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SWAINE & HARRIS, P. A.
ATTORNEYS AT LAW

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COMMISSION
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425 SOUTH COMMERCE AVENUE
SEBRING, FL 33870-3702
(863) 385-1549
FAX: (863) 471-0008

401 DAL HALL BLVD.
LAKE PLACID, FL 33852-6561
(863) 465-2811
FAX: (863) 465-6999

www.heartlandlaw.com

bert@heartlandlaw.com

BERT J. HARRIS, III
J. MICHAEL SWAINE
KIMBERLY L. SAPP
ROBERT S. SWAINE
SCOTT R. LECONEY
THOMAS J. WOHL

PLEASE REPLY TO:
LAKE PLACID
SEBRING



March 16, 2011

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

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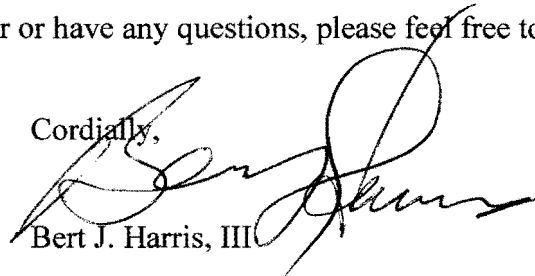
Re: Town of Lake Placid p/f Highlands Utilities Corporation

Dear Sir/Madam:

Please find enclosed our Application for Transfer to Governmental Authority.

Should you require anything further or have any questions, please feel free to call or write.

Cordially,



Bert J. Harris, III

/lw
Enclosures
c Town of Lake Placid

DOCUMENT NUMBER-DATE
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FPSC-COMMISSION CLERK

APPLICATION FOR TRANSFER TO GOVERNMENTAL AUTHORITY

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

TO: Office of Commission Clerk
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 or part) of the facilities operated under Water Certificate No. _____ and/or
Wastewater Certificate No. SU299-^{09-AR} located in Highlands 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):

Highlands Utilities Corporation
Name of utility

(863) 465-1296 ()
Phone No. Fax No.

411 Kent Avenue
Office street address

Lake Placid Florida 33852
City State Zip Code

Mailing address if different from street address

Internet address if applicable

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

<u>Dixon Pugh</u>	<u>(863) 465-3213</u>	
Name	Phone No.	
<u>146 Loquat Road N.E.</u>		
Street address		
<u>Lake Placid</u>	<u>Florida</u>	<u>33852</u>
City	State	Zip Code

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

<u>Town of Lake Placid, a Florida Municipal Corporation</u>		
Name of utility		
<u>(863) 699-3747</u>	<u>(863) 699-3749</u>	
Phone No.	Fax No.	
<u>311 West Interlake Boulevard</u>		
Office street address		
<u>Lake Placid</u>	<u>Florida</u>	<u>33852</u>
City	State	Zip Code
<u> </u>		
Mailing address if different from street address		
<u>lakeplacidfl.net</u>		
Internet address if applicable		

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

<u>Bert J. Harris, III</u>	<u>(863)465-2811</u>	
Name	Phone No.	
<u>401 Dal Hall Boulevard</u>		
Street address		
<u>Lake Placid</u>	<u>Florida</u>	<u>33852</u>
City	State	Zip Code

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) Exhibit D - 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:

October 5, 2010

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.

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 11-12.) Sample tariff sheets are attached. (Pages 13-16.)

PART IV AFFIDAVIT

I John M. Holbrook, Mayor (applicant) do solemnly swear or affirm that the facts stated in the forgoing application and all exhibits attached thereto are true and correct and that said statements of fact thereto constitutes a complete statement of the matter to which it relates.

TOWN OF LAKE PLACID, a Florida Municipal Corporation

BY: *John M. Holbrook*
Applicant's Signature

John M. Holbrook
Applicant's Name (Typed)

Mayor
Applicant's Title *

Subscribed and sworn to before me this 16th day of March, 20 11 by John M. Holbrook, Mayor who is personally known to me or produced identification _____, (Type of Identification Produced)

Arlene J. Tuck
Notary Public's Signature



Print Arlene J. Tuck or FloridaNotaryService.com Stamp Commissioned
Name of Notary Public

* If 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 applicant is a partnership or association, a member of the organization authorized to make such affidavit shall execute same.

**AGREEMENT BETWEEN THE TOWN OF LAKE PLACID
AND PUGH SEPTIC TANK SERVICE, INC., AND HIGHLANDS
UTILITIES CORPORATION FOR THE SALE AND PURCHASE OF
WASTEWATER COLLECTION AND TREATMENT SYSTEM**

THIS AGREEMENT is made and entered into by and between **PUGH SEPTIC TANK SERVICE, INC.**, a Florida corporation, and **HIGHLANDS UTILITIES CORPORATION**, a Florida corporation, (collectively called "Sellers") and the **TOWN OF LAKE PLACID**, a Florida municipal corporation (herein called "Purchaser").

WITNESSETH:

WHEREAS, Sellers own and operate facilities to collect and move sewage and wastewater, a sewage treatment plant, and a franchise to do so in an unincorporated area of Highlands County and in Lake Placid, Florida (herein collectively called the "HUC System"); and

WHEREAS, Sellers are willing to sell the HUC System to Purchaser in accordance with the terms and conditions set forth herein; and

WHEREAS, Purchaser is desirous of purchasing the HUC System in accordance with the terms and conditions set forth herein,

NOW THEREFORE, THE PARTIES BEING FULLY ADVISED IN THE PREMISES, and in consideration of the valuable payments and mutual covenants, representations and warranties set forth herein, contract and agree as follows:

1. **SALE AND PURCHASE OF HUC SYSTEM.** Sellers agree to sell, transfer and convey to Purchaser and Purchaser agrees to purchase from Sellers the "HUC System" which shall contain the following assets:

- A. **Real Property.** The real property and the sewer plant thereon situated described on Schedule A attached hereto and referred to as the "Wastewater Treatment Plant" or "Plant".
- B. **Wastewater Collection System.** All of the lines, lift stations, pumps, mains, manholes, force mains, gravity mains today used in the HUC System, together with good and sufficient permits (in the case of public rights of way), easements or fee title (in the case of private lands) for each. Sellers represent that all such items are listed on Schedule B attached hereto and referred to as the "Wastewater Collection System" or "Collection System". Schedule B shall include a map signed by Seller(s) showing the location of all lines in State and County rights of way and lift stations locations



- C. **Territory.** Sellers' wastewater collection and treatment territory according to the Florida Public Service Commission and referred to as the "Territory".
- D. **Customers and Tariff.** The right to serve Sellers' customers within and beyond Sellers' Territory.
- E. **Permits.** All permits reasonably needed or required to operate the HUC System.

2. **CONSIDERATION FOR SALE AND PURCHASE.** The agreed monetary consideration for the sale and purchase of the HUC System is Purchaser's payment of Five Hundred Fifty Thousand US Dollars (\$550,000.00) which shall be paid by the Purchaser to the Sellers at closing. The said payment shall be allocated between the Sellers, to wit: One Hundred Fifty Thousand Dollars (\$150,000.00) shall be paid to Pugh Septic Tank Services, Inc., and the balance of the Purchase price shall be paid to Highlands Utilities Corporation.

3. **DEPOSIT.** A Deposit in the amount of Two Thousand Dollars (\$2,000.00) is to be held in escrow by Swaine & Harris, P.A., 401 Dal Hall Blvd, Lake Placid, Florida.

4. **EFFECTIVE DATE.** This Contract becomes effective upon its execution by Sellers and Town Councilman Steven Bastardi for the Purchaser (the "Effective Date").

5. **CUSTOMER DEPOSITS, RECORDS, ACCOUNTS RECEIVABLE AND REVENUE.** Sellers shall transfer all customer deposits, customer records, accounts receivable and unbilled revenue to Purchaser at closing. At Purchaser's request, Sellers shall provide an affidavit listing every customer and the customer's deposit. The affidavit shall be updated at closing. Accounts receivable shall be assigned at closing. Customer records shall be delivered 30 days before closing.

6. **LIFT STATIONS AND COLLECTION LINES, DESCRIPTIONS AND SURVEYS.** Collection lines include all lines transporting sewage (except customer service lines). Collection lines primarily include force mains and gravity lines.

Service lines are the lines between one customer's establishment and a commonly used force main or gravity line.

Within ninety (90) days after effective date, Sellers shall at Sellers' expense, deliver:

a. **LIFT STATIONS.** Good and sufficient surveys and legal descriptions of the land under and around all lift stations (showing the location of the lift station and related improvements), including the land reasonably needed to access each respective lift station for operation and maintenance (generally an area of 20 feet in diameter around each Lift Station). Schedule B begins that listing, but is not complete.

b. **LINES IN RIGHTS-OF-WAY.** Good and sufficient permits (with descriptions) for all wastewater collection lines (gravity lines and force mains) within public rights-of-way, and the location of all lines so permitted.

c. **LINES ON PRIVATE PROPERTY.** Good and sufficient surveys, legal descriptions and easements (at least 10 feet wide along the respective line and to the public right of way) locating all wastewater collection lines which are not properly permitted and located within public right-of-way.

Unless the Purchaser, within thirty (30) days of receipt, objects to the legal descriptions provided under paragraphs 6 a. through c., the same shall be deemed good and sufficient. The Surveys shall locate the lift stations and collection lines (gravity and force mains) not located in public right-of-ways.

7. **TITLE ISSUES.** Sellers shall deliver at the Sellers' expense and within 30 days of the surveys and legal descriptions being deemed good and sufficient, a title insurance commitment in the amount of the sales price on the real property (fee and easements) listed in **Schedules A (the Plant) and B-1 (the Lift Stations being conveyed)**, being conveyed by Sellers to Purchaser insuring good and marketable title thereto with all standard exceptions deleted. Purchaser shall have ten (10) business days thereafter to examine the commitment and notify Sellers, in writing, if title is not acceptable and specifying the defects.

