



# Public Service Commission

## -M-E-M-O-R-A-N-D-U-M-

---

**DATE:** January 26, 1998  
**TO:** Division of Records and Reporting  
**FROM:** Patricia Brady, Division of Water and Wastewater *pb*  
**RE:** Docket No. ~~359-W~~, Application for transfer of utility assets from South Broward Utility, Inc. to City of Sunrise in Broward County, and cancellation of Certificates Nos. 359-W and 290-S.

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Please add to the docket file the attached letter dated January 22, 1998, from Mr. Scott G. Schildberg, to Ms. Patricia Brady, responding to questions posed by staff in a January 14, 1998, telephone conversation. Thank you.

**Attachment**

**cc:** Tim Vaccaro, Division of Legal Services

- ACK \_\_\_\_\_
- AFA \_\_\_\_\_
- APP \_\_\_\_\_
- CAF \_\_\_\_\_
- CMU \_\_\_\_\_
- CT \_\_\_\_\_
- E \_\_\_\_\_
- L \_\_\_\_\_

DOCUMENT NUMBER-DATE

~~359-W~~ JAN 27 8

FPSC-RECORDS/REPORTING

LAW OFFICES

MARTIN, ADE, BIRCHFIELD & MICKLER, P.A.

JAMES L. ADE  
LYNDA R. AYCOCK  
W. O. BIRCHFIELD  
TIMOTHY A. BURLINCH  
CHARLES L. CRANFORD  
PHILLIP A. DELMONT  
STEPHEN H. DURANT  
T. WILLIAM GLOCKER  
MICHAEL E. GOODREAD, JR.  
STEPHEN D. HALKER  
SHARON ROBERTS HENDERSON

ONE INDEPENDENT DRIVE SUITE 3000  
JACKSONVILLE, FLORIDA 32202

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TELEPHONE (904) 384-8080  
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BARBARA CHRISTE JOHNSON  
WILHELMINA F. KRETLINGER  
MYRA LOUISHAN  
RALPH H. MARTIN  
ROBERT O. MICKLER  
JOHN D. MILTON, JR.  
DANIEL B. MURKIN, JR.  
SCOTT S. SCHLOSSER  
MICHAEL D. WHALEN  
GARY L. WILKINSON  
L. PETER JOHNSON (1942-1988)

January 22, 1998

Via Facsimile (904) 413-6687  
and U.S. Mail

**RECEIVED**  
JAN 23, 1998

Ms. Patricia Brady  
Florida Public Service Commission  
2540 Shumard Oak Boulevard  
Betty Easley Building, Room 110  
Tallahassee, Florida 32399-0750

Florida Public Service Commission  
Division of Water and Wastewater

RE: Application for Transfer of Utility Assets  
from South Broward Utility, Inc. to City of  
Sunrise in Broward County, and Cancellation of  
Certificates Nos. 359-W and 290-S, Docket No.  
971610-WS

Dear Ms. Brady:

In response to your request for information in our January 14, 1998 telephone conversation, Clay Utility Company d/b/a South Broward Utility, Inc. ("Clay") states as follows:

1. The closing date of the transfer of the facilities from Clay to the City of Sunrise ("Sunrise") in accordance with the South Broward Utility, Inc. Water and Wastewater Utility System Asset Transfer and Settlement Agreement ("Agreement") was December 29, 1997.
2. The terms "Disputed Territory" and "Undisputed Territory" were used in the Agreement for the determination of the future payments by Sunrise to Clay. As noted in the Application, Clay has applied for the approval of the transfer of all of the facilities operated under its certificates. Clay does not intend to serve either the "Disputed Territory" or the "Undisputed Territory" after the completion of the transfer contemplated in the Agreement.

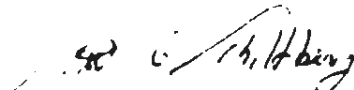
In addition, pursuant to your request, enclosed are copies of the three letters listed in Paragraphs 2.01(F) and 2.02(D) of the Agreement.

Ms. Patricia Brady  
January 22, 1998  
Page 2

I trust that this letter and its enclosures will be sufficient to enable you to complete the administrative approval of the Application. If, however, you have any additional questions or need any additional information, please do not hesitate to call me.

Thank you for your assistance in this matter.

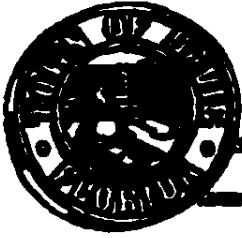
Sincerely yours,



Scott G. Schildberg

SGS/msa  
Enclosure

cc: Mr. Hugh F. Culverhouse, Jr.  
Mr. Eugene F. Cassidy  
Mr. John F. Cook



**Office of the Mayor  
& Town Council**

Administration 787-1020  
Administration Services 787-1020  
Budget & Finance 787-1060  
Community Services 787-1145  
Development Services 787-1185

Engineering 787-1113  
Fire Department 787-1000  
Police Department 787-1000  
Public Works 787-1040  
Utilities 433-4000

**TOWN OF DAVIE** 6801 Orange Drive, Davie, Florida 33314-3300

(954) 787-1000

June 27, 1997

**RECEIVED**

JAN 23 1998

Florida Public Service Commission  
Division of Water and Wastewater

Mr. Eugene Cassidy  
Culverhouse & Betts  
1406 North Westshore Blvd.  
Suite 908  
Tampa, Florida 33607

Dear Mr. Cassidy:

The Town of Davie does hereby request that the principal owners of South Broward Utilities re-open negotiations with the Town regarding the purchase of the utility plant which is located within the corporate limits of the Town.

I have directed our Town Attorney's Office to research certain legal issues associated with the acquisition of this facility by another municipality. Preliminary findings indicate that general law does not allow for such an acquisition without the consent of the municipality where the facility is located. The Town of Davie has not consented to such an acquisition by the City of Sunrise or the City of Pembroke Pines. I want to make sure that there was no misunderstanding with respect to that issue.

The Town's officials are certainly agreeable to meeting with the Culverhouse representatives to discuss South Broward Utilities and I will personally attend those meetings. Any attempt to sell the utility to a municipality other than Davie, without Davie's consent, will result in the Town seeking appropriate relief in Broward County Circuit Court.

Please contact me upon your review of this letter and advise as to the meeting time and place to discuss the purchase of this plant.

Sincerely,

Harry Venis  
Mayor

Copies to:  
Mayor Alex Fekete  
Mayor Steve Feren

*An Equal Opportunity Employer*



**Office of the Mayor  
& Town Council**

Administration 787-1000  
Administration Services 787-1000  
Budget & Finance 787-1000  
Community Services 787-1148  
Development Services 787-1168

Engineering 787-1113  
Fire Department 787-1000  
Police Department 787-1000  
Public Works 787-1240  
Utilities 433-4000

**TOWN OF DAVIE**

6801 George Cole, Davie, Florida 33314-3337

(784) 787-1000

July 17, 1997

**RECEIVED**

JAN 23 1998

Mr. Eugene Cassidy  
Culverhouse & Bolts  
1408 North Westshore Blvd.  
Suite 908  
Tampa, Florida 33607

Florida Public Service Commission  
Division of Water and Wastewater

Dear Mr. Cassidy,

I have not received a reply to my June 27th, 1997 letter (see attached) requesting that the principal owners of South Broward Utilities re-open negotiations with the Town of Davie regarding the purchase of the utility plant which is located within the corporate limits of this Town.

I must remind you that any attempt to sell the utility plant to a municipality other than Davie, without Davie's consent, will result in the Town seeking appropriate relief in Broward County Circuit Court.

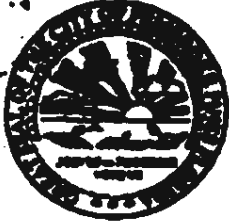
To that end, the Davie Town Council, at its meeting of July 16, 1997 passed a Resolution that authorized a retainer agreement with Ruden, McClosky, Smith, Schuster and Russell, P.A. for legal services regarding water and sewer issues.

Please contact me upon receipt of this letter.

Sincerely,

Harry Venis  
Mayor

cc: Mayor Alex Fekere  
Mayor Steve Feren



# City of Pembroke Pines

Alex O. Felton, Mayor  
Ben Fiorendino, Vice Mayor  
Charles F. Dodge, City Manager

William B. Armstrong, Commissioner  
Frank C. Orta, Commissioner  
Katherine "Miller" Thibault, Commissioner

**RECEIVED**

JAN 23 1997

August 11, 1997

Florida Public Service Commission  
Division of Water and Wastewater

**VIA U.S. MAIL/CERTIFIED**

**RRR/NO. Z 784 067 864**

Mr. Pat Salerno, City Manager  
City of Sunrise  
10770 West Oakland Park Boulevard  
Sunrise, Florida 33351

**RE: CITY OF PEMBROKE PINES/CITY OF SUNRISE-ACQUISITION OF  
SOUTH BROWARD UTILITY COMPANY**

Dear Mr. Salerno:

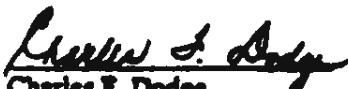
The City of Pembroke Pines has made a bona fide and considerate effort to meet with you and your public officials, staff, and outside consultants in connection with a joint effort to either acquire South Broward Utility Company ("SBUC") or to provide a method for Pembroke Pines and/or the Town of Davie to cooperatively acquire SBUC. We have met on several occasions, discussed the issues affecting the City of Pembroke Pines' interest in SBUC and, to date, we have been unable to achieve agreement on a method of procedure for the acquisition. Further, in our discussions, I have advised you, as City Manager, that should the City of Sunrise formally acquire SBUC and seek to conduct utility business with any customers in the City of Pembroke Pines without the consent or approval of the City Commission, that such action would be contrary to Florida Statutes and will not be tolerated by the City of Pembroke Pines.

Therefore, with concern for the importance of intergovernmental cooperation and coordination, I must advise you that any action taken by the City of Sunrise in its prospective acquisition of SBUC, including its physical plant and appurtenances, including the prospective sale of utility services within the City of Pembroke Pines will be resisted and challenged in the appropriate legal forum to best protect the municipal interests of the City of Pembroke Pines. Notwithstanding the City of Pembroke Pines' position on this matter, I will stand ready, willing, and able to continue discussions with the City of Sunrise and the Town of Davie on the matters affecting SBUC.

Pat Salerno, City Manager  
City of Sunrise  
Page 2  
August 11, 1997

Otherwise, please allow this letter to serve as the City of Pembroke Pines' standing objection to the involvement by the City of Sunrise affecting prospective utility customers in the City of Pembroke Pines to be serviced by SBUC.

Sincerely,

  
Charles F. Dodge  
City Manager

CFD/ps

CC: Honorable Mayor Alex Fakets  
City Commissioners  
Robert Flatley, Town Manager, Town of Davis  
Mr. Hugh Culverhouse, South Broward Utility  
Randall K. Hanna, Esquire

- B) The name, address and telephone number of a representative of the utility to contact concerning this application:

James L. Ade and Scott G. Schildberg (904) 354-2050  
Name Phone No.

3000 Independent Square  
Street address

Jacksonville Florida 32202  
City State Zip Code

- C) The full name, address and telephone number of the governmental authority:

City of Sunrise, Florida  
Name of utility

(954) 746-3300 (954) 746-3307  
Phone No. Fax No.

10770 W. Oakland Park Boulevard  
Office street address

Sunrise Florida 33351  
City State Zip Code

\_\_\_\_\_  
Mailing address if different from street address

\_\_\_\_\_  
Internet address if applicable

- D) The name, address and telephone number of a representative of the governmental authority to contact concerning this application:

Phillip C. Gildan (561) 650-7967 (561) 655-6222  
Name Phone No. Fax No.

777 South Flagler Drive, Suite 300 East  
Street Address

West Palm Beach Florida 33401  
City State Zip Code



**APPLICATION FOR TRANSFER TO GOVERNMENTAL AUTHORITY**

**(Pursuant to Section 367.071(4) (a), Florida Statutes)**

**TO: Director, Division of Records and Reporting  
Florida Public Service Commission  
2540 Shumard Oak Blvd.  
Tallahassee, Florida 32399-0850**

The undersigned hereby makes application for the approval of the transfer of all of the facilities operated under Water Certificate No. 359-W and Wastewater Certificate No. 290-S located in Broward County, Florida, and submits the following:

**PART I APPLICANT INFORMATION**

- A) The full name (as it appears on the certificate), address and telephone number of the seller (utility):

South Broward Utility, Inc.  
Name of utility

(813) 908-0070  
Phone No.

(813) 908-7404  
Fax No.

3903 Northdale Boulevard, Suite 140E  
Office street address

Tampa  
City

Florida  
State

33624  
Zip Code

Mailing address if different from street address

Internet address if applicable

B) **TERRITORY MAPS**

Exhibit N.A. - One copy of an official county tax assessment map or other map showing township, range and section with a scale such as 1"-200' or 1"-400' on which the remaining territory is plotted by use of metes and bounds or quarter sections and with a defined reference point of beginning. If the water and wastewater territory is different, provide separate maps.

C) **TARIFF SHEETS**

Exhibit N.A. - The original and two copies of tariff sheet(s) revised to show correct service territory. Please refer to Rules 25-9.009 and 25-9.010, Florida Administrative Code, regarding page numbering of tariff sheets before preparing the tariff revisions. (Pages 9-10.) Sample tariff sheets are attached. (Pages 11-14.)

**PART III CERTIFICATION**

A) **TERRITORY DESCRIPTION**

Exhibit N.A. - An accurate description of the utility's revised territory. If the water and wastewater territory is different, provide separate descriptions.

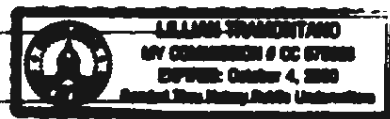
**Note:** Use the survey of Public Lands method (township, range, section, and quarter section), if possible, or a metes and bounds description. Give the subdivision or project name. The description should **NOT** refer to land grants or plat books, but may use geographic boundaries (i.e., road right-of-ways, railroads, rivers, creeks, etc). The object is to make the description as brief, but as accurate as possible.

3

Printed Name: LELLANO  
Notary Public, State of Florida

My Commission Expires:

My Commission No:



\* If the Applicant is a corporation, the affidavit must be made by the president or other officer authorized by the by-laws of the corporation to act for it. If the applicant is a partnership or association, a member of the organization authorized to make such affidavit shall execute same.

B) **TERRITORY MAPS**

Exhibit N.A. - One copy of an official county tax assessment map or other map showing township, range and section with a scale such as 1"-200' or 1"-400' on which the remaining territory is plotted by use of metes and bounds or quarter sections and with a defined reference point of beginning. If the water and wastewater territory is different, provide separate maps.

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**PART II FINANCIAL INFORMATION**

- A) Exhibit A - A copy of the contract pursuant to Rules 25-30.037(4)(c) and (d), Florida Administrative Code.
- B) Exhibit B - A statement regarding the disposition of customer deposits and the accumulated interest thereon.
- C) Exhibit C - A statement regarding the disposition of any outstanding regulatory assessment fees, fines or refunds owed.
- D) Exhibits D and E - A statement that the buyer (governmental authority) obtained from the utility or the Commission the utility's most recent available income and expense statement, balance sheet and statement of rate base for regulatory purposes and contributions-in-aid-of-construction.
- E) Indicate the date on which the buyer proposes to take official action to acquire the utility:

November 10, 1997 - See Exhibit E.

If only a portion of the utility's facilities is being transferred, a revised territory description and map of the utility's remaining territory must be provided, as discussed in Part III, below.

**IF THE UTILITY'S ENTIRE FACILITIES ARE BEING TRANSFERRED, PLEASE DISREGARD PART III OF THIS APPLICATION FORM.**

**PART III CERTIFICATION**

A) **TERRITORY DESCRIPTION**

Exhibit N.A. - An accurate description of the utility's revised territory. If the water and wastewater territory is different, provide separate descriptions.

**Note:** Use the survey of Public Lands method (township, range, section, and quarter section), if possible, or a metes and bounds description. Give the subdivision or project name. The description should **NOT** refer to land grants or plat books, but may use geographic boundaries (i.e., road right-of-ways, railroads, rivers, creeks, etc). The object is to make the description as brief, but as accurate as possible.

**PART IV AFFIDAVIT**

I, EUGENE F. CASSIDY , as Vice President of Clay Utility Company, doing business as South Broward Utility, Inc. (applicant), do solemnly swear or affirm that the facts stated in the foregoing application and all exhibits attached thereto are true and correct and that said statements of fact thereto constitute a complete statement of the matter to which it relates.

CLAY UTILITY COMPANY, d/b/a  
SOUTH BROWARD UTILITY, INC.

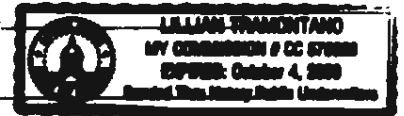
BY: *Eugene F. Cassidy*  
EUGENE F. CASSIDY , Vice President

Subscribed and sworn to before me this 10<sup>th</sup> of November, 1997  
personally appeared EUGENE F. CASSIDY , as Vice President of Clay Utility Company, a Florida corporation, on behalf of the corporation. He () is personally known to me or () has produced \_\_\_\_\_ as identification.

*Lillian Tramontano*  
Printed Name: **LILLIAN TRAMONTANO**  
Notary Public, State of Florida

My Commission Expires:

My Commission No:



\* If the Applicant is a corporation, the affidavit must be made by the president or other officer authorized by the by-laws of the corporation to act for it. If the applicant is a partnership or association, a member of the organization authorized to make such affidavit shall execute same.



**SOUTH BROWARD UTILITY, INC. WATER AND  
WASTEWATER UTILITY SYSTEM ASSET  
TRANSFER AND SETTLEMENT AGREEMENT**

**THIS SETTLEMENT AGREEMENT, is made and entered into as of this 10<sup>th</sup> day of November, 1997, by and between the City of Sunrise, a municipality, duly created and validly existing under the laws of the State of Florida (the "City"), and Clay Utility Company, a Florida corporation, d/b/a South Broward Utility, Inc. ("SBU").**

**WITNESSETH:**

**WHEREAS, SBU owns and operates a water supply, treatment transmission and distribution system and a wastewater collection, pumping treatment, and disposal system, commonly referred to as the South Broward Utility water and wastewater utility system, which provides service to incorporated and unincorporated portions of Broward County, Florida pursuant to certificate(s) of authorization granted by the Florida Public Service Commission; and**

**WHEREAS, the City has the power and authority to provide potable water and wastewater infrastructure and service within Broward County; and**

**WHEREAS, SBU has recently completed a hearing process before the Florida Public Service Commission, in connection with an application for franchise expansion, which has been approved, over the City's objection in said proceedings; which approval was affirmed by the District Court of Appeals, for the First District, in Case No. 96-04890; and which SBU and the City are currently involved in litigation before the Circuit Court 17<sup>th</sup> Judicial Circuit in Broward County, in Case No. 97-14059(25); and**

**WHEREAS, SBU has objected and continues to object to certain actions undertaken by the City concerning its efforts to construct facilities and provide central water and sewer service in areas which SBU claims the right to serve; and**

**WHEREAS, City maintains that these areas that SBU claims the right to serve are within the City's utility service area to which SBU has no right to serve; and**

**EXHIBIT A**





**WHEREAS**, the parties hereto have agreed to resolve, compromise and settle their disputes and legal proceedings pending against one another, as hereinabove described, through the acquisition of SBU's utility system by the City; and

**WHEREAS**, the City held a public hearing on the proposed purchase and sale of all or substantially all of the water and wastewater utility assets owned by SBU in Broward County, Florida, per this Settlement Agreement and has made a determination that such a purchase and sale is in the public interest; and

**WHEREAS**, the City, in determining if such a purchase and sale is in the public interest considered, at a minimum, all of the factors referenced in Section 180.01, et seq., Florida Statutes; and

**WHEREAS**, to resolve the dispute between SBU and the city, the City desires to acquire all or substantially all of the assets which are used and available for use by SBU in providing services through its water and wastewater utility system in Broward County, Florida, and SBU has consented to sell those assets to the City in lieu of threatened eminent domain;

**NOW, THEREFORE**, in consideration of the mutual promises, covenants, representations and agreements contained herein, and other good and valuable consideration exchanged between the parties, the parties to this Settlement Agreement do undertake, promise and agree for themselves, their permitted successors and assigns as follows:

## **ARTICLE I DEFINITIONS AND CONSTRUCTION**

**SECTION 1.01. DEFINITIONS.** As used in this Settlement Agreement, the following terms shall have the meanings as defined herein unless the context requires otherwise:

"Agreement" means this South Broward Utility, Inc. Water and Wastewater Utility System Asset Transfer and Settlement Agreement, including any amendments and supplements hereto executed and delivered in accordance with the terms hereof.

**"Commission"** means the City Commission of the City of Sunrise, Florida.

**"SBU"** means Clay Utility Company d/b/a South Broward Utility, Inc., a Florida corporation, and its successors, and its sole shareholder Hugh F. Culverhouse Trust.

**"City"** means the City of Sunrise, a municipality organized under the laws of the State of Florida.

**"Disputed Territory"** means those certain geographical land areas described as the "Pownall Residential", "Pownall Commercial", "Pasadena Residential", "Carr" and "Golden Pond" tracts, more particularly depicted and described on the sketch and description attached as Appendix A hereto.

**"Easements"** means all existing rights, privileges, easements, licenses, prescriptive rights, rights-of-ways, and rights to use public and private roads, highways, streets, railroads and other areas owned or used by SBU in connection with the construction, reconstruction, installation, expansion, maintenance and operation of its water and wastewater system or the Purchased Assets.

In this regard, SBU shall identify, with reasonable particularity, Easements covering all facilities of the utility system, with true copies of the Easement Agreements, containing legal descriptions of the lands covered by the Easements. Easements located in recorded plats and rights to locate lines and dedicated public right-of-ways shall be identified.

**"Engineering Improvement Costs"** means the costs of improving the Utility System as identified by the City which were estimated by the City at the effective date of this Agreement to be NINE HUNDRED FIFTY THOUSAND DOLLARS (\$950,000.00). The parties have agreed to accept this amount for purposes of its charge to SBU against the purchase price.

**"Equivalent Residential Connection" or "ERC"** means the standard unit of revenue used to calculate demand upon water and wastewater system capacity, based upon the revenue

generated from the usage by a single family residential customer of ten thousand five hundred gallons (10,500) gallons per month of water capacity and commensurate amount of sewage capacity, which equals NINE HUNDRED FIFTEEN DOLLARS (\$915) per year based upon the rate tariff of SBU in place as of July 31, 1997.

**"Excluded Assets"** means those assets, business properties, rights, obligations or liabilities, both tangible and intangible, of SBU, including all bank accounts, income tax escrow accounts and such other assets described in Appendix B hereto which shall not be and are not to be sold, conveyed, transferred to or assumed by the City pursuant to this Agreement.

**"Gross Revenues"** from new customers means the revenues generated from the base facility charges and commodity charges charged to new customers, and shall not include any surcharge revenues.

**"New ERC"** means each increment of NINE HUNDRED FIFTEEN DOLLARS (\$915.00) per year in gross revenues collected by the City from any water or sewer customers connected within the geographical areas defined as the Disputed Territory and the Undisputed Territory during the ten (10) year period following the date SBU receives the bonds described in Section 3.03(A)(1). Revenues collected by the City from these areas shall be included regardless of which plant or facility actually provides the water supply or wastewater treatment. The NINE HUNDRED FIFTEEN DOLLARS (\$915.00) increment is based upon the rate tariff of SBU in effect as of July 31, 1997. If during said ten (10) year period there is any change in the method of determining the charges to customers, which causes the monthly rates for water and sewer service to increase or decrease including a change in the sewer consumption cap, then the NINE HUNDRED FIFTEEN DOLLARS (\$915.00) increment of gross revenue will be proportionately adjusted as follows: a new unit of gross revenue will be determined by calculating the monthly service charge under such changed rate schedule for the consumption of ten thousand five

hundred gallons (10,500) of water by a single family residential customer and a commensurate amount of sewer service. The monthly charge so determined shall be multiplied by twelve (12) in order to identify the new annual unit of gross revenue. Such newly determined annual unit of gross revenue shall become the divisor for purposes of calculating the number of new ERC's for which SBU shall be entitled to future payments under Section 3.03(A)(2). As an example, if the City changes the rates it charges to a single family residential customer in the Disputed or Undisputed Territory to a base facility charge of fifteen dollars (\$15) a month for water service and fifteen dollars (\$15) a month for sewer service, and commodity charges of two dollars (\$ 2) per thousand (1000) gallons of water and three dollars (\$3) per thousand (1000) gallons for sewer with a 10,000 gallon per month cap (SBU's current sewer tariff is calculated upon water consumption with a 10,000 gallon per month cap), then the new annual unit of gross revenue will be calculated as;  $[(\$15 + ((\$2 \times 10,500 \text{ gallons/month})/1000 \text{ gallons})) + ((\$15 + ((\$3 \times 10,000 \text{ gallons/month})/1000 \text{ gallons})))] \times 12 \text{ months} = \$972$ .

**"Purchased Assets"** means all or substantially all of the water and wastewater utility assets owned by SBU as described and referenced in Section 3.02(A) hereof.

