

Handwritten: Wad/Okome

STORCH, HANSEN & MORRIS, P.A.

ATTORNEYS AT LAW

STORCH - HANSEN - MORRIS CENTER
1620 S. CLYDE MORRIS BOULEVARD, SUITE 300
DAYTONA BEACH, FLORIDA 32119

(904) 767-0300
FAX (904) 767-9111

GLENN D. STORCH
MARY D. HANSEN
JAMES S. MORRIS

July 15, 1996

Mr. Charlie Pellegrino
Florida Public Service Commission
Division of Water and Wastewater
Fletcher Building
101 E. Gaine Street
Tallahassee, FL 32399-0850

Florida Public Service Commission
RECEIVED
JUL 22 1996

~~950631-WS~~

LEGAL DIV.

Re: Indian River Utilities, Inc. Franchise Area/Volusia County, Florida

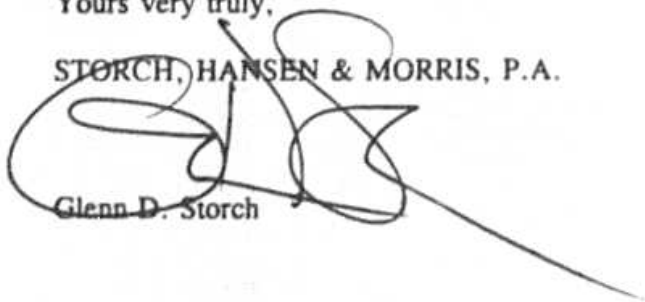
Dear Charlie:

Pursuant to our conversation, please consider the attached petition as notice of the sale of Indian River Utilities, Inc.'s assets and sewer and water treatment facility to Volusia County, Florida and request for transfer of Indian River Utilities, Inc.'s assets to Volusia County and deletion of our service area. Closing on said sale will take place July 15, 1996, and will become effective as to the transfer of the operation of the utility at 12:01 a.m., July 16, 1996. At this point, although Indian River Utilities, Inc. has insured that all improvements required under the last PSC order have or will have been completed, day to day operations of the utility shall be transferred to Volusia County, Florida.

Please let me know when this matter is scheduled on the Commission agenda and when you or the Commission will require any additional information.

Yours very truly,

STORCH, HANSEN & MORRIS, P.A.



Glenn D. Storch

GDS:dlb
Enclosures

61 0 17 01 100 96

DOCUMENT NUMBER-DATE

07914 JUL 30 96

FPSC-RECORDS/REPORTING

**APPLICATION FOR TRANSFER OF
CERTIFICATE OF AUTHORIZATION, FACILITIES,
OR ANY PORTION THEREOF OR ANY MAJORITY
ORGANIZATIONAL CONTROL TO A GOVERNMENTAL AUTHORITY**

Applicant, Indian River Utilities, Inc., pursuant to §25-30.037(4)(a-h), F.A.C., hereby makes application for transfer of Certificate of Authorization, Facilities, or any Portion Thereof or Majority Organizational Control to a Governmental Authority and states as follows:

1. The name and the address of the utility and its authorized representative is:

Indian River Utilities, Inc.
Mark A. Wallschlaeger, President and Authorized Representative
287 Club Rio Drive
Edgewater, FL 32141

2. The name of the governmental authority and the name and address of its authorized representative is:

County of Volusia
Larry Arrington, County Manager and Authorized Representative
123 West Indiana Avenue
DeLand, FL 32720-4613

3. A copy of the contract, bill of sale, and warranty deed which transfers the utility system to the Governmental Authority is attached hereto as Composite Exhibit "A".

4. All assets of Indian River Utilities, Inc., which constitute a system providing or proposing to provide a water or wastewater service to the public for compensation has been transferred to the Governmental Authority, County of Volusia.

5. The Governmental Authority, County of Volusia, has obtained from Indian River Utilities, Inc., the most recent available income and expense statement, balance sheet, statement of rate base for regulatory purposes, and contributions in aid of construction.

6. The date in which the Governmental Authority, County of Volusia, proposes to take official action to acquire the utility is July 15, 1996.

7. The utility did not hold any customer deposits or interest thereon, and therefore, there has been no disposition of the customer deposits.

8. There are no outstanding regulatory assessment fees, fines or refunds owed, and therefore there is no disposition of same, however, the utility would be entitled to any fees, fines or refunds owed or assessed prior to July 16, 1996, and the Governmental Authority, County of Volusia, would be responsible for any such fees, fines or refunds subsequent to that date.

WHEREFORE, Indian River Utilities, Inc. and County of Volusia hereby request that the Public Service Commission approve this application for transfer of Certificate of Authorization, Facilities, or any Portion Thereof or Majority Organizational Control to a Governmental Authority.

Dated this _____ day of July, 1996.

INDIAN RIVER UTILITIES, INC.

By: Mark A. Wallschlaeger
Mark A. Wallschlaeger, President

WHEREAS, County desires to acquire Utility's Water and Wastewater System and to continue providing potable water and wastewater service to the residents of the Hacienda Del Rio Manufactured Housing Rental Park (hereinafter "Hacienda Del Rio") and to the existing and planned commercial and residential interests within Utility's franchise service area, either through the Water and Wastewater System to be conveyed hereunder or through a regional Utility system to be constructed by the County in the future, and

WHEREAS, the Utility desires to sell the Water and Wastewater System to County upon the terms and conditions hereinafter set forth; and

WHEREAS, County has complied with all requirements of Section 125.3401, F.S. (1995), including the public hearing, regarding this transaction and Agreement.

