.

Mr. Young explained that this was not quibbling. It was assuring that the City is adequately represented as they go into the discussion of the sale.

Mr. Bryan felt that FPL would pay its cost on its side. He reiterated that this was not binding and that these details will be worked out in a definite agreement. If the City is not comfortable at that time with those details then the City has the option of not entering into the agreement.

Mr. O'Connor said that they would need to have an attorney review the document, but the Letter of Intent with as many "outs" that there are in it is not a big issue.

Mayor Moss stated that nothing can happen and Mr. O'Connor cannot do his job until this Letter of Intent gets passed. The main issue is that the letter is not binding and there are deducts that can possibly occur.

Mr. Bryan commented that there will be further discussion between Mr. Forest and Mr. O'Connor and if Mr. Forrest is comfortable with whatever the City proposes then that is great. He is not in the position today to modify the Letter of Intent, but will work in good faith with the City to reach a consensus. They would like this deal to move forward.

Mr. Sykes stated that this is a non-binding agreement and with respect to adequate representation for the City of Vero Beach and also in the spirit of trying to move forward in a timely fashion being that the citizens of this community have waited so long to see some action he would make a motion that they have a Special Call meeting before the end of December and hire new counsel to represent the City of Vero Beach.

Mr. Winger felt that was entirely appropriate and felt that they also needed to have a Joint Utility/Finance Commission meeting in the next couple of weeks and put this in front of them. He said they have never just decided something without going to their Commissions first.

Mr. Howle said that this is a non-binding Letter of Intent and it states that they can walk away without any harm being done.

Mr. Winger stated that they have never in the history of this City not allowed the time for their Commissions to look at matters for the public to understand and go over them. He said when they negotiated the OUC reduction contract they waited an extra month and passed up $400,000 to be sure both of their Commissions could meet and discuss the contract.

Mr. Howle told Mr. Winger that he continuously is stalling the process and he won't allow it anymore.

Mr. Sykes agreed with Mr. Howle and said this is a non-binding agreement. FPL is moving forward in good faith and this is an opportunity for the City to work with FPL and suggested moving forward to hire counsel to represent them within the next week or so.

Mayor Moss expressed that the Utilities Commission did discuss the partial sale and voted unanimously in favor of it. She said the Finance Commission is free to discuss it and she hopes that they will discuss it. She noted that there is a joint Finance/Utilities Commission meeting being held next Tuesday and it is a good suggestion that they discuss the partial sale at that meeting so that Council will have further information. They are losing sight of the fact that this is a baby step and they are just investigating the possibility of having a partial sale.

Mr. Bryan told Mayor Moss she was correct. This is an intention of the two (2) parties to investigate to see if this can be done. On the part of the City, the Letter of Intent is absolutely non-binding. If the City decides not to go through with the deal then they can walk.

Mayor Moss said she has every reason to believe that this will appear on the agenda many times so there will be ample opportunity to hear from everyone. She expressed that this Letter of Intent was not the deal. It was just the beginning of the conversation, a baby step.

Mr. Young wanted to make sure that the public understands the intent from the Council is to make sure that they have adequate community awareness of the potential implications of this huge deal. His intent is definitely not to be an obstructionist. His intent is to make sure that all of the potential liabilities associated with this deal are brought forth early so that there can be adequate dialogue back in forth so at the end of the day they have all executed their responsibilities. He said what they are doing in this discussion is setting expectations.

Mayor Moss appreciated it if no one was an obstructionist on the Council.

Mr. Winger commented that this is the largest sale of an asset that the City of Vero Beach has had since 1919 and yet they want to move fast on it. He did not get it.

Mayor Moss reminded him that they have been discussing this since 2010, so they are not moving that fast and this is a baby step.

Mr. Peter Gorry, Chairman of the Finance Commission, stated that he understands the election, but questioned do they understand there was a significant amount of of misinformation given to the public by advertisements sent out by people running in the election and from a PAC that was formed. He named some of the things that were not true. He appreciated that the Mayor pointed out that none of those things could be done as reported. He said the Finance Commission has never looked at this deal. Until they had the Letter of Intent they did not have the specificity of understanding what those elements were. It is the beginning of a road map and not the end of the journey.

Mr. Steve McDonald commented that when he spoke to the Council at their last meeting there seemed to be a great deal of confusion about the points he made. He brought some documentation with him to today's meeting (attached to the original minutes), which he provided to the City Council. He said on the first page it just explains that the money is restricted to the Power Company. He asked them to turn to page 4, which showed the seven (7) bonds that he referred to when he spoke at the last Council meeting. He circled the first two (2) at the top of the page because those two (2) matured on December 1, 2016 and he has not been able to get accurate information about them. He said the total debt due on these bonds is $28.25 million and if FPL is buying the assets then they are paying for the interest on these bonds and their responsibility for the interest on these bonds should be $2.54 million. He noted $240,000 would be 10% of the interest due on

these bonds to the call dates and that FPL should be responsible for. He said when FPL states they are offering $30 million they are offering $30 million minus $2.54 million in principal minus a quarter of a million dollars in interest. He said FPL cannot assume the bonds because the City is tax free. He asked Council that a Bond counsel be hired to look at this.

Mr. Sykes appreciated Mr. McDonald's comments and taking the time to come before them this morning to speak. Having heard what Mr. McDonald has said it gives him great concern in the City's current financial advisor. It has been brought to his attention that there could be some potential conflicts of interest with their current financial advisor and he wanted to make sure that they had all the information about this subject matter presented from someone that does not have a conflict. He looked forward to revisiting this matter very soon.

Mr. O'Connor reported that the City does have the same Bond counsel that was here when the bonds were issued. They are a reputable Bond counsel and they will render the City a letter of opinion if the City is interested. This letter will cost around $4,000. He said this Bond counsel is independent of the financial advisor.

Mr. Howle commented that if this is something that has not been brought up by Mr. Schef Wright or by their current Bond counsel then he would not be opposed to having an RFP done for new Bond counsel to look at these bond covenants that are of concern.

Mr. O'Connor made it clear that their Bond counsel has never been a part of this discussion at all. They are totally neutral on this whole process. He said they were not a part of the previous transaction because bonds were not an issue. He said the City made a payment on their bonds this month and their total exposure is about $1.2 million as of 2018. His recommendation would be if they receive cash for the sale that they go and defease these bonds. He said these bonds are not necessarily just to any particular ratepayer or any particular asset. It covers the entire system.

Mr. McDonald continued speaking and asked Council to turn to page 5 of his handout. He said this was the first of the seven (7) bond fact sheets. He said the coupon rate for this bond is 5.000% and the maturity date is December 01, 2021 and the last trade price is $109.36, which is what this bond is selling for today. On page 6, they will see the first call date for this bond is December 1, 2018 at a price of $100.00. He said three (3) of the seven (7) bonds have call dates on December 1, 2018. He said if they take the $30 million and they want to call these bonds then they have to wait two (2) years. He said as far as he can tell the other four (4) bonds have no call dates. The good news is that they only have exposure out to 2021, unless there has been a bond issued that he is not aware of. He said if they take the $30 million and do as Fitch and Moody are expecting them to do, which is pay down debt in the utility, this will boost their credit rating. He said if they look at these call dates and they want to retire these dates as soon as possible they have to do a tender offer and in order to do a tender offer they will have to pay the outstanding bond owners. The City will have to make up about 3% for their bondholders plus pay the premium on what the bonds are trading for now. He said this tender offer

will cost a ton of money. He suggested that Council take a step back from this partial sale noting that from a taxpayers perspective this is not a well structured deal for the City. It is a great deal for IRS. These are things that need to be looked at.

Mr. Winger referred to page 45 of the handout that describes what the money can be used for. He said essentially what this states is that they have to deal with the bonds before they complete a sale. The agreement is on line and he has read it. Essentially the $30 million worth of bonds is floated on the revenue for the entire system. He said the City cannot sell any of the system with the bond covenants that exist without dealing with the bonds themselves.

Mr. McDonald told Mr. Winger that the easiest way to address this is that bond proposals are designed to protect the bond holders. He said everything in the bond proposals basically says that nobody can touch the assets and the revenues they generate without further addressing the needs of the bond holders. He said anything that goes beyond that is a violation of the bond covenants.

Mr. Winger felt that the City will need two (2) attorneys to handle this transaction. He said one (1) would be a transactional attorney and the other would be a bond attorney. The Bond council would work on how to deal with these particular bonds.

Mr. McDonald agreed that it was prudent to protect themselves.

Mr. Young asked Mr. McDonald in his experience, what would the timeline look like for a Bond counsel to review this.

Mr. McDonald said that the wording in bond covenants was not complex. He would not know the timeline, but they could probably go to Manhattan to find a Bond attorney and they can count on him as a resource to help find someone.

Mr. Sykes asked if the City's financial advisor was Dunlap and Associates. Mr. O'Connor explained Mr. Dunlop is the financial advisor and not their Bond counsel. Mr. Sykes asked if Mr. Dunlap has ever advised them on any bond issues. Mr. O'Connor explained that Mr. Dunlap advises them on when they can refinance their bonds and gives them the calculations. Mr. Sykes asked if Dunlap and Associates has ever done work or are they currently doing work for FMPA. Mr. O'Connor said that they have. Mr. Sykes asked Mr. Coment after reading the Letter of Intent from FPL, is it his understanding that this is a non-binding contract and the City has a way out should the City choose to. Mr. Coment said yes and that this Letter of Intent is very similar to the letter they received from FPL for the whole system.

Mr. Charlie Wilson brought up again delay, deceive, deny, and deflect. He said what is happening now is what he would like them to watch for the next several months and that is they are going to be drowned in details. He said every one of those details will be something that has to be argued, something that has to be taken back to be reviewed, and something that has to be delayed. He read that the timeline would be that they would be

shooting for a deal in December. He said shooting for a deal in December is not acceptable. They now have 21 meetings left to complete the sale and to carry out the ten year long wishes of the public. He brought up delaying tactics and said let's just look at what has happened at this meeting. The first delaying tactic is the request to have the Letter of Intent changed. Then one of the Councilmembers will say that it needs to be reviewed by the Utilities and Finance Commission. He said lets attach a delay number to each one of these things as it happens. He said the delay tactics will include the hiring of a transactional attorney and then the hiring of Bond counsel. The whole subject of Bond counsel has been discussed with FMPA with the first agreement. He said they know that Bond counsels have no reason to say "yes." He said that Bond counsel are the people that scare them into inaction. He brought up Mr. McDonald who he does not know nor does the City Council and they don't know what his motive is. He knows that Mr. McDonald is close to one (1) Councilmember, which makes him suspicious of his motives. He said FPL is buying the assets and Bond counsels have nothing to do with this transaction. He said they should at least make sure what the context is for this Bond counsel because it is a delay tactic. He brought up Mr. Dave Hunter who came before Council at their last meeting and talked about Mr. Bob Auwaerter who represented the Utilities Commission and Chaired the IRS Finance Commission and what a conflict that was. Mr. Wilson said there is no problem with that. What Mr. Hunter did not declare was that he is Mr. Charlie Vitunac's brother-in-law. He said when Mr. Hunter says that he has discussed things with an attorney he wondered if Mr. Vitunac was the person Mr. Hunter was discussing things with. He recalled that Mr. Vitunac was the City's attorney who got them into this trouble, who fought them all the way through the process and had to be dismissed. He said they might want to think about what the motive is for the information being presented. He guaranteed that the motive was to stop the Council from doing anything. He said what needs to happen is a motion needs to be made to direct staff with a timeline that works. He said if this goes until December all they are doing is going through another election.

Mr. Joseph Guffanti commented that the $30 million has to be set dormant until the year of 2018. He said this has been going on since former Finance Director/City Manager, Mr. Tom Nason got them into this jam. He heard that the CEO has changed at FMPA and he cannot categorize him as a gangster because he does not know what he is doing. He proved to be right when he said there were gangsters involved at FMPA (referring to the audit) and he has never said anything at these meetings that were not true. He said the $30 million could be set dormant for the time that it takes for the bonds to be called and then they will be free from them. He said one (1) of the most ludicrous comments that he heard today was why are they moving so fast. He told Council that none of them on a personal level mean anything more to him than the man or woman nn the moon.

Mr. Brian Heady commented on having clear questions about motives and his motive is to protect the residents of the City of Vero Beach, which includes residents of IRS and the County residents. He said that he does not have any personal motives in any of this. He proposed a way to get out of this over a year ago and that was to turn over the keys. At the time Mr. Howle said there is no set of keys to turn over. He then made a correction to something that was said and that is minimum advertising time for a Special

Call City Council meeting is 24 hours. There was a comment about never once have they ever done something without Council approval and discussion at Commission meetings. He reminded them that in 2008 the City Manager invited the Council to meet individually with him and their consultants to discuss the proposed OUC contract. The consultants took notes on what the Council had to say and at that meeting those notes were incorporated into a contract that was 68 pages long. The head of the consultants was a lady from Boston who went that night to staples to make copies of the contract. Then a Special Call meeting was held the next morning and the highly redacted contract was delivered to City Council the night before the meeting by a uniform Police Officer and they (City Council) met the next morning. He said that no one could tell what the rates would be because of all of the redactions that were in the contract. Then the City Council approved the contract. The City Clerk could not give him a copy of the contract at the time because she was not given a copy. Over time he was provided with a redacted contract and the Commissions approved it and City Council approved it.

Mr. Heady agreed with not moving too fast on this matter if it means it could be a detriment to the City or greater population of Indian River County. He recalled back in 1972 FPL tried to purchase the electric utilities and everyone was in agreement until the regulatory authorities started stepping in and Vero Beach and FPL walked away from the deal. He agreed that the Letter of Intent was going to pass. He said everyone can count the three (3) votes needed are there. He wanted to give a presentation on the history of the electric, which is somewhat related to the Letter of Intent. He also asked that Public Comment be moved back to the beginning of the agenda where it belongs. He said this is the first time he has been invited by the Mayor and a Councilmember to give a presentation. He said for the last 20 years he has been cut off.

Mayor Moss expressed that she is planning to change the entire agenda. She said the Council would need to vote on it, but she is planning to work on that. She will look at moving matters that are important to the public forward. She said right now Public Comment, as well as City Council business is at the end of the agenda and should be heard at the beginning of the agenda. She said she is going to rework the agenda so that the main issues important to the community will be discussed first then people are free to leave while the City Council continues to conduct more business.

Mr. Heady appreciated her making those changes to the agenda. He said the history of the electric and Vero is they bought the Power Plant because the City wanted to have electric and they are one of the few cities in Florida that do own their own electric. At that time coal was around and transported by the railroad. Then fuel was used for the Power Plant so they moved the Power Plant to the river so that the fuel could be brought in by a barge and new tanks were installed and there was a lot of public debt with all of these bonds. Then FMPA was formed so municipalities could go into business together to compete with private industries. He said if anyone hears him say something that is wrong to please stop him. He said they are surrounded by FPL who has the lowest utility rates in the State. A few years after making the agreement with FMPA the City entered into a lawsuit with FMPA and lost. It cost a lot of money in attorney fees and did not make them popular with FMPA. Then in 2008 the City Council agreed to enter into a

contract with OUC, (a highly redacted contract). The deal was totally misrepresented. They were promised rates lower than FPL and that never happened. When he was elected to City Council they found out about the fraud. There were several people that left City employment because of this. He said that he wrote a book about the incident. Then there were more lawsuits that occurred. He even entered into a lawsuit while serving as a City Councilmember. The lawsuit cost him thousands of dollars and the City spent $33,000 to defend the lawsuit. The City won the case, but he felt that he won because he was allowed to speak after the lawsuit became closed. The electric rates they are paying continue to be higher and even if the sale to IRS takes place a portion of their rates will continue to be high. In the very beginning of his presentation, he skipped over that paragraph. The bottom line is they could all have FPL rates at the beginning of the year if both the City and FPL are serious about the sale. He said they would be better off completing the whole sale rather than demolishing the Power Plant. He knows they are asking themselves how this partial sale could be done by January. He said the real key is the computer because in the computer they have all of their utility customers. The IRS customers are separated from the rest of the community so that has been done. Let FPL have the names of the customers and change the rates from the City rate to the new FPL rate. Then put the proceeds from FPL in an escrow account to pay for the bills, which means the City Council could not spend the money. It would be a sale and the money would be secure in the escrow fund. Then allow FPL 179 months to pay the $179 million for a full sale. Everyone would have FPL rates and they would be done. They would not have to worry about transformers or anything else. It could be done if FPL really wanted to buy the utilities. The City could turn over the utilities to FPL this year, and if FPL does not want this $179 million deal then put it out for someone else to match this offer. He was never in favor of just giving FPL the opportunity to bid. He said they have an opportunity to solve this electric issue, which is not hard to do.

Mayor Moss commented that someone from her church gave her a copy of Mr. Heady's book, which she plans on reading.

Mr. Heady said in that book there is a lot of debate about where the $50 million clause put in the OUC contract came from. He said there were a lot of meetings held on that matter. He was on the City Council and asked anyone testifying at that meeting to raise their hand and to tell the truth. The former City Attorney, the consultant, and himself stood up to tell the truth. The City denied putting the penalty clause in the OUC contract and OUC denied putting the penalty clause in the contract. These were the only two parties involved. He said OUC did not put this clause in the agreement, so they did not lie. He said FMPA is who put that clause in the agreement. He met with OUC when he first got on Council and he put his questions in writing and they answered all of his questions. He then discussed what could be done with the Power Plant, such as selling the property to the Trump Association for a hotel.

Mr. Guffanti commented that at one (1) time the City did have lower rates than FPL. He then briefly talked about dismantling of the Power Plant.

Mr. Miles Conway, President of South Beach Homeowner's Association, commented that there was no need for these public hearings because the vote is complete. His motive is consistent with Mr. Wilson's motive who said they should stop with the delay tactics. He said that the South Beach area consists of 2,609 utility customers who never make it to the podium. What they have here is taxation without representation. His motive is to make sure that their Association is part of this due diligence process and part of these delaying consequences. Mayor Moss once spoke about the will of the people before she was elected to the City Council. His people in South Beach are not being represented as well. He said this Council is going to vote in favor of this motion based on the mandate of 48 votes meaning Mr. Sykes winning victory and Mr. Old's losing the election. He would like to go back to the constituents in South Beach and the results survey that he brought with him the last time he spoke to the City Council. The results of the survey were that the different Associations would not support the partial sale unless it led to a full sale of the electric utilities. He asked if he could go back to his constituents and tell them if the City proceeds with the partial sale of IRS that their utility rates would not be raised on South Beach. He realizes no one knows what the outcome is going to be with everything associated with this deal.

Mr. Glenn Heran commented that this whole process has been going on for the last nine (9) years and in that time they have lost $180 million that could have been saved if they would have made the deal with FPL back then. He said it is time to move on and get this deal done. The partial sale puts them on the path to moving to a full sale. They clearly would need to assemble a team to complete the partial sale. He said it looks like they might be hiring another attorney. He cautioned them that their Financial Advisor, Mr. Craig Dunlop, does work for FMPA. He suggested not putting Mr. Dunlop on the team to advise them on their bonds.

Mr. Winger commented that on the agenda item 11A-1) refers to the November 17, 2016 article that appeared in 32963, where they say incoming Councilmembers should carefully examine how the $47 million figure was arrived at. He said Mrs. Brunjes asked him if he would accept a duly vetted expert's number if it was different and he said that he would. He said what he is dealing with is $47 million versus $30 million and they can get rid of $5 million very simply, which doesn't involve FPL, but it does involve IRS. He brought up contingent liabilities and said their biggest liability would be if something happens to St. Lucie II, it could be a huge number. There are a number of other contingent liabilities and the likelihood of any of them coming forward to fruition is slim. He said the contingent liabilities could be zero or they could be more than that. Their formal team came up with a number of between $42 million, which is needed to make the partial sale plus $48 million in contingent liabilities. He brought up having a Hold Harmless Agreement, which was nothing more than the two (2) parties in this case, IRS and the City of Vero Beach, signing a document that if these contingent liabilities did occur, based upon a pro-rata share of what is being divested to FPL (IRS part of the business), that the people of the City of Vero Beach would be held harmless for that portion of the pro-rata share. He said the way these are done bridges the gap and gets rid of the contingent liability. He said they got into the contracts with Stanton I and Stanton II in large part because they needed to support IRS. He said IRS has the lowest tax rate

in the County, other than Orchid, because they rely on the surrounding area for services. He can't imagine IRS would not be willing to enter into a Hold Harmless Agreement and it is only fair not to leave the remaining ratepayers holding all the contingent liabilities. He would be embarrassed if the Council would walk away from this. He made that proposal. This will lesson the disparity between what the expert said The City needed for a partial sale is $42 million and now the difference they are talking about is between $30 million and $42 million, which is a $12 million gap, which he would like to have analyzed again. He hoped that this would be taken back to the IRS City Council. It was more than a fair request. He said he would be embarrassed if they have lower power rates than the City of Vero Beach and walked away from these contingent liabilities.

Mayor Moss stated that she was not speaking for IRS, but for their community and the legal definition of contingent liability is that it is recorded in accounting records if the contingency is probable and the amount of the liability can be reasonably estimated. She has done a little research on this and the probability issue is defined as high probability, medium probability, and low probability. She said if it is high probability then the dollar amount is attached to the balance sheet itself. If it is medium probability it appears in the footnotes of an annual financial report. If it is low probability in triggering a cost then account rates are not required to report it in financial statements. She said their statement for the City in the 2015 Comprehensive Annual Financial Report shows nothing recorded in this regard. She said that would leave one to believe that there is a low likelihood of any kind of contingent liabilities.

Mr. Winger went back to whoever was talking this morning about what we could do with the Power Plant. He said they could do greater things with it. But there is unsubstantiated evidence that when they take the Power Plant down and move the slab there is a contingent liability. He said it is not a low probability either. In effect if none of these things occur, then IRS pays nothing, nor does the City. However, if some of these things do happen the residents of the City of Vero Beach will be left responsible.

Mr. Young commented that one of the things that IRS Mayor Brian Barefoot affirmed with the City at their last meeting was that he would do his best to assist the City in proceeding forward with a partial sale. He said this is an example of where he could do something to facilitate the sale.

Mr. Howle noted that he has not seen a balance sheet with contingent liabilities on it. The fact is if there is not a big enough concern for those contingent liabilities to be included on the balance sheet then they are probably not of enough concern. This is not a major concern for him at this point in time.

Mr. Young said why not ask for protection that would protect the taxpayers of Vero Beach. He said the contingent liabilities might not be on the financial sheet, but if there is a potential liability there is nothing that would cost them a dime if they extended the request to IRS to assist them in this matter.

Mr. Howle felt that if there was a figure that he could attach that request it might be a legitimate request, but he has never seen a figure. He said the number $47 million is made up and the contingent liability is made up.

Mayor Moss reiterated that it's a number that does not exist on the financial report. She said it is an imaginary number.

Mr. Winger stated that the $42 million is a real number that their five (5) experts came up with. He is in agreement to have it vetted again, but he agreed with Mr. Howle that the $5 million was a swag, but it is still real and the people in the City of Vero Beach will still be left on the hook.

Mayor Moss asked Mr. Bryan if he wanted to state anything further on the Letter of Intent.

Mr. Bryan noted that there were two (2) requested changes to the Letter of Intent from Mr. Winger. He said one (1) of the changes he is not able to make today and the other change is reflected in the language in Section 5.1 of the Letter of Intent.

Mr. Winger said that the whole paragraph should be stated twice. He said once for the City and once for FPL.

Mayor Moss asked Mr. Bryan to state the change that he has said that he has the authority to make. Mr. Bryan explained that is what he just referred to. He would be willing to make the change, but they would have to go back and have it retyped and brought back again. He is fully in support of the concept, but believes that the concept is covered in Section 5.1. He said the paragraph states *"The Letter of Intent shall terminate on the earlier of: (i) execution of the Definitive Agreements (ii) the expiration of the Negotiation Period, (iii) written notice by FPL to COVB that FPL is not satisfied (in its sole discretion) with its due diligence, or (iv) written notice by COVB that it is no longer interested in pursuing the Potential Transaction."*

Mayor Moss agreed that they needed to address the Letter of Intent at today's meeting noting that she would like to make a motion. They have heard public comment, and Council has discussed it.

Mr. Peter Gorry went over the recent sale of old Diesel Plant. He said the City did an RFP and took the bid with the sale of assets and there was no concern. In the agreement it was stated that there was potential contingent liability, but the property was sold with no responsibilities coming back to the City at a future date. He said and these suspected liabilities are not on any of their balance sheets.

Mayor Moss made a motion that within the context of a full sale the City of Vero Beach agrees to the terms of the nonbinding Letter of Intent of December 2016 regarding the purchase by FPL of the customers of Vero electric located in Indian River Shores. Mr. Howle seconded the motion.

Mr. O'Connor asked for clarification and suggested instead of saying December, 2016 why don't they say December 6, 2016. Mayor Moss was fine with amending her motion to say December 6, 2016.

Mayor Moss revised her motion to read that within the context of a full sale the City of Vero Beach agrees to the terms of the nonbinding Letter of Intent dated December 6, 2016 regarding the purchase by FPL of the customers of Vero Electric located in Indian River Shores. Mr. Howle seconded the revised motion.

Mr. Winger commented that in the motion when it reads in the context of a full sale that having a full sale will be harder. He said the whole electric needs to be sold. They are skimming off the most lucrative part and will make it harder to have a full sale. He believes he would be violating his fiduciary responsibilities by $12 million and he simply will not do that. That is leaving in abeyance the subject of the contingent liabilities.

Mayor Moss stated they will be working on the full sale at the same time. She said they cannot wait until this is finished because it will take the better part of the year or the entire year (2017) to complete. She said it is a one-two step, but it is not that the second step cannot begin until the first step is completed.

The Clerk called the roll on the motion, which passed 3-2 with Colonel Young voting no, Mr. Sykes yes, Mr. Winger no, Mr. Howle yes, and Mayor Moss yes.

Council took a lunch break at 12:37 p.m. and the meeting reconvened at 1:45 p.m.

11 A-3) RFP to obtain Attorney for consideration of sale of Vero Beach Electric customers residing in Indian River Shores to Florida Power and Light – Requested by Councilmember Anthony W. Young

11 A-4) Discussion of hiring an attorney to assist the City of Vero Beach in the partial sale of Vero Electric to FPL – Requested by Vice Mayor Harry Howle

Mr. Sykes made a motion to hold a Special Call meeting next week to interview and hire a new transactional attorney for the City of Vero Beach. Mayor Moss seconded the motion.

Mr. Coment explained that if Council was going to procure an attorney for services there is a normal procedure in place, which would be to put out an RFP. He wondered how else they could get attorneys who express an interest in doing the work that they want to see done. He said there would be no way to have response to an RFP by next week.

Mr. Howle recalled at the last meeting he brought up a potential transactional attorney by the name of Mr. Nathaniel Doliner. He said that this gentleman seems to be the most qualified because he has helped to facilitate a sale of a municipal utility to Duke Power.

He also does not have any conflict of interests. His firm has no involvement with FPL, FMPA, or IRS. He has dealt with the Public Service Commission (PSC) in the past and is very highly qualified. He said that Mr. Doliner was invited to Vero Beach in August, 2011 where he was interviewed for the position of a transactional attorney for the City of Vero Beach and was not chosen. He pointed out that when they hired Mr. Schef Wright to represent them there was no RFP done.

Mr. Coment explained that there was not an RFP done for Mr. Schef Wright because he had already been retained and was working for the City.

Mr. Howle said that his point was that there was not an RFP done when Mr. Schef Wright was hired.

Mr. Coment explained that Council does not have to do an RFP, but if they want to interview more than one (1) attorney he is not sure how they will get the word out.

Mr. Howle pointed out that the County does not do an RFP when they hire outside attorneys.

Mr. Young explained that out of a concern that they don't know what they don't know in regards to attorneys it would be prudent on their part to put Mr. Doliner's name in a hat and take the opportunity to see if there are other attorneys who have the same credentials that could represent the City. His concern was that there be an opportunity to put out a request that they are not putting all of their efforts on one individual without giving the opportunity to request other attorneys that might be interested in doing this work.

Mr. Howle reminded Council that this is the only gentleman in the State that he has found that has been successful in the transaction that they are trying to make.

Mr. Winger said he wondered about that.

Mayor Moss asked Mr. Dylan Reingold, County Attorney, if there were any comments that he would like to make with regards to obtaining an attorney.

Mr. Reingold recalled that when the County Commission was looking for an attorney to represent them in the All Aboard Florida case they asked Mr. Reingold to search for an attorney who he feels comfortable with and that attorney was hired.

Mayor Moss said so the County did not utilize an RFP process.

Mr. Reingold explained that he did his own research.

Mr. Young brought up the transactional attorneys that were hired in 2011 and how much money was spent during that time. He did not want to go down that road again.

Mr. Winger commented on Mr. Nathaniel Doliner. He said that Mr. Doliner works for a big national firm with numerous offices in the State of Florida. This gentleman has been around a long time and has a good record. He doesn't know how much experience that he has with power issues. Also, there does not seem to be a Bond attorney working for this firm. He brought up Mr. Mathew Lienapole, who is an attorney who works for this firm and is located in Tallahassee. It seems that Mr. Lienapole has some experience with the PSC. He said there would need to be a team between Mr. Doliner and Mr. Lienapole. He said that Mr. Doliner specializes in mergers and acquisitions, which is what is involved here. He brought that up because this was a big law firm and the cost for this attorney would be expensive. He said after talking to Mr. Doliner they need to find out what his rates are. Mr. Winger said that the research that he has done on Mr. Doliner shows that he is quite competent. His weakness would be not having a lot of power experience.

Mr. Young asked Mr. Coment if they were better off to open up the selection process.

Mr. Coment said not necessarily. He said Council can negotiate with someone and hire them or they can invite more than one person to be interviewed. They can do whatever they want and it is well under the City Council's purview.

Mr. Young requested to see any of the records that they had from the interview session that was held in 2011. He would like to see the rationale.

Mr. Winger suggested looking to Mr. Coment to come up with one (1) or two (2) more candidates. He reiterated that Mr. Doliner works for a big firm and they are going to be expensive. He mentioned $548.00 an hour for Mr. Dolinger. However, he seems to be a competent acquisition lawyer.

Mr. Howle hoped that this would be a short process no matter what.

Mr. Sykes commented that his concern was the timing in getting this accomplished given that the ball is rolling. He felt that if Mr. O'Connor would like to suggest some other candidates that would be fine.

Mr. O'Connor suggested asking Mr. Doliner if he could attend their Special Call meeting next week to give a presentation to Council. He said that Council needs to be comfortable with whoever they choose as their attorney. At that meeting, they will be able to find out what rates Mr. Doliner's firm charges.

Mr. Young had some concerns with only looking and interviewing one individual. He said it would be a lot more defensible if they had more than one individual to choose from.

Mr. Howle suggested having a Special Call meeting to speak with Mr. Doliner and then make a determination at that time.

Mr. Coment recalled when they were having negotiations for the full sale with Mr. Igoe's firm the process was FPL presented the draft contract and it took them some time for them to get the contract to the City. He said it is not an emergency to get someone hired by next week.