**"Permitted Exceptions"** means those title exceptions described in Appendix C hereto.

**"Transaction Costs"** means the costs, fees and expenses incurred by the City in connection with the Agreement and the issuance of bonds or the use of any other interim financing alternative contemplated in Section 4.03 hereof, including but not limited to (A) rating agency and other financing fees; (B) the fees and disbursements of bond counsel; (C) the fees and disbursements of the City's financial advisor; (D) the fees and disbursements of the City's consulting engineers; (E) the fees and disbursements of the City's water and wastewater counsel and consultants; (F) the costs of preparing or printing the bonds and the documentation supporting issuance of the bonds; (G) the fees payable in respect of any municipal bond

insurance policy if one is obtained; (H) the fees payable in respect to any instruments required to meet the City's bond reserve fund requirements; (I) the fees and costs to prepare an Official Statement for the issuance of bonds if one is obtained; and (J) any other costs of a similar nature incurred in connection with issuance of the bonds. SBU shall be responsible to pay Sunrise at closing the costs identified in (A), (B), (C), (D), (E), (F), and (J) which costs have been agreed upon as fixed at SIX HUNDRED FIFTY-TWO THOUSAND FOUR HUNDRED TWENTY-SEVEN DOLLARS (\$652,427.00) (regardless of the actual transaction costs incurred by Sunrise for such items.) In addition, SBU shall pay to the City at closing the incurred costs identified in (G), (H) and (I) above when determined by the City prior to closing. Any transaction costs exceeding these sums shall be borne by the City.

**"Undisputed Territory"** means that geographical land area bounded on the north by Griffin Road, on the west by 172<sup>nd</sup> Avenue, on the south by Sheridan Road and on the east by N.W. 136<sup>th</sup> Avenue, more particularly described in the attached Appendix D, and which area includes but is not limited to SBU's Public Service Commission certificated area, that lies outside of the Disputed Territory.

**"Utility System"** means the water supply, treatment, transmission and distribution system and the wastewater collection, pumping, treatment, and disposal system, commonly referred to as the South Broward Utility, Inc. water and wastewater utility system, which provides services to incorporated and unincorporated portions of Broward County, Florida pursuant to certificate(s) granted by the Florida Public Service Commission.

#### **SECTION 1.02. CONSTRUCTION AND INTERPRETATION.**

(A) Words that indicate a singular number shall include the plural in each case and vice versa, and words that import a person shall include firms and corporations.

(B) The terms "herein," "hereunder," "hereby," "hereof," and any similar terms, shall refer to this Agreement; the term "heretofore" shall mean before the date of execution of this Agreement; and the term "hereafter" shall mean on or after the initial date of execution of this Agreement.

(C) Words that reference only one gender shall include all genders.

(D) This Agreement shall be construed as resulting from joint negotiation and authorship. No part of this Agreement shall be construed as the product of any one of the parties hereto.

**SECTION 1.03. INCORPORATION.** The appendices hereto and each of the documents referred to therein are incorporated and made a part hereof in their entirety by reference.

**SECTION 1.04. SECTION HEADINGS.** Any headings preceding the texts of the several Articles, Sections or Appendices in this Agreement and any table of contents or marginal notes appended to copies hereof, shall be solely for the convenience of reference and shall neither constitute a part of this Agreement nor affect its meaning, construction or effect.

## **ARTICLE II REPRESENTATIONS**

**SECTION 2.01. REPRESENTATIONS OF THE CITY.** The City makes the following representations, which shall survive any closing hereunder.

(A) The City is duly organized and validly existing as an incorporated municipality under the laws of the State of Florida.

(B) The City has all power and authority to enter into the transactions contemplated by this Agreement.

(C) The City has fulfilled and complied with the provisions of Section 180.01, et seq., Florida Statutes, relative to the purchase and sale of a water and sewer utility by a City, or will do so prior to closing.

(D) To the best of its knowledge and belief after due inquiry, the City is not in default under any provisions of the laws of the State of Florida material to the performance of its obligations under this Agreement. The Board has duly authorized the execution and delivery of this Agreement and assuming the due authorization, execution and delivery by other parties hereto, this Agreement constitutes a valid and legally binding obligation of the City, enforceable in accordance with its terms, except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally, or by the exercise of judicial discretion of a court of competent jurisdiction in accordance with general principles of equity.

(E) To the best of the City's knowledge and belief after due inquiry, the authorization, execution and delivery of this Agreement and the compliance by the City with the provisions hereof will not conflict with or constitute a material breach of, or default under, any existing law, court or administrative regulation, decree, order, or any provision of the Constitution, or the laws of the State of Florida relating to the City or its affairs, or any ordinance, resolution, agreement, lease, or other instrument to which the City is subject or by which it is bound.

(F) There is no action, suit, investigation, or proceeding pending or, other than those matters set forth in Section 2.02(D), to the City's knowledge and belief, none threatened against or affecting the City, at law or in equity or before any federal, state, municipal, or other governmental department, commission, board, bureau, agency or instrumentality, wherein any decision, ruling or finding would adversely affect the transactions contemplated hereby or which in any way would adversely affect the validity of this Agreement or any other agreement or instrument to which the City is a party and which is used or contemplated for use in the consummation of the transactions contemplated hereby, except the threatened civil action expressed in correspondence dated June 27, 1997 and July 17, 1997, from Harry Venia, Mayor of

the Town of Davis, addressed to SBU's representative in Tampa, and the threatened challenges expressed in the letter dated August 11, 1997 from Charles F. Dodge, City Manager for the City of Pembroke Pines (the "Threatened Actions"). The parties agree that in the event the Threatened Actions adversely affect the transactions contemplated hereby or adversely affect the validity of this Agreement, such adverse affects shall not be considered a breach of contract, a breach of warranty or a breach of representations by either party.

(G) The City has not dealt with any broker, salesman or finder in connection with the transactions contemplated herein and no sales commissions or finder's fees are due or payable as a result hereof.

**SECTION 2.02. REPRESENTATIONS OF SBU.** SBU makes the following representations, which shall survive any closing hereunder.

(A) SBU is a corporation duly organized, validly existing and in and good standing in the State of Florida, authorized to do business in the State, and has all requisite corporate power and authority to enter into and fully perform this Agreement. The Purchased Assets represent all or substantially all of the assets of SBU.

(B) There are only one hundred (100) shares of SBU common stock authorized and issued. There is no other stock or interest in SBU authorized or issued. The Hugh F. Culverhouse Trust dated February 4, 1993 is the shareholder of record of 100% of the common stock of SBU and the ability to vote those shares is unencumbered.

(C) All necessary corporate action on the part of SBU relating to the direction and authorization of SBU's execution, delivery and performance of this Agreement have been duly taken, and this Agreement will be valid and enforceable against SBU, in accordance with its terms, except to the extent that the enforceability thereof may be limited by any applicable bankruptcy, insolvency, reorganization or other similar laws affecting creditors' rights generally.



or by the exercise of judicial discretion of a court of competent jurisdiction in accordance with the general principles of equity.

(D) There is no action, suit, investigation, or proceeding pending or, with the exception of the threatened civil action expressed in correspondence dated June 27, 1997 and July 17, 1997, from Harry Venis, Mayor of the Town of Davie, addressed to SBU's representative in Tampa, and the threatened challenges expressed in the letter dated August 11, 1997 from Charles F. Dodge, City Manager for the City of Pembroke Pines, to SBU's knowledge and belief, none threatened against or affecting SBU at law or in equity or before any federal, state, municipal, or other governmental department, commission, board, bureau, agency or instrumentality, wherein any decision, ruling or finding would adversely affect the transactions contemplated hereby or which in any way would adversely affect the validity of this Agreement or any other agreement or instrument to which SBU is a party which is used or contemplated for use in the consummation of the transactions contemplated hereby.

(E) To the best of SBU's knowledge and belief and after due inquiry, neither the execution and delivery of this Agreement nor the consummation of the transactions contemplated, nor compliance with the terms and provisions of such instruments will violate the provisions of any applicable law or any applicable order or regulation of any governmental authority having jurisdiction over SBU and will not conflict with or result in a material breach of any terms, conditions or provisions of any agreement or instrument to which SBU is now a party, or constitute a default thereunder.

(F) SBU has good and marketable title to the Purchased Assets and, at closing, shall have the power and authority to deliver sole and exclusive possession of the Purchased Assets to the City free and clear of all encumbrances or secured interests, subject only to the Permitted Exceptions.

(G) SBU has not dealt with any broker, salesman or finder in connection with the transactions contemplated herein and no sales commissions or finder's fees are due or payable as a result hereof. SBU and the City each agrees to indemnify and hold the other harmless against any claim or demand made by any broker or agent claiming to have dealt or consulted with them in this transaction.

(H) The real property identified in Appendix E hereof represents all real property owned by SBU and used in the operation of the Utility System and the Purchased Assets.

(I) To the best of SBU's knowledge and belief after due inquiry, the Easements identified in Appendix F hereto represent all the Easements necessary for use in connection with the construction, reconstruction, installation, expansion, maintenance and operation of the Utility System and the Purchased Assets, and except for a portion of lines extending through a Town of Davie Fire Station site, which lines also serve said site, all of the Purchased Assets are located completely and legally within the Easements.

(J) SBU possesses an enforceable easement interest in the Easements shown on Appendix F hereto and none of the easement interests prohibit assignment or require the grantor's, or current fee owner's, consent thereto.

(K) No present possessory interest in any real or personal property owned, used or controlled by SBU has ever automatically terminated or reverted to the grantor thereof as a result of any failure to continuously use such property for water or wastewater purposes; nor is SBU aware of any claim, whether actual or threatened, of any such reversion.

(L) Appendix G, attached hereto, is a schedule of all plans, specifications, surveys and as-built drawings which substantially describe the Utility System's water and wastewater plants, water supply facilities, water transmission and distribution and wastewater collection and disposal systems, lift or pump stations and all other utility facilities.

(M) Appendix I, attached hereto, is a schedule of all current or active permits, applications or other documents, together with effective dates and any expiration dates which authorize the operation of the Utility System's water and wastewater facilities by all applicable governmental authorities. SBU warrants that all of the Utility System's facilities are legally permitted, and that all required renewals of permits have been timely and legally applied for.

(N) Appendix I, attached hereto, is a map or maps of the Utility System which is representative of SBU's water and wastewater plants, water supply facilities, water transmission and distribution system, wastewater collection and disposal system and the Utility System's current certificated water and wastewater service areas.

(O) Appendix J, attached hereto, is the inventory of the equipment, vehicles, tools, parts, laboratory equipment, computer equipment, software, and other personal property used by SBU in connection with the operation of Utility System, together with a current depreciation schedule including purchase date, purchase cost, depreciable life and accumulated depreciation.

(P) Appendix K, attached hereto, is a schedule of all operating and vendor contracts affecting the Utility System.

(Q) Appendix L, attached hereto, is a schedule of all executory agreements, sometimes referred to as developer agreements, entered into by SBU or its predecessors, and owners or developers of real property for the provision of water and wastewater utility services through the Utility System.

(R) Appendix M, attached hereto, is a schedule, with respect to all executory agreements under which SBU as the owner of the Utility System has any continuing or outstanding water or wastewater service obligations as of August 1, 1997, which shows the total number of (1) contractual connections; (2) contractual connections paid for and not yet connected; (3) contractual connections not yet paid for and not yet connected; and (4) any contractual

connections for which SBU has or expects to begin collecting periodic minimum or base facility charge prior to closing.

(S) Appendix N, attached hereto, is a schedule of all other agreements entered into between SBU, its predecessors, or third parties which would reasonably be considered to be an encumbrance upon the Purchased Assets, including without limitation, any leasehold agreements or oral agreements, if any. Any oral agreements have been so identified by SBU on said schedule with a narrative of the terms thereof included therein.

(T) Appendix O, attached hereto, is a schedule of the Florida Public Service Commission Orders, containing SBU's water and sewer tariffs, which collectively represent and contain the most current schedule of rates, fees and charges that SBU is authorized to impose, together with SBU's last 2 annual reports filed with the PSC.

(U) Appendix P, attached hereto, is a schedule of any and all insurance policies currently enforceable that cover SBU as they may relate to the Purchased Assets. Such appendix indicates the name and address of each carrier, the policy number and the type of coverage provided.

(V) From and after the date of the execution of this Agreement, SBU will not, without the prior written consent of the City, dispose of or encumber any of the Purchased Assets, with the exception of non-material transactions occurring in the ordinary course of SBU's business.

(W) From and after the date of the execution of this Agreement, there will be no material depletion of the Purchased Assets, nor any adverse material change in the condition of the Purchased Assets, and the Utility System and all of the Purchased Assets will be properly maintained within the custom and usage of the industry up until and through closing.

(X) SBU has not been cited nor notified, and is not, after due inquiry, aware of any violation of any governmental rule, regulation, permitting condition, or other governmental requirement of any type or nature applicable to the ownership, maintenance, construction or

operation of the Utility System, nor is SBU aware of any conditions which by reason of the passing of time or the giving of notice by the appropriate governmental agency would constitute such a violation.

(Y) No employment contract exists under which SBU is the employer that cannot be canceled within 30 days notice or less and without payment of any consideration of such cancellation.

(Z) The subject water and wastewater plants, facilities and appurtenances are located on real property which has been zoned by appropriate authorities under zoning certifications, special exceptions or variances, or rights of use which will permit the respective use of such parcels for water and wastewater utility purposes.

(AA) To the best of SBU's knowledge and belief, the real property and Easements to be conveyed to the City hereunder are in compliance with, and SBU has not violated, in connection with its ownership, use, maintenance, or operation of the Utility System, applicable environmental, federal, state, City, or local laws relating to pollution or protection of the environment, including but not limited to, the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended by the Superfund Amendments and Reauthorization Act of 1986, and the Resource Conservation and Recovery Act. SBU has not authorized the placing or depositing of hazardous substances on the real estate and easements to be conveyed to the City except, if at all, in accordance with applicable law, and SBU has no actual knowledge of any hazardous substance having been, or currently being, placed or deposited on said real property and Easements except in a lawful manner.

(BB) There are no facts actually known to SBU materially affecting the physical condition of the Utility System or Purchased Assets which are not readily observable or which have not been disclosed or provided to the City in connection with this transaction or otherwise.

(CC) SBU is in sole and exclusive possession of the Purchased Assets and SBU at Closing shall deliver sole and exclusive possession of the Purchased Assets to the City.

(DD) The information provided to the City by SBU in conjunction with the Agreement shall be true and correct and shall not omit any material fact necessary to make the information provided by SBU not misleading to the City to the best of SBU's knowledge.

### **ARTICLE III PURCHASE AND SALE OF ASSETS**

**SECTION 3.01. PURCHASE AND SALE COVENANT.** At closing, the City shall purchase and SBU shall sell and convey the Purchased Assets to the City upon the terms and subject to the conditions set forth in this Agreement.

#### **SECTION 3.02. PURCHASED ASSETS.**

(A) The Purchased Assets, exclusive of the Excluded Assets, shall include those assets, business properties, and rights both tangible and intangible, that SBU owns or uses in conjunction with the operation of the Utility System located in Broward County, Florida, or any interest in which it has or hereafter acquires, relating thereto, including the following:

(1) All real property and interests, whether recorded in the public records or not, in real property owned, used or controlled by SBU as described in Appendix E hereof.

(2) All water and wastewater treatment plants, wells, collection, transmission, distribution, pumping, effluent and disposal facilities of every kind and description whatsoever including without limitation, all trade fixtures, leasehold improvements, lift stations, pumps, generators, controls, tanks, distribution, collection or transmission pipes or facilities, valves, meters, service connections, and all other physical facilities and property installations used in the operation of the Utility System, together with an assignment of all existing and assignable third party warranties that relate to completed or in progress construction.

(3) All equipment, owned or leased vehicles, tools, parts, laboratory equipment, and other personal property owned or used by SBU in connection with the operation of the Utility System more particularly described in Appendix G of this Agreement.

(4) All Easements in favor of SBU or its predecessors in interest to the Utility System, including but not limited to, the Easements more particularly described in Appendix F of this Agreement.

(5) All current customer records and supplier lists, as-built surveys, record information and water and wastewater plans, plats, engineering and other drawings, designs, blueprints, plans and specifications, and operating manuals, calculations, and studies, accounting, and all other information controlled by or in the possession of SBU that relates to the description and operation of the Utility System, inclusive of all pertinent computer records and the lawful use of all computer software which is or was used in the operation of the Utility System for billing or customer record keeping purposes, all agencies for the supply of water, all water rights, flowage rights and riparian rights, and all consents, grants, licenses, privileges and uses necessary to construct, maintain and operate plants and systems for the procuring, treatment, distribution, transmissions of water to the customers of the Utility System and for the collection, treatment and disposal of sewage from the customers of the Utility System. The lawful use of any licensed software or proprietary software developed for SBU shall be limited to the recovery and transfer of data to City computers. In any event, SBU shall utilize its best efforts to provide, or cause to be provided, all computer records within its possession and control, in a format which enables the City to successfully transfer to and utilize such data on the City's computer systems.

(6) All necessary transferable regulatory approvals subject to all conditions, limitations or restrictions contained therein; all existing permits and other governmental authorizations and transferable approvals of any kind necessary to operate and maintain the Utility System according to all governmental requirements, as more specifically described in Appendix H to this Agreement. The parties acknowledge that although prior Public Service Commission approval of the transfer is required by law, the certificates held by SBU are not transferable to the City and will terminate upon the conveyance contemplated hereby.

(7) All rights and obligations of SBU under any existing or proposed agreements and contracts which the City shall assume at closing.

(B) The Purchased Assets shall be conveyed by SBU to the City subject to the Permitted Exceptions, but otherwise free and clear of all liens or encumbrances.

(C) The Purchased Assets do not and shall not include the Excluded Assets. The Excluded Assets are more particularly described in Appendix N hereto.

### **SECTION 3.03. PURCHASE PRICE AND CONSIDERATION FOR SALE.**

(A) The purchase price shall be TWELVE MILLION THREE HUNDRED THOUSAND DOLLARS (\$12,300,000.00), subject to the terms, adjustments and prorations as provided herein, and payable as follows:

(1) The City shall deliver to SBU, at closing, thirty (30) year revenue bonds, in parity with its currently outstanding issuance for utilities, in the gross face amount of TWELVE MILLION THREE HUNDRED THOUSAND DOLLARS (\$12,300,000.00). The terms of the bonds shall require semi-annual interest and annual principal debt service payments with interest payable at 7.5%, and reductions of principal paid annually, in accordance with the maturity and payment schedule attached to this Agreement as



Appendix Q. The bonds shall not be callable prior to 10<sup>th</sup> anniversary, and shall thereafter be callable without premium or penalty at any time. The City shall use its best efforts to obtain a municipal bond insurance policy for the bonds. The costs of a bond reserve fund surety, a municipal bond insurance policy premium (if requested by SBU), the costs to prepare an Official Statement for the issuance of the bonds (if requested by SBU), and the Transaction Costs shall be paid by SBU to the City at closing by wire transfer or certified bank check. The Engineering Improvement Costs, will be added to the above-stated face amount of the bonds to the extent of SBU's actual cost of line extensions outlined in the Miller Legg report dated October 23, 1997, utilizing P.V.C. pipe, to the extent that such work is completed by SBU meeting code requirements of the City, or escrowed as provided below. The costs of such line extensions, due under pending contracts but not payable until after closing shall be funded in escrow by SBU at closing to insure the completion of such construction by SBU post closing. The term "actual cost" means those costs incurred in the construction of useful utility assets pursuant to a binding contract or purchase order entered into by SBU and excludes any administrative costs or construction management contract services provided by SBU management or ownership.

(2) From and after the closing, and for a period of ten (10) years following the date of SBU's receipt of the bonds described above, the city shall make future payments for existing excess capacity in SBU's water and wastewater plants. At the close of each fiscal year, the City shall provide to SBU an accounting of all gross revenues collected by the City from each New ERC located in the Undisputed Territory, and shall pay to SBU, within ninety (90) days of the end of such year, an amount equal to TWO THOUSAND THREE HUNDRED FIFTY DOLLARS (\$2,350.00) for each of such New ERC, up to

but not exceeding a total of 1,900 New ERC's above the ERC's connected to the Utility System as of July 31, 1997. The number of ERC's connected as of July 31, 1997 equals 2,207.43 ERC's based upon gross revenues of \$2,019,797 divided by the current \$915 ERC amount. New ERC's shall be calculated as of September 30, 1998, and on each anniversary thereafter (the "calculation dates" by subtracting the cumulative ERC's for the prior year (ending 12 months prior to the calculation date) from the current year's cumulative ERC's, (for the 12 month period ending on the calculation date), the difference equaling the New ERC's for which SBU receives payment (i.e., the number of ERC's for the base year shall be calculated as of September 30, 1997.) For partial years, at the beginning and end of the 10 year period, the \$915 ERC amount shall be prorated for the period between the closing date anniversary and the City's September 30 fiscal year end.

At the 10<sup>th</sup> anniversary of delivery of the bonds to SBU, the City shall provide to SBU an accounting of all gross revenues collected by the City from New ERC's located in the Disputed Territory and shall pay to SBU, within ninety (90) days thereafter an amount equal to ONE THOUSAND TWO HUNDRED DOLLARS (\$1,200.00) for each such New ERC, provided, however, that the maximum total number of New Connections for which the City shall be responsible to pay SBU, from both Disputed and Undisputed Territories shall be 1,900. The accountings provided by the City to SBU shall be in a format reasonably capable of being audited for completeness and accuracy, and shall include the dates and amounts of any rate changes. SBU shall have the right at its expense to audit the City's books and records to verify the revenues and status of new customers and connections.

## ARTICLE IV

### CONDITIONS PRECEDENT TO CLOSING

#### SECTION 4.01. REVENUE VERIFICATION.

(A) Within 5 days after entering into this Agreement, SBU shall prepare, at its expense, and deliver to the City a written billing analysis of all revenues of the Utility System for the 12 month period ending July 31, 1997. Said billing analysis shall be prepared in accordance with generally accepted utility accounting practices as if prepared for a Fla. P.S.C., rate application.

(B) The City has assumed gross water and wastewater revenues from the Utility System of \$2,019,797 and operating expenses of \$785,852 based upon the revenue and expense projections provided by SBU.

(C) The City shall have until December 15, 1997 to examine the billing analysis and cause to be prepared at its expense a due diligence investigation of the revenues and operating expenses and books and records of the Utility System by City staff or a rate consultant or fiscal agent selected by it, and SBU shall reasonably and timely cooperate in such an endeavor. In the event the City reasonably determines that the anticipated revenues developed by the City from SBU's billing analysis and the City's financial due diligence examination do not support and verify the City's assumptions and conclusions set forth in subsection (B) of this section, the City shall have the option of either (1) waiving this condition precedent to closing, (2) renegotiating the Purchase Price with SBU to reflect the findings of the City's due diligence examination, or (3) canceling this Agreement, by written notice delivered on or before December 15, 1997, at which time the City and SBU shall release one another of all further obligations under this Agreement. Failure to timely notify shall be deemed a waiver of this condition.

**SECTION 4.02. ENGINEERING DUE DILIGENCE.** The City shall have the opportunity to cause at its expense a due diligence investigation of the Utility System and the

Purchased Assets and SBU shall reasonably and timely cooperate in such an endeavor. Through the period ending July 31, 1997, the City has estimated that the condition of the Utility System will require capital improvements and renewal and replacement of Purchased Assets in the amount of NINE HUNDRED FIFTY THOUSAND DOLLARS (\$950,000.00) to properly serve the customers of the Utility System. SBU has not verified this amount, but agrees to allow this amount to be utilized as the allowance against SBU, provided that in the event the City determines that the expenditure for capital improvement and renewal required aggregate and replacement of Purchased Assets (inclusive of the Miller Legg Report capital improvement program undertaken by SBU for the period ending July 31, 1997) exceeds NINE HUNDRED FIFTY THOUSAND DOLLARS (\$950,000.00), the allowance shall not increase, and the City shall notwithstanding such forecasted excess expenditure, proceed to close.

**SECTION 4.03 . ISSUANCE OF BONDS.** The City agrees to issue non-marketable, investment grade parity bonds payable solely from the net revenues of the City's consolidated water and wastewater system, in a principal amount sufficient with other available funds to fund (A) that portion of the purchase price set forth in Section 3.03(A)(1) hereof, after adjustments and prorations as provided herein, (B) line extension costs funded by SBU prior to or at closing, and (C) payment of the Transaction Costs funded by SBU at closing. The bonds shall be capable of being converted to fully insured, marketable bonds subsequent to closing, and the City grants to SBU the right, at its cost, to cause the bonds to be so converted, at any time during their term (the "Conversion"), Until such Conversion, SBU cannot transfer the bonds without the prior written consent of the City, except as otherwise provided in this Agreement. The City's obligation to close the transactions contemplated in this Agreement shall be and is expressly conditioned upon the issuance of such bonds. In the event the City, in its reasonable discretion, determines after diligent efforts that such bonds cannot be delivered on or prior to December 1,

1997 for reasons beyond [redacted] control, the City or SBU shall have the option of either (1) extending the closing for a period not exceeding thirty (30) days, (2) waiving this condition precedent to closing or (3) canceling this Agreement, thereupon the City and SBU shall release one another of all further obligations hereunder.