Accordingly, in consideration of the recitals, agreements, and mutual covenants contained herein and other good and valuable consideration the receipt and sufficiency of which are acknowledged by the parties, the parties hereto agree as follows:

SECTION 1. RECITALS. The above recitals are true and correct, and by this reference are incorporated in this Agreement.

SECTION 2. DEFINITIONS. For construction of this Agreement, the following words, phrases, and terms shall have the following meanings unless the context requires otherwise:

2.1. "County" means, as the context requires herein, the County of Volusia, a political subdivision of the State of Florida, and the governing body thereof (the County Council). County is the Buyer of the property described herein.

2.2. "Agreement" means this Volusia County/Indian River Utilities, Inc. Agreement for Purchase and Sale of Water and Wastewater System.

2.3. "Customers" means water and wastewater customers of either party.

2.4. "Utility" means, as the context requires herein, Indian River Utilities, Inc., a Florida corporation, its successors and assigns, and any officer thereof lawfully authorized to execute Agreements therefor. Utility is the Seller of the property described herein.

2.5. "Utility's Franchise Service Area" means all lands lying within and encompassed by the Public Service Commission authorized Service Boundary.

2.6. "ERC" means equivalent residential connection. For purposes of this Agreement, (1) an ERC for wastewater service shall equal 350 GPD, average annual basis, and (2) an ERC for water service shall equal 350 GPD, average daily flow, with a peaking capacity of 1 gallon per minute per ERC and a fire flow of 500 gallons per minute for two (2) hours duration.

2.7. "GPD" means gallons per day.

2.8. "Real Property" means, collectively, the water plant site and the wellfield site, listed in the Purchased Assets in Section 3.

2.9. "Wastewater" means water carried wastes from residences, commercial buildings, institutions, industrial establishments, and other customers.

2.10. "Wastewater Treatment and Disposal Facilities" means those facilities used to treat, filter, detain, transmit, store, and dispose of wastewater, within the Franchise Service Area.

2.11. "Water Supply Facilities" means wells, treatment facilities of any kind, pumps, aerators, chemical feed equipment, instrumentation, telemetering equipment, motors, engines, reservoirs, water storage tanks, fences, storage and parking areas, building and all associated water meters, piping, lines, conduit, valves, headers, and other appurtenances required to pump and treat water and the pipes, lines and conduits, required to connect such Water Supply Facilities into main water transmission lines, all of which being within the Franchise Service Area. Water Supply Facilities specifically does not include pipes between individual water meters and dwelling units.

2.12. "Water and Wastewater System" or "System" means all assets comprising Utility's Water Supply Facilities and Wastewater Treatment and Disposal Facilities, including the Real Property, except where specifically excluded herein, and all easements and licenses in the property of third persons wherein any such facilities are located.

SECTION 3. PURCHASE, SALE AND LEASE.

Purchase and Sale. County agrees to purchase, and Utility agrees to sell, the assets (in their existing condition) comprising the Water and Wastewater System (hereafter, the "Purchased Assets") for the sum of One Million, One Hundred Ninety Seven Thousand, Six Hundred Eighty Dollars (\$1,197,680.00) (hereafter, "purchase price"), payable at closing.

Assets Included. The Purchased Assets include:

- (a) All pipes, pumps, meters, tanks, treatment equipment and other tangible personal property or fixtures within Utility's Franchise Service Area comprising the Water and Sewer System, more particularly described in **Exhibit 1** to this Agreement;
- (b) All existing plans, drawings, operating records, governmental permits and permit applications, and equipment operating manuals for the equipment conveyed hereunder;
- (c) List of all of Utility's Water and Wastewater System customers with mailing addresses and status of payments; and
- (d) All Utility deposits from Utility customers held by the Utility.
- (e) The water plant site ("Plant Site"), comprising of approximately 3.9 acres more or less, depicted in the sketch attached as **Exhibit 2** to the Agreement, along with its legal description.
- (f) The wellfield site ("Wellfield Site"), comprising approximately 13.6 acres more or less, depicted in the sketch attached as **Exhibit 3** to the Agreement, along with its legal description.

(g) A site, not to exceed 7,500 square feet in area, to be conveyed to the County at a future date, for location of a wastewater lift station and related components.

The said purchase price represents the reasonable value of the Purchased Assets. The parties acknowledge that Utility is required by PCS Order No. PCS-96-0286-FOF-WS to construct certain Wastewater Treatment Facilities and Water Plant improvements and is currently in the process of planning and constructing said improvements. Utility agrees to perform, at its expense, the Wastewater Treatment Facilities improvements within 90 days of the date of this Agreement. The parties agree that \$ 25,000 ^{or put in escrow} of the purchase price shall be held in escrow by the closing agent, as security for Utility's performance of the required Wastewater Treatment Facilities improvements, until such improvements are completed. County agrees, at its expense, to complete the required Water Plant improvements, and specifically, to complete installation of the water tank, no later than September 1, 1996. ^{7104, 0286 - 150,000 gallon storage tank}
^{8710 to U - transfer pump}

Survey. County, at its expense, and within the time allowed to deliver evidence of title and to examine same, shall have the Real Property surveyed and certified by a registered Florida surveyor (hereafter, "Survey"). If the Survey shows any encroachments on the Real Property or that improvements supposed to be located on the Real Property in fact encroach on setback lines, easements, lands of others, or violate any restrictions, the Agreement, covenants or applicable governmental regulations, the same shall be treated as title defects. (Ref. Defective Title, Pg. 6) County shall furnish a copy of the Survey, certified to the title insurer, in accordance with Section 27.7842, Fla. Stat.

