

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In re: Notice of transfer as a matter of right of certain water facilities of Lighthouse Utilities Company, Inc. in Gulf County, Florida to Gulf County, and request for cancellation of certificate.

Docket No. _____

Filed: December 8, 2020

**NOTICE OF TRANSFER AS A MATTER OF RIGHT
OF LIGHTHOUSE UTILITIES COMPANY, INC.'S WATER UTILITY FACILITIES
LOCATED IN GULF COUNTY, FLORIDA TO GULF COUNTY, AND
REQUEST FOR CANCELLATION OF CERTIFICATE**

Pursuant to Section 367.071(4), Florida Statutes, Lighthouse Utilities Company, Inc. ("LUCI") files this Notice of the transfer as a matter of right of certain water facilities to Gulf County, Florida ("Gulf County" or the "County"), and requests expedited cancellation of Certificate. No. 491-W issued to LUCI by the Commission.

1. The name and address of LUCI and its authorized representatives, for purposes of this Notice, are:

D. Bruce May, Jr.
Holland & Knight LLP
315 S. Calhoun Street, Suite 600
Tallahassee, Florida 32301

and

Mr. William J. Rish, Jr. President
Lighthouse Utilities Company, Inc.
P.O. Box 428
Port St. Joe, Florida 32457

2. The name and address of Gulf County, Florida and its authorized representatives, for purposes of this Notice, are:

Jeremy T.M. Novak, Esq.
Gulf County Attorney
1000 Cecil G. Costin Blvd.
Port St. Joe, Florida 32456

and

Michael L. Hammond, Administrator
Gulf County, Florida
1000 Cecil G. Costin Sr. Blvd.
Room 302
Port St. Joe, FL 32456

3. Gulf County is a political subdivision of the State of Florida and is exempt from Commission jurisdiction as a governmental authority pursuant to Section 367.022(2), Florida Statutes. Section 367.071(4)(a), Florida Statutes, provides that the transfer of utility assets to a governmental authority like the County shall be approved as a matter of right.

4. Attached as Composite Appendix "1" is the Commission's application form for transfers of water and wastewater facilities to a governmental authority, which LUCI and Gulf County have completed. Composite Appendix "1" contains the information required to process a transfer to a governmental utility pursuant to Section 367.071(4), Florida Statutes, and Rule 25-30.037(4), Florida Administrative Code. Among other information, Composite Appendix "1" includes the Agreement for Purchase and Sale signed between Gulf County and LUCI.

5. LUCI respectfully requests expedited consideration of this Notice.

WHEREFORE, LUCI request that the Commission issue a final order acknowledging the transfer as a matter of right to Gulf County, and cancelling Certificate No. 491-W.

Respectfully submitted,

HOLLAND & KNIGHT LLP

/s/D. Bruce May, Jr.

D. Bruce May, Jr.

Florida Bar No. 354473

Holland & Knight, LLP

315 S. Calhoun St., Suite 600

Tallahassee, FL 32301

(850) 224-7000 (Telephone)

E-Mail: bruce.may@hklaw.com

Counsel for Lighthouse Utilities Company, Inc.

COMPOSITE APPENDIX 1

FLORIDA PUBLIC SERVICE COMMISSION

INSTRUCTIONS FOR COMPLETING EXAMPLE APPLICATION FOR TRANSFER TO A GOVERNMENTAL AUTHORITY

**(Pursuant to Section 367.071, Florida Statutes, and
Rule 25-30.038, Florida Administrative Code)**

General Information

The attached form is an example application that may be completed by the applicant and filed with the Office of Commission Clerk to comply with Rule 25-30.038, Florida Administrative Code (F.A.C.). Any questions regarding this form should be directed to the Division of Engineering at (850) 413-6910.

Instructions

1. Fill out the attached application form completely and accurately.
2. Complete all the items that apply to your utility. If an item is not applicable, mark it "N.A." Do not leave any items blank.
3. The completed application and attached exhibits should be mailed to:

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

APPLICATION FOR TRANSFER TO A GOVERNMENTAL AUTHORITY

**(Pursuant to Section 367.071, Florida Statutes, and
Rule 25-30.038, Florida Administrative Code)**

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

The undersigned hereby makes application for acknowledgement of the transfer of all or part of the utility's water and/or wastewater facilities in Gulf County, Florida, and cancellation or amendment of Water Certificate No. _____ and/or Wastewater Certificate No. _____ and submits the following information:

PART I APPLICANT INFORMATION

A) Contact Information for Utility/Seller. The utility/seller's certificated name, address, telephone number, and if applicable, fax number, e-mail address, and website address. The utility's name should reflect the business and/or fictitious name(s) registered with the Department of State's Division of Corporations:

Lighthouse Utilities Company, Inc.
Utility Name

155 W. Highway 98
Office Street Address

<u>Port St. Joe</u>	<u>Florida</u>	<u>32456</u>
City	State	Zip Code

P.O. Box 248
Mailing Address (if different from Street Address)

<u>Port St. Joe</u>	<u>Florida</u>	<u>32457</u>
City	State	Zip Code

<u>(850) 227-7427</u>	<u>() -</u>
Phone Number	Fax Number

59-2453703
Federal Employer Identification Number

Jay@floridagulfcoast.com
E-Mail Address

http://www.lighthouseutilities.com/

Website Address

491-W

N/A

Water Certificate No.

Wastewater Certificate No.

- B) The contact information of the seller's authorized representative to contact concerning this application:

William J. Rish, Jr.

Name

P.O. Box 248

Mailing Address

Port St. Joe

Florida

32457

City

State

Zip Code

(850) 227-7427

() -

Phone Number

Fax Number

Jay@floridagulfcoast.com

E-Mail Address

- C) Contact Information for Governmental Authority. The name, address, telephone number, and if applicable, fax number, and e-mail address of the governmental authority.

Gulf County, Florida

Governmental Authority's Name

1000 Cecil G. Costin Sr. Blvd., Room 310

Office Street Address

Tallahassee

Florida

32456

City

State

Zip Code

() -

() -

Phone Number

Fax Number

E-Mail Address

D) The contact information of the governmental authority's authorized representative to contact concerning this application:

Jeremy T. M. Novak Gulf County Attorney

Name

1000 Cecil G. Costin Blvd.

Mailing Address

Port St. Joe

Florida

32456

City

State

Zip Code

(850) 229-4700

() -

Phone Number

Fax Number

jtnovaklaw.us

E-Mail Address

PART II TRANSFER OF FACILITIES

A) DESCRIPTION OF SALE/TRANSFER AGREEMENT

- 1) Exhibit _____ - Provide the date on which the governmental authority assumed ownership or proposes to assume ownership, operation, management, or control of the utility. The transfer of facilities, or any portion thereof, from a regulated utility to a governmental authority shall be effective as of the date the governmental authority assumes ownership, operation, management, or control.

November 30, 2020

- 2) Exhibit "A" - Provide a copy of the contract or other document transferring the utility system to the governmental authority.
- 3) Exhibit _____ - Provide a statement that the governmental authority obtained from the utility or Commission the most recent available annual report.

Gulf County obtained the financial information it was required pursuant to Section 367.071(4)(a), Fla. Stat.

- 4) Exhibit ____ - Provide a statement describing the disposition of customer deposits and interest thereon.

The Utility did not collect customer deposits so this is not applicable.

- 5) Exhibit ____ - Provide a statement regarding the disposition of outstanding regulatory assessment fees, fines or refunds owed. The transfer of a regulated utility to a governmental authority shall not affect the utility's obligation to complete payment of regulatory assessment fees pursuant to Rule 25-30.120, F.A.C.

The Utility will pay the regulatory assessment fees when due.

B) DESCRIPTION OF FACILITIES NOT TRANSFERRED

If a utility is transferring only a portion of its facilities to a governmental authority, it must provide the following additional information:

- 1) Exhibit N/A - A list of any utility assets not transferred to the governmental authority, if such remaining assets constitute a system providing or proposing to provide water or wastewater service to the public for compensation.
- 2) Exhibit N/A - A legal description of the territory not transferred to the governmental authority in the format prescribed in Rule 25-30.029, F.A.C.
- 3) Exhibit N/A - An official county tax assessment map or other map showing township, range, and section with a scale such as 1" = 200' or 1" = 400', with the remaining territory plotted thereon, consistent with the legal description provided in II.B.1.b. above.
- 4) Exhibit N/A - A tariff containing all rates, classifications, charges, rules, and regulations, which shall be consistent with Chapter 25-9, F.A.C. See Rule 25-30.038, F.A.C., for information about water and wastewater tariffs that are available and may be completed by the applicant and included in the application.

PART III SIGNATURE

Please sign and date the utility's completed application.

APPLICATION SUBMITTED BY: _____

Applicant's Signature

William J. Rol, Jr

Applicant's Name (Printed)

President

Applicant's Title

12-2-20

Date

EXHIBIT A

AGREEMENT FOR PURCHASE AND SALE

By and Between

LIGHTHOUSE UTILITIES COMPANY, INC.

Seller

and

GULF COUNTY, FLORIDA

Purchaser

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AGREEMENT FOR PURCHASE AND SALE

THIS AGREEMENT FOR PURCHASE AND SALE (“Agreement”) is made and entered into of this ___ day of _____, 2020, by and between Lighthouse Utilities Company, Inc., a Florida corporation (“Seller”), and Gulf County, Florida, a political subdivision of the State of Florida (“Purchaser”).