Plant Title. Acceptable title for the Plant parcels shall be a good and merchantable fee simple unencumbered title, subject only to taxes not due and payable and governmental regulation.

Lift Station Fee Title. Acceptable title for Lift Station fee parcels shall be a good and merchantable fee simple title unencumbered, subject only to easements and restrictions of record prior to September 1, 2009, taxes not due and payable and governmental regulation; provided that said items do not prohibit use of the property for the purpose hereunder intended.

Lift Station Easement Title. Acceptable title for Lift Station easement parcels shall be a good and merchantable title to the respective easement, vesting in the purchaser an interest paramount to all other fee and easement claims so that the easement may be used for the purpose set out in this Contract.

Collection Line Easement Title. Acceptable title for collection line easements shall be a good and merchantable title to the respective easement, vesting in the purchaser an interest paramount to all other fee and easement claims so that the easement may be used for the purpose set out in this Contract.

Cure. If title to the parcel or easement are not acceptable, or if the lines or lift stations are not within the respective parcel or easement Sellers shall have thirty (30) days from the receipt of the notice of defects in which to cure or remove the same, at its expense. If Sellers fail to cure or remove the defect within such period, or as extended by agreement, Purchaser may waive the defects and proceed with the purchase; or withdraw from the transaction, and receive a refund of the deposit.

8. **CLOSING.** Provided that all contingencies have been met (and none of the times in this contract shortened), this transaction shall be closed at 11 A.M., within five (5) days of the

Town's receipt of the Utility Grant funds, as described in Paragraph 27 herein or 5 days after all times for diligence and performance for buyer have expired, whichever last occurs. Sellers shall operate the HUC System for its account in a competent and professional manner until closing. Closing shall take place at the offices of Swaine & Harris, P.A., 401 Dal Hall Boulevard, Lake Placid, Florida, or at such other place mutually agreeable to the parties.

A. At closing, Sellers shall deliver the following:

- (1) **Parts and Equipment.** An executed Bill of Sale with full warranties conveying the HUC System and all of its constituent parts, equipment and spare parts to Purchaser "AS IS" free and clear of all liens (the "AS IS" provision applies to the condition of the item, and not to title or liens);
- (2) **Accounts.** Proper assignment (with current estoppel information) of all contracts, accounts receivable, tariffs, licenses, territory and permits together with any necessary third party consents;
- (3) **Privately owned Lift Stations.** Conveyance by warranty deed to or warranted easements for all lift stations not in the public right of way.
- (4) **Other owned Lift Stations.** Proper conveyance of easements and permits for all lifts stations in the public right-of-way.
- (5) **Collection Lines.** Proper conveyance of all collection lines and the permits for each.
- (6) **Plant and Land.** An executed Warranty Deed conveying marketable title to Purchaser of the real property described upon schedule A upon which the Wastewater Treatment Plant and related facilities are located;
- (7) **Closing Statement.** An acceptable signed Sellers' Closing Statement;
- (6) **Estoppel.** An estoppel letter from the lender or lenders on Sellers' existing debt, if any, setting forth the amount required to be paid as of closing for Sellers to be able to convey the HUC System, real property and easements free and clear of all liens;
- (7) **Deposits.** An executed assignment of all of Sellers' customer deposits, and transfer of or credit for each of said deposits;
- (8) **Customer Records.** All customer records.

B. At closing Purchaser shall deliver the following:

- (1) An acceptable signed Purchaser's Closing Statement; and

- (2) Funds representing the net cash due at closing, less any approved adjustments.

After closing, Swaine & Harris, P.A., shall record the Deeds, Easements and Assignment of Easements in the Public Records of Highlands County, Florida, and deliver the Bill of Sale and Assignments of other rights and customer deposits to Purchaser, pay any debts of Sellers required to clear title to the HUC System and deliver the balance of the funds to Sellers.

9. **TERMINATION BY PURCHASER.** This Agreement may be terminated by Purchaser at any time before closing without cause. Upon such termination, Purchaser's deposit shall be returned to Purchaser, and all parties shall be released from this contract.

10. **TERMINATION BY SELLERS; SELLERS' DEFAULT.** This Agreement may be terminated by Sellers only upon the Purchaser's default. In the event Purchaser defaults under this contract, the Sellers' sole remedy shall be Termination of this contract. Prior to such termination by Sellers, Sellers shall give Purchaser written notice of Purchaser's alleged default. Notice of default shall be delivered to Purchaser's Attorney, listed below. Purchaser shall be given 30 days to cure the default and continue under the contract. Upon such termination, Purchaser's deposit shall be returned to Purchaser.

If Sellers default under this contract, the Purchaser may bring an action for specific performance or damages, at Purchaser's option.

11. **REPRESENTATIONS AND WARRANTIES OF SELLERS.** Sellers hereby represent and warrant the following to and for the benefit of the Purchaser:

- A. **Litigation.** There are no actions, suits or proceedings pending against Sellers, with respect to the HUC System or, to Sellers' best knowledge, threatened against or affecting Sellers or the HUC System before any court or administrative body or agency having jurisdiction over Sellers or the HUC System.
- B. **Title to Assets.** Sellers have good and marketable title to the HUC System and can deliver them free and clear of any liens and claims at closing (according to the terms of paragraph 7 above). All collection lines are either: 1) within public rights of way and properly permitted by the agency having jurisdiction; or 2) within the bounds of a duly recorded easement and not subject to other encumbrances.
- C. **Quit Claim.** Sellers represent that Sellers do not own the following four (4) lift stations:
 - (1) Lift Station at Lake Country Elementary School shown on County tax map number 160C.
 - (2) Lift Station at Sweet Bay shown on County tax map number 140 A.

(3) Lift Station at Placid Campground shown on County tax map number 140 A.

(4) Lift Station at Placid Arms shown on County tax map number 139 B.

Sellers shall assign and quitclaim all of its rights, title and interest in and to these lift stations to the Purchaser at closing.

- D. Permits. True and correct copies of such permits, franchises and licenses have been or will be delivered to the Purchaser and Sellers will transfer the permits, franchises and licenses concerning the HUC System to the Purchaser at closing. To the best of Sellers' knowledge, there are no outstanding permit violations. Permit violations will be cured by Sellers prior to closing. Should Sellers fail to cure any permit violations, Purchaser may either waive the defect and proceed with the purchase, or withdraw from the transaction and receive a refund of the deposit.
- E. Environmental Matters. There is no civil, criminal or administrative action, suit, demand, claim, hearing, notice of violation, investigation or proceeding pending or, to the best knowledge of Sellers, threatened against Sellers relating in any way to applicable environmental, health and safety laws or regulations.
- F. Compliance with Laws and Regulations. To Sellers' best knowledge, Sellers have not violated or failed to comply with any applicable statute, law, ordinance or regulation of any governmental agency and Sellers have not received any notice asserting that such violation or failure of compliance has occurred that has not been corrected.
- G. Representations True at Closing. All representations and warranties set forth in this Agreement shall be true and correct as of the closing date just as if such representations and warranties were made as of and at that date.
- H. Exclusive Offer. Upon Sellers' execution of this agreement it will constitute an exclusive offer to sell the HUC System to Purchaser and Sellers shall not thereafter negotiate to sell the HUC System to any other entity while this contract is pending.
- I. Authority. Sellers have the legal authority to enter into this agreement and have obtained such governmental and shareholder consents as are necessary to transfer the HUC System to Purchaser.

12. **REPRESENTATIONS AND WARRANTIES OF PURCHASER.**

- A. Litigation. There are no actions, suits, or proceedings pending against the Purchaser or, to the Purchaser's best knowledge, threatened against or affecting the Purchaser before any court or administrative body or agency having

jurisdiction over the Purchaser, which might materially adversely affect the ability of the Purchaser to perform its obligations under this Agreement.

- B. Representations True at Closing. All representations and warranties set forth in this Agreement shall be true and correct as of the closing date, just as if such representation and warranties were made as of and at that date.

13. CONDITION OF HUC SYSTEM. The HUC System is to be conveyed by Sellers to Purchaser "As Is" and Sellers make no representation or warranty whatsoever concerning the condition of the HUC System, except as otherwise set forth herein. This provision applies to the physical facilities (lines, pumps, lift stations, and plant) and not to title defects, permit violations or environmental issues.

14. COMPLIANCE.

- A. The parties shall comply with §367.071(4)(a), Florida Statutes. Sellers shall provide Purchaser (within 10 days of the effective date of this contract) the most recent available income and expense statement, balance sheet, and statement of rate base for regulatory purposes and contributions-in-aid-of-construction of the HUC System.
- B. While the sale of facilities, in whole or part, to a governmental authority shall be approved by the PSC as a matter of right, Purchaser shall file an application for approval of this sale with the PSC in a timely manner.
- C. Sellers shall be responsible for all regulatory assessment fees prior to the date of closing.

15. COVENANTS OF SELLER. Sellers covenant and agree that, between the time of execution of this Agreement and the closing, Sellers shall operate the HUC System diligently in the same manner as heretofore and will not make or institute any changes in its method of management or operation unless required by the Florida Department of Environmental Protection to do so and Sellers shall not:

- A. Sell, transfer, lease or otherwise dispose of any asset relating to the HUC System;
- B. Collect any prepayment for sewer services to be provided by Purchaser after closing;
- C. Waive or permit the loss of any substantial right relating to the HUC System; or
- D. Collect any user fee, capacity fee or system development charge for connection to the HUC System without Purchaser's written consent, which consent will not be unreasonably withheld, and provided that any such connection fee so collected will be applied in reduction of the cash due to Purchaser at closing.

16. **PERMITTING.** The Purchaser may, at its expense and discretion, prepare and cause to be filed with the Florida Department of Environmental Protection (or other appropriate agency) applications to renew the HUC System permits which may expire within 18 months after the effective date of this contract. Sellers shall promptly cooperate with the Purchaser's efforts to obtain or renew permits for Sellers' HUC System (including without limitation, the signing of all applications and supporting material reasonably required by the permitting agency.