#### **SECTION 4.04. ENVIRONMENTAL ASSESSMENT.**

(A) The City shall have the right to cause an environmental assessment of the real property to be conveyed hereunder. The environmental assessment shall be in general accordance with the scope and limitations of the American Society for Testing and Materials Designation: E 1527-94 (Standard Practice for Environmental Site Assessments: Phase I Environmental Site Assessment Process). Any such environmental assessment, together with a written declaration from an environmental consultant acceptable to SBU shall verify that the real property and other facilities to be conveyed hereunder appear to be in compliance with all applicable state and federal environmental laws, and that the facilities, and property within 100 feet, surrounding the facilities are free of unlawful contamination and, if necessary, provide an itemized estimate of all costs associated with bringing the subject real property and facilities into compliance and the response cost for clean-up, removal and remediation. The environmental consultant shall demonstrate its qualifications to the satisfaction of SBU prior to commencing the environmental assessment. The environmental consultant's qualifications shall be presumptively established if the project manager is a professional engineer who is registered and in good standing with the State of Florida, or a certified environmental professional by the National Association of Environmental Professionals. SBU's acceptance of the environmental consultant shall not be unreasonably withheld. The environmental assessment shall be part of the Transaction Costs.

(B) The environmental assessment is expected to be completed within 30 days after this Agreement is entered into and delivered to the City and SBU, and not less than 10 days prior to

closing. The receipt of an environmental assessment shall be a condition precedent to closing, unless waived by the City. However, if the assessment is not completed, SBU shall have the option to delay the closing for up to 30 days.

(C) If the environmental consultant's aggregate estimate of the costs associated with bringing the subject real property and facilities into compliance and the response costs for clean-up, removal, and remediation is in excess of \$25,000, the excess of which SBU determines not to pay, then the City shall have the option of (1) accepting the property as it then is, or (2) canceling this Agreement, thereupon the City and SBU shall release one another of all further obligations hereunder.

**SECTION 4.05. SURVEY.** Within 5 days after entering into this Agreement, the City shall order a survey of any or all property being insured by the title insurance policies hereunder. Such survey shall be part of the Transaction Costs. Any such survey shall, (A) be received prior to closing and updated thereafter as required by the title insurer; (B) be satisfactory and sufficient for the title insurer to delete the standard exceptions of title insurance coverage concerning encroachments, overlays, boundary line disputes or any other adverse matter which would be disclosed by an accurate survey; (C) be certified as of the current date to the City, SBU the title insurer or any other parties requested by the City; and (D) show the location of all improvements and easements. Adverse matters disclosed by such a survey shall be resolved by SBU so that such matters may be removed as an exclusion to coverage on the title insurance commitment, at SBU's expense, prior to closing. If SBU is unable or unwilling to resolve such adverse matters prior to closing, the City shall have the option of either (1) accepting the property without regard to such adverse matters, or (2) following an additional 30 day period without cure by SBU, canceling this Agreement, thereupon the City and SBU shall release one another of all further obligations hereunder. With respect to survey defects, or in the event the surveys have not been

completed by the date closing, the City shall have the additional option to charge SBU the sum of \$50,000, which shall be treated in the same manner as the City's charge with respect to title defects described in Section 4.06(E), below.

#### **SECTION 4.06. TITLE VERIFICATION.**

(A) Within 5 days after entering into this Agreement, the City shall order a commitment for an ALTA form owner's title insurance policy. Time permitting, the title insurance commitment shall be delivered to the City, with a copy to SBU not less than 15 days prior to the closing as provided for in Section 5.09(A) hereof. Subject to subsection (E) of this section, any encumbrances or defects in title must be removed from said commitment prior to closing and the subsequent title insurance policy issued free and clear of encumbrances, title defects, materialman's liens or other adverse matters, created or potentially created by SBU with the exception of (1) taxes for the current year which are not yet due and payable, (2) the Permitted Exceptions reflected in the schedule attached hereto as Appendix C, and (3) any encumbrance of or created by the City, including any instruments evidencing debt executed by the City at closing.

(B) The estate or interests to be insured by any title insurance policy shall consist of all real property and insurable Easements identified in Appendices E and F hereof.

(C) At closing, the owner's title insurance policy shall show marketable title to the insured estate or interests vested in the City. All charges for the issuance of the owner's title insurance commitment shall be part of the Transaction Costs.

(D) The City shall select a title insurer willing to issue the owner's title insurance policy in an amount determined by the City, for a premium which shall not exceed the minimum rate promulgated by the Florida Insurance Commissioner. This premium shall also be part of the Transaction Costs. Nothing herein shall preclude the City from selecting its own counsel to act as an agent for the title insurer in conjunction with the issuance of the title insurance policy.

(E) Marketable title shall be determined according to applicable Title Standards adopted by authority of The Florida Bar and in accordance with law. The City shall have 5 days from receiving the title commitment to examine it. If title is found defective or the title commitment reflects title exceptions other than those shown on the schedule attached hereto as Appendix C, the City shall thereafter within 3 days, notify SBU in writing specifying the defects. If the defects render the title unmarketable, SBU shall, diligently pursue removing the defects, failing which the City shall have the option of either (1) accepting the property subject to such defects, or (2) canceling this Agreement, thereupon the City and SBU shall release one another of all further obligations. With respect to title defects to the easement titles, the City shall have the additional option to charge SBU the sum of \$50,000.00 which shall be treated as additional Transaction Costs to be deposited with the Clerk of the City in an interest bearing account, to be used to reimburse the City for all actual and verifiable costs experienced by the City in connection with attempting to cure such title defects within one year of the closing date. The remainder of such moneys at the end of the one year period, if any, shall be returned to SBU at the end of the year; provided, however, that the City shall not be entitled to reimbursement for such funds or interest earned thereon, until 180 days after the closing date, during which time period SBU shall be permitted to attempt to cure such defects with its own resources.

(F) Within 5 days after entering into this Agreement, the City shall order a search of the Official Records of Broward County, Florida and the records of the Secretary of State for uniform commercial code financing statements evidencing a secured interest in the Purchased Assets. Such search shall be part of the Transaction Costs. Time permitting, the results of such a search shall be delivered to the City, with a copy to SBU not less than 15 days prior to closing. Any secured interests in the Purchased Assets must be paid off, released or terminated at SBU's expense. In the event all secured interests in the Purchased Assets are not paid off, released or



terminated at or prior to closing, the City shall have the option of either (1) accepting the property subject to such secured interests or (2) canceling this Agreement, thereupon the City and SBU shall release one another of all further obligations hereunder.

**SECTION 4.07. TRANSFER OF PERMITS.** Within 5 days after the execution of this Agreement, SBU shall commence all requisite action to apply for and cause the transfer of the permits and governmental approvals, including the Florida Public Service Commission, and as described in Appendix D hereof, including, operation of the Utility System but not limited to the procedures referenced in Rule 62-4.120, Florida Administrative Code, 40 C.F.R. § 122.63(d) (1980) and 47 C.F.R. § 73 (1980) and shall use all reasonable efforts to obtain the transfer of such permits and approvals. The City shall timely cooperate and provide all reasonably necessary assistance in this endeavor. Upon transfer, the City shall assume all obligations under the permits and governmental approvals necessary for the continued operation of Utility System.

**SECTION 4.08. DEADLINE TO CLOSE AND DISBURSE.**

(A) Notwithstanding any other provision in this Agreement, closing and disbursement to SBU of the purchase price described in Section 3.03, subject to the terms, adjustments and prorations as provided herein, shall occur on or before December 31, 1997, or SBU shall have the option of (1) waiving this condition precedent to closing or (2) canceling this Agreement, thereupon the City and SBU shall release one another of all further obligations hereunder. In the event that the closing is prevented as a result of a third party legal action, then the "on or before" closing date shall be extended automatically until a final determination, through all applicable appeals, is rendered. Such extension however shall not defer the completion of the City's due diligence or the timely fulfillment of all conditions to the City's obligation to close. During any such extension, SBU shall maintain the Purchased Assets in the condition existing at the date of execution of this Agreement, ordinary wear and tear, and depreciation excepted. In the event the

final determination permanently enjoins a closing of the Agreement, then the Agreement shall be cancelled and the City and SBU shall release one another of all further obligations hereunder.

(B) In the event the City has not notified SBU in writing that the City has completed the revenue verification in Section 4.01 hereof and the engineering due diligence in Section 4.02 hereof within the time prescribed therein, SBU shall have the option of canceling this Agreement, thereupon the City and SBU shall release one another of all further obligations hereunder.

## **ARTICLE V CLOSING PROCEDURES**

### **SECTION 5.01. CLOSING DATE AND PLACE.**

(A) It is anticipated that the transactions contemplated by this Agreement will be closed on a mutually agreed upon date between December 1, 1997 and December 31, 1997. The time for closing may be extended pursuant to the provisions of Section 4.08 hereof. The closing shall be held at the offices of the City, or other offices designated by the City.

### **SECTION 5.02. DOCUMENTS FOR THE CLOSING.**

(A) SBU shall furnish at closing a certificate reaffirming SBU's representations and warranties hereunder, and SBU shall furnish a non-foreign affidavit, a no-lien affidavit, a "gap" affidavit, a corporate incumbency certificate, a corporate good standing certificate from the State of Florida, a corporate resolution authorizing the execution of the Agreement, the warranty deed, and the bill of sale, all in substantially the form attached hereto as Appendix R. SBU shall also furnish at closing any necessary assignments, estoppel letters, releases, satisfactions, terminations and any corrective instruments as well as enter into a transfer, assignment and assumption agreement in substantially the form attached hereto as Appendix S, which shall include the assignment of the Land and Vehicle leases scheduled in Appendix T.

(B) The City shall furnish at closing the closing statement, a certificate reaffirming the City's representations and warranties hereunder and enter into a transfer, assignment and assumption agreement in substantially the form attached hereto as Appendix S.

(C) From time to time after closing, each party hereto shall, upon request of the other, execute, acknowledge and deliver, or shall cause to be executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers or other documentation for (1) confirming or correcting title in the name of the City or perfecting undisputed possession by the City of any or all of the Purchased Assets, including the establishment of record of utility easements for all water and wastewater utility facilities which are a part of the Utility System and in existence at the time of closing, or (2) otherwise fulfilling the obligations of the parties hereunder.

#### **SECTION 5.03. RECORDING FEES AND DOCUMENTARY TAXES.**

(A) Recording fees to record the deed and any other instruments necessary to deliver marketable title to the City shall be part of the Transaction Costs.

(B) The Purchased Assets are being purchased by the City for public purposes in lieu of eminent domain and therefore this transaction should be immune from documentary stamp tax, in accordance with the ruling in Orange City v. Department of Revenue, 605 So.2d 1333 (Fla. 5th DCA 1992). If, however, this transaction is subsequently deemed taxable, the City and SBU shall divide equally the cost of the documentary stamps to be affixed to any deed or other instruments of conveyance. The purchase price and consideration being given by the City hereunder constitutes the total consideration to be paid or given by the City in connection with the acquisition of the Purchased Assets and any consequences or impacts incurred by SBU in connection therewith, including, without limitation, any severance damages, loss of business damages or impacts or costs to SBU or any person or entity affiliated with SBU or the Hugh F. Culverhouse Trust dated February 4, 1993.

**SECTION 5.04. PROPERTY TAXES.** All taxes on the Purchased Assets shall be prorated as of the day of closing and, if necessary, SBU shall be required to escrow with the Broward County Tax Collector prorated taxes on the real property in accordance with section 196.295, Florida Statutes.

**SECTION 5.05. ACCOUNTS RECEIVABLE AND CUSTOMER DEPOSITS.**

SBU shall furnish to the City, at least 7 days prior to closing, a listing of its accounts receivable and customer deposits, by customer and individual amount and estimated unbilled revenue through the date of closing. SBU shall assign to the City at closing the accounts receivable and all rights of collection therefor, together with the liabilities of customer deposits, in accordance with the following terms. At the closing, the City shall reimburse SBU for the excess of the sum of outstanding accounts receivable at the time of closing that are not more than 60 days in arrears plus 98% of all unbilled revenue for water and sewer services through the date of closing over the total amount of customer deposits including interest thereon. Should the total customer deposits including interest exceed the sum of outstanding accounts receivable and unbilled revenue, then SBU shall reimburse the City at closing for any excess amount. Unbilled revenues shall be based upon the actual billings for the month immediately preceding the month of the closing and shall be prorated through the date of closing based on the number of days that have elapsed since the last billing period. All amounts received by SBU through the date of closing for outstanding accounts receivable which were collected by SBU subsequent to the date SBU provided the City with the list of outstanding accounts receivable, shall be credited to the City at the closing. After the closing, SBU shall endorse checks received for outstanding accounts receivable and post-closing billings which are payable to SBU in favor of the City and promptly deliver such checks to the City. After closing, SBU authorizes the City to endorse or

deposit checks received and payable to SBU with respect to water and sewer service rendered to the utility's customers.

#### **SECTION 5.06. CONNECTION CHARGES.**

(A) Sums collected by SBU in the ordinary course of business for connection charges, including capacity and deferred standby fees for which service has been actually furnished through physical connection to the Utility System prior to the closing date, shall remain SBU's sole and separate property with no claim of the City therefore, provided however, that each ERC connected after July 31, 1997 and before the closing date shall be deducted from the maximum 1900 new ERC "not to exceed" amount set forth in Section 3.03(A)(2) above.

(B) All sums collected from and after the date of closing relative to the use of, or connection to, the Utility System shall be paid to the City, with no claim of SBU therefore.

(C) All sums for connection charges, including capacity but not including deferred standby fees, collected by SBU through July 31, 1997 which do not result in physical connection to the Utility System prior to the date of closing shall be paid to the City at closing.

(D) All sums for deferred standby fees, collected by SBU prior to closing shall remain SBU's sole and separate property with no claim to the City therefore. However, SBU covenants not to collect any deferred standby fees in advance of physical connection to the Utility System except pursuant to existing written agreements disclosed to the City herein.

(E) From and after the day of execution of this Agreement, SBU shall not enter into any agreement, without prior written consent of the City, which would obligate the City to provide service upon closing to any customer who is not physically connected to the Utility System prior to closing. The City shall not unreasonably withhold its consent provided such agreement does not provide for payment of any charges, rates or fees, other than refundable inspection or application fees, prior to physical connection to the Utility System.

**SECTION 5.07. PROFESSIONAL FEES; COSTS.**

(A) Each party shall be responsible for securing its own counsel for representation relative to the negotiation of this Agreement, and all other matters associated with performance, cancellation or closing hereunder, unless otherwise specified herein, and each party shall be responsible for the payment of the fees of its own attorneys, bankers, engineers, accountants, and other professional advisors or consultants in connection therewith.

(B) In any litigation arising out of this Agreement, each side in such litigation shall bear its own attorney's fees and costs.

**SECTION 5.08. RISK OF LOSS.** At all times prior to and through the day of closing, SBU shall maintain adequate fire and extended insurance coverage for the cost of any repairs to the Purchased Assets that may be required by casualty damage. The risk of loss during the said period of time shall fall upon SBU. The risk of loss shall pass to the City at closing.

**SECTION 5.09. PROCEEDS OF SALE; CLOSING PROCEDURE.**

(A) In order to secure title insurance coverage against the existence of adverse matters recorded during the period of time between the effective date of the title insurance commitment and the date of recording of the documents creating the estate to be insured, SBU and the City agree that the escrow agent for the closing may also be the title insurer, or the title insurer's agent, selected by the City to issue the owner's title insurance policy insuring the real property and insurable easements identified in Appendices A and B hereof.

(B) SBU shall effect the transfer of the Purchased Assets to the City at the escrow closing; these documents shall be in final form, together with any exhibits or appendices thereto:

- (1) Statutory Warranty deed, with warranties of title, for the conveyance of all real property to be conveyed hereunder;
- (2) Conveyance instruments for all Easements;

- (3) A transfer, assignment and assumption agreement covering all other interests in the Purchased Assets, together with a general assignment of all contracts, agreements, permits and approvals as provided for herein;
- (4) Bill of Sale or other documents of assignment and transfer, including vehicle certificates of title, if any, with warranties of title, to all Purchased Assets;
- (5) A Florida Department of Revenue Form DR-219 completed in a manner satisfactory to the City;
- (6) Any affidavits, certificates, estoppel certificates, corrective instruments, releases, satisfactions or terminations necessary to close; and
- (7) The original or a certified copy of all permits, governmental authorizations and approvals.

(C) The disbursement of the revenue bonds and the proceeds from issuance thereof. However, the disbursement of proceeds shall be at the direction of the title insurer, or its agent, in order to secure coverage against adverse matters or defects in title which are recorded during the period of time between the effective date of the title insurance commitment and the date of recording of the document creating the estate or interest to be insured.

(D) Within 90 days after closing, upon written request by the City, SBU shall reimburse the City or pay a prorated portion of any charge, fee or rate for services furnished to the Utility System through the date of closing for water, sewer, power, telephone, solid waste collection, pest control, sludge hauling or general maintenance and reconcile any connection charges, accounts receivables, customer deposits or unexpended application fees or other charges not otherwise considered or accounted for at the time of escrow prior to closing. Within 90 days after closing, upon written request by SBU the City shall reimburse SBU or pay a prorata portion

of any charge, fee or rate for services furnished to the Utility System subsequent to the date of closing for water, sewer, power, telephone, solid waste collection, pest control, sludge hauling or general maintenance and reconcile any connection charges, accounts receivables, customer deposits or unexpended application fees or other charges not otherwise considered or accounted for at the time of escrow prior to closing. Such postreimbursement and reconciliation process may be extended by either party for 30 days upon written notice to the other party.

## **ARTICLE VI**

### **GENERAL PROVISIONS**

**SECTION 6.01. RIGHT TO ENTER.** Prior to closing, the City shall have the right, at any reasonable time with prior notice to SBU, to enter upon SBU's property to inspect the Utility System and the Purchased Assets, to familiarize itself with day-to-day operations, to review the operational practices of SBU, and to ensure compliance with any and all federal and state regulatory requirements.

### **SECTION 6.02. EMPLOYMENT PREFERENCE.**

(A) To the extent that the City may lawfully do so and to the extent that the City has any position available, the City shall grant a preference in hiring to any non-management employee of SBU currently employed in the operation of the Utility System. However, any such applicants must meet the City's employment qualification and pre-employment screening criteria. Any SBU employee granted an employment preference and employed by the City shall be employed on the same basis as any other career service employee newly employed by the City.

(B) The City shall not assume that certain Executive Employment Agreement entered into as of January 1, 1994 between SBU the Hugh F. Culverhouse Trust dated February 4, 1993 and Thomas W. Goodell, or any other employment agreements between SBU and its employees.



SBU shall be responsible for all obligations to and sums due its employees, including, but not limited to, accrued vacation and sick leave.

### **SECTION 6.03. CONDUCT BETWEEN EXECUTION AND CLOSING.**

(A) Upon the execution of this Agreement, SBU shall continue to provide water and wastewater treatment to its current customers in the ordinary and usual manner.

(B) SBU shall prudently maintain the Utility System to ensure its proper operation through closing.

(C) From and after the date of the execution of this Agreement, SBU shall not, without prior written consent of the City, dispose of or encumber any of the Purchased Assets, except any non-material transactions that occur in the ordinary course of SBU's business.

**SECTION 6.04. TIME IS OF THE ESSENCE.** Time is of the essence in this Agreement. Time periods specified in this Agreement shall expire at midnight on the date stated unless the parties agree in writing to a different date or time. Any time period provided for herein which ends on Saturday, Sunday or a legal holiday shall extend to 5:00 p.m. on the next business day.

### **SECTION 6.05. APPLICABLE LAW; JURISDICTION AND VENUE.**

(A) This Agreement shall be governed by and construed in accordance with the laws of the State of Florida.

(B) The parties to this Agreement expressly consent to the jurisdiction of and agree to suit in any court of general jurisdiction in the State of Florida, whether state, local or federal, and further agree that venue shall lie in Broward County, Florida.

### **SECTION 6.06. FAILURE OF PERFORMANCE.**

(A) A breach of this Agreement shall mean a material failure to comply with any of the provisions of this Agreement. If any party breaches any obligation herein, then, upon receipt of

written notice by the breaching party, the breaching party shall proceed diligently and in good faith to take all reasonable actions to cure such breach and shall continue to until such breach is cured.

(B) Unless otherwise provide herein, the parties to this Agreement may proceed at law or in equity to enforce their rights under this Agreement.

#### **SECTION 6.07. NOTICE.**

(A) All notices certificates or other communications hereunder shall be sufficiently given and shall be deemed given when hand delivered or mailed by registered or certified mail, postage prepaid, to the parties at the following addresses:

To the City:            **Ruth Castellon,  
Financial Director  
City of Sunrise  
10770 West Oakland Park Boulevard  
Sunrise, Florida 33351**

with a copy to:

**Jeffrey D. Olson, Esquire  
City Attorney, City of Sunrise  
10770 West Oakland Park Boulevard  
Sunrise, Florida 33351**

with another copy to:

**Phillip C. Gildan, Esquire  
Greenberg, Traurig  
777 South Flagler Drive  
West Palm Beach, Florida 33401**

To SBU:

**South Broward Utilities, Inc.  
c/o The Culverhouse Trust  
3903 Northdale Boulevard, Suite 140F  
Tampa, Florida 33624  
Attention: Eugene Cassidy**

with a copy to:

John F. Cook, Esquire  
Dent & Cook, P.A.  
330 South Orange Avenue  
Sarasota, Florida 34236

with another copy to:

Hugh F. Culverhouse, Jr., Esquire  
One Biscayne Tower, Suite 3599  
Miami, Florida 33131

(B) Any written notice given to one person in subsection (A) of this section shall also be copied and provided to all other persons identified in subsection (A).

(C) The parties may, by notice in writing given to the others, designate any future or different addresses to which the subsequent notices, certificates or other communications shall be sent. Any notice shall be deemed given on the date such notice is delivered by hand or by facsimile transmission or 5 days after the date mailed.

#### **SECTION 6.08. ASSIGNMENT.**

(A) Except as expressly provided for herein, neither SBU nor the City shall have the power or authority to assign this Agreement or any of their rights, duties or obligations hereunder to a third party and this Agreement shall be construed as solely for the benefit of the City and SBU and their successors by law, and no claim or cause of action shall accrue to or for the benefit of any other third party by reason hereof.

(B) Nothing herein shall preclude the lawful dissolution of SBU following the closing. Upon dissolution of SBU, the bonds may be transferred to the shareholder(s) of SBU or to the beneficial interest owners of such shareholder, or to a brokerage firm, for the benefit of such shareholder(s) or its beneficiaries.


**SECTION 6.09. AMENDMENTS AND WAIVERS.** No amendment, supplement, modification or waiver of this Agreement shall be binding unless executed in writing by all

parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision of this Agreement, whether or not similar, unless otherwise expressly provided.


**SECTION 6.10. ENTIRE AGREEMENT.** This Agreement is the entire agreement between the parties and supersedes all prior and contemporaneous agreements, understandings, negotiations and discussions of the agreements, understandings, negotiations and discussions of the parties, whether oral or written, pertaining to the subject matter hereof, and there are no warranties, representations or other agreements between the parties in connection with the subject matter hereof, except as specifically set forth herein. Upon execution by all parties, the City shall provide SBU three complete certified copies of this Agreement, together with copies of all appendices hereto.

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

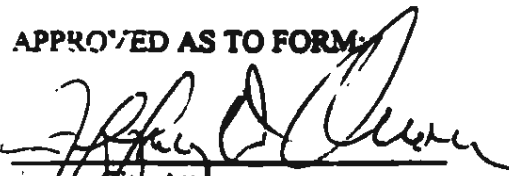
THE CITY OF SUNRISE, FLORIDA

BY:   
STEVEN B. FEREN, its Mayor

AUTHENTICATE:

  
Clerk of the City of Sunrise, Florida  
Meryl Grand  
Assistant City Clerk


APPROVED AS TO FORM:

  
City Attorney

CLAY UTILITY COMPANY, a Florida  
Corporation, d/b/a SOUTH BROWARD  
UTILITY, INC.

BY:   
HUGH F. CULVERHOUSE, JR.,  
its President

ATTEST:

  
SCOTT LYNCH its Secretary

NA582-44378 WASTEWATER UTILITY PURCHASE AGREEMENT-1022-Revised by JFC.doc

**APPENDIX A**  
**The Disputed Territory**

SEARCHED  
SERIALIZED  
INDEXED  
FBI - MEMPHIS  
MAY 19 1968

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Reso 97-229

SOUTH BROWARD UTILITY, INC.  
THE DISPUTED TERRITORY

21

LEGEND



THE DISPUTED TERRITORY



29

2

PLANNED ROAD (2.5L 600)

**APPENDIX B**

**Schedule of Excluded Assets**



**SOUTH BROWARD UTILITIES, INC.  
SCHEDULE OF EXCLUDED ASSETS**

<b><u>Description</u></b>	<b><u>Original Cost</u></b>
<b>Tool Box</b>	<b>\$434</b>
<b>Pressure Cleaner</b>	<b>\$655</b>
<b>Lawn Mower</b>	<b>\$2,892</b>
<b>Laser Printer</b>	<b>\$664</b>
<b>Computer</b>	<b>\$2,205</b>

**APPENDIX C**

**Permitted Exceptions**

## **APPENDIX "C"**

### **Permitted Exceptions**

1. **Taxes for the current year and subsequent years.**
2. **Parcel 1, easements and road rights-of-way as shown or described in the Plats of the property described in Paragraph 5. of Schedule A.**
3. **Parcel 1 is subject to that certain Agreement between Ivanhoe Land Investment, Inc., South Broward Utility, Inc., and CMRCC, Inc., dated October 6, 1981 as filed in Official Records Book 9833, Page 24, of the Public Records of Broward County, Florida.**
4. **Parcels 1 and 2 are subject to the reservations of the Trustees of the Internal Improvement Fund of the State of Florida, and their successors, as set forth in the following Deeds:**
  - A. **Deed recorded February 14, 1921 in Deed Book 8, Page 69, of the Public Records of Broward County, Florida, and Deed recorded in Deed Book 12, Page 443, of the Public Records of Broward County, Florida.**

**Said reservations being more fully set forth as follows:**

**"SAVING AND RESERVING unto the said Trustees of the Internal Improvement Fund of the State of Florida, and their successors, the right at any time to enter upon the said lands and make or cause to be made and constructed thereon such canals, sluice-ways, dikes and other works as may be in the judgment of the said Trustees, or their successors, be necessary and needful for the drainage or reclamation of any of the lands granted to the State of Florida, by an Act of Congress, approved September 18, 1850, and to take from the said lands hereby conveyed and to use such gravel, stone or earth as may, in the judgment of the Trustees, or their successors be necessary to use in the making and construction of said canals, cuts, sluice-ways, dikes and other works upon said lands for the purposes aforesaid."**

5. **Parcels 1 and 2 are subject to the reservations of the Board of Commissioners of the Everglades Drainage District set forth in Quit Claim Deed dated December 11, 1944, and recorded in Deed Book 472, Page 239, of the Public Records of Broward County, Florida, said reservation being more fully set forth as follows:**

**"Grantor does not sell and convey but hereby expressly reserves for itself, its successors and assigns, fifty (50%) percent of all of the oil, gas, minerals, and mineral rights, whether metallic or non-metallic, which it now owns in, on, and under the surface of the lands described herein, with the perpetual right of ingress**

and egress to and from said land for the purpose of drilling, exploring, and mining, and in every way operating for such oil, gas, and minerals, and removing the same, subject always to that certain oil, gas, and mineral lease, dated October 15, 1944, executed by and between the party of the first part herein as Lessor, and the Humble Oil and Refining Company as Lessee".