WHEREAS, Seller owns and operates a Class B public water system, identified as PWS 1230848, with a service area of approximately 13 square miles in the unincorporated area in south Gulf County, Florida (“Water System”); and

WHEREAS, Seller owns certain property, real and personal, related to the operation of Water System’s potable water supply, treatment, storage, transmission, and distribution systems (the “Water System Assets”); and

WHEREAS, the Florida Public Service Commission (“FPSC”) has issued to Seller a Water Certificate No. 491-W which provides Seller with a certificated franchise service area to provide water service to customers in Gulf County (“Utility Service Area”); and

WHEREAS, pursuant to Article VIII of the Florida Constitution and Chapter 125, Florida Statutes, Purchaser has the power and authority to provide water service; and

WHEREAS, Seller agrees to sell and Purchaser agrees to purchase the Water System Assets for the consideration and on the terms and subject to the conditions set forth in this Agreement; and

WHEREAS, Purchaser has held a public hearing as required by Section 125.3401, Florida Statutes, on the proposed purchase contemplated hereby and determined that the purchase contemplated in this Agreement is in the public interest.

NOW, THEREFORE, in consideration of the foregoing recitals and benefits to be derived from the mutual covenants contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Seller and Purchaser hereby agree to sell and purchase the Water System Assets upon the following terms and conditions:

1. **RECITALS.** The foregoing recitals are true and correct and are incorporated herein.

2. **COVENANT TO PURCHASE AND SELL; DESCRIPTION OF WATER SYSTEM ASSETS.**

a. Subject to the terms and conditions set forth herein, the Purchaser shall buy from Seller, and Seller shall sell to Purchaser, all of Seller’s rights, title, and interest in and to all assets, business properties, and rights, both tangible and intangible, which constitute the Water System Assets, which include but may not be limited to the following (but excluding the “Excluded Assets,” as defined in Section 2.b. below):

- i. The real property and interests in real property owned and held by Seller, in fee simple or otherwise, and all buildings, structures, and improvements located thereon or thereunder, including, but not limited to, such real property and interests as identified in **Appendix "A"** to this Agreement ("Real Property"), which are used in connection with the Water System or held for future use of the Water System.
- ii. All easements, licenses, prescriptive rights, rights-of-way, rights to use public and private roads and other areas owned or used by Seller for the construction, operation and maintenance of the Water System Assets including, but not limited to, all instruments conveying any such interests to Seller identified in **Appendix "B"** to this Agreement.
- iii. All water supply, treatment, storage, transmission, and distribution facilities including, but not limited to, wells, generators, pumps, plants, tanks, transmission mains, distribution mains, supply pipes, valves, meters, meter boxes, generators, service connections and all other physical facilities, fleet vehicles, equipment and property installations owned by Seller and used in connection with the Water System, including, but not limited to those assets identified in **Appendix "C"** to this Agreement, wherever they may be located. All property listed in **Appendix "C"** that is affixed to land or otherwise permanently installed as a part of the Water System shall have a corresponding Real Property interest or a corresponding easement, license, prescriptive right, right-of-way, use of dedicated rights, or right obtained pursuant to a court order or litigation so that Purchaser is provided legal rights for access, ownership, operation, and maintenance of the Water System.
- iv. All permits, certificates, license rights, consents, grants, leaseholds, and similar rights relating to the construction, maintenance, and operation of the Water System Assets and every right of every character whatever in connection therewith, and all renewals, extensions, additions or modifications of any of the foregoing, subject to the obligations thereof, as identified in **Appendix "D"** to this Agreement ("Permits"). Seller shall include in **Appendix "D"** whether any such rights are not transferable or require third party consent to transfer.
- v. All items of inventory, materials and supplies owned by Seller on the Closing Date for use in connection with the maintenance and operation of the Water System Assets including, but not limited to, chemicals, stored water, tools, meter reading equipment, rolling stock, computer equipment and software, laboratory equipment, and spare parts, including, but not limited to, all such assets identified in **Appendix "E"** to this Agreement which shall not be unreasonably depleted prior to that date.
- vi. All supplier lists, customer books and records, developer files, receipts for payment of connection charges, prints, blueprints, plans, as-built drawings and sketches showing all facilities of the Water System Assets, including all original tracings, sepias, maps, CAD reproductions or other reproducible materials, engineering reports, inspection reports, surveys, specifications, shop drawings, equipment manuals, and other information in Seller's possession, including any rights of Seller to obtain copies of such items from engineers, contractors, consultants or other third parties, in paper and electronic form.
- vii. All rights of Seller under any Developer Agreements, as identified in **Appendix "F"** to this Agreement, which are assumed by Purchaser ("Developer Agreements").

Appendix “F” shall identify any Developer Agreements which are not transferable, which require third party consents for the assumption by Purchaser and for which the Developer has pre-paid Service Availability Charges, Plant Capacity Fees, Advances for Construction, Advance Facility Charges, Transmission Main Extension Charges or Connection Charges (collectively the “Connection Charges”), the amount of such pre-paid Connection Charges, the number of Equivalent Residential Connections (“ERCs”) connected and the balance of ERCs remaining which have been pre-paid but have not yet been connected. Connection Charges shall not include meter installation fees, tap fees or other charges for the physical connection of a customer to the utility distribution system.

viii. All rights of Seller under the Contracts and Leases, as identified in **Appendix “G”** to this Agreement which are assumed by Purchaser (“Contracts and Leases”). **Appendix “G”** shall include a schedule identifying any Contracts and Leases that are not assignable or for which third party consents are necessary for such assumptions.

b. The following “Excluded Assets” are excluded from the Water System Assets and will remain Seller’s sole property after Closing:

i. Cash, accounts receivable, bank accounts, equity and debt securities of any nature, deposits (other than customer deposits) maintained by Seller with any governmental authority, and all prepaid amounts of Seller including but not limited to deposits (other than customer deposits), insurance premiums, taxes, assessments and expenses. All revenues for services rendered prior to the Revenue Deadline.

ii. Escrow and other Seller provisions for payment of federal and state taxes and other obligations to governmental entities. Seller shall be responsible for paying any such taxes and other obligations, to the extent that they are due from the operation of the Water System Assets prior to the Closing Date.

iii. The name and stock in the Florida corporation known as Lighthouse Utilities Company, Inc.

c. Purchaser shall assume the obligations and liabilities accruing or arising from the operation of the Water System Assets from and after the Closing including those accruing or arising from the Developer Agreements, Contracts and Leases, and any other obligations expressly assumed by Purchaser. Other than as expressly assumed by Purchaser under this Agreement or in any document executed by Purchaser at Closing, Purchaser does not assume and shall not be liable for any expense, assessment, exposure, fine, penalty, liability, act or omission of Seller of any kind whatsoever imposed or required by any third party (including any federal, state, or local authority), whether known or unknown, whether contingent, liquidated or unliquidated, and whether arising or accruing under contract, tort, or pursuant to statute, rule, ordinance, law, regulation or otherwise. Without limiting the foregoing, Purchaser shall not be liable for any liabilities to the extent that they are based upon or arise out of any violation of law, breach of permit obligation, breach of contract, tort, or other act or omission of Seller occurring prior to the Closing Date. Seller shall remain liable for and shall pay, perform or discharge all of Seller’s liabilities and obligations, other than liabilities and obligations assumed by Purchaser; provided that Seller is not hereby limited in its right to contest in good faith any such liabilities or obligations.

3. **PURCHASE PRICE.** The total consideration to be paid for the Water System Assets (“Purchase Price”) is set forth below:

a. At Closing, Purchaser shall pay to Seller, subject to the additions, adjustments and prorations referenced in this Agreement, Three Million and No/100 Dollars (\$3,000,000.00) via electronic transfer to the Account so designated by the Seller;

b. The Seller and the Purchaser agree that the amount paid at Closing in paragraph a. above shall be allocated among the assets of the Seller for U.S. federal and applicable state and local income tax purposes consistent with the amounts set forth on Form 8594, and any related documentation, attached as **Appendix “H”**. The Purchaser acknowledges that the Seller intends to file form 8594, and all tax returns and information reports required, if any, in a manner consistent with this paragraph c.

4. **REPRESENTATIONS AND WARRANTIES OF SELLER.** As a material inducement to Purchaser to execute this Agreement and perform its obligations hereunder, Seller represents and warrants to Purchaser as follows:

a. Seller is a duly organized, validly existing corporation, and its status is active under the laws of the State of Florida. Seller has all requisite corporate power and authority to enter into this Agreement and perform all of the terms and conditions of this Agreement.

b. The Board of Directors and shareholders of Seller have approved Seller entering into this Agreement and selling the Water System Assets.

c. This Agreement constitutes, and all other agreements to be executed by Seller with respect to this Agreement will constitute when executed and delivered, valid and binding obligations of Seller, enforceable in accordance with their terms.

d. The execution, delivery and performance of this Agreement will not violate any provision of law, order of any court or agency of government, the articles of incorporation or by-laws of Seller, nor any indenture, agreement, or other instrument to which Seller is a party, or by which it is bound.

e. Seller has exclusive possession, control and ownership and good and marketable title to all Real Property. All parts of the Water System Assets are located within the Real Property identified in **Appendix “A”**, the property interests identified in **Appendix “B”**, the Leases identified in **Appendix “G”**, and public rights of way, platted rights of way, and platted or dedicated utility easements.

f. Seller has exclusive ownership, possession, control, and good and marketable title to all Water System Assets. At Closing, the Water System Assets consisting of personal property will not be subject to, and will be conveyed to Purchaser free and clear of any debt, lien, mortgage, pledge, charge, security interest, or encumbrance, except Permitted Encumbrances.

g. The Developer Agreements identified in **Appendix “F”** are all the agreements binding upon Seller that commit or reserve Water System capacity to any entity or individual for which any Connection Charges or other such payments or charges have been made. Seller does

not and has not collected any monetary contributions in aid of construction other than as identified and included in the Connection Charges.

h. The contracts and leases identified in **Appendix “G”** constitute all of the contracts and leases imposing obligations on Seller with respect to the Water System Assets.

i. **Appendix “D”** sets forth all permits, applications, and other documents issued relating to the Water System Assets, together with effective dates and expiration dates (if any), or pending before applicable governmental authorities including, but not limited to: (a) the Florida Department of Environmental Protection, (b) the United States Environmental Protection Agency, and (c) the Southwest Florida Water Management District. Seller is in compliance with all applicable permits, statutes, rules and regulations applicable to the ownership and operation of the Water System Assets except as otherwise set forth in **Appendix “M”**.

j. **Appendix “I”** contains a true and correct list of customers, customer deposits, interest on deposits and accounts receivable by name, address and account number, setting forth the amount of each customer deposit, any interest thereon and receivable and their aggregate totals and identifying each deposit as refundable or non-refundable.

k. **Appendix “J”** contains copies of all warranties with respect to completed construction, work in progress and equipment with respect to the Water System Assets.

l. There are no current actions, suits or proceedings at law or in equity pending or, to Seller’s actual knowledge, threatened against the Seller before any federal, state, municipal or other court, administrative or governmental agency or instrumentality, domestic or foreign, which affect the Water System Assets or the Seller’s right and ability to make and perform its obligations under this Agreement; nor does Seller have actual knowledge of any facts which are likely to result in any such action, suit or proceeding. Except as set forth in **Appendix “M”** Seller is not in default or non-compliance and has not received written notice of default with respect to any permit, order or decree of any court or of any administrative or governmental agency or instrumentality affecting the Water System Assets. Seller agrees and warrants that it shall have a continuing duty to disclose up to and including the Closing Date the existence and nature of all pending judicial or administrative suits, actions, proceedings and orders which in any way relate to the operation of the Water System Assets.

m. Environmental Law Compliance.

i. Definitions.