17. **NOTICES.** All notices, requests, demands and other communications under this Agreement shall be in writing and shall be deemed given when delivered in person or mailed by certified or registered mail, postage prepaid, return receipt requested and addressed as follows:

Sellers:

Dixon Pugh, President
Highlands Utilities Corporation
Pugh Septic Tank Services, Inc.
411 Kent Avenue
Lake Placid, FL 33852

Purchaser:

TOWN OF LAKE PLACID
Attention: Gary V. Freeman
311 West Interlake Boulevard
Lake Placid, FL 33852

copy to:

Martin S. Friedman, Esquire
Rose, Sundstrom & Bentley, LLP
2180 W. State Road 434, Suite 2118
Longwood, FL 32779

copy to:

Bert I. Harris, III, Town Attorney
Swaine & Harris, P.A.
401 Dal Hall Blvd.
Lake Placid, FL 33870

18. **GOVERNING LAW.** This Agreement shall be governed by the laws of the State of Florida. The venue for purposes of litigation shall be Highlands County, Florida.

19. **ATTORNEY'S FEES.** In any action brought by either party for the enforcement of the obligations of the other party, the prevailing party shall be entitled to recover reasonable attorney's fees, paralegal fees, court and other costs, whether incurred before or at trial, on appeal, in bankruptcy or in post judgment collections, from the losing party.

20. **SURVIVAL OF CLOSING.** Sellers' representations shall survive closing and shall remain enforceable for a period of three (3) years from closing.

21. **CAPTIONS.** The captions and headings used in this Agreement are for convenience only and do not affect, limit or amplify the terms and provisions hereof.

22. **INVALID PROVISIONS.** If any provision is held to be illegal, invalid or unenforceable, such provision shall be fully severable and this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part hereof; and the remaining provisions hereof shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance therefrom.

23. **ENTIRETY OF AGREEMENT.** This Agreement contains the entire agreement between the parties. No representations, inducements, promises or agreement, oral or otherwise, which are not embodied herein shall be of any force or effect.

24. **MULTIPLE ORIGINALS.** This Agreement is executed in multiple copies, each of which shall be deemed an original.

25. **COVENANT NOT TO COMPETE.** The Sellers and their officers, directors and shareholders (collectively "Pugh") each for the consideration of Ten Dollars shall each execute and deliver at closing a covenant not to compete with the Purchaser in the business of wastewater collection and treatment in Highlands County, Florida (south of US Highway 98) for a period of 10 years after closing. Pugh shall not own an interest in nor be an employee of a company whose business includes wastewater collection or treatment. The covenant will not prohibit Pugh from working for the Town of Lake Placid.

26. **NEGOTIATIONS, OFFER, REVOCATION AND ACCEPTANCE.** The Lake Placid Town Council authorized Councilman Steve Bastardi to negotiate this contract with the Sellers. Councilman Bastardi is not authorized to bind the Town to this Contract. Councilman Bastardi signs this Contract as his recommendation for its acceptance by the Town. Sellers sign as an irrevocable offer to sell upon the foregoing terms. This offer to sell is not revocable for 60 days from the date Sellers sign. Unless accepted by Purchaser, or extended in writing by Sellers, the Sellers' offer is revoked 60 days after the date Sellers sign this offer. This offer becomes a binding contract if accepted by a vote of the Lake Placid Town Council (as evidenced by signatures of the Mayor and Clerk) before its revocation.

27. **CONTINGENCY FOR LEGISLATIVE GRANT.** The Town today is the recipient of that certain direct legislative grant from the State of Florida (State of Florida Grant Assistance – Pursuant to Line Item 1772C of the 2008-2009 General Appropriations Act, in the original sum of \$500,000.00, hereinafter "Utility Grant") which is designated for improvements to the Town's Water System. The approximate sum of \$450,000.00 remains unspent. The Town shall seek and use its best efforts to pursue the conversion of the Utility Grant from water to wastewater so that it may be used to fund the closing of this contract. Accordingly, this contract and its closing are contingent upon the following things:

- A. The conversion of the purpose of the Utility Grant by the Florida Legislature in the 2010 regular session from Water to Wastewater; and
- B. The Town's receipt of the Utility Grant funds (in the minimum sum of approximately \$450,000.00) on or before July 30, 2010.

The Town shall use its best efforts to obtain these conditions. However, if any one of these items fails to happen by July 30, 2010, then and in that event, the Town may cancel this contract, receive its deposit back and all parties will be relieved of further duties and liabilities hereunder.

28. **INSPECTIONS.** Purchaser shall be allowed full and complete access to all parts of the HUC System books, records and HUC System's physical plan for the purpose of

conducting tests and inspections at its expense. Purchaser shall repair all damage caused by such tests.

EXECUTED by Sellers on the 23 day of April 2010.

Two Witnesses as to Seller:

Loretta Smith
(Printed Name) Loretta Smith

Tommy Mullins
(Printed Name) Tommy Mullins

HIGHLANDS UTILITIES CORPORATION,
a Florida corporation

By: Dixon Pugh
Dixon Pugh, as its President

Attest: Lorri Lammie
By: Lorri Lammie
Lorri Lammie, as its Secretary

[Corporate Seal]

Two Witnesses as to Seller:

Loretta Smith
(Printed Name) Loretta Smith

Tommy Mullins
(Printed Name) Tommy Mullins

PUGH SEPTIC TANK SERVICE, INC., a
Florida corporation

By: Dixon Pugh
Dixon Pugh, as its President

Attest: Lorri Lammie
By: Lorri Lammie
Lorri Lammie, as its Secretary

[Corporate Seal]

[SIGNATURES & WITNESSES CONTINUED ON PAGE 10 HEREOF.]

EXECUTED BY COUNCILMAN STEVEN BASTARDI on the 26th day of April 2010, showing the Town's receipt of the offer (but not binding the Town of Lake Placid). The Town of Lake Placid shall be bound only when the Town Council accepts and approves this contract).



Steven Bastardi, Councilman

ACCEPTED and approved by Purchaser this ____ day of _____ 2010.

Two Witnesses as to Purchaser:

TOWN OF LAKE PLACID, a Florida municipal corporation

(Printed Name)

By: _____
John Holbrook
Mayor

(Printed Name)

Attest: _____
By: _____
Arlene Tuck, Town Clerk

Schedule A
Wastewater Treatment Plant

The Southwest one-quarter (SW 1/4) of the Southeast one-quarter (SE 1/4) of the Southwest one-quarter (SW 1/4) of Section 8, Township 37 South, Range 30 East, Highlands County, Florida; less the South 50 feet for Road right of way (county road 29), subject to an easement along the East 10 feet thereof,

LESS AND EXCEPT a portion of the Southwest 1/4 of the Southeast 1/4 of the Southwest 1/4 of Section 8, Township 37 South, Range 30 East, Highlands County, Florida, being more particularly described as follows: Lot 4: The North 130 feet of the South 180 feet of the East 100 feet of the West 340 feet of the SW 1/4 of the SE 1/4 of the SW 1/4 of said Section 8.

AND

LESS AND EXCEPT the North 181.55 feet of the South 431.55 feet of the West 240.00 feet of the Southwest 1/4 of the Southeast 1/4 of the Southwest 1/4 of Section 8, Township 37 South, Range 30 East, Highlands County, Florida.

AND

LESS AND EXCEPT a portion of the Southwest Quarter of the Southeast Quarter of the Southwest Quarter of Section 8, Township 37 South, Range 30 East, Highlands County, Florida, more particularly described as follows: Commence at the Southwest corner of the Southwest Quarter of the Southeast Quarter of the Southwest Quarter of said Section 8; thence North 1°18'52" West, along the West line of said Southwest Quarter of the Southeast Quarter of the Southwest Quarter for a distance of 431.55 feet to a point; thence South 89°56'00" East for a distance of 255.00 feet to the POINT OF BEGINNING; thence continue South 89°56'00" East for a distance of 122.0 feet to a point; thence North 0°04'00" East for a distance of 214.23 feet to a point; thence North 89°56'00" West for a distance of 122.0 feet to a point; thence South 0°04'00" West for a distance of 214.23 feet to the POINT OF BEGINNING.

AND

LESS AND EXCEPT a portion of the Southwest Quarter of the Southeast Quarter of the Southwest Quarter of Section 8, Township 37 South, Range 30 East, Highlands County, Florida, more particularly described as follows: The north 175 feet of the South 225 feet of the West 130 feet of the East 140 feet of the SW 1/4 of the SE 1/4 of the SW 1/4 of Section 8 Township 37 South Range 30 East.

AND

LESS AND EXCEPT the North 200 feet of the South 250 feet of the West 240 feet of the Southwest 1/4 of the Southeast 1/4 of the Southwest 1/4 located in Section 8, Township 37 South, Range 30 East, in Highlands County, Florida.

Schedule B
Wastewater Collection System

1. **Lift Stations.** Eleven (11) duplex lift stations identified and described on Schedule B-1.
2. **Lift Station Land.** The parcels of land upon which the lift stations are situated (title or easement) described on Schedule B-1, or added according to Contract paragraph 6.
3. **Wastewater Collection Lines.** The Wastewater Collection Lines, force mains, gravity mains and manholes, together with sufficient land (by title or easement if not in public right of way) around them and adequate full time access to allow for their proper operation, maintenance, repair and replacement; all easements or rights of access needed to service and maintain the system, all of the foregoing being listed on Schedule B-2, or added according to Contract paragraph 6.

