



August 7, 2015

Mr. Ryan Sansone, Owner
Ships Lantern Resort Hotel
927 State Street
Perth Amboy, NJ 08861

Re: Ships Lantern Resort Hotel
Esther Street
Englewood, FL 34224

Dear Mr. Sansone:

As requested, our Company, Utilities, Inc. of Sandalhaven, is willing to make wastewater utility service available to the proposed Ships Lantern Resort Hotel located in Charlotte County, Florida. It is our understanding that the project will consist of a 48-unit resort hotel.

As the Owner, Ships Lantern Resort Hotel will be responsible for the construction, installation and operation of all necessary on-site wastewater collection facilities such as sanitary sewer mains, elder valves and other facilities reasonably required to provide adequate utility service to your project. All wastewater facilities will be extended by the Ships Lantern Resort Hotel and connect to our existing sanitary sewer manhole at the intersection of Esther St. and Raymond St. per the utility construction plans. The receiving manhole will be internally coated by the developer per Utilities, Inc. of Sandalhaven specifications.

All facilities installed by the Owner will be in accordance with all governmental specifications and in conformance with the construction standards utilized in our existing facilities. Owner will indemnify our Company from any liability incurred during the installation of these facilities. All of the on-site facilities shall remain under the ownership and responsibility of the Owner, up to and including the point of connection to the existing sanitary sewer manhole. Plans and specifications will be submitted to our Company for review, and shall have received the written approval of our Company before construction is begun, which approval shall not be unreasonably withheld or delayed.

We are willing to provide the requested utility service in consideration of the required System Capacity Charge in the amount of \$132,768.00, an Allowance for Funds Prudently Invested (AFPI) Charge of \$58,507.96, a \$300.00 Plan Review Fee less the previous payment of \$63,268.00 paid on January 15, 2003 leaving a total balance due of **\$128,307.96**. This amount is based on your requested utility capacity requirements as provided through a four-inch force main connection to our existing manhole. In consideration of this contribution, we waive all other tap fees/connection fees. Wastewater usage charges will be levied in accordance with our authorized tariffs as regulated and approved by the Florida Public Service Commission and as amended from time to time.

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If this proposal is acceptable to Ships Lantern Resort Hotel, please sign and forward the original of this letter along with the required **\$128,307.96** payment by August 31, 2015 to the attention of Mr. Michael Wilson in our Altamonte Springs office.

If you have any other questions or concerns, please contact Mr. Wilson at 407.869.1919, extension 1374.

Sincerely,

UTILITIES, INC. of SANDALHAVEN

Accepted:

John Hoy
President

Witness:

ec: Patrick Flynn, Vice President
Michael Wilson, Regional Manager