1) “Environmental Law” means any federal, state, or local statute, regulation, or ordinance, relating to the protection of human health or the environment in effect as of the Closing Date and includes, but is not limited to, The Florida Air and Water Pollution Control Act (Chapter 403, Florida Statutes), the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”) (42 U.S.C. § 9601 et seq.), the Resource Conservation and Recovery Act (42 U.S.C. § 6901 et seq.), the Clean Water Act (33 U.S.C. § 1251 et seq.), the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.), the Safe Drinking Water Act, (42 U.S.C. § 300f et seq.), and the Public Health Security and Bioterrorism Preparedness and Response Act of 2002 (42 U.S.C. 201 et seq.) as such have been amended or supplemented as of the Closing

Date, the regulations promulgated pursuant thereto, and in effect as of the Closing Date and any conditions and requirements contained in any permits possessed by Seller from any federal, state or local agencies necessary to operate the Water System Assets.

2) "Hazardous Material" means petroleum or any substance, material, or waste which is regulated under any Environmental Law in Florida, without limitation, any material or substance that is defined as or considered to be a "hazardous waste," "hazardous material," "hazardous substance," "extremely hazardous waste," "restricted hazardous waste," "pollutant," "toxic waste," or "toxic substance" under any provision of Environmental Law.

3) "Release" means any release, spill, emission, leaking, pumping, injection, deposit, disposal, discharge, or dispersal into the environment, at or from any property owned or operated by Seller or related to Hazardous Materials generated by Seller, which is prohibited under any Environmental Law.

4) "Remedial Action" means all actions required under applicable Environmental Laws to (i) clean up, remove, or treat any Hazardous Material to levels at which no further action is required; (ii) prevent the further Release or threat of Release, or minimize the further Release of any Hazardous Material so it does not endanger or threaten to endanger public health or welfare or the environment; or (iii) perform pre-remedial studies and investigations or post-remedial monitoring and care directly related to or in connection with any such remedial action.

ii. Representations of Seller Regarding Environmental Laws Compliance:

1) To the best of Seller's knowledge, Seller is in compliance with all applicable Environmental Laws and is not aware of any facts that would be a basis for Seller to believe any non-compliance exists.

2) Seller has obtained all permits required and has submitted applications for renewal of such permits in a timely manner, under applicable Environmental Laws necessary for the operation of the Water System Assets as conducted as of the date of this Agreement.

3) Seller has not received within the last three years written notice of any violation by Seller of applicable federal, state or local statutes, laws and regulations (including, without limitation, any applicable environmental, building, zoning, or other law, ordinance or regulation) relating to the Water System Assets, which has not been cured, except as set forth in **Appendix "M"** to this Agreement.

4) To the best of Seller's knowledge, No polychlorinated biphenyl or asbestos-containing materials, in violation of Environmental Law, are present at the Real Property, nor are there any underground storage tanks, active or abandoned, on the Real Property.

5) To the best of Seller's knowledge, there is no Hazardous Material in violation of Environmental Law located at any of the Real Property; the Real Property is not listed or formally proposed for listing under CERCLA, the Comprehensive Environmental Response, Compensation Liability Information System ("CERCLIS") or on any similar state list that is the

subject of federal, state, or local enforcement actions or other investigations that may lead to claims against Seller for clean-up costs, remedial work, damages to natural resources, or for personal injury claims, including, but not limited to, claims under CERCLA; and Seller is aware of no facts that would form the basis for Seller to be named in such claims or for any similar action to be brought against Seller.

6) No written or verbal notification of a Release of a Hazardous Material has been filed by or on behalf of Seller with respect to the Real Property. To Seller's actual knowledge, no such Real Property is listed or proposed for listing on the National Priority List promulgated pursuant to CERCLA, or CERCLIS, or any similar state list of sites requiring investigation or clean up.

7) No Hazardous Material has been released in violation of Environmental Law at, on, or under the Real Property during the time period that Seller has owned the Real Property.

n. No representation or warranty made by the Seller in this Agreement contains any untrue statement of material facts and to Seller's actual knowledge, omits to state any material fact required to make the statements herein contained not misleading.

o. Except as provided in Section 10.n.vi, Seller has received all required governmental and other approvals, if any, required for Seller to execute this Agreement, perform its obligations hereunder and consummate the Closing of this transaction.

5. REPRESENTATIONS AND WARRANTIES OF PURCHASER. As a material inducement to Seller to execute this Agreement and to perform its obligations hereunder, Purchaser represents and warrants to Seller as follows:

a. Purchaser has all requisite power and authority to enter into this Agreement and carry out and perform the terms and conditions of this Agreement.

b. This Agreement constitutes, and all other agreements to be executed by Purchaser with respect to this Agreement will constitute when executed and delivered, valid and binding obligations of Purchaser, enforceable in accordance with their terms.

c. Execution, delivery and performance of this Agreement will not violate any provision of law, order of any court or agency of government applicable to Purchaser, nor any indenture, agreement, or other instrument to which Purchaser is a party, or by which it is bound.

d. Purchaser has held all necessary public hearings required to authorize Purchaser's purchase of the Water System and has received all required approvals of the Gulf County Board of County Commissioners and other approvals required for Purchaser to execute this Agreement and perform its obligations hereunder; exclusive of those approvals required for financing the purchase of the Water System Assets which the parties acknowledge and agree are subject to the conditions and termination provisions set forth herein.

6. TITLE INSURANCE AND PERMITTED ENCUMBRANCES.

a. Within forty-five (45) days of this Agreement, Seller shall cause a title insurance commitment to be issued by a title insurance company authorized to conduct business in Florida (“Title Insurer”), and delivered to Purchaser and Seller, covering the Real Property and encompassing legal and physical access from a dedicated public road, street, or highway, which access is insurable under the title policy, in the amount of the Purchase Price. The cost of the title insurance commitment and title insurance policy shall be borne by Purchaser. The title insurance commitment shall commit the Title Insurer to issue an owner’s title insurance policy to Purchaser covering the Real Property (substantially in accordance with the ALTA Standard Owner’s Form B), reflecting title to the Real Property to be marketable and insurable, except for the Permitted Encumbrances and the standard exclusions from coverage; provided, however, that at Closing the Title Insurer shall delete the standard exceptions for such items as materialman’s liens, survey, and mechanic’s liens. Seller shall execute at or prior to Closing, in favor of Purchaser and the Title Insurer the necessary mechanic’s lien affidavit and “Gap” affidavit sufficient to allow the Title Insurer to delete all standard exceptions addressed by such affidavits.

b. Purchaser shall notify Seller in writing no more than twenty (20) days after receipt of the title insurance commitment of any material defect or objection to Seller’s title to the Real Property other than the Permitted Encumbrances which render or may render Seller’s title to the Real Property unmarketable or uninsurable in accordance with standards adopted by The Florida Bar. Any objections to title defects disclosed in the title insurance commitment not identified in the notice furnished by Purchaser shall be deemed to have been waived by Purchaser. Seller shall have twenty (20) days after receipt of Purchaser’s notice to eliminate the defects or objections to title set forth in Purchaser’s notice. If Seller fails to deliver title as herein provided, then Purchaser may:

i. Accept whatever title Seller is able to convey with no abatement of the Purchase Price; or

ii. Reject title and terminate this Agreement with no further liability of either party to the other.

c. Purchaser may not object to title by reason of the existence of any mortgage, lien, encumbrance, covenant, restriction or other matter than: (i) will be satisfied with a payment in full by Seller at or prior to the Closing; (ii) any mechanic’s lien or other encumbrance that will be released of record, bonded or transferred of record to substitute security so as to relieve the Real Property from the burden thereof at or prior to Closing; or (iii) the Title Insurer affirmatively insures over.

d. Seller shall provide to Purchaser, within fifteen (15) days of Seller’s signing this Agreement, all surveys of the Real Property in Seller’s possession. Purchaser shall have the right, but not the obligation, to do such surveys on the Real Property as Purchaser desires. Surveys procured by Purchaser shall be at the sole cost and expense of the Purchaser. If Purchaser desires to have any standard survey exceptions deleted or modified in the title policy, Purchaser shall have the right to survey the Real Property and deliver to the Title Agent, no later than ten (10) days prior to the Closing, properly certified surveys of the Real Property that comply with Florida law.

e. “Permitted Encumbrances” include the following:

i. All building restrictions, zoning regulations, laws, ordinances, resolutions, regulations and orders of any governmental authority having jurisdiction over the Real Property and the use thereof.

ii. Any easements, restrictions, reservations, rights-of-way, conditions or limitations of record which shall not now or potentially in the future impair or restrict the use of the Real Property or the operation of the Water System Assets.

iii. Any matter under Title Commitment to which Purchaser fails to timely object.

iv. Objected to matters accepted by Purchaser at the time closing occurs.