**Schedule B-1
Lift Stations**

Index

<u>Lift Station #</u>	<u>Location</u>	<u>Name</u>
B-1.1	815 Hill Hillcrest Street Lake Placid, Florida	Heron's Landing
B-1.2	15-B Victory Way Lake Placid, Florida	Kingswood Manor
B-1.3	To Be Supplied by Seller	Lake Country School
B-1.4	Dr. Ibrahim Offices	Motor Parts
B-1.5	830 Wirick Street Lake Placid, Florida	Oasis Car Wash
B-1.6	60 Huntley Oaks Blvd Lake Placid, Florida	Yester Years
B-1.7	535 Plaza Avenue Lake Placid, Florida	Rosewood Retirement Center
B-1.8	1055 US 27 South Lake Placid, Florida	Terraces at Lake Placid
B-1.9	150 County Road 621 Lake Placid, Florida	Winn Dixie
B-1.10	164 Huntley Oaks Blvd. Lake Placid, Florida	Waters Edge
B-1.11	4 Charlton Drive Lake Placid, Florida	Pines of Huntley

B-1.1
Lift Station
Heron's Landing

Location

815 Hill Hillcrest Street
Lake Placid, Florida

Easement (shown on title South Ridge Title Search number _____).

Recorded in Official Record Book 2203, Page 1543, of the Public Records of Highlands County, Florida.

Consent of Mortgagee _____. Seller to obtained prior to closing.

Legal Description for Lift Station (on the Special Purpose Survey).

An easement for utility purposes over the Easterly 10.00 feet of the Southerly 140.00 feet, also the Southerly 10.00 feet thereof, also the Westerly 30.00 feet of the Southerly 70.00 feet of the following described parcel of land:

A portion of the Northwest ¼ of Section 31, Township 38 South, Range 30 East, Highlands County, Florida, and being more particularly described as follows:

Commencing at the centerline intersection of Roy Pendarvis Road (formerly Hillcrest Avenue by Plat) and Hillcrest Street (formerly Magnolia Street by Plat) and further identified as the Northeast corner of the plat or map entitled "Hill Crest Addition" as recorded in plat book 2, page 98, of the Public Records of Highlands County, Florida; thence N. 89 deg. 45 min. 05 sec. E., along the centerline of the said Roy Pendarvis Road, a distance of 25.01 feet; thence S. 01 deg. 29 min. 00 sec. E., a distance of 35.02 feet to a point on the Southerly right-of-way line of the said Roy Pendarvis Road; thence N. 89 deg. 45 min. 05 sec. E., along said Southerly right-of-way line, a distance of 430.00 feet to the "Point of Beginning"; thence continuing N. 89 deg. 45 min. 05 sec. E., A distance of 185.00 feet; thence S. 01 deg. 29 min. 00 sec. E., parallel to and 640.00 feet Easterly of the centerline of the said Hillcrest Street, a distance of 515.00 feet; thence S. 89 deg. 45 min. 05 sec. W., parallel to and 550.00 feet Southerly of the centerline of the said Roy Pendarvis Road, a distance of 615.00 feet to a point on the Easterly right-of-way line of the said Hillcrest Street; thence N. 01 deg. 29 min. 00 sec. W., along said Easterly right-of-way line, a distance of 175.00 feet; thence N. 89 deg. 45 min. 05 sec. E., a distance of 430 feet; thence N. 01 deg. 29 min. 00 sec. W., a distance of 340.00 feet to the "Point of Beginning"

Special Purpose Survey (map only).

To be revised by Seller to add the collection line description and to reflect any encumbrances to either easement, if any, as shown on title search. _____

Lift Station Permit Number

Seller to supply. Seller represents that this permit was obtained by a prior developer and never transferred to seller. _____

Inventory

1 Three Phase Electrical Panel
2 Three Phase 7.5 HP Peabody Barnes Pumps

B-1.2
Lift Station
Kingswood Manor

Location

15-B Victory Way
Lake Placid, Florida

Easement One (lines).

Seller to provide 48 individual easements from the homeowners for lines.
Example recorded in Official Record Book 1044, Page 467, of the Public Records of Highlands County, Florida.

Easement One (Legal Description for line easements).

A non-exclusive utility easement five (5) feet on both sides of the existing water and sewer lines serving OWNER'S property, Kingswood Manor and Kingswood Manor Townhouses.

Easement Two (Legal Description for lift station). Seller shall provide an easement for the lift station as shown in the Germaine Survey (seller represents that such is on land owned by Rosa M Calvetto).

Survey. Germaine Special Purpose Survey dated 20 November 2009, job number 164-09.

Lift Station Permit Number

CS52-28-6369

Inventory

1 Three Phase Electrical Panel

2 Three Phase 7.5 HP Barnes Pumps

**B-1.3
Lift Station**

Lake Country Elementary School
(Lift Station claimed by Highlands County School Board)

Location

Lake Country Elementary School on County Road 29, Lake Placid, Florida

Easement. Not applicable.

Legal Description. Not applicable

Survey. Not applicable

Lift Station Permit Number _____ .

Inventory

One 3 phase electrical pump.

Two 3 phase 7.5 horse power Barnes Pumps.

Seller represents that it does not own this lift station and that the same is claimed by the Highlands County School Board.

Seller to convey this lift station by quit claim deed to Purchaser.

**B-1.4
Lift Station**

NAPA Motor Parts

Location

Behind Dr. Thayer and NAPA.

Lift Station Easement (drainage easement) on plat.

The lines serving the lift station are represented by seller to be within the drainage easement.

Legal Description

Survey

Germaine survey shows lift station within the platted drainage easement.

Lift Station Permit Number

CS28-60404

Lift Station Inventory

- 1 Three Phase Electrical Panel
- 2 Three phase 7.5 HP Peabody Barnes Pumps

CVS COLLECTION LINES AND MANHOLE.

Seller represents that the collection line and man hole (circle S on survey) serves only CVS and is not within the easement or the CVS land; CVS erroneously constructed the manhole and lines off of its site; Seller to advise CVS to obtain easement or relocate the manhole and line at their expense.

B-1.5
Lift Station
Oasis Car Wash

Location

830 Wirick Street
Lake Placid, Florida

Deed

Warranty Deed to Town for Right of Way recorded in Official Record Book 728 at page 416 of the Public Records of Highlands County, Florida.

Legal Description

The South 7½ feet of Parcel #2 and the North 7½ feet of Parcel 2, also, the South 7½ feet of the West 200.03 feet of a Replat of Floral Homes, as recorded in Plat Book 3, Page 36, of the Public Records of Highlands County, Florida, of that certain plat as prepared for R. P. Dunty, Jr. and John W. Wirick, Jr. by A & V Land Surveying, Inc., being bounded on the West by Spruce Street, on the East by U. S. Highway 27, on the North by Plumosa Avenue and on the South by State Road #17, all lying in and comprising a part of Section 6, Township 37 South, Range 30 East, Highlands County, Florida.

Survey

Germaine Special Purpose Survey dated 20 November 2009, job number 164-09.

Lift Station Permit Number

CS52-28-6714

Inventory

1 Three Phase Electrical Panel

2 Three Phase 7.5 HP Peabody Barnes Pumps

B-1.6
Lift Station
Yester Years

Location

60 Huntley Oaks Blvd
Lake Placid, Florida

Easement One. Seller represents that the easement in OR Book 1134 at page 1347, Highlands County Florida is the easement behind parcel B-1.11).
Easement ownership not resolved. Apparently conveyed to MM Charlton or Lake Huntley Cottage Estates.

Easement Two (Common Area). Seller is to provide easement over the common area for lines and manhole (current ownership unknown by seller).

Legal Description

To Be Supplied for easement two.

Germaine Survey. Shows Lift Station on Easement one.

Lift Station Permit Number

CS28-205886

Inventory

1 Single Phase Electrical Panel
Three Phase Availability

2 Three Phase 7.5 HP Peabody Barnes Pumps



B-1.7
Lift Station

Rosewood Retirement Center

Location

535 Plaza Avenue
Lake Placid, Florida

Easement

Rosewood. Recorded in Official Record Book 594, Page 520, of the Public Records of Highlands County, Florida. (to be provided by seller).

Towerview. Recorded in Official Record Book 597, Page 775, of the Public Records of Highlands County, Florida.

Interlake Condominium. Recorded in Official Record Book 973, Page 610, of the Public Records of Highlands County, Florida.

Rosewood Legal Description

The East 25 feet of Tract "F", PLACID PLAZA, according to the plat thereof recorded in Plat Book 7 at Page 23 of the Public Records of Highlands County, Florida.

and

The East 25 feet of Tract "D", PLACID PLAZA, according to the plat thereof recorded in Plat Book 7 at Page 23 of the Public Records of Highlands County, Florida.

and

A portion of Tract G, PLACID PLAZA, according to the plat thereof recorded in Plat Book 7, at Page 23 of the Public Records of Highlands County, Florida, more particularly described as follows:

COMMENCE at the Southeast corner of said Tract G, thence North 88°57'13" West along the South line of said Tract G for a distance of 7.50 feet to the POINT OF BEGINNING of the centerline of a 15 foot easement with 7.50 feet lying on each side of the above stated centerline; thence North for a Distance of 45.50 feet to the POINT OF TERMINATION.

Germaine Survey. Shows lift station within Rosewood Easement.

Lift Station Permit Number

CS52-28-5361 dated 27 July 1978.

Inventory

1 Three Phase Electrical Pump

2 Three Phase 7.5 HP Peabody Barnes Pumps

**B-1.8
Lift Station**

Terraces at Lake Placid

Location

1055 US 27 South
Lake Placid, Florida

Easement

From Terraces Home Owners Association to be provided by Seller.

Legal Description

Survey

Germaine Special Purpose Survey dated.....shows lift station within Terraces Common Area.

Lift Station Permit Number

CS28-105955

Inventory

1 Three Phase Electrical Panel

2 Three Phase 7.5 HP Peabody Barnes Pumps

B-1.9
Lift Station
Winn Dixie

Location

150 County Road 621
Lake Placid, Florida

Easement

Insert.

Legal Description

Insert from survey.

Survey

Germaine Special Purpose Survey shows lift station within legal.