6. As to Parcels 1 and 2, reservations of the Napoleon B. Broward Drainage District, and its successors, as set forth in Deed dated December 15, 1944, and recorded in Deed Book 469, Page 490 of the Public Records of Broward County, Florida, said reservations being more fully set forth as follows:

"1. Unto the State of Florida the title to an undivided one-half of all petroleum and petroleum products and title to an undivided three-fourths of all minerals which may be found on or under the said land, together with the right to explore for and to mine and develop the same.

2. Unto the State of Florida easement for State road right-of-way two hundred feet wide, lying equally on each side of the center line of any State road existing on the 11<sup>th</sup> day of December, 1944, through so much of any parcel herein described as is within one hundred feet of said center line.

3. Unto the Board of Commissioners of Everglades Drainage District, the governing authority of the Everglades Drainage District, fifty percent of all of the oil, gas and other minerals, and mineral rights, whether metallic or non-metallic, which said Board of Commissioners now owns, in, on and under the surface of the lands described, with the perpetual right of ingress and egress to and from said lands, for the purpose of drilling, exploring and mining, and in every way operating for such oil, gas and minerals, and removing the same.

4. Together with all reservations contained in those two certain deeds..." (Deed from the Trustees of the Internal Improvement Fund of the State of Florida dated December 11, 1944, and from the Board of Commissioners of the Everglades Drainage District, dated December 11, 1944.)

7. As to Parcels 1 and 2, reservations of the Napoleon B. Broward Drainage District contained in Deed dated December 11, 1944, recorded in Deed Book 472, Page 290, of the Public Records of Broward County, Florida, said reservations being more fully set forth as follows:

"AS TO LANDS IN TRACTS OR COMPOSITE TRACTS AGGREGATING TEN (10) ACRES OR MORE RESERVING unto the State of Florida the title to an undivided one-half of all petroleum and petroleum products, and title to an undivided three-fourths of all other minerals which may be found on or under the

**said land together with the right to explore for and to mine and develop the same; and further**

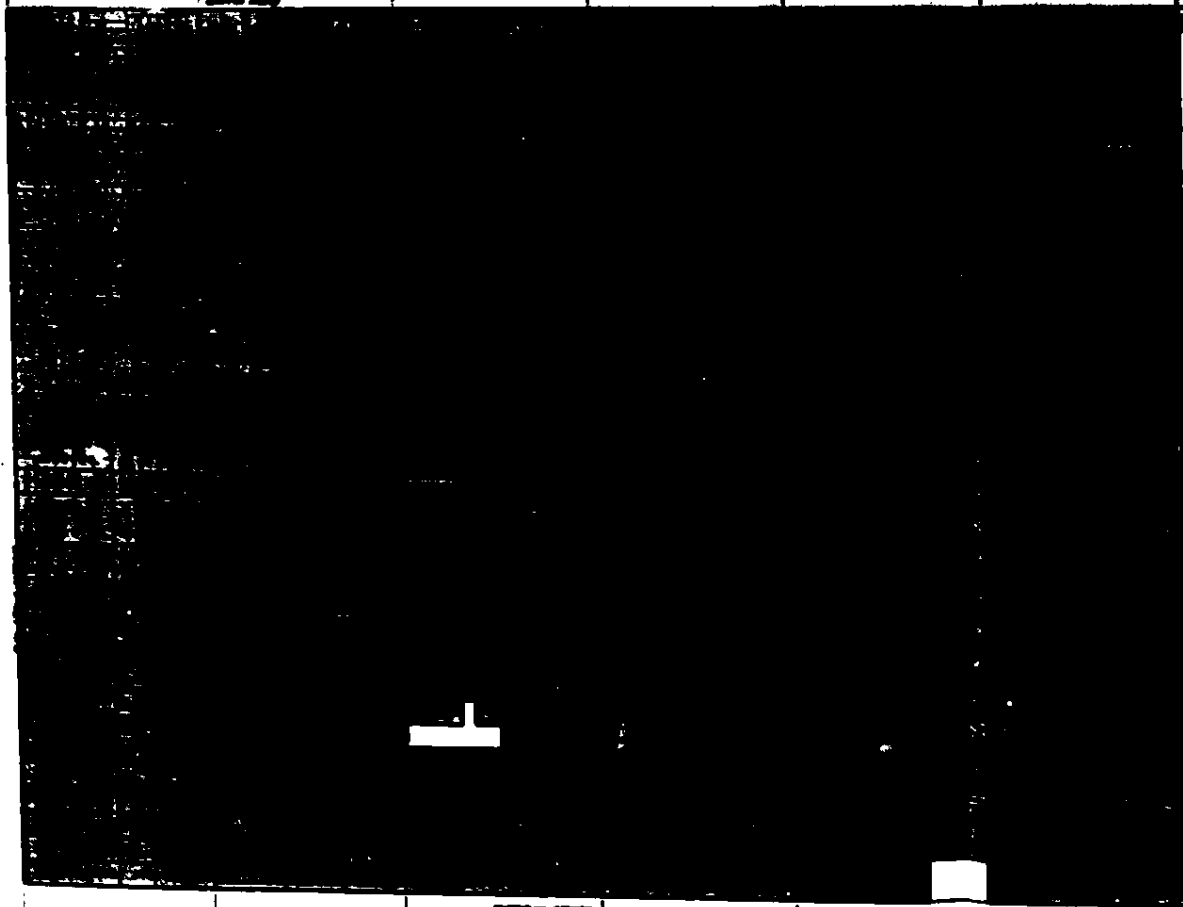
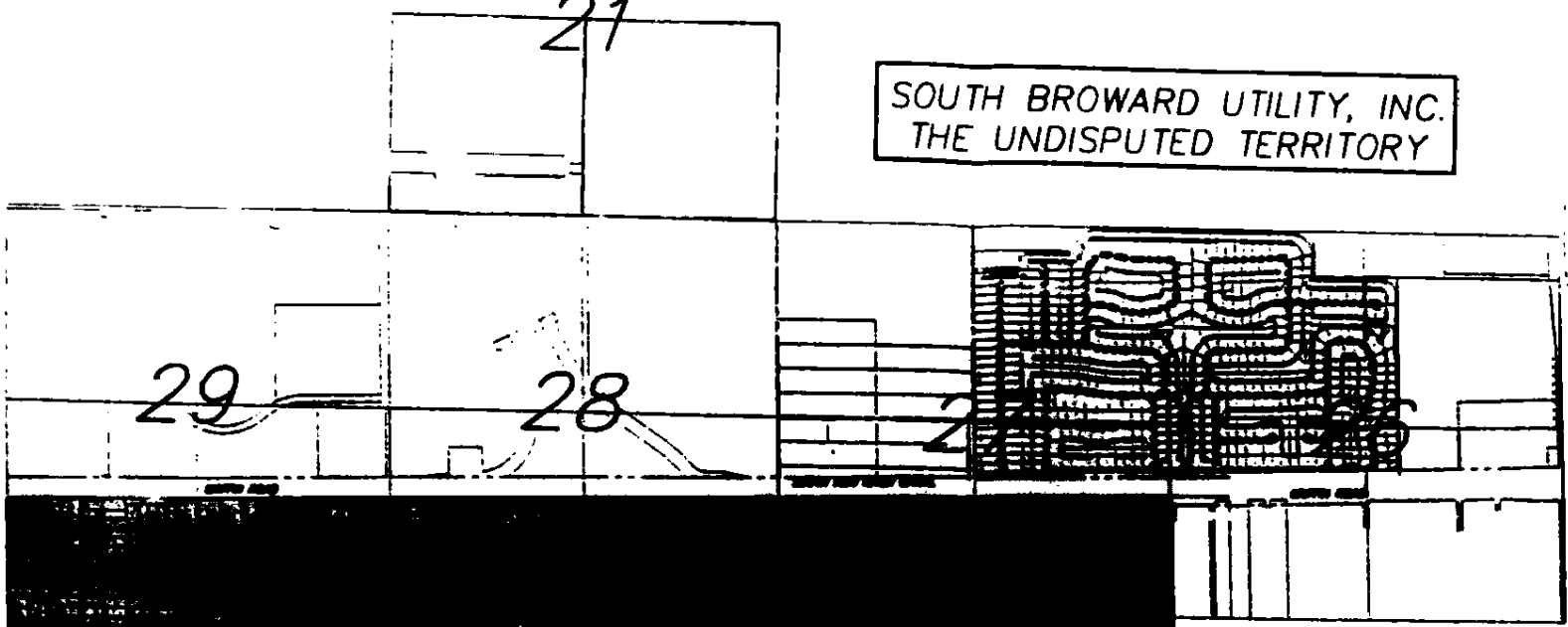
**RESERVING unto the State of Florida easement for State Road Right of Way Two Hundred (200) feet wide lying equally on each side of the center line of any State Road existing on the date of this deed through so much of any parcel herein described as is within One Hundred (100) feet of said center line."**

- 8. As to Parcel 1, those certain roadways as shown on the Plat of CHAMBERS LAND COMPANY'S SUBDIVISION, as recorded in Plat Book 1, Page 5B, of the Public Records of Broward County, Florida.**

**APPENDIX D**

**The Undisputed Territory**

SOUTH BROWARD UTILITY, INC.  
THE UNDISPUTED TERRITORY



**SWA**  
Engineers & Planners  
Land Services  
Environmental Professionals  
1000 N. Broward Blvd., Suite 100  
Fort Lauderdale, FL 33304  
Tel: 754/561-1111  
Fax: 754/561-1112  
www.swa.com

**APPENDIX E**

**Description of Real Property owned by SBU**



## **APPENDIX "E"**

### **Legal Description**

#### **Parcel 1**

- A. **Parcel "A" of the Plat of the S.B.U. Water Plant according to the Plat thereof, recorded in Plat Book 116, Page 47, of the Public Records of Broward County, Florida.**
- B. **All of Parcel "A" of the Plat of S.B.U. Waste Water Plant according to the Plat thereof, recorded in Plat Book 116, Page 39, of the Public Records of Broward County, Florida.**

#### **Parcel 2**

**Together with an ingress and egress Easement under Temporary Access Easement recorded February 28, 1983, in Official Records book 10696, at Page 516, of the Public Records of Broward County, Florida, described as follows:**

**A portion of Tracts 1, 2, 3, 4, 5, 6, 9, and 10 in the NE ¼ of the NW ¼ of Section 4, Township 51 South, Range 40 East, according to CHAMBERS LAND COMPANY SUBDIVISION, as recorded in Plat Book 1, Page 5B, of the Public records of Broward County, Florida, being a 50-foot wide strip of land, the centerline of which is described as follows:**

**Commencing at the northwest corner of the NE ¼ of the NW ¼ of said Section 4, run N.89°43'55"E. along the north line of said Section 4 a distance of 97.45 feet; thence S.0°16'05"E. 10 feet to a Point of Beginning; thence, continue S.0°16'05"E. 155 feet; thence, N.89°43'55" 802.47 feet; thence, S.1°49'12"E. 400 feet; thence, N89°43'55"E. 400 feet; thence, S.1°49'12"E. parallel with and 25 feet west of the east line of the NE ¼ of the NW ¼ of said Section 4 a distance of 1268.88 feet to a point of termination.**

**APPENDIX F**

**Easements used or available to SBU**

**EASEMENT INTERESTS TO BE CONVEYED  
TO THE CITY OF SUNRISE**

All rights, privileges, easements, licenses, prescriptive rights, rights-of-way, and rights to use public and private roads, highways, streets, railroads and other areas owned, used or available to be used by SBU in connection with the construction, reconstruction, installation, expansion, maintenance and operation of the utility system.

All dedicated or platted easements available to or used by SBU in Broward County, Florida.

The following easements are to be insurable:

**SBU EASEMENT E-01**

Unrecorded utility Permanent Easement described in easement from Chelsea at Ivanhoe, a Florida joint venture, in favor of South Broward Utility, Inc., a Florida corporation, dated November 16, 1995.

**SBU EASEMENT E-02**

Utility easement described in Easement Agreement from Hefler Realty Co., a Florida corporation, in favor of South Broward Utility, Inc., a Florida corporation, and recorded in Official Records Book 15687 at Page 787 on October 20, 1988, Public Records of Broward County, Florida.

**SBU EASEMENT E-03**

Letter from The School Board of Broward County, Florida to South Broward Utility, Inc., dated May 20, 1988 stating that the School Board will provide maintenance for both the water and sewer lines on site.

**SBU EASEMENT E-04**

Utility easement described in Permanent Easement from Eli Sfassie and Myra L. Sfassie, his wife, in favor of South Broward Utility, Inc., a Florida corporation, and recorded in Official Records Book 24237 at Page 0009 on January 23, 1995, Public Records of Broward County, Florida.

**SBU EASEMENT E-05**

Utility easement described in Permanent Easement from Regency Square at Broward Joint Venture, a Texas joint venture, in favor of South Broward Utility, Inc., a Florida corporation, and recorded in Official Records Book 24237 at Page 0017 on June 5, 1995, Public Records of Broward County, Florida.

**SBU EASEMENT E-06**

Utility easement described in Permanent Easement from Sheridan Glen, Ltd., a Florida limited partnership, in favor of South Broward Utility, Inc., a Florida corporation, and recorded in Official Records Book 24732 at Page 0071 on April 11, 1996, Public Records of Broward County, Florida.

**SBU EASEMENT E-07**

Utility easement described in Permanent Easement from Ernest Sistrunk, in favor of South Broward Utility, Inc., a Florida corporation, and recorded in Official Records Book 16876 at Page 3983 on August 8, 1995, Public Records of Broward County, Florida.

**EASEMENT INTERESTS TO BE CONVEYED  
TO THE CITY OF SUNRISE**

Page 2 of 4

**SBU EASEMENT E-08**

Utility easement described in Easement Agreement from Heftler Realty Co., a Florida corporation, in favor of South Broward Utility, Inc., a Florida corporation, and recorded in Official Records Book 14172 at Page 453 on February 18, 1987, Public Records of Broward County, Florida.

**SBU EASEMENT E-09**

Utility easement described in Right of Way Agreement from Heftler Realty Co., a Florida corporation, in favor of South Broward Utility, Inc., a Florida corporation, and recorded in Official Records Book 3148 at Page 588 on January 5, 1966, Public Records of Broward County, Florida.

**SBU EASEMENT E-10**

Unrecorded utility easement described in Water and Sewerage Easement from M.J. Dykes and Regina B. Dykes, his wife, in favor of South Broward Utility, Inc., a Florida corporation, dated March 2, 1990.

**SBU EASEMENT E-11**

Unrecorded and unsigned utility easement described in Water and Sewerage Easement from Benedict J. Albano, a single man and Lea A. Lynch, a single woman, in favor of South Broward Utility, Inc., a Florida corporation.

**SBU EASEMENT E-12**

Unrecorded and unsigned utility easement described in Water and Sewerage Easement from Hindu Temple of South Florida, Inc., a non-profit Florida corporation, in favor of South Broward Utility, Inc., a Florida corporation.

**SBU EASEMENT E-13**

Utility easement described in Water and Sewer Easement from Heftler Realty Co., a Florida corporation, in favor of South Broward Utility, Inc., a Florida corporation, and recorded in Official Records Book 18915 at Page 0360 on November 14, 1991, Public Records of Broward County, Florida.

**SBU EASEMENT E-14**

Unrecorded release of easement described in Partial Release of Easement from South Broward Utility, Inc., a Florida corporation, in favor of Heftler Realty Co., a Florida corporation, dated October 24, 1988.

**SBU EASEMENT E-15**

Unrecorded letter dated September 28, 1983 regarding the legal instrument and survey necessary to record an easement from Ivanhoe Lane Investments, Inc., in favor of South Broward Utility, Inc., a Florida corporation.

**SBU EASEMENT E-16 & E-17**

Unrecorded Permit dated September 27, 1995 described in Permit from South Broward Drainage District for two aerial water main crossings, in favor of South Broward Utility, Inc., a Florida corporation.

**EASEMENT INTERESTS TO BE CONVEYED  
TO THE CITY OF SUNRISE**

Page 3 of 4

**SBU EASEMENT E-18**

Utility easement described in Utility Easement from Flagship National Hollywood, a United States Banking Corporation, as Trustee under that certain Land Trust Agreement Trust No. 084659, in favor of South Broward Utility, Inc., a Florida corporation, and recorded in Official Records Book 12911 at Page 307 on October 22, 1995, Public Records of Broward County, Florida.

**SBU EASEMENT E-19**

Unrecorded utility easement described in Easement from Florida Power & Light Co., in favor of South Broward Utility, Inc., a Florida corporation, dated March 26, 1985.

**SBU EASEMENT E-20**

Utility easement described in Amended Temporary Access Easement from Ivanhoe Land Investments, Inc., a Florida corporation, in favor of South Broward Utility, Inc., a Florida corporation, and recorded in Official Records Book 17291 at Page 0942 on March 30, 1990, Public Records of Broward County, Florida.

**SBU EASEMENT E-21**

Unrecorded utility easement described in Easement from Florida Power & Light Co., in favor of South Broward Utility, Inc., a Florida corporation, dated December 5, 1984.

**SBU EASEMENT E-22**

Utility easement described in Utility Easement from Flagship National Hollywood, a United States Banking Corporation, as Trustee under that certain Land Trust Agreement Trust No. 084659, in favor of South Broward Utility, Inc., a Florida corporation, and recorded in Official Records Book 12911 at Page 311 on October 22, 1995, Public Records of Broward County, Florida.

**SBU EASEMENT E-23**

Unrecorded letter dated December 16, 1992 regarding the easement from South Broward Utility, Inc., a Florida corporation, in favor of Hector Rodriguez.

**SBU EASEMENT E-24**

Utility easement described in Utility Easement from Sun Bank/South Florida, N.A., formerly Flagship National of Broward County, N.A., formerly First National Bank of Hollywood, a United States Banking Corporation, as Trustee under that certain Land Trust Agreement Trust No. 084659, dated December 19, 1973, and recorded May 14, 1974 in Official Records Book 5757, Page 229, of the public Records of Broward County, Florida, in favor of South Broward Utility, Inc., a Florida corporation, and recorded in Official Records Book 12431 at Page 481 on April 1, 1985, Public Records of Broward County, Florida.

**SBU EASEMENT E-25**

Unrecorded letter dated December 3 1986 regarding fence in the easement from South Broward Utility, Inc., a Florida corporation, in favor of Heftler Realty Sales, Inc.

**EASEMENT INTERESTS TO BE CONVEYED  
TO THE CITY OF SUNRISE**

Page 4 of 4

**SBU EASEMENT E-26**

Utility easement described in Utility Easement from Ivanhoe Land Investments, Inc., in favor of South Broward Utility, Inc., a Florida corporation, and recorded in Official Records Book 12911 at Page 315 on October 22, 1985, Public Records of Broward County, Florida.

**SBU EASEMENT E-27**

Utility easement described in Utility Easement from South Broward Drainage District, a political subdivision of the State of Florida, in favor of South Broward Utility, Inc., a Florida corporation, and recorded in Official Records Book 17439 at Page 0922 on October 22, 1989, Public Records of Broward County, Florida.

**SBU EASEMENT E-28**

Utility easement described in Warranty Deed from Ivanhoe Land Investments, Inc., a corporation existing under the laws of Florida, in favor of South Broward Utility, Inc., a Florida corporation, and recorded in Official Records Book 19716 at Page 573 on July 27, 1992, Public Records of Broward County, Florida.

**APPENDIX G**

**Schedule of Plans and Specifications**

# South Broward Utility Prints Log

Project	Subdivision	Drawing Type	Date	Engineer
<b>Chelsea</b>				
	Chelsea at Ivanhoe	Water & Sewer Asbuilts	08/08/95	Craig A. Smith
	Chelsea at Ivanhoe	Paving & Drainage Asbuilts	02/28/96	Craig A. Smith
	Chelsea at Ivanhoe	Sewer Profiles	08/31/95	Craig A. Smith
	Chelsea at Ivanhoe	Paving & Drainage Details	01/23/95	Craig A. Smith
	Chelsea at Ivanhoe	Water Detail & Notes	12/08/94	Craig A. Smith
	Chelsea at Ivanhoe	Sewer Details & Notes	11/22/94	Craig A. Smith
	Chelsea at Ivanhoe	Water & Sewer Details & Notes	11/22/94	Craig A. Smith
<b>Coquina Meadows</b>				
	Coquina Meadows	Water & Sewer Asbuilts	12/14/94	Keith & Schnars
	Coquina Meadows	Sewer Profiles	09/16/94	Keith & Schnars
	Coquina Meadows	Lift Station Asbuilts	04/01/94	Keith & Schnars
<b>Crossbow</b>				
	Sheridan Glen	Water & Sewer Asbuilts	10/19/95	Robert H. Miller
<b>Estates of Stirling Lakes</b>				
	Estates of Stirling Lakes	Water Asbuilts	06/25/94	Flynn Engineering
	Estates of Stirling Lakes	Water Asbuilts	10/13/92	Consul-Tech
	Estates of Stirling Lakes	Sewer Asbuilts	05/04/92	Consul-Tech
	Estates of Stirling Lakes	Water & Force Main Extension Asbuilts	11/01/89	Consul-Tech
	Estates of Stirling Lakes	Water Main & Turn Lane Asbuilts	06/28/93	Consul-Tech
<b>Falcon's Lea</b>				
	Falcon's Lea	Water & Sewer Asbuilts	01/21/87	Robert H. Miller
	Falcon's Lea	Sewer Profiles	02/05/87	Robert H. Miller
	Falcon's Lea Patio Homes	Water Asbuilts	11/24/87	Berry & Calvin
	Falcon's Lea Patio Homes	Sewer Asbuilts	10/09/87	Berry & Calvin
	Falcon's Lea Patio Homes	Sewer Profiles	02/01/87	Berry & Calvin
	Falcon's Lea	Paving Drainage & Water Sewer Asbuilts	01/10/90	Robert H. Miller
<b>Hawkes Bluff</b>				
	Hawkes Bluff Elementary	Water & Sewer Asbuilts	02/21/89	Robert H. Miller
	Hawkes Bluff	Water Asbuilts	07/21/88	Berry & Calvin
	Hawkes Bluff	Sewer Asbuilts	06/28/88	Berry & Calvin
	Hawkes Bluff Parcel 'A'	Paving & Drainage Asbuilts	04/05/89	Berry & Calvin
	Hawkes Bluff Parcel 'A'	Water & Sewer Asbuilts	04/05/89	Berry & Calvin
	Hawkes Bluff Parcel 'A'	Sewer Profiles	04/05/89	Berry & Calvin
	Hawkes Bluff Parcel 'A'	Cross Sections & Drainage Details	01/18/89	Berry & Calvin
	Hawkes Bluff Parcel 'A'	Water Distribution System Details	11/01/88	Berry & Calvin
	Hawkes Bluff Parcel 'A'	Sanitary Sewer System Details	11/01/88	Berry & Calvin
	Hawkes Bluff Parcel 'A'	Specifications	11/01/88	Berry & Calvin
	Les Chateaux Village Homes	Water & Sewer Asbuilts	10/03/90	Robert H. Miller
<b>Hawkes Bluff "Too"</b>				
	Hawkes Bluff "Too"	Sewer Asbuilts	10/25/88	Berry & Calvin
	Hawkes Bluff "Too"	Water Asbuilts	08/26/88	Berry & Calvin
	Hawkes Bluff "Too"	Water Main Extension Asbuilts	08/30/88	Consul-Tech
	Hawkes Bluff "Too"	Water Main Extension Asbuilts	05/11/90	Consul-Tech
	Hawkes Bluff "Too"	Water Main Extension Asbuilts	05/11/90	Consul-Tech
<b>Ivanhoe Estates</b>				
	Ivanhoe Estates	Water Main Extension Asbuilts	12/14/95	Miller, Legg & Ass
<b>Meadowview Estates</b>				