7. CONDITIONS PRECEDENT TO CLOSING. The obligations of each party to close the transaction contemplated by this Agreement are subject to the conditions that at or before Closing:

a. Neither Party is prohibited by decree or law from consummating the transaction.

b. There is no legal action or proceeding that challenges the right or ability of either Party to perform its obligations under this Agreement, prohibits the acquisition or sale of the Water System Assets or prohibits Purchaser or Seller from closing the transaction or Purchaser from paying the Purchase Price, or that inhibits or restricts in any manner Purchaser's use, title, or enjoyment of the Water System Assets.

c. The other party hereto has performed all the undertakings required to be performed by it under the terms of this Agreement.

d. There is no material adverse change in laws that apply to the Water System Assets, and no material adverse change in the condition of the Water System Assets. For purposes of this Agreement, a "material adverse change" shall mean any such change that, either individually or in the aggregate, shall have been or insofar as can reasonably be foreseen will be materially adverse to the condition of the Water System Assets or to the business operations of the Water System Assets under Purchaser's ownership.

e. All warranties and representations of the other party are true in all material respects as of the Closing.

f. Seller shall have obtained all necessary consents or authorizations from third parties for the assignment and assumption of the easements, developer agreements and contracts identified in **Appendices "B," "F," and "G"** to this Agreement and Seller will use commercially reasonable efforts to obtain any estoppel letters Purchaser may request Seller obtain from such third parties in order to verify the ERC's obligations outstanding Seller compliance with the terms of the developer agreements or contracts.

g. Seller shall have complied with the requirements of Section 16 of that certain Land Lease Agreement between Lighthouse Utilities Company and Verizon Wireless Personal

Communications, LP, (“Verizon”) dated as of June 3, 2014 and shall have obtained an unconditional waiver of Verizon’s right of first refusal as provided therein.

8. **PRE-CLOSING CONDUCT; COVENANTS.** Prior to Closing the parties covenant and agree to conduct themselves as follows:

a. Purchaser shall have ninety (90) days after the provision of all information outlined in Section 8.b. or the execution of this Agreement, whichever occurs later, to complete, at its expense, financial, legal, environmental, engineering and operational compliance investigation of the Water System Assets (“Due Diligence Period”). After completion of such inspections and tests, Purchaser, at its sole cost, shall restore the Property disturbed by such inspections and tests to substantially its former condition. Purchaser agrees to indemnify and hold Seller, its contractors and employees harmless from any and all injuries, losses, liens, claims, judgments, liabilities, costs, expenses or damages (including reasonable attorneys’ fees and court costs) sustained by Seller which result from, or arise out of, any inspections by Purchaser or its authorized representatives pursuant to this paragraph. Notwithstanding any provision herein to the contrary, the indemnity contained in the preceding sentence shall survive the termination of this Agreement prior to Closing. Purchaser shall have the right, in its sole discretion, to terminate this Agreement at the end of the Due Diligence Period upon providing written notice of termination to Seller. During the Due Diligence Period Seller shall provide Purchaser, and its representatives, reasonable access to the Water System Assets, including all Real Property, business and customer records, agreements, computers and software, during ordinary business hours, following twenty-four (24) hours’ notice from Purchaser. In the event that Purchaser exercises the right to terminate this Agreement under this Section 8.a., such right must be exercised by written notice to Seller not later than 5 days prior to the Closing Date.

b. Seller shall provide Purchaser with copies of the following materials along with a dated certification that all materials set forth below have been provided:

i. Deeds, title insurance policies, surveys and other evidence of ownership or rights to the Real Property identified in **Appendix “A.”**

ii. Copies, including electronic and digital formats, of all plans and specifications showing the Water System as now constructed (as-built), including any under construction, together with detailed engineering maps showing the water supply and distribution lines, pumps, tanks, wells, and appurtenances as now constructed, and all other facilities constituting the Water System;

iii. Copies of all Developer Agreements together with a schedule identifying the Seller’s understanding of the committed water capacity pursuant to such agreements or any other agreements committing or reserving such capacity to any entity or individual, and any advances for construction, advance facility charges, pre-paid connection charges or other such payments or charges made pursuant to any such agreements;

iii. Copies of all Contracts and Leases relating to the Water System;

- iv. Copies of Seller's schedules reflecting the rates, fees, and charges of Seller;
 - v. Copies of permits, applications, or other documents, together with effective dates and expiration dates (if any), demonstrating approval of the facilities of the Water System by all applicable governmental authorities, including, but not limited to: (a) the DEP, (b) the United States Environmental Protection Agency, and (c) NFWMD;
 - vi. A list of customers and customers' deposits and accrued interest and accounts receivable by name and account number, setting forth the amount of each individual deposit and receivable and their aggregate totals and identifying each deposit as refundable or non-refundable; Seller agrees to cooperate with Purchaser in providing billing information required by Purchaser to reconcile the aggregate interest total with refund credits or payments applied to customer accounts, to verify the Accounts Receivable, and to facilitate the smooth transition of customer account, billing and collection information;
 - vii. Copies of all warranties held by Seller with respect to completed, or in progress, construction work with respect to the Water System, in addition to a copy of all warranties relating to the Water System Assets;
 - viii. Copies of any and all effective insurance policies with respect to the Water System Assets and Water System;
 - ix. Copies of all title insurance policies related to the Real Property secured by Seller upon its acquisition of title to such property;
 - x. Current or past boundary surveys of the of the Real Property;
 - i. Copies of all easements, licenses, prescriptive rights, rights of access and ingress and egress, and rights-of-way owned and used by Seller for the construction, operation and maintenance of the Water System and Water System Assets; and
 - ii. Copies of all Certificates relating to the Water System, including but not limited to environmental permits and pending applications related thereto.
- c. Purchaser may cause to be performed at its sole expense a Phase I environmental site assessment (and a subsequent Phase II, if necessary) on the Real Property or any parcel thereof. A copy of the report or reports shall be provided to Seller within twenty (20) days of receipt by Purchaser. If such survey discloses the presence of any Hazardous Material, Seller shall have the right to perform such cleanup and remediation as is necessary hereunder. Upon Seller's failure to perform such cleanup and remediation prior to Closing, Purchaser may elect, as its sole remedy, to either: (i) terminate this Agreement, in which event neither party shall have any liability to the other; or (ii) proceed to Closing without abatement of the Purchase Price.
- d. Seller shall operate and maintain the Water System Assets in a normal and ordinary manner to ensure that their condition and inventory on hand shall not be materially diminished or depleted, normal wear and tear and usage excepted.

e. Seller shall within five (5) days notify Purchaser of any notification received by Seller from any governmental authority, person, business, or agency of any existing or potential Environmental Law violation.

f. Seller shall notify Purchaser of any event, activity or occurrence that, to Seller's actual knowledge, has or is reasonably likely to have, a material adverse effect upon the Water System Assets or this transaction and Seller shall not make any materials changes to the Water System or the Water System Assets without the prior written consent of Purchaser.

g. Seller shall maintain its existing levels of insurance on the Water System Assets. The risk of any loss of the Water System Assets shall remain with Seller until the closing.

h. Seller shall not enter into any new contracts, leases, developer agreements, or other agreements or obligations, nor modify any existing contracts, leases, developer agreements, or other agreements or obligations without the prior written consent of Purchaser.

i. Seller shall provide notice to Purchaser of any Connection Charges or other monetary payment in lieu of contributed property received pursuant to the terms of any Developer Agreement or otherwise received after the date hereof but prior to Closing. Seller shall provide notice to the Connection Charge payor of the pending sale to the Purchaser and that any property not physically connected and receiving water service as of the Closing Date is subject to payment of additional connection charges at the Purchaser's rate then in effect.

j. The parties shall cooperate in notifying governmental agencies of this transaction and preparing applications necessary to the transfer of Permits to Purchaser for operation of the Water System Assets after Closing.

k. Provide Purchaser, or its designated agent(s), with unrestricted access to the business premises, Water System, Water System Assets, Seller's customer and operations books and records systems, employees, agents, or representatives, on reasonable advance notice and during normal weekday business hours.

l. Seller agrees to cooperate with Purchaser in providing billing information required by Purchaser to verify customer Accounts Receivable, account payments and credits, customer deposits and interest, and to facilitate the smooth transition of customer account, billing and collection information.

m. From the Effective Date until the Closing Date, Seller shall not, without the prior written consent of Purchaser, accept any connection charges or other fees from developers, enter into any new developer agreements or modify any existing developer agreements. Copies of any proposed new or modified developer agreements shall be promptly delivered to Purchaser and shall not be signed by Seller without prior written consent (electronic correspondences permitted) from Purchaser, said consent to not be unreasonably withheld.