Lift Station Permit Number

CS28-63423

Inventory

1 Three Phase Electrical Panel

2 Three Phase 7.5 HP Peabody Barnes Pumps

B-1.10
Lift Station
Waters Edge

Location

164 Huntley Oaks Blvd.
Lake Placid, Florida

Easement

(Tim Sheehan, Esquire working on this easement). Tie to survey.

Legal Description

Insert from survey.

Survey

Germaine Special Purpose survey shows lift station within legal.

Lift Station Permit Number

CS28-155556

Inventory

1 Three Phase Electrical Panel

2 Three Phase 7.5 HP Peabody Barnes Pumps

B-1.11

Pines of Huntley

Location

4 Charlton Drive
Lake Placid, Florida

Deed/Easement

Recorded in Official Record Book 825, Page 104 at 108, of the Public Records of Highlands County, Florida.

Legal Description

An easement 15 feet in width, the center line of which is described as follows:
Commence at the Northwest corner of the Southeast Quarter of the Southeast Quarter of said Section 31; thence run South 1°12'12" East for a distance of 558.89 feet to a point on the Southerly Right-of-Way line of State Road #621; thence run North 44°46'15" East along the Southerly Right-of-Way line of said State Road #621 for a distance of 805.85 feet to a point; thence run South 1°05'00" East along the East line of KINGSWOOD MANOR, according to the plat thereof as recorded in Plat Book 13, page 4, of the Public Records of Highlands County, Florida, for a distance of 425.50 feet to a point; thence run South 6°50'00" West for a distance of 505.99 feet to an iron pipe; thence run South 86°02'03" East a distance of 66 feet to the POINT OF BEGINNING of the center line of this easement; thence continue South 86°02'03" a distance of 502.41 feet to the end of the center line of this easement.

Survey

Germaine Special Purpose Survey shows lift station within easement.

Lift Station Permit Number

CS28-086866

Inventory

1 Three Phase Electrical Panel

2 Three Phase 7.5 HP Peabody Barnes Pumps

**Schedule B-2
Line Easements**

Index

<u>Line Easement #</u>	<u>Permitted By</u>	<u>Permit Number</u>	<u>Location</u>
B-2.1	FDOT	09-S-6-J	State Road 25
B-2.2	HC	514-L	Lake Clay Drive
B-2.3	HC	75-P	Plaza Avenue
B-2.4	HC	199-P	Plaza Avenue
B-2.5	HC	521-S	County Road 621
B-2.6	HC	517-S	Spruce Street
B-2.7	HC	Unnumbered.	Main Street
B-2.8	HC	91-F	Faye Drive
B-2.9	HC	183-H	Huntley Drive
B-2.10	FDOT	09-5-37 F	State Road 25
B-2.11	HC	Unnumbered.	State Road 8
B-2.12	FDOT	U8709017	State Road 25
B-2.13	FDOT	09-5-40E	State Road 25
B-2.14	HC	293-C	County Road 29
B-2.15	HC	Unnumbered.	County Road 29
B-2.16	FDOT	09-S-7D	State Road 25
B-2.17	HC	Unnumbered.	Tower Street
B-2.18	HC	79-A	Access Road
B-2.19	HC	Unnumbered.	State Road 8

**B-2.1
Line Easement**

State Road 25

State Road Section Number 09010

Date of Permit Request

30 November 1983

Date of Permit Approval

02 March 1984

Permit Number

D09-S-6-J

Permitted By

State of Florida Department of Transportation

Permitee

Highlands Utilities Company

Permitted for

One 4" P.V.C. pipe 53 ft. east of C/L of North bound lane of State Rd. 25 starting on existing 4" P.V.C. pipe a distance of 2,192.5' south of State Road 621 C/L and ending 22ft. north of Huntley Drive C/L for a distance of 794' from MP/Station M.P. 18.124 to MP/Station M.P. 18.274

B-2.2
Line Easement
Lake Clay Drive

State Road Section Number

Date of Permit Request

06 January 1992

Date of Permit Approval

01 May 1992

Permit Number

514-L

Permitted By

Highlands County

Permittee

Heron's Landing RRH, Ltd.

Permitted for

A 4" pvc force main (including Jack & bore construction) within Lake Clay Drive and Plaza Avenue Highlands, County, Florida (Lake Placid)

**B-2.3
Line Easement**

Plaza Avenue

State Road Section Number

Date of Permit Request

24 October 1980

Date of Permit Approval

29 October 1980

Permit Number

75-P

Permitted By

Highlands County

Permitee

PUGH SEPTIC TANK SERVICE INC.

Permitted for

ONE 4" P.V.C. PIPE CLASS 160, BORED UNDER PLAZA AVE. 34" Ft. South OF CENTRE
LINE OF SUMMIT ST.

**B-2.4
Line Easement**

Plaza Avenue

State Road Section Number

31

Date of Permit Request

28 August 1989

Date of Permit Approval

28 August 1989

Permit Number

199-P

Permitted By

Highlands County

Permittee

Highland Utilities Corp

Permitted for

One 8 in. PVC Pipe the Depth of 60" crossing Plaza Ave. and 250 ft. North of center line of Tower St. and by Jack and Boreing.

**B-2.5
Line Easement**

State Road 621

State Road Section Number

31

Date of Permit Request

23 May 1985

Date of Permit Approval

23 May 1985

Permit Number

521-S

Permitted By

Highlands County

Permitee

Highlands Utilities Corp.

Permitted for

One 4" P.V.C. class 160 Jack & Bored under State Road #621 and 683 Feet East of Center line of north bound land of US 27 and at a depth of 30 inches.

**B-2.6
Line Easement**

Spruce Street

State Road Section Number

6

Date of Permit Request

27 March 1985

Date of Permit Approval

28 March 1985

Permit Number

517-S

Permitted By

Highlands County

Permitee

Highlands Utilities Corp.

Permitted for

One 8 in. PVC gravity sewer pipe and 4 manholes 19 ft. west of center line of Spause St. and 19 ft. south of center line of Phoenix Ave. and crossing Phoenix Ave. and Plumosa Ave. by jack and boring a 12 in. DTP Caseing.

**B-2.7
Line Easement**

Main Street

State Road Section Number

6

Date of Permit Request

14 November 1978

Date of Permit Approval

14 November 1978

Permit Number

To Be Supplied By Seller

Permitted By

Highlands County

Permitee

Pugh Sèptic Tank Service, Inc.

Permitted for

One 4" P.V.C. Class 160, 0.225 wall thickness, From the city limits of Lake placid approximately 340 ft. on the east side of Spruce Street to the south side of Main Street and going approximately 1200 ft. to U.S. 27 on the south side of # 8

**B-2.8
Line Easement**

Faye Drive

State Road Section Number

6

Date of Permit Request

14 October 1983

Date of Permit Approval

20 October 1983

Permit Number

91-F

Permitted By

Highlands County

Permittee

Highlands utilities Corp.

Permitted for

One 8" P. V. C. Pipe 20 ft. west of center line of Faye Drive Two manholes and a crossing for Faye Drive by Jack and Boreing.

**B-2.9
Line Easement**

Huntley Drive

State Road Section Number

6

Date of Permit Request

13 April 1984

Date of Permit Approval

16 April 1984

Permit Number

183-H

Permitted By

Highlands County

Permittee

Highlands Utilities Corp.

Permitted for

One 4 in. PVC pipe 23 ft. north of center line of Huntley Dr. for 630 ft. and starting at U.S. 27 RW line.

B-2.10
Line Easement

State Road 25

State Road Section Number

09010

Date of Permit Request

08 October 8, 1979

Date of Permit Approval

31 January 1980

Permit Number

09-5-37 F

Permitted By

State of Florida Department of Transportation

Permitee

Pugh Septic Tank Service

Permitted for

4" P.V.C., Class 160 Force Main from MP Station 16.462 to MP Station 18.688

**B-2.11
Line Easement**

State Road 8

State Road Section Number

8

Date of Permit Request

01 December 1978

Date of Permit Approval

01 December 1978

Permit Number

Unnumbered.

Permitted By

Highlands County

Permitee

Pugh Septic Tank Service, Inc.

Permitted for

One 4" PVC. Class 160 0.225 wall thickness pipe, pushing under St. Rd. #8 between Main and Washington Street instead of pushing under Main Street.

**B-2.12
Line Easement**

State Road 25

State Road Section Number

09010

Date of Permit Request

11 March 1987

Date of Permit Approval

11 March 1987

Permit Number

U8709017

Permitted By

State of Florida Department of Transportation

Permittee

Highlands Utilities Corp

Permitted for

4" P.V.C. Force Main in 8" Steel Casing from MP/Station 17.800

**B-2.13
Line Easement**

State Road 25

State Road Section Number

09010

Date of Permit Request

14 March 1978

Date of Permit Approval

28 September 1978

Permit Number

09-5-40E

Permitted By

State of Florida Department of Transportation

Permitee

Pugh Septic Tank Service, Utilities Division

Permitted for

4" P.V.C. Force Main from MP Station 16.471 to MP Station 17.918

B-2.14
Line Easement
County Road 29

State Road Section Number

8 and 9

Date of Permit Request

08 June 1988

Date of Permit Approval

08 June 1988

Permit Number

293-C

Permitted By

Highlands County

Permitee

HIGHLANDS UTILITIES CORP.

Permitted for

ONE 4 IN. PVC CLASS 160 PIPE THE DEPTH OF 30 INCHES STARTING 985 FT. EAST OF US 27 NORTH BOUND CENTER LINE AND FOR 6,860 FT. AND 35 FT. NORTH OF CENTER LINE OF COUNTY ROAD 29 TO THE SCHOOL BY JACK AND BOREING UNDER LAKEVIEW DRIVE AND HOLMES ROAD AND A CROSSING FOR THE CAMPGROUND BY JACK AND BORING UNDER COUNTY ROAD 29 AT THE STARTING POINT.