## South Broward Utility Prints Log

Project	Subdivision	Drawing Type	Date	Engineer
<b>Meadowview Estates</b>				
		Water Record Drawing	08/30/93	Associated Engine
<b>New Testament Baptist Church</b>				
	New Testament Baptist Church	Water Asbuilts	06/16/93	Robert H. Miller
	New Testament Baptist Church	Water Main Extension Asbuilts	06/16/93	Robert H. Miller
<b>Regency</b>				
	Regency	Water & Sewer Asbuilts	09/06/89	Consul-Tech
<b>Sunshine Ranches</b>				
	Volunteer Road	Water Main Extension Asbuilts	11/29/88	Post Buckley
	Palomino Drive	Water Main Extension Asbuilts	11/28/88	Post Buckley
	Hancock Road	Water Main Extension Asbuilts	11/28/88	Post Buckley
	Griffin Road	Water Main Extension Asbuilts	11/28/88	Post Buckley
	Pedigree Lane	Water Main Extension Asbuilts	11/28/88	Post Buckley
	Lake Lane	Water Main Extension Asbuilts	11/28/88	Post Buckley
	Sunshine Ranches	Construction Details	11/28/88	Post Buckley
	Sessa Residence	Water Main Extension Asbuilts	02/20/91	Consul-Tech
	Hancock to 86th Manor	Water Main Extension Asbuilts	03/26/91	Consul-Tech
	Palomino Road Ph. 1	Water Main Extension Asbuilts	10/12/94	Robert H. Miller
	Palomino Road Ph. 2	Water Main Extension Asbuilts	03/05/96	Miller Legg & Asso
<b>Wastewater Treatment Plant</b>				
	Waverly Hundred	Aerobic Sludge Digester Addition	11/01/95	Eckler Engineering
	Waverly Hundred	Sewage Treatment Plant	11/16/85	Waltz and Frye Eng
	Waverly Hundred	Wastewater Treatment Plant	08/07/90	Berry & Calvin
<b>Water Treatment Plant</b>				
	Waverly Hundred	Water Treatment Plant	10/01/89	Berry & Calvin
<b>Waterford</b>				
	Waterford	Water Asbuilts		Berry & Calvin
	Waterford	Sewer Asbuilts		Berry & Calvin
	Ivanhoe O-Lot Line Homes	Water Asbuilts	04/04/86	Berry & Calvin
	Ivanhoe O-Lot Line Homes	Sewer Asbuilts	04/04/86	Berry & Calvin
	Waterford	Water Asbuilts	11/20/85	Post Buckley
<b>Waverly Hundred</b>				
	Waverly Hundred	Water & Force Main Asbuilts	11/01/89	Consul-Tech
	Waverly Hundred II	Sewer Asbuilts	04/04/90	Consul-Tech
	Waverly Hundred II	Pump Station Asbuilts	04/04/90	Consul-Tech
	Waverly Hundred	Water Asbuilts	03/29/90	Consul-Tech

**APPENDIX H**

**Schedule of Current Permits with Status Report**

**South Broward Utility, Inc.  
License/Permit Schedule**

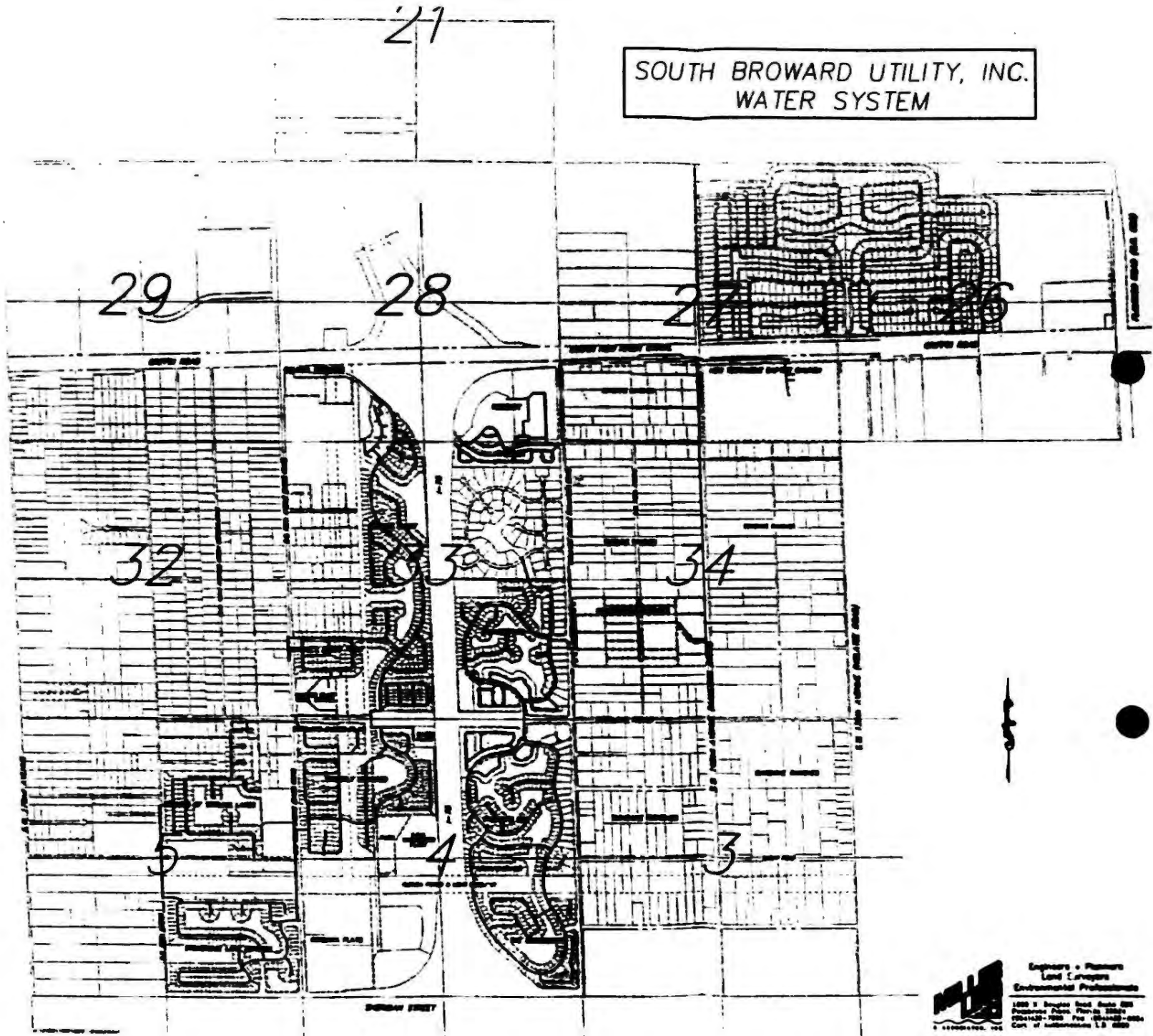
<b>Permit</b>	<b>Submittal Date</b>	<b>Expiration Date</b>	<b>Permit #</b>	<b>Comment</b>
<b>WATER TREATMENT PLANT</b>				
Water Use Permits (SFWM)-Consumptive Use Permits	-	09/09/98	08/00435-W	Renewal Application Complete-Ready for Submittal
Water Operating Permit (HRS - BCHD)	-	09/30/98	W - 11039	Preparation of Application In Process
Hazardous Material Facility License (BCDNRP) DNRP Site, ID 5839840 (Water)	-	07/31/98	WHM-05748-86	
Hazardous Material Storage - Dept. of Community Affairs	-	12/31/97	59-1886-980	Application Due 03/01/98
DEP (Sanitary Survey Report)	-	-	PWS ID 4064326	Report Submitted to BCHD
SFWM - Right of Way Permit for C-11 Canal crossing MLA No. 7802-23	-	08/31/99	10724	Canal crossing with 8" FM and 12" water main
SFWM - Right of Way Permit for C-11 Canal crossing MLA No. 7802-24	09/97	-	-	Plans submitted for review - (Verbal approval) - Approval scheduled for October 13 Board Meeting
Broward County Engineering Division - Northwest/Southwest Water Main Extension Plans approval letter (9/26/97) MLA No. 7802-24	09/97	09/26/98	970925100	Letter of approval from BCHD for NW/SW water main extension
Broward County Public Health Unit - HRS - NW/SW Water Main Extension MLA No. 7802-24	09/97	-	-	Plans submitted for review - waiting for approval
South Broward Drainage District (SBDD) - Permit for crossing of canal/culvert Northwest/Southwest Water Main Extension MLA No. 7802-24	09-97	-	-	Plans submitted for review - waiting for approval
<b>WASTEWATER TREATMENT PLANT</b>				
Wastewater Operating Permit (DEP)	-	03/14/98	FLA013580-001	Preparation of Application In Process
Broward County License to Operate (Wastewater) (BCDNRP)	-	07/01/98	W-622-0	
Hazardous Material Facility License (BCDNRP) DNRP Site, ID 588890 (Wastewater)	-	11/30/97	HM-05447-85	Renewal Application Complete-Ready for Submittal
Hazardous Material Storage - Dept. of Community Affairs	-	12/31/97	59-1886-980	Application Due 03/01/98
Wastewater - AG Use (DEP)	-	-	-	Included in Wastewater Operating Permit
<b>OTHER</b>				
Storage Tank Registration - State of Florida (DEP)	-	-	28103	Tank is Registered
State of Florida-Dept. of Community Affairs EPCRA/Title III-Right to Know Act	-	03/01/98	59-1886-980	Due by 03/01 of each year
Occupational License (94-05287) 15400 Watermill Road	-	09/30/98	98-05287	
Broward County Air Pollution License (BCDNRP)	-	11/01/97	AO-83138R	Application Submitted to BCDNRP

**APPENDIX I**

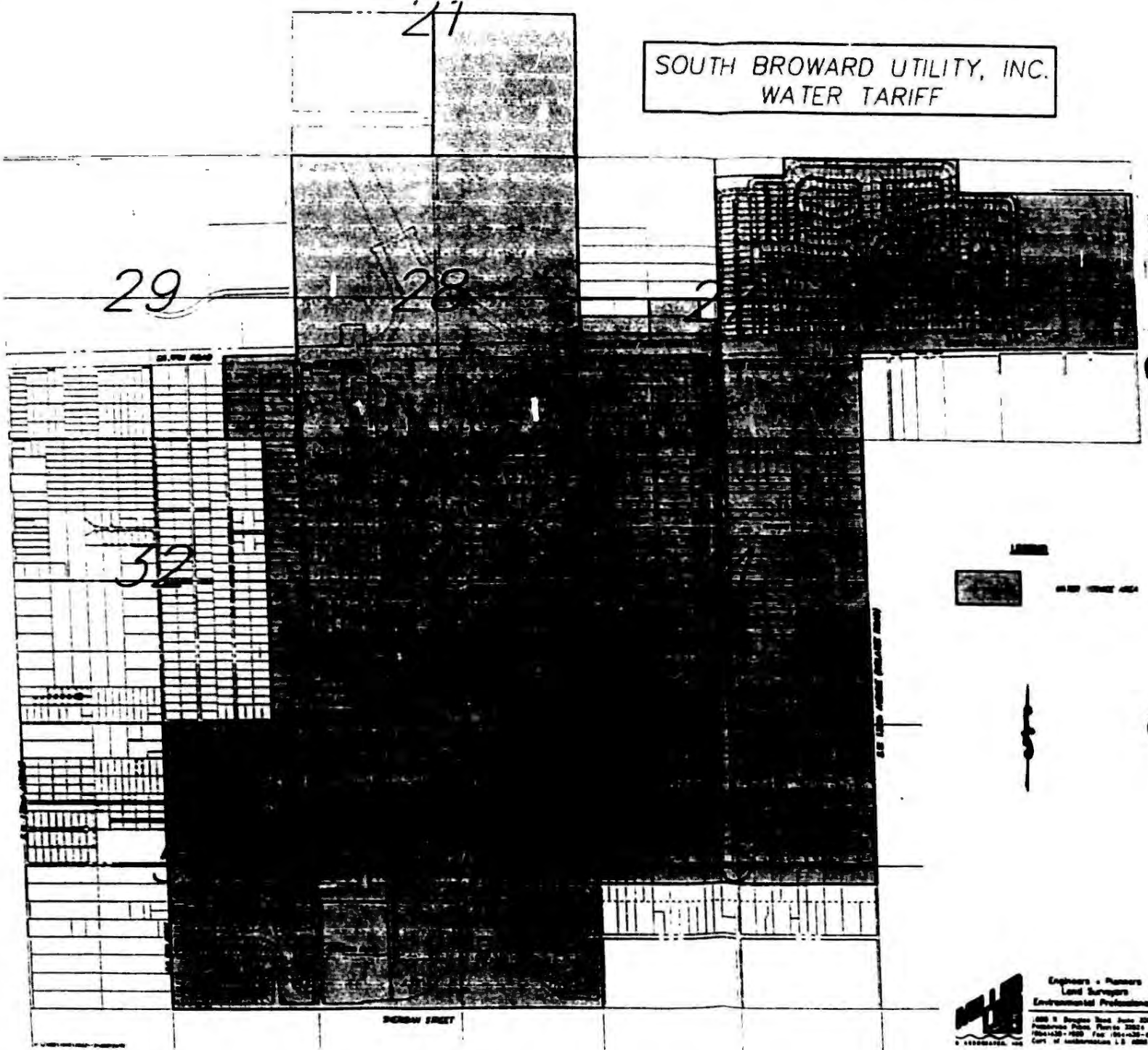
**Water -**

**Map of Facilities and Certificated Area**

SOUTH BROWARD UTILITY, INC.  
WATER SYSTEM



SOUTH BROWARD UTILITY, INC.  
WATER TARIFF



SHERMAN STREET



Engineers • Planners  
Land Surveyors  
Environmental Professionals

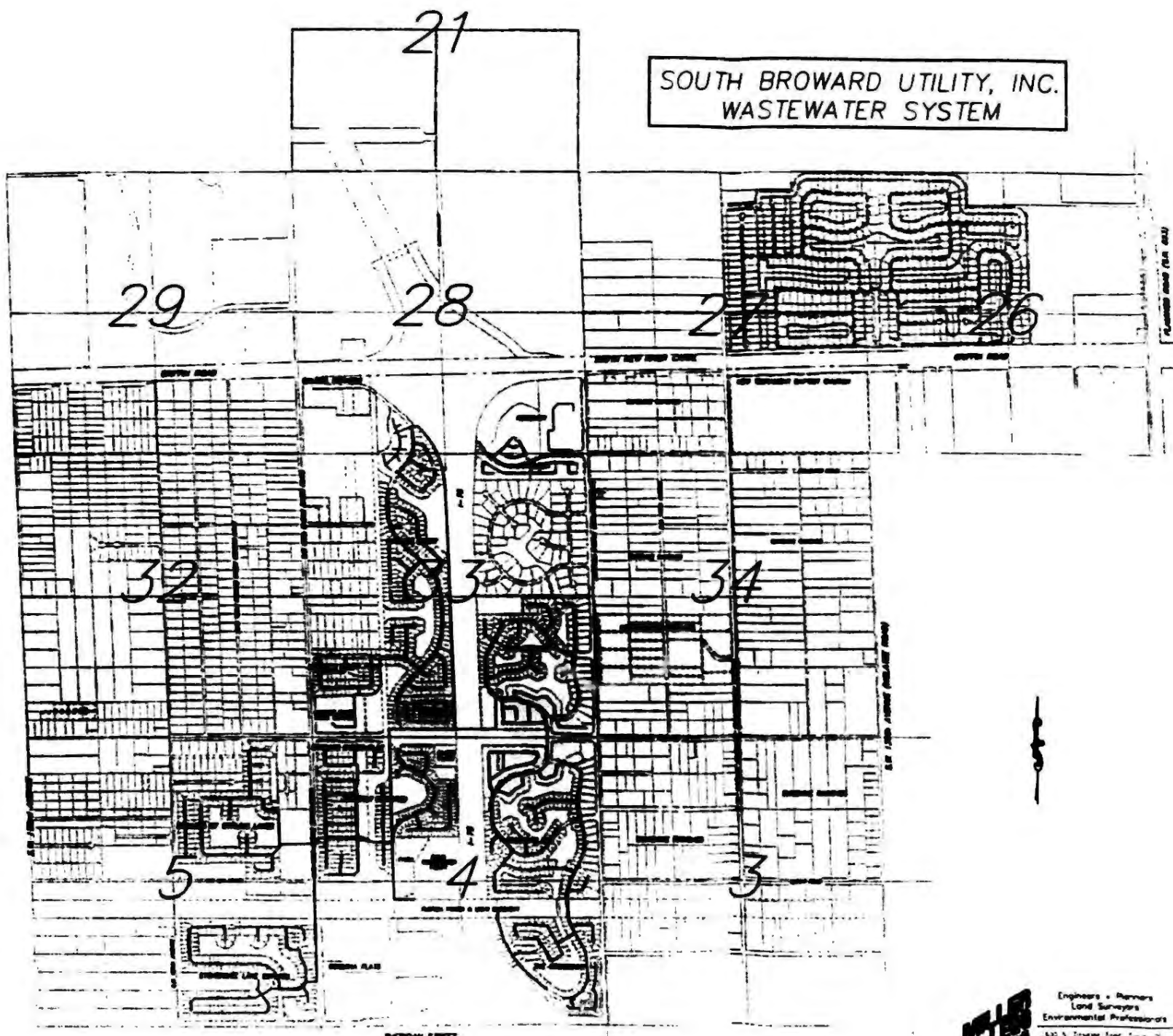
1000 N. Douglas Blvd., Suite 200  
Pompano Beach, Florida 33064  
Phone: 954-782-1000 Fax: 954-782-1004  
Cert. of Incorporation 1-5-1988

**APPENDIX I**

**Wastewater -**

**Map of Facilities and Certificated Area**

SOUTH BROWARD UTILITY, INC.  
WASTEWATER SYSTEM



PLANNED AND FOR 2011

PLANNED AND FOR 2011

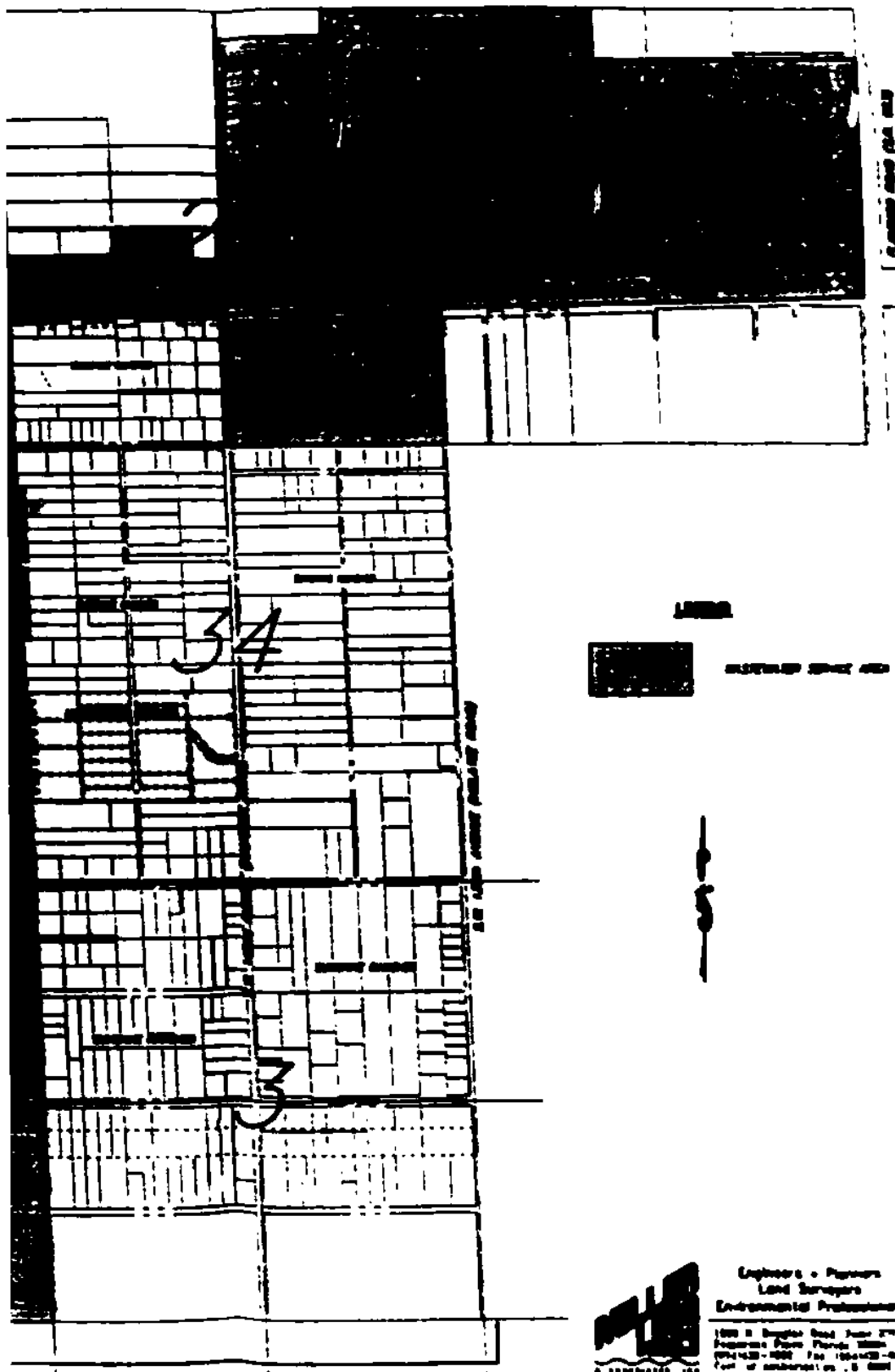
BRADY STREET

**M&L**  
Engineers • Planners  
Land Surveyors  
Environmental Professionals

130 N. Douglas Blvd., Suite 201  
Ft. Lauderdale, FL 33304  
954-478-1900 Fax 954-478-1910  
City of Fort Lauderdale, FL 33304



**SOUTH BROWARD UTILITY, INC.  
WASTEWATER TARIFF**



**APPENDIX J**

**Schedule of Assets and Accumulated Depreciation**

**South Broward Utility, Inc.**  
**Schedule of Assets & Acc. Depreciation**

Asset Life	Purchase Date	Original Cost	Accumulated Depreciation	Book Value
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**WATER SYSTEM**

<b>Franchise Expenditures</b>							
10,305.11	Franchise Exp	40	12	86	37,730	8,094	29,636
10,305.12	Franchise Exp.	0	12	96	52,434		52,434
10,305.14	Franchise Exp. 94 to 8/96	0	8	96	<u>138,643</u>		<u>138,643</u>
					<u>228,807</u>	<u>8,094</u>	<u>220,713</u>
<b>Land &amp; Land Improvements</b>							
10,305.09	Land Improvements	33	7	83	115,584	52,832	62,752
301.01	Land & Land Rights	0	1	85	110,000		110,000
10,305.10	Landscaping	33	1	86	34,422	13,125	21,297
10,305.13	Land Improvements	33	10	96	<u>12,816</u>	<u>356</u>	<u>12,460</u>
					<u>272,822</u>	<u>66,313</u>	<u>206,509</u>
<b>Atlas</b>							
10,304.09	Atlas Updates	33	6	96	5,666	166	5,480
10,304.10	Atlas Updates	33	12	96	1,338	37	1,301
10,304.11	Atlas Updates	33	7	97	<u>11,841</u>	<u>0</u>	<u>11,841</u>
					<u>18,845</u>	<u>224</u>	<u>18,621</u>
<b>Buildings &amp; Structures</b>							
10,304.01	Office Building	33	1	86	159,811	56,097	103,714
10,304.02	Generator Building	33	1	86	14,928	5,239	9,689
10,304.03	Pumping Building	33	1	86	74,642	26,200	48,442
10,304.04	Electric Building	33	1	86	26,731	9,383	17,346
10,304.05	Concrete Pole Differ.	33	1	86	13,890	4,876	9,014
10,304.06	Chlorine Building	33	1	86	34,920	12,256	22,664
160,347.01	Buried 50 Pair Cable	15	1	86	4,100	3,164	936
170,348.02	Fencing	10	1	86	14,105	14,105	0
170,348.03	Fencing	10	1	86	600	600	0
10,304.07	Asphalt & Concrete	33	6	89	38,313	9,385	28,928
10,304.08	Water Plant Exp.-1989	33	12	89	712,031	163,624	548,407
170,348.04	Improvements to fences	10	12	92	3,778	1,764	2,014
170,348.06	Electric Door	10	6	95	<u>1,272</u>	<u>266</u>	<u>1,006</u>
					<u>1,099,121</u>	<u>306,958</u>	<u>792,163</u>
<b>Plant Equipment</b>							
110,339.05	Tool Box	25	12	12	434	132	302
60,320.01	Accelerator	22	1	86	385,651	203,052	182,599
60,320.02	Filter	22	3	86	162,770	85,702	77,068
60,320.03	Refiltering Tank	20	1	86	47,224	26,061	21,163
60,320.04	Silo & Lime Feed	20	1	86	253,783	140,061	113,722
60,320.05	Chlorinator	10	1	86	45,996	35,160	10,836
110,339.02	Hydropnumatick Tank	25	1	86	44,883	20,794	24,089
120,340.04	Refrigerator	15	1	86	209	166	43
140,345.02	Chain Saw	13	1	86	228	206	22
60,320.06	Feed System	10	3	88	8,480	6,179	2,301
60,320.07	Filter	10	12	89	277,730	180,314	97,416
110,339.03	2 CUSTOM FBR GLSS TANKS	25	2	89	5,817	1,959	3,858
110,339.04	HOLDING TANK	25	3	89	3,974	1,338	2,636
110,339.06	Tank	25	12	89	39,502	11,981	27,521
140,345.04	Pressure Cleaner	13	7	89	656	401	255