9. TERMINATION OF AGREEMENT.

a. This Agreement may be terminated: (i) by mutual written consent of the parties, or (ii) as provided in paragraphs b. and c. below.

b. Purchaser may terminate this Agreement, in its sole discretion, upon the occurrence of any of the following:

i. The failure, in any material respect, of any conditions precedent to closing set forth in Article 7.

ii. Any material breach of this Purchase Agreement by Seller, including, but not limited to, a material breach of any representation or warranty, if Seller has not cured such breach within thirty (30) days after receipt of written notice from Purchaser; provided, however, such breach must in any event be cured five (5) days prior to the Closing Date unless the date for cure has been extended by Purchaser, which extension by the Purchaser may not be unreasonably withheld or denied.

iii. Any other right of Purchaser to terminate expressly set forth in this Agreement including, but not limited to, section 8.a.

iv. Purchaser is unable to obtain financing to acquire the Water System Assets as contemplated in this Agreement that meets the following requirements: (1) The financing repayment term is 30 years; (2) The interest rate on such financing is no greater than 2.75% (the "Required Interest Rate") confirmed; and (3) the financing is in an amount sufficient to pay: (a) those elements of the Purchase Price set forth in Sections 3.a. of this Agreement; (b) all financing and transaction costs incurred by Purchaser in the acquisition contemplated in this Agreement, including costs for professional services related to acquisition of the Water System Assets and financing; and (c) funding of working capital deposits and initial capital improvements. In the event Purchaser is unable to obtain said financing or to achieve the parameters set forth in this Section 9.b.iv., the Parties agree that Purchaser, in its sole discretion, has the right, but not the obligation, to finance the purchase using another available financing method, provided that Purchaser determines it is in the long term best interest of Purchaser to do so. In the event that Purchaser exercises the right to terminate this Agreement, such right must be exercised by written notice to Seller immediately after Purchaser determines that it will not be able to obtain financing as provided herein but in all events not later than 5 days prior to the Closing Date, with such notice setting forth in reasonable detail the basis upon which such determination was made. In that event, Purchaser and Seller shall have no liabilities and no further obligations to each other under this Agreement.

c. Seller may terminate this Agreement, in its sole discretion, upon the occurrence of any of the following:

i. The failure, in any material respect, of any of the conditions precedent to closing set forth in Article 7.

ii. Any material breach of this Agreement by Purchaser, including, but not limited to, a material breach of any representation or warranty, if Purchaser has not cured such breach within thirty (30) days after notice from Seller, provided, however, such breach must in any event be cured within five (5) days prior to the Closing Date unless the date for cure has been extended by Seller, which extension by Seller may not be unreasonably withheld or denied.

iii. Any other right of Seller to terminate expressly set forth in this Agreement.

d. Upon the occurrence of any of the bases for termination of this Agreement, the party seeking to terminate this Agreement shall provide written notice of termination to the other party by delivering notice as provided in Section 13.c.

e. Upon the termination of this Agreement, the following shall occur:

i. Except as otherwise set forth in this Agreement, each party shall be responsible for payment of its own attorney and other professional fees and other costs of any nature whatsoever incurred prior to the termination of this Agreement.

ii. Except as provided in Section 9.f. below, there shall be no liability and no further obligation between Purchaser or Seller, or their respective officers, directors, representatives or consultants, other than as provided for herein.

iii. This Purchase Agreement shall forthwith become void and (except for the willful breach of this Purchase Agreement by any Party hereto) there shall be no liability on the part of Purchaser or Seller, or their respective governing body members, managers, officers, directors, employees or contractors, other than as provided for herein.

f. In the event that either party shall materially breach any of its obligations hereunder or shall fail to consummate this Agreement for any reason, except the default of the other party or a termination of this Agreement by Purchaser or Seller pursuant to a right to do so under the provisions hereof, the non-defaulting party shall have the right as its sole and exclusive remedies to either: (i) terminate this Agreement, in which case Purchaser and Seller will be relieved of all further obligations hereunder except for those obligations under provisions that survive termination of this Agreement, or (ii) file a suit for specific performance of its rights hereunder; and to recover the reasonable fees and expenses of attorneys' and expert witnesses incurred (at all levels of litigation) in enforcing its rights under this Agreement. The provisions of this section shall survive termination of this Agreement.

10. CLOSING. The parties shall use their best efforts to close this transaction on or before November 30, 2020 at the office of the Purchaser located in Gulf County, Florida. All closing procedures shall be subject to the customary and reasonable practices and requirements of Purchaser and Purchaser's counsel. At Closing:

a. Purchaser shall pay the Purchase Price as required under Section 3.a., If the financial assessment renders a report less than the purchase price stated in this agreement, the Administrator has no authority to complete the acquisition and as such each party reserves the right for termination of the agreement or in the alternative to mutually renegotiate the purchase figure subject to the proper and appropriate amendment to the original purchase agreement

b. Seller shall deliver such documents and take such actions as are required to extinguish its outstanding debt relating to the Water System and the Water System Assets;

c. Title to the Real Property shall be conveyed to Purchaser by warranty deed free of all claims, liens, or encumbrances whatsoever, other than Permitted Encumbrances. Title to the remaining Water System Assets shall be conveyed to Purchaser by Bill of Sale free of all claims, liens, or encumbrances. Seller shall further provide to Purchaser such other instruments of

conveyance as shall be, in the reasonable opinion of Purchaser, necessary to transfer the Water System Assets in accordance with this Agreement and, when necessary or desirable, in recordable form.

d. Seller shall assign to Purchaser its right, title and interest in those easements, licenses, etc. identified in **Appendix "B."**

e. Seller and Purchaser shall enter into separate Assignment and Assumption Agreements in the form attached hereto as **Appendix "L"** with respect to the (i) Developer Agreements identified in **Appendix "F"**, and (ii) the Contracts and Leases to be assumed by Purchaser identified in **Appendix "G."**

f. Documentary stamps shall be paid by Seller pursuant to section 201.01, Florida Statutes.

g. Recording fees to record the deeds and any other instruments necessary to deliver title to the Purchaser shall be paid by the Seller.

h. Seller shall file, before they become past due, all tax returns and shall pay, when due, all taxes due and owing from the operation of the Water System Assets and the sale thereof to Purchaser.

i. Seller shall be responsible for any past due and all ad valorem taxes, prorated through the Closing in accordance with the requirements of section 196.295, Florida Statutes, and shall escrow funds with the title agent or Gulf County Tax Collector if so required.

j. Connection Charges for connections physically made to the Water System Assets prior to the Closing Date shall be retained by Seller. Connection Charges received by Seller for which no physical connection has been made to the Water System Assets shall be paid to Purchaser at Closing. Connection Charges paid after the Closing Date shall be the property of Purchaser.

k. All transfers required or necessary to carry out the intent and purpose of this Purchase Agreement shall take place, unless waived or extended by mutual consent.

l. Each of the parties shall pay the fees of its own attorneys, bankers, engineers, accountants, and other professional advisers or consultants incurred in connection with the negotiation and execution of this Agreement.

m. All costs for services, materials and supplies rendered in connection with the operation of the Water System Assets prior to and including the day of Closing including, but not limited to, electricity, telephone service and other such services, materials and supplies shall be paid by Seller at or prior to the Closing Date and Seller will have each service provider remove Seller as the responsible party for such services, and any prepaid amounts or deposits will be paid to Seller. Purchaser shall be responsible for all such costs and expenses incurred subsequent to Closing. No prorations shall be made at Closing and Purchaser shall initiate new contracts with all vendors or suppliers of materials, supplies and services as Purchaser may desire.

n. Seller shall convey to Purchaser by electronic transfer of funds all customer deposits and interest accumulated thereon through the Closing Date. Seller shall provide an **Appendix "I"** updated as of the Closing Date. Purchaser shall assume liability for customer deposits which are conveyed to Purchaser by Seller at Closing. Seller shall turn over to Purchaser all final meter reads to enable Seller's final reads to become Purchaser's starting reads. Seller shall turn over to Purchaser billing information required by Purchaser to identify customer Accounts Receivable, account payments and credits, and to facilitate the smooth transition of customer account, billing and collection information.

o. Each party shall deliver to the other party a certificate stating that:

i. The party is not prohibited by decree or law from consummating the transaction contemplated hereby.

ii. There is not pending on the Closing Date any legal action or proceeding that hinders the ability of such party to close the transaction.

iii. All representations and warranties of such party contained in this Agreement are true and correct in all material respects as of the Closing Date, and such party has complied in all material respects with its covenants under this Agreement.

p. Seller shall deliver to Purchaser, in a form reasonably acceptable to Purchaser, an opinion of Seller's counsel substantially to the effect that:

i. Seller is validly organized, existing and its status is active under the laws of the State of Florida.

ii. This Agreement has been duly and validly executed and approved by Seller and is a valid and binding agreement upon Seller.

iii. To the knowledge of Seller's counsel, the execution, delivery and performance of this Agreement will not violate any agreement to which Seller is a party or any law applicable to Seller.

iv. Neither the execution nor the delivery of the Closing documents will conflict with or result in a material breach by Seller or constitute a default or an event of default under any contract, agreement, instrument, court order, or judgment by which Seller is bound.

v. To the knowledge of Seller's counsel, there are no proceedings or claims pending against Seller in any court of law or in equity, or before or by any instrumentality which, if determined adversely to the Seller, would have an adverse effect upon Purchaser's rights under this Agreement or the Closing documents or adversely affect Seller's ability to perform its obligations under this Agreement or Purchaser's ability to operate the Water System Assets subsequent to Closing.

vi. Except for FPSC approval of the sale of the Water System Assets to Purchaser, which sale the FPSC is required to approve as a matter of right under section 367.071, Florida Statutes, to the knowledge of Seller, no consent, approval or other action by any United

States, federal or state regulatory authority or other person or entity is required for the execution, delivery or performance of any of the Closing documents by Seller or to establish the validity or enforceability of such documents by Purchaser.

q. Purchaser shall deliver to Seller in a form acceptable to Seller, an opinion of Purchaser's counsel substantially to the effect that:

i. Purchaser is validly organized and existing as a political subdivision of the State of Florida pursuant to the Florida Constitution and statutes.

ii. This Agreement has been duly and validly executed and approved by Purchaser and is a valid and binding agreement upon Purchaser.

iii. To the knowledge of Purchaser's counsel, the execution, delivery and performance of this Agreement will not violate any agreement to which Purchaser is a party or any law applicable to Purchaser.

iv. Neither the execution nor the delivery of the Closing documents will conflict with or result in a material breach by Purchaser or constitute a default or an event of default under any contract, agreement, instrument, court order, or judgement by which Purchaser is bound.

v. To the knowledge of Purchaser's counsel, there are no proceedings or claims pending or threatened against or affecting Purchaser in any court of law or in equity, or before or by any instrumentality which, if determined adversely to the same, would have an adverse effect upon Seller's rights under the Closing documents or adversely affect Purchaser's ability to perform its obligations under this Agreement.

vi. To the knowledge of Purchaser's counsel, no consent, approval or other action by any United States, federal or state regulatory authority or other person or entity is required for the execution, delivery or performance of any of the Closing documents by Purchaser or to establish the validity or enforceability of such documents by Seller.