Title to be Conveyed. Utility shall convey to County marketable, fee simple title to the Real Property, by statutory general warranty deed, free and clear of all liens and encumbrances.

Title Evidence. No later than thirty (30) days from the date of this Agreement, Utility shall provide County with a title insurance commitment, which will fully conform to the requirements for

the conveyance set forth in this Section 3. Utility will purchase and deliver to County, at or immediately after closing, an owner's marketable title insurance policy (ALTA Form B) issued by an insurer acceptable to County, conforming to the commitment, in the full amount of the purchase price. The legal description contained therein shall be the same legal description which appears on the approved Survey and deed of conveyance. If possible, Utility shall require that the title insurer delete the "standard exceptions" of such policy referring to:

- (A) Rights of parties in possession not shown by the public records;
- (B) Unrecorded easements, or claims of easements not shown by the public records;
- (C) Any lien, or right to a lien for services, labor or material heretofore or hereafter

furnished, imposed by law and not shown by the public records. Upon review and approval of the Survey, the title insurer shall delete the standard exception referring to the Survey. Upon payment of the taxes as provided below, the title insurer shall delete all reference to real estate taxes whether for prior, current, or future years.

The named insured on both the commitment and the title policy shall be "the County of Volusia, a political subdivision of the State of Florida";

Defective Title. County shall have seven days from date of receiving the title insurance commitment to examine the commitment. If the title is found defective, County shall, within three (3) days thereafter, notify Utility in writing, specifying the defects. If said defects render the title unmarketable/or uninsurable, Utility will have 120 days from receipt of notice within which to remove said defects, and if Utility is unsuccessful in removing them within said time, County shall have the option of either accepting the title as it is, or terminating the Agreement. If the Agreement is terminated, Utility and County shall be released as to one another of all further obligations under this Agreement and the deposit set forth below refunded to County.

Deposit. For and as consideration for this Agreement, County shall pay to Utility, upon execution of this Agreement, the sum of FIVE HUNDRED (\$500) DOLLARS. This \$500 deposit shall be held in escrow by Utility's attorney and shall be refundable as set forth herein.

Utility's Representations and Warranties. Utility represents and warrants to County as follows:

(A) Utility has full power and authority to enter into and perform this Agreement in accordance with its terms;

(B) Utility has no actual knowledge of and has not received any notice with respect to any of the Real Property that is the subject of this Agreement, except as provided in Addendum A: 1) of violation of any city, county, state or federal law, ordinance, regulation or code, or 2) of existence of dangerous or illegal conditions requiring corrective action.

(C) There is no pending litigation or dispute involving or concerning the location of the boundaries of the Real Property.

(D) To Utility's knowledge, no hazardous material, pollutant, or contaminant has been released or discharged onto the Real Property or into any water body on the Real Property.

(E) Utility has not entered into any leases, contracts or other agreements relating to the Real Property, which are unrecorded.

(F) Utility represents that there are no mechanics' liens, claims of lien security interests or other claims against either the Real Property or the Purchased Assets and that Utility has no unpaid bills for labor or services performed on, or for materials supplied to the Real Property, except for those unpaid bills which will be paid prior to the closing or paid by Utility with funds to be escrowed from the closing proceeds.

(G) No person is now, or will at the time of closing be entitled to, or in possession of, any portion of the Real Property, except for persons employed by Utility who may be on the Real

Property in connection with the performance of their duties and who will vacate the premises at closing.

(H) Utility is not "foreign persons" as such term is defined in Section 1445 (f) of the Internal Revenue Code.

(I) The Real Property is not the homestead of Utility. (This representation shall be set forth in the deed of conveyance.) At the time of closing, Utility will provide County with an affidavit to the effect that the above warranties and representations are true and correct as of the closing date, and Utility will indemnify and hold County harmless from and against all liability, claims, demands, damages, fines, penalties, expenses, suits, proceedings, actions and costs of action, including reasonable attorneys' fees and attorneys' fees and costs on appeal, arising out of or related to the untruthfulness or incorrectness of any of the above warranties and representations. As independent consideration for this indemnification, County has paid Utility the sum of \$10.00, the receipt, and sufficiency of which is acknowledged by Utility.

Closing Costs, Prorations and Adjustments. The following items are to be paid at closing by the party indicated and in the manner set forth:

(A) Real property taxes shall be prorated between Utility and County as of the date immediately preceding the closing date. All real property taxes shall be prorated on the basis of current year's taxes, if known. If the closing shall occur before the amount of current taxes may be determined, such taxes shall be apportioned on the basis of the taxes for the most recent year applied to the latest assessed valuation and shall be promptly readjusted when the current taxes are ascertained, and a statement to that effect shall be set forth in the closing statement. If applicable, real property taxes shall be escrowed at closing in accordance with the provisions of Section 196.295, Florida Statutes. If required in order to obtain title insurance insuring that the Real Property is free and clear of all real property taxes as of the date of closing, Utility agrees to pay all real

property taxes for the entire year of the closing, and Utility may, at its option, seek a tax refund (for the benefit of Utility) from Volusia County Tax Collector in the event Utility believes such payment constitutes an overpayment of real property taxes. Notwithstanding any provisions contained in this Agreement to the contrary, County shall not be required to credit Utility or pay at closing (or thereafter) any real property taxes on the Real Property, except for those real property taxes accruing subsequent to December 31st of the year of closing and any such real property taxes shall be the sole responsibility of Utility.