It was the consensus of Council to set the Special Call meeting for December 13th at 2:00 p.m. if Mr. Doliner is available to attend the meeting.

Mr. Winger noted that with this firm there is no one in the Florida offices that has experience as a Bond attorney.

Mr. O'Connor commented that the first step was to hire the transactional attorney and then if they need Bond counsel then the attorney hired will find someone that he can work with.

D. Presentation items by the public.

1) Mr. Steve McDonald to discuss issues with proceeds from any side of Electric Utility Assets relative to existing Bond Covenants – Sponsored by Councilmember Richard Winger

This item was heard earlier in the meeting.

2) Mr. Brian Heady to give a presentation on the Electric Situation – Sponsored by Mayor Laura Moss

This item was heard earlier in the meeting.

3. CONSENT AGENDA

1. Organizational Minutes – November 21, 2016
2. Regular City Council Minutes – November 22, 2016

Mayor Moss requested that a change be made to the minutes of November 22, 2016. She referred to page 9, the last sentence, which reads "*They are here today because the new Council put this item on the agenda to have a discussion and they feel it is a step in the right director for a full sale at the $30 million dollar price.*" She did not want anyone to think that they were doing the full sale for $30 million. Mrs. Bursick said that she would make that change to the minutes.

3. Bid RFQ12262401 LUMINARIES LED – Request to Stock Luminaire Salem LED- (low bid in the amount of $59,940.00)

Mr. O'Connor commented that the Transmission and Distribution department has been upgrading the luminaries on the decorative light fixtures and need to stock the inventory

This item was heard earlier in the meeting.

B. New Business

1) Discussion of Appointments to Advisory Boards & Commissions – Requested by Mayor Laura Moss

Mayor Moss thanked every person that has served or serves on one of their Commission/Boards. She said this is a very time consuming job with no pay attached to it. She said people sitting on these Boards/Commissions are willing to be in service to the community and she wanted all of their Board/Commission members to know how much they are appreciated. She welcomed Dr. Val Zudans to the Planning and Zoning Board. She noted that Dr. Zudans was appointed by the Governor to serve on the Hospital District, in which he is no longer serving on.

Mayor Moss said in regards to the Joint Finance/Utilities Commission as suggested earlier by Mr. Winger that an addition be made to their agenda and that is the FPL matter. She agreed that was a very good suggestion. She requested at this point since these Commissions were an Advisory Board to the Council that they add that item to their agenda. She said on their agenda the first item should be to elect a new Chairman to each of the Commissions. She was the Chairwoman on the Utilities Commission and she does not want the Commissions to go forward in that meeting without a Chairperson.

Mr. Peter Gorry, Chairman of the Finance Commission, said since the Finance Commission has never looked at this sale and the Utility Commission has, he suggested that the Finance Commission has a separate meeting to discuss the FPL matter. He said there are a number of issues that he wants to bring up.

Mayor Moss appreciated what Mr. Gorry was saying, but felt that Mr. Winger's suggestion was a good one and Council would like to see that item discussed. She said that the Commission operates under their purview and she would appreciate cooperation in getting that item on his agenda.

Mr. Gorry explained that the item was on the Finance Commission agenda for a separate meeting.

Mayor Moss said what she was talking about is having it discussed at the joint meeting.

Mr. Gorry said that he did not agree with doing that.

Mayor Moss reminded him that he serves at Councils' pleasure and she was asking him to do this.

Mr. Gorry said alright if that is what they want. He said he has an hour presentation and they will go through it in great detail. He has asked Mr. Ted Fletcher to go through some of the technical issues regarding the transition.

Mayor Moss thought that sounded great. She said she served on the Utilities Commission for more than a year and knows that they don't scare easily. She appreciated Mr. Gorry doing this.

Mr. Gorry stated that he respectfully disagrees. He said it is hard when you have so many members to have a discussion such as this.

Mayor Moss told Mr. Gorry that the Utilities Commission is very well versed. She likes the synergy that occurs when they have both Commissions together.

Mr. Gorry said he would educate the Utilities Commission on pensions, the General Fund, on where all the transfers go, bond issues, what the transition problems are and talk about what the anticipated short fall is as a result of the sale.

Mayor Moss agreed that all these things were tied to the electric issue and she doesn't think that will be a problem.

Mr. Gorry said that he is sending out an agenda and will include the handouts for both of the Commissions and be ready to make his presentation.

2) City of Vero Beach Vision Plan – Requested by Councilmember Anthony W. Young

Mayor Moss told Mr. Young that she asked the Clerk to provide a copy of the latest Vision Plan and the latest implementation of the Vision Plan. She hoped that Mr. Young did not have a problem with her doing that.

Mr. Young explained that the concern that he has is the macro consensus of a vision for the City of Vero Beach then in light of macro look at the budgetary process. They need to articulate implications going forward as a City. It is important that the Comprehensive Plan be in sync with the Vision Plan. He hoped in January they could have another opportunity to have further information provided to the City Council on the Vision Plan and its impact on the Comprehensive Plan.

Mr. O'Connor agreed and said that Mr. McGarry would be giving a presentation and updating the Council on the Comprehensive Plan and the Vision Plan.

Mr. Young expressed the importance of understanding the vision and having consensus as they move forward will be beneficial.

Mr. Winger commented that he has been through the visioning process many times. He said at looking on page 4 of 15 in the Vision Plan where it talks about Royal Palm Pointe and states the "*Goal is to complete the transformation of Royal Palm Pointe as a regional mixed-use residential, commercial, and entertainment district; focusing on restaurants, recreation, and boutique retail venues.*" He felt they probably would have been better

DOCKET NO: 170235-EI & 170236-EU EXHIBIT # CAIRC

WITNESS: _____

PARTY: CIVIC ASSOCIATION OF INDIAN RIVER COUNTY, INC.

DESCRIPTION: COVB MEETING MINUTES OF MAY 2, 2017

PROFFERED BY: CAIRC

CITY OF VERO BEACH, FLORIDA
MAY 2, 2017 9:30 A.M.
REGULAR CITY COUNCIL MINUTES
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA

The invocation was given by Bishop William Johnson of The Church of Jesus Christ of Latter Day Saints followed by the Pledge of Allegiance to the flag led by Councilmember Sykes.

Mayor Moss commented that the Church of Jesus Christ Latter Day Saints sponsored a very successful Day of Service on April 22nd. She said it is not a religious event, but simply a Day of Service to the community. She said this was their 9th Anniversary of hosting this event. She participated in this and spent some time at Habitat for Humanity in the back room folding and sorting some linen. She said what a great experience and that Habitat for Humanity is a unique place. She said that the Church of Latter Day Saints are recommending for people that want to serve the community to go to the website justserve.com and register.

Mayor Moss welcomed the Police Department officers in attendance for today's meeting. She also welcomed Mr. Monte Falls, Public Works Director, who was filling in for the City Manager at today's meeting.

1. CALL TO ORDER

A. Roll Call

Mayor Laura Moss, present; Vice Mayor Harry Howle, present; Councilmember Richard Winger, present; Councilmember Lange Sykes, present and Councilmember Tony Young, present **Also Present:** James O'Connor, City Manager; Wayne Coment, City Attorney and Tammy Bursick, City Clerk

2. PRELIMINARY MATTERS

A. Approval of Minutes

1. Regular City Council Minutes – April 4, 2017

Mr. Young provided the City Clerk with a change to the minutes, which has been made and the minutes are posted on the website.

Mr. Howle made a motion to approve the minutes. Mr. Winger seconded the motion and it passed unanimously.

B. Agenda Additions, Deletions, and Adoption.

a few questions and asked Mr. O'Connor in the future to include the dollar amount for each request. At that same meeting Mr. Mark Mucher was present and under Public Comment he said that the Taxpayer's Association at one (1) time did request that the dollar amount be included on consent agenda items. She said the agenda is posted on the internet for everyone's review and it is a relatively minor change in terms of language. She said that this would be on number 3. Consent Agenda and appears in parenthesis (include amount of expense). She did not think that the dollar amount appearing on the consent agenda should be left to chance. She said their City Manager is not here today and neither is the dollar amount on the consent agenda. She would like this to be a legacy that Council leaves to the future. She said if a future Council wants to change it and not have a dollar amount/value assigned to specific items on the consent agenda then they would have to state why they are making that change. She thinks by accepting this change they are safeguarding the public by formalizing this matter. She would like to make a motion.

Mr. Winger said that he would be willing to second the motion. He did not think that this was a huge issue.

Mr. Coment recalled that the procedural Resolution was just adopted by Council so he will bring them another Resolution to add this language. He said keep in mind that there is another part of the agenda in general that they usually approves expenditures and that is under City Manager's Matters. He didn't know if they wanted the dollar amount to be included with City Manager's items also.

Mayor Moss stated that she would like to add for the consent agenda the way that it has been captured in their backup material (attached to the minutes). She said with regards to the City Manager's Matters, he is not present so perhaps she will talk to him when he gets back.

Mr. Coment asked if they wanted to wait until the City Manager gets back so they only have to do one Resolution.

Mayor Moss said yes. She asked Council if they had any objections to the change. Council concurred with the change as discussed. Mayor Moss said that she would put this matter back on a future agenda.

4. Add on Item – Update on the FPL Deal – Requested by Mayor Laura Moss

Mayor Moss said this item is not contentious and thanked Mr. Winger for not discussing specific numbers. For the community, She said that she would like to take a moment, for the community, to clarify points about the City's advisory commissions, specifically the Finance Commission and the Utilities Commission because from what she has read in the press there appears to be some confusion about them. She said they actually touched on some of these points in their earlier discussion about who should serve on commissions. She noted that the following are general points. She said the advisory commissions serve at the pleasure of City Council. These are appointed positions that are unpaid. She said

the members of the Finance Commission, for example, she appointed Mr. Glen Brovont, Mr. Young appointed Mr. Randy Old, Mr. Winger appointed Mr. Peter Gorry, Mr. Howle appointed Mrs. Kathryn Barton and Mr. Sykes appointed Mr. Ryan Bass. On the Utilities Commission, Mr. Bob Auwaerter is the Indian River Shores Representative, she appointed Mr. J. Rock Tonkel, Mr. Howle appointed Mr. Chuck Mechling, Mr. Young appointed Mr. Herbert Whittall, Mr. Winger appointed Mr. John Smith and Mr. Sykes appointed Mrs. Jane Burton. She said there are alternate members on both Commissions that are voted on by the City Council (as a whole). She said there is a Utility Commission Member at Large, which is also voted on by the City Council. She said that she served as the Member at Large on the Utilities Commission and was voted on by the City Council in March, 2015. She said the general purpose that such Commissions serve is to examine specific topics in detail from their specific perspectives. For example, the Finance Commission examined the recent offer that the City received to sell the Dodgertown property and recommended by a 4-1 vote that the City sell it. Chairman Glen Brovont and Vice Chairman Randy Old both voted in favor of selling the Dodgertown property. The City Council voted unanimously not to accept that offer and sell the Dodgertown property. The City Council did not take the recommendation of the Finance Commission. It is an Advisory Board. The City Council is elected and answers directly to the people. Commission members are appointed and do not answer directly to the people. Their role is to advise the City Council. She said while she believes that the Advisory Commissions serve a valuable purpose, she also agrees with Mr. Howle who said in the past that they were used to deny, deflect, and delay the sale of Vero Electric. She said in her opinion it is unfortunate that this was the case, but with that being said that time is the past. She said that she served as Chairwoman of the Utilities Commission up until the day (Election Day), including the day in that she had a meeting that day, up to her Election to the City Council. Therefore, she is well acquainted with the proper running of Commissions and as Mayor she can ensure them that she will insist upon it. At the last meeting the City Council voted that no Commission meetings regarding the sale of Vero Electric or any related matters will occur prior to the meeting of the City Council on May 9th. She again thanked Mr. Winger for graciously agreeing not to discuss specific numbers. She said after the presentation by FPL has occurred, Advisory Commissions are free to discuss whatever they see fit. No specific authorization would be required. She repeated, "no specific authorization would be required." She said the reason she repeated that was because it was incorrectly implied in one (1) of the press reports that authorization by the City Council was required. She said that she wanted to establish the background for the update. She said today, at the request of Carlton Fields, the City's legal firm for the sale of Vero Electric, she is postponing the presentation by FPL for one (1) week to Tuesday, May 16, 2017, at 9:30 a.m. Therefore, the May 9, 2017 Special Call meeting for this purpose is cancelled. On May 16, 2017, the City Council is scheduled to meet at 6:00 p.m. She said that she would leave that meeting as is or postpone the regular meeting for one (1) week. FPL and FMPA already have agreed to this change, with regards to meeting on Tuesday, May 16, 2017 at a Special Call meeting at 9:30 a.m. Carlton Fields maintained that additional time is required in order to perform due diligence. She asked everyone to respect their request. As she repeatedly stressed at their last meeting, this is a sensitive high level negotiation that only will be harmed by any premature discussion on specific terms. She said this is not a

Constitutional issue as some have erroneously claimed. She quoted from a case from 1949 where the United States Supreme Court Justice stated, Robert H. Jackson, *"The Constitution is not a suicide pact."* She said the Constitution of the United States of America, for example, does not confer the freedom to shout fire falsely in a theatre. Jeopardizing these negotiations is tenement to yelling fire maliciously. It has the potential to harm the entire community. Accordingly, in the interest of the public good, she plans to make a motion that no and this will be for discussion, Commission meetings regarding the sale of Vero Electric or any related matters will occur prior to the meeting of City Council on May 16th.

Mayor Moss made a motion that no Commission meetings regarding the sale of Vero Electric or any related matters will occur prior to the meeting of the City Council on May 16, 2017. Mr. Sykes seconded the motion.

Mr. Winger said in defense of the Finance Commission and the Dodgertown deal, the Finance Commission was charged with looking at the finances of selling it and actually the finances are better if they sell it than if they don't sell it. The City Council weighed in on it, which has happened several times before. They have overruled the Planning and Zoning Board twice that he could think of. He said what the City Council said was that it was a bad vision or a bad use of the land. He said the Finance Commission looks at money, not the vision. He wanted to defend them because what they did was consistent with what the City Council asked them to do.

Mayor Moss agreed. She said the Commissions have a very narrow mission, as they should. She said they are looking at an issue from their particular prospective and hopefully of their area of expertise. Whereas the City Council has to view an issue in a very broad sense. They are elected and have to look at every possible prospective of it, not just a singular one. That is why they may not agree at times with the Commissions, but they do value their opinion. She thanked all the Commission/Board members.

Mr. Winger said Mayor Moss seems to imply in what she said, but he didn't think it was part of the motion, that before any final action would be taken in whatever is proposed on the 16th of May would go to the appropriate Commissions and have time to be vetted by the public.

Mayor Moss said that is correct.

Mr. Winger did not think her motion said that.

Mayor Moss said they don't need to put it in the motion because they don't require a motion. She said after FPL has made the presentation they (the Commissions) are free to do as they see fit. The motion only covers through a specific date. It is not in perpetuity.

Mr. Winger made a motion to amend the motion such that before the City Council acts on it that it has to go before the Commissions. Mr. Young seconded the amendment to the motion.

Mr. Young thanked Mayor Moss for what she said in allowing the Commissions to review the offer that is going to be proposed. The confusion was that the perception that some of them had was not understanding the process that Mayor Moss saw evolving as they move forward with the transaction. He asked for his benefit and for the public's benefit, that Mayor Moss explain what she sees in moving forward in this process. He asked what her expectation is as Mayor in the next step after FPL makes their offer.

Mayor Moss said her expectation is that there will be much discussion after that because they will need much discussion in order to have an actual contract. She noted that FPL is not presenting a contract at the May 16th meeting so there will be many months to develop these things. It takes months of hard work so there will be plenty of time for discussion. She said that she wanted to limit it to a very narrow time frame in a very narrow way. She said they are not limiting discussion in perpetuity. She said that is ridiculous and they don't even need to address it because they (Commission/Boards) operate as they see fit. She said this is just to limit it for a very brief period of time for a very specific reason, which she has already stated.

Mr. Young asked what is going on to set the stage for the FPL offer that is going to be presented. He asked what is the process. He said that he was giving Mayor Moss the opportunity to explain what she has done to move this along.

Mayor Moss said the old contract died. It was from 2011 to 2016, which was only a month of their watch (this City Council). She said that died, she felt for a multitude of reasons and one (1) was that they didn't have a champion, a person to coordinate things like this. To have a shepherd so to speak and that is what her purpose has been. She said this actually is a perfect storm since she has served as Chairwoman of the Utilities Commission, she was nominated and elected to be the FMPA Representative, and had the good fortune to be Mayor at the same time, it put her in the right place at the right time to bring them as close as they have ever been to doing a deal. She said this was not on her part, but she has been told this by independent parties that they are as close as they have ever been to actually completing a deal. She said this is the will of the people. The full sale is the will of the people and they all need to respect that and they need to make sure it happens and in an appropriate way. She did not see any reasonable objection to this.

Mr. Winger said there was a Letter of Intent (LOI) that was accepted and many of them believed they could not close the contract because of FMPA (referring to the previous dealing with FPL). He said that he didn't want to see them do the same thing again. In other words, if the Mayor says once there is a LOI that the next meeting of the City Council they would deal with the LOI and he does not have a problem. He does have a problem with repeating a mistake of the past in getting a LOI and then being obligated to a contract. He felt the LOI had to go the Commissions.

Mayor Moss said the LOI would be similar to the last LOI in that it is non-binding.

Mr. Winger said that he learned in history that it was binding. If the Mayor is trying to say that on May 16th she was going to accept the LOI his amendment to the motion would block that. If she accepts his amendment to the motion, which he felt was reasonable, then he accepts her base proposition. But, to say that three (3) of them are going to decide it makes no sense. He said they are going to see it on May 16th for the first time and his fiduciary responsibility would not let him react to it in that period of time. He said they took almost four (4) months with the OUC contract.

Mayor Moss said to reassure Mr. Winger and alleviate any fear about this, this will be handled the same way the FMPA numbers were handled. She explained that Mr. Jacob Williams, CEO of FMPA, submitted numbers to the City Clerk the Wednesday prior to the Council meeting of January 3, 2017 so they were available before Mr. Williams gave the formal presentation. She said this same thing will occur so they will have time. She said her point is that she doesn't want it discussed until FPL has the opportunity to explain to the City Council and to the community exactly what the offer is. She said they can't get it just by reading something. She did not want people going off in different directions, most of which would probably be wrong. She said to hear from the source first.

Mr. Winger said that he was agreeing to her motion if she agrees to his amendment to her motion. All he was saying was that the LOI should not be voted on until a subsequent meeting.

Mayor Moss said Mr. Winger's amendment to the motion was not necessary.

Mr. Winger said it is necessary because he does not have confidence that they won't do the same thing they did in 2011.

Mayor Moss restated her motion, which was, "no Commission meetings regarding the sale of Vero Electric or any related matters will occur prior to the meeting of the City Council on May 16, 2017. She said it is a very narrow motion. It is only until May 16th.

Mr. Winger said that he amended the motion in such that on May 16th that it goes to the two (2) Commissions and it was seconded. That is all he is saying.

Mayor Moss said all she is saying is that it is unnecessary. She said you can call it micromanaging and that is not a criticism.

Mr. Brian Heady referred to the comment, "no discussion prior to May 16th." He asked does someone have information on an offer. Mayor Moss said they (FPL) are going to make an offer.

Mr. Heady asked do you know what the offer is at this point. Mayor Moss said that she does not know what the exact offer is.

Mr. Winger said, but you do know details and they (City Council) don't.

Mr. Heady asked have they communicated something to you (Mayor Moss) with respect to an offer. Mayor Moss said that she is not at liberty to discuss it. They (FPL) are going to present the offer on May 16th. There will be no discussion before that. She said it will be uploaded on the internet and everyone will have time to look at it.

Mr. Heady questioned on May 16th. Mayor Moss answered no, the week before, just the way FMPA did. She said in the middle of the week and everyone can tear it apart, but not publically. That jeopardizes it because you might not understand it. It is just a piece of paper. That's it and you might not understand it so they need to present it to see that it is handled properly.

Mr. Heady said you (Mayor Moss) have some information because you are the Mayor and it is just a piece of paper ... Mayor Moss said and because I am the FMPA representative, yes. She said that she talked to FMPA and she talked to FPL. That is the problem before. It got to the point where the parties were not speaking to each other. They didn't want to be in the same room and you (Mr. Heady) probably know that more than anybody.

Mr. Heady said this is his question, Madam Mayor. He said you tell him that it is just a piece of paper, that you have information and that information has been communicated to you, and he would like to know ... Mayor Moss said that she does not have complete information. It is with the attorneys. She thought that Mr. Sykes mentioned this at the last meeting that they need to give the attorneys the opportunity to work everything out. This was requested by Carlton Fields, not her. The request was made by the City's utility attorneys to postpone the meeting by one (1) week. Otherwise, she would not do this.

Mr. Heady said a couple of minutes ago he was told that she had information and he questioned it and now she is telling him that she doesn't have the information, that the attorneys have the information. Mayor Moss said the attorneys have the complete information. She does not have the complete information.

Mr. Heady said the attorneys have the complete information. Mayor Moss said yes, and it is still in negotiation.

Mr. Howle said in other words the attorneys relayed the message to Mayor Moss that they would like an extension. Mayor Moss said that they would like an extension, yes.

Mr. Heady said and it is still in negotiations. Mayor Moss said yes.

Mr. Heady said in order for something to be in negotiation, it seemed to him that there would have had to be an offer for them to negotiate. Mayor Moss said they are trying to see if there will be an offer. They are negotiating. She said they have to negotiate. It is not like a chicken or an egg thing.

Mr. Howle asked who is to say that they are negotiating. He said they might just be trying to figure out exactly how all this needs to go.

Mr. Winger said the way of talking with someone is through Mayor Moss.

Mr. Heady asked does anyone know what the lawyer bills are to date to negotiate this particular deal. Mayor Moss said that she didn't know.

Mr. Heady asked in terms of scope, is it $1,000 or $100,000. Mr. Howle said they would need to bill the City first for them to know. He did not think they have received a bill from them yet.

Mr. Heady said that he has a difficult time if something is up for sale, as the City's Electric Utility is, the first step seemed to him, after they make this Electric Utility for sale, the first step would be to get an interested party to make an offer and then they would negotiate from the base line of the offer. He said you (Mayor Moss) are looking at him like he is totally crazy. He asked you don't think there should be an offer ... Mayor Moss said that she just disagrees with what he said, but that is fine, he has every right to say it.

Mr. Howle said they have had this discussion before.

Mr. Heady questioned and you don't think that there needs to be an offer before negotiations.

Mr. Sykes said there is nothing to discuss here, with all due respect, because they have not seen what the offer is. So, according to the Mayor, one (1) week prior to May 16th they will all have the opportunity to review this deal. He said that he hasn't seen it either and he would love an opportunity to look at it. This seemed to him, that this seems to be a discussion that is going around in circles because they don't have anything to talk about. They don't have an offer to discuss. So, until then, that is why he respects the Mayor's position that they not create unnecessary issues for something that they know the voters want, yet they don't have the details.

Mr. Winger said what you are saying is that you never want to negotiate.

Mr. Sykes said that he never used the word "negotiate" and perhaps that was a misrepresentation of whoever said it.

Mr. Winger said you're just going to take whatever they offer and you're not going to let the commissions look at it.

Mr. Sykes said that is absolutely false and he was tired of him (Mr. Winger) putting words in his mouth and trying to make it seem like he said something in which he hasn't.

Mr. Winger said that was a hypothetical position, but it seems like that is your position. Mr. Sykes said that is not his position.

Mr. Howle said you (Mr. Winger) are making assumptions. Mr. Winger said that he is making assumptions.

Mr. Sykes said that he understands these contracts far better than anyone on the dais and would assume that they would want their Counsel to have an opportunity to go over whatever it is that this piece of paper from FPL contains prior to a public presentation.

Mayor Moss said it is a reasonable and appropriate way to handle this. She asked for any other public comments. She asked Mr. Heady to please summarize his comments so they can move forward. She felt that they were going in circles.

Mr. Heady said that he was not trying to go in circles, but when he is told that there is an offer out there and that you have attorneys that are costing the taxpayers money negotiating then he would like to know what the offer was. Mayor Moss said they would know on May 16th.

Mr. Heady said if they are spending tax dollars right now on attorneys to negotiate a deal, an offer that has been made, the public is entitled to know what that offer is. He said when Mr. Young asked what have you (Mayor Moss) done. You (Mayor Moss) said that you were closer than you have ever been, what have you done and he (Mr. Young) gets no answer. Mr. Heady felt that was a legitimate question.

Mayor Moss said that she answered it. She is the go between. She is the FMPA Representative and she brought Mr. Williams, of FMPA, here to provide the exit numbers. Many people told her they were long sought numbers and it was very difficult to get FMPA to commit to anything. She said that was a huge step forward even to have a number. Now they are at the point where they actually expect to receive an offer from FPL. She said maybe it won't happen. Maybe it won't happen at all. She said maybe she will come back to the next meeting and say it's not happening. That is a possibility too. She didn't expect to have to postpone it. She does not have a crystal ball. She may come back and say they don't have an offer. She said remember, people want an offer. That is the point they all better keep in mind.

Mr. Young said they were all talking past each other. He said what he would like to understand and what he thinks the public would like to understand is what has been the process to date in order to obtain the transaction with FPL. He asked what specifically has been accomplished. Mayor Moss said all of that will be discussed on May 16th.

Mr. Young said that Mr. Heady might ask for the specific document, but what he wants to understand and what the public should understand is what has been the methodology to reach the point on May 16th when they walk through the door to present … Mayor Moss said the methodology has been to bring the parties together. She said remember, OUC is also a part of this. It is FMPA, OUC, FPL, and the City of Vero Beach. There are

actually four (4) different parties. Within FMPA they are going to have the 13 member cities of the ARP and then they are going to have another six (6) cities that are involved in the projects in which the City is currently involved in. There are a huge number of parties and she cannot overstate the number of parties that are involved. She said that her involvement has been to "shepherd" this proposal, if they actually get it. They don't have it yet.

Mr. Young said so the players that are engaged are the Mayor, FMPA … Mayor Moss said FMPA, FPL, and she has not spoken with OUC, but they are involved. She said this is confidential and proprietary. She can't discuss and she has not been involved … Mr. Young said and also Carlton Fields. Mayor Moss said yes, of course, that is their attorney.

Mr. Young said so the public then is dependent upon those players to come together with a transaction, which will be presented on May 16th. The question then would be who has had the opportunity to do the financial analysis of that transaction. Mayor Moss said all of that will be answered on May 16th.

Mr. Young asked who has had the opportunity to … Mayor Moss said that she cannot discuss the finances in any way, shape, or form. She said that she is going to let it go at that. Now they are going in circles.

Mr. Howle said since they started this process, this whole time they have been waiting for FPL to do what they have to do to come back and present something to them. So that is what has happened.

Mr. Young said with that being said, he felt it was logical that the public would want to have some confidence that the transaction provided on May 16th that they would have the opportunity for the financial review.

Mayor Moss said perhaps it would help him to know that City staff has been involved in this.

Mr. Young asked do you intend that there will be a financial review of the transaction on May 16th. Mayor Moss said they are just presenting it, if it even is presented on May 16th. She said there are a lot of ifs here.

Mr. Howle thought what Mr. Young asked was if they are going to vote on a LOI that is non-binding on May 16th or is it going to then go for however many weeks or months to a delay, deny, and deflect Board to be reviewed.

Mr. Young said no, his question is, does the Mayor believe that there should be a financial review of the offer on May 16th. Mayor Moss thought there already has been an ongoing financial review by staff and by their attorneys.

Mr. Winger asked Mr. Howle if he intends to vote on the LOI. Mr. Howle said it depends on what is in the LOI.

Mr. Winger said that he would submit to them that anyone who voted on that day (previous LOI) was guilty of criminal fiduciary responsibility and unless they are going to put the City in a terrible position they have to let the voters and the Commissions have a voice.

Mr. Howle said they have a voice through him. He said that is why he was elected, to represent the constituents.

Mr. Winger said that he didn't believe in that form of democracy. He believes that he represents the people and he has to understand what they want and they have a Finance Commission and Utilities Commission and he wants their insight...Mayor Moss said that she didn't want to have to say this, but frankly Mr. Winger, you were there from 2011 through 2016 while this deal languished and died. She said you were Mayor for an extended period of time during those five (5) years. She said you presided over the death of the deal.

Mr. Winger asked what is the purpose of her comment. Mayor Moss said that he is making criminal accusations.

Mr. Winger said the purpose of his comments is ... Mayor Moss said before this gets too far out of hand she felt they should simply vote.

Mr. Winger referred to the minutes of the December 22, 2016 and noted at that meeting he nominated Mayor Moss to be the FMPA representative. She claims that Mr. Howle did. He said that without resolving FMPA there is no way that the contract of 2011 could be closed. There was no way it could have been done. It can be done now. He said that he didn't preside over the death of it. The City Council agreed to a LOI that could not be closed and picked a path that took five (5) years. For five (5) years he worked to close it. He said that he has worked to sponsor the Mayor to go to FMPA. His point is, what the purpose of attacking him is. They all agree they want to sell the utility.

Mayor Moss said the only thing that might be criminal is the original contract. That might be criminal, but she doesn't know. She asked Mr. Winger to please not bring up "criminal."

Mr. Winger said that he would be guilty of fiduciary irresponsibility if he didn't insist that it be properly vetted. Mayor Moss said it will be properly vetted. She said they don't need to micromanage.

Mr. Sykes said that he would like to move this forward. He asked if there were any additional public comments.

Mr. Heady asked before they get additional public comment, he is not done. He said the Mayor stated that the deal died under Mr. Winger, but actually the deal died on December 31st under this Council, which would also include the Mayor.

Mayor Moss said 30 days verses five (5) years (referring to the November election).

Mr. Heady said the Mayor accused Mr. Winger ... Mayor Moss said that's fine, you can defend him if you like, as you wish.

Mr. Heady said you accused Mr. Winger of having the deal under his ... Mayor Moss said it is a matter of fact.

Mr. Heady said you are right, it did. It died on December 31st. He said before it died he attended a Council meeting and asked the Mayor and the City Council to see what they could do to extend the deal.

Mayor Moss said it was interesting to her because there was a lot of furor about the partial sale and why it wasn't a full sale that it was terrible and they need a full sale. Now they have an offer for a full sale and she is still hearing that somehow the full sale is a big problem. She said it doesn't matter what it is, it is a big problem.

Mr. Heady said no Madam Mayor. The full sale is not the problem.

Mayor Moss said they were talking about the partial sale back then, within the context of a full sale. She said that he can check this in that every single motion that she made about the partial sale she always said the phrase "within the context of a full sale." Now they are on the verge, hopefully, of having an offer and look at everybody. She said they still want to rip each other a part. She asked what is that about. They should be happy that they are on the verge of getting this offer. She said after May 16th, it is fine.

Mr. Winger called for a point of order. He said Mr. Heady has the right to speak without interruption.

Mayor Moss said they are having a conversation.