11. POST CLOSING COOPERATION.

a. After Closing, Seller and Purchaser shall, upon reasonable request of the other, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, all such further documents, acts, deeds, assignments, transfers, powers of attorney and assurances as may be required to implement and perform any of the obligations, covenants and agreements of the parties.

b. The respective representations and warranties of the parties contained in this Agreement, or any document delivered pursuant to this Agreement, shall survive the consummation of the transactions contemplated hereby and continue for a period of five (5) years from the Closing, and thereafter shall terminate. If, within that five-year period, Purchaser identifies Water System Assets located outside the areas identified in section 4.e., Purchaser shall promptly provide notice to Seller. Seller shall have one hundred eighty (180) days after receipt of the Purchaser's notice to secure a suitable property interest for the Water System Assets. A suitable property interest for treatment plant structures, wells, and appurtenant facilities shall require

marketable fee simple title. A suitable property interest for water transmission and distribution system assets shall require a standard utility easement. Seller may, at its option, secure an alternate property reasonably acceptable to the Purchaser; provided that, Seller shall be responsible for all costs associated with relocation of Water System Assets from their existing location to the new location in ordinary operating condition. In the event Seller fails to continue to diligently pursue acquisition of such a suitable or substitute property interest as provided herein, the Purchaser may do so at Seller's expense. In that event, Seller shall indemnify the Purchaser and bear all costs reasonably associated with such action including, but not limited to, suitable property interest acquisition costs, real estate closing costs and reasonable attorneys' fees and costs, and the costs of an eminent domain action if prosecuted. In the event Seller fails to promptly reimburse Purchaser for costs incurred under this section, Purchaser shall have all rights of collection available pursuant to law.

c. Seller shall be entitled to all revenue for services rendered through the day prior to the Closing Date or Seller's final meter reading date(s), whichever occurs first ("Revenue Deadline"). Purchaser shall be entitled to all revenue for services rendered beginning the day after the Revenue Deadline and continuing thereafter. In the event a Party receives payment for utility services or funds of any other kind related to the operation of the Water System Assets to which the other Party is entitled hereunder, the receiving Party shall promptly endorse and otherwise turn over such funds to the other Party along with any information related to the customer or basis for payment.

d. Within ten (10) business days after the Closing Date, Seller shall prepare and file a notice of the transfer of the system with the FPSC. Purchaser shall acknowledge the sale by letter or otherwise to in support of such filing. Seller shall file reports and make payments required to satisfy its outstanding gross receipts tax, regulatory assessment fees, and other obligations and governmental assessments through Closing. A copy of the FPSC order acknowledging sale of the system to Purchaser shall be promptly provided to Purchaser upon Seller's receipt thereof.

12. INDEMNIFICATION.

a. Seller shall indemnify and hold harmless Purchaser (including its governing body and members, officers, employees and agents) from and against any and all claims, suits, actions, arbitrations, proceedings, investigations, judgments, deficiencies, losses, damages, settlements, liabilities and other expenses, including reasonable legal fees and other expenses of or resulting from:

i. Any error, inaccuracy, breach or misrepresentation in any of the representations, warranties, agreements or covenants made by or on behalf of Seller in this Agreement;

ii. Any violation or breach by Seller of, or default by Seller in, the performance of its covenants and agreements in this Agreement;

iii. Any act or omission of Seller, or any of its officers, employees, or agents occurring on or prior to the Closing Date, any condition or circumstances existing in any of the

Water System Assets or with respect to the operation of the Water System, or any claims concerning services provided by Seller, as of the Closing Date;

iv. The presence, release, remediation or clean-up of, or exposure to, a regulated substance or other material located on, within or under the Water System Assets at any time on or prior to the Closing Date; and

v. Any debts, liabilities or obligations of Seller, direct or indirect, fixed, contingent or otherwise whether or not expressly assumed by Purchaser including, but not limited to, funds transferred by the Seller to the Purchaser to fund capital improvements, operating expenses and other purposes as set forth in this Agreement and any proceedings resulting therefrom initiated by the Internal Revenue Service or any State or federal agency.

b. To the extent permitted by Florida law and without waiving its sovereign immunity, Purchaser shall indemnify and hold harmless the Seller (including its governing body and members, officers, employees and agents) from and against any and all claims, suits, actions, arbitrations, proceedings, investigations, judgments, deficiencies, losses, damages, settlements, liabilities and other expenses including reasonable legal fees and other expenses of or resulting from:

i. Any error, inaccuracy, breach or misrepresentation in any of the representations, warranties, agreements or covenants made by or on behalf of the Purchaser in this Agreement;

ii. Any violation or breach by Purchaser of, or default by the Purchaser in, the performance of its covenants and agreements in this Agreement;

iii. Any act or omission of Purchaser, or any of its officers, employees, or agents occurring following the Closing Date, any condition or circumstance developing in any of the Water System Assets or with respect to the operation of the Water System Assets, or any claims concerning services provided by Purchaser, following the Closing Date; and

iv. The presence, release, remediation or clean-up of, or exposure to, a regulated substance or other material to or located on, within or under the Water System Assets at any time by Purchaser following the Closing Date.

13. PROPERTY CONDITION. Purchaser acknowledges that, except as expressly set forth in this Agreement, Seller has not made, does not make, and specifically negates and disclaims any representations, warranties, promises, covenants, agreements or guaranties of any kind or character whatsoever, whether express or implied, oral or written, of, as to, concerning, or with respect to the Property. Except as expressly set forth in this Agreement, Seller makes no warranties or representations of any kind with respect to information or documents or reports not prepared by Seller, or signed by Seller and prepared on its behalf, previously furnished to Purchaser or furnished to Purchaser pursuant to this Agreement.

14. MISCELLANEOUS PROVISIONS.

a. This Agreement, the Appendices, and any amendments hereto, embody the entire agreement between the parties and there are no other agreements or understandings, oral or written that are not superseded by this Agreement. This Agreement may be executed in one or more counterparts, each of which shall be considered an original, but all of which together shall constitute one and the same agreement. The parties agree that a photocopy of a signature and/or an electronic signature are acceptable as original signatures of the respective parties as allowed by applicable law and that the transmission by one party to another party is an express representation that the photocopied or electronic signature of the transmitting party is an exact copy of the party's signature and that such signature is valid and binding upon the transmitting party and is deemed to be an original signature.

b. Any notice or other document required or allowed to be given by either party to the other shall be in writing and shall be delivered by hand, by recognized overnight courier, by certified mail, postage prepaid, return receipt requested, or by electronic transmission with written confirmation of receipt.

If to Seller, such notice shall be delivered to:

William J. Rish, Jr., President
Lighthouse Utilities Company, Inc.
P. O. Box 428
Port St. Joe, Florida 32457

with a copy to:

[TO COME]

If to Purchaser, such notice shall be delivered to:

Michael L. Hammond
Gulf County Administrator
1000 Cecil G. Costin Sr. Boulevard, Room 310
Port St. Joe, Florida 32456

with a copy to:

Jeremy T.M. Novak, Esq.
Gulf County Attorney
1000 Cecil G. Costin Sr. Boulevard
Port St. Joe, Florida 32456

with a copy to:

Gregory T. Stewart, Esq.
and

Heather J. Encinosa, Esq.
Nabors, Giblin & Nickerson, P.A.
1500 Mahan Drive, Suite 200
Tallahassee, Florida 32308

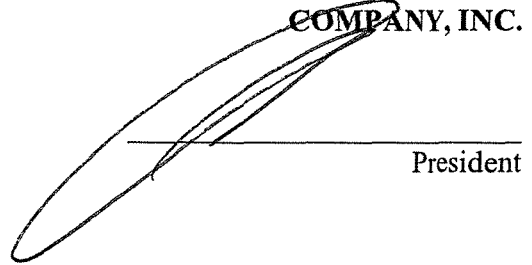
- c. The headings used are for convenience only, and they shall be disregarded in the construction of this Agreement.
- d. The drafting of this Agreement was a joint effort of the parties. In the interpretation hereof it shall be assumed that no party had any more input or influence than any other.
- e. This Agreement is solely for the benefit of the parties hereto and no rights or duties shall accrue to the benefit of any third party not a signatory hereto.
- f. In the event any term or provision of this Agreement is determined by appropriate judicial authority to be illegal or otherwise invalid and unenforceable, such holding shall not invalidate or render unenforceable any other provisions hereof.
- g. This Agreement may be amended or modified only if executed in writing with the same formality as the original.
- h. This Agreement shall be governed by, construed and interpreted in accordance with the laws of the State of Florida. Venue for all lawsuits involving any dispute, controversy, or claim arising out of or in connection with this Purchase Agreement shall be brought in Gulf County, Florida.
- i. All words, terms, and conditions herein contained are to be read in concert, each with the other, and a definition of a word or term contained in one section of this Agreement shall apply to such word or term when used in another section.
- j. Except as provided for herein, this Agreement may not be assigned without the prior written consent of the non-assigning party. If properly assigned, this Agreement shall be binding upon and inure to the benefit of the parties' successors and assigns.
- k. For purposes of this Agreement, an individual is deemed to have "knowledge" of a particular fact or other matter only if such individual has actual awareness of such fact or matter or a reasonable individual could be expected to discover or otherwise become aware thereof in the ordinary course of conducting his business.
- l. The Appendices referred to in this Purchase Agreement are incorporated herein by reference.
- m. Except for matters relating to pre-Closing activities of Purchaser, the Purchaser shall not be obligated to pay any liability arising out of or in any connection whatsoever with this Purchase Agreement from any funds except from the net revenues realized by the Purchaser after Closing from its ownership and operation of the Water System.

15. **EFFECTIVE DATE.** The “Effective Date” shall be the date that the last Party authorizes by its official action the execution of this Purchase Agreement.