(B) Certified, confirmed and ratified special assessment liens as of the date of the closing (and not as of the effective date) shall be paid in full by Utility at or before closing. Pending liens as of the date of the closing (and not as of the effective date) shall be paid by Utility at or before the closing and shall be based upon the last estimate of assessment for the improvement by the public body with a readjustment being promptly made when the exact amount of such special assessment is ascertained.

(C) County will be responsible for preparation of all closing documents, and will submit copies of such documents to Utility for review at least five (5) days prior to closing. Utility will pay the documentary stamp tax and all other taxes or costs associated with the conveyance, except County shall pay the costs of recording the deed.

(D) The fee owner's title insurance premium shall be borne by Utility. For purposes of title insurance premium determination, the sale price of the Plant Site (3.9 acres @ \$7,000/ac.) shall be determined to be thirty thousand dollars (\$28,000); the sale price of the Wellfield Site (13.6 acres @ \$3,500/ac.) shall be determined to be forty-seven thousand, six hundred dollars (\$47,600).

(E) The cost of the Survey shall be paid for by County .

Lease. The parties also agree that there are two additional parcels required for the operation of the System (depicted graphically on **Composite Exhibit 4** as **Parcels III and V**) which shall be leased by the parcel owners to County pursuant to separate lease agreements(s).

SECTION 4.

Assets Retained by the Utility. County and Utility acknowledge and agree that Utility shall not convey but will retain ownership of all cash in its accounts on the day of closing and its accounts receivable existing on the day of closing (with the exception of customer deposits that are part of the Purchased Assets). Utility shall be responsible for payment of its existing indebtedness out of the proceeds of the transaction.

SECTION 5.

Utility Rate. County agrees that customers of the System shall initially be charged a monthly rate for water and wastewater service based on the Public Service Commission approved rate schedule for Utility pursuant to Order No. PSC-96-0286-FOF-WS issued February 27, 1996 and subject to change by County action.

SECTION 6.

Obligation of County to Provide Future Service. County shall continuously provide to customers within the Utility Franchise Service Area, potable water and wastewater service at a level of capacity and quality at least equal to that presently being provided. With respect to existing customers of Utility as of the day of closing, said service shall be free of any impact fee, meter or connection charge, inspection fee or other charge of any kind other than monthly billings.

A bore and jack was previously installed and sized to accommodate a future forcemain from the Wallschlaeger property located West of U. S. Highway 1 (described on Exhibit __), and therefore, the parties agree that Hacienda Development Corporation, or its successors or assigns, shall be permitted to run additional Utility lines in a co-existing manner in the oversized casing.

Utility development fees for undeveloped lots which have not been pre-paid within the Utility's Franchise Service Area shall be at the rate in effect at building permit application. Volusia County Utility Development Fees, CIAC water, CONN water, CIAC Sewer and CONN Sewer, as defined in Volusia County Utility Resolution No. 86-116, as amended, currently amount to \$932.00 per equivalent residential connection (ERC) water and \$1659.00 per equivalent residential connection Wastewater (ERC) Service. Each undeveloped lot within Hacienda Del Rio is defined by County as a standard manufactured home lot equating to 0.7 ERC. Water and Wastewater connection fees have been pre-paid by Hacienda Development Corporation for 550 developed and 190 undeveloped lots and all existing common area taps prior to closing. The Development Corporation shall be responsible for the cost of any new lines necessary to service such lots. Utility shall provide proof of the amount of such payment, with identification of the applicable lot, to County. A map depicting the number and location of all common area taps is attached hereto as Exhibit ___.

On request for building permits on those undeveloped lots on which the connection fees are not pre-paid, builder/owner must make application for and pay all Utility development fees to County to initiate service.

SECTION 7.

Conditions Precedent to Closing. The performance of the covenants of this Agreement is conditioned on the following:

- (a) Delivery of duly executed documents of conveyance by Utility; and
- (b) Delivery by Utility of mylar "as-built" drawings of all Utility systems, plants, and/or improvements; and
- (c) Conveyance by Utility of all easements for Utility improvements located outside County road rights-of-way; and

(d) Notice by Utility, at the time of closing, of the transfer of the Water and Wastewater System to County, to all governmental agencies having jurisdiction over the System permits and operations (e.g., Public Service Commission, Florida Department of Environmental Regulation, Volusia County Health Department and St. Johns Water Management District).

SECTION 8.

Time of Closing. Transfer to County of title to the Water and Wastewater System, and assumption of responsibility for provision of water and wastewater service to customers within the Utility Franchise Service Area, shall occur at closing, which shall be on or before June 30, 1996.

SECTION 9.

Taxes. This Agreement is an agreement for the transfer of personal and real property. Any sales tax due upon the transfer of any of the property under this Agreement shall be paid by County. All real property taxes shall be paid as set forth above.

SECTION 10.