Mr. Heady said that he doesn't mind the conversation. He said that he enjoys the conversation. He enjoys the information back and forth. When a Councilmember or a member of the public asks for information that is public information they shouldn't be stonewalled. They should be given the answers. He said the Mayor said the deal died under Mr. Winger and that was the partial sale. He said no maam. There was the LOI on the partial sale. What died on December 31st was the long standing contact that had been around for a long time that included the whole deal.

Mayor Moss said that she didn't say the partial sale died under Mr. Winger, but anyway. That's quite alright.

Mr. Heady said the Mayor said City staff has been involved in this deal. He asked which City staff has been involved. Mayor Moss said that is as far as she is going to go on it at this point in time. She said they have a motion on the floor. She said that she is not going to jeopardize this deal.

Mr. Heady said that he wasn't asking her to jeopardize the deal.

Mayor Moss said that she has to question motives at this point. She said that she could accept all of when it was a partial sale and everybody was screaming for a full sale. Well now they are on the verge of a full sale and you are still screaming. She said we will see on May 16th.

Mr. Heady asked do you remember FPL standing at this podium and saying that they would have an offer to Council within 30 days. He said that he sees one Councilmember shaking his head that he remembers.

Mr. Winger said actually they said they would have it within six (6) to eight (8) weeks, but that is before now.

Mayor Moss said they can have the City Clerk check the record.

Mr. Heady said this is a lot more than six (6) to eight (8) weeks ago. He said the City Council adopted a rule that your Commissions couldn't discuss the issue at all and that the will is not to discuss specific numbers and Mr. Winger continues to point out that there are no specific numbers and yet the Mayor says that she has worked on a deal and that City staff have been involved in the deal and their lawyer has asked for a one (1) week extension. He asked is he correct. Mayor Moss said Carlton Fields has requested an extra week to perform due diligence.

Mr. Heady asked what are they doing due diligence on. Mayor Moss said it is privileged information at this point.

Mr. Sykes asked are they enforcing the three-minute rule.

Mr. Winger said they cannot enforce the three-minute rule as long as a City Councilmember asks Mr. Heady a question.

Mayor Moss said no, that is not true. This has become redundant and when public comment becomes redundant they are able to stop it. She asked the City Attorney if that was correct.

Mr. Winger said no, that is not correct. Mayor Moss believes that it is when it becomes redundant. She said it is in the small print.

Mr. Coment said that is correct, if it is redundant.

Mayor Moss said good, she can control the meeting. That is the nice part of being the Presiding Officer. She said your comments sir, (Mr. Heady) have become redundant and she asked Mr. Heady to leave the podium. She asked if there was anyone else who would like to make a public comment.

Mr. Heady said because you say something is true doesn't make it true. If due diligence is being done then he requests the public record on what you did the due diligence on. Mayor Moss thanked Mr. Heady.

Mr. Heady said that he is entitled to see it. He asked Madam Mayor who does he ask... Mayor Moss said speak to the City Clerk. She thanked Mr. Heady for his comments.

Mr. Heady asked the City Clerk if she has any public record the Mayor has referred to ... Mayor Moss thanked Mr. Heady. She said they have other public comments.

At this time, a Police Officer approached Mr. Heady.

Mr. Winger said as a point of order, Mr. Heady is not out of order.

Mr. Howle said the Mayor still controls the meeting and they have had three-minutes of conversation. He had no questions for Mr. Heady.

Mr. Sykes said he (Mr. Heady) had nothing to discuss until they see an offer if and when it comes. He did not understand why they were all arguing. He said lets please wait and give Counsel that they put their faith in, the opportunity to review whatever documentation FPL has given them and then once they have all the information he would suggest that they have a presentation from their attorney on the same day as FPL presents their offer. Afterwards, they will get City Council's opinion on the offer and then they can discuss a path forward. He found this extremely unproductive and doesn't make any of them look very good to be arguing like this about something that they know the public wants. He supports the Mayor and her leadership and asked for other public comments so they can vote on the motions that are on the table.

Mayor Moss thanked Mr. Heady.

Mr. Heady questioned, you don't want public comment from someone who is knowledgeable of the issue. Mayor Moss asked Mr. Heady to take a seat.

Mr. Heady said if I take my seat ... Mayor Moss asked Mr. Heady to please take his seat and he is not to return to the meeting.

Mr. Heady said that he will file suit against the City.

Mr. Ken Daige said that he didn't think it was any one of Council's fault that the contracts that were on file for the utility sale were not executed due to any of their input. Some of it was before their time. Those contracts did not have anything to do with

individuals and there were contract restraints to move forward. He said it was mentioned "the will of the people." He said the will of the people of the City is for the Councilmembers to stand by their oath and do their very best for the residents of the City. He said the City Council is in charge of the utilities. They can vote however they see fit on whatever comes before them that day. They can take as much public input they want that day. If there are three (3) votes for whatever is brought to them, they can vote on it that day. He said it is up to them as Elected Officials that took an oath to the City residents on what they want to do. It is up to the City Council if they want to pass it on to their advisors, a special financial group, that is up to the City Council. This is the largest asset they have in the City. What the City Council does in the next few weeks is going to affect the future of everyone in the City. It will also be up to the City Council on how much they want to bind the City on whatever comes in. He said people in this City voted them in, they put their faith and trust in them, not on staff. They make the decision and if there is an error, there is an error. It is on them. They are in charge.

Mr. Sykes thanked Mr. Daige for his comments. He said that he always clearly articulates his point and they appreciate that. He said that he has no intentions of repeating mistakes of past City Councils' that got them into the mess they are currently in today. He took an oath and his responsibility is to the voters and they will make sure that this deal is properly vetted before they vote on it. He asked for additional public comments.

Mr. Coment said that he did not hear Mr. Heady called "out of order" and therefore, he could not be removed from the Council Chambers.

Mr. Sykes said that he wasn't removed, he left voluntarily. He said that Mr. Heady was just asked to leave the podium.

Mr. Coment said because the Mayor made the comment that Mr. Heady should not come back to the meeting, but even if the Mayor did call him out of order the City Council can vote to allow him to stay in the room, which would take a 3-2 vote to allow Mr. Heady to stay.

Mayor Moss said personally she didn't think that he was offering anything additional and she did not want him to return.

Mr. Coment said there are a lot more items on the agenda that Mr. Heady might want to...Mayor Moss said that she thought she read in the small print or in the City Charter that when someone is out of order that they do not return to the meeting. She asked is that correct.

Mr. Coment said if they are called out of order, but he didn't hear the Mayor call him out of order. Also, even when a person is called out of order and they have to leave the room, if the majority of the Council agrees that person can remain.

Mayor Moss asked Mr. Coment what he would advise. Mr. Coment said that he would advise that they make a motion on whether or not Mr. Heady should be allowed to come back into the meeting.

Mr. Howle asked don't they have to state that Mr. Heady was or was not out of order.

Mr. Coment said Mr. Heady is not in the Council Chambers so it is a little late to call him out of order.

Mr. Young felt it was appropriate to allow Mr. Heady to remain for additional discussion for the remaining items on the agenda. Mr. Winger seconded.

Mr. Young made a motion that Mr. Heady should be able to provide the opportunity to approach on additional items if he so desires.

Mayor Moss said Mr. Heady was getting redundant.

Mr. Winger did not find Mr. Heady redundant. He said that some of his questions never were answered, but he didn't think Mr. Heady was redundant.

The motion passed unanimously.

Mayor Moss asked for further public comments. No one else wished to speak under public comments.

Mayor Moss said that she does not accept Mr. Winger's amendment to her motion. She did not think they need to micromanage the Commissions. She said by the way, with the partial sale, the City Council never requested the Finance Commission or the Utilities Commission to review it. She showed the initiate to have the Utilities Commission review it. The Finance Commission never did. She said it is a bit hypocritical to be wringing hands over vetting when with the partial sale no one asked for anything ever. The City Council made no request at any time of any of the Commissions.

Mr. Winger said with all due respect, he did not feel that he could accept a LOI without it being vetted by the two (2) respective commissions and without it having enough time for the press and the people of the City to have a chance to look at it.

Mr. Sykes said respectively, Mr. Winger has made that point several times. Mr. Young wants to speak and then he would like to take a vote on the motion.

Mr. Young asked what assurance does the public have that they will have adequate review of the presentation that is going to be presented to them. He asked Mayor Moss what she sees preceding following the presentation on May 16th. Mayor Moss said that she is going to repeat what she said earlier, which is the Commissions, and this is a matter of fact and they have already been through this, both of these Commissions, the Finance Commission and the Utilities Commission, and she stated the names for the

record, each of the voting members of the Finance Commission and the Utilities Commission are appointed by one (1) of them. So, it is not exactly an independent point of view. Hardly, actually, especially given the fact that they have a former City Councilman, Mr. Randy Old, as the Vice Chairman of the Finance Commission. To couch this as some kind of independent vetting is frankly absurd.

Mr. Young asked what is the answer. Mayor Moss said to make up your mind. Do your homework.

Mr. Young asked are you … Mayor Moss asked please to let her continue as she does have the floor. She said that she does have the benefit of having been on the Utilities Commission since March, 2015, so she does have that benefit. It is an advantage and she agrees that there are some parties there who are at a handicap in this situation. But, she encouraged Mr. Young to close the gap on his own.

Mr. Young asked the Mayor if she feels that it is adequate to proceed on May 16th exclusive for further review. Mayor Moss said this is going to be presented on May 16th and they will see what happens on May 16th. She said that she is not commenting. She said that was her whole point in doing this so they wouldn't be commenting. She said they are rapidly approaching the point of absurdity. She is going to follow her own motion and not comment.

Mr. Howle asked can they vote on the motion.

Mayor Moss said they have to vote on the amendment to her motion and she does not agree.

Mr. Winger said so what the Mayor agrees that the Commissions should … Mayor Moss said that she is not making any comments. She asked Mr. Winger to read his motion.

At this time, the City Clerk read Mr. Winger's amendment to the motion, Mr. Winger made a motion to amend the motion such that before the City Council acts on that it has to go before the commissions. Mr. Young seconded the amendment to the motion. On a roll call vote, the motion failed 3-2 with Mr. Young voting yes, Mr. Sykes no, Mr. Winger yes, Mr. Howle no, and Mayor Moss no.

Mayor Moss said the reason that she voted no was because she believed that the commission should show the initiative to do this on their own on the 16th and they (City Council) don't need to tell them what to do. She said that she does not stand to micro-manage although someone accused her of that in the past.

Mayor Moss repeated her motion, which was that no Commission meetings regarding the sale of Vero Electric or any related matters will occur prior to the meeting of the City Council on May 16, 2017.

She said that is it. It is very clean and simple. She is not telling anyone what to do except until May 16th.

Mr. Howle noted that there was a second to the motion made by Mr. Sykes.

Mayor Moss asked Council if they wanted to say anything else that is not redundant. She said this is not a constitutional issue.

Mr. Winger read from Amendment 1, *"Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof, or abridging the freedom of speech or of the press, or the right of the people peaceably to assemble and to petition the government for a redress of grievances."*

Mayor Moss repeated what she said in that this is not a constitutional issue since they were being redundant anyway. In the case of 1949 the United States Supreme Court Justice, Robert H. Jackson, opined "the Constitution is not a suicide pact" and she gave the example of shouting fire in a Theater. She said this is a business. It is a high level sensitive business decision that is going on and any premature discussion of it compromises it.

Mr. Young felt that everyone on the dais supports the sale of FPL, but he also believed very strongly that this isn't a front to the individuals because you (Mayor Moss) are implementing a gag order that is not necessary.

Mayor Moss reread her motion that no commission meetings regarding the sale of Vero Electric or any related matters will occur prior to the meeting of the City Council on May 16, 2017. On a roll call vote the motion passed 3-2 with Mr. Young voting no, Mr. Sykes yes, Mr. Winger no, Mr. Howle yes, and Mayor Moss yes.

5. Update on Lagoon Legacy Projects by Councilman Sykes and Mr. Monte Falls – Requested by Mayor Laura Moss

At this time, Council took a lunch break and the meeting reconvened at 2:30 p.m.

Mayor Moss reported that last week she met with Mrs. Ruth Stanbridge, Indian River County Historian, and Mr. Monte Falls, Public Works Director, to discuss making a presentation to the City Council regarding the stormwater issue. She said that she would like to review this in depth prior to the budget sessions, which occur the second week in July. She reported that she attended the past two (2) years of budget sessions, which was good practice. She could see in doing that, that there are many things that come before the Council at that time and it is difficult to have an in depth conversation, which she felt the stormwater issue deserved. She reported that Mrs. Stanbridge could provide the historical prospective to give them the lay of the land in terms of the drainage system that has been in place for many years and Mr. Falls would follow up by prioritizing the projects that he feels are the most critical at this point in time. This way they will be aware well in advance of the budget sessions of what the cost would be. She thought this

DOCKET NO: 170235-EI & 170236-EU EXHIBIT # CAIRC

WITNESS: _____

PARTY: CIVIC ASSOCIATION OF INDIAN RIVER COUNTY, INC.

DESCRIPTION: COVB MEETING MINUTES OF MAY 16, 2017
SPECIAL CALL

PROFFERED BY: CAIRC

SPECIAL CALL CITY COUNCIL MINUTES
TUESDAY, MAY 16, 2017 9:30 A.M.
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA

PRESENT: Mayor Laura Moss, present; Vice Mayor Harry Howle, present; Councilmember Richard Winger, present; Councilmember Lange Sykes, present and Councilmember Anthony Young, present **Also Present:** James O'Connor, City Manager; Wayne Coment, City Attorney and Tammy Bursick, City Clerk

1. CALL TO ORDER

A) Roll Call

Mayor Moss opened the meeting up at 9:30 a.m. and the City Clerk performed the roll call.

Mayor Moss explained that they have Florida Power and Light (FPL) and Florida Municipal Power Agency (FMPA) representatives present today to discuss the full sale of Vero Electric. She said this matter has a long history and unfortunately it is a landscape littered by failed attempts. This is despite the fact that the community repeatedly voted in favor of a sale. The good news is now they have a City Council all of whom, as a matter of public record, have stated their support for a full sale. She said three (3) of them, Mr. Sykes, Mr. Young, and herself, are new to the Council as of last November. She commended Mr. Howle for his strong support of the sale before they came along. She said that takes courage. She said it should be noted that Mr. Winger voted against the full sale the last time around, which is recorded on page 10 of the minutes of the February 19, 2013 City Council meeting (on file in the City Clerk's office). She read from page 2, of the minutes, *"Formal vote on the acceptance or rejection of the Florida Power and Light Purchase and Sale Agreement – Requested by Mayor Craig Fletcher"* and from page 10, *"The Clerk polled the Council and the motion passed 3-2 with Mr. Winger and Mr. Kramer voting no."* She said the more interesting thing, and this is where the history became so convoluted, was later that very same year October 15, 2013, Mr. Winger, when running for office, released the statement with his promotional material, *"I support the sale of the Vero Beach Electric System as detailed in the contract signed February 19, 2013 and approved in the referendums of November 8, 2011 and March 12, 2013"* (copy attached to the original minutes). She said this has a long convoluted and often confusing history. She said this time around it really is different. She said that she spent the past weekend watching reruns of past City Council meetings, which are all located on the City's website at www.covb.org. She said that she watched the February 19, 2013 City Council meeting and Mr. Winger called FMPA the huge elephant that filled the room. She said that she mentioned this because of the progress they have made. She said the huge elephant has morphed into Mr. Jacob Williams (of FMPA) who they are fortunate to have here today. She reported that she began working with Mr. Williams within two (2) weeks of her election as Mayor last November to get to where they are today and it has been a pleasure. She said the hiring of Mr. Williams last year indicated a deliberate decision on the part of the FMPA organization itself to change direction. She said as the City's FMPA Representative she has been welcomed to the meetings and participated fully. She has attended all monthly FMPA Board meetings this year and plans to attend their meeting this Thursday. She said the meetings give her the opportunity to get to know the member cities and vice-versa. The Letter of Intent (LOI) that is before them today will require the cooperation of 19 of those member cities so it is very important that she is there and gets to know them and becomes a part of their organization, which has been a pleasure. She said if FMPA was to decide that it might be beneficial, and she and Mr. Williams have discussed this, she would feel comfortable traveling to some of those cities to appear personally to speak to the City Councils involved and Mr. Williams will advise

her in this regard. She reported that she served on the Utilities Commission from March, 2015, until she was elected to the City Council last November. She had the honor of serving as Chairwoman of the Utilities Commission. That experience has been a huge help to her in moving this matter forward. In her individual capacity as Mayor of this City, as the City's FMPA Representative, and as the former Chairwoman of the City's Utilities Commission, she is in the unique position to provide guidance and leadership on the electric issue, which she sought to do. Speaking of Mr. Williams and the FMPA, she will state as it has been said at other meetings, that he (Mr. Williams) is not here today to negotiate. She said that she understands Mr. Williams' situation very well. In a sense it mirrors her own in that she can engage in discussions, for example with FPL, but does not have the authority to make any binding or non-binding decisions. In Mr. Williams' case, the authority resides with the Board. In her case, the authority resides with this Council as a Legislative body. On another matter, the City may recall that it was reported in the press that when Mr. Wright, the City's previous special counsel, was discharged she urged that they not replace him immediately and that they wait to hire an attorney, which was done. She said that Mr. Wright was discharged in late November of last year and Carlton Fields joined them in late February of this year. During that three (3) month interval the discussion shifted focus from a partial sale to the full sale. She said that she is happy that they waited to retain special counsel. There were no legal fees incurred for special counsel during that hiatus. Carlton Fields immediately set out to work on the full sale. They were quick to understand this multifaceted situation and hit the ground running. She commended them for that. She said before they begin, she spoke with Mr. Coment prior to the meeting in that he please not hesitate to interrupt today's proceedings in order that proper protocol be observed throughout. She said at the last meeting unfortunately that did not occur. Mr. Brian Heady threatened to sue the City and Mr. Heady has a history of harm to the City. By that she is referring to his previous record of suing the City unsuccessfully. He lost, but he cost the City upwards of $30,000. She said that while the local daily press may have the luxury of dismissing him simply as the court's gadfly, which is their description not hers. And might criticize her concern advising her to "chill." She said it is her duty to protect the City against further harm by Mr. Heady and she shall rely on Mr. Coment for prompt advice as a situation is unfolding. She then thanked Mr. Coment. She said that she is happy that everyone is here and hopes that everyone speaks. She said the press has criticized her for marathon meetings, but if the public is participating that is wonderful. She asked what could be better than that, if the public is part of the government. She said they (City Council) serve the public and are at their beck and call. She wants them to be here. She then read from the meeting information that is located on City Council agendas, *"state their name for the record, confine their remarks to the subject, all remarks shall be addressed to the Council as a body and not to any individual member, the presiding officer may limit immaterial, unnecessary, or redundant comments and no person shall make any personal, impertinent, slanderous, obscene, profane, inflammatory, untruthful, irrelevant, or immaterial remarks, and displays of anger, rudeness, ridicule, impatience, lack of respect, and personal attacks shall be prohibited."* She said this is the small type on the agenda. She said that she asked Mr. Coment to step in should a violation occur. She said while this is a serious matter, it also is a grand moment for a City that has suffered so long under high electric rates. She thanked the City for their vote of confidence last November. She said that she has not stopped and will not stop until this matter is done and done in a way that it benefits them, the City of Vero Beach. She then turned the floor over to FPL for their presentation.

Mr. Winger called point of order. He said that he would like the order on how today's meeting was going to be done. He suggested that they allow the presentations to run through without interruption. Another thing is that he has 15 slides that will give them a positive answer that they (City Council) would be happy with and it will make the Town of Indian Rives Shores (IRS) happy as well. He would like to

give that presentation following the presentations of FPL and FMPA. He would suggest that at that point, questions could be asked of FPL, of FMPA, of himself, or whoever else.
The City Council agreed.

Mr. Winger said that his presentation is positive and Council will like it. He said it does explain Mayor Moss's comment of the vote back in 2013, which is kind of unimportant at this time because the contract failed.

At this time, Mr. Heady approached the dais.

Mayor Moss told Mr. Heady they are not at public comment at this time.

Mr. Heady said that Mayor Moss just went on a long ... Mayor Moss asked is it appropriate of her to ask Mr. Heady to take his seat.

Mr. Wayne Coment, City Attorney, said it is not inappropriate. He said they are not at public comment.

Mayor Moss said this is not public comment.

Mr. Winger said that his (Mr. Heady's) name was mentioned.

Mayor Moss said this is not the time for public comment. She asked Mr. Heady to please take his seat.

Mr. Heady said it is not public comment. He is responding to ... Mayor Moss asked Mr. Heady to please take his seat and thanked him.

At this time, Mayor Moss welcomed FPL.

2. SPECIAL REPORTS AND INFORMATION ITEMS

A) Presentation by Florida Power & Light (FPL) with regard to Full Sale of Vero Electric/Carlton Fields regarding same

Ms. Pam Raush, Vice President of External Affairs and Economic Development for FPL, said it is an honor to be back here in front of them to share some really great news and to submit for their consideration a nonbinding LOI for the purchase of the entire Vero Beach Electric System. She said they have all been partners ongoing now for more than seven (7) years. She said both sides have worked very hard to find good solutions for Vero Beach customers to bring lower electric rates to all customers. She said more than ever, today they really believe that this proposal will get them to where they want to be. She said as City staff and FPL were working towards the partial sale with Indian River Shores (IRS) they were fortunate because FMPA proactively reengaged and submitted new information that provided a path forward for the full sale. She thanked Mr. Williams and FMPA for being proactive and taking leadership to step up because that is why they were here today. She said that Mr. Matt Pawlowski, Senior Manager of Business Development for FPL, will walk them through all the components of the LOI. She stressed that this is nonbinding. What they are asking for approval on is nonbinding. She said they spoke with the City's outside attorney, Mr. Nat Doliner, because there are some approvals that Mr. Doliner will walk them through. She said it is important that they get started going down that process. She explained that this will help the Council when they bring back the Purchase and Sale that will be

binding at that time. Today just gives them the first step in the path forward so they can bring back a Final Purchase Sale Agreement. She said before FMPA came forward, they were negotiating for the sale of the assets that serve IRS and they were making great progress. Therefore, the LOI and ultimate Purchase and Sale Agreement will provide a contingency should the full sale fail for any reason that the partial sale will move forward, which is something that the City Council previously approved. She thanked the City for their partnership, trust, and faith in FPL in working together.

Mr. Matt Pawlowski reported that this LOI is in response to new information from both the City and FMPA. He said this transaction is set up to benefit all parties involved. It is not a benefit just for FPL. It is also a benefit to the City, FMPA, and Orlando Utilities Corporation (OUC). As previously mentioned, this is a nonbinding proposal. There are issues that need to be worked out, which those issues would be worked out in the coming months as they move into the next section of the transaction. It really is a starting point for discussions that would take place to move this forward. He then gave a Power Point presentation on the LOI to Purchase the City of Vero Beach Electric System (attached to the original minutes). He reported that they have been working on this for several years and it is a privilege to come to the point of having this new LOI in the form that it is. He said they have been trying to work with the City to provide the City with the same benefits as the first time around. This offer is a little different because it does relieve the City of all obligations associated with the electric system. They view this as a game changer in this transaction. He said it pays off all the outstanding debt, exits all current contracts, and it offers employment to qualified employees subject to union approval. Additionally, this offer is different in that there are a couple components that are not there. The biggest one (1) is that the Power Plant has been retired and no longer in service so it is no longer a part of this transaction, which is a substantial difference than the last transaction. He said there is more residual on unencumbered cash associated with this transaction at the end of this. He said they structured this transaction to benefit all parties involved and it does not put FPL's existing customers in a position to subsidize this transaction. He noted that the key takeaway from a budget standpoint for the City is that this transaction provides $30 million, which is $20 million cash and $10 million for the lease of the substation, of unencumbered cash going to the City. As mentioned, the LOI does have provisions for a partial sale of IRS if the full sale transaction doesn't go through. He said the LOI is very important for them to move forward and close the transaction as quickly as possible.

Mr. Nathanial Doliner, of the Carlton Fields Law Firm, stressed that this is a nonbinding LOI. He noted that there are some binding provisions, but they have to do with things, such as expenses and not having discussions with other parties between now and August in order to be able to negotiate the definitive agreements. He said all the business terms are nonbinding. What the LOI represents is a framework to be able to go on to negotiate the definitive agreements. As the LOI points out, additional discussions are required. He explained that the LOI does not contain all material terms in that there were several things that needed to be worked out. He said that they look forward to working with all parties, especially with the City, to bring this to a conclusion.

Mayor Moss called on Mr. Williams to give his presentation on behalf of the FMPA.

Mr. Brian Heady approached the dais.

Mr. Howle asked does Mr. Heady have a presentation today.

Mayor Moss told Mr. Heady that she was sorry, now was not the appropriate time for him to speak.

Mr. Heady said Madam Mayor ... Mayor Moss asked Mr. Heady to please take his seat.

Mr. Heady said you had a presentation and you had comments from someone ... Mayor Moss asked Mr. Heady to please take his seat.

Mr. Heady asked are you only allowing comments from that individual and ... Mayor Moss asked Mr. Heady to please take his seat.

Mr. Heady continued stating not giving a fair opportunity to everyone ... Mayor Moss said that she was going to have to call Mr. Heady out of order. She asked him to please take a seat stating that it was not the appropriate time.

Mr. Heady questioned that is out of order to ask that question. Mayor Moss asked Mr. Heady to please take his seat. She said that she appreciated Mr. Heady's cooperation and thanked him. She asked Mr. Heady to please clear the podium so that Mr. Jacob Williams may come forward.

B) Presentation by Mr. Jacob Williams, CEO & General Manager, Florida Municipal Power Agency (FMPA)

Mayor Moss introduced Mr. Williams and welcomed him to today's meeting.

Mr. Jacob Williams, CEO and General Manager of FMPA, thanked the City Council for the opportunity to meet with them. He reported that their legal and finance teams have spent a tremendous amount of time taking the steps forward to move this along in the event that there becomes a transaction. He then gave a Power Point presentation on the Update on FMPA's Preliminary Option to Help Vero Beach Exit FMPA Projects (attached to the original minutes). He wanted to be clear that he completely respects the City's desire to move in the way they are. They are an owner/member of FMPA and it is their decision. The notion that somehow FMPA's rates are too high, he would have to dispel that notion. He reported that FMPA's rates are now some of the lowest in the State at the wholesale number right on top of FPL. He noted that some of the lowest rates are for some of their members cities. Therefore, this isn't about large savings that citizens may or may not see any more because FMPA's rates are going down. He said it is their decision to move forward as they see fit and he welcomed to try to work with them as a member/owner if that is their desire.

Mr. Winger reported that he served on the Finance Commission for two (2) years and on the City Council for five (5) and a half years. He said that he has been working to sell this utility for 7 ½ years. He then gave a Power Point presentation containing his five (5) major points on this issue (attached to the original minutes).

Mayor Moss said at this point they would be going to the section of the meeting where the City Councilmembers can ask questions on the presentations that were made. She said that she plans to make a motion later and they would have public comment. She said that everyone would be heard. Before they do this, because Mr. Winger brought up IRS, she asked Mr. Robert Stabe, Town Manager of IRS, to come up and read a statement from Mr. Brian Barefoot, Mayor of IRS.

Mr. Robert Stabe read into the record a prepared statement from Mr. Brian Barefoot, Mayor of IRS (attached to the original minutes).

Mayor Moss said because the statement from Mr. Barefoot mentioned the hospital, she would ask Mr. Jeff Susi to come forward to speak.
Mr. Jeff Susi, Chief Executive of Indian River Medical Center, said that Mayor Barefoot contacted him and asked what the impact would be to the Indian River Medical Center. He reported that last year their total bill was $2,560,000 and their savings under FPL would have been $685,000. Projecting forward, this year they estimate $2,600,000 with a savings of over $800,000 (with FPL). He reported that is enough money to run a small nursing unit 24/7 for an entire year. In addition, looking backwards there are many projects that FPL supports for capital investments that they have not been able to take advantage of. He said this would be a significant benefit for the Indian River Medical Center.

Mayor Moss said there is one (1) other piece of information that she felt would be helpful for the City Council to have and that is from Mr. Bob Auwaerter, Vice Chairman of the Utilities Commission.

Mr. Bob Auwaerter, Vice Chairman of Utilities Commission, read a prepared statement (attached to the original minutes).

Mayor Moss reported that at this time, the City Council will make their comments and ask any questions they have regarding the presentations. She said before she makes her motion, they will open the meeting up for public comments.

Mr. Howle thanked FPL and FMPA for their presentations today. He hoped that they could all work together towards a timeline. He then thanked Mr. Winger for his presentation. He said it was his opinion that this offer was better than any of them anticipated. He said the terms in the LOI satisfy all their needs and then some. He said that he filed to run for City Council because he would like to see this Council remain a pro-sale majority. His hope is to remain on the City Council until the fruition of this sale. He said that he would like to speak to the negotiation process. He said the LOI is nonbinding and negotiations cannot begin until the LOI is approved. It is his assessment that this LOI is their starting point for negotiations, the City of Vero Beach is in a really good position for its future and he is excited about it. He compared the 99-year lease stating that if they compared it to the Dodgertown lease at $1 per year, this lease would be a 10-million year lease. He said this is a better lease than the City has ever had in their history. He said the City has already held two (2) referendums for the approval so the referendum Mr. Winger spoke about has already occurred. He said that Mr. Winger's position with the electric issue prompted him to run for the City Council in 2014 and again in 2015. He said while Mr. Winger is reasonable and knowledgeable in a lot of areas, for some reason and he can't understand why, he continues to drink the public sector Kool-Aid. He said perhaps it is because Mr. Winger has a taste for big government, one that he cannot swallow. Mr. Howle said the electric issue is important to all of them and Mr. Winger can say that he is for the sale, but his actions have never shown that.

Mr. Sykes thanked FMPA for coming to the table. He felt this was a historic moment for the City of Vero Beach. He then thanked FPL for all of their due diligence. He felt as though they really listened to the City of Vero Beach in crafting the LOI. He said that he was very excited for the residents, non-resident rate payers, for the business community, and that this is a path forward out of the FMPA bonds and OUC obligations. He recognized that there is a domino effect and until the LOI is executed none of the other things can take place that need to in order to complete this transaction. He thanked all parties involved. He thanked the City Council stating that he respects their opinions and that he will stick to his.