**B-2.15
Line Easement**

County Road 29

State Road Section Number

8

Date of Permit Request

24 February 1977

Date of Permit Approval

25 February 1977

Permit Number

To Be Supplied By Seller

Permitted By

Highlands County

Permitee

Pugh Septic Tank Service, Inc.

Permitted for

2 lines 4" P. V. C. Class 160 .255 wall thickness, approximately 1,000 ft. along the north side of S 29 from U. S. 27 to Pugh Septic Tank Service, Inc. Force Main is 45' off center line of pavement for 1,000 ft.

**B-2.16
Line Easement**

State Road 25

State Road Section Number

09010

Date of Permit Request

30 November 1976

Date of Permit Approval

08 February 1977

Permit Number

09-S-7D

Permitted By

State of Florida Department of Transportation

Permittee

Pugh Septic Tank Service

Permitted for

4" & 6" Force Main, PVC Class 100 from MP Station MP. 15.467 to MP Station MP. 16.471

B-2.17
Line Easement

Tower Street

State Road Section Number

31

Date of Permit Request

27 February 1978

Date of Permit Approval

27 February 1978

Permit Number

Unnumbered.

Permitted By

Highlands County

Permitee

Pugh Septic Service, Inc.

Permitted for

1 line 4" P.V.C. pipe Class 160 .255 wall thickness approximately 440 ft. north Off center line of Tower Street, and crossing Plaza Ave. and Tower Street by pushing under streets

**B-2.18
Line Easement**

Access Road

State Road Section Number

6

Date of Permit Request

13 August 1980

Date of Permit Approval

14 August 1980

Permit Number

79-A

Permitted By

Highlands County

Permitee

PUGH SEPTIC TANK SERVICE INC.

Permitted for

One 4 inch PVC. Pipe on the west side and 12 ft. off the Center of the access road of us. 27 from faye Dr. to N. Boundry of Christensen Manor

**B-2.19
Line Easement**

State Road 8

State Road Section Number

8

Date of Permit Request

17 November 1978

Date of Permit Approval

17 November 1978

Permit Number

To Be Supplied By Seller

Permitted By

Highlands County

Permittee

Pugh Septic Tank Service, Inc.

Permitted for

One 4" PVC Class 160 0.255 wall thickness going on the east side of St. Rd. #8, from U.S. 27 right of way to U.S. 27 right away. WE will be pushing or boring under Main, Washington, Zion and Anderson Street. We will cut through Lincoln and Carver Streets (they are clay) All other roads and drives will be cut through.

**ADDENDUM NUMBER 1
TO AGREEMENT BETWEEN THE TOWN OF LAKE PLACID
AND PUGH SEPTIC TANK SERVICE, INC., AND HIGHLANDS UTILITIES
CORPORATION FOR THE SALE AND PURCHASE OF WASTEWATER
COLLECTION AND TREATMENT SYSTEM**

THIS IS AN ADDENDUM to that certain Agreement dated 26 April 2010, between **PUGH SEPTIC TANK SERVICE, INC.**, a Florida corporation and **HIGHLANDS UTILITIES COPPORATION**, a Florida corporation, as Sellers, and **TOWN OF LAKE PLACID**, a Florida municipal corporation as Purchaser, for the sale and purchase of the Wastewater Treatment Plant as described therein.

The parties agree that SCHEDULE A of the hereinabove set out agreement is deleted in its entirety and the attached REVISED SCHEDULE A (sketch of the subject property) is substituted in its place. The Seller will provide a survey by licensed Florida Surveyor on or before 24 May 2010. Schedule A is to include all of the Sellers' contiguous lands in, under and around the Wastewater Treatment Plant.

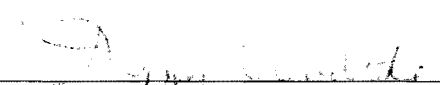
Paragraph 1 Entitled "SALE AND PURCHASE OF HUC SYSTEM" is amended to add subparagraph "F" entitled "ASSETS", as follows:

F. ASSETS. All fixtures, equipment, parts, spare parts and things which are a part of the Highlands Utilities Wastewater Collection and Treatment System.

All other terms and conditions of the Agreement remain in full force and effect, except as herein modified.

EXECUTED by Sellers on the 7th day of May 2010.

Two Witnesses as to Seller:




(Printed Name) _____

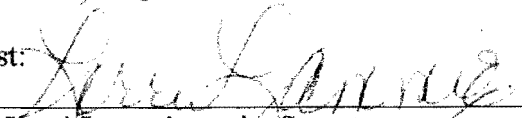


(Printed Name) Jill Ann Brumby

**HIGHLANDS UTILITIES
CORPORATION**, a Florida corporation

By: 

Dixon Pugh, as its President

Attest:
By: 

Lorri Lammie, as its Secretary

[corporate seal]

Two Witnesses as to Seller:

PUGH SEPTIC TANK SERVICE, INC., a Florida corporation

[Signature]
(Printed Name) _____

By: [Signature]
Dixon Pugh, as its President

[Signature]
(Printed Name) _____

Attest: [Signature]
By: Lorri Lammie, as its Secretary

[corporate seal]

EXECUTED BY TOWN COUNCILMAN STEVEN BASTARDI this 7th day of May 2010 showing the Town's receipt of the offer (but not binding the Town of Lake Placid). The Town of Lake Placid shall be bound only when the Town Council accepts and approves this contract).

[Signature]
Steven Bastardi, Councilman

ACCEPTED by Purchaser this _____ day of _____ 2010.

Two Witnesses as to Purchaser:

TOWN OF LAKE PLACID, a Florida municipal corporation

(Printed Name) _____

By: _____
John Holbrook
Mayor

(Printed Name) _____

Attest:
By: _____
Arlene Tuck, Town Clerk

**ADDENDUM NUMBER 2
TO AGREEMENT BETWEEN THE TOWN OF LAKE PLACID
AND PUGH SEPTIC TANK SERVICE, INC., AND HIGHLANDS UTILITIES
CORPORATION FOR THE SALE AND PURCHASE OF WASTEWATER
COLLECTION AND TREATMENT SYSTEM**

THIS IS AN ADDENDUM to that certain Agreement dated 26 April 2010, between PUGH SEPTIC TANK SERVICE, INC., a Florida corporation and HIGHLANDS UTILITIES CORPORATION, a Florida corporation, as Sellers, and TOWN OF LAKE PLACID, a Florida municipal corporation as Purchaser, for the sale and purchase of the Wastewater Treatment Plant and Collection System as described therein.

1. Subparagraph "F" entitled "ASSETS" of Paragraph 1 entitled "SALE AND PURCHASE OF HUC SYSTEM" is amended to add that certain 2007 Chevrolet Truck and Auto crane in its condition as of this date, reasonable wear and tear excepted.
2. Paragraph 2 entitled "CONSIDERATION FOR SALE AND PURCHASE" is amended to change the allocation of the \$550,000.00 purchase price. The purchase price shall be paid \$50,000.00 to PUGH SEPTIC TANK SERVICE, INC; and \$500,000.00 to HIGHLANDS UTILITIES CORPORATION.
3. All other terms and conditions of the Agreement remain in full force and effect, except as herein modified.

EXECUTED by Sellers on the 13th day of May 2010.

Two Witnesses as to Seller:

Howard Shurt
(Printed Name) Howard Shurt

Mer 2 Denver
(Printed Name) George L. Denver

**HIGHLANDS UTILITIES
CORPORATION**, a Florida corporation

By: Dixon Pugh
Dixon Pugh, as its President


Attest:
By: Lorri Lammie
Lorri Lammie, as its Secretary

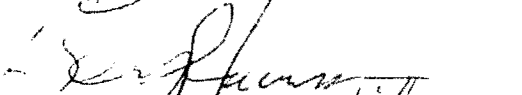
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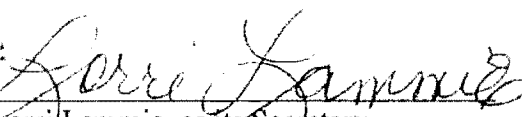
Two Witnesses as to Seller:

PUGH SEPTIC TANK SERVICE, INC., a Florida corporation


(Printed Name) Elizabeth Morris

By: 
Dixon Hugh, as its President


(Printed Name) Betty Harris

Attest: 
By: Lorri Lammie, as its Secretary

[corporate seal]

EXECUTED BY TOWN COUNCILMAN STEVEN BASTARDI this ____ day of May 2010 showing the Town's receipt of the offer (but not binding the Town of Lake Placid). The Town of Lake Placid shall be bound only when the Town Council accepts and approves this contract).


Steven Bastardi, Councilman

ACCEPTED by Purchaser this ____ day of _____ 2010.

Two Witnesses as to Purchaser:

TOWN OF LAKE PLACID, a Florida municipal corporation

(Printed Name) _____

By: _____
John Holbrook
Mayor

(Printed Name) _____

Attest:
By: _____
Arlene Tuck, Town Clerk

**ADDENDUM NUMBER 3
TO AGREEMENT BETWEEN THE TOWN OF LAKE PLACID
AND PUGH SEPTIC TANK SERVICE, INC., AND HIGHLANDS UTILITIES
CORPORATION FOR THE SALE AND PURCHASE OF WASTEWATER
COLLECTION AND TREATMENT SYSTEM
(EXTENDING THE TIME TO EXERCISE OPTION)**

THIS IS AN ADDENDUM to that certain Agreement dated 26 April 2010, between PUGH SEPTIC TANK SERVICE, INC., a Florida corporation and HIGHLANDS UTILITIES COPPORATION, a Florida corporation, as Sellers, and TOWN OF LAKE PLACID, a Florida municipal corporation as Purchaser, for the sale and purchase of the Wastewater Treatment Plant as described therein.