**South Broward Utility, Inc.**  
**Schedule of Assets & Acc. Depreciation**

Asset Life	Purchase Date	Original Cost	Accumulated Depreciation	Book Value	
140,345.05	Weed Eater	13 7 89	138	83	53
110,339.07	General Equipment	25 4 91	332	82	250
110,339.08	General Equipment	25 10 91	3,722	855	2,867
60,320.08	Master Water Meter & Tank	15 12 92	3,524	1,077	2,447
110,339.09	GEAR FOR MIXER	25 4 92	4,988	1,048	3,940
60,320.09	Modification to Equipment	20 7 94	5,000	750	4,250
60,320.10	To rebuild lime slacker	20 12 94	7,080	941	6,119
110,339.13	WEIGHTH FOR FLUORIDE	25 2 95	2,383	229	2,134
110,339.14	LIME SLACKER REBUILT	25 8 95	1,026	89	937
110,339.15	FLOW METER	25 2 98	442	28	416
140,345.10	Lawn Mower	13 12 98	<u>2,892</u>	<u>121</u>	<u>2,571</u>
			<u>1,308,820</u>	<u>718,805</u>	<u>589,815</u>
<b>Hydrants</b>					
100,335.01	Yard	45 1 88	2,488	839	1,849
100,335.02	FIRE HYDRANTS	45 8 89	22,283	4,000	18,283
201,335.04	Fire Hydrants-Multicon	45 3 91	6,247	880	5,387
201,335.05	Fire Hydrants-Ivanhoe	45 3 91	38,364	5,400	32,964
201,335.07	Fire Hydrants-SE Shop. Center	45 3 91	9,800	1,380	8,420
201,335.08	Fire Hydrants-Akerman	45 7 91	9,100	1,212	7,888
201,335.09	Fire Hydrants-Rozzo	45 3 91	4,128	582	3,546
201,335.10	HYDRANTS - HEFTLER	45 12 92	31,259	3,185	28,074
201,335.12	HYDRANTS - HANCOCK	45 10 93	10,850	904	9,946
201,335.13	HYDRANTS - HANCOCK	45 10 93	3,000	172	2,828
201,335.16	AARON HYDRANTS	45 7 93	1,341	29	1,312
201,335.14	FIRE H. ENGLE H. SONTE R.	45 9 95	23,520	958	22,562
201,335.18	Systrunk	45 7 95	4,800	222	4,578
201,335.15	FIRE H. CHELSEA SPEAR G.	45 11 95	11,000	407	10,593
201,335.17	FIRE HYDRANTS HYNDU TEMPLE	45 2 92	<u>1,421</u>	<u>235</u>	<u>1,186</u>
			<u>179,581</u>	<u>20,208</u>	<u>159,375</u>
<b>Generators</b>					
40,310.01	Auxiliary-Generator	20 1 88	49,781	28,820	20,941
40,310.02	Portable Generator	20 9 88	<u>1,455</u>	<u>790</u>	<u>665</u>
			<u>51,216</u>	<u>29,609</u>	<u>21,607</u>
<b>Laboratory Equipment</b>					
130,344.01	Lab Equip. Installed	15 1 88	28,019	20,093	5,926
130,344.02	Lab Equipment	15 1 88	2,859	2,051	608
130,344.03	Lab Equipment Additions	15 1 88	2,599	1,923	676
130,344.04	Lab Equipment Additions	15 4 88	<u>3,825</u>	<u>2,103</u>	<u>1,722</u>
			<u>35,102</u>	<u>26,170</u>	<u>8,932</u>
<b>Transmission &amp; Distribution</b>					
30,309.01	Supply Mains	33 1 88	160,480	54,662	105,818
80,331.01	12 inch Main	33 1 85	56,527	17,451	39,076
170,348.01	Conduit Under I-75	10 1 88	58,215	58,215	0
181,331.01	Waterford	43 1 88	155,065	41,771	113,294
181,331.02	Waterford-Tract A B C	43 1 88	63,884	15,724	48,160
181,331.03	Falcon's Lea	43 12 88	145,080	35,708	109,372
191,333.01	Waterford	40 1 88	13,200	5,560	13,640
191,333.02	Waterford-Tract A B C	40 12 88	18,676	4,942	13,734
191,333.03	Falcon's Lea	40 12 88	34,525	9,134	25,391
201,335.01	Waterford	45 1 88	15,460	3,981	11,479
201,335.02	Waterford-Tract A B C	45 12 88	16,910	3,978	12,932

**South Broward Utility, Inc.**  
**Schedule of Assets & Acc. Depreciation**

	Asset Life	Purchase Date	Original Cost	Accumulated Depreciation	Book Value
181,331.04	43	7 87	523,449	122,746	400,703
80,331.02	33	6 89	23,441	5,328	18,113
181,331.05	43	2 89	121,432	24,004	97,428
181,331.06	43	6 89	238,287	44,796	193,491
181,331.07	43	1 89	276,551	55,201	221,350
181,331.08	43	12 89	216,150	40,634	175,516
181,331.09	43	11 89	75,144	13,545	61,599
181,331.10	43	2 90	10,499	1,811	8,688
181,331.11	43	3 91	33,625	4,952	28,673
181,331.12	43	3 91	151,893	22,370	129,523
181,331.13	43	3 91	38,958	5,739	33,220
181,331.14	43	3 91	45,294	6,670	38,624
181,331.15	43	3 91	51,800	7,644	44,256
181,331.16	43	7 91	50,025	6,979	43,046
181,331.17	43	3 91	18,470	2,722	15,748
191,333.07	40	3 91	47,594	8,429	39,165
201,331.11	45	3 91	3,915	652	3,263
201,331.13	45	8 91	11,350	1,699	9,651
181,331.18	43	12 92	156,811	16,715	140,096
181,331.19	43	12 92	11,998	1,279	10,719
181,331.40	43	2 92	12,484	2,090	10,394
181,331.20	43	10 93	57,446	5,011	52,435
181,331.21	43	10 93	8,050	702	7,348
181,331.22	43	10 93	43,585	3,802	39,783
181,331.23	43	10 93	2,400	209	2,191
201,331.12	45	10 93	6,625	992	5,633
181,331.33	43	12 94	31,596	3,307	28,289
181,331.00	43	7 95	36,327	1,780	34,547
181,331.24	43	9 95	243,513	10,382	233,131
181,331.25	43	9 95	14,095	601	13,494
181,331.28	43	11 95	71,818	2,783	69,035
181,331.27	43	11 95	10,400	403	9,997
181,331.28	43	12 95	1,229	45	1,184
80,331.04	33	3 96	351	14	337
80,331.05	33	5 96	134	5	129
80,331.06	33	2 96	65	3	62
80,331.07	33	7 96	11,611	352	11,259
181,331.34	43	3 96	60	2	58
181,331.35	43	7 96	22,618	526	22,092
181,331.36	43	7 96	1,119	26	1,093
181,331.36	43	8 96	7,774	286	7,488
181,331.39	43	2 96	2,871	94	2,777
191,333 11	40	8 96	84,225	1,930	82,295
201,335 03	45	12 86	<u>27,150</u>	<u>6,383</u>	<u>20,767</u>
			<u>3,547,354</u>	<u>686,746</u>	<u>2,861,608</u>
<b>Meters &amp; Installation</b>					
90,334 01	20	7 86	15,675	6,688	8,987
90,334 02	20	7 86	447	246	201
90,334 03	20	7 87	1,350	683	667
90,334 04	20	7 87	1,917	967	950

**South Broward Utility, Inc.**  
**Schedule of Assets & Acc. Depreciation**

Asset Life	Purchase Date	Original Cost	Accumulated Depreciation	Book Value	
90,334.05	Falcons Lea	20 7 87	20,830	10,504	10,326
90,334.06	Crossbow	20 7 87	2,866	1,444	1,422
90,334.08	Falcon's Lea	20 2 88	1,282	609	673
90,334.09	Falcon's Lea	20 3 88	2,276	1,072	1,204
90,334.10	Falcon's Lea	20 4 88	368	170	198
90,334.11	Falcon's Lea	20 5 88	2,554	1,182	1,372
90,334.12	Falcon's Lea	20 6 88	2,772	1,272	1,500
90,334.14	Crossbow	20 2 88	1,664	789	875
90,334.15	Crossbow	20 4 88	295	139	156
90,334.16	Crossbow	20 5 88	116	54	62
90,334.17	Crossbow	20 6 88	1,580	724	856
90,334.18	Hawke's Bluff	20 6 88	1,580	724	856
90,334.19	Hawke's Bluff	20 7 88	2,501	1,135	1,366
90,334.20	Crossbow	20 8 88	721	324	397
90,334.21	FALCON'S LEE	20 12 88	3,628	1,555	2,073
90,334.22	HAWKE'S BLUFF	20 12 88	3,343	1,447	1,896
90,334.23	HAWKE'S BLUFF TWO	20 11 88	983	429	554
90,334.24	SUNSHINE RANCHES	20 12 88	2,248	972	1,278
90,334.25	HAWKE'S BLUFF	20 1 89	595	258	339
90,334.26	HAWKE'S BLUFF	20 1 89	2,015	856	1,159
90,334.27	HAWKE'S BLUFF	20 3 89	5,211	2,173	3,038
90,334.28	SUNSHINE RANCHES	20 1 89	914	393	521
90,334.29	METERS-HAWKES BLUFF	20 5 89	1,965	810	1,155
90,334.30	HAWKES BLUFF-METERS	20 6 89	2,365	964	1,401
90,334.31	METER SUNSHINE RANCHES	20 7 89	200	80	120
90,334.32	METERS HAWKE'S BLUFF	20 7 89	2,663	1,064	1,599
90,334.33	METERS-FALCON'S LEE	20 8 89	47	17	30
90,334.34	METERS-HAWKES BLUFF	20 8 89	1,983	792	1,191
90,334.35	METERS-HAWKES BLUFF	20 8 89	1,376	551	825
90,334.36	METERS-HAWKES BLUFF	20 8 89	2,202	880	1,322
90,334.37	METERS-HAWKES BLUFF	20 9 89	1,975	783	1,192
90,334.38	Hawkes Bluff	20 10 89	1,965	769	1,196
90,334.39	Hawkes Bluff	20 10 89	1,390	546	844
90,334.40	METERS-REGENCY	20 6 90	1,071	381	690
90,334.41	METERS-HAWKS BLUFF	20 4 90	736	287	449
90,334.42	METERS-WAVERLY	20 1 90	2,294	861	1,433
90,334.43	METERS-WAVERLY	20 2 90	4,681	1,736	2,945
90,334.44	METERS-WAVERLY	20 4 90	6,959	2,523	4,436
90,334.45	METERS-WAVERLY	20 5 90	1,965	712	1,253
90,334.46	METERS-WAVERLY	20 6 90	1,896	672	1,224
90,334.47	METERS-WAVERLY	20 7 90	4,681	1,639	3,042
90,334.48	METERS-WAVERLY	20 9 90	2,222	759	1,463
90,334.49	METERS-WAVERLY	20 10 90	344	115	229
90,334.50	METERS-WAVERLY	20 10 90	500	169	331
90,334.51	METERS DYKES ROAD	20 7 90	1,725	603	1,122
90,334.52	METERS WAVERLY	20 11 90	280	93	187
90,334.53	METERS REGENCY	20 12 90	790	222	568
90,334.55	METERS WAVERLY	20 12 90	1,994	656	1,338
90,334.61	Meters Hawkes Bluff II	20 2 91	1,922	624	1,298
90,334.62	Meters Hawkes Bluff	20 10 91	981	282	699

**South Broward Utility, Inc.**  
**Schedule of Assets & Acc. Depreciation**

	Asset Life	Purchase Date	Original Cost	Accumulated Depreciation	Book Value
90,334.64 Meters Sunshine Ranches	20	9 91	637	189	448
90,334.85 Meters Waverly	20	5 91	1,560	481	1,080
90,334.70 Meters Sunshine Ranches	20	6 91	332	102	230
90,334.66 Waverly	20	6 91	249	74	175
90,334.68 Waverly	20	6 91	2,286	685	1,601
90,334.69 Waverly	20	6 91	981	282	699
90,334.71 Meters Waverly	20	6 91	332	29	303
90,334.72 60 METERS	20	9 92	2,427	182	2,245
90,334.73 METERS - HAWKES BLUFF	20	7 92	1,390	349	1,041
90,334.74 METERS - HAWKES BLUFF	20	7 92	33	10	23
90,334.75 METERS - HAWKES BLUFF TOO	20	9 92	275	69	206
90,334.76 METERS - WAVERLY	20	4 92	571	153	418
90,334.77 METERS - WAVERLY	20	4 92	77	22	55
90,334.78 METERS - WAVERLY	20	5 92	2,254	592	1,662
90,334.79 METERS - WAVERLY	20	7 92	895	225	670
90,334.80 METERS - WAVERLY	20	9 92	125	30	95
90,334.81 METERS - WAVERLY	20	12 92	953	224	729
90,334.82 METERS - WAVERLY	20	10 92	330	80	250
90,334.83 METERS - REGENCY	20	7 92	77	21	56
90,334.84 METERS	20	6 93	2,330	477	1,853
90,334.85 METERS	20	6 94	2,308	346	1,962
90,334.86 METERS	20	3 94	2,855	476	2,379
90,334.87 METERS	20	6 94	2,409	380	2,029
90,334.88 METER BOXES	20	1 95	1,291	161	1,130
90,334.89 60 METERS	20	3 96	2,421	222	2,199
90,334.90 60 METERS	20	4 96	2,421	222	2,199
90,334.91 180 METERS	20	7 96	7,191	360	6,831
90,334.92 60 METERS	20	2 96	2,427	172	2,255
90,334.93 60 METERS	20	7 96	2,425	162	2,263
90,334.94 60 METERS	20	1 96	2,427	151	2,276
90,334.95 48 METERS 12 COVERS	20	7 96	2,680	134	2,546
90,334.96 68 METERS	20	7 96	3,244	176	3,068
90,334.97 5 METERS	20	7 96	<u>273</u>	<u>13</u>	<u>260</u>
			<u>185,388</u>	<u>65,647</u>	<u>119,742</u>
<b>Office Equipment &amp; Furniture</b>					
120,340.07 Office Furniture	15	7 87	1,075	724	351
120,340.17 Computer	6	10 91	2,205	2,115	90
120,340.27 1 REFRIGARATOR	6	5 91	392	392	0
120,340.20 OFF. FURNT. & EQUIP-IVANH PURC	15	9 92	260	93	167
140,345.07 OFF. FURNT. & EQUIP-IVANH PURC	6	12 92	957	429	528
140,345.09 FAX MACHINE	13	5 93	424	140	284
120,340.25 LASER PRINTER	5	10 94	664	366	298
120,340.26 COPIER	15	10 95	888	108	780
120,340.28 CARPET	6	6 96	449	88	361
150,346.01 Telephone	11	1 86	<u>41</u>	<u>44</u>	<u>0</u>
			<u>7,355</u>	<u>4,499</u>	<u>2,860</u>
<b>Pumping Equipment</b>					
50,311.01 Well Pump Pipe Valves	20	1 86	32,345	18,731	13,614
50,311.02 Other Pumping Equipment	20	1 86	237,371	137,479	99,892
50,311.03 Pumping Equipment	20	7 87	548	274	274

**South Broward Utility, Inc.**  
**Schedule of Assets & Acc. Depreciation**

	<b>Asset Life</b>	<b>Purchase Date</b>	<b>Original Cost</b>	<b>Accumulated Depreciation</b>	<b>Book Value</b>
50,311.04 Pumping Equipment	20	7 87	8,707	4,388	4,319
50,311.05 Pump for Lift Station	20	5 88	4,256	1,969	2,287
50,311.06 Pumping Equipment	20	7 89	300	120	180
50,311.07 Pumping Equipment	20	10 89	1,797	704	1,093
50,311.08 Pumping Equipment	20	12 89	8,031	2,288	3,743
50,311.10 General Pump Equip.	20	4 91	7,510	2,348	5,162
50,311.11 Pumps	20	5 91	3,205	987	2,218
50,311.12 Pumping Equip.	20	3 91	2,122	672	1,450
50,311.13 Pump & Motor	20	12 92	1,579	362	1,217
50,311.14 Pump & Motor	20	6 92	1,315	329	986
50,311.15 New Pump	20	8 94	1,000	150	850
50,311.16 New Pump	20	10 94	611	84	527
50,311.17 Trn City Equipment to save electricity	20	7 94	9,005	1,388	7,617
50,311.18 Pumps Upgrade	20	12 95	890	75	815
50,311.19 Rebuilt Breaker	20	2 96	4,815	522	4,293
50,311.20 Pump	20	2 96	4,812	361	4,451
50,311.21 Pump	20	2 96	<u>725</u>	<u>54</u>	<u>671</u>
			<u>328,944</u>	<u>173,286</u>	<u>155,658</u>
70,330.01 Dist.-Reservoirs	40	1 83	<u>243,856</u>	<u>73,580</u>	<u>170,276</u>
<b>Services, Wells &amp; Springs</b>					
20,307.01 Wells & Springs 3X12in.	30	1 86	45,596	17,605	27,991
191,333.04 Services - Rozzo	40	3 91	6,662	1,182	5,480
191,333.05 Services - SE Shop.Center	40	7 91	250	39	211
191,333.08 Services - Multicon	40	3 91	5,431	963	4,468
191,333.09 Services - SE Shop.Center	40	3 91	38,300	6,784	31,516
191,333.10 SERVICES HEFTLER	40	12 92	31,219	3,575	27,644
20,307.02 Wells & Spr.-Wtr.Pl.Exp	30	12 89	<u>92,586</u>	<u>23,402</u>	<u>69,184</u>
			<u>220,044</u>	<u>53,550</u>	<u>166,494</u>
<b>Total Water Assets</b>			<u>7,728,056</u>	<u>2,233,686</u>	<u>5,494,372</u>
<b>WASTEWATER SYSTEM</b>					
292,381.04 Mapping System	35	6 96	17,807	496	17,311
292,381.06 Atlas	35	7 97	<u>4,598</u>	<u>120</u>	<u>4,478</u>
			<u>22,405</u>	<u>617</u>	<u>21,788</u>
<b>Structures &amp; Improvements</b>					
222,354.01 Office Building	32	1 86	46,053	16,669	29,384
222,354.02 Electrical Building	32	1 86	26,694	9,662	17,032
222,354.03 Concrete Pole Diffe.	32	1 86	13,870	5,018	8,852
222,354.04 Chlorine Building	32	1 86	35,618	12,892	22,726
222,354.05 Lift Station Building	32	1 86	84,478	30,580	53,898
222,354.06 Oxidation Tank	18	1 86	390,709	238,405	152,304
292,381.01 Plant - Sewer	35	1 86	32,300	10,690	21,610
222,354.10 Fence for Wtrfrd Lift S	25	10 88	900	290	610
222,354.15 Air Conditioning	18	6 91	568	244	324
222,354.16 Structures & imp.	32	7 91	888,470	163,248	725,222
222,354.19 Plant Exp.	32	10 91	7,801	1,404	6,397
282,380.08 Other Tang. Plant	18	7 91	212,629	74,615	137,814



**South Broward Utility, Inc.**  
**Schedule of Assets & Acc. Depreciation**

Asset	Purchase	Original	Accumulated	Book	
Life	Date	Cost	Depreciation	Value	
292,381.02	SEWER PLANT EXP.	35 7 91	283,493	47,850	235,643
222,354.18	Misc. Improvements	15 5 94	1,437	312	1,125
322,398.06	NEW GATE	15 11 94	9,864	1,809	8,055
222,354.20	Carpet	5 6 96	449	86	363
322,398.01	Fencing	10 1 86	<u>26,079</u>	<u>26,079</u>	<u>0</u>
			<u>2,061,412</u>	<u>640,054</u>	<u>1,421,358</u>
<b>Collections</b>					
232,362.01	Special Coll Plant Exp.	40 7 91	175,100	28,091	147,009
343,361.22	COLLECTIONS - HEFTLER	20 12 92	191,662	43,923	147,739
353,362.05	SPECIAL COLLECTIONS HEFTLER	30 12 92	52,951	8,090	44,861
343,361.23	COLL. GRAVITY-ENGLE H.-STONE R	45 9 95	224,222	9,135	215,087
343,361.25	COLL. FORCE-ENGLE H.-STONE R	45 9 95	29,189	1,189	28,000
343,362.24	COLL. GRAVITY-CHELSEA-SPEAR G	45 11 95	78,875	2,922	75,953
353,362.07	SPEC. COLL-ENGLE H.-STONE R.	30 9 95	<u>87,780</u>	<u>5,365</u>	<u>82,415</u>
			<u>639,779</u>	<u>98,714</u>	<u>741,065</u>
<b>Franchises</b>					
222,352.01	Original Franchise	40 12 86	37,730	8,094	29,636
222,352.02	FRANCHISE EXP 8-12/96	0 12 96	52,236		52,236
222,352.03	FRANCHISE EXP 94 TO 8/96	0 8 96	<u>154,733</u>		<u>154,733</u>
			<u>244,699</u>	<u>8,094</u>	<u>236,605</u>
<b>Land</b>					
212,353.01	Land & Land Rights	0 7 83	600,000		600,000
222,354.12	Land Improvements	32 1 86	34,372	13,516	20,856
222,354.13	Land Improvements	32 7 83	<u>383,152</u>	<u>180,602</u>	<u>202,550</u>
			<u>1,017,524</u>	<u>194,117</u>	<u>623,407</u>
<b>Lift Stations</b>					
332,360.01	Plant Lift Station	30 1 86	4,348	1,854	2,494
333,360.01	Waterford	30 1 86	78,565	30,336	48,229
333,360.02	Falcon's Lea	30 12 86	26,855	9,474	17,381
333,360.04	Lift St.-Waterford	30 1 86	85,050	28,587	56,463
333,360.05	Lift St.-Falcon's Lea	30 12 86	109,785	34,150	75,615
222,354.09	Add'l Elec/Lift Station	25 8 88	10,724	4,060	6,664
333,360.07	Lift St.-Waverly	30 2 90	67,840	15,734	52,106
333,360.06	Lift St.-From Ivanhoe	30 3 91	121,720	24,681	97,039
333,360.06	Heftler	30 12 92	40,705	6,220	34,485
232,262.03	New Lift Station	40 5 95	6,366	345	6,021
333,360.09	Engle Homes - Stone Ridge	30 9 95	41,160	2,516	38,644
333,360.10	Lift Station - Heftler	30 12 92	<u>27,137</u>	<u>4,147</u>	<u>22,990</u>
			<u>620,235</u>	<u>162,103</u>	<u>458,132</u>
<b>Lines - Collections - Gravity</b>					
322,398.04	Conduit Under I-75	10 1 86	58,134	58,134	0
343,361.01	Waterford-Lines	45 1 86	204,596	52,668	151,928
343,361.02	Waterford-Manholes	30 1 86	54,691	21,118	33,573
343,361.03	Waterford Tract Line	45 12 86	61,523	14,470	47,053
343,361.04	Waterford Tract Manhole	30 12 86	24,773	8,742	16,031
343,361.05	Falcon's Lea - Lines	45 12 86	256,316	60,282	196,034
343,361.06	Falcon's Lea Manholes	30 12 86	49,841	17,583	32,258
343,361.07	Sewer Plant - Lines	45 7 87	523,450	117,292	406,158

