LAW OFFICES

ROSE, SUNDSTROM & BENTLEY

A PARTMERSHIP RELIGIOUS PROFESSIONAL ASSOCIATIONS
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TALLAHASSEE FLORIDA 32301

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July 15, 1996

VIA HAND DELIVERY

Blanca S. Bayo, Director Division of Records and Reporting Florida Public Service Commission 2540 Shumard Oak Boulevard Tallahassee, FL 32399-0850

Re: Spruce Creek South Utilities, Inc.; Docket No. 960699-WS Application for Amendment of Certificates in Marion County Our File No. 28039.05

Dear Ms. Bayo:

In accordance with the recent request from the Commission Staff, attached hereto are the original and 15 copies of the recorded lease agreement showing long term right to utilize the sites of the water and wastewater treatment facilities in providing service to the area requested in the above referenced docket. This lease was previously provided with the application for amendment filed several months ago, however, the Staff requested recorded copies showing book and page numbers and the attachments hereto comply with the request.

With the filing of this recorded instrument, we have now provided the Staff with all of the information requested in processing this application. I hereby request on behalf of the Utility that the Commission Staff issue administratively, an order to reflect the granting of this extension as soon as is possible. There is an immediate need to begin construction of facilities necessary to provide water and wastewater service to the proposed area.

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Blanca S. Bayo, Director July 15, 1996 Page 2

Should you have any questions in this regard, please let me know.

Sincerely,

ROSE SUNDSTROM & BENTLEY

F. Marshall Determing For The Firm

FMD/lts Enclosure

cc: Division of Water & Wastewater (Redemann, Hill, Brady,

Coker)

Division of Legal Services (Crosby)

Mr. Art Monnig Mr. Jay Thompson Record and Return to: C.A. Monning
17505 S.E. 102" And GV.
Summerfield, FL 34497.

THOMAS P. KLIMOER, OLDER O'CHOUT CHAT
FILE: 16658774 | Marie Chourt Chat
67/10/96 16:44 | Marie Chourt Chat
OR BOOK/PROS: 2266/739
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LEASE AGREEMENT

This Lease Agreement made and entered into this 9th day of July 1996, by z.id between Spruce Creek Golf & Country Club, Inc., hereinafter referred to as "Lessor" and Spruce Creek South Utilities, Inc., hereinafter referred to as "Lessoe".

FILE COPY

WITNESSETH

WHEREAS, "Lessor" is the owner or that certain real property described in paragraph 2 below and the developer of SPRUCE CREEK GOLF & COUNTRY CLUB, a proposed Florida Quality Development located in Marion County, Florida, and

WHEREAS, "Lessee", is a water and sanitary sewer utility company certified and capable to provide central water and central sewer utility service to the homes located in SPRUCE CREEK GOLF & COUNTRY CLUB by the Public Service Commission of the State of Florida, and

WHEREAS, "Lessee" desires to lease from "Lessor" and "Lessor" agrees to lease to "Lessee" that real property described in paragraph 2 below on which will be located a potable water well, chlorinated plant and water storage tanks and a central sewage treatment facility, which will be owned by "Lessee" based upon the terms, covenants and conditions as provided for herein.

NOW THEREFORE, for and in consideration of the mutual terms, covenants and conditions as described herein and other good and valuable consideration, receipt of which each of the parties hereto acknowledge receiving from the other. The "Lessor" and the "Lessoe" contract and agree as follows:

- LEASE OF THE PREMISES: The "Lessor" hereby leases and lets unto the "Lessee" that real property described in paragraph 2 hereof
- 2. LEGAL DESCRIPTION:

Legal Description for Wells and Water Plant Site Spruce Creek Golf & Country Club

See Exhibit "A", attached hereto and made a part hereof and,

Legal Description of the Wastewater Treatment Plant Site, Spruce Creek Preserve

See Exhibit "B", attached hereto and made a part hereof and,

- 3 USE OF THE PREMISES: The "Lessee", is principles, officers, employees, agents and servants shall have access to and the right to utilize the above described premises for the purposes of providing, supplying and maintaining potable water and sanitary sewer to the individual residences located in SPRUCE CREEK PRESERVE.
- 4. <u>TERM OF LEASE</u>: The term of this lease shall be for ninety-nine (99) consecutive years commencing on the date and year first above written and terminating the date and year ninety-nine years hence, unless terminated by the "Lessee" purchasing from the "Lessor" the real property described in paragraph 2 above.
- 5. AD-VALOREM TAXES: The "Lessee" shall pay any and all Ad-Valorum taxes assessed to the premises on or before thirty (30) days prior to the taxes OCUMENTAL AMERICAN DATE.

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becoming delinquent. "Lessee" shall furnish to "Lessor", proof of payment of the aforementioned taxes.