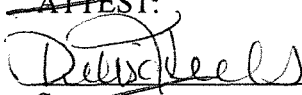
[Signature Pages Follow]

IN WITNESS WHEREOF, the parties have hereunto caused this Agreement to be executed on the date set forth above.

LIGHTHOUSE UTILITIES
COMPANY, INC.



President

~~ATTEST.~~


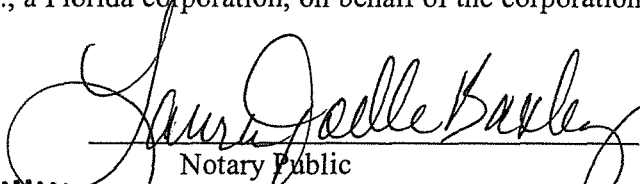
Secretary Witness

Printed Name of Witness: Delisa Kuefso

(SEAL)

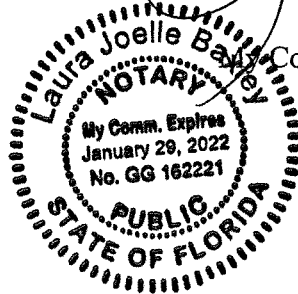
STATE OF FLORIDA
COUNTY OF GULF

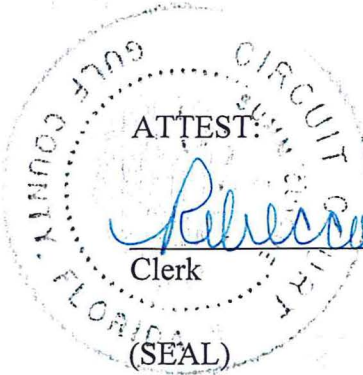
The foregoing instrument was acknowledged before me, by means of physical presence or online notarization, this 12th day of November, 2020 by William J. Rish, Jr., as President of Lighthouse Utilities Company, Inc., a Florida corporation, on behalf of the corporation. He is personally known to me.



Notary Public

Commission Expires: January 29, 2022





Rebecca Morris
Clerk

**GULF COUNTY BOARD
OF COUNTY COMMISSIONERS**

By: *[Signature]*
Sandy Quinn, Jr., Chair

ATTEST:

Haire Summers
Clerk

**GULF COUNTY BOARD
OF COUNTY COMMISSIONERS**

By: *[Signature]*
Michael L. Hammond, Administrator

For Use and Reliance of Gulf County Only,
Approved as to Form

[Signature]
Jeremy T.M. Novak, Esq.
County Attorney

Appendix “A”

Real Property

Real Property

**Parcel 1 – PID# 03072-015R
JONES HOMESTEAD RD
PORT ST JOE 32456**

A PARCEL OF LAND LYING AND BEING IN SECTION 19, TOWNSHIP 8 SOUTH, RANGE 10 WEST, GULF COUNTY, FLORIDA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOW:

BEGIN AT THE NORTHWEST CORNER OF THE SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 19, TOWNSHIP 8 SOUTH, RANGE 10 WEST, GULF COUNTY, FLORIDA AND PROCEED NORTH 1 DEGREES 24 MINUTES 16 SECONDS WEST, ALONG THE WEST BOUNDARY LINE OF SAID SECTION 19. FOR A DISTANCE OF 2969.47 FEET; THENCE LEAVING SAID WEST BOUNDARY LINE PROCEED SOUTH 89 DEGREES 54 MINUTES 13 SECONDS EAST, FOR A DISTANCE OF 720.11 FEET TO THE WEST RIGHT OF WAY LINE OF JONES HOMESTEAD ROAD (66' RIGHT OF WAY); THENCE SOUTH 0 DEGREES 29 MINUTES 51 SECONDS WEST, ALONG SAID WEST RIGHT OF WAY LINE, FOR A DISTANCE OF 2970.85 FEET TO THE NORTH BOUNDARY OF SAID SOUTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 19; THENCE NORTH 89 DEGREES 42 MINUTES 26 SECONDS WEST, ALONG SAID NORTH BOUNDARY LINE, FOR A DISTANCE OF 621.54 FEET TO THE POINT OF BEGINNING. CONTAINING 45.729 ACRES, MORE OR LESS

**Less and except the real property shown on the plat of Coastal Plantation
Subdivision as recorded in the public records of Gulf County, Florida at Plat
Book 8 pages 5-6**

Per the deed recorded at OR Book 659, Page 297, Official Records of Gulf County, Florida.

Parcel # 06316-0036

499

WARRANTY DEED
FORM DI (REV.)

84-2343

MAKUP BY GENERAL OFFICE EQUIPMENT CO.,
TALLAHASSEE, FLA.

This Warranty Deed Made the 24th day of August A. D. 19 84 by
Cape San Blas Water System Inc., a Florida Corporation,

hereinafter called the grantor, to

Lighthouse Utilities Company, a Florida corporation,

whose postoffice address is P.O. Box 87, Port St. Joe, Florida 32456,
hereinafter called the grantee:

(Wherever used herein the terms "grantor" and "grantee" include all the parties to this instrument and the heirs, legal representatives and assigns of individuals, and the successors and assigns of corporations)

Witnesseth: That the grantor, for and in consideration of the sum of \$ 10.00 and other valuable considerations, receipt whereof is hereby acknowledged, hereby grants, bargains, sells, aliens, remises, releases, conveys and confirms unto the grantee, all that certain land situate in Gulf County, Florida, viz:

Beginning at the Point of Intersection of the North line of Government Lot 1, Fractional Section 23, Township 9 South Range 11 West, Gulf County, Florida, with the Easterly Right-of-Way line of County Road 30, said Point being West (assumed) 1141.29 feet from NE Corner of Said Government Lot 1; Thence East along said line for 193.90 feet; Thence S. 0 degrees 09 minutes 00 seconds W. 200.00 feet; Thence N 88 degrees 09 minutes 30 seconds W. 249.58 Feet to said Easterly Right-of-Way line; Thence N. 16 degrees 17 minutes 00 seconds E. along said Right-of-Way line 200 feet to the Point of Beginning.
Containing 1.00 acre, more or less.

Received \$ 337.50 For Excise Taxes due,
pursuant to Chapter 201, Laws of Florida,
Acts of 1981, 1st Jerry Gates, Clerk Circuit Court
Gulf County Florida

By Beverly Daniels

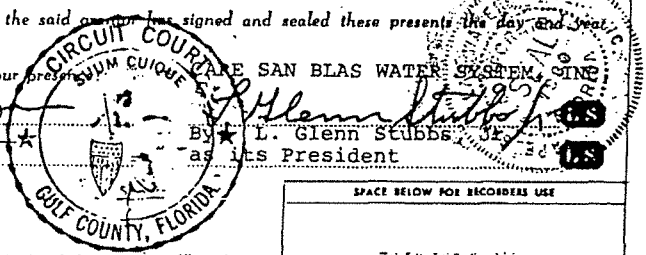
Together with all the tenements, hereditaments and appurtenances thereto belonging or in any-wise appertaining.

To Have and to Hold, the same in fee simple forever.

And the grantor hereby covenants with said grantee that the grantor is lawfully seized of said land in fee simple; that the grantor has good right and lawful authority to sell and convey said land; that the grantor hereby fully warrants the title to said land and will defend the same against the lawful claims of all persons whomsoever; and that said land is free of all encumbrances, except taxes accruing subsequent to December 31, 1983.

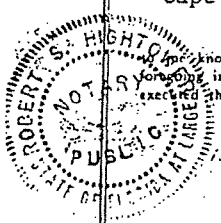
In Witness Whereof, the said grantor has signed and sealed these presents the day and year first above written.

Signed, sealed and delivered in our presence
Robert S. Hight By L. Glenn Stubbs, Jr.
Richard D. [Signature] as its President



STATE OF Florida
COUNTY OF Leon

I HEREBY CERTIFY that on this day, before me, an officer duly authorized in the State aforesaid and in the County aforesaid to take acknowledgments, personally appeared
L. Glenn Stubbs, Jr. as President of
Cape San Blas Water System Inc.



known to be the person described in and who executed the foregoing instrument and he acknowledged before me that he executed the same.

WITNESS my hand and official seal in the County and State last aforesaid this 24th day of August, A. D. 1984

Robert S. Hight

Notary Public, State of Florida at Large
My Commission Expires Oct. 10, 1984

SPACE BELOW FOR RECORDERS USE
FILED FOR RECORDING
RECORD VERIFIED
'84 AUG 31 P2:19
101 499
Beverly Daniels
Prepared by: Mark Hannon
325 John Knox Road
Tallahassee, FL 32303

499

Parcel 2 – PID# 03180-002R
7521 CR 30-A
PORT ST JOE 32456

Commence at the Northeast corner of Fractional Section 19, Township 9 South, Range 10 West; thence South 00°20'13" West, along the East line of said Section 19, 1510.24 feet to the North line of Treasure Shores 1st Addition, an unrecorded subdivision; thence North 89°39'22" West, along the North line of said Treasure Shores 1st Addition, 2431.88 feet to the Northwest corner of lot 1 of said Treasure Shores 1st Addition; thence South 00°21'14" West, along the West line of aforesaid lot, 236.73 feet to the North right of way line of County Road No. 30 (formerly State Road S-30); thence North 82°26'15" West, along the North right of way line, 81.21 feet to the East line of those lands described in Official Records Book 105, Page 1056; thence departing said North right of way line of County Road No. 30, and along the East line of those lands described in Official Records book 105, Page 1056, the following courses and distances: North 07°36'32" East, 236.52 feet; thence South 89°39'22" East, 124.36 feet, thence North 07°33'19" East, 200.06 feet to the North line of said lands described in Official Records Book 105, Page 1056; thence along said North line, North 89°44'14" West, 168.15 feet to the POINT OF BEGINNING. From said POINT OF BEGINNING leaving said North line run North 06° 12' 50" East 4.48 feet, thence North 85° 44' 03" West 36.08 feet, thence South 11° 16' 20" West 108.09 feet, thence South 02° 14' 15" West 125.48 feet to the West line of said lands described in Official Records Book 105, Page 1056; thence North 07° 32' 05" East along said West line 226.36 feet to the aforementioned North line of said lands described in Official Records Book 105, Page 1056; thence South 89°44'14" East along said North line 31.86 feet to the POINT OF BEGINNING.