Closing Procedure. At closing, Utility shall deliver a bill of sale for the personal property, free and clear of all liens and encumbrances, a statutory general warranty deed for the real property, a cashier's or certified check in the amount of total customer deposits held by Utility, and shall deliver copies of documents, permits, manuals, lists, and schedules contemplated in Section 3. Utility shall make application to all relevant governmental agencies for transfer of permits, licenses and certificates, prior to closing.

SECTION 11.

Contingency. This Agreement is contingent upon compliance with all terms provided herein, including, but not limited to, the parties entering into a mutually agreed upon lease as provided herein.

SECTION 12.

Property Usage. The usage of the Real Property included pursuant to the terms of Purchase and Sale Agreement and Lease Agreement(s) shall be limited to its use as or in connection with a Water and Wastewater Utility.

SECTION 13.

Easement. Utility agrees to obtain and provide to County a blanket easement(s) for access to all system lines and operations within Utility's Franchise Service area. The site and location of said easement or easements shall be mutually agreeable to the parties.

SECTION 14.

This Agreement and the documents referred to herein represent the entire, full and complete Agreement between the parties and all shall supersede all prior agreements. No other representations have induced the parties to execute this Agreement. There are no valid or binding representations, inducements, promises or agreements, oral or otherwise, between the parties that are not embodied herein. No amendment, change or variance from this Agreement shall be binding on either party unless executed in writing by both parties hereto.

SECTION 15.

This Agreement shall be governed by and construed under the laws of the State of Florida.

SECTION 16.

This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

SECTION 17.

All notices, demands, or other communications given hereunder shall be in writing and shall be deemed to have been duly affected on the first business day after mailing by U.S. Registered or Certified Mail, Return Receipt Requested, postage prepaid, addressed as follows:

As to COUNTY:

Larry Arrington
County Manager
County of Volusia
123 W. Indiana Avenue
DeLand, Florida 32720-4613

with a copy to:

Daniel D. Eckert, Esq.
County Attorney
County of Volusia
123 W. Indiana Avenue
DeLand, Florida 32720-4613

AND

As to INDIAN RIVER UTILITIES, INC.

Mr. Mark Wallschlaeger
President
Indian River Utilities, Inc.
287 Club Rio Drive
Edgewater, Florida 32141

Mr. Glenn D. Storch, Esq.
Storch, Hansen & Morris, P.A.
1620 South Clyde Morris Blvd.
Daytona Beach, Florida 32119

SECTION 18.

County and Utility acknowledge that they each participated in the drafting of this Agreement. In the event that any term of this Agreement shall be interpreted by a court of competent jurisdiction, the Agreement shall not be construed more or less favorably on behalf of any party hereto on the ground that such party was or was not the drafter of this Agreement.

SECTION 19.

In the event that any covenant, condition or provision hereof is held invalid by any court of competent jurisdiction, such holding shall in no way affect any other covenant, condition or provision

hereof, provided that such holding does not materially prejudice either party in its respective rights contained in the remaining valid provisions of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date specified.

COUNTY OF VOLUSIA

BY: *[Signature]*
DATE: 6/6/96

Witnesses: As to County:
[Signature]
Susan M. Whittaker
[Signature]
Wanda L. Phillips

INDIAN RIVER UTILITIES, INC.

BY: *[Signature]* P.e.
DATE: 6/24/96

As to Utility:
[Signature]
Diana L. Barcomb
[Signature]
Melanie H. Luce

This instrument prepared by:

Glenn D. Storch, Esquire
Storch, Hassen & Morris, P.A.
1620 S. Clyde Morris Blvd., Suite 300
Daytona Beach, Florida 32119
(904) 767-0300

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, that INDIAN RIVER UTILITIES, INC., a Florida corporation, of Edgewater, Florida, "First Party", for and in consideration of the sum of Ten and 00/100 (\$10.00) Dollars, lawful money of the United States, to First Party paid by COUNTY OF VOLUSIA, a political subdivision of the State of Florida, of DeLand, Florida, "Second Party", the receipt of which is hereby acknowledged, has granted, bargained, sold, transferred and delivered, and by these presents does grant, bargain, sell, transfer and deliver unto the said Second Party, the following goods and chattels:

- (a) All water treatment plant and facilities, and all waste water treatment plant and facilities, including, but not limited to all pipes, pumps, meters, tanks, treatment equipment and other tangible personal property or fixtures within Indian River Utilities, Inc.'s utility franchise service area comprising the Water and Sewer systems, more particularly described in Exhibit "A" to this Bill of Sale,
- (b) All existing plans, drawings, operating records, governmental permits and permit applications, and equipment operating manuals for the equipment conveyed hereunder,
- (c) List of all Indian River Utilities, Inc.'s water and wastewater system customers with mailing addresses and status of payments, and
- (d) All utility deposits from utility customers held by Indian River Utilities, Inc. (an affidavit has been provided which indicates there are no deposits held by the Utility)

TO HAVE AND TO HOLD the same unto the said Second Party forever.

And First Party does covenant to and with the said Second Party that First Party is the lawful owner of said goods and chattels; that they are free from all encumbrances; that First Party has good right to sell the same as aforesaid, and that First Party will warrant and defend the sale of the said goods and chattels hereby made, unto the said Second Party, against the lawful claims and demands of all persons whatsoever.

IN WITNESS WHEREOF, First Party's hand and seal is set this 15th day of July, 1996.