- 6. INSURANCE: The "Lessee" shall, at all time during the term of the Lease, maintain liability insurance coverage on the premises in amounts not less than \$500,000.00 per incident and \$1,000,000.00 per occurrence. "Lessee" shall provide to "Lessor", a copy of the insurance policy and/or Certificate of Insurance coverage evidencing the aforementioned coverage.
- 7. TERMINATION OF LEASE: This Lease Agreement may be terminated by either the "Lessor" or "Lessoe" with out without cause upon ninety (90) days notice of its intent to terminate to the other.
- 8. LAW OF GOVERNING: This Lease Agreement shall be governed by and in accordance with the laws of the State of Florida.

WITNESSES:

LESSOR:

SPRUCE CREEK GOLF & COUNTRY

CLUB, INC.

HARVEY D. ERP. PRESIDENT

LESSEE:

SPRUCE CREEK SOUTH

UTILITIES, INC.

VICEARESIDENT

State of Florida County of Marion

1996, by Harvey D. Erp. President of Spruce Creek Golf & Country Club and Jay A Thompson, Vice President of Spruce Creek South Utilities, Inc., who both are personally known to me.

Printed Name

EXHIBIT A

WATER PLANT SITE

DESCRIPTION:

A TRACT OF LAND SITUATED IN THE NORTHWEST 1/4 OF SECTION 10, TOWNSHIP 17 SOUTH, RANGE 23 EAST, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE SOUTHWEST CORNER OF THE NW 1/4 OF SECTION 10, TOWNSHIP 17 SOUTH, RANGE 23 EAST, PROCEED THENCE ALONG THE SOUTH BOUNDARY OF SAID NW 1/4, S 89° 48' 20" E. 1515.47 FEET; THENCE N OO° 12' 01" E. 42.50 FEET TO THE POINT OF BEGINNING (P.O.B.). FROM SAID P.O.B. CONTINUE N OO° 12' 01" E 71.02 FEET TO THE POINT OF CURVE (P.C.) OF A CURVE CONCAVE EASTERLY AND HAVING A RADIUS OF 420 FEET; THENCE NORTHERLY ALONG THE ARC OF SAID CURVE 47.80 FEET, SAID ARC HAVING A CHORD BEARING AND DISTANCE OF N 3° 24' 58" EAST 47.77 FEET; THENCE DEPARTING SAID CURVE PROCEED S 83° 24' 51" E. 102.43 FEET; THENCE S 00° 12' 01" W 107.32 FEET; THENCE N 89° 47' 59" W, 104.47 FEET TO THE P.O.B..

ALL BEING IN MARION COUNTY, FLORIDA AND CONTAINING 0.27 ACRE MORE OR LESS.

WILLIAM E. FRANKLIN, PR. PROFESSIONAL LAND SURVEYOR

FLA. CERTIFICATE NO. 1536

FILE: 96050794 OR BOOK/PAGE: 2266/741

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EXHIBIT B

SEWER TREATMENT PLANT

DESCRIPTION

A TRACT OF LAND SITUATED IN THE SW 1/4 OF SECTION 10, TOWNSHIP 17 SOUTH, RANGE 23 EAST, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF THE SE 1/4 OF THE SW 1/4 OF THE SW 1/4 OF SECTION 10, TOWNSHIP 17 SOUTH, RANGE 23 EAST, PROCEED THENCE S 00° 12' 39" W. ALONG THE WEST BOUNDARY OF SAID SE 1/4 OF SW 1/4 OF THE SW 1/4, A DISTANCE OF 253.75 FEET; THENCE DEPARTING SAID WEST BOUNDARY S 89° 52' 30" E. 60.00 FEET TO THE POINT OF BEGINNING (P.O.B.) FROM SAID P.O.B. CONTINUE S 89° 52' 30" E., 300.00 FEET; THENCE N 00° 12' 39" E., 607.50 FEET; THENCE N 89° 52' 30" W., PARALLEL TO THE NORTH BOUNDARY OF THE SW 1/4 OF THE SW 1/4 OF SAID SECTION 10, A DISTANCE OF 565.00 FEET; THENCE S 00° 12' 39" W., 293.75 FEET; THENCE S 89° 52' 30" E. ALONG A LINE PARALLEL TO AND 60 FEET NORTH OF THE AFORESAID NORTH BOUNDARY OF THE SW 1/4 OF SW 1/4, A DISTANCE OF 265.00 FEET; THENCE S 00° 12' 39" W., 313.75 FEET TO THE POINT OF BEGINNING.

ALL BEING IN MARION COUNTY, FLORIDA AND CONTAINING 7.47 ACRES MORE OR LESS.

WILLIAM E. FRANKLIN, JR.
PROFESSIONAL LAND SURVEYOR
FLA. CERTIFICATE NO. 1536

FILE: 96858794 OR BOOK/PAGE: 2266/742