1. Paragraph 26. Entitled "NEGOTIATIONS, OFFER, REVOCATION AND ACCEPTANCE" is amended to increase the period of time for which the offer is not revocable by the sellers from 60 days to 90 days, as follows:

26. NEGOTIATIONS, OFFER, REVOCATION AND ACCEPTANCE. The Lake Placid Town Council authorized Councilman Steve Bastardi to negotiate this contract with the Sellers. Councilman Bastardi is not authorized to bind the Town to this Contract. Councilman Bastardi signs this Contract as his recommendation for its acceptance by the Town. Sellers sign as an irrevocable offer to sell upon the foregoing terms. This offer to sell is not revocable for ~~60~~90 days from the date Sellers sign. Unless accepted by Purchaser, or extended in writing by Sellers, the Sellers' offer is revoked ~~60~~90 days after the date Sellers sign this offer. This offer becomes a binding contract if accepted by a vote of the Lake Placid Town Council (as evidenced by signatures of the Mayor and Clerk) before its revocation.

2. The parties agree that the offer was signed by the sellers on 23 April 2010, and shall remain irrevocable through and including 22 July 2010.

All other terms and conditions of the Agreement remain in full force and effect, except as herein modified.

EXECUTED by Sellers on the 14th day of June 2010.

Two Witnesses as to Seller:

Lynn Wudtke
(Printed Name) Lynn Wudtke

Jim Ann Branning
(Printed Name) Jim Ann Branning

HIGHLANDS UTILITIES CORPORATION, a Florida corporation

By: Dixon Pugh
Dixon Pugh, as its President

Attest: Lorri Lammie
By: Lorri Lammie, as its Secretary
[corporate seal]

Two Witnesses as to Seller:

Lynn Wudtke
(Printed Name) Lynn Wudtke

Jim Ann Branning
(Printed Name) Jim Ann Branning

PUGH SEPTIC TANK SERVICE, INC., a Florida corporation

By: Dixon Pugh
Dixon Pugh, as its President

Attest: Lorri Lammie
By: Lorri Lammie, as its Secretary
[corporate seal]

EXECUTED BY TOWN COUNCILMAN STEVEN BASTARDI this ____ day of June 2010 showing the Town's receipt of the offer (but not binding the Town of Lake Placid). The Town of Lake Placid shall be bound only when the Town Council accepts and approves this contract).

Steven Bastardi
Steven Bastardi, Councilman

ACCEPTED by Purchaser this 14 day of June 2010.

Two Witnesses as to Purchaser:

**TOWN OF LAKE PLACID, a Florida
municipal corporation**

Leslie M Komasa
(Printed Name) Leslie M Komasa

By: John M Holbrook
John Holbrook
Mayor

Jacqueline R Haynes
(Printed Name) Jacqueline R Haynes

Attest: Arlene J. Tuck
By: Arlene J. Tuck
Arlene Tuck, Town Clerk

**ADDENDUM NUMBER 4
TO AGREEMENT BETWEEN THE TOWN OF LAKE PLACID
AND PUGH SEPTIC TANK SERVICE, INC., AND HIGHLANDS UTILITIES
CORPORATION FOR THE SALE AND PURCHASE OF WASTEWATER
COLLECTION AND TREATMENT SYSTEM
(REDUCING THE PURCHASE PRICE)**

THIS IS AN ADDENDUM to that certain Agreement dated 26 April 2010, between **PUGH SEPTIC TANK SERVICE, INC.**, a Florida corporation and **HIGHLANDS UTILITIES CORPORATION**, a Florida corporation, as Sellers, and **TOWN OF LAKE PLACID**, a Florida municipal corporation as Purchaser, for the sale and purchase of the Wastewater Treatment Plant as described therein.

1. Paragraph 2. Entitled "**CONSIDERATION FOR SALE AND PURCHASE**" is amended to decrease the purchase price from \$550,000.00 (five hundred fifty thousand US dollars) to \$500,000.00 (five hundred thousand US dollars), as follows:


2. **CONSIDERATION FOR SALE AND PURCHASE.** The agreed monetary consideration for the sale and purchase of the Sewer System is Purchaser's payment of ~~\$550,000.00 (five hundred fifty thousand US dollars)~~ \$500,000.00 (five hundred thousand US dollars) which shall be paid by the Purchasers to the Seller at closing. Fifty Thousand Dollars (\$50,000.00) shall be paid to Pugh Septic Tank Services, Inc and the balance of the purchase price paid to Highlands Utilities Corporation, Inc.

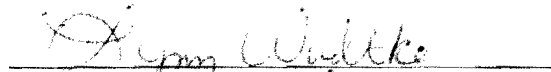
2. This proposed Addendum is void unless it is accepted and fully executed by all parties and filed with the Town Clerk at 311 West Interlake Boulevard, Lake Placid, Florida prior to Noon 16 July 2010.

3. All other terms and conditions of the Agreement, as amended, remain in full force and effect, except as herein modified.

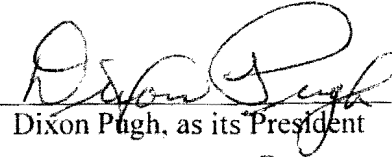
EXECUTED by Sellers on the 26th day of July 2010.

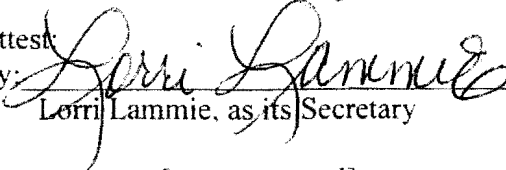
Two Witnesses as to Seller:


(Printed Name) Jill Ann Blair


(Printed Name) Lynn W. Wette

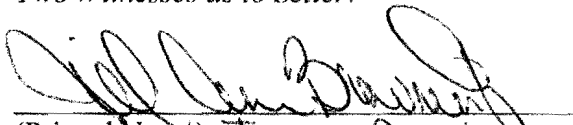
HIGHLANDS UTILITIES CORPORATION, a Florida corporation

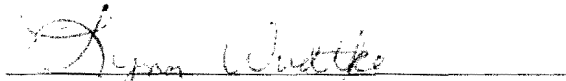
By: 
Dixon Pugh, as its President

Attest:
By: 
Lorri Lammie, as its Secretary

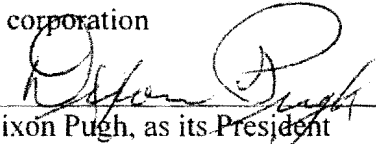
[corporate seal]

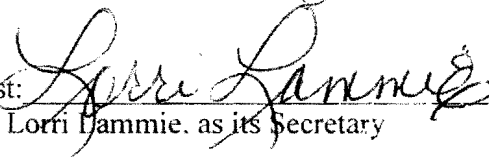
Two Witnesses as to Seller:


(Printed Name) Jill Ann Blair


(Printed Name) Lynn W. Wette

PUGH SEPTIC TANK SERVICE, INC., a Florida corporation

By: 
Dixon Pugh, as its President

Attest:

Lorri Lammie, as its Secretary

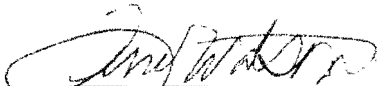
[corporate seal]

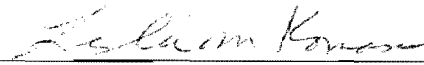
EXECUTED BY TOWN COUNCILMAN STEVEN BASTARDI this 21 day of July 2010 showing the Town's receipt of the offer (but not binding the Town of Lake Placid). The Town of Lake Placid shall be bound only when the Town Council accepts and approves this contract).


Steven Bastardi, Councilman


ACCEPTED by Purchaser this 19 day of July 2010.


Two Witnesses as to Purchaser:


(Printed Name) JERRY WATSON


(Printed Name) LESLIE M. KORMAN

TOWN OF LAKE PLACID, a Florida
municipal corporation

By: 
Raymond Royce, Vice Mayor

Attest: 
Arlene J. Tuck, Town Clerk

ADDENDUM NUMBER 5
TO AGREEMENT BETWEEN THE TOWN OF LAKE PLACID
AND PUGH SEPTIC TANK SERVICE, INC., AND HIGHLANDS UTILITIES
CORPORATION FOR THE SALE AND PURCHASE OF WASTEWATER
COLLECTION AND TREATMENT SYSTEM
(REPRESENTATIONS AND WARRANTIES OF SELLERS)

THIS IS AN ADDENDUM to that certain Agreement dated 26 April 2010, between **PUGH SEPTIC TANK SERVICE, INC.**, a Florida corporation and **HIGHLANDS UTILITIES CORPORATION**, a Florida corporation, as Sellers, and **TOWN OF LAKE PLACID**, a Florida municipal corporation as Purchaser, for the sale and purchase of the Wastewater Treatment Plant as described therein.


1. Paragraph 11, entitled "REPRESENTATIONS AND WARRANTIES OF SELLERS" is amended by adding the following provision:

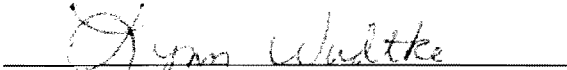
J. Disclosure and Acknowledgment. Subsequent to the execution of this Agreement, HUC has been made aware of certain alleged non-compliance issues raised by the Florida Department of Environmental Protection ("FDEP") in OGC File No.: 10-1924-28-DW. The Town is aware of the alleged non-compliance issues. The Town acknowledges that the alleged non-compliance issues are the basis for reducing the purchase and sale price as set forth in Addendum 4, and assumes the responsibility for addressing the non-compliance issues with DEP. The Town is not assuming responsibility for any fines which may be levied by FDEP against the Sellers.

2. All other terms and conditions of the Agreement, as amended, remain in full force and effect, except as herein modified.


EXECUTED by Sellers on the 26th day of July 2010.