Signed, sealed and delivered

in our presence

Melanie A. Luce

Witness 1

MELANIE A. LUCE

Print Name

Glenn D. Storch

Witness 2

GLENN D. STORCH

Print Name

INDIAN RIVER UTILITIES, INC.
a Florida corporation

By Mark A. Wallschlaeger
MARK A. WALLSCHLAEGER
President

STATE OF FLORIDA
COUNTY OF VOLUSIA

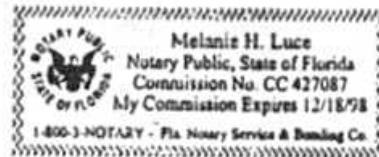
The foregoing instrument was acknowledged before me this 15th day of July, 1996, by MARK A. WALLSCHLAEGER, President of Indian River Utilities, Inc., a Florida corporation, on behalf of the corporation. He is personally known to me and did not take an oath.

Melanie H. Luce

MELANIE H. LUCE

Type, Print or Stamp Name

My commission expires:



Indian River Utility, Inc. Inventory
Created June 13, 1996

Wastewater Plant:

- 1 Dissolved oxygen meter Orion model 820
- 1 CL₂ Gas Mask with canister
- 1 Eagle MDS 400 Drum Scale - (CL₂ Scale)
- 1 Each - HACH CL₂ and pH Indicator test kits
- 1 Groban 60 KW Generator - Model # DGM60-63E/Ser # A086491
with 150 gal. fuel tank
- 2 Stenner Pumps - Used to pump sodium Hydroxide

Water Plant:

- 1 2" 150 gpm pump with Briggs & Stratton 3hp gas engine. Used to
get samples from monitoring wells.
- 1 Corning AG-3 - Distiller
- 1 HACH ratio Turbidimeter Model # 18900/Ser #870603861
- 1 Fisher Scientific Accumet pH meter 915 Ser # 532
- 1 Desk
- 1 File Cabinet
- 1 Wallace & Tiernan - Series 55-340 Double Cylinder Scale
- 1 Detroit Diesel 85kw generator with 102 Gal. fuel tank
- 1 Speedaire Model #3Z406G Air Compressor
- 1 Liquid Metronics, Inc., Model #A161-75hv Polymer pump with a
Dayton 1/4 hp mixing motor
- 1 Wallace & Tiernan metering pump (lime pump) series 44.313 serial
AN09871 with a General Electric 1/4 hp electric motor
- 1 Safe-House burglar-fire Alarm System - Used for no Chlorine Alarm
- Misc. Lab Wear - Including: 3 Auto Burets, various volumetric flasks,
graduated cylinders & beakers
- 1 Life Air 1500 series Air Pack

This instrument prepared by:
Glenn D. Storch, Esquire
Storch, Hansen & Morris, P.A.
1620 S. Clyde Morris Blvd., Suite 300
Daytona Beach, Florida 32119

Parcel No.: 8413-00-00-0010; 8413-00-00-00-0030; and 8413-00-00-0031

WARRANTY DEED
(Statutory Form - FS 689.02)

This Indenture, made this 10th day of July, 1996, between INDIAN RIVER UTILITIES, INC., a Florida corporation, party of the first part, whose post address is 287 Club Rio, Edgewater, Florida 32141, and COUNTY OF VOLUSIA, a political subdivision of State of Florida, who post office address is 123 West Indiana Avenue, DeLand, Florida 32720, and whose Taxpayer Identification Number is _____

Witnesseth:

That the said party of the first part, for and in consideration of the sum of \$10 00 and other valuable consideration, to him in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, has granted, bargained and sold to the said party of the second part, his heirs and assigns forever, the following described land, to wit:

Parcel I:

A portion of U.S. Lots 1 and 2, Section 13, Township 18 south, Range 34 East, being described as follows:

As a point of reference BEGIN at the Northwest corner of U.S. Lot 2, Section 13; Township 18 South, Range 34 East; thence North 68 degrees 38 minutes 36 seconds East along the north line of said U.S. Lot 2, a distance of 154.03 feet; thence South 28 degrees 02 minutes 31 seconds East, a distance of 439.34 feet; thence South 14 degrees 10 minutes 55 seconds East, a distance of 483.39; thence South 22 degrees 48 minutes 24 seconds East, a distance of 198.47 feet to the south line of said U.S. Lot 2; thence South 87 degrees 35 minutes 58 seconds West, along said south line, a distance of 531.19 feet to the west line of said U.S. Lot 2; thence South 00 degrees 50 minutes 02 seconds East along the east line of said U.S. Lot 1, a distance of 84.36 feet, thence South 89 degrees 32 minutes 43 seconds West, a distance of 210 feet; thence North 00 degrees 50 minutes 02 seconds West, a distance of 1010.00 feet to the north line of said U.S. Lot 1, thence North 68 degrees 38 minutes 36 seconds East along said north line, a distance of 224.23 feet to the POINT OF BEGINNING.