Per the deed recorded at OR Book 280, Page 416, Official Records of Gulf County, Florida.

Parcel 3 – PID# 06316-003R
5614 SR 30 A
PORT ST JOE 32456

LEGAL PARCEL 3 ATTACHED HERE BY SELLER

Per the deed recorded at OR Book 101, Page 499, Official Records of Gulf County, Florida.

Parcel 4 – PID# 06351-049R
7182 CAPE SAN BLAS RD
PORT ST JOE 32456

Commence at the Northwest corner of Lot 21 Block B Cape Breezes Subdivision as per plat thereof recorded in plat book 3 at page 23 of the Public Records of Gulf County, Florida and run North 18 degrees 13 minutes 18 seconds West a distance of 183.34 feet to a Point of Beginning. From said Point of Beginning continue North 18 Degrees 13 Minutes 18 Seconds West a distance of 116.66 feet to a point on the North Boundary line of said Plat, then North 89 Degree's 18 Minutes 41 Seconds West along the North Boundary line of said Plat a distance of 180.00 feet to a point on the Easterly Boundary Line of the 100.00 foot right of way for County Road 30E (T.H. Stone Highway), then South 18 Degrees 13 Minutes 18 Seconds East (bearing base) along said right of way boundary a line distance of 175.00 feet, then North 71 Degrees 46 Minutes 42 Seconds East a distance of 170.28 feet to the Point of Beginning containing 0.57 acres more or less.

Per the deed recorded at OR Book 204, Page 694, Official Records of Gulf County, Florida.

Appendix "B"
Easements, Licenses

Easements, Licenses

Declaration of Private Easement by and between St. Joseph Bay County Club and Lighthouse Utilities Company, Inc., recorded June 27, 1996 at Official Records Book 191, Page 445, Public Records of Flagler County, Florida.

Declaration of Private Easement by and between David Carl Gaskin and James G. Johnson, as Trustees for Patricia Marie Tapper 1973 Child Trust and Lighthouse Utilities Company, Inc., recorded August 8, 1996 at Official Records Book 192, Page 730, Public Records of Flagler County, Florida.

Easement by and between James T. McNeill, Betty L. McNeill, James T. McNeill III, William A. Walker (individually and as Co-Personal Representative of the Estate of Ruth M. Walker, deceased), and William A. Walker II (individually and as Co-Personal Representative of the Estate of Ruth M. Walker, deceased) and Lighthouse Utilities Company, Inc., recorded June 14, 1999 at Official Records Book 227, Page 958, Public Records of Flagler County, Florida.

Grant of Easement and Reservation of Easement by and between Mark W. Hall, Trustee of the Winder Eye Care Center Money Purchase Plan and Lighthouse Utilities Company, Inc., recorded January 11, 2016 at Official Records Book 587, Page 869, Public Records of Flagler County, Florida.

All other easements and licenses owned by Seller or acquired by Seller, which are used in the operation of the Water System.

Appendix “C”

Tangible Personal Property

Asset Description

116 Office Furniture
117 Equipment - Other
113 Water Treatment Equipment
118 Other Plant & Misc Equipm
119 Capitalized Services
120 Cap Services (previous CIP)
114 Distribtution Mains
112 Wells
115 Meters & Meters Installs
64 PSJ Connection Pipeline
65 PSJ Connection Services
66 Meters
67 Meter hookups
68 Services
69 Meters
71 Supply Mains
72 Supply Mains
73 Services
74 Meter hookups
75 Storage Shed
76 Services
77 Meter hookups
82 Pumping Equip
83 Services
84 Tracer Electronics
85 NFWFMD Permit
86 Shed
87 Pumping Equip
88 Capitalized Services
91 Radios
92 Pump
93 Dist. Mains
95 Equipment
96 Equipment
97 Equipment
98 Meter hookups
99 Capitalized Services
100 Equipment
101 Computer
102 Computer
103 Equipment
104 Portable Air Conditioner
105 Equipment
106 Ground Penetrating Radar
107 Shed

108 Capitalized Service
109 Dist. Mains
110 Meters
1 Pipelines
2 Pipelines
3 Pipelines
6 Machinery & Equipment
7 Machinery & Equipment
9 Paving
4 Pipelines
5 Pipelines
8 Machinery & Equipment
10 Equipment
11 Piping hookups
12 Pipeline extension
13 Meter hookups
14 Pipelines
15 Meter hookups
16 Pipelines
17 Meters
18 Meters
19 Pipelines
20 Pipelines
21 Meter hookups
22 Fence
23 Pipelines
24 Meter hookups
26 Fence
27 Meter hookups
28 Meter hookups
29 Pipelines
30 Wells
31 Pipelines
32 Meter hookups
33 Pipelines
34 Machinery & Equipment
35 Booster station
36 Meter hookups
37 Wells
38 Infrastructure
39 Fencing
40 Wells
41 Equipment
44 Meter hookups
45 Pipelines
46 Pumping equipment
47 Tank

49 Repairs
50 Pipelines
51 Meter hookups
52 Meter hookups
54 Wells
55 Land
57 Fence - wells
58 Well refurbish
59 Well pump
60 Water treatment equip.
61 Meters
62 Digital meters
63 Meter service
111 Land
25 Truck

Sold/Scrapped: 12/09/19

53 Truck
79 2006 Dodge
56 Organization cost
80 CUP Permit
90 NFWMD Permit

Appendix “D”

Permits and Governmental Approvals

Permits and Governmental Approvals

NWFWMD Individual Water Use Permit No. 2E-045-98-11

NWFWMD Individual Water Use Permit No. 2E-045-98-10

FDEP Permit Number 0080041-019-WC/M1

FDEP Consent Order (OGC File No. 18-1047-PW)

Appendix "E"
Equipment, Vehicles, and Inventory

Appendix “F”
Developer Agreements

1. Treasure Shores –
2. Meyers Park – St. Joe Co.

Appendix "G"
Contracts and Leases

Contracts and Leases

Land Lease Agreement between Lighthouse Utilities Company and Verizon Wireless Personal Communications, LP, dated as of June 3, 2014.

[BULK WATER AGREEMENT WITH PORT ST. JOE – TO COME]

Appendix “H”

Assignments Requiring Third Party Consent

Assignments Requiring Third Party Consent

Land Lease Agreement between Lighthouse Utilities Company and Verizon Wireless Personal Communications, LP, dated as of June 3, 2014.

Appendix "I"

Lists of Customers, Customer Accounts, and Receivables

Appendix “J”

Warranties

Appendix “K”

Excluded Assets

Appendix “L”

Form of Assignment and Assumption Agreement

Prepared by and return to:

FORM

ASSIGNMENT AND ASSUMPTION OF DEVELOPER AGREEMENTS

THIS ASSIGNMENT AND ASSUMPTION OF _____ (“Assignment”), is made and entered into this __ day of __, 2021, by and between _____, a _____, whose address is _____ (“Assignee”) and _____, Florida, a political subdivision of the State of Florida, whose address is _____ (“Assignor”).

Capitalized terms not defined herein shall have the meaning(s) ascribed to them in that _____, dated __, 2020, as amended (the “Acquisition Agreement”).

WHEREAS, Assignor has as of this date conveyed to Assignee, pursuant to the Acquisition Agreement, all of the real and personal property, both tangible and intangible, which comprise the Assignor’s Water System in Gulf County, Florida (“Water System”), as described and set forth in the Acquisition Agreement; and

WHEREAS, the Water System Assets intended to be conveyed to Assignee, in accordance with the Acquisition Agreement, include certain rights of Assignor under ___ agreements to be assumed by Assignee pursuant to the Acquisition Agreement (the “___ Agreements”); and

WHEREAS, Assignor and Assignee wish to provide for the assignment of rights and duties contained in the ___ Agreements.

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:

1. The foregoing recitals are true and correct and are incorporated herein.
2. Assignor hereby conveys and assigns unto Assignee all right, title and interest of Assignor in the ___ Agreements identified on **Exhibit “A”** attached hereto and made a part hereof together with all other related recorded or unrecorded rights, privileges, agreements, development credits, if any.
3. Except as otherwise set forth in the Acquisition Agreement, Assignee hereby accepts the transfer and assignment of the ___ Agreements set forth in Exhibit “A” and assumes

the respective performance, obligations, and duties under such _____ Agreements as of the date hereof.

4. Assignor covenants and agrees to do, execute, acknowledge and deliver, or cause to be done, executed, acknowledged and delivered, any and all such further acts, instruments, papers and documents, as may be necessary, proper or convenient to carry out and effectuate the intent and purposes of this Assignment.

5. This Assignment shall inure to the benefit of and be binding upon Assignor and Assignee and their successors and assigns. This Assignment is not intended to confer upon any person other than the parties hereto any rights or remedies hereunder.

6. This Assignment shall be governed in all respects by the laws of the State of Florida. Nothing herein shall be construed to waive any defense of sovereign immunity that either party may be lawfully entitled to assert under applicable Florida law.

7. If any term or provision of this Assignment shall be held to be invalid or unenforceable, the remainder of this Assignment shall not be affected thereby and shall be construed as if such invalid or unenforceable provision had never been contained herein or been applicable in such circumstances.

8. This Assignment may be executed in one or more counterparts, each of which shall be deemed to be an original, but all of which shall constitute one and the same Assignment.

(signature pages to follow)

Appendix "M"

Litigation and Regulatory Non-Compliance

Litigation and Regulatory Non-Compliance

FDEP Consent Order (OGC File No. 18-1047-PW)

Appendix “N”

Form 8594