**South Broward Utility, Inc.**  
**Schedule of Assets & Acc. Depreciation**

Asset Life	Purchase Date	Original Cost	Accumulated Depreciation	Book Value			
343.361.08	FALCON'S LEA SWR LINES	45	2	89	118,182	22,322	95,840
343.361.09	SEWER-CIAC 2000000	45	1	89	676,552	129,045	547,507
343.361.10	SWR.MAINS & LFT.ST.-ILI	45	7	89	324,226	58,242	285,984
343.361.11	Sewer Mains-Hawkes B.	45	11	89	81,096	13,967	67,129
343.361.21	MAINS & MANHOLES	45	2	90	20,968	3,462	17,506
343.361.13	Mains - Ivanhoe	45	3	91	671	96	575
343.361.14	Fittings-Ivanhoe	45	3	91	2,493	351	2,142
343.361.15	Mains - SE Shop.Center	45	3	91	12,101	1,705	10,396
343.361.16	Mains - Multicon	45	3	91	31,620	4,478	27,342
343.361.17	Mains - Multicon	45	3	91	12,728	1,793	10,933
343.361.18	Pipes - Ivanhoe	45	3	91	266,845	37,556	229,289
343.361.19	Mainholes - Ivanhoe	45	3	91	73,201	10,303	82,898
343.361.20	Mains-SE Shop.Center	45	3	91	46,700	6,573	40,127
232.262.50	LINES - SYSTRUNK	45	3	96	351	11	340
343.362.25	CHELSEA LINES	45	2	98	2,871	90	2,781
343.362.26	SYSTRUNK LINES	45	3	98	80	2	58
343.361.26	MAINS -GEMSTAR HOMES	45	12	95	1,229	43	1,186
					<u>2,906,396</u>	<u>640,328</u>	<u>2,266,068</u>
<b>Other Equipment</b>							
222.354.07	Cleaners	32	1	86	436,923	158,158	278,765
242.364.01	Measuring Devices	5	1	86	12,423	12,423	0
252.365.01	Measuring Instruments	38	1	86	2,485	756	1,729
272.371.01	General	18	1	86	49,693	31,979	17,714
282.380.01	Aerator	18	1	86	19,719	8,365	11,354
282.380.03	Chlorinator	10	1	86	31,058	31,058	0
302.389.01	Instrumentation	18	1	86	62,118	39,973	22,143
312.394.01	Installed By Contractor	15	1	86	6,212	4,797	1,415
312.394.02	Ratio-Turnidimeter	15	1	86	1,408	1,088	320
272.371.02	Power Equipment Tractor	18	7	87	5,880	3,295	2,585
282.380.05	Sewer Plant Equipment	18	7	87	8,142	4,559	3,583
222.354.08	Tank for Lift Station	25	6	88	1,200	459	741
222.354.11	Storage Tank	18	10	89	2,941	1,242	1,699
282.380.06	SEWER PLANT EQUIPMNT	18	6	89	4,153	1,866	2,287
242.364.02	Flow Measuring Services	5	7	91	1,488	1,488	0
252.365.03	Flow Measuring Inst.	38	7	91	213	51	162
282.380.07	Treatment Equip.	10	7	91	79,736	46,367	33,369
302.397.02	Miscellaneous Equip.	15	7	91	33,360	13,491	19,869
282.380.09	MASTER METER	18	1	93	4,829	1,229	3,600
282.380.11	AERATOR	18	8	95	14,178	1,510	12,668
302.397.03	SCALE	15	3	95	3,116	484	2,632
302.397.04	PH METER	15	5	96	474	40	434
312.394.03	Lab Equipment Plant Exp.	15	7	91	13,569	829	12,740
					<u>795,316</u>	<u>365,508</u>	<u>429,808</u>
322.398.03	Perculation Pond	10	1	86	15,529	15,529	0

**South Broward Utility, Inc.**  
**Schedule of Assets & Acc. Depreciation**

Asset Life	Purchase Date	Original Cost	Accumulated Depreciation	Book Value
------------	---------------	---------------	--------------------------	------------

<b>Pumping Equipment</b>							
272,371.30	Sludge Pump	15	7	94	1,853	381	1,472
272,371.31	3 new pumps	15	8	94	660	128	532
272,371.32	Pump Upgrade	15	12	95	5,551	617	4,934
353,362.08	Engle Homes Stone Ridge	30	9	95	61,740	3,774	57,967
353,362.09	Engle Homes	30	9	95	43,050	2,392	40,658
272,371.33	Moter for pump	15	3	96	225	14	211
272,371.34	Pump	15	2	96	725	72	653
353,362.10	Rebuild Pumps	30	7	97	20,700	633	20,068
353,362.11	New Pumps	30	7	97	11,925	364	11,561
272,371.35	Pumps for lift station	15	11	96	<u>8,861</u>	<u>394</u>	<u>8,467</u>
					<u>155,290</u>	<u>8,769</u>	<u>146,521</u>
<b>Services</b>							
232,362.04	Services	38	10	96	4,625	236	4,389
363,363.01	Waterford	38	1	86	15,700	4,785	10,915
363,363.02	Waterford Tract A B C	38	12	86	18,164	5,059	13,105
363,363.03	Falcon's Lea	38	12	86	44,350	12,352	31,998
363,363.04	S.E. Shopping Center	38	1	89	17,277	3,904	13,373
363,363.05	Services - Multicon	38	3	91	8,370	1,369	7,001
363,363.06	Services	38	3	91	56,485	9,239	47,246
363,363.07	Services-SE Shop.Ctr.	38	3	91	6,200	1,014	5,186
363,363.08	Services Hefter	38	12	92	39,165	4,725	34,440
363,363.09	Services Engle Homes Stone Ridge	38	9	95	<u>52,864</u>	<u>2,550</u>	<u>50,314</u>
					<u>263,200</u>	<u>45,232</u>	<u>217,968</u>
292,381.05	Sludge Digester Wells	20	4	97	<u>267,935</u>	<u>3,349</u>	<u>264,586</u>
262,370.01	Receiving Wells	30	1	86	22,038	8,511	13,527
333,360.03	Well - Hefter	20	12	92	<u>4,859</u>	<u>1,114</u>	<u>3,745</u>
					<u>28,897</u>	<u>9,625</u>	<u>17,272</u>
	<b>Total WasteWater Assets</b>				<u>9,235,617</u>	<u>2,192,039</u>	<u>7,043,578</u>
	<b>Grand Total</b>				<u>18,963,673</u>	<u>4,425,724</u>	<u>12,537,950</u>

**APPENDIX K**

**Schedule of Operating and Vendor Contracts**

## **SCHEDULE OF OPERATING AND VENDOR CONTRACTS**

### **SERVICE CONTRACTS SC-01**

#### **Utility Billing Services**

Agreement between Atlantic Utilities Corporation, a Florida corporation and South Broward Utility, Inc. dated October 9, 1992 and Addendum dated April 26, 1993.

### **SERVICE CONTRACTS SC-02**

#### **Professional Engineering Services**

Agreement between Donald A. Eckler, P.E., d/b/a Eckler Engineering and South Broward Utility, Inc., a corporation in the State of Florida, dated October 31, 1994 to provide professional engineering and consulting services in connection with the Study, permitting, design of expansions, renovations or improvements at the Water and Wastewater Treatment Plants.

### **SERVICE CONTRACTS SC-03**

#### **Sludge Removal and Disposal**

Between J & J Baker Enterprises, Inc. and South Broward Utility, Inc., dated March 27, 1995 to provide the removal and disposal of sludge from the wastewater treatment plant.

**APPENDIX L**

**Schedule of Executory Contracts (developer agreements)**

**SCHEDULE OF EXECUTORY AGREEMENTS  
DEVELOPER AGREEMENTS**

(A) The following instruments are agreements under which South Broward Utility, Inc. has continuing obligations. Additionally, the County is expected to assume the following developer agreements:

**SBU DEVELOPER AGREEMENT D-01**

Agreement between South Broward Utility, Inc., a Florida corporation and Chelsea at Ivanhoe, a Florida joint venture dated September 26, 1994, recorded in Official Records Book 22847 at page 0439, Public Records of Broward County, Florida.

**SBU DEVELOPER AGREEMENT D-02**

First Amendment to Agreement between South Broward Utility, Inc., a Florida corporation and Chelsea at Ivanhoe, a Florida joint venture, dated October 7, 1994, recorded in Official Records Book 22847 at page 0454, Public Records of Broward County, Florida

**SBU DEVELOPER AGREEMENT D-03**

Second Amendment to Agreement between South Broward Utility, Inc., a Florida corporation and Chelsea at Ivanhoe, a Florida joint venture, dated May 2, 1995, recorded in Official Records Book 23525 at page 0135, Public Records of Broward County, Florida

**SBU DEVELOPER AGREEMENT D-04**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and Hefter Realty Co., dated July 13, 1989.

**SBU DEVELOPER AGREEMENT D-05**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and Hefter Realty Co., dated March 27, 1987.

**SBU DEVELOPER AGREEMENT D-06**

Agreement between South Broward Utility, Inc., a Florida corporation and Ivanhoe Land Investments, Inc., dated September 8, 1986, recorded in Official Records Book 13719 at page 544, Public Records of Broward County, Florida.

**SBU DEVELOPER AGREEMENT D-07**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and Sue Ackerman Trust, by Sue Ackerman as Trustee, dated February 28, 1991.

**SBU DEVELOPER AGREEMENT D-08**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and John C. Sessa, dated January 18, 1991.

**SBU DEVELOPER AGREEMENT D-09**

Agreement between South Broward Utility, Inc., a Florida corporation and Ivanhoe Land Investments, Inc., dated May 10, 1988, recorded in Official Records Book 15429 at page 405, Public Records of Broward County, Florida.

**SCHEDULE OF EXECUTORY AGREEMENTS  
DEVELOPER AGREEMENTS**

Page 2 of 4

**SBU DEVELOPER AGREEMENT D-10**

Agreement between South Broward Utility, Inc., a Florida corporation and Ivanhoe Land Investments, Inc., dated July 12, 1988, recorded in Official Records Book 15604 at page 059, Public Records of Broward County, Florida.

**SBU DEVELOPER AGREEMENT D-11**

Agreement between South Broward Utility, Inc., a Florida corporation and Heftler Realty Co., dated September 28, 1988, recorded in Official Records Book 15826 at page 984, Public Records of Broward County, Florida.

**SBU DEVELOPER AGREEMENT D-12**

Letter from The School Board of Broward County, Florida to South Broward Utility, Inc., dated May 20, 1988 stating that the School Board will provide maintenance for both the water and sewer lines on site.

**SBU DEVELOPER AGREEMENT D-13**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and Multicon Southeast, Inc., dated July 11, 1990.

**SBU DEVELOPER AGREEMENT D-14**

Unrecorded Amendment to Agreement between South Broward Utility, Inc., a Florida corporation and Multicon Southeast, Inc., dated June 11, 1991.

**SBU DEVELOPER AGREEMENT D-15**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and Larry Aaron and Kathryn Aaron, his wife, dated February 15, 1996.

**SBU DEVELOPER AGREEMENT D-16**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and Joseph W. Hancock and Judy F. Hancock, his wife, dated September 24, 1992.

**SBU DEVELOPER AGREEMENT D-17**

Agreement between South Broward Utility, Inc., a Florida corporation and Gerald M. Higier, Trustee, dated December 9, 1987, recorded in Official Records Book 5025 at page 0103, Public Records of Broward County, Florida.

**SBU DEVELOPER AGREEMENT D-18**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and Northlake Foods, Inc., dated March 18, 1997.

**SBU DEVELOPER AGREEMENT D-19**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and Clay Utility Company, dated October 3, 1996.



**SCHEDULE OF EXECUTORY AGREEMENTS  
DEVELOPER AGREEMENTS**

Page 3 of 4

**SBU DEVELOPER AGREEMENT D-20**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and Sheridan Glen, Inc., dated March 6, 1995.

**SBU DEVELOPER AGREEMENT D-21**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and Ernest E. Sistrunk, dated August 1, 1995.

**SBU DEVELOPER AGREEMENT D-22**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and Engle Homes, Inc., dated April 14, 1994.

**SBU DEVELOPER AGREEMENT D-23**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and Broward County, a political subdivision of the State of Florida, dated October 4, 1988.

**SBU DEVELOPER AGREEMENT D-24**

Agreement between South Broward Utility, Inc., a Florida corporation and Ivanhoe Land Investments, Inc., dated August 18, 1987, recorded in Official Records Book 14723 at page 0404, Public Records of Broward County, Florida.

**SBU DEVELOPER AGREEMENT D-25**

Agreement between South Broward Utility, Inc., a Florida corporation and Ivanhoe Land Investments, Inc., dated October 17, 1985, recorded in Official Records Book 12911 at page 281, Public Records of Broward County, Florida.

**SBU DEVELOPER AGREEMENT D-26**

Agreement between South Broward Utility, Inc., a Florida corporation and Heftler Realty Co., dated July 29, 1985, recorded in Official Records Book 13622 at page 280, Public Records of Broward County, Florida.

**SBU DEVELOPER AGREEMENT D-27**

Agreement between South Broward Utility, Inc., a Florida corporation and Heftler Realty Co., dated January 7, 1986, recorded in Official Records Book 13121 at page 461, Public Records of Broward County, Florida.

**SBU DEVELOPER AGREEMENT D-28**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and Ivanhoe Land Investments, Inc., dated January 8, 1990.

**SBU DEVELOPER AGREEMENT D-29**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and New Testament Baptist Church of Miami, Florida, dated March 5, 1993.

**SCHEDULE OF EXECUTORY AGREEMENTS  
DEVELOPER AGREEMENTS**

Page 4 of 4

**SBU DEVELOPER AGREEMENT D-30**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and New Testament Baptist Church of Miami, Florida, dated July 11, 1997.

**SBU DEVELOPER AGREEMENT D-31**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and New Testament Baptist Church of Miami, Florida, dated July 14, 1997.

**SBU DEVELOPER AGREEMENT D-32**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and Tom Thumb Food Stores, dated July 5, 1994.

**SBU DEVELOPER AGREEMENT D-33**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and Paradise/BVT Coquina Associates, a Florida general partnership, dated May 23, 1997.

**SBU DEVELOPER AGREEMENT D-34**

Unsigned and unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and Robert Hirsch.

**SBU DEVELOPER AGREEMENT D-35**

Unrecorded Agreement between South Broward Utility, Inc., a Florida corporation and Apple Tree Montessori School, dated June 2, 1997.

**ADDITION TO APPENDIX L**

**Schedule of Developer Advances, Line Extension Fees  
and Balance Remaining**

**SOUTH BROWARD UTILITY, INC.  
DEVELOPER ADVANCES AND REFUNDS**

Project	Developer's Name	Agreement Date	Expiration Date	ADVANCES			REFUNDS			BALANCE	
				Cost of Project	No. of Possible Conn.	Cost Per Conn.	No. of Possible Conn.	Conn. To Date	Refunds To Date	No. of Remaining Conn.	Balance Due
Hancock Road W/M	Sessa, John	01/18/91	01/17/01	\$60,000.00	12	\$5,000.00	12	3	\$15,000.00	9	\$45,000.00
Hancock Road W/M	Ackerman, Sue	02/28/91	02/27/01	\$75,750.00	15	\$5,050.00	15	5	\$25,250.00	10	\$50,500.00
Stirling Road W/M	Sistrunk, Ernest	08/01/95	07/31/05	\$41,127.00	18	\$2,284.83	18	1	\$2,284.83	17	\$38,842.17
Ivanhoe Estates W/M	Aaron/Thompson	02/15/98	02/14/08	\$25,628.49	74	\$346.33	74	3	\$1,038.99	71	\$24,589.50
Meadowview Estates	Hancock, John&Judy	09/24/92	09/23/02	\$78,346.25	22	\$3,470.28	22	12	\$41,643.36	10	\$34,702.89
<b>TOTALS</b>				<b>\$278,851.74</b>					<b>\$85,217.18</b>		<b>\$193,634.56</b>

**APPENDIX M**

**Schedule of Executory Contracts for Capacity Commitments**

**SOUTH BROWARD UTILITY, INC.**  
**SCHEDULE OF EXECUTORY CONTRACTS (Capacity Commitments)**  
*As of July 1997*

**PLANT CAPACITY COMMITMENTS WITH PREPAID CONNECTION FEES**

PROJECT	DEVELOPER / OWNER	WATER				WASTEWATER			
		Available Lots / ERC's	Lots / ERC's Paid	Lots / ERC's Connected	Not Conn. Lots/ERC's	Available Lots / ERC's	Lots / ERC's Paid	Lots / ERC's Connected	Not Conn. Lots/ERC's
Apple Tree Montessori School	Apple Tree Montessori School	3.37	3.37	0	3.37	4.21	4.21	0	4.21
Chelsea at Ivanhoe (Regency, Tract C D&E)	Spear Chelsea Corp.	183	183	112	71	183	183	112	71
Meadowview Estates	John and Judy Hancock	22	22	12	10	78.64	78.64	0	78.64
Paradee Commercial / Coquina Flats	Paradee/BVT Coquina Assoc.	62.88	62.88	0	62.88	67	67	63	4
Sheridan Glen - The Crossbow Parcel "A"	Sheridan Glen, Inc./Gemstar	67	67	63	4	3.4	3.4	0	3.4
Tom Thumb Food Stores	Tom Thumb Food Stores	3.4	3.4	0	3.4	338.25	338.25	175.00	161.25
<b>LOTS/ERC'S WITH PREPAID FEES PAID, NOT CONNECTED</b>		<b>341.65</b>	<b>341.65</b>	<b>187.00</b>	<b>154.65</b>				

**PLANT CAPACITY COMMITMENTS WITHOUT PREPAID CONNECTION FEES**

PROJECT	DEVELOPER / OWNER	WATER				WASTEWATER			
		Available Lots / ERC's	Lots / ERC's Paid	Lots / ERC's Connected	Not Conn. Lots/ERC's	Available Lots / ERC's	Lots / ERC's Paid	Lots / ERC's Connected	Not Conn. Lots/ERC's
Falcon's Lee - Single Family Homes	Ivanhoe Land Investments	224	221	221	3	224	224	221	3
Hawkes Bluff "Top"	Ivanhoe Land Investments	89	87	87	2	89	87	87	2
Regency - Tract A (Original Plat)	Higley, Slossie & Regency Sq.	138	108	108	30	182	180	180	2
Waterford - Original Parcel	Ivanhoe Land Investments	182	180	180	2	611.00	607.00	574.00	37.00
<b>LOTS/ERC'S WITHOUT PREPAID FEES PAID, NOT CONNECTED</b>		<b>611.00</b>	<b>574.00</b>	<b>574.00</b>	<b>37.00</b>				

**APPENDIX "N"**

**SCHEDULE OF ALL OTHER EXECUTORY CONTRACTS  
(EVEN IF ORAL)**

**(NONE)**

## **APPENDIX O**

### **Schedule of FPSC Orders Containing Tariffs (Rates) and SBU Annual Reports**

#### **Florida Public Service Commission Orders:**

- 1. Final Order Setting Rates and Changes No. 22844  
Docket No. 890360-WS issued 4-23-90**

#### **Annual Reports:**

- 1. 1995 Annual Report to the FPSC for the year ended  
December 31, 1995**
- 2. 1996 Annual Report (Partial year January 1, 1996  
to August 22, 1996)**
- 3. 1996 Annual Report (Partial year August 23, 1996 to  
December 31, 1996)**



**APPENDIX P**

**Schedule of Insurance Policies (current)**

**SCHEDULE OF INSURANCE POLICIES**

**LIABILITY COVERAGE**

Policy #CPP0277882  
Issued by Amerisure Companies  
Agent-Davis Baldwin  
P.O. Box 25277  
Tampa, Florida 33622

**UMBRELLA COVERAGE**

Policy #5530463469  
Issued by U.S. Fire Insurance Company  
Agent-Davis Baldwin  
P.O. Box 25277  
Tampa, Florida 33622

**PROPERTY COVERAGE**

Policy #5031484416  
Issued by Crum & Forster Insurance  
Agent-Davis Baldwin  
P.O. Box 25277  
Tampa, Florida 33622

**CRIME COVERAGE**

Policy #482-40-78  
Issued by National Union Fire Insurance Company  
Pittsburgh, PA  
Agent-Davis Baldwin  
P.O. Box 25277  
Tampa, Florida 33622

**BOILER MACHINERY COVERAGE**

Policy #BMIAT944218504  
Issued by Hartford Steamboiler  
Agent-Davis Baldwin  
P.O. Box 25277  
Tampa, Florida 33622

**AUTOMOBILE COVERAGE**

Policy #CA10892100097  
Issued by Amerisure Companies  
Agent-Davis Baldwin  
P.O. Box 25277  
Tampa, Florida 33622

**Inquiry regarding insurance (APPENDIX P)**

**- also faxed to Mr. Gildan 10/16/96**

**THE HUGH F. CULVERHOUSE TRUST**

3003 NORTHDALE BOULEVARD  
SUITE 140E  
TAMPA, FLOR DA 33624  
TEL: (813) 928-0070  
TELEFAX: (813) 908-7404

October 16, 1997

VIA FAX

Mr. George McFarlane  
Regulatory Consultants, Inc.  
401 Interstate Boulevard  
Sarasota, FL 34240

TRUSTEES  
HUGH F. CULVERHOUSE, JR.  
ANDREW GAPPALLO  
THOMAS A. PURCELL  
MANAGER  
SCOTT B. LYNCH

Re: Clay DBA South Broward Utilities, Inc.

Dear Mr. McFarlane:

Jose requested that I provide you with the following insurance information:

Coverage Amounts

Liability limit is \$1,000,000  
Umbrella limit is \$10,000,000  
Property is a blanket limit of \$4,850,111  
Crime limit is \$250,000  
Boiler & Machinery is blanket limit \$5,000,000  
Auto - \$1,000,000 limit

Expiration Dates

Expiration date for all above coverages is January 1, 1998

According to our insurance agent at Davis Baldwin, there are no penalties. The location is endorsed off all the policies. The unearned premiums are returned on a prorata basis. In addition, coverages are not assignable. New insured would need to add the location to his current insurance program. He may need to add additional coverages that he may not have with his current insurance program.

If you require anything further, please do not hesitate to call me.

Sincerely,  
*Lillian Tramontano*  
Lillian Tramontano c: Jose Fernandez  
Office Administrator Gene Cassidy



**APPENDIX Q**

**Specimen Bond Form.**

**SPECIMEN**

**TRANSFER OF THIS BOND IS RESTRICTED, AND BY ITS ACQUISITION HEREOF, THE REGISTERED OWNER HEREOF ACKNOWLEDGES THAT THIS BOND MAY ONLY BE TRANSFERRED UPON OBTAINING THE PRIOR WRITTEN CONSENT OF THE CITY OF SUNRISE, FLORIDA IN ACCORDANCE WITH THE PROVISIONS OF THE ASSET TRANSFER AND SETTLEMENT AGREEMENT BETWEEN THE ISSUER AND THE REGISTERED OWNER, DATED NOVEMBER \_\_\_\_\_, 1997.**

NUMBER

\$12,300,000

United States of America  
State of Florida  
**CITY OF SUNRISE, FLORIDA**  
**UTILITY SYSTEM REVENUE BOND**  
**FUTURE PAYMENT SERIES 1997**

**DATED DATE:**      **INTEREST RATE:**      **MATURITY DATE:**      **CUSIP:**  
December 31, 1997      7.5%      January 2, 2028

**REGISTERED OWNER: Clay Utility Company d/b/a South Broward Utility, Inc.**

**PRINCIPAL AMOUNT: TWELVE MILLION THREE HUNDRED THOUSAND DOLLARS**

The City of Sunrise, Florida (the "Issuer") a municipality duly created and validly existing under the laws of the State of Florida, for value received, promises to pay to the Registered Owner (named above) or registered assigns, but solely from the sources and in the manner referred to herein, the principal amount hereof (stated above) on the maturity date (stated above), unless this Bond is called for earlier redemption, and commencing on July 1, 1998, to pay from those sources the interest thereon at the Interest Rate (stated above) on each January 2 and July 1 thereafter (the "Interest Payment Dates") until the principal amount is paid or duly provided for. This Series 1997 Bond will bear interest rate at the above stated interest rate from the most recent date to which interest hereon has been paid or duly provided for or, if no interest has been paid or duly provided for, from the Dated Date (specified above). Interest shall be calculated on the basis of a 360 day year of twelve 30 day months.

The principal of and premium, if any, on this Series 1997 Bond are payable upon presentation and surrender hereof at the principal office of the Paying Agent, initially the Finance Director of the Issuer (the "Paying Agent"). Interest hereon is payable on each Interest Payment Date by check or draft mailed to the person in whose name this Series 1997 Bond is registered (the "Holder") on the registration books for this issue maintained by the Registrar (initially the Finance Director of the Issuer), at the address appearing therein at the close of business on the fifteenth day of the calendar month next preceding that Interest Payment Date (the "Regular Record Date"). Any interest which is not timely paid or duly provided for shall cease to be payable to the Holder hereof (or of one or more Series 1997 Prior Bonds) as of the Regular Record Date, and shall be payable to the Holder hereof at the close of business on a Special Record Date to be fixed by the Issuer for the payment of such overdue interest. Notice of the Special Record Date shall be given to Holders not less than ten days prior thereto. The principal of and interest and any premium ("Bond Service Charges") on this Series 1997 Bond are payable in lawful money of the United States of America, without deduction for the services of the Paying Agent.

This Bond and the Bond Service Charges hereon are payable solely from and secured by a first lien upon and pledge of the Pledged Funds consisting of the Operating Revenues ("Operating Revenues") of the Issuer's Water, Sewer and Gas Systems (collectively the "System") and certain other amounts held in the Trust Fund, all in the manner and to the extent provided in Ordinance No. 696-X as amended and restated by Ordinance No. 696-X-95-B, as further amended by Ordinance No. 696-X-96-A and supplemented by Ordinance No. 696-X-96-B (collectively, the "Bond Ordinance"), and as further supplemented by Resolution No. , adopted by the Issuer on , 1997 (the "Resolution"). The Bond Ordinance and the Resolution are hereinafter collectively called the "Bond Legislation". Reference is hereby made to the Bond Legislation for the provisions, among others, relating to the terms of and security for the Bonds, the custody and application of the proceeds of the Bonds, the rights and remedies of the Holders of the Bonds, the extent of and limitations on the Issuer's rights, duties and obligations, and the provisions permitting the issuance of Additional Parity Bonds, to all of which provisions the owner hereof assents by acceptance of this Bond. Copies of the Bond Legislation are available for inspection in the office of the City Clerk of the Issuer.

This Series 1997 Bond is issued under the Bond Legislation in the aggregate principal amount of \$12,300,000 consisting of Serial Bonds of like tenor and effect, except as to number, denomination and maturity date. The Issuer has heretofore authorized, sold and issued Bonds (collectively, the "Prior Bonds") under the Bond Ordinance. The Bond Legislation also permits the issuance of additional Parity Bonds (on a parity with the Prior Bonds) and Junior Obligations in one or more Series, to finance the cost of the acquisition, construction, and equipping, and furnishing of one or more other capital improvements or expansions to the System, to reimburse the Issuer for moneys advanced for such purposes and to refund Bonds and Junior Obligations, all pursuant to the authority of and in full compliance with the Constitution and laws of the State of Florida, including particularly Article VIII, Section 2, Constitution of the State of Florida, the City Charter and Chapter 166, Florida Statutes. This Series 1997 Bond constitutes additional Parity Bonds, on a parity with the Prior Bonds.