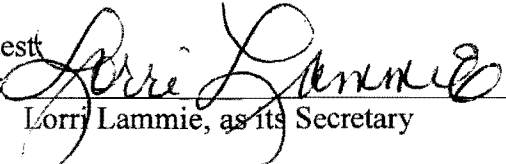
Two Witnesses as to Seller:


(Printed Name) Jill Ann Browning


(Printed Name) Lynn Whittke

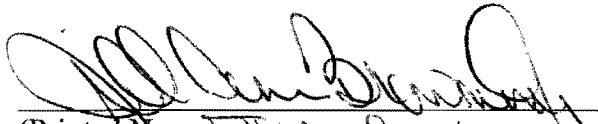
**HIGHLANDS
UTILITIES CORPORATION**, a Florida
corporation

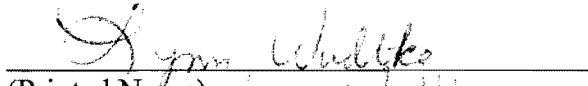
By: 
Dixon Pugh, as its President

Attest
By: 
Lorri Lammie, as its Secretary

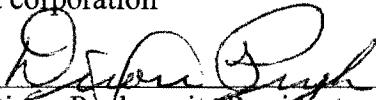
[corporate seal]

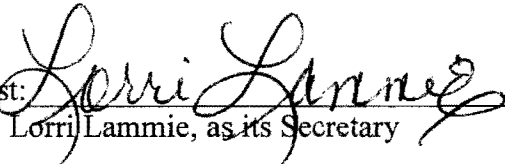
Two Witnesses as to Seller:


(Printed Name) Jill Ann Browning


(Printed Name) Lynn Whittke

PUGH SEPTIC TANK SERVICE, INC., a
Florida corporation

By: 
Dixon Pugh, as its President

Attest: 
Lorri Lammie, as its Secretary

[corporate seal]

EXECUTED BY TOWN COUNCILMAN STEVEN BASTARDI this 19TH day of July 2010 showing the Town's receipt of the offer (but not binding the Town of Lake Placid). The Town of Lake Placid shall be bound only when the Town Council accepts and approves this contract).


Steven Bastardi, Councilman

ACCEPTED by Purchaser this 19TH day of July 2010.

Two Witnesses as to Purchaser:

Jacqueline R Haynes
(Printed Name) Jacqueline R Haynes

Leticia Komasa
(Printed Name) Leticia Komasa

TOWN OF LAKE PLACID, a Florida
municipal corporation

By: John M. Holbrook
John M. Holbrook, Mayor

Attest: Arlene J. Tuck
Arlene J. Tuck, Town Clerk

EXHIBIT "B"

A STATEMENT REGARDING THE DISPOSITION OF CUSTOMER DEPOSITS AND THE ACCUMULATED INTEREST THEREON.

1. Customer Deposits (Sewer): The Town did not receive any transfers of SEWER customer deposits from HUC. And year-to-date, HUC customer was not required to put a SEWER deposit on account with the Town (route #4).

2. Account Receivable: HUC turned a total of \$5,805.98 over to the Town and a customer directly paid the Town \$45.78leaving an A/R balance of \$2,948.24. We haven't received any other payments from HUC billing.

YTD SUMMARY

<u>Date</u>		<u>Payments received</u>	<u>Balance</u>
10/01/2010	A/R 8,800.00		
10/19/2010		(5,348.76)	3,451.24
10/22/2010		(45.78)	3,05.46
11/12/2010		(457.22)	2,948.24

Attachments: The list of the customers who made payments against the account receivable (\$8,800per contract).

JOB	PAY-1	CHECK-1	DATE-1	PAY-2	CHECK-2	DATE-2	PAY-TOTAL
C27S702	439.15	1829189	10/06/10				439.15
LFL#2	85.44	1342	10/06/10				85.44
LPA413	14.22	29985	10/06/10				14.22
M07	35.88	157	10/06/10				35.88
M25	61.06	1001	10/06/10				61.06
M40	35.88	1324	10/06/10				35.88
M42	28.66	00	10/06/10				28.66
P204	25.05	4222	10/30/10	25.05	4230	10/06/10	50.10
P301	17.83	1235	10/06/10				17.83
P305	28.66	1235	10/06/10				28.66
P308	17.83	5027	10/06/10				17.83
E144H08	14.22	4434	10/06/10				14.22

PAY-1 803.88

PAY-2 25.05

12:11:20

Oct 6, 2010

10/21/10

45.78

45.18



PLEASE RETURN THIS STUB WITH PAYMENT OF \$

CHECK NO. 1034

PAYMENT AMT. 46.00

KM26

KM26

137

Syeda Yasmeeen Fatima
26 Sunset Lane
Lake Placid, FL 33852

"?FINAL BILL?"

*****ATTENTION***** PAYMENT MUST BE RECEIVED BY:10/04/10

JCO	PAY-1	CHECK-1	DATE-1	PAY-2	CHECK-2	DATE-2	PAY-TOTAL
_FL#1	35.53	16978631	11/11/10				35.53
_FL#3	274.33	16978631	11/11/10				274.33
_PA411	35.92	506	11/11/10				35.92
_TS60	18.56	7036	11/11/10				18.56
M32	35.00	387208	11/11/10				35.00
P210	14.22	5143	11/11/10	15.00	5153	11/11/10	29.22
E121WEL	28.66	1315	11/11/10				28.66

PAY-1 442.22

PAY-2 15.00

11:48:38

Nov 11, 2010

NUC0	PAY-1	CHECK-1	DATE-1	PAY-2	CHECK-2	DATE-2	PAY-TOTAL
.LHL01	18.56	2063	110/18/10				18.56
.LHLLR	40.26	2063	110/18/10				40.26
IL02	17.83	2063	110/18/10				17.83
IL03	28.66	2063	110/18/10				28.66
IL04	21.44	2063	110/18/10				21.44
IL05	21.44	2063	110/18/10				21.44
IL06	17.83	2063	110/18/10				17.83
IL07	17.83	2063	110/18/10				17.83
IL08	32.27	2063	110/18/10				32.27
IL09	35.88	2063	110/18/10				35.88
IL10	17.83	2063	110/18/10				17.83
IL11	21.44	2063	110/18/10				21.44
IL12	25.05	2063	110/18/10				25.05
IL13	21.44	2063	110/18/10				21.44
IL14	17.83	2063	110/18/10				17.83
IL15	28.66	2063	110/18/10				28.66
IL16	17.83	2063	110/18/10				17.83
IL17	35.88	2063	110/18/10				35.88
IL18	35.88	2063	110/18/10				35.88
IL19	35.88	2063	110/18/10				35.88
IL20	35.88	2063	110/18/10				35.88
IL21	21.44	2063	110/18/10				21.44
IL22	14.00	2063	110/18/10				14.00
IL23	35.88	2063	110/18/10				35.88
IL24	28.66	2063	110/18/10				28.66
IL25	21.44	2063	110/18/10				21.44
IL26	35.88	2063	110/18/10				35.88
IL28	21.44	2063	110/18/10				21.44
IL30	17.83	2063	110/18/10				17.83
IL32	21.44	2063	110/18/10				21.44
IL34	25.05	2063	110/18/10				25.05
IL36	25.05	2063	110/18/10				25.05
IL38	21.44	2063	110/18/10				21.44
IL40	25.05	2063	110/18/10				25.05
IL42	32.27	2063	110/18/10				32.27
IL44	21.44	2063	110/18/10				21.44
IL46	17.83	2063	110/18/10				17.83
IL48	35.88	2063	110/18/10				35.88

PAY-1 967.62

PAY-2 .00

18:51:07

Oct 18, 2010

HUCO	PAY-1	CHECK-1	DATE-1	PAY-2	CHECK-2	DATE-2	PAY-TOTAL
1L27N195	192.16	322737	10/19/10				192.16
1L27N310	91.95	21990005	10/19/10				91.95
1L27N516	421.89	80459278	10/19/10				421.89
1L27S203	14.22	732	10/19/10				14.22
1L27S204	87.61	114911	10/19/10				87.61
1L27S204	14.22	1688	10/19/10				14.22
1L27S204	53.28	1688	10/19/10				53.28
1L27S708	22.90	3804	09/30/10	22.90	3816	10/19/10	45.80
1L27S710	14.22	3804	09/30/10	14.22	3816	10/19/10	28.44
1L27S712	61.96	2171	10/19/10				61.96
1L27S827	530.39	21998575	10/19/10				530.39
1LPXA343	14.22	21990005	10/19/10				14.22
1LTS74	22.90	103021	10/19/10				22.90
3IAA10U	328.64	1900	10/19/10				328.64
3ICA11U	256.97	2967	10/19/10				256.97
3PA033U	1,021.71	2773	10/19/10				1,021.71
KM04	25.05	1001	10/19/10				25.05
<M14	28.44	2388	10/19/10				28.44
<M15	17.83	564	10/19/10				17.83
<M23	35.88	10000623	10/19/10				35.88
<MB2	14.22	4448	10/19/10				14.22
PH003	21.44	175911165	10/19/10				21.44
PH007	53.71	729	10/19/10				53.71
PH017	38.44	25487	10/19/10				38.44
PP514	14.22	633	10/19/10				14.22
FP201	24.66	810	10/19/10				24.66
FP205	17.83	63643	10/19/10				17.83
JE104HOC	35.88	5281	10/19/10				35.88
JE171HOB	32.27	4448	10/19/10				32.27
JE172HOB	35.88	7194	10/19/10				35.88
JE236HOB	32.27	2392	10/19/10				32.27

PAY-1 3,577.26

PAY-2 37.12

19:20:17

Oct 19, 2010

EXHIBIT "C"

A STATEMENT REGARDING THE DISPOSITION OF ANY OUTSTANDING
REGULATORY ASSESSMENT FEES, FINES OR REFUNDS OWED.

Unknown. We did not purchase the wastewater treatment facility until October 2010. Any outstanding regulatory assessment fees, fines or refunds owed are the responsibility of Highlands Utilities Corporation and its prior owner, Dixon Pugh.

EXHIBIT "D"

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

The Buyer did obtain a copy of the 2009 Annual Report.