Mr. Young felt that everyone on the Council in their heart wants to look out for the interest of Vero Beach. He said one (1) of his primary concerns that has not been met and hopefully will be met as they

move forward is transparency. He said now is the time to delineate the details. They can say they want the electric sale and they can say they want the partial sale, but none of that amounts to a hill of beans until they see the specifics. The development to date of the LOI has been done without public scrutiny. He said without the assurance that the definitive agreements will be established in a defined and transparent process then the public cannot have confidence that due diligence will be completed. That assurance should come in the stated affirmation that all staff and Committee/Boards will examine and provide review of the Council in a manner that will afford scrutiny of all aspects of the potential full sale and partial sale. He said that has not happened and he expects it to happen if they are going to proceed with the LOI. He said that he spoke with the City's outside attorney and asked him what his financial scrutiny of the LOI was and the answer was to the affect that his scope of work was to perform the legal transaction and the risk associated to the financial review was not in his ballpark. Mr. Young said that some specific concerns are defining the impact of the 99-year lease on the substation property, the impact of the cost of relocation of distribution facilities to the substation, the impact of the payment of the pension liability, the impact of the reduced revenue stream post contract closure and how this agreement impacts the disposition of the Vero Beach Power Plant. He said a question that came to his mind, which he felt was very important, was is the negotiation period adequate. He said the negotiation period is roughly 90 days. He asked would they be in a place 90 days from now to come to a definitive agreement that they can proceed forward with. He questioned is the value of the system actually realized. He said that he wants a financial review that says yes, it is a good deal. He asked what does it mean "qualified" City Electric employees will be hired. He said that he wasn't sure what "qualified" means. He wanted to be sure that they protect their employees as they transition to FPL. He said on both the partial sale and the full sale, the assumed liabilities are to be specified. He understands that this is the LOI, but that list is a deal breaker as are many other aspects. Regarding the partial sale, the concerns were the temporary use of the City's Transmission and Distribution Center at no cost for the time to be determined, the financial analysis of the partial sale integration with the budget and what is the operational implication of a joint use transmission and distribution assets in the manner of cost, timeline, response to power outages, etc. He said these are huge questions and none of them are addressed at this point in the details necessary. Therefore, as a prerequisite for his support of the LOI he expects that there will be total and public scrutiny of the process as they go forward. He said at the last Council meeting, he asked one (1) question, which was never addressed properly. The question was how will this be done and in what timeframe will this be done by the experts that can give the City Council the answers they need to have to make the decision that is in the interest of all of their residents.

Mayor Moss said if she understands Mr. Young's comments, several parties would need to respond. She felt that FPL and Mr. Doliner might want to respond, as well as the City Manager and Finance Director with regards to the financial analysis.

Mr. Young said what he would like first is the assurance from the City Council that adequate scrutiny by all agents be permitted review of the LOI as it goes forward.

Mr. Sykes read into the record an email that he received from Mr. Ryan Bass, Finance Commission member (attached to the original minutes).

Mr. Young said his point is not that the vote today be prerequisite upon review. His statement is that the LOI be combined with an assurance to the public that the review will take place.

Mayor Moss appreciated Mr. Young's concern and said there are several parties that would like to respond. She thanked Mr. Sykes in that he reminded her that the City received correspondence from Mr. Glen Brovont, Chairman of the Finance Commission. She asked Mr. Howle to read the letter.
Mr. Howle read into the record correspondence submitted by Mr. Glen Brovont, Chairman of the Finance Commission (letter attached to the original minutes).

Mr. Winger said that he spent the weekend going over every document that has been released as a public record and at this point he could find no evidence of any negotiation. He felt that Mr. Doliner and others did a good job in providing information so there could be a LOI, but in no sense has this been vetted. If it has, he could not find it.

Mayor Moss asked FPL to address some of Mr. Young's concerns.

Ms. Pam Rausch said that FPL agrees that there are issues that they want to work though with the City and the other parties. She said none of the components that were listed in their starting points that were included in the Power Point presentation were new to the City because they were all part of the last deal. She noted that the numbers were changed given the circumstances, but the parties are the same. She said the LOI is the starting point and there is a lot of work to be done. She said it is hard to ask everyone involved to do this work without the starting point. She noted that when they come back before the Council with a final Purchase and Sale Agreement it will be very transparent. It is FPL's commitment that it will be fully transparent and negotiated.

Mr. Young asked how they envision this proceeding forward. He asked will Council have the opportunity to be informed of where they are during the process. He asked could he expect someone from FPL to give the City Council an update at each of their monthly City Council meetings.

Ms. Rausch said it is not productive to negotiate a deal in public. She said if the City Council directs them to attend their meetings to report on the progress they can certainly do that.

Mr. Young explained that he wants assurance that as they move forward that the City Council would not be surprised at the end.

Mayor Moss asked Mr. Young if he would like FPL to attend their meetings.

Mr. Young felt it was important.

Mr. Howle felt that they would be kept abreast by their Counsel.

Mr. Young felt that FPL was a large enough firm that they could have someone give them a presentation.

Ms. Rausch said they will make it work.

Mayor Moss asked the City Manager and Finance Director to address some of the financial concerns.

Mr. James O'Connor, City Manager, said from his stand point, the 2011 appraisal of the utility was $182.7 million, so that was sort of their target and this number exceeds that. Another issue they had was the contribution to the Pension Plan after employees transferred and the staff asked the City's Actuary the exposure of the Pension Plan. The actuary gave the City the number of $6.604, which FPL

met. He said that he personally did not have any problem with the 99-year lease. He said if someone came to the City and offered them $10 million they would be inclined to look at that number. In his opinion $10 million was a fair number to lease that property. He felt that the number they have before them financially is better than they have had in the past. He said it meets their appraisal value, it puts money into the City's Pension Plan, and it gives career opportunities to their employees going forward.

Mr. Young said that his primary concern as they move forward with the LOI is that the opportunity is there for the Committees and staff to scrutinize it and that Council receives an update of the process as they move forward.

Mr. O'Connor explained that what they endeavored to do with the leadership of the Mayor, which she took quite a role in the process, was to keep it standard simple (KISS) standard so they tried to identify the items that really impacted the City and have them in the LOI with the amount of money to satisfy without analyzing things, such as the number of poles there are, etc. He said they wanted everyone to know what the number is as opposed to guessing some kind of rent in the future.

Mayor Moss said so there is no concern in the future, she believes everything should be discussed and it will be. She said that she was glad they didn't get into all kinds of false starts and speculation prior to the LOI being presented to them today. That was her goal. She said that she did tell one (1) of the reporters, which was not printed, that she wanted to try to run government in a logical fashion and by that she means that she didn't want speculation about terms or people throwing out numbers prior to today's presentation. She thanked the members of the City Council who supported her on this. She said it is very important when dealing with these sensitive high level negotiations to have them presented properly so there are not misunderstandings and nothing is jeopardized in the process. She said transparency is a duel edge sword. She asked Mr. Doliner to respond to some of the concerns raised in going forward. She said this is an unusual situation in that FPL is a public company and the City is a bit hamstrung in terms of the Sunshine Law, referring to negotiations.

Mr. Doliner said it does make things challenging. He said it is a real balance in that they want to be transparent and they have to comply with the Sunshine Law and the Public Records Law. But, it is very difficult to negotiate an agreement in the public. He said that he has negotiated agreements before in a public library and it is like a television show with an audience of 300 people in that it doesn't work very well. He understands Mr. Young's concerns about transparency. He said that his firm is privileged to represent the City, but they provide legal advice and it is important for people to understand that they are not financial advisors, investment bankers, accountants, etc. They stick to what they know, which is lawyering.

Mr. Young said there were three (3) agents present, FMPA, FPL, and the City and each one (1) of them has a list of issues that need to be cleared as they move forward. He said as they move forward something that he would like to know is if they are on course. He said that he would expect that the Council receives this information.

Mayor Moss said that she was not sure what Mr. Young was asking for.

Mr. Young said each one (1) of them have issues that need to be resolved as they progress forward. That laundry list should be specified so as they move forward the City Council can check off as they proceed over that hurdle and if say 30 days from now there is a stumbling block that needs to be resolved or if they are on course they will know.

At this time, Mr. Brian Heady approached the podium.

Mayor Moss said that she was sorry, but they were not taking public comments yet and asked Mr. Heady to please take his seat.

Mayor Moss said let me ask FPL ... Mr. Heady said he really wasn't up here for public comment that he was not there to address Councilmember Young's questions.

Mayor Moss said that she was sorry, they are not yet up to public comment. She thanked Mr. Heady for his cooperation.

Mayor Moss said that she has a question ... Mr. Heady asked so you are demanding that he leave the podium. Mayor Moss thanked Mr. Heady for his cooperation and asked him to please take his seat.

Mayor Moss said that she is speaking to FPL ... Mr. Heady said once again the concept of equality ... Mayor Moss thanked Mr. Heady for his cooperation and asked him to please take his seat.

Mr. Howle said public comment is coming up later and asked Mr. Heady to please take his seat. Mr. Heady said that he wasn't there for public comment.

Mayor Moss thanked Mr. Heady. She said with regards to what she thinks Mr. Young wants is some type of laundry or to do list. She said FPL is a private company so some of what they are doing would be proprietary. She asked the representatives of FPL if there is a to do list.

Mr. Matt Pawlowski said they have already started working on a list and will be more than happy to share it with Council. He said it is not complete, but as an example of things that would be included would be making sure they have the right terms in the substation lease, making sure the easements are correct, etc. He said they would put together a complete list in the next few days and they will be more than happy to share it with the City Council. He said that they would work with FMPA and the City's legal counsel to make sure they have a complete list.

Mr. O'Connor noted that if the City signs the LOI they are partners with FPL and FPL would be joining them in meetings with OUC and FMPA.

Mr. Young asked as those meetings move forward, how will the City Council be apprised of what transpires.

Mr. O'Connor said that he is not real big on taking in depth notes, but had no problem reporting on who they meet with.

Mr. Young asked as they move forward, how will the City Council be updated so they know they are making progress to meet closure.

Mr. O'Connor said that a representative of FPL would be attending City Council meetings to give an update.

Mayor Moss said that she would report on FMPA.

Mayor Moss said that she plans to make a motion, but first they will take public comment.

3. PUBLIC COMMENT

Mr. Brian Heady said that first he would like to register his complaint of not being treated equally. Second, he would like to offer ... Mayor Moss asked Mr. Heady to excuse her for a minute. She said it is not your time, it is her time. She asked in order to make this efficient, should they do the three (3) minute public comment rule or should she make her motion and then it would be the other form of public comment. She asked Mr. Coment what he would advise.

Mr. Coment explained that the rules are that once a motion is on the floor there are no further comments from the public. Therefore, this is an agenda item and if Council wants to impose a time limit they can, but it is not in their written rules. He noted that they need to be consistent in applying that time limit.

Mr. Heady said that he gets it. So three (3) minutes. He said that he can make this in three (3) minutes. He asked that a Councilmember make a motion to accept the LOI as defined in the draft dated April 28, 2017. That they make a motion to accept it and be done with it and stop the bleeding of the taxpayers of the community. The second part of that motion, he would ask that they make FPL in charge of the Electric Utility as of June 1, 2017. He said that is a couple weeks from now. This is the 16th of May. He said to put FPL in charge as of June 1st. He said to give them the keys. They (FPL) are in charge, it's theirs. He said everything is muted and FPL can figure out who owes what past June 1st. He said the income up until June 1st belongs to the City and past that change the computer and make the checks payable to FPL and be done with this. As far as the details are concerned there is no more bleeding from the taxpayers. It's FPL's problem. He said work out the details with whomever. He said they already know what the numbers are. They know how much the City is going to get. He said let them work out the details. Put them in charge as of June 1st and stop the bleeding from the taxpayers. The advantage to their ratepayers is that effective June 1st everyone gets FPL rates and the City's employees will start working for FPL on June 1st. He said it is absolutely doable and ends this "BS." He said that he knows the Council can curse, but when he does he gets hauled out by the Police. He said stop the "bovine feces."

Mrs. Caroline Ginn said that she lives in IRS, but is a former member of the City Council and is always concerned about what goes on in the City of Vero Beach. She said that she did have a couple of concerns. She didn't like the contingency that if the full sale doesn't go through that it falls back to a partial sale. She asked that they delete this. She said they were taking out their best customers and it was not a good deal. She asked how do they propose to supplant the $5 million to $7 million that the City was currently getting from the City Electric. She said that is a huge number taken out of their revenue. She was also concerned about the substation in that she felt it should be removed from the property. She said that she didn't think this was a bad deal, but questioned if they really want to sell their "cash cow." She said all the City was currently doing was brokering electricity in that they purchase it from OUC and sell it to the customers and the City makes a huge profit. She felt that this whole thing needed to be rethought.

Mrs. Nancy Cook said her main concern is the substation. She said the integrity of that valuable piece of property once cleared of the Power Plant and the Water and Sewer Plant is a valuable asset to be

returned to the City tax rolls. She said the property would be much more sellable without the substation.

Mr. James "Toby" Patrick Hill said that he owns and operates a residential contracting firm, as well as dabbles in real estate development. He felt that they needed to recognize Dr. Stephen Faherty and Mr. Glenn Heran in that the two (2) of them fought for two (2) to three (3) years to bring this issue to light. He said that Mrs. Pilar Turner, Mrs. Debbie Mayfield, and State Representative Erin Grall also needed to be recognized. He said unfortunately a decision like this, which appears to be a relative business decision, gets political. The City Council got the ratepayers into contracts that were not financially beneficial. He said it is a matter of fact and is not up for debate that they are discussing substantial funds that the ratepayers have paid to what they would have had to pay if they had FPL rates. He said this information has been documented many times in that it does not just impact the individuals, but the Hospital, School Board, etc. He said sometimes you don't get a second bite of the apple, but today they are. They are being offered a second "off-ramp." He felt that a majority vote or a unanimous vote to move this forward would send a strong message. He said that he is speaking not only for himself, but on behalf of his 70 employees. He asked Council to do the right thing and sign the LOI.

Ms. Kate Cotner, Indian River County Assistant Attorney, presented to the City Council a copy of the Resolution urging the City Council to enter into negotiations for the sale of the City Electric to FPL that the County Commission passed this morning (attached to the original minutes).

Mr. J. Rock Tonkel, Utilities Commission member, felt that this was a positive response to the public's expectations. He has been attending these meetings for seven (7) and a half years and feels that this is the most positive event that has occurred with respect to the sale of the utility to FPL. The major players have responded in a positive and affirmative way. He said that he was convinced that this due diligence process contained in the agreement will meet City Council's expectations and the public's expectations. He felt that any reasonable test that anyone throws at FPL will be met with success. He said that he couldn't expect anything less. He felt that Mr. Young will find the transparency that he was looking for. He then quoted Mr. Larry Riesman, *"The City can't continue making mistakes made in the past. Ideally, it should get out of the electric business to focus on challenges it has ignored."* He felt that was good advice for everyone.

Mr. Mark Mucher, Utilities Commission member, said that he could stand here and argue three-fourths of what Mr. Winger said. He said that his (Mr. Winger's) rate numbers were all wrong. But, what he wanted to discuss was the misconception about the substation lease. He said the fact is whether they sell it or not, it is there. If the City wants to move it they (the City) will have to pay to move it whether the City owns it or FPL owns it. Other than the little bit of real estate it is taking up, that $10 million is a gift.

Mr. Joseph Guffanti said that he lives in a blue house with white trim in case they want to visit. He said that he has said in the past that the power system that Vero Beach runs is nothing but a money laundering operation and now they throw in lawyers from Tampa, OUC, and FMPA and they have a tremendous money laundering operation and that's all this is. He said at the beginning of the meeting somebody, and he doesn't know who it was, had mentioned something about a behind the scenes operation and this is what we've suffered from in the past all the way back to Mr. Nason. That's why they are here today because this City Council and their predecessors have operated in a smoke free back room closet. Away from the scrutiny of the public and press and the press is a pitiful operation in Indian River County, they can be sure. He said the public is about to get the royal screwing again. He said you

people don't have individually or collectively the brains to think their way out of a wet paper bag. None of them should be in the position ... Mayor Moss asked Mr. Guffanti to refrain from profanity and personal insults.
Mr. Guffanti said there is nothing personal about this Your Highness., nothing at all. He said none of them mean anything more to him personally than the man or woman, as the case may very well be, than on the moon. He said to just keep that in mind. He said nothing is personal here. This is about their operation and their functioning as a member of the City on the City's payroll. So, he is going to disallow that comment and said please don't ever make it again. He said so that's it. The public is going to suffer yet again because there is no solution that is going to work out for the public.

Mayor Moss and Mr. Howle thanked Mr. Guffanti.

Mr. Robert West said that he just moved here in December and thought getting out of the electric business was a good idea and it still might be. But, the $6 million shortfall bothers him and it bothers him more that they don't know how they are going to cover it. He said that he has not heard one (1) person address where it is going to come from. He likes the fact that he might be paying a lower rate, but that is not a guarantee. He said that he has seen the City allocate money and he doesn't see it being wasted. They are fixing things that need to be fixed and they are not fixing things that should be fixed. He asked where is the money coming from. He felt that FPL should be paying the City more. He assumed that FPL wants to own all the electric in the State and they are willing to pay for it. He felt that the $6 million shortfall needed to be answered.

Mr. Jeff Thompson said it is about time. They have finally elected the right officials to push the FPL deal through. He said as a long time resident and local business owner, he sees the reality of high electric bills every month. He said that he cannot express how happy he is to see such a wonderful deal from FPL. He said with the guidance of Mayor Moss, Mr. Howle, and Mr. Sykes, Vero Beach can move this deal forward and save the residents from overpriced electric and give them the ability to pay off FMPA, OUC, and the bondholders and put $30 million in the City CAFR has win/win written all over it. However, it is important to watch this process and see who opposes the sale as they have another election very soon. There is a lot more work to do and they need elected officials that understand the needs of all the residents and not just a select few.

Mr. John Kim said elected officials, regardless of politics, are elected to serve their community and they should be respected. He said that he is present today to represent his generation, the young people of the community. He said that he was born and raised here and has his own business. He said that he pays hundreds of thousands of dollars each year because of the current utility situation. He is blessed to have his own business and be financially stable. But, he cannot say the same for the majority of young people in the community. He said they have the opportunity to provide much needed financial relief to the entire community and especially the future generation. He said there are two (2) sides to every issue and with this situation there is one (1) side that in his opinion is exceptionally short sided and flat out wrong. The so called anti-sell faction only wishes to benefit a minute and small minority of the City at the expense of the working class, as well as the thousands of County residents and businesses. He said a brighter tomorrow can be achieved for their City. He said businesses can thrive, they can provide more jobs, etc., all with a vote of at least three (3) Councilmembers. He felt it would send a strong message to the community that the City is behind the young, the businesses, and their entire population. He encouraged the City Council to vote for this.

Mr. Carter Taylor, President of the Executive Committee of the Indian River Neighborhood Association (IRNA), thanked the City Council, FPL, FMPA, and particularly Mayor Moss for their perseverance and all the hard work that has resulted in this deal coming to the table. He said that he does have some concerns. First, even though they are only at the LOI, which is stated as being nonbinding, the LOI does establish the structure of a deal. It begins to cement in place what the final contract will look like. He noted that although the numbers will change the structure will probably remain the same. Therefore, the decision the City Council is making today is material and does bear on the final outcome. He felt that there has been a balancing act between transparency and the sensitive nature of negotiations. The City Council has asked for public comment, but it is difficult to make meaningful public comment when the public has only had three (3) days to evaluate it. He said their main concern is that when FMPA cleared a path for the full sale the City Council wisely decided to prioritize the full sale. The full sale is a relatively clean deal. He said they already know what a full sale looks like because they have been around that track a few times. They have not completed due diligence on the partial sale and they have not heard any comments about what type of facilities would be required, what they would cost, etc. He said with regard to Mr. O'Connor's point regarding the "KISS" standard, the partial sale does not pass this standard. He said they are all for the full sale. If they link the full sale and the partial sale in the LOI they run the risk of unnecessarily complicating the process of the full sale and slowing down the entire timeline. He urged the City Council to consider that before linking the two (2). In the interest of transparency and involving the public, the day this deal closes they are all going to say "mission accomplished," but the day after that they still have to run the City. It has been alluded to by other speakers that they have not seen any forecast on how the restructuring might look because this will involve restructuring of staff, reduction of expenses, etc. He urged the City Council to think about the longer term.

Mr. Jay Kramer said FPL is number 11, as far as being the cheapest in the State and 10 FMPA members beat them. When the City had the referendum FPL was the lowest in the State. They are not the lowest in the State. The value relationship that the public had when they were going to do the full sale was that they would be getting the lowest rate in the State and now they will not be getting that. He referred to an FPL bill stating that in the last four (4) months they went up thirteen and one-fourth percent at $10.63. He said no one knew this and it wasn't reported in the newspaper. He said at the end of the year they are going to go up about another $4.00, which the Public Service Commission (PSC) has approved. At the end of next year FPL will be going up another $4.00, which the PSC has approved. He said with the franchise fee that $102.00 plus $6.00 equals $108.00 plus the additional $4.00 and another addition $4.00, it equals $116.00 and the City is at the same rate. He said the City has the ability to drop their rates by about $2.00, which they could do right now. The fact is that what is going to happen is they are going to end up giving the citizens the same rates and are going to have to increase taxes by at least about 60% to 70%.

At this time, Mr. Howle read an email from Mrs. Penny Chandler, of the Chamber of Commerce, into the record (attached to the original minutes).

Mayor Moss made a motion that the City of Vero Beach agrees to the terms of the nonbinding LOI of today, May 16, 2017, regarding the purchase by FPL of Vero Electric. Mr. Howle seconded the motion.

Mr. Winger said if the Mayor would modify the proposal that they move ahead with the full sale, he will vote yes.

Mayor Moss said this is for the full sale. She said it is regarding the purchase by FPL of Vero Electric. Vero Electric is Vero Electric. She read her motion again, **that *the City of Vero Beach agrees to the terms of the nonbinding LOI of May 16, 2017, regarding the purchase by FPL of Vero Electric.*** She said that is what this LOI is for.

Mr. Winger asked what happens to the partial sale.

Mayor Moss said this LOI is to purchase Vero Electric. The LOI is for the full sale.

Mr. Winger asked what happens to the partial sale.

Mayor Moss said the LOI is for the full sale.

Mr. Coment said the LOI includes the fall back on the partial sale.

Mr. Winger asked Mr. Coment what they are voting on.

Mr. Coment said the LOI, which is what it is.

Mayor Moss said the LOI is with regards to Vero Electric.

Mr. Doliner said it is. He said there are provisions in the LOI that if the full sale did not occur then they would go to the partial sale. He said that agreement would be at the same time, but the emphasis is on the full sale. That is what they are trying to accomplish.

Mayor Moss said that she was not amending her motion. She repeated the motion **that the City of Vero Beach agrees to the terms of the nonbinding LOI of today, May 16, 2017, regarding the purchase by FPL of Vero Electric.**

Mr. Young asked will this be open to full review by all Committees as they proceed forward.

Mr. Howle said they discussed this about a half an hour ago and the answer is yes.

Mr. Winger asked Mayor Moss to put the word "full" sale in her motion. He said if they are going to revert back to a partial sale, spend a lot of time on it, and raise everyone's power rates, he cannot vote for the motion. If she can put that one (1) word in her motion then he can vote in favor of her motion.

Mr. Howle felt that Mr. Winger was losing sight that they have already approved the partial sale and the LOI needs to be approved as it is stated today. They were not there to change the LOI, but to vote yes or no on it.

Mayor Moss reread her motion, **that the City of Vero Beach agrees to the terms of the nonbinding LOI of May 16, 2017, regarding the purchase by FPL of Vero Electric.**

At this time, Mrs. Caroline Ginn stood up to speak.

Mr. Howle asked is there public comment.

Mr. Winger said public comment takes precedence.

Mrs. Ginn called for point of order.

Mr. Young said that he would like to hear from Mrs. Ginn.
Mayor Moss deferred to Mr. Coment.

Mr. Coment said they have a motion on the floor that has not been resolved. The rule is once there is a motion on the floor there is no public comment.

The City Clerk performed the roll call on the motion and it passed 4-1 with Mr. Young voting yes, Mr. Sykes yes, Mr. Winger no, Mr. Howle yes, and Mayor Moss yes.

Today's meeting adjourned at 12:07 p.m.

/sp

DOCKET NO: 170235-EI & 170236-EU EXHIBIT # CAIRC

WITNESS: _____

PARTY: CIVIC ASSOCIATION OF INDIAN RIVER COUNTY, INC.

DESCRIPTION: COVB MEETING MINUTES OF JUNE 6, 2017

PROFFERED BY: CAIRC

CITY OF VERO BEACH, FLORIDA
JUNE 6, 2017 9:30 A.M.
REGULAR CITY COUNCIL MINUTES
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA

The invocation was given by Bishop William Johnson of The Church of Jesus Christ by Latter Day Saints followed by the Pledge of Allegiance to the flag led by Councilmember Sykes.

1. CALL TO ORDER

A. Roll Call

Mayor Laura Moss, present; Vice Mayor Harry Howle, present; Councilmember Richard Winger, present; Councilmember Lange Sykes, present and Councilmember Anthony Young, present **Also Present:** James O'Connor, City Manager; Wayne Coment, City Attorney and Tammy Bursick, City Clerk

2. PRELIMINARY MATTERS

A. Approval of Minutes

1. Regular City Council Minutes – April 18, 2017
Special Call City Council Minutes – April 17, 2017

Mr. Howle made a motion to approve the minutes. Mr. Young seconded the motion and it passed unanimously.

B. Agenda Additions, Deletions, and Adoption.

Mrs. Tammy Bursick, City Clerk, requested that item 8-B "Report on Discussions with Orlando Utilities Commission (OUC), be moved up on the agenda and heard as item 2D-1). She also removed item 8-C) from today's agenda "Demolition of Power Plant and Sale of Assets."

Mr. Howle made a motion to approve the agenda as amended. Mr. Young seconded the motion and it passed unanimously.

C. Proclamations and recognitions by Council.

1. Veterans Outreach Golf Tournament – Curtis Paulisin

Sergeant Curtis Paulisin and Colonel Marty Zickert were at today's meeting to speak on the Veterans Outreach Golf Tournament that will take place the day before Father's Day on June 17th. The golf tournament is put on at a low cost so both the young and old can play in the tournament. This is the primary fundraiser for the Veterans Council.

Sergeant Paulisin invited the Council to attend the golf tournament. He spoke on behalf of the Outreach Program. He said they reach out to the veterans coming back from serving this Country. The veterans recently received a grant from Grand Harbor for $9,000. They used that money to reach out to the Gifford community and fixed up nine (9) homes belonging to Veterans. They were also able to employ some of the younger Veterans to do this work.

Mayor Moss complimented the Veterans on the Memorial Day ceremony on Memorial Island. She said that they did a wonderful job.

Mr. Young asked Mr. Paulisin if someone is not a golfer could they still attend the lunch. Sergeant Paulisin said that they could and he gave the phone number to call and make reservations. He said the number is 772-205-4610.

Mr. Young asked Sergeant Paulisin to talk about how successful the Veteran's organization has been in reaching out to young veterans and that the organization is financially sound.

Sergeant Paulisin said that the Veterans organization has been very successful in getting young people (veterans) to participate.

D. Staff/Consultant special reports and information items.

1. Item Moved Up on the Agenda –
Report on Discussions with Orlando Utilities Commission (OUC)

Mayor Moss stated that in 2008 the City of Vero Beach entered into an agreement with Orlando Utilities Commission (OUC). She said that OUC provides certain electrical power that is transmitted and distributed by Vero Beach Electric. In 2015 that agreement was amended. The term was shortened so that it now ends in 2023. The City's natural gas transport rights that reverted back to the City at the end of the original agreement were granted to OUC in perpetuity in the amended agreement. Only one (1) member of the current City Council was serving at that time, which was October 19, 2015 and took part in the vote for the amended agreement. Now every member of this Council has stated as a matter of public record that they support the full sale of Vero Electric. The vote last month on May 15, 2017 for Florida Power and Light (FPL) Letter of Intent (LOI) regarding the sale was 4-1 in favor of it. She said even the one (1) vote against it stated that he did so "regretfully." Their actions here today, right here, right now, are watched by OUC and other interested parties, such as the Florida Municipal Power Authority (FMPA). Their message is that they stand strong. Their partner FPL stands strong with them. She said in order to honor the will of the people and exit the electric business it is necessary to exit the OUC contract. Mayor Moss thanked the people of this community. She said that everywhere she goes everyone has been very encouraging and supportive of this situation that they are in to move forward finally with this electric sale. She thanked the people because they gave her the power to do it by electing her, but they

are constantly renewing that power with their ongoing encouragement and support and it is appreciated very much. She said she appreciates everything. Mayor Moss said today as they proceed, their special counsel, Mr. Nat Doliner of Carlton Fields, will advise them in this regards. She requested that Mr. Doliner first speak to them with regard to the importance of proper process for their consideration and action on this matter.

Mr. Nat Doliner of Carlton Fields Law Firm, was at today's meeting to speak about OUC. He said as the Mayor indicated and Council remembers from their meeting on May 16, 2017 one (1) of the under pinnings of the proposal by FPL is that there would be a termination of the contract that the Mayor described with the OUC for a payment to OUC not to exceed $20 million and a full release of all obligations that the City has to the OUC. The way the contract reads, he believes that is a proper position in the event that there is going to be a termination or some other exit from this contract as the Mayor indicated is necessary in connection with the sale of the system to FPL. He said that the City received indication shortly after the LOI was signed that OUC disagrees with the position that the City agrees is the correct position. He said they are in a dispute with OUC on that issue. He advised the City Council that because they are in the realm of a dispute that they be restrained in their comments because whatever they say could be used if there ever is litigation and of course their deposition could be taken. He cautioned Council to be very careful because of the posture that he believes they are in presently with OUC. He said this matter needs to get resolved in connection with the sale of the electric system to FPL.

Mr. Winger asked Mr. Doliner if he could describe what the problem is. He thought that it was monetary, but was not sure that was true.

Mr. Doliner stated that it was a monetary issue. He said that OUC disagrees with the position that the City has with regards to the not to exceed $20 million.

Mr. James O'Connor, City Manager, explained that he would give some history as to what led up to this. He said there was the discussion at the City Council meeting about the LOI and in the LOI the $20 million was discussed. The next day he received an email from Mr. Jan Aspuru, with OUC, contesting in his opinion the $20 million. He met with OUC along with Mr. Sam Forest from FPL, and went over their position, the contract and the terms of the contract. He said in the City's opinion the contract is very specific as to how that separation goes. Mr. Aspuru's position was that the City was benefiting so therefore the $50 million kicks in as opposed to the $20 million. They told Mr. Aspuru that they disagreed with that and that they would have to go back to their respective Councils and discuss it further, which is why they are here today.

Mr. Winger asked Mr. O'Connor what happens next.

Mrs. Amy Brunjes, Representative from FPL, stated that she agrees with the Mayor that they are partners in this matter, which is why their entire "Team" is at today's meeting. They also agree with the City's Transactional Attorney that the contract with OUC clearly states that the termination is not to exceed $20 million, which is why this was put

in the LOI. Also, that is the amount that OUC agreed to in the last purchase and sales agreement that FPL had with the City as a termination fee, which OUC agreed to in writing that the fee to execute the Power and Purchase Agreement for the City would be $20 million. She wanted to state that FPL is in agreement and when this came up again they were as surprised as the City was, so they had their legal counsel review it again and FPL's Senior Counsel was at today's meeting to speak on it.

Mr. Patrick Bryan, Senior Counsel for FPL, stated that he has reviewed the contract and believes very strongly that the position that Vero Beach is taking with respect to the contract is the correct one. The contract language seems very clear on its face and as far as the $20 million and what is applicable in this situation. He reiterated that FPL agrees very strongly on the position that the City is taking.

Mayor Moss thanked FPL for being such a strong partner and standing beside them.

Mayor Moss opened up this part of the meeting for public comment at 9:55 a.m., with no one wishing to be heard.