As set forth in the table below, the \$12,300,000.00 Series 1997 Bonds are due January 2 in the following years and amounts:

## BOND AMORTIZATION SCHEDULE

PAYMENT NUMBER	PAYMENT DATE	INTEREST RATE	INTEREST PAYMENT	PRINCIPAL PAYMENT	TOTAL PAYMENT	ANNUAL DEBT SERVICE
1	JULY 1, 1998	7.50%	\$461,250.00		\$461,250.00	
2	JANUARY 2, 1999	7.50%	\$461,250.00	\$120,000.00	\$581,250.00	\$1,042,500.00
3	JULY 1, 1999	7.50%	\$456,750.00		\$456,750.00	
4	JANUARY 2, 2000	7.50%	\$456,750.00	\$125,000.00	\$581,750.00	\$1,038,500.00
5	JULY 1, 2000	7.50%	\$452,062.50		\$452,062.50	
6	JANUARY 2, 2001	7.50%	\$452,062.50	\$135,000.00	\$587,062.50	\$1,039,125.00
7	JULY 1, 2001	7.50%	\$447,000.00		\$447,000.00	
8	JANUARY 2, 2002	7.50%	\$447,000.00	\$145,000.00	\$592,000.00	\$1,039,000.00
9	JULY 1, 2002	7.50%	\$441,562.50		\$441,562.50	
10	JANUARY 2, 2003	7.50%	\$441,562.50	\$160,000.00	\$601,562.50	\$1,043,125.00
11	JULY 1, 2003	7.50%	\$435,562.50		\$435,562.50	
12	JANUARY 2, 2004	7.50%	\$435,562.50	\$170,000.00	\$605,562.50	\$1,041,125.00
13	JULY 1, 2004	7.50%	\$429,187.50		\$429,187.50	
14	JANUARY 2, 2005	7.50%	\$429,187.50	\$185,000.00	\$614,187.50	\$1,043,375.00
15	JULY 1, 2005	7.50%	\$422,250.00		\$422,250.00	
16	JANUARY 2, 2006	7.50%	\$422,250.00	\$195,000.00	\$617,250.00	\$1,039,500.00
17	JULY 1, 2006	7.50%	\$414,937.50		\$414,937.50	
18	JANUARY 2, 2007	7.50%	\$414,937.50	\$210,000.00	\$624,937.50	\$1,039,875.00
19	JULY 1, 2007	7.50%	\$407,062.50		\$407,062.50	
20	JANUARY 2, 2008	7.50%	\$407,062.50	\$225,000.00	\$632,062.50	\$1,039,125.00
21	JULY 1, 2008	7.50%	\$398,625.00		\$398,625.00	
22	JANUARY 2, 2009	7.50%	\$398,625.00	\$245,000.00	\$643,625.00	\$1,042,250.00
23	JULY 1, 2009	7.50%	\$389,437.50		\$389,437.50	
24	JANUARY 2, 2010	7.50%	\$389,437.50	\$265,000.00	\$654,437.50	\$1,043,875.00
25	JULY 1, 2010	7.50%	\$379,500.00		\$379,500.00	
26	JANUARY 2, 2011	7.50%	\$379,500.00	\$285,000.00	\$664,500.00	\$1,044,000.00
27	JULY 1, 2011	7.50%	\$368,812.50		\$368,812.50	
28	JANUARY 2, 2012	7.50%	\$368,812.50	\$305,000.00	\$673,812.50	\$1,042,625.00
29	JULY 1, 2012	7.50%	\$357,375.00		\$357,375.00	
30	JANUARY 2, 2013	7.50%	\$357,375.00	\$330,000.00	\$687,375.00	\$1,044,750.00
31	JULY 1, 2013	7.50%	\$345,000.00		\$345,000.00	
32	JANUARY 2, 2014	7.50%	\$345,000.00	\$350,000.00	\$695,000.00	\$1,040,000.00
33	JULY 1, 2014	7.50%	\$331,875.00		\$331,875.00	
34	JANUARY 2, 2015	7.50%	\$331,875.00	\$380,000.00	\$711,875.00	\$1,043,750.00
35	JULY 1, 2015	7.50%	\$317,625.00		\$317,625.00	
36	JANUARY 2, 2016	7.50%	\$317,625.00	\$405,000.00	\$722,625.00	\$1,040,250.00
37	JULY 1, 2016	7.50%	\$302,437.50		\$302,437.50	
38	JANUARY 2, 2017	7.50%	\$302,437.50	\$435,000.00	\$737,437.50	\$1,039,875.00
39	JULY 1, 2017	7.50%	\$286,125.00		\$286,125.00	
40	JANUARY 2, 2018	7.50%	\$286,125.00	\$470,000.00	\$756,125.00	\$1,042,250.00
41	JULY 1, 2018	7.50%	\$268,500.00		\$268,500.00	
42	JANUARY 2, 2019	7.50%	\$268,500.00	\$505,000.00	\$773,500.00	\$1,042,000.00
43	JULY 1, 2019	7.50%	\$249,562.50		\$249,562.50	
44	JANUARY 2, 2020	7.50%	\$249,562.50	\$545,000.00	\$794,562.50	\$1,044,125.00
45	JULY 1, 2020	7.50%	\$229,125.00		\$229,125.00	
46	JANUARY 2, 2021	7.50%	\$229,125.00	\$585,000.00	\$814,125.00	\$1,043,250.00
47	JULY 1, 2021	7.50%	\$207,187.50		\$207,187.50	
48	JANUARY 2, 2022	7.50%	\$207,187.50	\$630,000.00	\$837,187.50	\$1,044,375.00
49	JULY 1, 2022	7.50%	\$183,562.50		\$183,562.50	
50	JANUARY 2, 2023	7.50%	\$183,562.50	\$675,000.00	\$858,562.50	\$1,042,125.00
51	JULY 1, 2023	7.50%	\$158,250.00		\$158,250.00	
52	JANUARY 2, 2024	7.50%	\$158,250.00	\$725,000.00	\$883,250.00	\$1,041,500.00
53	JULY 1, 2024	7.50%	\$131,062.50		\$131,062.50	
54	JANUARY 2, 2025	7.50%	\$131,062.50	\$780,000.00	\$911,062.50	\$1,042,125.00
55	JULY 1, 2025	7.50%	\$101,812.50		\$101,812.50	
56	JANUARY 2, 2026	7.50%	\$101,812.50	\$840,000.00	\$941,812.50	\$1,043,625.00
57	JULY 1, 2026	7.50%	\$70,312.50		\$70,312.50	
58	JANUARY 2, 2027	7.50%	\$70,312.50	\$900,000.00	\$970,312.50	\$1,040,625.00
59	JULY 1, 2027	7.50%	\$36,562.50		\$36,562.50	
60	JANUARY 2, 2028	7.50%	\$36,562.50	\$975,000.00	\$1,011,562.50	\$1,048,125.00
				<u>\$12,300,000.00</u>	<u>\$1,260,750.00</u>	<u>\$1,260,750.00</u>



This Series 1997 Bond or portions thereof maturing on or before January 2, 2008 are not redeemable prior to their stated dates of maturity. The Bonds, maturing on January 2, 2009 and thereafter are subject to redemption at the option of the Issuer prior to their respective dates of maturity on or after January 2, 2008, in whole at any time, or in part on any Interest Payment Date in any order of maturity selected by the Issuer and by lot within a maturity, at redemption prices (expressed as a percentage of the principal amount of the Bonds to be redeemed) set forth below, together with accrued interest to the date fixed for redemption:

<b>Redemption Period</b>	<b>Redemption Price</b>
<b>January, 2008 and thereafter</b>	<b>100%</b>

Notice of redemption of this Series 1997 Bond shall be given by the deposit in the U.S. Mail of a copy of the redemption notice, postage prepaid, at least thirty (30) days but not more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Series 1997 Bond to be redeemed at the address shown on the Registrar's registration books. Failure to give such notice by mailing to any Holder, or any defect therein, shall not affect the validity of any proceedings for the redemption of this Series 1997 Bond with respect to which no failure or defect occurred.

Subject to the requirements set forth in the legend on the face of this Series 1997 Bond, the registration of this Series 1997 Bond may be transferred on the registration books upon delivery to the principal office of the Registrar, accompanied by a written instrument or instruments of transfer in form and with guaranty of signature satisfactory to the Registrar, duly executed by the registered Holder of this Series 1997 Bond or by his attorney-in-fact or legal representative, containing written instructions as to the details of transfer of this Series 1997 Bond, along with the name, address and social security number (or other federal income tax identification number) of such transferee. In all cases of a transfer of this Series 1997 Bond, the Registrar shall at the earliest practical time in accordance with the provisions of the Bond Legislation enter the transfer of ownership in the registration books and shall deliver in the name of the new transferee or transferees a new fully registered Series 1997 Bond or Series 1997 Bonds of the same maturity and interest rate and of authorized denomination or denominations, for the same aggregate principal amount (or Maturity Amount) and payable from the same source of funds. The Issuer and the Registrar may charge the owner of such Series 1997 Bond for the registration of evilly such transfer of a Series 1997 Bond sufficient to reimburse them for any tax, fee or any other governmental charge required (other than by the Issuer) to be paid with respect to the registration of such transfer, and may require that such amounts be paid before any such new Bond shall be delivered.

If the date for payment of the principal of, premium, if any, or interest on this Series 1997 Bond shall be a Saturday, Sunday, legal holiday or a day on which banking institutions in the city where the principal office of the Paying Agent is located are authorized by law or executive order to close, then the date for such payment shall be the next succeeding day which is not a Saturday, Sunday, legal holiday or a day on which such banking institutions are authorized to

close, and payment on such day shall have the same force and effect as if made on the nominal date of payment.

The Bond Legislation contains provisions under which a Trustee may be appointed to enforce the provisions thereof if an Event of Default shall occur. The Holder of each Series 1997 Bond has only those remedies provided in the Bond Legislation.

The Bond Legislation permits certain amendments thereto to be made without the consent of or notice to the Holders of the Bonds, and other amendments, thereto (with certain exceptions which require the consent of Holders all adversely affected Bonds, as provided in the Bond Legislation) to be made with the consent of the Holders of not less than a majority in aggregate principal amount of the affected Bonds then Outstanding.

It is certified and recited that there have been performed and have happened in regular and due form, as required by law, all acts and conditions necessary to be done or performed by the Issuer or to have happened precedent to and in the issuing of the Series 1997 Bonds in order to make them legal, valid and binding special obligations of the Issuer, that payment in full for such Series 1997 Bonds has been received, and that such Series 1997 Bonds do not exceed or violate any constitutional or statutory limitation.

IN WITNESS OF THE APOVE, the Issuer has caused this Bond to be executed in the name of the Issuer in their official capacities by the manual or facsimile signatures of the Mayor and the City Clerk of the Issuer and the seal of the Issuer to be imprinted hereon, as of the date shown above.

CITY OF SUNRISE, FLORIDA

By: \_\_\_\_\_  
Mayor

Attest: \_\_\_\_\_  
City Clerk

**CERTIFICATE OF AUTHENTICATION**

**DATE OF REGISTRATION  
AND AUTHENTICATION:** \_\_\_\_\_

**Registrable at:**

**CITY OF SUNRISE  
Sunrise, Florida**

**Payable at:**

**CITY OF SUNRISE  
Sunrise, Florida**

**CITY OF SUNRISE**

**By:** \_\_\_\_\_  
**Authorized Signer**

WPB-GILDANV17001/2011.DOC/1/04/07/2012.010000

**APPENDIX "R"**

**CLOSING DOCUMENTS FROM SELLER**

**Warranty Deed**

**Bill of Sale**

**SBU Affidavits**

**Incumbency Certificates**

**Certificate of Good Standing**

**Corporate Authorizing Resolutions**

**In form reasonably necessary to satisfy title requirements.**

**APPENDIX S**

**Transfer, Assignment and Assumption Agreement**

**APPENDIX "S"**

**TRANSFER, ASSIGNMENT AND ASSUMPTION AGREEMENT**

**THIS AGREEMENT**, is made and entered into this \_\_\_ day of \_\_\_\_\_, 1997, by and between the City of Sunrise, a political subdivision of the State of Florida (the "City"), and Clay Utility Company, a Florida corporation, d/b/a South Broward Utility, Inc. ("SBU").

**WITNESSETH:**

**WHEREAS**, on or about the date first above written SBU has conveyed to the City, pursuant to that certain South Broward Utility, Inc. Water and Wastewater Utility System Asset Transfer and Settlement Agreement adopted on \_\_\_\_\_, 1997 (the "Transfer and Settlement Agreement") between SBU and the City, all of the real and personal property, both tangible and intangible, which comprises the Purchased Assets as described therein.

**NOW, THEREFORE**, in consideration of the mutual promises, covenants, representations and agreements contained herein, together with \$10.00 and other good and valuable consideration exchanged between the parties, the parties do undertake, promise and agree for themselves, their permitted successors and assigns as follows:

**SECTION 1. PURPOSES AND DEFINITIONS.**

This Agreement is intended to (A) supplementally transfer and assign SBU's rights, remedies, powers, title and interest in the Purchased Assets, arising by virtue of any permits or other authorizations relating to the Utility System, or arising by virtue of the City assuming the operation and control over the Utility System, (B) establish certain post closing relationships of the parties, (C) provide for the assumption by the City of the operation of the Utility System, and (D) identify specific contractual obligations of SBU that the City agrees to assume. This Agreement is supplemental to the Transfer and Settlement Agreement. All capitalized words and terms not otherwise defined herein shall have the meanings set forth in the Transfer and Settlement Agreement.

**SECTION 2. REPRESENTATIONS.**

(A) The representations and warranties of SBU and the City in the Transfer and Settlement Agreement are true and correct in all material respects as of the date hereof with the same effect as if such representations and warranties were made or given on the date hereof.

(B) To the best of each party's knowledge and belief, SBU and the City have performed in all material respects all of their obligations and have complied with all of the covenants and agreements required by the Transfer and Settlement Agreement to be performed or complied with by SBU and the City prior to or on the date of closing, unless waived in writing.

### **SECTION 3. TRANSFER AND ASSIGNMENT.**

SBU shall, and does hereby, transfer, assign, convey, and grant, bargain and sell unto the City all of SBU's rights, remedies, powers, title or interest in the Purchased Assets, including any rights, remedies, powers, title or interest arising by virtue of the City assuming the operation and control of the Utility System. The foregoing transfer and assignment is supplemental to all other instruments and actions necessary to close pursuant to the Transfer and Settlement Agreement.

### **SECTION 4. POST CLOSING RELATIONSHIP.**

(A) From time to time after closing, each party hereto shall, upon request of the other, execute, acknowledge and deliver, or shall cause to be executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers or other documentation for (1) confirming or correcting title in the name of the City or perfecting undisputed possession by the City of any or all of the Purchased Assets, including the establishment of record of utility easements for all wastewater utility facilities which are a part of the Utility System and in existence at the time of closing, or (2) otherwise fulfilling the obligations of the parties under the Transfer and Settlement Agreement.

(B) After closing, SBU covenants not to own, manage, operate, maintain, provide services to or engage in the water or wastewater utility business, without the express written consent of the City, within Broward County for a period of 4 years from the date of closing. Such consent may be arbitrarily withheld by the City. SBU acknowledges that the provisions of this covenant are reasonable in all respects, including time and scope.

### **SECTION 5. ASSUMPTION.**

(A) The City hereby assumes the operation of the Utility System and only those obligations, duties and liabilities (i) accruing thereto after the City takes possession of the Purchased Assets, (ii) expressly assumed by the City in the Transfer and Settlement Agreement, or (iii) expressly assumed as follows:

- (a) the obligation to return customer deposits in due course;
- (b) the rights and obligations of SBU under the following agreements:

[List Agreements Here]

(c) all obligations and liabilities of SBU, not to exceed the aggregate amount of \$ \_\_\_\_\_, for outstanding and unfulfilled purchase orders or other unfulfilled contracts for materials, supplies and services reasonably ordered by SBU relative to the operation of the Utility System in the ordinary course of business but not delivered prior to the date of closing.

(B) Upon closing pursuant to the Transfer and Settlement Agreement and the transfer of possession of the Purchased Assets to the City thereunder, SBU's certificate(s) to provide water and wastewater services granted by the PSC shall be deemed terminated and SBU shall be released from any further obligation or responsibility to act or serve as

a provider of water or wastewater services in Broward County. Accordingly, in such event, the City acknowledges and accepts the responsibility and obligation to provide water and wastewater services, as a governmentally owned and controlled service provider within the area of Broward County previously served by SBU.

**SECTION 6. BINDING EFFECT.**

This Agreement shall inure to the benefit of and be binding upon SBU and the City and their successors and assigns.

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

THE CITY OF SUNRISE, FLORIDA

BY: \_\_\_\_\_  
\_\_\_\_\_, its Mayor

AUTHENTICATE:

\_\_\_\_\_  
Clerk of the City of Sunrise, Florida

APPROVED AS TO FORM:

\_\_\_\_\_  
City Attorney

CLAY UTILITY COMPANY, a Florida Corporation, d/b/a SOUTH BROWARD UTILITY, INC.

BY: \_\_\_\_\_  
HUGH F. CULVERHOUSE, JR.,  
its President

ATTEST:

\_\_\_\_\_  
\_\_\_\_\_, its Secretary



**APPENDIX T**

**Land and Vehicle Leases.**

## **SCHEDULE OF LEASES-REAL ESTATE**

### **LEASES-REAL ESTATE DOCUMENT NO. L-RE-01**

**AT & T Wireless Service of Florida, Inc.**

Agreement between South Broward Utility, Inc., a Florida corporation and AT&T Wireless Services of Florida, Inc., a Florida corporation, dated September 5, 1996 for the property located at 15400 Slydgemill Road, Davie, Florida, Broward County.

### **LEASES-REAL ESTATE DOCUMENT NO. L-RE-02**

**BellSouth Mobility, Inc.**

Agreement between South Broward Utility, Inc., a Florida corporation and BellSouth Mobility, Inc. dated July 23, 1993 for the property described as Tract "A" S.B.U. Wastewater Plant, Plat Book 116, Page 39 in the Town of Davie, Broward County, State of Florida.

### **LEASES-REAL ESTATE DOCUMENT NO. L-RE-03**

**PCS PrimeCo, L.P**

Agreement between South Broward Utility, Inc., a Florida corporation and PCS PrimeCo, L.P., a Delaware limited partnership, dated December 7, 1995 for the property and Addendum dated December 11, 1995 for the property described as Site ID: 60900 (Exhibit "A1) of agreement.

## **SCHEDULE OF LEASES-VEHICLES**

### **LEASES-VEHICLES DOCUMENT NO. V-01**

**1994 Ford F150 Pick-up Truck**

Lease Agreement between South Broward Utility, Inc., a Florida corporation and Fort Lauderdale Lincoln Mercury, Inc. d/b/a South Florida Leasing & Rentals, an authorized Lincoln-Mercury Dealer Leasing Association member dated November 18, 1996 for a 24 month Lease of a 1994 Ford F150 Pick-up truck.

### **LEASES-VEHICLES DOCUMENT NO. V-02**

**1995 Chevrolet S10 Pick-up Truck**

Lease Agreement between South Broward Utility, Inc., a Florida corporation and Fort Lauderdale Lincoln Mercury, Inc. d/b/a South Florida Leasing & Rentals, an authorized Lincoln-Mercury Dealer Leasing Association member dated November 18, 1996 for a 24 month Lease of a 1995 Chevrolet S10 Pick-up truck.

### **LEASES-VEHICLES DOCUMENT NO. V-03**

**1996 Ford Ranger Pick-up Truck**

Lease Agreement between South Broward Utility, Inc., a Florida corporation and Fort Lauderdale Lincoln Mercury, Inc. d/b/a South Florida Leasing & Rentals, an authorized Lincoln-Mercury Dealer Leasing Association member dated December 6, 1995 for a 24 month Lease of a 1996 Ford Ranger Pick-up truck.



Section 5.05 of the Transfer and Settlement Agreement sets forth the disposition of customer deposits.

EXHIBIT B



South Broward Utility, Inc., plans on performing its final accounting and paying the Florida Public Service Commission the final assessment fees for regulatory purposes. South Broward Utility, Inc., is not aware of any fines or refunds owed to any person(s) other than the deposits of the customers of South Broward Utility, Inc., the disposition of which will be in accordance with Section 5.05 of the Transfer and Settlement Agreement.

EXHIBIT C



The City of Sunrise was provided with South Broward Utility, Inc.'s last two annual reports filed with the Florida Public Service Commission. Furthermore, as shown in Sunrise's Resolution No. 97-229 (Exhibit E), Sunrise reviewed the materials and information required under Section 180.301, Florida Statutes, which includes the following:

- (1) The most recent available income and expense statement for the utility;
- (2) The most recent available balance sheet for the utility, listing assets and liabilities and clearly showing the amount of contributions-in-aid-of-construction and the accumulated depreciation thereon; and
- (3) A statement of the existing rate base of the utility for regulatory purposes.





**SUNRISE, FLORIDA**

**RESOLUTION NO. 97-229**

A RESOLUTION OF THE CITY OF SUNRISE, FLORIDA, APPROVING THE EXECUTION OF A SETTLEMENT AGREEMENT WITH CLAY UTILITY COMPANY; DETERMINING THAT THE PURCHASE OF THE WATER AND SEWER ASSETS OF CLAY UTILITY COMPANY IS IN THE PUBLIC INTEREST AND SETTING FORTH A STATEMENT SHOWING SAME; AUTHORIZING THE VENDOR CONTRACTS NECESSARY TO ADMINISTER AND CLOSE THE TRANSACTION; AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO EXECUTE THE NECESSARY DOCUMENTS IN CONNECTION WITH THE TRANSACTION; PROVIDING FOR FUNDING; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Sunrise and Clay Utility Company have been involved in a utility service territory dispute for over two years involving an area of the City's water and sewer utility system generally known as Imagination Farms, which is currently the subject of litigation in the Broward County Circuit Court, and the City believes that it is in the public interest to resolve that dispute in an amicable manner as set forth in the terms of a Settlement Agreement, the approval of which will have the effect of eliminating further contentious litigation and its attendant costs while protecting the interests of the customers of the City's water and wastewater utility customers and maintaining the integrity of the City's water and sewer system; and

WHEREAS, the City Commission has reviewed the materials and information required under Section 190.301, Florida Statutes, in conjunction with that portion of the Settlement Agreement

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097472  
RESOLUTION NO. 97-229

providing for the acquisition by the City of the water and wastewater assets of Clay Utility Company;

NOW, THEREFORE BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF SUNRISE, FLORIDA:

Section 1. The Settlement Agreement between the City of Sunrise and Clay Utility Company, a copy of which is attached to and made a part of this Resolution as Exhibit "1" (the "Settlement Agreement"), is hereby approved.

Section 2. The City Commission makes the following statement required under Section 186.301, Florida Statutes, regarding the purchase of the water and wastewater assets of Clay Utility Company as provided for in the Settlement Agreement:

The City Commission finds that the purchase of water and wastewater assets of Clay Utility Company are in the public interest. The City of Sunrise has extensive experience in the operation of water and wastewater utilities as it has been operating its existing water and wastewater utility system for more than twenty years. It has the ability to provide and maintain high quality and cost effective utility service through the utilization of existing City personnel who have extensive expertise in the management and operation of utility systems; and through an offer to hire if appropriate, the competent existing personnel of the Clay Utility Company utility

system. The financial ability of the City to provide the water and wastewater utility service has been demonstrated by pro forma application of existing rates to existing customers, and deducting from those revenues expenses to be incurred in the City operating the utility assets, together with the financial strength of the City's existing utility system.

Section 3. In order to effectuate the terms of the Settlement Agreement, the City Commission hereby approves the following vendor contracts, copies of which are attached to and made a part of this Resolution as Composite Exhibit "2," to provide the services necessary to fulfill the City's obligations under the Settlement Agreement and to close the transaction: Miller, Legg & Associates, Inc., Camp Dresser & McKee, Inc., DUS Consultants, and Greenberg Traurig. For the purposes of meeting the requirements of Section 287.055, Florida Statutes, regarding surveying services, the City Commission hereby certifies a valid public emergency exists. Because time is of the essence in this settlement, the City's formal bidding procedure is hereby waived for these services.

Section 4. The appropriate representatives of the City are hereby authorized and directed to execute and deliver all documents necessary to effectuate the terms of the Settlement Agreement and the terms of this Resolution.

Section 5. Funding necessary to effectuate the terms of the Settlement Agreement shall be provided from the utility system.

Section 4. Effective Date. This Resolution shall be effective immediately upon its passage.

PASSED AND ADOPTED THIS 10TH DAY OF NOVEMBER, 1987.

Mayor Steven B. Feren

Authentication:

Dorothy J. Dunn  
City Clerk

MOTION: WISHNER  
SECOND: HARLEM

HARLEM: YEA  
KLAUBER: YEA  
WISHNER: YEA  
SCUOTTO: YEA  
FEREN: YEA

Approved by the City Attorney  
as to Form and Legal Sufficiency. Jeffrey D. Clear