Parcel II:

A portion of U.S. Lot 2, Section 13, Township 18 South, Range 34 East and being more particularly described as follows:

As a point of reference commence at the Northwest corner of U.S. Lot 2, Section 13; Township 18 South; Range 34 East; thence North 68 degrees 38 minutes 36 seconds East along the north line of said U.S. Lot 2, a distance of 154.03 feet; thence South 28 degrees 02 minutes 31 seconds East, a distance of 439.35 feet; thence South 14 degrees 10 minutes 55 seconds East, a distance of 387.51 feet for the POINT OF BEGINNING; thence North 83 degrees 50 minutes 50 seconds East, a distance of 505.89 feet; thence South 25 degrees 06 minutes 23 seconds East, a distance of 164.34 feet; thence South 57 degrees 44 minutes 13 seconds East, a distance of 283.75 feet to the southerly line of said U.S. Lot 2; thence South 87 degrees 35 minutes 58 seconds West along said southerly line, a distance of 712.85 feet; thence North 22 degrees 48 minutes 24 seconds West, a distance of 198.47 feet; thence North 14 degrees 10 minutes 55 seconds West, a distance of 95.89 feet to the POINT OF BEGINNING.

Together with the right to use a proposed 30 foot easement being described as follows:

30 foot easement: The Southerly 30 feet of a portion of U.S. Lots 2 and 3, Section 13; Township 18 South Range 34 East; lying westerly of U.S. Highway No. 1 and being more particularly described as follows:

BEGINNING at a point, said point being on the southerly line of said U.S. Lot 3, Section 13;

Township 18 south, Range 34 East; said point also being 77.00 feet westerly of and measured at right angles to the survey line of State Road No. 5, Section 7901; also known as U.S. Highway No. 1; thence South 87 degrees 35 minutes 58 seconds West along the southerly line of said U.S. Lots 2 and 3, a distance of 753.06 feet; thence North 57 degrees 44 minutes 13 seconds West, a distance of 52.75 feet; thence North 87 degrees 35 minutes 58 seconds East, along a line that is 30 feet northerly of and parallel with the southerly line of said U.S. Lots 2 and 3, a distance of 785.19 feet to a point, said point being 77 feet westerly of and measured at right angles to the said survey line of State Road No. 5; thence South 22 degrees 57 minutes 44 seconds East, along said line, a distance of 32.04 feet to the POINT OF BEGINNING.

Parcel Numbers: 8413-00-00-0031; 8413-00-00-0030; 8413-00-00-0032
Subject to taxes for the year 1996.

Subject to easements, restrictions, conditions, and reservations of record, if any, the mention of which shall not serve to reimpose the same.

And the said party of the first part does hereby fully warrant the title to said land, and will defend the same against the lawful claims of all persons whomsoever.

Signed, sealed and delivered in the presence of:

INDIAN RIVER UTILITIES, INC.,
a Florida corporation

By: Mark A. Wallschlaeger
Mark A. Wallschlaeger, President

Witness 1

GLENN D. STURCH
Print Name

(CORPORATE SEAL)

Witness 2

MELANIE H. LUCE
Print Name

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me this 10th day of July, 1996, by Mark A. Wallschlaeger, President of Individual River Utilities, Inc., a Florida corporation, on behalf of said corporation. He is personally known to me and did not take an oath.

Melanie H. Luce
MELANIE H. LUCE
Type, Print or Stamp Name
My commission expires:



This instrument prepared by:

Glenn D. Storch, Esquire
Storch, Hansen & Morris, P.A.
1620 S. Clyde Morris Blvd., Suite 300
Daytona Beach, Florida 32119
(904) 767-0300

BILL OF SALE

KNOW ALL MEN BY THESE PRESENTS, that **INDIAN RIVER UTILITIES, INC.**, a Florida corporation, of Edgewater, Florida, "First Party", for and in consideration of the sum of Ten and 00/100 (\$10.00) Dollars, lawful money of the United States, to First Party paid by **COUNTY OF VOLUSIA**, a political subdivision of the State of Florida, of DeLand, Florida, "Second Party", the receipt of which is hereby acknowledged, has granted, bargained, sold, transferred and delivered, and by these presents does grant, bargain, sell, transfer and deliver unto the said Second Party, the following goods and chattels:

- (a) All water treatment plant and facilities, and all waste water treatment plant and facilities, including, but not limited to all pipes, pumps, meters, tanks, treatment equipment and other tangible personal property or fixtures within Indian River Utilities, Inc.'s utility franchise service area comprising the Water and Sewer systems, more particularly described in Exhibit "A" to this Bill of Sale;
- (b) All existing plans, drawings, operating records, governmental permits and permit applications, and equipment operating manuals for the equipment conveyed hereunder;
- (c) List of all Indian River Utilities, Inc.'s water and wastewater system customers with mailing addresses and status of payments; and
- (d) All utility deposits from utility customers held by Indian River Utilities, Inc. (an affidavit has been provided which indicates there are no deposits held by the Utility).

TO HAVE AND TO HOLD the same unto the said Second Party forever.

And First Party does covenant to and with the said Second Party that First Party is the lawful owner of said goods and chattels; that they are free from all encumbrances; that First Party has good right to sell the same as aforesaid, and that First Party will warrant and defend the sale of the said goods and chattels hereby made, unto the said Second Party, against the lawful claims and demands of all persons whosoever.

IN WITNESS WHEREOF, First Party's hand and seal is set this 15th day of July, 1996

Signed, sealed and delivered
in our presence.