Mayor Moss made a motion that Carlton Fields on behalf of the City of Vero Beach is authorized with respect to the OUC agreement to commence mediation with OUC and any necessary litigation related to the OUC agreement. Mr. Winger seconded the motion. The Clerk polled the Council on the motion and it passed 5-0 with Mr. Young voting yes, Mr. Sykes yes, Mr. Winger yes, Mr. Howle yes, and Mayor Moss yes.

E. Presentation items by the public (10 minute time limit).

1. Mrs. Phyllis Frey to discuss the Comprehensive Land Use Plan 2035. – Sponsored by Vice Mayor Harry Howle

Mrs. Phyllis Frey discussed the proposed Comprehensive Plan and could not express the importance of everyone analyzing this legal document because it will be in control for the next 18 years concerning where they will be allowed to build in this City. She then read a prepared statement (please see attached).

Mr. Winger agreed with Mrs. Frey concerning the Treasure Coast Regional Planning Council (TCRPC). He felt that Council needed to have a workshop and discuss the Comprehensive Plan. He said that the Plan is massive. He suggested having Mrs. Frey and Mr. Daige look at it and make their comments at this workshop.

Mayor Moss agreed with Mr. Winger that a workshop was needed to discuss the Comprehensive Plan. She reminded the community that the City Council revisited the Vision Plan and maybe all of that time they should have been reviewing the Comprehensive Plan as well. She said they spent many hours discussing the Vision Plan and there was great participation. In reviewing the minutes of the Planning and Zoning Board's meetings when they talked about the Comprehensive Plan there was very little

Mr. O'Connor said this is if they have an environmental issue, such as an oil leak at a substation or something like that. He said the City did not have a callout this past year, but if they do, this sets the provision for that callout and the pricing.

5. Hazard Mitigation Grant – Police Department Roof and Windows VBPW Project #2017-12 – ($175.000)

Mr. O'Connor said this is for the roof and windows at the Police Department. He said they have had some damage, as well as aging of the building. They are making application for the grant. It is a $700,000 estimated project and the City's estimated cost is $175,000. Staff is asking Council to allow staff to make this grant application as it is something that is needed. He asked Mayor Moss if at all possible would she sign the grant application today because it is due in Tallahassee by June 9, 2017. Staff recommends that the Council adopt the Consent Agenda.

Mayor Moss opened and closed public comments on the consent agenda with no one wishing to be heard.

Mr. Young made a motion to approve the consent agenda. Mr. Howle seconded the motion and it passed unanimously.

4. CITY COUNCIL MATTERS

A. New Business

1. Discussion of Action Items for Vision Workshop – Requested by City Council

Mayor Moss said this is a discussion of action items emerging from the Vision workshops. She thanked the community in that unlike the Planning and Zoning Board with the Comprehensive Plan, the City Council had a very high level of participation. They held a series of three (3) meetings and for anyone who was not able to attend, all meetings are videotaped and there are minutes of the meetings. There was one (1) in March, one (1) in April and one (1) in May. They can identify them in that they are Special Call meetings, except for May because they held more than one (1) Special Call meeting. She said the Vision Plan meeting was the May 17th Special Call meeting. She said at their last meeting they discussed what do they do with this now. They had a lot of constructive input and received a lot of feedback. She said that is where they are today. Each Councilmember chose several items as "action items" and they are entering into that discussion now. She noted that they don't get to talk to each other about business other than here and now.

Mr. Winger said the bullets of his were not his bullets or at least his current ones. He said his current ones are: the Lagoon, Three corners, and Ocean Drive. He said that he sent the City Clerk's office a revision of his items and he was more interested in the verbiage that he had attached to them in that he believes that what Mrs. Daige submitted is correct in the effect that they could do all 14 of them. The way to do that is to delegate

them. For instance, Charles Park could be delegated to Mr. Daige, Mr. Kite could be asked to put a group together for Miracle Mile and Royal Palm Pointe. He said some of them, such as the Lagoon and the three (3) corners are hard to do. But, his point is that he doesn't think it has to be limited to three (3). He said management is getting things done through others. It is not them (City Council) doing them. He said they have competent people to deal with all the issues they have who can bring back to Council their recommendations. The only one (1) that he wonders about is the three corners because he felt that they would have to hire a private consultant and have charettes.

Mayor Moss felt that they seemed to agree at the last Vision Plan meeting with regard to hiring a Planner for the 17th Street, Indian River Boulevard properties. Council agreed.

Mr. Sykes said that he was in support of that and he also suggested that they reach out into the community and ask for their vision for the corners as well. Not to just rely on one (1).

Mayor Moss said they all want to do that. She asked what is the best way to go about that.

Mr. O'Connor said staff would work on sending out an RFP to send out to Planning firms.

Mayor Moss asked if it would be a local person.

Mr. O'Connor said staff would get the proposals back in and then the City Council would choose who they want to do business with.

Mr. Winger said as a comment in support of Mr. Sykes, he thought they received a very useful proposal from the Youth Sailing Foundation. He just thought it was premature. He was not at all against their proposal. He said the more input they get the likely the better the decision will be.

Mayor Moss agreed it was a nice presentation and they could ask to be incorporated in whatever the Planner who is chosen is doing in that regard.

Mr. Young said the integration of the Youth Sailing into the whole analysis he felt would be extremely important because there is a definite symbiotic relationship between what they were looking to achieve and what he thinks the majority of the City is looking for with the property.

Mr. Winger felt that they were putting the cart before the horse before they went with what Mr. Sykes suggested and what he suggested. What he felt would be very important with a group like Youth Sailing is that it is not off limits to the rest of the population. In other words that it is not a private club.

Mr. Young felt that was the consensus across the board.

Mr. Sykes said that he has expressed it in the past at the Vision meetings and elsewhere that while he has great respect for Youth Sailing and sailing in general, he felt their plan was well thought out from their prospective. He said that he could not support using that land for that particular use. He sees the area as a real opportunity to do something creative. To put the property on the tax rolls, while making sure that the City retains a percentage, for public access to water and green space. That is why he is advocating reaching out for proposals. He said it doesn't matter to him if it is a local company or a company elsewhere in the State. He felt that everyone should have the opportunity to bid on it. He felt that they should look at suggestions from everyone because that is the kind of creative collaboration that they should put into this very important piece of property.

Mr. Winger said in the long run it is what the people in this town want. If they want what Mr. Sykes wants, that is fine with him. He doesn't have any problem with it.

Mr. Howle said that he didn't have any problem with it either. He felt that with the amount of land they could probably accomplish everything that was mentioned.

Mr. Sykes felt that there were some real creative solutions that would accomplish a number of different goals, not the least of which could be having some sort of an agreement where someone else pays to move the substation if the City chooses to do that at some point in the future. He asked Council if they were attempting to go through each bullet point. He felt that they should take a more organized approach to this because he noticed that four (4) of the five (5) Councilmembers listed parking as one (1) of their issues so perhaps they could weigh in.

Mr. Howle thought they did this in order to determine what the top three (3) issues were and that was what they were going to focus on.

Mr. Sykes said it was his understanding that each Councilmember was to provide bullet points on specific issues they felt there was a consensus on, to at least discuss it, to provide some resolution within the community through the process of their Vision meetings and take some action on those items. He said parking has to be solved and he takes that as a top priority. He felt that they should start suggesting some solutions.

Mayor Moss said before they get into parking, she would like to understand the process for the property in that they agreed they want a Planner for the property. She asked Mr. O'Connor if he would be sending out RFP's and questioned at what point of the process should Council instruct them on what percentage of the property should go on the tax rolls and what percentage should be accessible to the public.

Mr. O'Connor said the way he envisioned the RFP was that they identify the three (3) parcels and that they want a Planner who could come in and work with the City Council primarily and with the community and they would hold public meetings to discuss those three (3) corners and try to work out how the development would take place and what that vision would be. The professional Planner would help address items, such as the

transportation system. He said deciding what percentage is and is not put on the tax rolls would be part of discussions of the City Council, contingent on the type of development envisioned for the property. He said they could put in the RFP that the Planner is to create a method for the City to receive input from developers.

Mr. Sykes wondered in the RFP if they can provide some guidelines. For instance, if someone was to submit a proposal that envisioned a portion of the property being privately held, then Council would like the Planner's suggestion on how they could incorporate a percentage. He was not suggesting 25% or 50% of the property should be green space. He said that he did not want to suggest that at this point in that he would like to see some proposals. But, in the guidelines they could state that if it is, then the City would like some portion of the property to be considered for public access so they would like that included in the proposal when planning everything out. Also, if the proposal is green space they might be able to incorporate some kind of business.

Mr. O'Connor said staff would prepare a draft proposal and submit it to the City Council for their input.

Mr. Young said in looking at the bullet points across the board, they have different levels of conceptualization, which he felt overlapped. He said what they were seeing today in the Letter of Intent is a 90-day window they are pursuing as a governmental body (referring to the Letter of Intent of FPL). If they look at the operational level, specifically what they are talking about is addressing the parking issues in that nature. If they talk about the three (3) corners, that is in that nature. That is the level of conceptualization. He felt the next level that has to enter into discussion is the strategic level, which is what visioning is, and they are doing that in pursuit of mitigation for the Lagoon. The other bullet is something that needs to be considered and that is 2025 when the City will have a decline in revenues as associated with the anticipated sale of the electric. He said as they look at where they want to go forward, they need to address how they are going to approach that.

Mr. Winger asked where did the year 2025 come from. He said it is going to be 2018-2019. He said basically the transfer goes away when they complete the sale.

Mayor Moss said when all is said and done the City would have $30 million in cash and she would think that she would look for suggestions from the Finance Director and the City Manager on the best way to handle that in the best interest of the City.

Mr. Winger said if there is money left over it should be in an endowment. They should not deficit spend and blow the money in the first so many years and then have the roof fall in. He said whether it is a partial sale or a full sale, they have to deal with it in 2018-2019.

Mr. Young explained that what he was doing by bringing up the point was that they are all making assumptions in looking at the process. He said they have all agreed that they

want to pursue the sale of the electric and what they don't want to have happen is to determine in execution how the revenues from that would be implemented.

Mayor Moss asked is she correct that doesn't affect the budget year they are going into.

Mr. O'Connor said that is correct.

Mr. Young explained that what he was looking at was what they anticipate to be the likely outcome as a result of the pending purchase agreement on the financial nature of the community and given that, what do they intend to do as far as a policy for this Council.

Mr. Winger felt that they should have a session during the Budget Hearings on this very topic. He felt it would be fiduciary irresponsible not to say what happens when the sale is complete.

Mayor Moss said that she would need to think about that because it doesn't affect this budget year. She said the purpose of the budget workshops is for this budget year.

Mr. Winger said what she was saying is they are going to make decisions about roads, stormwater, etc., that was repetitive and they are going to make other decisions about things, such as the Cultural Arts Village and zoning and then the following years they would not be sustainable. He said the past three (3) City Councils looked at a five (5) year budget, which he felt they have to look at. He felt to do anything less would not be responsible.

Mr. Sykes felt they should explore the idea going into this budget workshop of getting into the nuts and bolts of what the essential services are and where they are allocating the dollars. He said that might be a good exercise to understand how they make up the delta.

Mr. Winger said that he has a question about that and he is not at all against it. He explained that procedurally what they (City Council) do is they (City Council) look at the budget that the City Manager puts together and they use it as a yardstick. He said that is what has happened in the past year or the past two (2) years. He asked how, organizationally, would they do that.

Mr. Sykes suggested that they make an outline of all the departments in the City and go through and understand what the absolute necessities are and tackle them individually. He felt that it warrants the time to go through and understand where they can cut where there may be waste and understand how they can justify the City's current budget. He said they may find there are things in there that they can do without.

Mr. Young said when he and the Mayor went to Tampa (Institute of Elected Municipal Officials Conference) one (1) of the topics that came up was that the return on investment for zero based budgeting didn't warrant the cost and manpower associated with it. He said from his point of view, he felt that this would not be a good idea.

Mr. Sykes said while he respects that, he didn't think they would lose anything by asking the Finance Commission to go through with that intent and provide the City Council with suggestions prior to the Budget Hearings.

Mr. Young said the Finance Director is present today so maybe they could get more clarity on what specifically that would mean with regards to the entire staff of the City.

Mayor Moss said with regards to what they heard at the Conference, it was a bit negative about zero based budgeting. But, the way they were defining it was that they would be counting pencils, such as how many pencils they have and how many pencils they need. It was extremely labor intensive. She felt that if they take a step back and go with the concept of it, which she felt was what Mr. Sykes was talking about, where they look at each of the Departments as to what is being done, is it necessary, and is it being done in an effective way.

Ms. Cynthia Lawson, Finance Director, said that she understands what they are after and zero based budgeting has a procedure that is tedious and may not get them what they want. However, a few years ago for one (1) budget session they went department by department and divided the activities of each department into three (3) categories. The first category was things that were absolutely required. In other words, in order for them to exist as a municipal government under State law, these are the essential functions of that department that has to be performed. The second category was things they considered value added. In other words, they do them because they think they add value to their business model. The third category was things that were purely, for their perspective, customer service. They do them because they think that the citizens of the community like them. She said the reason they took that approach was because it had been a long time since they examined those three (3) categories. The first category, the essential functions, they don't have a choice. But, they examined the other two (2) categories with an eye towards the value added that maybe it was true then and maybe it is not true now. She said there are so many things that they do that they have done for years and years and the question is do the citizens really care about them anymore. She said at that time, their approach to it was predicated on for each department they feel strongly that that department is of a size where it can accomplish things and no more, but if they cut the department something would have to go. She said that was fine, but that they work together on which things would be removed. She asked Mr. Sykes if that was what he was talking about.

Mr. Sykes felt that was a great strategic approach in accomplishing what they were trying to do. He said when he hears the negative opinion about the concept of zero based budgeting coming from someone like the League of Cities or whoever it is, he wondered if it was staff driven.

Mayor Moss thought it was a Town Manager and he was very negative about it.

Mr. Sykes said as long as they can have an approach like Ms. Lawson discussed …

Mayor Moss said that she thinks that sounds terrific.

Ms. Lawson said they were getting to the same place without adding another bureaucratic process that doesn't really have much value added in terms of starting from the bottom up. She said the goal is the same in terms of how will they identify what each department does and how do they decide, aside from things that are essential, what matters the most to their community. She said if they begin to cut staff they begin to give some of those things up. She said if they would like, she would provide Council with the information from a few years ago for them to review now and she could update it for the budget workshops.

Mr. Sykes said that he would be interested in the updated version prior to the Budget Hearings. He asked when they went through the process before, did they assign dollar amounts to those three (3) categories.

Ms. Lawson answered no, because to her that seemed to be a lot of work without a lot of value added. She said as an example, the City Clerk's office does not have a lot of employees so to break it up into dollar values it might not equal a whole person. She felt that the bottom line challenge they have when they budget in the General Fund is that fund is about 80% staff costs. They have over the past six (6) or seven (7) years whittled down, items such as travel expenses, which are tiny compared to the rest of the budget. She said the real decision is if they have so many employees, are they willing to give up some activities or do they stay with the employees they have because it costs what it costs. She said it is absolutely a service organization and not a nuts and bolts dollars organization.

Mr. Sykes said that he understands that and he likes the approach of grouping this into three (3) categories, but for him, without even a ballpark number associated with those categories it is difficult to find out what kind of impact removing one (1) of those services would be on the bottom line.

Ms. Lawson said it would be nearly impossible, certainly within the next three (3) weeks, to put dollar values on the individual items.

Mr. Sykes said not individual services. He asked is it possible to give a ballpark figure of the three (3) categories.

Ms. Lawson said what they did before was the opposite. It was that if they wanted to cut funds from a department, then staff came back with items they could do and what they couldn't do with the loss of an employee.

Mr. Winger said it worked rather well. He reported that since 2008 – 2009, staff was cut from about 527 employees to about 393 employees. He said that he has been through the budget process seven (7) times and he can tell Council that they are not going to find a lot of money. He said they can do it any way they want, but they don't have enough money.

Mr. Young said that he has seen zero based budgeting and from his perspective the question to be asked is, what is their (each department) mission and the next question would be what resources are provided to accomplish that. He said they are in a tipping point of the manning of this City. They can only ask a staff of a certain size to accomplish so much in a day and it is evident across every aspect of City government. He felt that by trying to articulate the quantification of each thing is admirable, but he didn't think they would gain anything in the process other than realizing in the end that the staffing and the equipping they have is very constrained.

Mr. Winger said an example is they decided to outsource some lawn mowing and it was a disaster. They explored waste management and if someone outside could do it cheaper and they found it could be done, but it would cost more with not as good of service. He said there is not going to be any big pools of money found.

Mayor Moss said the other side of the coin is increasing revenue. She said that she has the Marina on her list for that reason. She said they are a first class destination for sailors, but she didn't think the revenues from the Marina indicate that. She made a formal request to the Marina Director to say how he was going to handle this. She said that is an Enterprise Fund and the City shouldn't have to carry an Enterprise Fund.

Ms. Lawson said zero based budgeting would be more useful when a budget is built largely on nuts and bolts and counting pencils. She said they talking about people. She said 85% of the costs are driven by people. They are salaries, health insurance, and benefits. The rest is essentially keeping the lights on for them and paper and pencils on their desks. She felt that the goal was to figure out what those people do and where those activities are useful to Council. She noted that the only way for Council to make significant strides in the General Fund is to cut people. She said that is the only way they are going to find a significant amount of money on the expense side or increase revenues.

Mr. Young said the other part is efficiencies are not necessarily the primary decision point for their City. He said they have seen that countless times where the efficiencies are such as reclassifying Parks and selling them off or looking at eliminating the Police and Lifeguards and merging with the County, etc. But, that is not Vero Beach. He said when they talk about Very-Vero, Very-Vero is a quality of life that has come before them and that is the entire Visioning process. He said in looking at the budget and looking at what each department does and asking them their ability to perform a function was a more important question in his book.

Mr. O'Connor said let's take the Public Works Department as an example. He said the Public Works Department is probably the second largest department. He said they do GIS work so when someone needs a map they can produce it. They do street-sweeping in order to take and measure the discharge into the stormwater, which they don't have to do. He said they do a lot of fringe things that they don't have to have. He said many times they are able to respond to the Council, to the Finance Commission, to the Utilities Commission, etc. He said the Finance Commission and the Utilities Commission does

ask for a lot of information and currently staff has the capability of providing it. He said they don't have to be that responsive and that is just a function of man hours. He said that he thought what they did a few years ago was a good exercise. He felt that they had a high level of service compared to trying to get something done from the State in a timely manner.

Mr. Sykes asked with the expenses of owning and operating the Electric Utility, which they won't have as a result of completing the sale, is there a dollar figure on what that is.

Mayor Moss said this came before the Utilities Commission over one (1) year ago and it was $21 million over the next 20 years and it increased after that to what she thought was $27 million. She said they don't have to spend that.

Mr. O'Connor said the operation of the Electric System is a minus $5 million that is transferred to the General Fund. The rest of it is the cost of carrying on that function.

Ms. Lawson said because the City has central functions for the Finance Department, the Human Resource Department, the City Attorney's office, etc., there is actually an allocation of those cost centers to the Enterprise Funds. She explained that there is no separate Finance Department for Electric, Water and Sewer, Solid Waste, etc. Therefore, there is an administrated allocation of the centralized functions out to the Enterprise Funds, which is about $1.7 million that is transferred from the General Fund into the Enterprise Funds. She said if they cut one of the administrative departments they would not necessarily achieve a dollar for dollar decrease in the expenses in the General Fund because some portion of that is charged out to the Enterprise Funds.

Ms. Lawson said they also gained some revenues in franchise fees. She said they have done some analysis in the past of what she thought at the time the gap would be between revenues and expenditures based on the current budget in the absence of the Electric Utilities because there are losses and gains in things like franchise fee revenue and ad valorem taxes. She said that she would be happy to do that analysis again.

Mayor Moss clarified that the amount that she was talking about would be considered a capital improvement amount, the $21 to $27 million that was going to have to be spent over the next 20 years, which is not an administrative expense. She said it was front loaded. She suggested that they receive a copy of that information.

Mr. Winger said that went in the electric bill. It had nothing to do with the General Fund. The rates would be higher to accomplish that amount.

Mayor Moss said that she would like to go back to discussing the parking situation.

Ms. Lawson said that she would provide Council with the document they prepared earlier, as well as prepare something similar for the Budget Hearings.

Council took a break at 11:56 a.m. and the meeting reconvened at 12:07 p.m.

Mayor Moss said that she would like to power through today's meeting as Mr. Winger has an appointment. She said if they don't have to discuss the Vision Plan "action items" at today's meeting, they could schedule another session to discuss them. She felt that they could get through the other items on today's agenda pretty quickly.

Mr. Sykes said that as tedious as this work may be, he wanted to remind the public that today is the 73rd Anniversary of D-Day and asked that they all remember the sacrifices that were made.

Mayor Moss referred to the parking issue. She asked Mr. Coment if they are able to have committees for different areas of interest. She said previously when they talked about it there was some concern about the Sunshine Law and how formal these committees should be.

Mr. Sykes said that he was not in favor of starting any new committees. He felt that it continually adds a lot of process that is not worthwhile and he would like to see the Council make some decisions on these matters and move forward with some resolutions.

Mr. Howle agreed.

Mayor Moss thought that the committees were viewed as a way of collecting input from the community.

Mr. Sykes said they just held three (3) Vision meetings and they know there is a parking issue. He said they have not had the opportunity to discuss their suggestions for remediation of these issues. He suggested that before they create a committee that they see if they can figure it out themselves.

Mr. Winger said if they are talking about parking on the beach, it is more than just parking. It is parking and zoning. He said zoning is part of the parking problem.

Mr. Young said if there is a formalization of a committee at the municipal level that the parties' interest in a specific question come together and at that point numbers count and they could come to the Council individually or as a group with their ideas.

Mayor Moss asked if they want to have a Parking Committee would they be allowed to do it. She said it doesn't have to be a formal committee.

Mr. Coment explained if the Council creates a committee they are under the Sunshine Law. If they appoint one (1) person they could technically be creating a committee of one (1), which is still under the Sunshine Law. He said citizens can create their own committee and bring their ideas before the Council.

Mayor Moss said then they should encourage the community to create their own committees.

Mr. Sykes said they call what they have now "free" parking, but felt that it could be argued that it is not because there is a time limit on it. He said there is a real enforcement issue that he felt needed to be addressed. He asked how many employees enforce parking.

Mr. O'Connor answered one (1).

Mr. Sykes asked and that is for the beach area and 14th Avenue.

Mr. O'Connor said that is correct.

Mr. Sykes said from his observation, the Plaza at Humiston Park does not have two (2) hour parking and that is a significant portion of parking spots that are not being monitored and the vehicles are not moving as frequently as they should. He said that he knows people would argue that two (2) hours was too short of a time, but he didn't think it was. He said they are not asking anyone to pay anything to do that currently. He wondered if they could look at Mr. Winger's suggestion of incorporating some of the new technology into the enforcement process and looking at each and every available public parking space on Ocean Drive and Cardinal Drive and figure out a better way to enforce turnover. He felt that there needs to be some work done, whether it is a liaison for the City Council or staff, to go and visit the various businesses that the general public feel are contributing to the parking congestion issue. So if they say the hotel employees are having a major impact on the availability of parking spaces, then they need to go and speak to the owner to understand what agreements they can come to that will alleviate parking issues. He felt there were simple and equitable solutions just by approaching these businesses and asking them to self enforce in conjunction with streamlining the process with the new technology.

Mr. Winger said they don't know for sure what the improvement would be, but he felt that if they could enforce the business employees not to park on the streets, they would see some improvement. He doubted that it would solve the problem. He explained that with the new technology, the Police Officer would zap the license plate with a gun where the information goes into a computer and if the car is moved to another parking space they would still receive a ticket. He said that personally he did not like two (2) hour parking and said they could go with three (3) hour parking. He felt that they should at least try it.

Mr. Sykes said that he has some friends in south Florida who choose not to pay for parking meters because enforcement there is so bad that it is actually cheaper to get a ticket every once in a while than it is to pay for parking. That tells him that enforcement is an issue because if they were handing out more tickets more people would be paying for parking. He was in agreement with incorporating the new technology, but they should also look at outsourcing the enforcement to a private company.

Mr. O'Connor said staff has been to all the hotels and there are even employers on Ocean Drive who pay the tickets for their employees. He said that he spoke with the City Manager and Assistant City Manager in Stuart and they have a very good system. What the system does is it takes a geographic area and all the tag numbers are taken down and the next time they go by the machine automatically prints out a ticket for the vehicle if it is within the geographical area. He said there are people in Stuart who receive three (3) and four (4) tickets a day. Stuart also has three (3) vehicles where they run people to and from a parking space. But, that is three (3) people and three (3) pieces of equipment. He said last year their parking tickets generated about $35,000 in revenue and that doesn't pay for three (3) people and three (3) pieces of equipment, but it does keep people from parking in the parking spaces.

Mrs. Nancy Cook said the shortage of parking spaces is part of the big issue. She said the hotels and the stores cannot operate without their employees. If they are going to electronically ticket every two (2) hours they will be ticketing the shoppers as well because a lot of their shoppers come from Palm Beach, Orlando, etc., and they come for the day. She asked where is it that they want them to park. She said that she has previously mentioned center street parking on Cardinal Drive. The Costa D'Este hotel has plenty of property to build tiered parking where they could accommodate all their employees and their customers. She felt that there was a combination of issues.

Mr. Howle felt that there were good intentions with the "shared parking" concept, but he didn't think it was working out the way they had hoped. He said that is one (1) of the things they need to do away with because it is hindering the parking situation. He said that he would not be completely opposed to the metering system, but with a geographical area that large, the time would need to be extended and they would have to somehow keep Mrs. Cook and her employees from getting ticketed.

Mr. O'Connor said they cannot treat Mrs. Cook's employees any differently than they treat someone else's employees.

Mr. Winger felt that the electronic parking system was far cheaper and far more effective.

Mr. Sykes said they keep discussing parking garages and he felt the solution was going to come from the private sector for something like that. He would anticipate that there would have to be some sort of an exemption made on one (1) of those parking garages that would be in conflict with their current Code to make it economically viable.

Mr. Howle liked the idea of a parking garage. He felt that it would be a great idea. He said if they were to put one (1) across the street from Humiston Park, for example, it would help the southern end of Ocean Drive, but not the northern end. So essentially they will need another parking system on the northern end, but he did not know where because there is not any land there.

Mrs. Cook said that Mr. Tripson stated at a previous meeting that he would consider that on the property that he owns, which is near the Ocean Grill. She questioned would anyone pay to park in a parking garage if there is free parking on the street.

Mr. Howle said as a matter of convenience he would pay to be able to park, rather than driving around looking for a space.

Mr. Young said the challenge is that they are trying to answer a difficult equation without all of the variables at their disposal. He said that he doesn't know the number of parking spaces owned by the Ocean Grill, the Costa D'Este hotel, the Spires, etc. He felt there were opportunities there if they could get an agreement.

Mr. Cesar Mistretta, of J.M. Stringer Gallery, felt that the idea of the technical system was not fair to the shopper who wants to go to his gallery for an hour or two (2) and then wants go to Mrs. Cook's store for an hour or two (2) and is given a ticket. He said they were really going to hurt the businesses. He said that he was not trying to penalize the hotels, but they are causing the problem. If they get their employees off the street, the parking problem would be partially solved. He agreed that there were private parking lots available on various parts of the beach area. He thought the City should explore purchasing some the properties that are for sale and provide parking.

Mr. O'Connor asked Mr. Mistretta if he felt the businesses on the beach would accept some type of a parking overlay fee. He explained if the City was to purchase property and establish an overlay that allows for collections from all the businesses and property owners.

Mr. Mistretta did not think it was a bad idea, but he felt it should be on the owners of the property.

Mr. O'Connor said the solutions are going to cost money and the question is how the City would collect money from those benefiting and in this case he felt everyone on Ocean Drive would benefit from new parking spaces.

Mr. Sykes said there is obviously not one (1) "silver bullet." He sees the onus being both on the City to solve some problems and the business owners alike.

Mr. Winger said they can't forget about the zoning issues, which will need to be fixed.

Mr. Mistretta asked is there a way for a moratorium.

Mr. Winger said they could place a moratorium, but that wouldn't be fair unless they had a solution underway.

Mr. Mistretta understood they want to change the Code, but questioned how long was it going to take. He felt that the large businesses that do not provide parking for their employees have to somehow be financially responsible to find parking for their

employees. He felt that they need to explore options because one (1) option is not going to solve the problem.

Mayor Moss agreed.

Mr. O'Connor said if the City Council wants staff to address the shared parking issue, the Planning Director could bring back some ideas of eliminating it.

Mayor Moss agreed with Mr. Howle in that shared parking was not functioning as designed.

Mr. O'Connor said the Planning Director will show Council the pros and cons. An example is that non-shared parking creates a parking lot similar to Publix.

Mr. Howle said they have zoned areas throughout the City where someone might want to put in a hotel for example, but they can't because the area is not zoned for it. He said they have to make some tough decisions and if it is a moratorium, then so be it.

Mr. Young said on a cautionary note, it is his understanding that they cannot arbitrarily segment a specific portion of the community for a moratorium because it could be looked at by the Courts as discriminatory. Therefore, it would have to be community wide.

Mr. O'Connor said what they were saying was if they did away with shared parking, they would basically be putting in a moratorium because there is no place to create parking so they wouldn't be saying "moratorium," but doing it through their Code.

Mr. Coment said before they wholesale eliminating shared parking, there are other things that could be looked at. An example is the new restaurant that was previously before the City Council. He said they were given credits for on-street parking and the City Council could eliminate those credits, which would increase the restaurant's obligation to provide more parking. These are some of the things Council might want to look at. He said shared parking agreements do work, but it is important to have time limitations as to who uses them and when. He suggested that the Planning and Development Department look at different options.

Mr. Sykes asked Mr. O'Connor if he spoke with the City Manager of Palm Beach about how they were able to resolve some of their parking issues. He said to him, the Island of Palm Beach is very similar to the Island in Vero Beach. He said parking is not a huge issue for Palm Beach anymore and it was his observation that a great deal of that was metered parking and offering some sort of transportation to various areas.

Mr. O'Connor said that he has not spoken with the City Manager of Palm Beach. He does know that the parking systems are very flexible on how to set them up and that has been the solution to most of the parking problems.

Mr. Winger suggested that they ask the Planning Director to look at the zoning and shared parking. He would also like a proposal from the City Manager regarding Cardinal, as well as a proposal on the Stuart parking system.

Mr. Sykes said the question has always been, is the community okay with metered parking on the beach.

Mr. Young said there is a lot of resistance. He said that everyone that he spoke with, their feelings are that they don't want to become Palm Beach and putting meters on the barrier island is not what they want.

Mr. Sykes said that he has had both sides come to him as well, but there are only so many ways to solve this. He did not think the onus was completely on the City of Vero Beach. They have to have some cooperation from the business owners. He said there were a lot of business owners that he spoke with that meter parking has been one (1) of their suggestions. He said they could take the Seacoast parking lot and try metered parking for one (1) year.

Mr. O'Connor said the parking systems are a little expensive to try out for a year. He said the company will come in and give them a demonstration.

Mr. Winger felt the system Stuart has is better because he did not think Council would run into the resistance they had three (3) years ago when they talked about parking meters. He said that he was not opposed to four (4) hour parking. He said what they were trying to do is keep the employees who are there six (6) to eight (8) hours from clogging the parking spaces, and four (4) hour parking would still do that.

Mr. Sykes said it is not doing it now with two (2) hour parking.

Mr. Winger said they are moving their cars to a different spot.

Mayor Moss felt that Bobby's Restaurant solved the problem the best by renting space for their employees to park in.

Mr. Sykes said not everyone has that opportunity.

Mayor Moss said that she was talking about the larger businesses. She would not suggest that for the smaller businesses. She felt that was a great way to solve the problem.

Mrs. Phyllis Frey asked Mr. O'Connor if he has an accurate count of how many employees there are on the beach.

Mr. O'Connor said there was a survey done about three (3) years ago and the major employers represented about 125 employees at any given time. What they did in the survey, which was actually the Oceanside Business Association (OBA), they sent it to the hotels and major restaurants as to when their shift changes were. Therefore, theoretically

125 parking spaces are occupied by major employers on the ocean side if all the employees park in those spaces.

Mrs. Frey said having a shuttle go back and forth was tried and it failed. She asked Mr. O'Connor if they thought about revisiting that idea.

Mr. O'Connor said that he met with the owner of Magic Carpet and his thing is if they had an automobile that was more attractive than a bus there would be more participation from the businesses to help pay for the system and encourage people to use it. It also would help move customers from one (1) end of the beach to the other, as opposed to the concern from a lot of the small businesses that their customers are older and don't walk a lot.

Mrs. Frey said that she attended a meeting where people of the Holiday Inn mentioned underground parking. She asked is that structurally possible.

Mr. O'Connor answered yes. He said in concept they were discussing how to maximize the number of spaces on their site and still make it a type of hotel that they are looking for. He noted that Holiday Inn also owns most of the stores on the north side of Sexton Plaza, as well as the Mulligan's Restaurant.

Mr. Ken Daige said the Council is currently discussing parking. He asked when can the public speak on the other items under item 4A-1).

Mr. Sykes said now is the appropriate time.

Mr. Daige said that when he went through their action items he was hoping Council would have included what he considers a very important element, which are their neighborhoods. He then read a prepared statement (attached to the original minutes). He asked if a Councilmember would add to their bullet points the concerns and issues of the neighborhoods.

Mayor Moss said that she would.

Mrs. Mehiel asked on behalf of the merchants, why don't they start a moratorium today. She said six (6) months would get them to the tourist season.

Mr. Sykes asked how much new development is planned for the next six (6) months.

Mr. O'Connor said they don't have anything at this time. He said they have only had two (2) real projects of new buildings in six (6) years.

Mr. Sykes said that they do need to start taking some action on the parking issues. He said let's get a quote on the parking system and see if they can implement it.

Mr. Howle said they want to hear from the Planning Director as well.

Mr. Winger suggested that they get a cost proposal for Cardinal Drive.

Mayor Moss thought they had that.

Mr. O'Connor said they have a plan and it is somewhat expensive.

Mr. Winger said it would add something like 35 parking spaces.

Mr. O'Connor said the bottom line is that it will also create traffic issues.

Mr. Howle was not sure the Cardinal Drive project was the most cost effective plan.

Mayor Moss felt they have addressed her bullet points, with the exception of infrastructure. She said that she invited Mrs. Ruth Stanbridge and Mr. Monte Falls to address the Council with regard to stormwater priorities, which will be on their next meeting agenda. She said that she wanted to have a separate discussion about it prior to Budget Hearings.

Mr. Howle said what he wanted to go over the most today was the parking issue, which they have. He wanted to be sure they follow up on it during meetings as they go forward.

Mayor Moss said a number hurricane preparedness items and the stormwater is going to be on their next meeting agenda. She asked if they want to put the parking issue on that agenda.

Mr. Howle wanted to hear from Mr. McGarry at their next meeting.

Mr. O'Connor suggested that they go through the Planning and Zoning Board. He said staff would prepare some proposed Ordinances to go before the Planning and Zoning Board and then bring it before the Council.

Mr. Howle said in moving forward they should implement what might help that they could do quickly first and then as time goes on, figure out what to do next.

Mr. Winger felt that they should look at the electronic parking.

Mr. Winger said that he didn't have any outstanding items on his list. He said his number one (1) item is the Lagoon, which will come up as funding for the stormwater utility in the budget. He said that is the one (1) thing they need to do and they are only at 37% of catching water before it goes into the Lagoon. But, it comes down to the City not having the infrastructure and for that they need the funds.

Mayor Moss said they can spend time talking about it at their next meeting since it will be on that agenda.

Mr. Sykes said that he was confident that they can figure out how to get the electric system sold to Florida Power and Light (FPL), which then they will come into a windfall of funds and they could discuss how to allocate some of those funds to address the stormwater projects.

Mr. Winger said the reality is that they need to do a five (5) year General Fund budget as they have done in the past two (2) years.

Mr. Sykes felt confident that the Finance Director could put together a plan where they are gradually phasing out these concerns over a 10-year period or longer.

Mr. Young asked what specific action they expect to take place to address the parking.

Mayor Moss thought they narrowed it down to three (3) items.

Mr. O'Connor said there are two (2) action items. One (1) is that staff drafts an Ordinance to address parking (shared parking and off-street parking). The other is to bring back information on the parking system that is used by Stuart.

Mr. Sykes asked that they add to that to look at the City owned public parking that does not have a time limit. He said there are a lot of parking lots that do not have a time limit.

Mr. Young said discussion on the City's infrastructure is critical. He said from his perspective all the other business is contingent on the Council having a discussion on revenue streams. He said they cannot let the Lagoon go.

B. Old Business

5. PUBLIC HEARINGS

A. ORDINANCES

B. RESOLUTIONS

1) A Resolution of the City Council of the City of Vero Beach, Florida, adopting certain revised Vero Beach Municipal Electric System Tariff Sheets and Rate Schedules, Fees, Charges, and Amendments as provided therein; Providing for an Effective Date. – Requested by the Finance Director

The City Clerk read the Resolution by title only.

Mr. O'Connor explained that this Resolution endorses a Resolution that the City Council passed that sets the tariffs, which was approved by the Public Service Commission (PSC). This Resolution incorporates it into the City's Code.

Mayor Moss announced that the next Coffee with the Mayor will be held on Friday, June 9, 2017 at 8:00 a.m. at the Heritage Center. She said that this event has been going great. There are all kinds of people that show up. It is the Mayor's "hour off" from politics. She said no campaigning/no complaining. She actually just said that off of the top of her head and they decided to use that as the line for this event. She said that Catering Revolutions is providing the food for the event and something different every month is served. She said that a lot of people coming to the event are new to the City and she is surprised at how many people are new residents to the City. She travels in many circles and covers the City beat pretty well. She meets a lot of people who tell her that they have moved to Vero Beach within the last year. So this is a great way for people to talk to each other face to face and forget facebook for an hour. She invited everyone to Coffee with the Mayor.

Mayor Moss thanked everyone that participated in their Vision Plan meetings. She hopes to see a good turnout when they have the workshop to discuss the Comprehensive Plan. She expressed that the Vision Plan and the Comprehensive Plan are linked. She said the Comprehensive Plan is the one with the legal clout and they really need everyone to weigh in on this. Whether they be businesses, residents, she expressed how important this was to the community. She thanked the community again for their high level of participation with the Vision Plan and she hopes they will see the same with the Comprehensive Plan. She said they will get the information out to the public to let them know when the meeting is going to take place and everyone is welcome to attend.

B. Vice Mayor Harry Howle's Matters
- **1. Correspondence**
- **2. Committee Reports**
- 3. **Comments**

There were no comments made.

C. Councilmember Richard Winger's Matters
- **1. Correspondence**
- **2. Committee Reports**
- **3. Comments**

Mr. Winger stated that he had a concept that he felt that they should go forward with. He said that now that they have a proposal from Florida Power and Light (FPL) leaving out the OUC matter, which he does not think should be discussed, it is time to have the Commission's meet on the sale of utilities.

Mayor Moss said that she would leave this up to the Commissions. She is not telling anybody what to do or not do.

Mr. Winger referred back to minutes of October 5, 2015, where Mrs. Moss said that she would hope the City Council would postpone until it had the recommendation of the Finance Commission. He said that all he is saying is that he thinks it is imperative that

they have the Commissions weigh in. He said why do they have Commissions if not to look at this matter.

Mr. Young commented that was what he was looking for also. He said now that they have a negotiation period and hopefully by the end of August a definitive agreement, that would give the opportunity for the Committees to look at the agreement.

Mayor Moss did not want to be speaking for the Committees. She has not instructed them in any direction whatsoever. She thinks that they are exercising caution. She said that Chairman Brovont of the Finance Commission and also Mr. Bass of the Finance Commission both submitted written statements with regard to the Letter of Intent (LOI) so their wishes are already known. She said each Councilmember is free to contact who they appointed at any time and add that to the equation. She felt that the Commissions were exercising caution in this regard. By that she means that they're concerned with numbers being thrown out and they are just exercising caution. She appreciates that because this is such a high level, sensitive negotiation. She again thanked the community for their support. She said that the community recharges her battery everyday of the week about this and getting the sale done. She thinks that the Commissions are just exercising caution because of the very sensitive negotiation.

Mr. Winger noted that at this point in time they are involved in negotiations. He felt that if the Commissions did not have a chance to way in on the negotiations, why do they have these Commissions.

Mayor Moss commented that right now the LOI has been approved so there are no other documents to examine.

Mr. Winger commented that FPL has offered almost $20 million less than what they offered in 2014. They offered the same number that they did in 2012 and 2013. Since that time the City has invested a lot of money in the Power Plant, such as closing of the Power Plant and this year alone they have spent $8 million to upgrade the system. He said the system is worth more money then it was in 2014 or 2012. He asked Mayor Moss what was wrong in asking for more money if they are negotiating.

Mayor Moss stated that she was not going to respond to that right now. She told Mr. Winger that he was free to talk to the Commissions. She said they already have the opinions of two (2) of the Finance Commission members, which they received in writing.

Mr. Winger asked Mayor Moss if she would object if FPL paid them more money.

Mr. Howle commented that if FPL gave them nothing, just getting out of FMPA would be worth it to him.

Mr. Winger explained that they need to be in the position to endow the City and in effect finds ways to either invest this money or offset costs that they otherwise would have such as pensions as Mr. Gorry presented three (3) years ago. He said what the City didn't

need to do is get too little amount money and then let the money get away from them. He felt they were going to need more money then what has been offered, and he will push for that as part of his fiduciary responsibility. He thinks that the Commissions should look at this. He said if they have put $8 million in upgrades for the system this year, why aren't they getting some of this money back.

Mayor Moss recalled when she was on the Utilities Commission they were asking for $21 million to be invested over the next 20 years. She said this number has increased over the last year and the last number she saw was $27 million. She was not going to debate this now and would not be instructing the Commissions in any way at this time.

Mr. Winger asked Mayor Moss if she was pushing for a higher number.

Mayor Moss said she was not discussing anything right now, but thanked Mr. Winger for his interest.

D. Councilmember Lange Syke's Matters
- **1. Correspondence**
- **2. Committee Reports**
- **3. Comments**

There were no comments made.

E. Councilmember Anthony W. Young's Matters
- **1. Correspondence**
- **2. Committee Reports**
- **3. Comments**

Mr. Young suggested that they be thinking about having a Special Call meeting at the end of July to discuss the draft agreement from FPL. He knows that July is a busy month, but felt that they should start looking at the calendar now.

Mayor Moss asked the City Clerk to work on setting up this meeting as well as the meeting to discuss the Comprehensive Plan.

Mayor Moss asked Mr. Young if he received a timeline from FPL.

Mr. Young answered no, but as a planner he thought it would be good to look at the calendar and given that the expectation would be that likely the Council will be given the opportunity to review the document in the July timeframe. He said the first part of July is off limits and the second part of July is the budget hearings, so it might be prudent of them to pick dates for both of the Special Call meetings.

Mayor Moss asked Mr. O'Connor if that was his understanding of the timeline.

Mr. O'Connor agreed that the target date was late July, but no given date as to when they will receive the draft agreement has been given by FPL. He said August 31st was the deadline for the LOI.

Mayor Moss suggested that Mr. O'Connor check with FPL on their schedule and then let the City Council know.

Mr. Winger felt that a meeting should not be scheduled until after negotiations are completed.

Mayor Moss said that Mr. O'Connor will check on this.

Mr. Young felt that it was important that the public and the Council have the opportunity to review the draft proposal prior to a final agreement. He said the last thing they want to see is a product brought to them that is something different than what this Council would like.

Mr. O'Connor said that he would invite FPL to come and talk to them directly.

Mr. Sykes felt that their transactional attorney would have the time to review this entire contract and advise them. He said at that point any individual Councilmember who has questions can speak directly to the attorney and ask those questions. This way they can all come prepared to sign the whole document. He said with respect to negotiating a deal here the concept to him is just ludicrous. He said the offer from FPL is extremely generous.

Mr. Winger contested that. He said the offer is $20 million less than the last offer and that simply is not true. The City has spent $8 million on upgrades this particular year. He said they were promised by Mr. Howle and Mrs. Brunjes that there would be negotiations. To say they are going to accept the $185 million and not think about it he feels does not meet their fiduciary responsibility.

Mr. Sykes told Mr. Winger that was his opinion, but he felt that the offer from FPL was incredible. He said of course there were details that needed to be looked at, but he did not think that the City was in a position to ask for anything more than that.

Mayor Moss reminded Council that they also would be discussing hurricane preparedness at their next meeting and she said lets all hope and pray that there is not a hurricane between now and then. She said if there is a Category 5 hurricane and it blows out the entire system then what do you do. She said they will be wishing that they would have taken the offer one hundred years ago or whenever it was made.

Mr. Winger stated that at the last meeting Mr. Doliner made it clear that he is not negotiating. He is taking care of the legal matters. He told Mr. Winger that privately also. He was happy that they have Mr. Doliner because they want to make sure that they

don't do what they did in 2012 and in 1976 and make some terrible mistakes. He reiterated that Mr. Doliner was not the negotiator for this agreement.

Mr. Howle said that Mr. Doliner would go through the details of the contract.

Mr. Winger agreed that he would go through the details of the contract.

Mr. O'Connor reported that their Outage Management Report for the electric system was on the website. Also, on the outage report they can sign up for "next door." He said that next door locates where they live and puts them in connection with their neighbors. He said the Police Department has been doing this for a couple of years now. He said this allows someone to have interface with their neighbors that they might never have and also aware of what is going on in their neighborhood.

Mayor Moss thanked Mr. O'Connor for mentioning that. She said that it sounds like a very helpful site.

Mr. Young felt that inviting FPL to their meeting to review what they see as a sequence for the transition of the electric would be beneficial. He said having the opportunity to have the Council, FPL, and FMPA here is beneficial for understanding and for transparency of the operation. He said it may be painful because there will be various opinions, however this is a monumental historic life changing decision that they will execute at the end of August. He said any pain associated with differences of opinion is well worth the time because in the end it will change the course of their City.

Mr. Winger stated that they have to get this done, but it won't be at the end of August or September. He said it will be sometime in 2018. He has been through this before and things crop up and things go wrong. He said they don't know what they are going to run into.

12. ADJOURNMENT

Today's meeting adjourned at 2:03 p.m.

/tb

DOCKET NO: 170235-EI & 170236-EU EXHIBIT # CAIRC

WITNESS: _____

PARTY: CIVIC ASSOCIATION OF INDIAN RIVER COUNTY, INC.

DESCRIPTION: COVB MEETING MINUTES OF JULY 6, 2017
UTILITIES COMMISSION

PROFFERED BY: CAIRC

VERO BEACH UTILITIES COMMISSION MINUTES
THURSDAY, JULY 6, 2017 - 10:00 A.M.
CITY HALL, COUNCIL CHAMBERS, VERO BEACH, FLORIDA

PRESENT: Vice Chairman/Indian River Shores Representative, Robert Auwaerter; Members: Chuck Mechling, Herb Whittall, John Smith, Jane Burton, Mark Mucher, and Alternate Member #2, Judy Orcutt **Also Present:** City Manager, James O'Connor; Public Works Director, Monte Falls, Finance Director, Cindy Lawson, and Deputy City Clerk, Sherri Philo

Excused Absences: J. Rock Tonkel and George Baczynski

1. CALL TO ORDER

Today's meeting was called to order at 10:00 a.m. and the Deputy City Clerk performed the roll call.

2. ELECTION OF OFFICERS

A) Chairman

Mr. Mechling nominated Mr. Bob Auwaerter for Chairman of the Utilities Commission.

Mr. Whittall nominated Mr. Chuck Mechling for Chairman of the Utilities Commission. He felt that the Chairman of the Commission should be a resident of the City.

Mr. Mechling declined the nomination. He felt that Mr. Auwaerter had more experience.

At this time, the Commission members were notified that there was an issue with broadcasting. The Commission members agreed to hold their comments until the broadcasting issue was repaired.

At 10:03 a.m., the broadcasting issue was repaired and the meeting continued.

Mr. Mechling felt that Mr. Auwaerter had the experience to Chair this Commission. He respectfully declined the nomination.

Mr. Smith nominated Mr. Herbert Whittall for Chairman of the Utilities Commission.

The Deputy City Clerk called the vote on the nomination of Mr. Bob Auwaerter for Chairman of the Utilities Commission and the nomination passed 4-3 with Mrs. Orcutt voting no, Mrs. Burton yes, Mr. Smith no, Mr. Whittall no, Mr. Mucher yes, Mr. Mechling yes, and Mr. Auwaerter yes.

B) Vice Chairman

Mr. Auwaerter nominated Mr. J. Rock Tonkel for Vice Chairman of the Utilities Commission.

Mr. Smith nominated Mr. Herbert Whittall for Vice Chairman of the Utilities Commission.

The Deputy City Clerk called the vote on the nomination for Mr. J. Rock Tonkel for Vice Chairman of the Utilities Commission and the nomination passed 4-3 with Mrs. Orcutt voting no, Mrs. Burton yes, Mr. Smith no, Mr. Whittall no, Mr. Mucher yes, Mr. Mechling yes, and Mr. Auwaerter yes.

3) APPROVAL OF MINUTES

A) January 10, 2017

Mr. Mechling made a motion to approve the minutes of the January 10, 2017 Utilities Commission meeting. Mr. Smith seconded the motion and it passed unanimously.

At this time, Ms. Kira Honse, Assistant City Attorney, noted that she placed on the dais before each member the Guide to the Sunshine Amendment and Code of Ethics for Public Officers and Employees that is produced by the Florida Commission on Ethics (on file in the City Clerk's office). She explained to the members that they are considered Public Officers and are governed by the Code of Ethics. She asked the Commission members to look over the information and if they have any questions to contact the City Attorney's office.

4) PUBLIC COMMENT

None

5) DISCUSSION OF THE BUDGET
6) DISCUSSION OF STORMWATER

Mr. Auwaerter suggested that the Commission first go through the General Budget and then move on to the Five Year Capital Program.

Ms. Cindy Lawson, Finance Director, gave a brief overview of the Electric Utility proposed budget listed in staff's memorandum to the City Council dated June 30, 2017 (attached to the original minutes). She noted that she used the estimate retails sales out of the 4% loss to come up with purchase power quantities and a rolling 12-month average per megawatt hour to price out what she thought it would cost the City in the coming year. She explained that she used the rolling 12-month actuals because at this point they don't have any specific information from the Florida Municipal Power Agency (FMPA) with regard to their budget.

Mr. Whittall said they were discussing a budget from October to October.

Ms. Lawson said it is from October 1st through September 30th.

Mr. Whittall asked when are they talking about the sale of the Electric Utility.

Ms. Lawson answered the end of September 2018.

Mr. James O'Connor, City Manager, said they had a meeting yesterday and the closing on the sale would be at the earliest September or October 2018. He said they are shooting for somewhere within the fourth quarter of 2018.

Mr. Auwaerter said that is regarding a potential close of the sale if one goes through.

Mr. O'Connor said that is correct. He noted that until closing, nothing will take place. In other words they will have agreements in place with FMPA and with Orlando Utilities Corporation (OUC). But, the transfer of customers and the configuration of the electric system, Florida Power and Light (FPL) is stating somewhere in the neighborhood of seven (7) to nine (9) months.

Ms. Lawson continued with the overview of the proposed budget. She reported that there were two (2) fulltime positions removed due to the closure of the Power Plant and two (2) positions going to Transmission and Distribution. The transfer from the Electric Utility to the General Fund is flat at the $5.4 million, which is what it was last year and is about 6.1% of the revenue. The one (1) thing to note is that this budget has a slightly larger, $2.7 million transfer to the Capital Improvement Project (CIP) Fund in 2017/2018 than what they would normally have in order to cover the cost to move the substation from the Power Plant. She said this would cause them to dip into the balance by $1.8 million, but staff does not feel that would bring the unrestricted cash below the target level of 90 days. As of March 31, 2017, they were at 98 days and $18 million equals about eight (8) days. She said the Water and Sewer Utility shows a surplus and Five-Year Capital Plan that is on track with what they have been proposing for the past five (5) years. With regard to the Solid Waste Fund, they don't anticipate any changes in rates in that the revenue source has been extremely stable and continues to generate enough cash to get back on the replacement plan for their vehicles.

Mr. Peter Gorry said the issue is that there is a 5.7%, $2 million increase in anticipated commercial revenues, which he felt was not consistent with former trend lines. Another question he has is with regards to moving the substation out of the Power Plant, which is a capital expense. In previous years when you put in capital that has useful life of 10 or 15 years you would consider going for debt to pay that off. He asked if that was considered as an alternative. He said currently there is $1.6 million of a potential loan that the City did not take.

Mr. Auwaerter said they will address these questions when they get to that point in the budget review.

Mr. Auwaerter referred to page 71, *Electric Fund Operating Budget.* He said under Operating Expenses the NonDepartmental amount shown is $4,622,530 and he is trying to reconcile that number with the amount listed on page 73, *Budget by Department,* which the NonDepartmental shown is $23,465,780. He asked what is the distinguishment between those numbers.

Ms. Lawson said on page 71 what is shown as operating expenses for NonDepartmental are things that are either personnel related or operating related. The NonDepartmental amount shown on page 73 includes the debt service, the transfer to the General Fund, and the transfer to the Capital Fund.

Mr. Auwaerter complimented staff on the budget documentation provided stating that it was well done and very transparent.

Mr. Smith questioned the balance available for capital additions. It was stated that they would have to reduce it by $1.8 million. He asked what is that balance.

Ms. Lawson said the $1.8 million is kind of a backfill number so they would have a balanced budget. She explained that if they look at the Cash Carryover located on the bottom of page 72, if that number is positive it means they are using up that much of the available fund balance. If that number is negative it means they are adding to their available fund balance.

Mr. Smith asked what is the available fund balance.

Ms. Lawson said as of March 31, 2017, the unrestricted cash and investments was about $19 million and the total cash balance was $29 million, which is 98 days of unrestricted cash on hand. If they look at operating expenses it takes about $199,000 per day so that $1.8 million comes out to be about 9.3 days of reduction. Therefore, they would be going from 98 days to somewhere in the neighborhood of 90 days.

Mr. Mucher said if they look at last year's budget and this projected budget, the numbers are exactly the same. In other words, in the past year they haven't done a revised projection. He asked is that because they haven't done a budget amendment. He would think that over a year's time some projection might have changed because of some unexpected activity.

Ms. Lawson said it is because they haven't done a budget amendment and typically they do the budget amendment at year end.

Mr. Mucher said from the Commission's standpoint they would look at this year's budget versus last year's projection, which is the same so they are unable to evaluate anything that has changed within the last year.

Ms. Lawson said one (1) of the things they have done over the last few years and they are due to do it again is the quarterly rate sufficiency where they can see the parts of the budget that are unmodified, as well as the parts that changed. She noted that the only thing that really changes throughout the year is their estimate on where they are going to come in on rate revenue and where they are going to come in on purchase power costs. The rest of the budget really doesn't change that much from the personnel standpoint.

Mr. Auwaerter referred to page 72, *Electric Fund Revenue.* He said they are projecting under *Commercial Sales* a 5.7% increase and under *Industrial Sales* they are projecting a 4.6% decrease. He asked Ms. Lawson to discuss this.

Ms. Lawson felt it would be helpful not to look at last year's budget, but to look at the 2015/2016 actuals. She said that she recently updated her rate sufficiency model and when she put in the sales, the projected kilowatt hour sales, and the current rates she came up with a few million dollars more on the commercial side, which tracks pretty well with what they experienced in 2015/2016 as an actual, which was $39.9 million.

Mr. Auwaerter asked does that mean when they do the budget amendment they will be a few million dollars higher.

Ms. Lawson answered basically, yes.

Mr. Auwaerter asked what are they assuming in the budget 2017/2018 in terms of customer rate charges.

Ms. Lawson said currently they are assuming no change in rates, which is fine with the numbers of FMPA as they sit right now. She noted that it would depend on the final numbers of FMPA and their continued quarterly monitoring, which they hope will hold.

Ms. Lawson noted that there were some personnel related issues that impacted the budget Citywide. She reported that the budget includes a proposed salary increase of 2% for all employees across the board. They did experience a 15% increase in health insurance rates, although they will notice when they get to the individual departments that in some cases the health insurance total cost didn't go up 15% because some of the changes that were made in their policy has driven employees away from the higher cost plans to the lower cost plans.

Mr. Whittall felt that they would be discussing this item for a while and suggested that they go to Item 6) Discussion of Stormwater so that Mr. Falls can go back to work. The Commission members agreed.

Ms. Lawson explained that there is no separate stormwater utility. Currently all the stormwater projects are in Fund 304, which is funded by the one-cent sales tax and competes for funding with projects, such as street paving, replacement of vehicles, Recreation infrastructure projects, and other Public Work projects. Given that they are competing for a pool of about $1.4 million a year, the budget they put together for this year includes a list of unfunded projects. In other words, the projects they had to cut to balance this budget. She noted that a substantial number of these projects were stormwater maintenance and improvements that were more improvements and not necessarily maintenance of existing infrastructure. She then handed out to the Commission members a copy of the *Five-Year Capital Improvement Program Unfunded Projects – Fund 304: General Government Capital and Construction* (attached to the original minutes).

Mr. Monte Falls, Public Works Director, explained that stormwater is done through the Street Division of the Public Works Department. He reported that there are 80 miles of pipe in the ground, 40 miles of ditches and over 6,000 drainage structures. They estimate the value to be about $25 million. If they assume a 50 year life, they need somewhere in the range of $500,000 each year in Repair and Replacement (R&R). He then gave a brief overview of pages 67 and 68, *Fund 304: General Government Capital and Construction* of the budget and the list of unfunded projects with the Commission members.

Mr. Whittall asked how critical are the projects that are currently unfunded.

Mr. Falls said it depends on if flooding is on your street or not. He explained that if someone has property that is in peril of being flooded, they would move those projects up to get them repaired and on the funded list.

Mr. Smith asked Mr. Falls if he anticipated any new regulations. He asked what is happening that is going to be affecting the City in the next five (5) to ten years.

Mr. Falls said the new regulations that are currently being discussed are the total maximum daily loads of nitrogen and phosphorous that can be discharged to the receiving waters.

Mr. Mucher said flooding, maintenance, and lagoon water quality were kind of mixed together in the documentation. He asked is it possible to separate them out at some point along with the costs.

Mr. Falls said they did put that together back when they presented a stormwater utility. He said they had water quality and water quantity type of improvements. The number the consultant used was $500,000 a year and $2.3 million was the number the consultant used over a five-year cycle to do the water quality improvements.

Ms. Lawson thought the $500,000 was for maintenance of the current infrastructure that moves the water, not necessarily treating it. She said that is kind of close to what they managed to squeeze out of the budgets each year. She said about $350,000 to $400,000 each year that they have to have to maintain the current system, but with no improvements to water quality issues. She emphasized that at this point the City's only dedicated revenue source for capital improvements is the one-cent sales tax. They receive about $2.2 million a year and they have $800,000 in debt service that they pay, which leaves $1.4 million. Of that $1.4 million they have between $500,000 and $700,000 a year in rolling lease purchase payments on City vehicles. This leaves $700,000 for street paving, stormwater projects, recreation infrastructure, and any other Public Work projects. That is the problem they are facing and the reason they have done away with projects that are essentially improvements or water quality and stuck with just the projects necessary to make sure existing infrastructure and roads collapse.

Mr. Falls said when they previously discussed a stormwater utility that was capital improvement driven, not operating cost driven.

Mrs. Orcutt said it was her understanding that the Department of Environmental Protection (DEP) has given draft allocation that the City has been aware of for five (5) years because they have known their water quality has been impaired for a five (5) year period of time. They haven't been given their mandatory allocations, which are expected in 2018. She asked is that correct.

Mr. Falls said yes, as he understands it. He noted that is why the City has been doing this program for the past five (5) years in trying to get ahead because they know it is coming.

Mrs. Orcutt said all cities and counties are all working on projects to try to clean up this impaired water. It is her understanding that at this point in time the City has about half of the nitrogen reductions they anticipate having to make and about one-third of the phosphorous reductions that they are going to have to achieve over the next five (5) year period, starting in 2018. She said the only water quality project they have on the books for the coming year is the oyster bed project. She asked how much nitrogen and phosphorous is that expected to reduce.

Mr. Falls said that he did not have those numbers with him.

Mrs. Orcutt said the application was made for all of these projects to the Indian River Lagoon Council (IRLC) and the City was not funded because the IRLC prioritized all the projects and part of what was missing were some of the details on the planning. She referred to the muck aeration project listed in the unfunded projects. She said one (1) of the reasons that wasn't funded was because there is a top notch scientific study being done this year on muck that was funded, which in her opinion they should delay any aeration project until they see if it actually works or not.

Mr. Peter Gorry noted that stormwater only affects City residents. He said there is a Five-Year Capital program for the General Fund of $12.4 million. He said there is an $8.3 million shortfall in streets, roads, and stormwater. One (1) perspective is to understand how the City is going to fund that as they move forward.

At this time, the Commission went back to Item 5) - Discussion of the Budget.

Mr. Auwaerter referred to page 76, *Electric Fund – Expenditures of Object.* He asked how were the numbers derived at for Stanton I and Stanton II.

Ms. Lawson explained that she used a 12-month rolling average price per megawatt hour multiplied by her retail forecast with the losses added back for wholesale purchases.

At this time, the Commission moved on to the Fiscal Year Capital Program of the budget.

Mr. Auwaerter asked what do they do with the Fiscal Year Capital Program given that they have a potential sale on the table. He asked are there certain obligations involved to continue to do the capital programs because in some ways it could be viewed as throwing money away if a sale comes to fruition.

Mr. O'Connor said back when the City had the first sale agreement the City started doing minimal work and now they are at the catch up stage. He said when FPL receives the City's utility it will be an operational utility that will meet their standards. He said hopefully the sale will take place, but the fact of the matter is they have customers that they have to be concerned about.

Mr. Auwaerter referred to page 57, *City of Vero Beach Capital Expenditure Request Fiscal Year 17-18 – Asset Inventory and Tagging.* He asked is this an item that they could forego for a year and possibly save the $800,000 if they do sell to FPL.

Ms. Lawson said they started the asset inventory about nine (9) months ago.

Mr. Auwaerter asked staff if they were looking for a motion from the Commission.

Mr. O'Connor said if there is a motion that they have reviewed and that they either accept or reject the budget as it applies to the utilities in question that would be something staff could take to the City Council.

Mr. Auwaerter made a motion to approve the operating budget as proposed by the City Administration for the coming fiscal year for the Electric and Water and Sewer Funds.

Mr. Mucher questioned Solid Waste.

Mr. Auwaerter added Solid Waste to the motion.

Mrs. Orcutt felt that the City's budget needed to include more water quality funding so she was unsure where she would vote against the budget. She said if it is a matter of reviewing the budget and discussing it that is fine, but she was not sure if she wanted to vote with the fact that the City is not funding water quality improvement projects efficiently.

Ms. Lawson explained that would be a separate motion because that is actually in Fund 304 General Government Construction. She said that has nothing to do with the Utility budget.

Mr. Smith said the capital improvement is a little difficult as Mrs. Orcutt suggested because the Commission has reviewed it and discussed it, but he was reluctant to say that he approves it.

Ms. Lawson explained that they are different budgets. She said the Commission could approve, for instance, the Electric Five Year Capital, the Water and Sewer Five Year Capital, and the Solid Waste Five Year Capital, but could have a different opinion with the Fund 304 Capital, which is where the stormwater is concentrated.

Mr. Auwaerter said the current motion on the floor is for the Operating Budget of the Electric Fund, the Water and Sewer Fund, and the Solid Waste Fund.

Mr. Smith seconded the motion and it passed unanimously.

Mr. Auwaerter made a motion to approve the Capital Expenditure budget for the same Funds (Electric, Water and Sewer, and Solid Waste) for the coming fiscal year.

Ms. Lawson questioned for the entire five (5) years or just the coming fiscal year. She asked are they okay with the Five Year Capital Improvement Projects or just the coming fiscal year.

Mr. Auwaerter said his suggestion is just for the coming year because they do have the uncertainty with regards to the potential full sale of the Electric Utility. Therefore, he made the motion for the coming fiscal year.

Mrs. Orcutt clarified that they were not discussing Fund 304.

Mr. Auwaerter said that is correct.

Mrs. Burton seconded the motion.

Mr. Smith said that he still has difficulty in that they reviewed it, analyzed it, and had no particular suggestions. But, approving it is a little stronger.

Mr. Auwaerter said they would be recommending approval.

Mr. Smith said that he would accept the wording "recommended."

Mr. Auwaerter changed the wording in the motion to "recommend" (that they *recommend* approval).

The motion passed unanimously.

Mrs. Orcutt made a motion that she feels that Fund 304 is insufficiently funded and that the Council should look at ways to provide more water quality funding. Mr. Whittall seconded the motion.

Mr. Mechling asked would that encompass the entire concept on how the current stormwater pipes, etc., are being handled.

Mrs. Orcutt explained that she was not talking about repair and maintenance, but water quality. She said sometimes when making repairs they can include water quality improvements, but that would be accountable separately.

Mr. Mechling agreed with the concept of water quality, but felt that there was an overall situation of underfunding for infrastructure needs. He said that he did not want to see this kicked down the road in that it is an overall issue that needs a solution.

Mr. Mucher said the City Council often moves things around during the budget. He said the Commission could recommend that if the City Council finds some surplus that they care to make use of that perhaps they could look at water quality as a place to put those excess funds.

Mr. Auwaerter said that he is in favor of more water quality, but because the motion is vague in that they don't have specific projects or specific amounts he is reluctant to vote in favor of it. He said if Mrs. Orcutt is willing to amend her motion that the City Council study increasing the priority on water quality projects then he will be willing to vote in favor of it.

Mr. Mucher said that he has a general problem when they are talking about stormwater because it only affects residents of the City of Vero Beach in the pocket and three (3) of the seven (7) of the Commission members live in the City of Vero Beach so the other members don't have a stake in the game.

Mr. Whittall said this is a Utility Commission for the City.

Ms. Lawson said there is not a stormwater utility.

Mr. Whittall said no, but there are stormwater projects that need to be done.

Mr. Auwaerter thought Mr. Mucher's point was that it is being funded out of the General Fund, which residents outside the City do not directly contribute to.

Ms. Lawson said at this point in the budget priorities it is another piece of City infrastructure that competes with other needs, such as the streets, deteriorating recreation buildings, etc. At this point, it is not a separate utility and it has to compete in the mix with everything else.

Mr. Mucher felt the minutes would reflect that they are all concerned about this issue. He would go so far as to say that if some funding became available or it is decided that the surplus that is in this budget became available that they would like to see water quality projects considered as a use for those funds.

Ms. Lawson said there is a proposed $240,000 transfer from the General Fund to Fund 304 just to support the level of projects that they currently have in there.

Mr. Whittall said there are about 30 projects that are unfunded that have to do with water quality. He felt that the Commission wants to say that they think the City Council should make those funds available. He said if they look at what FMPA sent them, there are only three (3) cities out of 21 that have a mileage rate less than the City of Vero Beach.

Mr. Smith said what the Commission wants to do is to send some type of message to the City Council that they keep this on the forefront.

Mrs. Orcutt felt that they needed a dedicated funding source for water quality. She said it makes sense for it to be a line item. If they don't have a dedicated source for water quality that is kind of sacrosanct then there is no way they could fully plan long term projects and know that those projects are going to be funded. She said it takes a long time for long term projects because they have to do preliminary studies, pilot studies, etc., which takes time and then a couple years out then they can apply for the grant funding. Therefore, they need to have dedicated funds for water quality. She was not sure how that was best implemented in a motion to encourage the City Council to find a dedicated source for water quality projects.

Mr. Smith said they could add to the motion that they recommend that the City pursue finding a funding source.

Mrs. Orcutt said the City Council previously turned down having a stormwater utility, which having a stormwater utility made perfectly sense to her. But, if they are not going to have a stormwater utility they need to have a dedicated funding source.

Mr. Mucher thought when the City Council turned it down they also expressed a desire to spend some money in that area. However, at the same time they set the mileage rate so staff had to come up with a budget that tried to do both. He said that he has seen the City Council go into Budget Hearings and move things around.

Mrs. Orcutt said the Commission just "liked" the budget that was presented (motion was made to approve).

Mr. Mucher said they did not look at the entire budget; they just looked at the three (3) Enterprise Funds.

Ms. Lawson said the General Fund, per City Council direction, holds the same mileage rate, covers the personnel cost increases that she discussed earlier in today's meeting and in addition, they had enough funding to propose a transfer of about $240,000 from the General Fund into the Construction Fund for street paving.

The Deputy City Clerk read back the motion under consideration, which is that Fund 304 is insufficiently funded and the City Council should look at ways to provide more water quality funding.

Mr. Auwaerter asked Mrs. Orcutt, does that characterize what she is trying to say.

Mrs. Orcutt amended the motion to state "a dedicated funding source for water quality improvement."

Mr. Mucher asked Ms. Lawson when she said there is a transfer from the General Fund to Fund 304, is that kind of a dedicated transfer.

Ms. Lawson explained that is a line item that they were able to make this year because of the way various other expenses fell. In other words, rather than show a surplus they are suggesting that they put in some funds for street paving.

Mr. Smith said it is a dedicated fund, not transfer of surplus. He said it is a dedicated fund that is considered each year.

Ms. Lawson said that is correct. She explained that this was a transfer that was made possible mostly by an increase in property values, but it is definitely not a dedicated revenue source.

Mr. Smith asked can they amend the motion to state "dedicated fund."

Mrs. Orcutt amended the motion to recommend to the City Council that they look for a dedicated funding source for water quality improvement projects. Mr. Whittall seconded the amended motion.

Mr. Mechling asked does that, in concept, include the dollars for infrastructure improvements. For instance, when they talk about the unfunded projects under stormwater, those certainly would have an end result of improving water quality.

Mrs. Orcutt said there are infrastructure improvements that would improve water quality, but it can't just be something like a culvert replacement. If it doesn't address water quality improvements and it doesn't reduce nitrogen and phosphorous, it is only an infrastructure improvement. But, there are capital improvements that could be done, such as putting a baffle box in because they would get some nitrogen and phosphorous reduction.

Mrs. Burton felt that when they state "water quality studies," that is a very broad statement. She felt that they needed to be more specific.

Mrs. Orcutt said it is water quality improvements.

Mrs. Burton asked what exactly are they trying to improve.

Mrs. Orcutt said the nitrogen and phosphorous sediments.

Mrs. Burton felt that should be specified in their recommendation. Not just a broad statement of water quality.

Mr. Mucher asked is there a mechanism other than a Stormwater District or a Stormwater Enterprise Fund that would do that because he would have to vote against this if there isn't a way to do it.

Mr. O'Connor said one (1) thing they did when they funded the Other Post Employment Benefits (OPEB) was they raised property taxes to establish it. He said that property tax is allocated to the OPEB, which is a dedicated source.

Ms. Lawson said there are not that many significant home rule revenue sources and certainly not ones for stormwater. Therefore, other than having a stormwater utility, ad valorem tax is the only thing that is under the City Council's control. Or they could reestablish the priorities for the limited amount of one-cent sales tax money. In other words, this is staff's attempt at what they think is important enough to fund and what they think belongs in the unfunded list. She said the City Council can certainly look at the funding list and the unfunded list and disagree and cut one (1) thing and add another. She said the bottom line is there are not that many revenue sources that are under the control of City Council.

Mr. O'Connor said to answer the question; OPEB was established through raising property taxes to address that issue.

Mr. Auwaerter said they were putting that in an irrevocable trust, which is different.

Ms. Lawson said in using this example, the City Council could state they were going to raise taxes and were going to do it because every year they are going to make a certain dollar amount transfer into a stormwater utility. She said they could still establish a separate stormwater fund and have that dedicated annual transfer go to a separate fund where it could be tracked only against water quality projects.

Mr. Whittall said all they were doing was asking the City Council to look at this. They are not saying they have to fund it or that they have to do anything. They are just asking Council to look at it.

Mrs. Orcutt said as an example, the County allocated 20% of all their sales tax towards water quality improvement projects.

Mr. Mechling said that is what he is trying to understand. To him, fixing a culvert that has collapsed has an end result to water quality as well. Therefore, to him the base infrastructure that Mr. Falls discussed that has aged and has a quality issue that comes to the forefront in hard storms, if those things are being projected and funded to be repaired in the end it all goes towards water quality. That is why he was trying to understand if the motion encompasses the ability to spend funds on infrastructure stormwater needs.

Ms. Lawson said currently they have dedicated 19% of the sales tax to stormwater.

Mrs. Orcutt said but not water quality.

Ms. Lawson said not to water quality, but to stormwater projects in general.

Mr. O'Connor said for example, they budgeted $35,000 for side lot culverts. The motion on the floor would not address that because that is strictly for drainage passing through and the carrying of water. Therefore, it would not be that encompassing. But, if they were doing another project, such as the Lateral E Project, that motion would cover it.

Mr. Mechling said that is his concern. That they were not going far enough with the motion to be able to address all the stormwater infrastructure needs that staff discussed.

Mr. Mucher said when they discussed a stormwater district, which he voted against, it encompassed water quality improvements, pipe maintenance, etc.

Mr. Auwaerter called the question.

Mr. Mucher asked that the motion be read back to them.

The Deputy City Clerk reported that the motion on the floor is that Fund 304 is insufficiently funded and the Council should look at ways for a dedicated fund for more water quality funding.

On a roll call vote the motion failed 3-4 with Mrs. Orcutt voting yes, Mrs. Burton no, Mr. Smith yes, Mr. Whittall yes, Mr. Mucher no, Mr. Mechling no and Mr. Auwaerter no.

Mr. Mucher said that he voted no because it was a dedicated fund.

Mr. Auwaerter said that he voted no because it involves the General Fund of the City of Vero Beach and because he is not a resident of the City he is not going to direct Council how to make decisions on purely the General Fund expenditure.

Mr. Mechling said that he voted no because he felt they needed to expand this to handle the infrastructure needs of the stormwater situation.

Mrs. Orcutt asked as in a stormwater utility.

Mr. Mechling said that he is not sure on the mechanism, but he feels that it has to be an overall fix.

Mrs. Burton said that she voted no because she did not think it was specific enough as to exactly what water quality improvements.

Mr. Mucher felt they had a general consensus that they would like the City Council to look at ways to find additional funds for stormwater and water quality improvements.

The Commission members agreed.

Mr. Auwaerter suggested that if the members want to move in that direction that they put another motion on the floor.

Mr. Smith said this Commission previously recommended a stormwater utility and the City Council voted it down. In a way the Commission is saying that the City Council look at it again and see if they can find resources to do this. Not a utility, but to look and see what else is out there and that they keep it on the forefront.

Mr. Mechling made a motion that the Commission would like the City Council to continue to review the process in funding for addressing the stormwater infrastructure needs and water quality improvements. Mr. Whittall seconded the motion.

Mr. Mucher said that he would vote for that. But, it does go back to Mr. Auwaerter's point about outsiders telling them how to spend their money.

Mr. Auwaerter said it was not that he didn't think it was a good idea.

Mr. Whittall didn't see where that has anything to do with it. He said that Mr. Auwaerter is sitting on a City Utility Commission and represents the City Utility Commission.

Mr. Auwaerter said that he represents the ratepayers.

Mr. Mucher said they represent all customers of the City Utilities System.

Mr. Whittall said it is part of the City Utility System. He said it is part of the General Fund, but it is still a City Utility.

Mr. Auwaerter said not the way it is accounted for.

Ms. Lawson said it is a general government Public Works function so it is not a utility. The utility would apply if it was supported by ratepayer fees, but it is not. It is supported by general government resources and is part of the Public Works Department.

The Deputy City Clerk read back the motion, which was that they would like the Council to continue to review the process in funding for addressing the stormwater infrastructure needs and water quality improvements.

On a roll call vote, the motion passed 6-1 with Mrs. Orcutt voting yes, Mrs. Burton yes, Mr. Smith yes, Mr. Whittall yes, Mr. Mucher yes, Mr. Mechling yes, and Mr. Auwaerter no.

7) ADJOURNMENT

Today's meeting adjourned at 12:42 p.m.

/sp

DOCKET NO: 170235-EI & 170236-EU EXHIBIT # CAIRC

WITNESS: _____

PARTY: CIVIC ASSOCIATION OF INDIAN RIVER COUNTY, INC.

DESCRIPTION: COVB MEETING MINUTES OF AUGUST 30, 2017
JOINT UTILITIES/ FINANCE COMMISSION

PROFFERED BY: CAIRC

JOINT UTILITIES/FINANCE COMMISSION MINUTES
Wednesday, August 30, 2017 – 9:00 A.M.
City Hall, Council Chambers, Vero Beach, Florida

PRESENT: Utilities Commission: Chairman/Indian River Shores Representative, Robert Auwaerter; Vice Chairman, J. Rock Tonkel; Members: Chuck Mechling, John Smith, Jane Burton, Mark Mucher and Alternate Member #1, George Baczynski **Finance Commission:** Chairman, Glen Brovont; Vice Chairman, Randy Old; Members: Peter Gorry, Kathryn Barton and Ryan Bass **Also Present:** City Manager, James O'Connor; Finance Director, Cindy Lawson and Deputy City Clerk, Sherri Philo

Utilities Commission Excused Absences: Herb Whittall and Judy Orcutt
Finance Commission Excused Absences: Victor DeMattia and Daniel Stump

1. CALL TO ORDER

Mr. Auwaerter called today's meeting to order at 9:00 a.m. He stated that the purpose of today's meeting is to review the terms of the full sale of the City's Electric Utility to Florida Power and Light (FPL) and to make whatever recommendations the Commissions feel is appropriate to the City Council. He explained that this is a Joint Utilities/Finance Commission meeting for efficiency purposes, however each Commission will vote on their own and can either make motions or not. He reported that he and Mr. Brovont will be Co-Chairing today's meeting.

At this time the Deputy Clerk performed the roll call.

2. PUBLIC COMMENT

Mr. Auwaerter asked that anyone speaking under Public Comment to try to limit their comments to three (3) minutes.

Mr. Layne Sykes, Councilmember, said that he was glad to see today's meeting taking place. He said that he is adamantly in favor of this deal. He felt that for far too long there have been a lot of road blocks. He said it is time to get this done. He appreciated the Commission's diligence in reviewing the deal. He is looking forward to completing this deal in a sufficient manner. He said that he could not say enough about this offer. He mentioned at the last City Council meeting that along with everything else that comes with this deal, is the ability to finally access the money in the Utility, an extra $25 million on top of the generous offer that FPL has presented. He said that is a huge win for the City of Vero Beach and with proper management it will help them grow in the future. He hoped that they will take that into consideration.

Mr. Brian Heady said that he served on the City Council and one (1) of the things that he was successful at was brokering a resolution by the City Council to stop the three (3) minute limitations on citizens during Commission meetings. He said unless they have some legislative act that they can point to then they are still under the provisions that they don't cut citizens off. He said the sale of the Utility really dates back to the 1970's where at the very last minute they were stopped by a regulatory authority. In the meantime, the taxpayers and ratepayers have spent millions of dollars and that has continued for a very long time. He said that at a recent meeting Mr. Sykes stated that there have been no other offers. Mr. Heady said that is not true. He said there has been a restriction on other offers where the City has signed an agreement not to negotiate with anyone else. He said that is kind of like someone saying to him that they are going to sell their house and the only one they were going to take an offer from was him (Mr. Heady) and were going to accept whatever offer he gives. He said the City Council and the current Mayor have continued to stifle citizen input and have not allowed all the facts to come out in what amounts to criminal conspiracy to unload valuable City taxpayer, resident owned property. He said that Mr. Sykes refers to the generous offer, but he thought at one (1) point they were told that the Electric Utility was worth some $300 million, not the $30 million they are now set to receive. He said it is not a generous offer. He said it is a very good deal for FPL and he is all for them getting good deals, but he is not for FPL being able to come into their community and take assets of the community without paying fair market value. He said the City has consistently been on a path that sells the Electric Utility at less than fair market value and it gets worse than that by giving away the proceeds to other entities and the citizens of Vero Beach wind up getting virtually nothing by the time they finish. He said that when he served on the City Council the head of the Utility at that time showed him the numbers and the facts and the reality was that the cheapest electric they could have would be to turn the City's generators on. He said that didn't happen. Instead what they did was bring in a new City Manager who decommissioned the Power Plant. He said in the deal from FPL back in 2009/2010, FPL was going to decommission the Plant. He said the taxpayers and ratepayers have paid for this. He said this City was in a position where if a hurricane hit they could turn the Power Plant on. Thanks to the current City Council, the past couple City Councils, and the current City Manager they can't turn anything on because it doesn't exist anymore. He said in the FPL offer back then, FPL was going to decommission the Plant and tear it down. Instead, the new plan is to have the taxpayers pay for it. Over the course of several years now in FPL wanting to purchase the Electric Utility, they have upgraded the Electric Utility. He said the ratepayers were told that they have to do the upgrades and they have spent millions and millions of dollars to give FPL a better equipped Electric Utility, which has been done at the ratepayer's and taxpayer's expense.

Mr. Auwaerter asked Mr. Heady to please finish his comments over the next minute as he has been speaking for over five (5) minutes.

Mr. Heady asked Mr. Auwaerter if he knows of any legislative change. Mr. Auwaerter felt that the point of public comment is not to filibuster... Mr. Heady said that he is not trying to

filibuster. He said that he is talking to them about the Electric Utility and what has happened over the course of several years and that takes more than three (3) minutes.

Mr. Heady continued stating what he started to say before being interrupted is that if you were selling your house, you wouldn't have someone come in and count the number of two-by-fours, the nails, etc. He said this has been going on and on and on. If FPL really wanted to purchase the Electric Utility, they could come in and tell the City they were going to give them $200 million and they could take over, which they could take over the first of the month. He said that he explained at a Council meeting how this could happen and Councilmember Howle's only answer was that he didn't know where the keys were.

Mr. Auwaerter asked Mr. Heady to please finish up. Mr. Heady said that he was trying to do that.

Mr. Auwaerter asked Mr. Heady to do it in the next minute. He said there are other people who would like to speak.

Mr. Heady said it's amazing how few people are present. He doubted that there were a number of people who are going to speak at such length. He said the Commission members asked for this job, to be advisors. He said they can't advise if they don't listen to all the input. He said they clearly don't want to do that and the City Council doesn't want to do that. This has been nothing less than a criminal conspiracy to defraud the taxpayers and they are all part of it if they refuse to listen to the input from citizens.

Mr. Auwaerter thanked Mr. Heady for his comments. He asked if there was anyone else wishing to speak.

Mr. Heady asked if he was telling him that he needs to sit down. Mr. Auwaerter said yes sir. He said that he gave him (Mr. Heady) over eight (8) minutes. He asked if there was anyone else wishing to speak.

Mr. Gorry said to clarify about other buyers, some years ago when he was Chairman of the Finance Commission he was approached by an executive of another utility company who wanted to make an offer. He said because of the aforementioned prohibition, he explained to him that there was no need to make an offer because the City was prohibited under the agreement. He just wanted to clarify that there was an inquiry from another utility.

Mr. Heady said there are other utilities that would be interested in coming in. If they were going to benefit the taxpayers and ratepayers then those kinds of offers should be listened to. But, the City Council has tied their hands by agreeing to LOI's and agreements with FPL where the City

said they would not allow or entertain and prohibited any official from speaking to anyone. He said this is an insane way to try to get rid of a valuable asset. He said the other thing …

Mr. Auwaerter said sir … Mr. Heady said that he is just responding to what Mr. Gorry said.

Mr. Gorry said that he was just making a statement.

Mr. Auwaerter told Mr. Heady that it is not his right to respond.

Mr. Heady said Mr. Gorry was referring to things that he said as citizen input.

Mr. Auwaerter said it was a general comment. He asked Mr. Heady to please sit down and give the gentleman …

Mr. Heady said you're (Mr. Auwaerter) from Indian River Shores (IRS). You are not from Vero Beach so you really don't give a hoot about the citizens of Vero Beach. You care more about IRS and there has been a problem with them in this community where they have had entities from outside the community come in and try to do things that have essentially destroyed many aspects of the community that they loved and have moved here for. He said a long time ago, Mr. Ken Daige said, and he thought Mr. Daige was crazy at the time, but Mr. Daige said that these entities were trying to destroy the City brick by brick. Mr. Heady felt that Mr. Daige was right. He said they have continued to do it and been allowed to do it and it is just wrong.

Mr. Joseph Guffanti said that he spoke with one of them before the meeting was called to order and it is true that all 19 cities have to sign off on the sale and everything they do here this morning and whatever happens is superfluous if one (1) of the cities doesn't sign off. He said to evaluate a system as to what it is worth; they look at what the revenues will be and what the profits will be. He said if the Commissions were going to do anything they should determine what the revenues are going to be for FPL and what FPL's profits are going to be. He said that will tell them what it is worth to FPL, not what it is worth to the City. He said that is what they should do. That will tell them what it is worth to FPL.

Mr. Lange Sykes said year after year they continue to hear the same red herring arguments about the sale of the Utility. He was thankful and surprised at the resilience of FPL to stick with them. He said there are no other qualified buyers. That is absolutely absurd. He said the only qualified buyer is the one (1) that brought an offer to the City. He said it is an incredible offer. He said that he doesn't know why they can't continue to remember that there is a third party doing a valuation of the Electric Utility separate from the City and from FPL. It is the State that is doing it and they have to justify the cost that is being paid for the Electric Utility. So for anyone who is concerned, there is a third party valuable being done for this Utility and if it doesn't go well then

FPL can't purchase it. He said let's keep that in mind and work towards getting this sale completed. He thanked FPL for sticking with the City.

3. REVIEW THE TERMS OF THE FULL SALE OF THE CITY OF VERO BEACH ELECTRIC UTILTIY TO FLORIDA POWER AND LIGHT (FPL)

Mr. Auwaerter said it is important that they look at not only what the City might be getting in terms of the sale, but also the risk involved in continuing in the Electric Utility business. He said that he spoke before the City Council on May 16, 2017 highlighting his concerns as an individual, not as a member of the Commission, regarding the risk the City would take on if they continue to stay in the Electric Utility business. He said the Electric Utility business is changing. It used to be that if the utility was run well operationally, the Public Service Commission (PSC) or the Public Utility Commission (PUC) of the State would give them a good rate of return. Those days are over. The Electric Utility industry is in a complete state of flux. It is not only here in the United States, but around the world. It really involves what he calls two (2) related factors, which are slowing electric demand and excess traditional power generation capacity. He said in terms of slowing electric demand, on a continuous basis the electric appliances are becoming more and more efficient. It used to be that the Electric Utility industry would be estimating from the 1970's through 2000 at roughly about a 2% compound annual growth rate in kilowatt sales. That has dramatically slowed over time. On top of that what has taken place is that there is a surplus of power generated from coal, natural gas, and nuclear power. So, what they are seeing in the prices that those independent power producers can generate their charge is going down and it all has to do with renewals and they are seeing that in Indian River County. He said FPL is in the process of installing two (2) 74.5 megawatt solar power units west of I-95. FMPA's Coal Plants have run over $100 a megawatt hour and their best Plants, which are the All Requirement Project (ARP) Plants that are powered by natural gas, were roughly about $65 a megawatt hour last year. The Nuclear Power Plant ran in the high 70's. He said they recently asked for bids for solar power and at a recent FMPA meeting he asked what bids they received and he was told that one (1) of their bids was $40 per megawatt hour. He said that is distorting the entire power industry and big electric utilities are struggling with this. He said renewable are not only being built on large Solar Power Plants, but on smaller operations. He said the last thing is that the cost of battery capacity per kilowatt hour is going down. He asked the Commission members to think about first on the risk side to what extent that they might start to lose some of their best customers. Their top 10 customers based on the Comprehensive Annual Financial Report (CAFR), which represents ten and a half percent of the City's revenues. That they think about what would happen if they lose some or all of these large customers. He said the game in electric utilities is that they have fixed costs, such as the transmission lines, the distribution lines, the meters, etc., and they have to spread those fixed costs over a revenue base. If they lose these big customers that means that they would get into a spiral where they would start to have a situation where the small customers would have to pay higher and higher rates and the customers who can escape will and they would get into this downward negative cycle where

they would be trying to cover these fixed costs over a smaller and smaller rate base. The City is a small Electric Utility and does not have the size and scale that other utilities have, such as FPL has. He said that is what he worries about and is something they have to think about. He felt that gets lost a little bit in discussion in that there are some people who have raised concerns about the sale, but he felt they were looking at the business on a static basis and not looking at what it might be 5, 10, or 15 years from now.

Mr. Mucher supported Mr. Auwaerter's concerns about the risk. He said there has been a lot of discussion on the rates and the City's rates are higher. But to him, that is not the most important thing. He said more important than rates is reliability and their reliability has been good. But, at the same time if for some reason they have to stay in the utility business then they are going to have to invest tens of millions of dollars just to maintain a decent level of reliability. He would rather have power even if he would have to pay 10, 15, or 20% more in order to have power. Another thing is the ongoing risks of being in the electric business and most of those are unknown and most are uncontrollable. He supported the idea of getting out of the electric business with the biggest reason being long term risk. He said looking at it statically today is not the way to do it. He said the three (3) R's are risk, reliability, and rates.

Mr. Brovont said that he supports Mr. Auwaerter's analysis. He said that nuclear energy is collapsing all over this Country and many states are now facing shortage of power caused by the collapse of the nuclear Power Plants. The other thing that is occurring is they are going solar power on a smaller and smaller scale. Many homeowners are beginning to do that. He said it is really not economically feasible yet. They are all living on tax subsidies and many big companies are doing the same. But, those things are probably going to change too. The Federal Government is flat broke and this business of subsidizing big corporations to get solar power is probably a thing of the past. It may be more feasible at the homeowner level, but the big problem there is that it has an adverse affect on the Power Plant. He said that he has said for a long time that running the Power Plant is really not a City business. They don't have the expertise to do it. They have done a tremendous job up to this point and the Power Plant has fostered the growth of the City in that it was here when there was no other power. But, those days are gone. He could not do anything but support Mr. Auwaerter's analysis. They need to get out of the power business as quickly as they can and do it as expeditiously as they can with the right buyer. They have a buyer that doesn't need financing and that is worth a lot.

Mrs. Barton was happy that Mr. Auwaerter brought this up because she felt that every discussion has looked at this as a static situation that would never change and they all know that every industry changes and is brought with risks. She said the City can't sustain those risks, which she felt was the most important thing about the sale.

Mr. Brovont said that Mr. Auwaerter did an analysis of the cash flow and he did an analysis a few years ago. He said that he questioned what it was really worth so he did an analysis, which

on a cash flow basis, price of the sale, price of earnings and revenues and it compares favorably with FPL at $185 million. The argument about how much money the City spent is not relevant. He said none of them would expect to sell their business at three (3) times their earnings just because they spent money on it. That is not the way it works. He said that he has looked at this and he thinks the price of $185 million is correct.

Mr. Smith said that he agrees with the full sale and he agrees with Mr. Heady in that it keeps coming up and if they add the time and energy that has been spent by the City Council and the Commissions that is not going to go away if they don't sell the utility this time. It is going to keep coming up. He felt that Mr. Brovont was right in that if they want to sell something they have to see what the buyer is willing to pay. Not what they think they would like to get. He agrees completely with the full sale.

Mr. Old thought that in the past the management of the Utility was not as complicated as it is now. They made choices in the past when it was a lot easier that were bad choices. He felt it was going to get to be a lot harder for the City Council to run this. Unless they can think of some other way of managing it, it just doesn't make any sense for them to be in this business. It is too complicated for a City this size to be able to run it. He felt the idea of selling the whole thing was right and the price now is so much better than it was before that it makes sense.

Mr. Tonkel said if the condition's Mr. Auwaerter cited come true, which he felt the changes will occur it makes the valuation of the offer an even stronger case. He did not think there was any question that this represents an outstanding value of the Utility as it is and will probably look better as they proceed and the City is out of the business. He said that they appreciate FPL's offer and he clearly supports it.

Mrs. Burton said that she also supports the idea of a total sale. She said as a County resident and a ratepayer to the City, they are concerned as well on the risk going forward to those ratepayers outside the City. She said if they start losing those large customers they are going to be involved in the hits. She felt that they needed to look at that as well as the cost going forward to increase the technology, which is not cheap. She felt that now was the time to move.

Mr. Baczynski said the Utility generates a lot of income for the City and he was not hearing any discussion about how that income can be replaced when the Utility is sold. The fact is that if the Utility is sold the full amount that the Utility has been generating is going to have to be generated by the citizens of Vero Beach only because they are the only people the City could tax and that is probably one-third of the total base of the Utility System. While he hears their arguments for getting out of the Utility, they cannot forget there are two (2) sides and they need to have a plan that covers not just the sale of the Utility, but also recovery of revenues to keep the City whole. He felt not to discuss this would be very remiss. He said the City Council represents all the citizens of the City and they should be looking out for the interest of all the

residents of the City. He said selling this large cash contributor to the City finances without making any provisions for replacing it he felt was a dereliction of duty and they should be looking at that very carefully.

Mr. Gorry said that he did that at some length and with the loss of the revenues from the return on investment. He said one (1) way that could be partially retrieved was to have a franchise fee added to the revenues, such as the County now has. The second thing is that they could cut services or raise taxes. Those are the options. The last one (1) that is a potential revenue source is a stormwater utility. In his view, those are the options that the City Council is going to have to deal with as they move forward. He said they need a five-year plan once they receive a contract and understand what the total revenues less all the expenses are and how they are going to apportion what the proceeds are. He said when they have that clarified they can go forward with a five-year plan.

Mr. Brovont said that he is very concerned as well about losing $5 million a year. He said that he worked through the City's budget and he can see how they can make it. He said they have nearly $5 million in their pension programs. It wouldn't take the City long to fund some of the pension funds (referring to the $30 million from FPL), which would free up cash flow for operating expenses. He said currently the City does not have enough money. Every year they struggle with the budget. He said they could raise taxes, but between doing some investment work on the pension plans in getting that resolved and work harder in funding the Other Post Employee Benefit (OPEB) Plan, they could make the numbers work. It may take some forecasted cash flow, tax increases, to keep the City moving. He thought that they could make it work. He said that he even looked at a partial sale and it looks to him that they could make it work both on a partial sale and a full sale. He said they might be better off with a partial sale, but that is another story. He said that doesn't eliminate the political problems and getting rid of the entire Utility. He said they are spending way to much time fighting with each other when they should be working together. He said the City management is convulsed with this Utility and has been for five (5) years at least.

Mr. Gorry said having a smaller utility is increasing the risk so any partial sale is counter intuitive to going to a full sale in his view. He said they have a facility that is built to serve 35,000 customers and they are paying fixed costs and are paying for infrastructure on those 35,000 customers. If they lose 10% of their customers they are stranding 10% of their fixed assets. The other piece is that the $5 million is not only on the operating budget, but millions of dollars in infrastructure in the capital programs. He said again it is not only the operating cost, but critically is in the shortfall, which is more severe.

Mr. Brovont said that he would be happy to share his analysis and they can make their own judgment.

Mr. Old said they have not had a concentrated time to sit down and come up with a five-year plan and work through this.

Mr. Baczynski explained that what he was saying was that they need to look at the whole thing as a system. They can't optimize one (1) part of the system without doing something adverse to another part. They have to look at the system as a whole and optimize the system as a whole. They have talked about piece meal solutions, such as raising taxes, shaving numbers, etc. But, it all needs to be looked at as a whole because every little bit they take from one (1) is going to be taken from someplace else. They can't look at the final result unless they are totally aware of everything that is involved. Not just the sale. The sale is only one (1) part of it and it is the elephant in the room and it dominates everything they have been talking about. As far as he could see, no one has been thinking about what the sale would do to the City and the aspects of City life, such as recreation, maintenance, etc. All of these things have to be looked at as a whole.

Mr. Gorry said that he has done that, but he didn't want to get sidetracked until they know exactly what the total proceeds are going to be. Until they get a final contract of the sale and understand it, the Finance Commission have been directed by the City Council not to discuss any of these aspects and they have not spoken at all to what the issues are that Mr. Baczynski is addressing.

Mr. Baczynski said they can address them, but in the final analysis it is the City Council that has to answer the questions. He said they can propose suggestions and solutions, but until the City Council agrees to them in increments they are not going to happen.

Mr. Ryan said with all due respect, he has been on this Commission for almost a year and they all have been saying the exact same thing for a year and have never done any action to fulfill what they are saying. He said they can go based on what they have in front of them. Mr. Auwaerter's point, Mr. Brovont's point, Mr. Tonkel's point as to future technology costs, he follows that every day in the business he works in. It is real. They are not exclusive of one another. What Mr. Baczynski is saying and what Mr. Auwaerter is saying play together. So to present it as them being exclusive of one another is not accurate. They play together with one another. He said they can do this instead of saying it for a year and get this done or they can go off of what they know now.

Mrs. Barton said that she thinks they play together, but all she has heard is $6 million until she is tired of hearing it. That is the static situation in that right now it contributes $6 million and in the future they have no idea that it isn't going to be a net cost to them. The risk is what they really have to worry about, but they keep focusing on the $6 million that can be made up. For that reason, she is very enthusiastic about a full sale, but she felt a partial sale keeps them in the

business, they still have the risk, and they have a smaller client base to absorb the risk. So she is very nervous about the partial sale.

Mr. Auwaerter felt there was more money in the sale than people realize.

Mr. Smith felt that discussing the two (2) together, what is going to be done with the money and whether or not they should sell, confuses the issue. He thought they were meeting today to discuss the terms of the sale. Not to talk about the City Council jurisdiction. He understands that is important, but to get into that during this meeting they are confusing the issue and they will have great difficulty in reaching a decision.

Mr. Gorry agreed. He said his takeaway was to give a status given the elements. The only thing that has changed in the LOI is the issue of the substation and the closing date. What he wants to hear is when it is reasonable for when the contract is to be signed given that there are still these issues.

Mr. Auwaerter said they are still in the process of the FMPA approvals. That is why it is fluid and in his opinion makes sense for both Commissions to be meeting today. If they wish they could put a motion in place, which they could state something like subject to these provision they would recommend that the City Council approve it or not approve it. He said they have to move along in the process because there are so many steps and any one (1) of them can derail the sale. He then referred to his model that he provided to the Commission members, FPL Purchase of Vero Beach Electric Utility (attached to the original minutes).

Mr. Tonkel said they have all reviewed the LOI. He asked the Commission members if the LOI addresses any issues they have with respect to the sale. He asked if they were comfortable with the terms enclosed in the LOI. He asked do they have any major differences in terms of what has been presented to the City Council to consider.

Mr. Gorry, Mr. Smith, and Mr. Brovont said they have some concerns.

Mr. Gorry said it is the trying to decouple the partial sale from the total sale. That is his issue. He is totally for the full sale.

Mr. Smith said that is his issue as well.

Mr. Mucher said if they have a full sale then the partial sale becomes mute so they don't need to address that. He said they were almost past the LOI and almost to a full sale contract. He didn't feel they needed to dwell on that.

Mr. Auwaerter did not think they do. But, they do have to address the price that the City is getting. He said the purpose of his model was to try to come up with some way to see if the price was reasonable. He then went over his model with the Commission members.

Mr. Gorry questioned the last page where it states under Cash Flow from FPL Sale, Prepaid Rent – Power Plant Substation Lease, $10,000,000.

Mr. O'Connor said the $10 million has not changed. The title has changed where instead of being rent it will be a payment made to the City, which equals the $30 million that is in the LOI. As they go through this exercise these types of changes is what is delaying them from bringing a final contract to the City Council. They are having frequent meetings to make sure they are all on the same page and that the contract has all the components of the changing issues that have evolved over time. At the end of the day, his goal is to have the numbers stay the same.

Mr. Auwaerter asked would it be fair to say that in the ongoing discussions with FPL there have not been any discussions about changing any of the financial terms to the City to the worse.

Mr. O'Connor said that he can't say there hasn't been some discussion, but at the end of the day the same numbers will be in the contract. He feels very comfortable with that.

Mr. Ryan said then the only change to the LOI is rather than a lease contract it is payment to the City.

Mr. O'Connor said that is correct.

Mr. Tonkel asked aside from the major policy issue, which he thinks FPL and the City Council has to deal with in regards to a partial sale or a full sale, is there anything else in the LOI that they want to communicate with regards to the final agreement. He said that he hasn't found anything in his review of the LOI.

Mr. Brovont said FPL stated very adamantly that the partial sale remains in the contract. His response to that is if they are 95% into the full sale FPL keeping the partial sale in the contract strongly suggests to him that they (FPL) thinks there is a fair amount of risk in the deal yet. He felt they should all be aware of that. They do have 19 city members that have to vote and if anyone calculated the probabilities of 19 cities, that is small. He felt that was a risk that FPL wants as a back door to get something out of this after fighting with them for eight (8) years. The question that he comes up with is when would the partial sale be executed. Would it be when they put the contract in place or after the 19 cities have voted. He asked what is the transition and what are their costs.

Mr. O'Connor said it is not only FPL that wants the partial sale. The City Council made it clear that they support the partial sale, even before the full sale contract was being negotiated. The way the contract will be designed, hopefully, is that the full sale will be the primary. He said if something was to disrupt the full sale and it is determined that they cannot move forward for whatever reason, at that time they go into discussions on the terms and conditions of a partial sale. In the meantime, it is important to know that the partial sale is not something new.

Mrs. Burton said that she is in total support of the full sale. She said based on their discussions today that there are too many risks to know that they can sustain the kind of income that they have been making with the electric if they keep the Utility. She said changes are that they would be making less.

Mrs. Burton excused herself from today's meeting at 10:30 a.m.

Utilities:

Mr. Auwaerter handed out to the Commission members a copy of his motion that he was prepared to make (attached to the original minutes).

Mr. Auwaerter made a motion that the City of Vero Beach Utilities Commission recommends to the City of Vero Beach City Council that the Council finalize the contract for the full sale of the City's Electric Utility to Florida Power and Light using the financial framework as described in the Letter of Intent dated May 16, 2017 between the two (2) parties subject to the following two (2) provisions: 1) the final executed contract should incorporate Florida Power and Light's plan to dismantle the electric substation at its present location next to the defunct City of Vero Beach Power Plant and to build a new substation on the lot on the southwest corner of Indian River Boulevard and 17th Street in Vero Beach and 2) as a result of the full sale, the City of Vero Beach should have no actual ongoing or contingent liabilities arising from any post-closing Electric Utility operations. The City will retain certain pension obligations for transferred employees as described under Section 1.11 (a) in the above mentioned Letter of Intent. Mr. Mechling seconded the motion for discussion.

Mr. Mucher said that he didn't know how they could recommend that they finalize the contract when there isn't a contract.

Mr. Auwaerter said there is a contract that is currently being negotiated. The finalization is when it is signed.

Mr. Mucher said they will probably see that contract and they could make their recommendation at that time. He said that he cannot recommend a contract that he hasn't seen. He said that he is totally in favor of the deal.

Mr. Auwaerter said it is described in the LOI with those two (2) provisions.

Mr. Mucher asked isn't that superfluous. He asked what is the purpose. He asked does it clarify anything.

Mr. Auwaerter said there has been discussion that they want to be sure the City is completely out of the Electric Utility business. He said the intent of the City is not to have any trailing liabilities.

Mr. O'Connor said that is correct. He reported that has become a major point in negotiations, especially with FMPA and FPL. He said if something happens after the closing they are recommending that all parties have their own insurance and that there be no trail or tail connecting the City to the Utility. The analogy that he uses is that when they get to the closing table and everyone receives their check, he can look in the rear view mirror and the City is totally out of it.

Mr. Mucher asked once it is closed that is when FPL starts building the new substation. Therefore, the handover of customers doesn't take place at that point. He asked isn't the City conceivable in the electric business until the new substation is in operation.

Mr. O'Connor answered no. He explained that the City would give FPL the right to use the current substation until FPL's substation is completed.

Mr. Tonkel felt that Mr. Mucher makes a point that they should be at an advisory capacity for looking at all the provisions of the final negotiated contract.

Mr. Auwaerter felt that there would be hundreds of pages with a lot of property descriptions, etc. He said that the first provision was proposed by FPL and the second provision was from in his discussion with the City Attorney in that was an objective the City was trying to reach. He said to him that would be the biggest risk in the contract in having a tail of a liability. The objective is to get completely out of the sale, get the money laid out in the financial framework, and wipe their hands clean of the sale. That is what he was attempting to do. He said this process is going to start to move along pretty fast and the City Council is going to have to sign off on it. If they look at all the steps in terms of the 19 cities that have to sign off, rating agencies, bond trusties, etc. He said they have to rely upon the expertise of the City Manager and their legal firm. But, lay out what they put in the LOI, the financial framework, they want to get those monies and make sure that there isn't something that the taxpayers will be responsible for post-closing.

Mr. Tonkel felt that they were all in favor of it. It is the question of coming up with a way to make that affirmative statement to the City Council.

Mr. Mucher didn't think they needed to say anything except that they agree with the terms in the current status of the LOI with the modification of the substation, for example. He said that Mr. O'Connor reported that they should have a contract in October and they could hold a meeting at that point to see if there are any changes.

Mr. Auwaerter said his motion states that they recommend to the City Council that they finalize the contract. They were not stating that they agree to a contract because there isn't one. But, that they move forward to a final contract, that the Utilities Commission looked at it from the prospective of the price that is being paid, and the risk that the City of Vero Beach takes on if they continue to be in the Electric Utility business.

Mr. Mucher said it depends on the definition of finalize.

Mr. Tonkel felt the emphasis on finalize, unfortunately, he didn't think it expressed the view that they were clearly in favor of the deal.

Mr. Old asked do they want to state that they convert the LOI to the contract.

Mr. Gorry said this is a Utilities Commission motion.

Mr. Auwaerter said they will accept their advise.

Mr. Old suggested that they word it a little differently. He suggested that they change the wording *that they recommend they convert the LOI to a contract.*

Mr. Auwaerter amended his motion to take out the word *"finalize"* so it would state that they *"convert the Letter of Intent to a contract."* Mr. Mechling seconded the amended motion.

Mr. Auwaerter said the amended motion is *"The City of Vero Beach Utilities Commission recommends to the City of Vero Beach City Council that the Council convert the Letter of Intent to a contract for the full sale of the City's Electric Utility to Florida Power and Light using the financial framework as described in the Letter of Intent dated May 16, 2017 between the two (2) parties subject to the following two (2) provisions, which will remain the same."*

Mr. Brovont suggested that they needed to talk about more than a full sale. He said they are talking about a full sale and a partial sale in the contract.

Mr. Mucher felt they would deal with a partial sale if and when that comes up.

Mr. Brovont said the City is finalizing a contract that covers the full and partial sale.

Mr. Smith said the motion only applies to the full sale.

Mr. Auwaerter asked if they should take the word *"full"* out.

Mr. Tonkel felt that they could express the preference for the full sale. If they are going to take out the word *"full,"* they could express that the sentiment is their preference for a full sale.

Mr. Smith said the difficulty in that is that he would not approve recommending a partial sale because they have not looked at it. He is totally in favor of a full sale.

Mr. Brovont explained that FPL is looking for a contract that provides for a full sale and a partial sale. He said FPL has been pretty adamant that they were not going forward unless it is in the contract. He said the City Council has already conceptually approved that.

Mr. Smith said yes and without any advice from the Commissions.

Mr. Gorry added or any analysis.

Mr. Smith said it is almost like it's a cancellation prize. He questioned if there was some way they could separate the two.

Mrs. Barton said this is a motion of the Utilities Commission and when it comes to the Finance Commission and they want to present the same motion, she agrees in that she doesn't like the changes that were made. She said they don't make the final decision. She said they are recommending the full sale. They are not addressing the partial sale at all. She said it is simply a recommendation and they were never asked to look at the partial sale.

Mr. Auwaerter asked the Utilities Commission for their response in taking out the word *"full"* out and just have the word *"sale."*

Mr. Mucher thought they were recommending the full sale and the City Council is in the position where they are going to have to approve a contract that might include a partial sale. He said they all just heard from Mr. O'Connor on what a great deal the partial sale was. He thought that if and when they get to that they will discuss it. He said that he could go ahead with voting on the motion as it was amended and the way it currently stands. He said they basically talked in

favorable terms about the full sale and questionable terms about the partial sale. He felt that what they have done is recommend the full sale.

Mrs. Amy Brunjes, of FPL, wanted to clarify what is going to be presented to the City Council and in what format in order to assist the Commission with their motion. She reported that the goal is to have something before the City Council in early October. She said one (1) of the reasons, in addition to the incorporating some of the changes including the substation, is they wanted to give the City Council and the Commissions the opportunity to see the contract prior to the final vote. She said it will be voluminous like Mr. Auwaerter stated. It will have each item of the LOI with several detail pages attached. When it is presented and finalized it is going to be a contract for the full sale of the Utility and a provision in the contract is going to state that should a full sale not be executed that it would immediately revert to the partial sale that will have all the details of the partial sale and with the amount of $30 million.

Mr. O'Connor noted that Section II of the LOI is very explicit about the partial sale. He explained that the LOI will outline the contract so the outline of the contract is going to be very close to the LOI.

Mrs. Brunjes said they are working towards the full sale and if the full sale is closed in October of 2018 as planned then the partial sale is mute. She said there is a lot of work being done in a very aggressive timeline. FMPA has presented them with a schedule of approvals and they have said that they expect all the approvals including the final vote of their Board, their Bond Trustees and their Bond holders at the very latest by February, 2018. She said that is very possitive and very aggressive.

Mr. Tonkel felt the confusion arises over the fact that those terms are fixed and the City Council and the two (2) parties have basically come to an agreement on how they are going to proceed and how the sale will be, either A (full sale) or B (partial sale). He felt that the problem the Commission was having was that without knowing anything about the partial sale or the implications of a partial sale they are having difficulty bracing it, particularly when all the concerns have been expressed about a partial sale. What he is interested in is coming to some agreement about getting the City Council to proceed with the preferred and knowing FPL and the City has the right to conclude that contract. But, without the Commissions having sufficient basis to do that they are having a wordsmith problem.

Mr. O'Connor assured them that they don't need to motivate the City Council on the full sale. He felt the discussion that has taken place is to encourage the City Council that gives support to their decision making going forward. From his perspective the LOI is a policy of the City Council. They voted on it. He said the Finance Commission and the Utilities Commission can go through the breakdown and the analysis of the impact of the partial sale. That is an analysis that can be done anytime they want to do it. He said that from a financial standpoint, he did not

anticipate a negative impact. He noted that if they sell the IRS customers, it would not be that it is going to be a negative if they use the $30 appropriately. He said they are going to have the same amount of money for the sale of 10% of their customers as they will have for the full sale.

Mr. Tonkel recommended the contract for the sale of the City Electric Utility as articulated in the LOI. He said that gives their support to the City Council on moving forward under the provisions of the LOI. He thought they already made their declaration on what is going into the contract and the Commissions might have an opportunity to review it if it comes to a partial sale. But, at this point he felt they wanted to encourage the additional steps that need to be taken to bring this to a conclusion.

Mr. Mechling agreed.

Mr. Brovont said that he is not on the Utilities Commission, but he would agree to that. He said the reality is that the City Council has already agreed on a full sale and a partial sale without any input from them.

Mr. Smith said that he would agree to that. He didn't like it, but he felt they should embrace it and move forward.

Mr. Auwaerter asked Mr. Tonkel what amendment to the motion was he suggesting.

Mr. Tonkel said *"that the City of Vero Beach Utilities Commission recommends to the City of Vero Beach City Council that the Council finalize the contract for the sale of the Electric Utility including the provisions as outlined in the Letter of Intent."*

Mr. Auwaerter said then he is basically saying to take out the word *"full."*
Mr. Mucher asked are they leaving in the word *"finalized."* He thought there were questions about that.

Mr. Auwaerter said to him finalize or convert the LOI to a contract was one in the same.

Mr. Mucher said as long as that is the meaning to the word *"finalize."*

Mr. Auwaerter said that is the way he views it because until they have a final contract there is not a contract.

Mr. Auwaerter amended the motion to state that *the City of Vero Beach Utilities Commission recommends the City of Vero Beach City Council that the Council finalize the contract for the sale of the City's Electric Utility to Florida Power and Light"* with the rest of the motion remaining as is.

Mr. Tonkel added in accordance with the provisions of the LOI.

Mr. Auwaerter said they were using the financial framework as described in the Letter of Intent.

Mr. Mechling seconded that.

Mr. Smith said under condition 2), it states *"as a result of the full sale,"* which the word *"full"* should be removed.

Mr. Mucher said it should state *"in the case of a full sale."*

Mr. Auwaerter amended the motion from *"as a result of the full sale"* to *"in the case of the full sale."* Mr. Mechling seconded the amended motion.

Mr. Baczynski said the LOI was signed by the Mayor. He asked what were they adding to the process.

Mr. Auwaerter felt that as a Commission of citizens who has developed some expertise in utilities that they have looked at it from a different prospective than possibly the City Council has and that they think they should move forward.

Mr. Glen Heron referred to Mr. Auwaerter's model. He said it is as though looking at from FPL's prospective in what would they be willing to pay and what their returns would be.

Mr. Auwaerter said that is correct.

Mr. Heran noted that Mr. Auwaerter was being very conservative in his model.

On a roll call vote the amended motion passed 5-1 with Mr. Baczynski voting no, Mr. Mucher yes, Mr. Smith yes, Mr. Mechling yes, Mr. Tonkel yes and Mr. Auwaerter yes.

The Utilities Commission adjourned their meeting at 11:13 a.m.

Finance:

Mr. Bass felt that Mr. Auwaerter did a tremendous job on his model and he appreciated the work that he put into it. He felt that it was very conservative in eyes of FPL. He felt that the Finance Commission could put a motion on the table as well. He said that he would like to make a few changes to the Utilities Commission's motion.

Mr. Bass made a motion that the City of Vero Beach Finance Commission recommends to the City of Vero Beach City Council that the Council convert the terms of the Letter of Intent to a contract for the full sale of the City's Electric Utility to Florida Power and Light using the financial framework as described in the Letter of Intent dated May 16, 2017 between the two (2) parties subject to the following three (3) provisions: 1) the final executed contract should incorporate Florida Power and Light's plan to dismantle the electric substation at its present location next to the defunct City of Vero Beach Power Plant and to build a new substation on the lot on the southwest corner of Indian River Boulevard and 17th Street in Vero Beach, 2) in the case of a full sale, the City of Vero Beach should have no actual ongoing or contingent liabilities arising from any post-closing Electric Utility operations. The City will retain certain pension obligations for transferred employees as described under Section 1.11 (a) in the above mentioned Letter of Intent, and 3) under Section 1.3 (d) of the Letter of Intent the contract must reflect the $10 million lease as a payment to the City of Vero Beach and not as a lease.

Mr. Gorry said that he absolutely disagrees if the partial sale is not removed because it has never been reviewed. He said that he has serious concerns on a number of issues. He noted that obviously a full sale is what everyone wants, but he doesn't want to have an automatic Russian roulette trigger.

Mr. Bass noted that his motion is slightly different than the Utilities Commission's motion because he took into account Mr. Gorry's opinion so he left in the word *"full."* He said they are at advisory capacity and they are making a suggestion to the City Council. It is very clear when they specify the words "full sale" what their recommendation is. He said that he is not an attorney, but the way he reads it, it is very clear.

Mr. Gorry asked that the partial sale is not included.

Mr. Bass said they were wordsmithing a bit, but the way he read the motion is what he would recommend making to the City Council.

Mrs. Barton agreed with leaving the word "full" in their motion, but she didn't know what it means within the financial framework as described. She asked is that a backdoor way of saying the partial sale is in there.

Mr. Gorry said that he was not saying that after a full review of all the data and how it affects rates, the future revenue stream to the City, etc. But, all of that has never been looked at and that is a problem for him.

Mr. Brovont said they were saying that they were recommending the full sale. He said the City Council has already made their decision.

Mr. Gorry said they may be wrong.

Mr. Brovont said they might be, but they have already done it. He said if the Commission feels strongly for a full sale, they can recommend a full sale. The City Council is going to do what they want.

Mr. Gorry said there is also an Election coming up.

Mr. Brovont said the contract is going to be very tight.

Mr. Gorry hoped that they get the full sale.

Mr. Brovont said that he was in agreement with Mr. Bass. He said the City Council made up their mind. He said they are all in agreement that there should be a full sale and not a partial sale. He did not have a problem with approving the motion as stated.

Mr. Old agreed.

Mr. Smith said what they were complaining about was not the details so much as the City Council going ahead with the contract without asking for advice. He asked why don't they state that they would prefer that the City Council obtain the advice of the appropriate Commissions. He felt that was the argument. Not the details in the contract.

Mr. Mucher thought a lot of the objection some of them are having on the partial sale was based on misinformation. Mr. Gorry talked about $30 million could only go to certain areas and that won't affect fixed costs. Mr. Mucher said if they pay off the debt and pay off a big chunk of capital costs, that is going to greatly reduce fixed costs. He felt that most of their objections and the public's perception on bad aspects of a partial sale is based on misinformation.

Mr. Brovont said that he was not opposed to the partial sale either. He was opposed to not knowing how it was going to work. He said that he ran the operating numbers to see if the City could operate on it with the $30 million and his answer was yes, they could make it work. He said in many ways they might be better off with a partial sale. He said that he could run the City financially on a partial sale. He said that Mr. O'Connor could run the City.

Mr. Bass asked Mr. Brovont if he wanted to add that to the motion.

Mr. Mucher said that would basically not be taking out the word *"full."*

Mr. Gorry felt that the Finance Commission should have a meeting specifically on the issues that they were bringing up.

Mr. Old asked did they want to add to the motion that the Finance Commission would like to review it.

Mr. Bass said they were making a recommendation. The way he stated the motion is extremely clear and the word *"full"* covers exactly what Mr. Gorry is saying.

Mr. Brovont said they might be tying the City's hands a little bit by not covering the partial sale in their motion. He said that is a key point with FPL and they have been very clear about it since day one (1). He said everyone knew it and the City Council agreed to it. He felt they should cover that in their motion.

Mr. Mucher said they could have the partial sale analysis meeting tomorrow if they wanted to. He said that is another piece of misinformation in that they were still under a gag order, but they haven't been under a gag order since OUC agreed to the $20 million.

Mr. Brovont said the reality is that they have been under a gag order.

Mr. Mucher said they could have the discussion on the partial sale if they want.

Mr. Gorry said the Utilities Commission has oversight for recommendations on electric, water, and solid waste. But not on operations of the General Fund, whether it is capital or expense. What he was trying to address with the partial sale is to do an analysis to see how it measures. He said it was always in the "context of a full sale." It was never only a partial sale forever and ever amen.

Mrs. Barton said they were never asked to make a recommendation on that so she didn't think they should throw that into their recommendation now. That is past history and they can't make a recommendation after the fact. Their meeting today is to consider the full sale and she felt they were all enthused about the full sale. She said Mr. Auwaerter's original motion addressed the full sale and it came out later to include the partial sale. She didn't know why the Finance Commission could not make a recommendation on the full sale. She said the City council has already decided and the Finance Commission cannot change that.

Mr. Tonkel said they have an external audience and they have other parties to this agreement and he felt it would be unwise to basically not support the City Council's action that they have taken in the terms and conditions of the LOI. If they have someone on the Finance Commission that opposes the motion and the majority carries the vote, the Utilities Commission and the Finance Commission would have endorsed the proceedings and the conclusions of the City Council. He

felt that they would understand from today's meeting, their discussions, and the future work that they will do, and what the preference is. He said to not take action and approve it and move forward was a serious strategic mistake.

Mr. Gorry disagreed.

Mr. Bass said that he totally agrees.

Mr. Bass read back the motion, which is that the City of Vero Beach Finance Commission recommends to the City of Vero Beach City Council that the Council convert the terms of the Letter of Intent to a contract for the full sale of the City's Electric Utility to Florida Power and Light using the financial framework as described in the Letter of Intent dated May 16, 2017 between the two (2) parties subject to the following three (3) provisions: 1) the final executed contract should incorporate Florida Power and Light's plan to dismantle the electric substation and its present location next to the defunct City of Vero Beach Power Plant and to build a new substation on the lot on the southwest corner of Indian River Boulevard and 17th Street in Vero Beach, 2) in the case of the full sale, the City of Vero Beach should have no actual ongoing or contingent liabilities arising from any post-closing Electric Utility operations. The City will retain certain pension obligations for transferred employees as described in Section 1.11 (a) in the above mentioned Letter of Intent and 3) Section 1.3 (d) must reflect in the contract the #10 million lease as a payment to the City of Vero Beach and not as a lease. Mr. Old seconded the motion.

Mr. Brovont asked that they take out *"full sale"* and just state *"sale."*

Mr. Bass felt that the motion states it both ways.

Mr. Brovont asked that they strike the word *"full."*
Mr. Bass amended the motion to just state "sale."

Mr. Mucher asked because they were discussing the substation, would they need to mention the change from $20 million to $30 million and the lack of a lease. He said they have the final section of the motion.

Mr. Bass said the final section of the motion addresses the LOI.

Mr. Mucher said the Letter of Intent has been modified.

Mr. Bass said in the LOI that they have currently states under Section 1.3 (d), *"a payment of $10 million to the City of Vero Beach as prepaid rent to lease the Vero Beach Power Plant substation for a term of 99 years as further descried in Section 1.5 below."* He reported that has since been

scratched so what his motion is trying to achieve is to state that the contract must still reflect the $10 million applied to the new property in the form of a payment, which Mr. O'Connor already covered earlier in today's meeting.

Mrs. Barton asked can she make a motion to put the word *"full"* back into their motion. She asked can they vote on two (2) motions.

The Deputy City Clerk explained that there is a motion and a second on the floor and there is an amended motion, but the amended motion has not been seconded.

Mr. Old said that he seconded the original motion with the word "full."

Mrs. Barton said the agenda said they were looking at a full sale and Mr. Auwaerter's original motion stated full sale. She asked what is wrong with them voting with the full sale first and if it doesn't pass then they could amend it.

Mr. Brovont said the LOI covers more than the full sale and the City has already moved forward.

Mrs. Barton said the agenda states that they were going to consider a full sale and most of them are really enthused about a full sale. She asked why can't they put a motion forward that shows their enthusiasm for the full sale.

Mr. Brovont felt that they should be supporting what the City has already done.

Mr. Bass said with the language that he changed to concert the words of the LOI to a contract that they are achieving both. He agreed with Mrs. Barton. He said they would be getting both things done.

Mr. Gorry said that he took an oath to the City of Vero Beach to do the very best that he could and to give the best advice he could on issues that would impact the finances of the City and he has done that. He said that he has done an extensive analysis on the partial sale and on the full sale. He said that he would not vote for anything other than a full sale. He would not vote on a rubber stamp to automatically have a partial sale. He would only vote for a motion that is for the full sale only.

Mr. Brovont said there is a motion on the floor.

The Deputy City Clerk reported that the amended motion died for lack of a second so they would be voting on the original motion.

Mr. Bass said they would be voting on the original motion.

Mr. Gorry said then the intent of the motion is for a full sale.

Mr. Bass read back the first part of the motion, "the City of Vero Beach Finance Commission recommends to the City of Vero Beach City Council that the Council convert the terms of the Letter of Intent to a contract for the full sale of the City's Electric Utility to Florida Power and Light using the financial framework as described in the Letter of Intent dated May 16, 2017 between the two (2) parties subject to the following three (3) provisions."

Mr. Gorry said that based on that language he interprets it that they were fully endorsing the full sale only.

On a roll call vote the motion passed 5-0 with Mr. Bass voting yes, Mrs. Barton yes, Mr. Gorry yes, Mr. Old yes, and Mr. Brovont yes.

4. ADJOURNMENT

Today's meeting adjourned at 11:42 a.m.

/sp