Melanie A. Luce
Witness 1

MELANIE A. LUCE
Print Name

[Signature]
Witness 2

GLENN D. STORCH
Print Name

INDIAN RIVER UTILITIES, INC.
a Florida corporation

By: [Signature]
MARK A. WALLSCHLAEGER
President

STATE OF FLORIDA
COUNTY OF VOLUSIA

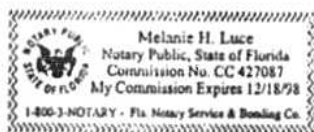
The foregoing instrument was acknowledged before me this 15th day of July, 1996, by MARK A. WALLSCHLAEGER, President of Indian River Utilities, Inc., a Florida corporation, on behalf of the corporation. He is personally known to me and did not take an oath.

Melanie H. Luce

MELANIE H. LUCE

Type, Print or Stamp Name

My commission expires:



Indian River Utility, Inc. Inventory
Created June 13, 1996

Wastewater Plant:

- 1 Dissolved oxygen meter Orion model 820
- 1 CL₂ Gas Mask with canister
- 1 Eagle MDS 400 Drum Scale - (CL₂ Scale)
- 1 Each - HACH CL₂ and pH Indicator test kits
- 1 Groban 60 KW Generator - Model # DGM60-63E/Ser # A086491
with 150 gal. fuel tank
- 2 Stenner Pumps - Used to pump sodium Hydroxide

Water Plant:

- 1 2" 150 gpm pump with Briggs & Stratton 3hp gas engine. Used to
get samples from monitoring wells.
- 1 Corning AG-3 - Distiller
- 1 HACH ratio Turbidimeter Model # 18900/Ser #870603861
- 1 Fisher Scientific Accumet pH meter 915 Ser # 532
- 1 Desk
- 1 File Cabinet
- 1 Wallace & Tiernan - Series 55-340 Double Cylinder Scale
- 1 Detroit Diesel 85kw generator with 102 Gal. fuel tank
- 1 Speedaire Model #3Z406G Air Compressor
- 1 Liquid Metronics, Inc., Model #A161-75hv Polymer pump with a
Dayton 1/4 hp mixing motor
- 1 Wallace & Tiernan metering pump (lime pump) series 44.313 serial
AN09871 with a General Electric 1/4 hp electric motor
- 1 Safe-House burglar-fire Alarm System - Used for no Chlorine Alarm
- Misc. Lab Wear - Including: 3 Auto Burets, various volumetric flaks,
graduated cylinders & beakers
- 1 Life Air 1500 series Air Pack

This instrument prepared by:
Glenn D. Storch, Esquire
Storch, Hansen & Morris, P.A.
1620 S. Clyde Morris Blvd., Suite 300
Daytona Beach, Florida 32119

Parcel No: 8413-00-00-0010, 8413-00-00-00030, and 8413-00-00-00031

WARRANTY DEED
(Statutory Form - FS 689.02)

This Indenture, made this 10th day of July, 1996, between INDIAN RIVER UTILITIES, INC., a Florida corporation, party of the first part, whose post address is 287 Club Rio, Edgewater, Florida 32141, and COUNTY OF VOLUSIA, a political subdivision of State of Florida, who post office address is 123 West Indiana Avenue, DeLand, Florida 32720, and whose Taxpayer Identification Number is _____

Witnesseth:

That the said party of the first part, for and in consideration of the sum of \$10.00 and other valuable consideration, to him in hand paid by the said party of the second part, the receipt whereof is hereby acknowledged, has granted, bargained and sold to the said party of the second part, his heirs and assigns forever, the following described land, to wit:

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Parcel II:

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As a point of reference commence at the Northwest corner of U.S. Lot 2, Section 13, Township 18 South, Range 34 East; thence North 68 degrees 38 minutes 36 seconds East along the north line of said U.S. Lot 2, a distance of 154.03 feet; thence South 28 degrees 02 minutes 31 seconds East, a distance of 439.35 feet; thence South 14 degrees 10 minutes 55 seconds East, a distance of 387.51 feet for the POINT OF BEGINNING; thence North 83 degrees 50 minutes 50 seconds East, a distance of 505.89 feet; thence South 25 degrees 06 minutes 23 seconds East, a distance of 164.34 feet; thence South 57 degrees 44 minutes 13 seconds East, a distance of 283.75 feet to the southerly line of said U.S. Lot 2; thence South 87 degrees 35 minutes 58 seconds West along said southerly line, a distance of 712.85 feet; thence North 22 degrees 48 minutes 24 seconds West, a distance of 198.47 feet; thence North 14 degrees 10 minutes 55 seconds West, a distance of 95.89 feet to the POINT OF BEGINNING.

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Parcel Numbers: 8413-00-00-0031; 8413-00-00-0030; 8413-00-00-0032
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And the said party of the first part does hereby fully warrant the title to said land, and will defend the same against the lawful claims of all persons whomsoever.

Signed, sealed and delivered in the presence of:

INDIAN RIVER UTILITIES, INC.,
a Florida corporation

By: Mark A. Wallschlaeger
Mark A. Wallschlaeger, President

(CORPORATE SEAL)

Witness 1
GLENN D. STORCH
Print Name

Witness 2
MELANIE H. LUCE
Print Name

STATE OF FLORIDA
COUNTY OF VOLUSIA

The foregoing instrument was acknowledged before me this 16th day of July, 1996, by Mark A. Wallschlaeger, President of Individual River Utilities, Inc., a Florida corporation, on behalf of said corporation. He is personally known to me and did not take an oath.

Melanie H. Luce
MELANIE H. LUCE
Type, Print or Stamp Name
My commission expires:

