

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 St. Johns County, Florida, and cancellation or amendment of Water Certificate No. 645-W and/or Wastewater Certificate No. 553-S 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:

North Beach Utilities, Inc.
Utility Name

4125 Coastal Highway
Office Street Address

St. Augustine FL 32084
City State Zip Code

Same
Mailing Address (if different from Street Address)

City State Zip Code

(904) 824-1806 (904) 826-0897
Phone Number Fax Number

59-2290908
Federal Employer Identification Number

nbutilities@bellsouth.net
E-Mail Address

N/A

Website Address

645-W

553-S

Water Certificate No.

Wastewater Certificate No.

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

Martin S. Friedman, Esquire - Dean Mead Law Firm

Name

420 S. Orange Ave., Suite 700

Mailing Address

Orlando

FL

32801

City

State

Zip Code

(407) 310-2077

(407) 423-1831

Phone Number

Fax Number

mfriedman@deanmead.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.

St. Johns County, Florida

Governmental Authority's Name

500 San Sebastian View

Office Street Address

St. Augustine

FL

32084

City

State

Zip Code

(904) 209-0300

(904) 209-0310

Phone Number

Fax Number

nshinkre@sjcfl.us

E-Mail Address

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

Neal Shinkre, Utilities Director

Name

1205 SR 16

Mailing Address

St. Augustine

FL

32084

City

State

Zip Code

(904) 209-2721

Phone Number

() -

Fax Number

nshinkre@sjcfl.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.

October 29, 2024

- 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.

St. Johns County obtained the financial information it was required to pursuant to
Section 367.071(4)(a), F.S.

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

The Utility will credit customer deposits on the final bill, and refund any excess deposit.

- 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 "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: /s/ Martin S. Friedman
Applicant's Signature

Martin S. Friedman
Applicant's Name (Printed)

Attorney
Applicant's Title

November 1, 2024
Date

Resolution No. 2024-205

**AGREEMENT FOR
THE PURCHASE AND SALE OF
UTILITY ASSETS**

By and Between

NORTH BEACH UTILITIES, INC.

Seller,

and

ST. JOHNS COUNTY, FLORIDA

Purchaser

May 7, 2024

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List of Exhibits:

- EXHIBIT A – REAL PROPERTY**
- EXHIBIT B – EASEMENTS AND LICENSES**
- EXHIBIT C – TANGIBLE PERSONAL PROPERTY**
- EXHIBIT D – CERTIFICATES**
- EXHIBIT E – DEVELOPER AGREEMENTS**
- EXHIBIT F – CONTRACTS AND LEASES**
- EXHIBIT G –EQUIPMENT, VEHICLES AND INVENTORY**
- EXHIBIT H – EXCLUDED ASSETS**
- EXHIBIT I – LITIGATION AND REGULATORY NON-COMPLIANCE DISCLOSURES**

AGREEMENT
FOR THE PURCHASE AND SALE OF UTILITY ASSETS

This Agreement for the Purchase and Sale of Utility Assets (the "Purchase Agreement") is made and entered into this ____ day of _____, 2024, by and between North Beach Utilities, Inc., a Florida Corporation ("Seller"), and St. Johns County, a political subdivision of the State of Florida ("Purchaser"), hereafter collectively referred to as the "Parties."

RECITALS

WHEREAS, the Florida Public Service Commission ("FPSC") has issued to Seller Water Certificate No. 645-W and Sewer Certificate No. 553-S, which provide Seller with certificated franchise service areas to provide potable water and wastewater services to residential and general service customers in St. Johns County ("Utility Service Area"); and

WHEREAS, the Seller owns and operates water and wastewater utility systems, commonly known as the North Beach Utilities, Inc. Utility System consisting of potable water production, supply, treatment, storage, transmission, distribution, and fire flow facilities and wastewater collection, transmission, lift/pump stations, storage, treatment, and effluent disposal facilities, and all related appurtenances and all other utility facilities, as more particularly described herein (collectively, the "Utility System"), serving customers within the Utility Service Area pursuant to authority provided by Florida law; and

WHEREAS, the Purchaser, pursuant to its home rule authority and authority provided pursuant to Florida law, is authorized to acquire the Utility System and has the power and authority to provide potable water, wastewater, and reuse water infrastructure and services within St. John's County; and

WHEREAS, the Seller desires to sell and the Purchaser desires to acquire the Utility System for the consideration and on the terms and subject to the conditions set forth in this Purchase Agreement; and

WHEREAS, as required by Section 125.3401, Florida Statutes, the Purchaser held a public hearing regarding the proposed purchase and sale contemplated herein to determine whether such purchase is in the public interest; and

WHEREAS, the Purchaser has adopted Resolution No. 2005-39, establishing a policy for the acquisition of Pre-existing utility systems within the County, and wishes to proceed with the acquisition of Seller's Utility System in accordance therewith; and

WHEREAS, the Seller and Purchaser now desire to enter into this Purchase Agreement to provide for the purchase and sale of the Utility System in accordance with the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the foregoing, the Purchase Price, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

SECTION 1. Recitals. The above Recitals are true and correct and are hereby incorporated into this Purchase Agreement by reference.

SECTION 2. Covenant to Purchase and Sell; Description of Purchased Assets.

a. Purchaser shall buy from Seller, and Seller shall sell to Purchaser, the Purchased Assets (as hereinafter defined) upon the terms and subject to the conditions set forth in this Purchase Agreement.

b. "Purchased Assets" shall include all assets and rights, which may be both tangible and intangible, that Seller owns, and which comprise the Utility System, including but not limited to:

i. All real property and interests in real property owned and held by Seller that are or will be used by the Utility System, 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 in real property identified in **Exhibit "A"** to this Purchase Agreement, as incorporated herein by reference, which are used in connection with the Utility System ("Real Property"), and all existing surveys related thereto. Purchased Assets do not include those Excluded Assets identified in **Exhibit "H"** to this Purchase Agreement, as incorporated herein by reference.

ii. All easements, licenses, prescriptive rights, rights-of-way, use of dedicated rights, rights obtained pursuant to court order or litigation, and rights of any kind as Seller may possess to operate the Utility System to provide utility service or to use public and private roads, highways, canals, streets and other areas owned or used by Seller for the construction, placement, replacement, operation and maintenance of the Utility System ("Easements and Licenses"), including but not limited to, rights identified in **Exhibit "B"** to this Purchase Agreement, as incorporated herein by reference.

iii. All water supply, treatment, storage and distribution facilities, wastewater collection, treatment, storage and disposal facilities, of every kind and description whatsoever, including but not limited to pumps, plants, wells, tanks, lift stations, transmission mains, distribution mains, supply pipes, collection pipes or facilities, effluent disposal facilities, rapid infiltration basins, valves, meters, meter boxes, service connections and all other physical facilities, equipment and property installations owned by Seller together with all additions or replacements thereto, including but not limited to, facilities as identified in **Exhibit "C"** to this Purchase Agreement, as incorporated herein by reference ("Tangible Personal Property"). All property listed in **Exhibit "C"** that is affixed to land or otherwise permanently installed as a part of the Utility 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 Utility System.

iv. All certificates, immunities, privileges, permits, regulatory approvals, license rights, consents, grants, ordinances, leaseholds of the Utility System, and all rights to construct, maintain, and operate the Utility System and its plants and systems for the procuring, treatment, storage, and distribution of potable water and the collection, treatment, storage and disposal of wastewater, and every right of every character whatever in connection therewith, including exclusive Utility Service Area rights, and the obligations thereof; all water use or consumptive use permits, discharge permits, water rights, flowage rights, riparian rights, littoral rights and all renewals, extensions, additions or modifications of any of the foregoing ("Certificates"); together with all rights granted to Seller under the Certificates, including but not limited to, rights identified in **Exhibit "D"** to this Purchase Agreement, as incorporated herein by reference. **Exhibit "D"** shall also identify any rights in possession of Seller under the Certificates which are not transferrable or which require the consent of a third party to transfer.

v. Copies of all supplier lists, customer records, prints, plans, including plans in electronic or digital format, engineering reports, surveys, specifications, shop drawings, equipment manuals, lists of hardware (including end user devices), software applications and cloud based services, historic customer billing data, historic operating data from supervisory control and data acquisition ("SCADA") for all plants, lift stations and wells, prior permits, engineering reports (hard copy and electronic), O&M manuals, equipment training manuals, and other information required by Purchaser to construct, operate or maintain the Utility System in Seller's possession, including rights of Seller to obtain copies of such items from engineers, contractors, consultants, or other third parties, in paper and electronic form.

vi. Copies of all sets of record drawings, including as-built drawings and GIS data, showing all facilities of the Utility System and including all original tracings, sepias or other reproducible materials as well as computer network schematics for the process control network and enterprise network including, but not limited to servers, switches, SCADA, programmable logic controllers (PLC's) and firewall equipment in Seller's possession, and including 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 and obligations of Seller under any developer or service agreements, as identified in **Exhibit "E"** to this Purchase Agreement, as incorporated herein by reference, which are assumed by Purchaser pursuant to Section 10.b. ("Developer Agreements"). **Exhibit "E"** shall identify all Developer Agreements pertaining to the Utility System that have not yet been fully completed or performed or which otherwise establish a continuing right, privilege, duty or obligation of the Seller (including, without limitation, those certain capacity obligations as further described in the Developer Agreements), and shall also identify any third party consents necessary for assignment by Seller and assumption by Purchaser.

viii. All rights and obligations of Seller under contracts and leases, as identified in **Exhibit "F"** to this Purchase Agreement, as incorporated herein by reference ("Contracts and Leases), which shall include, but not be limited to, all leases, operating and vendor contracts, grants agreements, and agreements with respect to bulk service, interconnect/service area agreements, outfall agreements, effluent disposal, which are assumed or to be assumed by Purchaser pursuant

to Section 10.b. **Exhibit “F”** shall identify all such Contracts and Leases pertaining to the Utility System that have not yet been fully completed or performed or which otherwise establish any continuing right, privilege, duty or obligation of the Seller (including, without limitation, those certain capacity obligations as further described in the Contracts and Leases), and shall also identify any third party consents necessary for assignment by Seller and assumption by Purchaser.

ix. All equipment, vehicles, rolling stock, mobile equipment, chemicals, tools, parts, laboratory equipment, computer equipment, meters, meter reading equipment and related software, and inventory, held for use in connection with operation of the Utility System owned by Seller on the Closing Date, including such items of equipment and inventory identified in **Exhibit “G”**, as incorporated herein by reference, which equipment and inventory shall not be unnecessarily depleted or sold prior to that date (“Equipment, Vehicles, and Inventory”). Upon the Effective Date (as defined below) of this Purchase Agreement and up and until five (5) days before the Closing Date, Seller shall grant Purchaser access to inspect Seller’s equipment, vehicles, rolling stock, mobile equipment, chemicals, tools, parts, laboratory equipment, computer equipment, meters and other inventory prior to Closing. If there are any utility-related equipment, vehicles, rolling stock, mobile equipment, chemicals, tools, parts, laboratory equipment, computer equipment, meters, meter reading equipment and related software (if any), or inventory that Seller utilizes in connection with its other functions and will not be included as part of the Purchased Assets, the Seller shall specifically identify and include those items as Excluded Assets listed in **Exhibit “H”**.

c. All of the Excluded Assets listed in **Exhibit “H”**, as incorporated herein by reference, are excluded from the Purchased Assets.

d. Purchaser does not assume any debts, liabilities, obligations, or other financial, legal, or service obligations of Seller, except as may be expressly provided hereunder or as may be otherwise provided in writing. Purchaser does not assume and shall not be liable for any expense, assessment, exposure, fine, penalty, liability, act or omission of any kind whatsoever imposed or required by any third party, whether known or unknown, contingent, liquidated or not liquidated, arising or accruing under contract, tort, or pursuant to statute, rule, ordinance, law, regulation or otherwise, arising or accruing before or after the Closing Date when the operative act or omission was that of or attributable to the Seller for its actions prior to the Closing Date.

SECTION 3. Purchase Price. The total consideration to be paid for the Utility System is the Purchase Price. By these presents, Seller and Purchaser covenant and agree that the Purchase Price to be paid to Seller at Closing, and thereafter, is set forth in this Section 3 (“Purchase Price”):

a. Cash Payment: Purchaser shall pay to Seller, subject to the additions, adjustments and prorations, if any, referenced in this Purchase Agreement, SIX MILLION, TWENTY-FIVE THOUSAND DOLLARS AND 00/100 (\$6,025,000) at Closing.

b. Accounts Receivable: The Parties recognize that the Closing may take place during the Utility System’s normal billing cycle. The Seller hereby agrees to cooperate with the Purchaser to ensure an orderly transition of all its customers with respect to billing and customer service activities including, but not limited to, working with the Purchaser on a compatible format for

transfer of customer data. As close to the Closing Date as is practicable, Seller shall conduct a final meter read, refund any customer deposits held by Seller, and send final customer bills. At Closing, the Seller may have both water and wastewater service account balances based on application of rates for services rendered that have been billed but not paid ("Accounts Receivable"). The parties agree that the Purchaser will be entitled to all customer billings with respect to water and wastewater services for the period on or after the Closing Date, and the Seller will be entitled to all such billings prior to the Closing Date, such billings being considered an Excluded Asset under this Agreement. After the Closing, any payments received by the Purchaser or the Seller with respect to utility services provided by the Utility System shall belong to the Purchaser or the Seller as provided above. If such payment or the documentation relating thereto does not indicate whether such payment is for the period prior to or after Closing, the Purchaser and Seller shall jointly determine whether the payment belongs to the Purchaser or Seller. If either the Purchaser or Seller receives a payment which under the terms of this Agreement properly belongs to the other, the party in receipt of such payment shall hold such payment in trust for the other party and shall turn the payment over to the other party upon receipt thereof without any right of setoff.

SECTION 4. Representations and Warranties of Seller. As a material inducement to the Purchaser to execute this Purchase Agreement and perform its obligations hereunder, the Seller represents and warrants to the Purchaser as follows:

a. The Seller is a profit corporation of the State of Florida with all requisite power and authority, and has taken all requisite action necessary, to (i) enter into this Purchase Agreement, and (ii) perform all of the terms and conditions of this Purchase Agreement.

b. The Board of Directors and shareholders of Seller have approved Seller entering into this Purchase Agreement and Seller has taken or will take prior to Closing all other appropriate governmental actions required to be taken by the Seller.

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

d. The execution, delivery and performance of this Purchase Agreement will not violate any provision of law, order of any court or agency of government applicable to the Seller, or any bond, Certificate, indenture, agreement, or other instrument to which the Seller is a party, or by which it is bound.

e. Seller has or will have at Closing exclusive possession, control and ownership and good and marketable title to the Real Property and the Utility System. The Real Property and the Utility System are subject to no mortgage, pledge, lien, charge, security interest, encumbrance, or restriction except Permitted Encumbrances, as defined in Section 6.e. of this Purchase Agreement. At Closing, Seller shall deliver title to such Real Property listed in **Exhibit "A"** free and clear of all debts, liens, pledges, charges or encumbrances whatsoever, other than Permitted Encumbrances. Seller makes no representation as to the condition of the Real Property, and Purchaser acknowledges that it is accepting the Real Property in accordance with the Title Policy referenced in Section 6 hereof. Seller has provided copies to purchaser of all existing surveys of

the Real Property, and all existing title insurance policies relating to the Real Property or easement interests of Seller relating to the Utility System.

f. Seller has or will have at Closing exclusive ownership, possession, control, and good and marketable title to all Purchased Assets. At Closing, the Utility System and Purchased Assets shall be subject to no mortgage, pledge, lien, charge, security interest, encumbrance, or restriction, except Permitted Encumbrances related to Real Property only.

g. Seller has provided to Purchaser copies of all Utility System Certificates, Contracts and Leases, Developer Agreements, and any other agreement of any kind related to the Utility System and Purchased Assets, and shall, at Seller's cost, secure any third-party consents which are a condition of transfer, assumption or assignment of such Certificates, Contracts, Leases, Developer Agreements and other agreements, to be assumed by Purchaser at Closing.

h. None of the Developer Agreements identified in **Exhibit "E"** or any other agreements binding upon Seller commit or reserve water or sewer capacity to any entity or individual for which any advances for construction, advance facility charges, pre-paid connection charges or other such payments or charges have been made.

i. The contracts and leases identified in **Exhibit "F"** constitute all of the contracts and leases imposing obligations on Seller with respect to the Purchased Assets. **Exhibit "F"** shall identify those contracts and leases, if any, being assumed by Purchaser.

j. **Exhibit "D"** contains true and correct copies of all Certificates relating to the Purchased Assets, together with effective dates and expiration dates (if any), issued to Seller or filed and currently pending before applicable governmental authorities including, but not limited to: (a) the Florida Department of Environmental Protection, (b) the United States Environmental Protection Agency, (c) the St. Johns River Water Management District. Seller is in compliance with all applicable permits, rules and regulations, and (d) Florida Public Service Commission.

k. Seller has or will provide a true and correct list of all customers and customer utility data by name, location, and account number, including at least five years of historical account information if available.

l. Seller has or will provide copies of all warranties held by Seller with respect to completed, or in progress, construction work with respect to the Purchased Assets, in addition to a copy of all warranties relating to the Purchased Assets.

m. Environmental Law Compliance.

i. Definitions.

(a) "Environmental Law" means any federal, state, or local statute, order, regulation, ordinance, or common law or equitable doctrine, 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 Clean Air Act (“CAA”)(42 U.S.C. §7401 et seq.), the Toxic Substances Control Act (15 U.S.C. § 2601 et seq.), and the Safe Drinking Water Act (42 U.S.C. § 300f et seq.), and all State and Local Storage Tank Compliance (Chapter 62-761 & 62-671, F.A.C), 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 the Seller from any federal, state or local agencies necessary to operate the Utility System.

(b) “Hazardous Material” means petroleum or any substance, material, or waste which is regulated under any Environmental Law in the jurisdictions in which the Seller conducts its utility operations including, 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.

(c) “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 the Seller or related to Hazardous Materials generated by Seller.

(d) “Remedial Action” means all actions required to (i) clean up, remove, or treat any Hazardous Material; (ii) prevent the 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 Law Compliance:

(a) The Utility System is in material compliance with all applicable Environmental Laws relating to the Utility System and the Seller is aware of no material liability thereunder, and there is no reasonable basis for the Seller to believe that any such liability exists, except as disclosed in **Exhibit “I”**, as incorporated herein by reference.

(b) Seller has obtained all permits and other Certificates required or has submitted application renewals for such permits in a timely manner under applicable Environmental Laws, necessary for the operation of the Utility System as of the date of this Purchase Agreement.

(c) Except as set forth in **Exhibit “I”** to this Purchase Agreement, Seller has not received within the last six years notice of any violations or alleged violations of any Environmental Law, 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 Utility System, and to Seller’s knowledge, there are no currently outstanding violations.

(d) No polychlorinated biphenyl or asbestos-containing materials, in violation of any Environmental Law are, or have been, present on Utility System property when owned, operated, or leased by Seller, nor are there any underground storage tanks, active or abandoned, or above ground storage tanks without proper containment, on Utility System property owned, operated, or leased by Seller and all tanks remain in compliance with Florida Administrative Code 62-671 and 62-672, to include all required tightness and integrity testing of tanks and piping.

(e) There is no Hazardous Material in violation of any Environmental Law located on any Utility System site other than properly stored chemicals used for treatment; no Utility System site is 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 there is no reasonable basis for Seller to be named in such claims or for any similar action to be brought against Seller.

(f) No written or verbal notification of a Release of a Hazardous Material has been filed by or on behalf of Seller or any third party with respect to the Utility System. No Utility System 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.

(g) No Hazardous Material has been released in material violation of Environmental Law at, on, or under any Utility System property and Seller has not determined or been notified of the presence of per- or polyfluoroalkyl substances (PFAS) in its raw or finished drinking water that exceed current U.S. Environmental Protection Agency (EPA) health advisories.

n. Except as indicated in **Exhibit "I"**, there are no current actions, suits or proceedings at law or in equity pending or, to the Seller's 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 Utility System or any of the Purchased Assets or the Seller's right and ability to enter and perform its obligations under this Purchase Agreement; nor is the Seller aware of any facts which to its knowledge are likely to result in any such action, suit or proceeding. To the Best of Seller's knowledge, the Seller is not in default with respect to any Certificate, permit, order or decree of any court or of any administrative or governmental agency or instrumentality affecting the Utility System or any of the Purchased Assets. The Seller agrees and warrants that it shall have a continuing duty to disclose to Purchaser 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 Utility System.

k. There are no facts known to Seller which have or would have a material adverse effect upon the physical condition of the Utility System or the Purchased Assets which are not

readily observable or which have not been disclosed or provided to Purchaser in connection with this transaction.

I. No representation or warranty made by the Seller in this Purchase Agreement contains any untrue statement of material facts or omits to state any material fact required to make the statements herein contained not misleading.

SECTION 5. Representations and Warranties of Purchaser. As a material inducement to Seller to execute this Purchase Agreement and to perform its obligations hereunder, Purchaser represents and warrants to Seller as follows:

a. Purchaser is a political subdivision of the State of Florida with all requisite power and authority, and has taken all requisite action necessary, to (i) enter into this Purchase Agreement, and (ii) perform all of the terms and conditions of this Purchase Agreement.

b. The governing body of Purchaser has approved Purchaser entering into this Purchase Agreement and has held all necessary public hearings required to authorize the Purchaser's acquisition of the Utility System, and Purchaser has taken or will take prior to Closing all other appropriate governmental actions required to be taken by the Purchaser.

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

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

e. All necessary public hearings required to authorize Purchaser's purchase of the Utility System and Purchaser entering into this Purchase Agreement have been duly held and all appropriate governmental actions required to be taken by Purchaser will have been duly taken prior to the Closing Date.

SECTION 6. Title Insurance and Permitted Encumbrances.

a. No less than forty-five (45) days prior to the Closing, Purchaser shall, through Nabors, Giblin & Nickerson, P.A. (the "Title Agent"), cause a current title insurance commitment to be issued by Old Republic Title Insurance Company (the "Title Insurer"), and delivered to Purchaser and Seller, covering the Real Property in an amount to be determined by the Purchaser. 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 (which shall be delivered within a reasonable time after Closing) covering the Real Property, reflecting title to the Real Property to be marketable and insurable, subject to the Permitted Encumbrances (as defined below) and, the standard printed exceptions contained in the title insurance policy unless otherwise addressed by the Purchaser. Seller shall execute at or prior

to Closing, in favor of Purchaser and the Title Insurer, such affidavit or affidavits acceptable to the Title Insurer as are sufficient to allow for deletion of standard exceptions satisfactorily addressed by Purchaser, or to cure properly noticed title defects, and specifically, Seller shall execute at or prior to Closing, in favor of Purchaser and the Title Agent the appropriate mechanic's lien affidavit and "Gap" affidavit sufficient to allow the Title Agent to delete all standard exceptions addressed by such affidavits.

b. Purchaser shall notify Seller in writing no more than fifteen (15) days after receipt of the title insurance commitment of any material defect in Seller's title to the Real Property, other than the Permitted Encumbrances. Such written notice shall identify all exceptions, encumbrances, liens, easements, covenants, restrictions or other defects in 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 in accordance with standards established under Florida law, or uninsurable. Any objections to title to the extent not shown on the notice furnished by Purchaser in accordance with the provisions of this paragraph shall be deemed to have been waived by Purchaser and Purchaser shall not be entitled to any damages or other remedies. Seller shall have fifteen (15) days after receipt of Purchaser's notice to explain to the satisfaction of the Purchaser or eliminate the 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 Purchase Agreement with no further liability of either Party to the other.

c. Purchaser may not object to title by reason of the existence of: (i) any mortgage, lien, encumbrance, covenant, restriction or other matter that may be satisfied with the payment of money and Seller advises Purchaser, in writing, that Seller elects to do so by paying same at or prior to the Closing; (ii) any mechanic's lien or other encumbrance that can be released of record, bonded or transferred of record to substitute security in a manner and form acceptable to the Title Insurer so as to relieve the Real Property from the burden thereof and Seller advises Purchaser, in writing, that Seller elects to do so at or prior to Closing; or (iii) any matter that the Title Insurer affirmatively insures-over.

d. Seller shall provide to Purchaser, within ten (10) days of Seller's signing this Purchase 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 insurance policy, Purchaser shall deliver to the Title Agent, no later than twenty (20) days prior to the Closing, properly certified and current original surveys of the specified Real Property that comply with Florida law.

e. "Permitted Encumbrances" include the following:

i. All existing building restrictions, zoning regulations, and local laws, governing the Real Property and the use thereof.

ii. Easements, restrictions, reservations, rights-of-way, conditions and limitations of record, if any, none of which, however, shall impair or restrict the use of the Real Property or the operation of the Utility System.

iii. Such other matters as are allowed under the terms of this Purchase Agreement.

SECTION 7. Conditions Precedent to Closing. The obligations of each Party to close the transaction contemplated by this Purchase Agreement are subject to the conditions that, on or before the Closing Date:

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

b. There is not pending on the Closing Date any legal action or proceeding that prohibits the acquisition or sale of the Purchased Assets or prohibits Purchaser or Seller from closing the transaction or Purchaser from paying the Purchase Price, or that inhibits or restricts in any material manner Purchaser's use, title, or enjoyment of the Utility System and Purchased Assets.

c. Each of the other Parties hereto has performed all the undertakings required to be performed by them under the terms of this Purchase Agreement.

d. There are no material adverse changes in applicable law or in the condition or value of the Purchased Assets or the Utility System. For purposes of this Purchase Agreement, a "material adverse change" shall mean any event, condition, development or effect that, either individually or in the aggregate, shall have been, or insofar as can reasonably be foreseen will be, materially adverse to the business operations, assets, value or conditions (financial or otherwise) of the Utility System or the Purchased Assets.

e. All warranties and representations of the other Party are true in all material respects as of the Closing Date, except to the extent they specifically refer to another date.

f. Seller shall have obtained all necessary consents or authorizations from third parties for the assignment and assumption of the easements and agreements identified in **Exhibits "D," "E" and "F"** attached hereto and incorporated herein by reference.

g. Within thirty (30) days after the Closing, Seller shall prepare and submit an Application to the Florida Public Service Commission for approval of the transfer. Purchaser shall cooperate with the Seller in support of the application filed by Seller. Seller shall file reports required to satisfy its outstanding gross receipts tax, regulatory assessment fees, and other obligations and governmental assessments through Closing. All of Seller's costs and expenses relative to the termination of Seller's relationship with the Florida Public Service Commission shall

be borne by Seller. A copy of the Florida Public Service Commission order acknowledging sale of the system to Purchaser shall be promptly provided to Purchaser upon Seller's receipt thereof.

SECTION 8. Pre-Closing Conduct; Covenants. Prior to Closing, the Parties covenant to each other, and shall conduct themselves, as follows:

a. To the extent not previously provided to Purchaser, within 10 days of execution of this Purchase Agreement, Seller shall furnish to Purchaser the following, to the extent they are in the possession of Seller, its employees, representatives, or agents (including engineers, surveyors and other contractors utilized by Seller):

i. Copies, including electronic and digital formats, of all plans and specifications showing the Utility 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, wastewater collection lines, lift stations, effluent disposal facilities, and appurtenances as now constructed, and all other facilities constituting the Utility System;

ii. Deeds and other evidence of ownership or rights to the Real Property identified in **Exhibit "A."**

iii. Surveys of the Real Property.

iv. Easements and Licenses owned and used by Seller for the construction, operation and maintenance of the Utility System and Purchased Assets as identified in **Exhibit "B"**; and

v. Copies of all Developer Agreements identified in **Exhibit "E"** together with a schedule identifying the Seller's committed water and wastewater 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;

vi. Copies of all Contracts and Leases identified in **Exhibit "F"**;

vii. Copies of Seller's schedules reflecting the rates, fees, and charges of Seller;

viii. Copies of all Certificates, together with effective dates and expiration dates (if any), demonstrating approval of the facilities of the Utility System by all applicable governmental authorities, including, but not limited to: (a) the DEP, (b) the United States Environmental Protection Agency, and (c) the St. Johns River Water Management District, identified in **Exhibit "D"**;

ix. A list (electronic) of customers and customers' historic usage, billing and payment data, including the amounts for customers' last bills by name and account number and at least five years of historical account information if available; Seller agrees to cooperate with Purchaser and assist in providing billing information required by Purchaser to perform any

necessary account reconciliation and to facilitate the smooth transition of customer account, billing and collection information;

x. Copies of all warranties held by Seller with respect to completed, or in progress, construction work with respect to the Utility System, in addition to a copy of all warranties relating to the Purchased Assets;

xi. Copies of any and all effective insurance policies with respect to the Purchased Assets and Utility System;

xii. Copies of all title insurance policies related to the Real Property secured by Seller upon its acquisition of title to such property;

xiii. Copies of all Certificates relating to the Utility System, including but not limited to environmental permits and pending applications related thereto, identified in **Exhibit "D"**; and

xiv. Seller information and documents necessary to permit Purchaser to fulfill its obligations under Sections 367.071(4) and 125.3401, Florida Statutes.

b. During the period between the Effective Date of this Purchase Agreement and the Closing Date, Seller shall:

i. Operate and maintain the Utility System and Purchased Assets in a normal and ordinary manner to ensure that the condition of the Utility System and the Purchased Assets remains in all material respects unchanged, normal wear and tear and usage excepted, and the chemical, tool and equipment inventory on hand shall not be materially diminished or depleted unless required to be used by the Seller, in its absolute and sole discretion;

ii. Notify Purchaser within five (5) days of Seller's receipt of any notification from any person, business, or agency, including but not limited to any agency of the state or a local government, of any existing or potential Environmental Law violation;

iii. Notify Purchaser within five (5) days of Seller's receipt of any notification from any person, business, or agency, of any demands, claims, notices of intent to sue, actions, suits or proceedings at law or in equity pending or, to the Seller's knowledge, threatened against the Seller or other notices which affect the Utility System or any of the Purchased Assets or the Seller's right and ability to enter and perform its obligations under this Purchase Agreement;

iv. Not make any material changes to the Utility System or the Purchased Assets without the prior written consent of Purchaser, said consent to not be unreasonably withheld;

v. Provide Purchaser, or its designated agent(s), with unrestricted access to the business premises, Utility System, Purchased Assets, Seller's customer and operations books and

records systems, employees, agents, or representatives, on reasonable advance notice and during normal weekday business hours;

- vi. Maintain its existing levels of insurance on the Purchased Assets.
 - vii. Notify Purchaser within five (5) days of any event, activity or occurrence that has, or may have, a material adverse effect upon the Utility System or the Purchased Assets or this transaction;
 - viii. Not enter any contract, lease, certificate or agreement that materially and directly effects the Utility System or the Purchased Assets without the prior written consent of Purchaser, said consent to not be unreasonably withheld;
 - ix. Confer with Purchaser prior to implementing operational decisions of a material nature which are not in the ordinary course of business or which may constitute an obligation or liability of the Purchaser following Closing;
 - x. Maintain all books and records relating to the Utility System in the ordinary course of business;
 - xi. Develop with Purchaser a transition plan to ensure the orderly transfer of assets, operations, and customer communications;
 - xii. Facilitate the reassignment or transfer from Seller to Purchaser of any grant agreements, or finalize any such grant agreements in process, such that funding provided under such grant agreements can be used by Purchaser to be effective upon Closing;
 - xiii. Not enter into any additional long- or short-term debt or other financial obligation related to the Utility System subject to Purchaser approval;
 - xiv. Provide for termination of any Utility System construction contracts, payment of all contractors, subcontractors and suppliers and release of all liens and notices of commencement of construction so that there is no construction work in progress, payments due, or claims on the Utility Systems at the time of Closing except as may be authorized by Purchaser; and;
- c. The risk of loss, injury, or destruction of the Utility System and Purchased Assets shall be on the Seller until the Closing Date.
- d. From the Effective Date until the Closing Date, Seller shall not, without the prior written consent of Purchaser, 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's County Administrator, said consent to not be unreasonably withheld.

e. Purchaser shall have ninety (90) days from the Effective Date, or such additional time as the Seller may agree to in writing, within which to conduct its additional due diligence on the Utility System. Prior to the termination of the due diligence period Purchaser may terminate this Agreement in its sole discretion by delivering notice of termination to the Seller in the manner provided in Section 9 of this Agreement; otherwise, Purchaser and Seller shall proceed to Closing as set forth in Section 10 of this Agreement.

f. Purchaser, in its discretion, may cause to be performed, at its sole expense, a Phase I Environmental Site Assessment (and subsequent Phase II, if necessary) ("ESA") of each parcel of Real Property owned by Seller. If such ESA discloses the presence of any Hazardous Material or other Recognized Environmental Condition, Seller shall have the obligation to perform such cleanup and remediation as is necessary hereunder up to a cost of \$250,000. In the event the cleanup and remediation cost exceeds \$250,000 and Seller elects not to proceed, Purchaser may elect to either (i) terminate this Purchase Agreement, in which event neither Party shall have any liability to the other; or (ii) proceed to Closing for the Purchase Price without cleanup and remediation completed by Seller; or (iii) proceed to Closing with estimated cleanup and remediation costs subtracted from the Purchase Price.

g. Seller shall cooperate with Purchaser's efforts to notify governmental agencies of the transaction contemplated in this Agreement and secure the transfer of permits, or portions thereof, such as are necessary for Purchaser's continued operation of the Purchased Assets after the Closing.

SECTION 9. Termination of Purchase Agreement.

a. This Purchase Agreement may be terminated (i) by mutual written consent of the Parties, (ii) by either Party if the transactions contemplated hereby have not closed on or before the time required for Closing as provided in Section 10.a. of this Purchase Agreement, or (iii) as provided in paragraphs b. and c. below.

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

i. The failure of Seller, in any material respect prior to Closing, to satisfy any conditions precedent to closing or to comply with pre-closing conduct and covenants contained in this Purchase Agreement;

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 basis for termination on behalf of Purchaser otherwise set forth in this Purchase Agreement;

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

i. The failure of the Purchaser, in any material respect prior to Closing, to satisfy any of the conditions precedent to Closing;

ii. Any material breach of this Purchase 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;
or

iii. Any other basis for termination on behalf of Seller otherwise set forth in this Purchase Agreement.

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

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

i. To the extent permitted by Florida law, each Party shall return all documents, including copies, in its possession, custody, or control, of its agents and consultants to the other, as the case may be. The Seller acknowledges that information shared between Purchaser and Seller, is subject to disclosure and retention requirements of the Florida public records laws;

ii. Except as otherwise set forth in this Purchase 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 Purchase Agreement;

iii. 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. If no basis for termination exists as set forth in this Agreement and if, on or before August 15, 2024, (i) a party (either Purchaser or Seller) to this Agreement (the "First Party") is ready, willing and able to complete the sale and purchase of the Purchased Assets on the terms set forth in this Agreement, (ii) all conditions precedent to the obligations of the other party (the "Other Party") set forth in Article 7 have been satisfied (or waived by the Other Party), and (iii) the Other Party is unable or otherwise declines for any reason to complete the sale and purchase of the Purchased Assets on the terms set forth herein, then the Other Party shall be in breach of this Agreement and the First Party shall have the right (1) to specific performance of the Other Party's

obligation to complete the sale and purchase of the Purchased Assets, and (2) 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 9.f. shall survive any termination of this Agreement.

SECTION 10. Closing Date and Closing.

a. This transaction shall be closed on or before August 28, 2024 ("Closing"), at a location mutually acceptable to both Parties. As used in this Purchase Agreement, the term "Closing Date" shall mean the date on which the Closing occurs, but in no event shall the Closing Date be extended beyond September 18, 2024, unless a later date is agreed upon in writing by the Parties.

b. At Closing:

i. Purchaser shall pay to Seller the Purchase Price as required under Section 3 of this Purchase Agreement, subject to any adjustments as provided for in this Purchase Agreement;

ii. Seller shall deliver such documents and take such actions as are required to extinguish any outstanding debt relating to the Utility System and the Purchased Assets;

iii. Title to the Real Property shall be conveyed to Purchaser by general warranty deed free of all claims, liens, or encumbrances whatsoever, other than Permitted Encumbrances. Title to the remaining Purchased Assets shall be conveyed to Purchaser by Bill of Sale free of all claims, liens, or encumbrances, whatsoever, other than Permitted Encumbrances. Seller shall further provide to Purchaser such other instruments of conveyance as shall be, in the reasonable opinion of Purchaser, its counsel and Title Agent, necessary to transfer the Utility System and Purchased Assets in accordance with this Purchase Agreement and, when necessary or desirable, in recordable form;

iv. Seller shall assign to Purchaser its right, title and interest in the Easements and Licenses identified in **Exhibits "B"**;

v. Seller and Purchaser shall enter into separate Assignment and Assumption Agreements with respect to the (i) Developer Agreements identified in **Exhibit "E"**, (ii) Contracts and Leases identified in **Exhibit "F"**, and (iii) Certificates identified in **Exhibit "D"** in which Seller shall assign all right, title and interest of Assignor in said Developer Agreements, Contracts and Leases, and Certificates and Purchaser shall assume except as otherwise set forth in this Purchase Agreement, the performance, obligations, duties and liabilities of Assignor under said Developer Agreements and said Contracts and Leases. Notwithstanding the foregoing, Purchaser retains the option not to assume any Developer Agreements identified in **Exhibit "E"**, Contracts and Leases identified in **Exhibit "F"**, or Certificates identified in **Exhibit "D"**, or any other agreements, contracts, or leases of any type which Purchaser shall determine, in its sole discretion, are not consistent with the ordinary business practices of Purchaser or Purchaser's best interest, in which event, however, Seller may elect to terminate this Purchase Agreement and refuse to close.

Purchaser shall notify Seller of its intention not to assume any Developer Agreements identified in **Exhibit "E,"** any Contracts and Leases identified in **Exhibit "F,"** any Certificates identified in **Exhibit "D"** or any other agreements, contracts, or leases of any type prior to the termination of the due diligence period provided for in Section 8.e.

vi. Ad valorem real and intangible personal property taxes, non-ad valorem assessments, association or CDD assessments, and any other real property taxes, if any apply, shall be prorated as of the Closing Date and Seller shall be required to pay its pro rata share at Closing in accordance with the requirements of Section 196.295, Florida Statutes, and shall escrow funds with the closing agent or St. Johns County Tax Collector if so required. All other taxes, assessments, and regulatory fees, if any, accrued to or owed by Seller as of or prior to the Closing Date with respect to the Utility System and Purchased Assets shall remain the obligation of Seller.

vii. Recording fees to record the deeds and any other instruments necessary to deliver clean and marketable title to Purchaser, documentary stamp tax, and intangibles tax due, if any, at the recording of deeds and any other instruments necessary to deliver title to the Purchaser shall be paid by the Seller pursuant to Section 201.01, Florida Statutes.

viii. Impact/Connection Fees (including plant capacity, transmission line capacity, or other unit connection fees paid for the availability of utility capacity), if any, received by Seller prior to the Closing Date related to the Purchased Assets shall be retained by Seller as of the Closing Date if connections related to such Impact/Connection Fees to the Utility System have been made prior to such date. Impact/Connection Fees received by Seller related to the Purchased Assets or any monetary payment made by a third party to Seller to reserve capacity to be provided by the Purchased Assets where no connection has been made prior to the Closing Date shall be applied on a dollar-for-dollar basis to reduce Purchaser's Purchase Price payment to Seller. Impact/Connection fees imposed by Purchaser and paid after the Closing Date shall be the property of Purchaser.

ix. 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.

x. 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 Purchased Assets and the sale thereof to Purchaser.

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

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

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

(c) To Seller's counsel's knowledge, the execution, delivery and

performance of this Agreement will not violate any material agreement of or binding on, or any law applicable to, Seller.

(d) 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 or law to which Seller may be bound.

(e) 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 Purchased Assets subsequent to Closing.

(f) Except for FPSC approval of the sale of the Utility System to Purchaser, which sale the FPSC is required to approve as a matter of right under Section 367.071, Florida Statutes, to Seller's counsel's knowledge 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.

c. 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, preparation and execution of this Purchase Agreement, and any documents associated with the Closing.

d. All costs and bills for services, materials and supplies rendered in connection with the construction, operation and maintenance of the Utility System prior to the Closing Date, including but not limited to electricity, phone service, chemicals, and payroll for a period up to and including the Closing Date, shall be paid by 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.

e. Each Party shall deliver to the other Party a certificate in writing stating that the Party is not prohibited by decree or law from consummating the transaction contemplated hereby, that there is not pending on the Closing Date any legal action or proceeding that hinders the ability of either Party to close the transaction, and that all warranties and representations of such Party contained in this Purchase Agreement are true and correct in all material respects as of the Closing Date.

SECTION 11. Post Closing.

a. Seller and Purchaser shall, after the Closing Date, upon reasonable request of the other Party and at no cost to the other Party, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, all such further documents, acts, deeds, assignments,

assumptions, transfers, and assurances as may be required in order to implement and perform any of the obligations in this Purchase Agreement.

b. The respective representations and warranties of the Parties contained in this Purchase Agreement or any document delivered pursuant to this Purchase Agreement shall survive the consummation of the transactions contemplated hereby and continue for a period of twenty-four (24) months from the Closing Date, and thereafter shall terminate. Any provision of this Purchase Agreement which, by its express terms, is intended to operate after Closing shall survive Closing until such time as all requirements of such provision have been fully performed.

c. Seller agrees that if any necessary consents or authorizations from third parties for the assignment and assumption of the easements and agreements identified in Exhibits "B," "E," and "F", have not been obtained at or prior to Closing, and Purchaser waives its right to terminate this Purchase Agreement as provided in Section 9.b., or the Parties forego their right to extend the Closing Date as provided in Section 10.a., Seller shall, after Closing and at no cost to the Purchaser, continue its efforts to obtain such consents or authorizations from third parties that have not been obtained as of the Closing Date until such consents or authorizations are obtained, or until assignment and assumption of such easements, agreements, and grant rights are no longer necessary in Purchaser's sole discretion.

d. Seller shall be entitled to all revenue for services rendered through the Closing Date. Seller shall perform final meter readings and send final bills as close as practicable to the Closing Date. Purchaser shall be entitled to all revenue for services rendered on the Closing Date and thereafter. In the event either party receives payment for utility services or funds of any other kind related to the operation of the Utility System to which the other party is entitled hereunder, that 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.

e. In the event (i) Purchaser determines that any of the Purchased Assets are found to be located on lands without a valid Real Property interest or valid easement, license, prescriptive right, right-of-way, use of dedicated rights, or right obtained pursuant to a court order or litigation so that Purchaser lacks legal rights for access, ownership, operation, and maintenance of that portion of the Utility System or (ii) Purchaser otherwise discovers any portion of the Seller's Utility System that should have been included and conveyed as Purchased Assets based on ownership or possession by Seller on the Closing Date, then Seller agrees to take all necessary actions and pay all necessary costs to convey free and clear of any liens or encumbrances those portions of the Utility System that should have been conveyed or to obtain and convey free and clear of any liens or encumbrances a suitable Real Property interest or valid easement to Purchaser for such Purchased Assets found to be lacking a valid Real Property interest; provided that if the Seller is unable to obtain and convey a suitable Real Property interest or valid easement to Purchaser in satisfaction of Seller's obligation then, at the Purchaser's election, Purchaser may obtain a suitable Real Property interest or valid easement for its use by using all reasonable means, including the institution of eminent domain if required, and Seller shall pay all fees and costs incurred by Purchaser. This provision of this Purchase Agreement is intended to operate after Closing and shall survive Closing for a period of five (5) years.

SECTION 12. Indemnification.

a. Seller shall indemnify, and defend upon request from Purchaser, 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 Purchase Agreement;

ii. Any violation or breach by Seller of, or default by Seller in, the performance of its covenants and agreements in this Purchase 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 Purchased Assets or with respect to the operation of the Utility 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 Purchased Assets at any time on or prior to the Closing Date or the cleanup and remediation by Seller pursuant to Section 8.f. of this Purchase Agreement that is ongoing or scheduled by or on behalf of Seller after 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 Purchase 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 or the limitations of liability set forth in Section 768.28, Florida Statutes, Purchaser shall indemnify, and defend upon request from Seller, 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 Purchase Agreement;

ii. Any violation or breach by Purchaser of, or default by the Purchaser in, the performance of its covenants and agreements in this Purchase 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 Purchased Assets or with respect to the operation of the Purchased 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 Purchased Assets at any time by Purchaser following the Closing Date, excluding cleanup and remediation by Seller pursuant to Section 8.f. of this Purchase Agreement that is ongoing or scheduled by or on behalf of Seller after Closing Date. The Purchaser's duty to indemnify, defend or hold harmless shall not apply in the event of Seller's breach or noncompliance with Section 4.m. of this Purchase Agreement.

SECTION 13. General Provisions.

a. This Purchase Agreement, the Exhibits hereto, and the documents referred to herein, collectively embody the entire agreement and understandings between the Parties and there are no other agreements or understandings, oral or written, with reference to this Purchase Agreement that are not merged into and superseded by this Purchase Agreement.

b. This Purchase Agreement is entered into solely for the benefit of the Parties hereto and no other causes of action shall accrue upon or by reason hereof to or for the benefit of any third party (other than successors and assigns), who or which is not a formal party hereto.

c. Any notice or other document required or permitted to be given pursuant to the provisions of this Purchase Agreement shall be in writing and shall be delivered personally, by recognized overnight courier, or sent by certified mail, postage prepaid, return receipt requested, or by electronic transmission with written confirmation to the following:

i. If to Seller, such notice shall be delivered at:

North Beach Utilities, Inc.
Attn: Frank Usina
4125 Coastal Highway
St. Augustine, FL 32084

Martin S. Friedman, Esquire
Dean Mead Law Firm
420 S. Orange Ave., Ste. 700
Orlando, FL 32801

ii. If to Purchaser, such notice shall be delivered at:

County Administrator
St. Johns County
500 San Sebastian View
St. Augustine, Florida 32084

County Attorney
St. Johns County
500 San Sebastian View
St. Augustine, Florida 32084

d. The headings used are for convenience only, and they shall be disregarded in the construction of this Purchase Agreement.

e. The drafting of this Purchase Agreement and every provision hereof was a joint effort of the Parties, and both Parties had the assistance of counsel in reviewing terms prior to execution. In the interpretation of this Purchase Agreement or any provision hereof it shall be assumed that no Party had any more input or influence than any other and not provision hereof shall be construed more or less stringently against either party.

f. This Purchase Agreement and the rights of the Parties shall be governed by, construed and enforced in accordance with the laws of the State of Florida, without regard to the conflict of laws rules thereof.

g. If any one or more of the provisions of this Purchase Agreement is held to be contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall, for any reason whatsoever, be held invalid, then such covenants or provisions shall be null and void, shall be deemed separable from the remaining covenants or provisions of this Purchase Agreement, and shall in no way affect the validity of the remaining covenants or provisions of this Purchase Agreement; provided, however, that the public interest in the terms set forth herein is not substantially adversely impacted.

h. Except as provided herein, no amendment or modification of this Purchase Agreement shall be binding upon the Parties unless evidenced in a writing signed by duly authorized officers of each Party. Any waiver on the part of any Party of any provision or condition of this Purchase Agreement must be in a writing signed by the Party to be bound by such waiver.

i. The Exhibits referred to in this Purchase Agreement are incorporated herein by reference.

j. Except as provided for herein, this Purchase Agreement may not be assigned without the prior written consent, which consent may not be unreasonably withheld or denied, of the non-assigning Party. If properly assigned, this Purchase Agreement shall be binding upon and inure to the benefit of the Parties' successors and assigns. Notwithstanding the foregoing, Purchaser may collaterally assign its rights hereunder to any financial institution providing financing in connection with the transaction contemplated hereby.

k. For the purposes of this Purchase Agreement, an individual is deemed to have "knowledge" of a particular fact or other matter if such individual has actual awareness of such fact or matter, or a prudent individual could be expected to discover or otherwise become aware thereof in the ordinary course of conducting his business.

l. 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.

m. The Parties acknowledge that all documents related to this Purchase Agreement or the Utility System are subject to the provisions of Chapter 119, Florida Statutes. Such documents shall be available for inspection and copying upon request and/or payment of any reasonable expenses associated therewith.

n. The Parties agree and acknowledge that they have complied with the requirements of Florida law and any applicable corporate documents in executing this Purchase Agreement. The Parties agree that this Purchase Agreement is valid, binding, and enforceable, and each Party warrants that it has the requisite power and authority to be bound by the terms hereof. The Parties agree that they shall not challenge in any administrative or judicial forum the validity or enforceability of this Purchase Agreement.

o. Venue for all lawsuits or administrative actions involving any dispute, controversy, or claim arising out of or in connection with this Purchase Agreement shall be brought in St. Johns County, Florida.

p. This Purchase Agreement may be executed and delivered (including by facsimile or other electronic transmission) in counterparts, each of which shall be deemed an original instrument, 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.

q. The Seller and Purchaser represent and warrant each to the other that neither has entered into any agreement or taken any other action which would result in a real estate brokerage commission, finder's fee or other similar charge being payable on account of the Closing of the transaction set forth in this Purchase Agreement. To the extent permitted by Florida law, each Party hereto agrees to indemnify and hold harmless the other against any commission, fee or charge and all related costs and expenses arising out of the actions of the indemnifying Party.

r. Time shall be of the essence of this Purchase Agreement. In the event any date under this Purchase Agreement falls on a Saturday, Sunday or legal holiday, such date shall automatically be extended to the next business day.

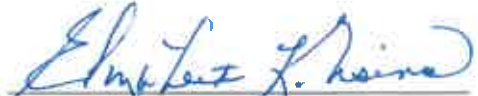
SECTION 14. Effective Date. The "Effective Date" shall be the date that the last Party authorizes by its official action the execution of this Purchase Agreement.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the Parties have hereunto caused this Purchase Agreement to be executed the day and year aforesaid in counterparts, each counterpart to be considered and original.

ATTEST:

NORTH BEACH UTILITIES, INC.


Elizabeth K. Usina, Secretary Treasurer


Frank Usina, President


Date: 5/1/24

STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 1st day of May, 2024, by Frank Usina, as President of North Beach Utilities, Inc., on its behalf, who is personally known to me or who has produced _____ as identification.




(Notary Stamp)


Notary Public Deborah L. Vaughn
Printed Name: _____
License No: HH 049013
Expiration Date: 12/21/2024

ATTEST:

ST. JOHNS COUNTY, FLORIDA

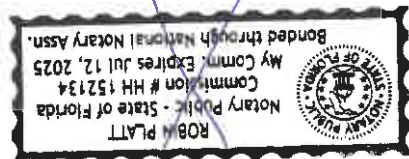

Brandon J. Patty, County Clerk


Commissioner Sarah S. Arnold, Chair

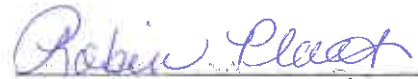
(SEAL)

STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 9th day of May, 2024, by Sarah S. Arnold, as Chair of the St. Johns County Board of County Commissioners on the County's behalf, who is personally known to me or who has produced _____ as identification.



(Notary Stamp)


Notary Public
Printed Name: Robin Platt
License No: HH 152134
Expiration Date: 7-12-2025

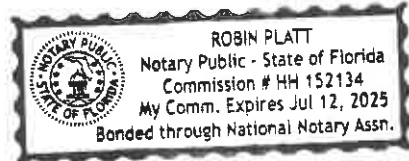


EXHIBIT "A"

REAL PROPERTY

Exhibit A
Real Property

Parcel 1:

Legal Description: A parcel of land in Lot 1, Block 88, North Beach Subdivision, according to the Map or Plat thereof recorded in Map Book 3, Page 28 of the Public Records of St Johns County, Florida, more particularly described as follows:

Commencing at the Northeast corner of said Lot 1, Block 88, thence S 69° 19' W, along the South right-of-way of Eighteenth Street [AKA Boating Club Road] a distance of six (6') feet to a point; thence S 20° 41' E a distance of six (6') feet to a point; thence N 69° 19' E a distance of six (6') to a point; thence N 20° 41' West along the West right-of-way of Myrtle Street a distance of six (6') feet to the Point of Beginning. Subject to water connection right set forth in Warranty Deed recorded in Official Records Book 56, Page 48, of the Public Records of St Johns County, Florida.

General Description: Well Site, Parcel ID: 1460400001, SWC Boating Club Road & Myrtle Street

Parcel 2:

Legal Description: Lots 9 through 16, inclusive, Block 94, North Beach Subdivision, according to the Map or Plat thereof recorded in Map Book 3, Page 28 of the Public Records of St Johns County, Florida.

General Description: Water Treatment Plant, Parcel ID: 1461540090, 415 Nineteenth Street

Parcel 3A:

Legal Description: Block 112, excepting Lots 13 and 15 and the North 25 feet of Lots 14 and 16, North Beach Subdivision, according to the Map or Plat thereof recorded in Map Book 3, Page 28 of the Public Records of St Johns County, Florida.

General Description: Waste Water Treatment Plant—North Parcel, Parcel ID: 1462120000, 401 Twenty Third Street

Parcel 3B:

Legal Description: All of fractional Block 116, North Beach Subdivision, according to the Map or Plat thereof recorded in Map Book 3, Page 28 of the Public Records of St Johns County, Florida.

General Description: Waste Water Treatment Plant—South Parcel, Parcel ID: 1462160000, 401 Twenty Fourth Street

Parcel 3C:

Legal Description: That portion of vacated Twenty-Fourth Street lying between the West right-of-way line of Palm Street and the East right-of-way line of Myrtle Street, as shown on the Plat of North Beach, a subdivision of U.S. Lots 2 & 3 of Section 29, all Fractional Section 30 and Section 44 (Joseph Arnau Grant) all in Township 6 South, Range 30 East, recorded in Map Book 3, Page 28 of the Public Records of St Johns County, Florida.

General Description: Waste Water Treatment Plant—vacated 24th Street ROW between Parcels 3A and 3B above.

Parcel 4:

Legal Description: Block 111, North Beach Subdivision, according to the Map or Plat thereof recorded in Map Book 3, Page 28 of the Public Records of St Johns County, Florida.

General Description: Waste Water Treatment Plant Pond, Parcel ID: 1462110000, 301 Twenty Third Street

Parcel 5:

Legal Description: Vilano Oaks Tract A, as dedicated to Seller on Vilano Oaks Replat Official Records Book 40, Page 102-105, Public Records of St. Johns County, Florida.

General Description: Vilano Oaks Stormwater Retention Area and NBU lift station, Parcel ID: 1452090001, Between First and Second Streets, Vilano Oaks Tract A, Per SJCPA--Assessed to Individual Lot Owners as Common Elements per FS 193.0235.

EXHIBIT "B"

EASEMENTS AND LICENSES

Exhibit B
Easements and Licenses

	Consent Required For Assignment
1. Grant of Easement by David and Susan Naples to North Beach Utilities, Inc. recorded August 22, 2023 at Official Record Book 5813, Page 293, Public Records of St. Johns County, Florida.	No
2. North Beach Investment, Inc, John F Usina Revocable Trust, Frank D Usina Revocable Trust—to be recorded for utilities re: 6 th St Development parcels, North Beach Camp Resort	No
3. Easement Agreement, between Vilano Venture, Inc. and North Beach Utilities, Inc., recorded March 11, 1994 at Official Records Book 1042, Page 804, Public Records of St. Johns County, Florida.	No
4. Grant of Easement by Fairy Godmothers, Inc. to North Beach Utilities, Inc., recorded December 16, 2005 at Official Records Book 2605, Page 403, Public Records of St. Johns County, Florida.	No
5. Grant of Easement by Sheila Fay to North Beach Utilities, Inc., recorded December 21, 2005 at Official Records Book 2608, Page 940, Public Records of St. Johns County, Florida.	No
6. Grant of Easement by Marie Squillace to North Beach Utilities, Inc., recorded December 21, 2005 at Official Records Book 2608, Page 942, Public Records of St. Johns County, Florida.	No
7. Grant of Easement by Karen Jones to North Beach Utilities, Inc., recorded December 30, 2005 at Official Records Book 2614, Page 601, Public Records of St. Johns County, Florida.	No
8. Grant of Easement by Kathryn De Poo to North Beach Utilities, Inc., recorded January 4, 2006 at Official Records Book 2616, Page 1398, Public Records of St. Johns County, Florida.	No
9. Grant of Easement by Jack Baldwin to North Beach Utilities, Inc., recorded January 4, 2006 at Official Records Book 2616, Page 1400, Public Records of St. Johns County, Florida.	No
10. Grant of Easement by Revati Assouline to North Beach Utilities, Inc., recorded January 4, 2006 at Official Records Book 2616, Page 1402, Public Records of St. Johns County, Florida.	No
11. Grant of Easement by Myriam Fougere to North Beach Utilities, Inc., recorded January 9, 2006 at Official Records Book 2619, Page 919, Public Records of St. Johns County, Florida.	No
12. Grant of Easement by Cynthia L. Thompson to North Beach Utilities, Inc., recorded January 18, 2006 at Official Records Book 2626, Page 1235, Public Records of St. Johns County, Florida.	No
13. Grant of Easement by Jennifer Pritchett to North Beach Utilities, Inc., recorded February 6, 2006 at Official Records Book 2638, Page 659, Public Records of St. Johns County, Florida.	No
14. Grant of Easement by Sandra Ann Macik to North Beach Utilities, Inc., recorded February 27, 2006 at Official Records Book 2650, Page	No

832, Public Records of St. Johns County, Florida.	
15. Grant of Easement by Rena M. Carney to North Beach Utilities, Inc., recorded March 20, 2006 at Official Records Book 2668, Page 38, Public Records of St. Johns County, Florida.	No
16. Utility easements, authorizations, and dedications as may appear in the citation of plat on plats within the Utility System service territory.	
17. All other easements owned and used by Seller or acquired by Seller since the date of Seller's acquisition or development of the Utility System, which are used in the operation of the Utility System.	

EXHIBIT "C"

TANGIBLE PERSONAL PROPERTY

Exhibit C
Tangible Personal Property

Water System Description

The water system is served by two (2) wells and has a split treatment (aeration/reverse osmosis/blend) water treatment plant with a permitted capacity of 777,600 gpd. Approximately 522,600 gpd can be aerated and chlorinated, with 255,000 gpd of reverse osmosis (RO) membranes and three (3) 5 micron filters (by Hydropro, Inc.). Two (2) RO skids were installed in 1994 and the third in 2000. Each of the three (3) RO skids has a capacity of 85,000 gpd. There are two (2) variable speed 30 Hp high service pumps (HSP), one (1) constant speed 30 Hp HSP and one (1) 15 Hp HSP with spares on-site. There is a 200 KW generator set. There is liquid chlorination. There is a 100,000 gallon GSR (1988), a 212,000 gallon GSR (by Crom) (2006). A 12" water transmission line from the water treatment plant to the Vilano area was completed in 2002.

The water system operated at approximately 557,368 gpd Annual Average Daily Flow (AADF) water capacity and 811,187 gpd the average Maximum Daily Flow (MDF) of the 777,600 gpd permitted MDF water capacity during 2023. Peaking demands are met by storage and high service pumping. Temporary additional blending at peaking times is possible. RO concentrate is piped to the WWTP and added to infiltration basins along with WWTP effluent as disposal.

Water System Components (approx.), as of 12/31/2023:

<u>Description</u>	<u>Count</u>	<u>Note</u>
Water Supply Wells	2	
WTP Aeration/Cl ₂ , HSP	1	522,600 gpd
WTP RO units	3	255,000 gpd
GSR	1	100,000 gallons
GSR (by Crom)	1	212,000 gallons
2" water line	6,880'	
3" water line	15,600'	
4" water line	22,350'	
6" water line	30,540'	
8" water line	4,000'	
12" water line	13,900'	
Hydrants	97	

Water System Connections & Meters (approx.), as of 12/31/2023:

<u>Billing Code</u>	<u>Description/Meter Size</u>	<u>Count</u>	<u>Note</u>
W1	Residential 5/8"	1,367	one ea--single family
W2	Residential 3/4"	1	assume two ea-duplex
W3	Commercial 1"	9	
W4	Commercial 1 1/2"	12	
W5	Commercial 2"	9	
W6	Commercial 5/8"	3	
W7	Residential 1"	9	
W8	Multi Family 1"	1	
W9	Multi Family 1 1/2"	2	
WA	Multi Family 2"	5	
WB	Sewage Plant	1	
WC	Commercial 4"	3	

1,422 Total # Connections (customer bills)

Wastewater System Description

The waste water system has a 300,000 gpd AADF oxidation ditch/closed loop reactor concrete (extended oxidation) waste water treatment plant with three (3) rapid infiltration basins for effluent disposal--2 onsite and a larger adjacent off site basin. There is a master lift station onsite. There are some 241 small individual grinder lift stations owned by the utility and approximately 340 small low pressure lift stations privately owned and maintained, all serving single family residential customers. Multifamily and commercial customers generally are served by larger duplex lift stations. There are a few isolated areas with central gravity collection to an area lift station such as Vilano Oaks, Villages of Vilano and Seaside Capers developments. The waste water treatment plant permitted capacity is 300,000 gpd AADF. Approximate AADF is 209,000 gpd as of 12/31/2023. Effluent disposal capacity is 364,000 gpd AADF to the three infiltration basins, which includes both WTP RO concentrate and WWTP effluent.

Waste Water System Components (approx.), as of 12/31/2023:

<u>Description</u>	<u>Count</u>	<u>Note</u>
WWTP	1	300,000 gpd AADF
Percolation Ponds	3	364,000 gpd
Master Lift Stations	1	
Grinder LS & LP-PS	241	plus approx. 340 private small LP-PS/grinders
Larger Duplex Pump Stations	42	
Manholes	40	
8" gravity lines	10,000'	
2-3" force mains	2,100'	
4" force mains	32,100'	
6" force mains	11,140'	

Waste Water System Connections (approx.), as of 12/31/2023:

<u>Billing Code</u>	<u>Description</u>	<u>Count</u>	<u>Note</u>
Measured Water Based Rate			
S2	Commercial 5/8"	3	
S3	Commercial 1"	7	
S4	Commercial 1 1/2"	10	
S5	Commercial 2"	7	
SA	Commercial 4"	3	
Flat Rate			
S1	Residential	990	single family*
S6	Mariners Watch	1	32 MF units
S7	Seaside of Vilano	1	26 MF units
S8	Sea Watch	1	27 MF units
S9	Ocean Harbor	1	7 MF units
		1,024	Total # Connections (customer bills)

*note: approx. 28 WW customers are sewer only (no water service)

Waste Water System Pump Stations as of 12/31/2023:

<u>SJC Name</u>	<u>AKA (NBU)</u>	<u>Count</u>	<u>Note</u>
WWTP Master		1	
Vilano Beach Master (Publix)		1	pumps repl 2023
180 Vilano Rd		1	
80 Vilano Rd		1	
Beach House Hotel		1	
Coastal Hwy 1		1	
Myrtle & Fifth		1	
Ocean Condos		1	
Seagate 4a (residential)			confirmation pending
Seagate 4b (residential?)	PVSW Lot 7	1	
Seaside Capers 1		1	
Seaside Condos		1	
Seawatch		1	
Windjammer 9 (residential)	PVSW Lot 15	1	
Beaches Rest & Marina 1		1	
Former Fire Station (residential)		1	
Heron Point 1 @ Carcaba		1	
Heron Point 2 @ Carcaba (residential)		1	
Laurel & 23 rd		1	
Mariners Watch		1	
Ocean Harbor		1	
Seagate 1	PVSW Lot 2	1	
Seagate 6 (residential)	PVSW Lot 24	1	
Sherwood Ave		1	

Surfside Park		1	single pump
Vilano Oaks		1	
Villages of Vilano Ph 1 & 2		1	
Villages of Vilano Ph 2 Villages of Vilano Ph 3		1	
Windjammer 2 2201 PVSW Lot 22		1	
Windjammer 5 1901 1990 PVSW Lot 19		1	confirmation pending
Windjammer 6			confirmation pending
Windjammer 6 1801 1800 PVSW Lot 18		1	
Windjammer 7 PVSW Lot 17		1	
Windjammer 8 PVSW Lot 16		1	
Ocean Sands		1	
Seagate 5 (residential)		1	
Seaside Capers 2			confirmation pending
Vilano Publix			confirmation pending
Villages of Vilano 1			confirmation pending
Seagate 4c			confirmation pending
Windjammer 10 PVSW Lot 14		1	
Windjammer 11 PVSW Lot 13		1	
	PVSW Lot 3	1	NBU add
	PVSW Lot 4	1	NBU add
	PVSW Lot 20	1	NBU add
	PVSW Lot 21	1	NBU add
	PVSW Lot 23	1	NBU add
	NBCR	1	NBU add (NBCR, AK, Reef, A1A res)
		42	Total

EXHIBIT "D"

CERTIFICATES

Exhibit D
Certificates and Permits

1. FDEP Public Water System (PWS) ID #: 2550812
2. FDEP Domestic Wastewater Facility Permit #: FLA011765, ISS: 1/26/2021, EXP: 1/25/2026
3. FPSC Certificate #: 645W (water)
4. FPSC Certificate #: 553S (waste water)
5. SJRWMD Consumptive Use Permit #: 157-6, ISS:1/13/2021, EXP: 2041

EXHIBIT "E"

DEVELOPER AGREEMENTS

Exhibit E
Developer Agreements

None.

EXHIBIT "F"

CONTRACTS AND LEASES

Exhibit F
Contracts and Leases

Contracts

1. None

Leases

1. None

EXHIBIT "G"

EQUIPMENT, VEHICLES, AND INVENTORY

Exhibit G
Equipment, Vehicles and Inventory

Equipment:

1. Kubota L4310D 4WD Tractor (SN:73320) & LA682 Front Loader (SN:13289)
2. Nagano NS25-2 Mini Excavator Track Hoe (SN:0409088J4)

Vehicles:

1. 2017 Chevrolet Silverado 2500 (Boom Truck), White, Weight: 5115 lbs, VIN: 1GB0CUEG0HZ185571, Plate: ISVF56 thru 12/24, Pd off 11/9/2023
2. 2008 Chevrolet Silverado K1500 Pickup Truck (Staff), White, Weight: 4612 lbs, VIN: 1GCEK14X98Z152699, Plate: Z41GGN thru 6/24
3. 2004 Chevrolet Silverado 2500HD (Backup Boom Truck), White, Weight: 4551 lbs, VIN: 1GBHC24U34E258304, Plate: IK53XL thru 6/24
4. 1995 KW T300 (Sludge Truck,) White, Weight: 10370 lbs, VIN: 2NKM77X5SM649108, Plate P4549F thru 12/24
5. 2013 NSMCI Trailer (small flat bed), Weight 1860 lbs, VIN: 545CA2023DB016914, Plate IU61NZ thru 6/24
6. 2006 LARK Trailer (cargo), Weight 2000 lbs, VIN: 5RTBE16236D001359, Plate: Y86FEE thru 6/24
7. 2005 Miller Built Utility Trailer (large flat bed), Weight: 2900 lbs, VIN: 5K1BU222051005131, Plate: 544RVN thru 6/24

Inventory:

Meters:

Item ID	Item Description	Qty on Hand (as of 1/18/2024)
1 ½" brass water meter	1 ½" brass water meter	6
1" brass water meter	1" brass water meter	1
2" brass water meter	2" brass water meter	2
¾ X ¾ water meter	¾ X ¾ water meter	0
¾ X 5/8 brass water meter	¾ X 5/8 brass water meter	20
4 MVR CL Turbine meter	4 MVR CL Turbine meter	0
4 T/F meter USG PC	4 T/F meter USG PC	0
Hydrant meter	Hydrant meter	3

Pumps:

Item ID	Item Description	Qty on Hand (as of 1/18/2024)
4WHV30M4	3HP Myers pump	0
HJ100S	1HP Myers pump	0
LSG202A	Pump 2H Grinder Liberty	2
LSG202A-R	Liberty 2H – rebuilt	3

LSG202M	LSG202M	0
Liberty 5HP	5HP Liberty pump rebuilt	1
PRG101A-2	PRG101A-2 1HP 115V	2
PRG102A-2	PRG102A-2 1HP 230V	2
PRG102A-2 RB	PRG102A-2 Rebuilt	4
WHR5P-1	WHR5P-1	3
WHR5P-1 R	WHR5P-1 Rebuilt	0

Inventory (continued):

Pumps--Plant Spares (as of 1/18/2024)

Qty	Description
3	3in Gould--WWTP
1	T4 Gorman pump--WWTP
2	ftc-30 return pump--WWTP
4	LMI Metering pump--WTP (chlorine pump)

Motors--WWTP Spares (as of 1/18/2024)

Qty	Description
2	230/460v Clarifier Motor
2	230/460v Mixer Motor
2	230/460v Rotor Motor
1	Dodge Transfer Case for Rotor
1	230v Return Pump Motor

Smith and Loveless (as of 1/18/2024)

Qty	Description
11	Retro Fit Kit
4	Vacuum Pump
6	Fluid Control Valve

Electrical (as of 1/18/2024)

Qty	Description
15	230v Float
7	120v Float
7	16v Ac/ 20v Dc Transformer
7	Linear Power Supply/Charger
5	Alarm Siren Kit
9	125 amp Panel Box
4	Control Panel Box
25	LC33N1T Panel Insert

5	ML2RK Light Kit
1	RL3L Light Kit
8	7.5 Light Blub for ML2RK
4	150w LED Flood Light
2	110w Flood Light
1	15ft Travel Float For Big Storage Tank

Breakers--Clip (as of 1/18/2024)

Qty	Description
6	20 amp
4	15 amp
1	30 amp
1	3 Phase 30 amp
4	Double Pole 15 amp
1	Double Pole 60 amp
1	Alarm Siren Kits
1	Double Pole 100 amp

Breakers--Slide (as of 1/18/2024)

Qty	Description
3	10 amp
2	20 amp
2	Double Pole 25 amp
1	Double Pole 30 amp
4	Double Pole 40 amp
1	Double Pole 50 amp
4	Double Pole 60 amp

Valves (as of 1/18/2024)

Qty	Description
4	2in Liberty Check
4	3in Meyers Check
8	2in Tru Union Ball
1	3in Tru Union Ball
8	4in Tru Union Ball
2	4in Check
2	4in Gate
1	8in Gate
2	2in TxT Square Head Gate
2	3in Square Head Gate
2	4in Butterfly Flange
5	4in Square Head Gate
1	6in Square Head Gate

Pipe	(as of 1/18/2024)
Qty (LF)	Description
500	2in Green Poly
2100	1 1/2in Black Poly
440	2in Blue Poly
40	2in Black Poly
250	1 1/2in Blue Poly
650	1in Blue Poly
1100	3/4 Blue Poly
20	6in HDPE Pipe
40	6in SDR18 Pipe
220	4in PVC Pipe
20	10in Cast Iron
8	12in HDPE Pipe
15	10in PVC Pipe
15	8in PVC Pipe
80	1 1/2in Galvanized Pipe
20	2in Galvanized Pipe
20	3/4in Galvanized Pipe
30	1in Galvanized Pipe
20	4in sch 80 PVC Pipe
20	3in sch 80 PVC Pipe
65	2in sch 80 PVC Pipe
100	1in sch 80 PVC Pipe
180	3/4in sch 80 PVC Pipe

PVC Fittings	(as of 1/18/2024)
Qty	Description
25	3/4in Male adapter
20	3/4in 90
18	3/4in Female Adapter
12	3/4in Slip Coupling
10	3/4in Tee
10	3/4in 45
5	3/4in Slip Cap
3	3/4in Threaded Cap
12	1 1/2in 90
7	1 1/2in Tee
25	1 1/2in Male Adapter
18	1 1/2in Female Adapter
1	1 1/2in Slip Coupling
15	2in Slip Coupling

17	2in Tee
12	2in Female Adapter
10	2in Male Adapter
42	2in 90 Slip x Threaded Female
3	2in 90 Slip x Threaded Male
6	2in 90 Slip x Slip
6	2in 45
7	2in Cross
20	2in Cap Threaded
1	2in Cap Slip
20	1 1/4in Tee
9	1 1/4in Male Adapter
8	1 1/4in Female Adapter
15	1 1/4in 90
5	1 1/4in Cap Threaded
11	1 1/4in 45
20	1in Male Adpater
35	1in Female Adapter
10	1in 90
10	1in Slip Coupling
45	1in Tee
25	1in 45
6	1in Cap Slip
4	1in Cap Threaded
8	2in Dresser Coupling
4	1 1/2in Dresser Coupling
1	1in Dresser Coupling
5	3/4in Dresser Coupling
3	3in PVC Union
2	1 1/2in PVC Union
7	1 1/4in PVC Union
2	1in PVC Union
4	3/4in PVC Union
3	1 1/2in PVC Nipple 3in long
6	1 1/2in x 3/4in PVC Reducer
12	1in x 3/4 PVC Reducer
6	2in Slip x 1 1/4 Thread Reducer
4	2in Slip x 3/4 Thread Reducer Reducer
3	2in x 1 1/2 Reducer SlipxSlip
2	1in x 3/4 PVC Reducer SlipxThreaded
3	1 1/4 PVC Nipple 2in Long
2	3in Slip Coupling
4	4in Dresser Coupling

2	6in Dresser Coupling
3	3in PVC Union
1	4in PVC Union
4	4in Tee
1	4in Cap
1	3in Cap
1	4in Female Adapter
10	4in Male Adapter
4	4in 90
3	3in Tee
2	3in Cross
1	4in Cross
3	6in 90
4	6in Slip coupling
1	6in 45
1	6in Male Adapter
1	6in Female Adapter
3	6in 90
1	6in x 4in PVC Reducer
6	1 1/4 PVC Nipple 12in Long
6	1 1/4 PVC Nipple 14in Long
2	3in x 2in PVC Reducer
3	4in x 2in PVC Reducer
3	4in x 3in PVC Reducer
6	3in Female Adapter
2	3in 90

Brass (as of 1/18/2024)

Qty	Description
20	3/4in CTS Corp Stop
50	3/4 IP Corp Stop
15	3/4in CTS Curb Stop
30	3/4in IP Curb Stop
14	3/4in Meter Tail Piece
11	3/4 in CTS x CTS Coupler
30	1in CTS Corp Stop
15	1in IP Corp Stop
4	1in CTS Curb Stop
3	1in IP Curb Stop
16	1in Meter Tail Piece
1	1in IP x CTS Adapter
18	1in CTS x CTS Coupler
1	1 1/2 CTS Curb Stop

2	1 1/2 IP x CTS Adapter
3	1 1/2 Meter Tail Piece
1	2in Meter Tail Piece
6	2in Brass Swing Check
9	2in Brass Tee
4	2in Brass 90's
6	2in Brass Nipple
8	1in x 3.4in Brass reducer
18	3/4in IP x CTS Adapter
9	2in CTS 90's
3	2in CTS Tee
8	2in CTS Corp Stop
6	2in IP Corp Stop
1	2in CTS Curb Stop
7	2in IP Curb Stop
8	2in CTS x CTS Coupling
16	2in IP x CTS Adapter
2	1in Brass Tee
2	1 1/2in Brass Nipple
4	1in Brass Nipple
1	3/4in Brass Coupling
8	1in Brass Coupling
8	1in x 3/4in Brass Reducer Coupling
1	2in x 1in Brass Reducer
1	2 1/2 in x 2in Brass Reducer
2	1 1/2in x 1 1/4in Brass Reducer

Saddles (as of 1/18/2024)

Qty	Description
6	3in x 1in Saddle
10	4in x 1in Saddle
2	4in x 3/4in Saddle
6	4in x 2in saddle
10	3in x 2in Saddle
6	6in x 1in Saddle
2	12in x 2in Saddle
6	6in x 2in Saddle
3	12in x 1in Saddle
10	3in x 3/4in Saddle
6	2in x 1in Saddle
10	2in x 3/4in Saddle
6	6in x 2in Saddle

Repair**Sleeves** (as of 1/18/2024)

Qty	Description
2	2in Compression Sleeve
4	2in Iron Sleeve
12	3in Iron Sleeve
7	4in Iron Sleeves
6	6in Iron Sleeve
2	8in Iron Sleeve

Wrap Around Sleeves (as of 1/18/2024)

Qty	Description
1	8in Wrap Around
3	10in Wrap Around
4	6in Wrap Around
2	4in Wrap Around
8	3in Wrap Around
8	2in Wrap Around

Meter Boxes (as of 1/18/2024)

Qty	Description
9	Plastic Box w/ Lid
9	Composite Box w/ Lid
17	Plastic Lid
2	Metal Lid
11	Concrete Lid
3	Concrete Box
4	Valve Jacket

Stainless Steel Inserts (as of 1/18/2024)

Qty	Description
80	1in Insert
60	2in Insert
50	3/4in Insert

Bolt Kits (as of 1/18/2024)

Qty	Description
3	4in Flange Kit
26	3in Transition Bolt Kit
14	6in Transition Bolt Kit
4	2in Transition Bolt Kit
22	4in Transition Bolt Kit
6	8in transition Bolt Kit

Metal**Fittings**

(as of 1/18/2024)

Qty	Description
2	14in x 10in MJ Reducer
30	3in Mega Lug
15	4in Mega Lug
8	6in Mega Lug
6	8in Mega Lug
4	6in Joint Restraint
6	8in Joint Restraint
3	14in Mega Lug
2	4in MJ 90
1	8in 22 Degree MJ
1	6in MJ 90
3	6in x 2in MJ Cap
2	8in x 2in MJ Cap
4	4in x 2in MJ Cap
2	4in MJ Tee
1	4in MJ Cross
2	6in MJ Tee
1	8in x 6in Flange Reducer
1	6in 45
1	12in x 2in MJ Cap
1	6in x 4in MJ Reducer
6	12in Mega Lug

Tools

(as of 1/18/2024)

Qty	Description
2	Mud Hawg
2	Pipe Joint Lube (qts)
1	Well Point Manifold
1	6,500 General Generator
2	6,000 Dyna Generator
1	14,000 North American Tool Generator
1	7,200 North American Tool Generator
1	3in Trash Pump North American Tool
1	Ridgid Sewer Snake

Chemicals

(as of 1/18/2024)

Qty	Description
300	Grandular HTH (lbs)
75	Anti-Scalant (gal)

varies Liquid Chlorine

Miscellaneous (as of 1/18/2024)

Qty	Description
2	5/8 Pulley
1	Bearing For Rotor
6	G90 Elbow Kit
6	B45 Belt
6	B47 Belt
5	B71 Belt
4	80lb Bag Of Concrete
1	60lb Bag Of Concrete
1	Generator Transfer Switch

EXHIBIT "H"

EXCLUDED ASSETS

Exhibit H
Excluded Assets

1. 2018 Chevrolet Silverado 1500 Crew Cab Z71LT Pickup Truck, White, VIN:
3GCUKREC1JG431530
 - a. Paid off 10/30/2023
2. Office Computers, equipment, supplies and furnishings at 4125 Coastal Hwy
 - a. Lenovo Ideacentre Personal Computer, peripheral Sceptre monitor, keyboard, mouse—Billing
 - b. Brother MFC L6800DW (printer/copier/scanner)—Billing
 - c. Scansnap 51500 desktop document scanner--Billing
 - d. Desk, desk chair, file cabinets (2), staples shredder, misc office supplies—Billing
 - e. EZ Bill 32 Billing software--Billing
3. Lenovo laptop computer—staff use at WWTP
4. Accounts Receivable—includes all billings prior to final billing per Section 3.b. of the Agreement
5. Any non-customer utility deposits (with other utilities, ex: FPL)
6. Customer deposits

EXHIBIT "T"

LITIGATION AND REGULATORY NON-COMPLIANCE DISCLOSURES

Exhibit I
Litigation and Regulatory Noncompliance

Litigation

None

Regulatory Noncompliance

FDEP Warning Letter #: WL23-104 (WTP) dated 6/1/2023

**AMENDMENT NO. 1 TO
AGREEMENT FOR PURCHASE AND SALE OF UTILITY ASSETS**

THIS AMENDMENT to that certain Agreement For Purchase and Sale of Utility Assets, dated as of May 7, 2024 (hereinafter referred to as the “Original Agreement”) is made and entered into by and between the **NORTH BEACH UTILITIES, INC.**, a Florida corporation (“Seller”) and **ST. JOHNS COUNTY, FLORIDA**, a political subdivision of the State of Florida, (“Purchaser”).

RECITALS

WHEREAS, the Purchaser and the Seller entered into the Original Agreement on or about May 7, 2024, to provide for the sale and acquisition of water and wastewater utility systems, commonly known as the North Beach Utilities, Inc. Utility System consisting of potable water production, supply, treatment, storage, transmission, distribution, and fire flow facilities and wastewater collection, transmission, lift/pump stations, storage, treatment, and effluent disposal facilities, and all related appurtenances and all other utility facilities, as more particularly described herein (collectively, the “Utility System”); and

WHEREAS, pursuant to Section 8.e. of the Original Agreement, Purchaser has a 90-day due diligence period (the “Due Diligence Period”) and the ability to terminate the Original Agreement, in Purchaser’s sole discretion, prior to the end of the Due Diligence Period; and

WHEREAS, pursuant to Section 10.a. of the Original Agreement, the parties are to proceed to closing on or before August 28, 2024, which date may be extended to September 18, 2024, (the “Closing Date”) by agreement of the parties; and

WHEREAS, the parties hereby mutually agree to extend the term of the Due Diligence Period and the Closing Date to allow additional time for needed due diligence activities.

NOW THEREFORE, in consideration of ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. DUE DILIGENCE PERIOD. The Seller and the Purchaser hereby amend Section 8.e. of the Original Agreement to extend the term of the Due Diligence Period for an additional 60 days, through and including October 4, 2024. Prior to the termination of the due diligence period Purchaser may terminate the Original Agreement, as amended, in its sole discretion by delivering notice of termination to the Seller in the manner provided in Section 9 of the Original Agreement; otherwise, Purchaser and Seller shall proceed to Closing as set forth in Section 10 of the Original Agreement.

SECTION 2. CLOSING DATE.

a. The Seller and the Purchaser hereby amend Section 10.a. of the Original Agreement to provide that the transaction shall be closed on or before October 29, 2024, but in no event shall the Closing Date be extended beyond November 19, 2024, unless a later date is agreed upon in writing by the parties.

b. The Seller and the Purchaser hereby amend Section 9.f. of the Original Agreement to change the date of August 15, 2024, to November 19, 2024.

SECTION 3. EFFECT OF THIS AMENDMENT.

a. This Amendment shall be enforceable against Seller and Purchaser upon the execution of this Amendment by the Seller and Purchaser's County Administrator.

b. In the event this Amendment is found to be invalid for any reason or cause, then the execution of this Amendment by the County Administrator shall serve as Purchaser's timely and valid notice of termination pursuant to Section 8.e. of the Original Agreement.

SECTION 4. MISCELLANEOUS.

a. This Amendment is solely for the benefit of the parties and no right or cause of action shall accrue to or for the benefit of any third party that is not a formal party hereto. Nothing in this Amendment, express or implied, is intended or shall be construed to confer upon or give any person or corporation other than the parties any right, remedy, or claim under or by reason of this Amendment or any provisions or conditions of it; and all of the provisions, covenants, and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties.

b. The validity, construction, and performance of this Amendment shall be governed by the laws of the State of Florida.

c. If any portion of the Amendment, the deletion of which would not adversely affect the receipt of any material benefit by either party, is for any reason held or declared to be invalid or unenforceable, such determination shall not affect the remaining portions of this Amendment. If this Amendment or any portion of this Amendment is held or declared to be inapplicable to any person, property or circumstance, such determination shall not affect its applicability to any other person, property or circumstance.

d. This Amendment shall become effective on the date the last party authorizes by its official action the execution of this Amendment.

e. All other provisions of the Original Agreement not amended herein shall remain in full force and effect.

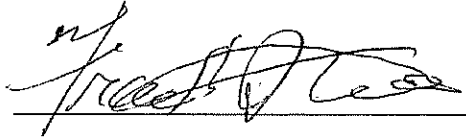
IN WITNESS WHEREOF, the Parties have hereunto caused this Amendment to the Original Agreement to be executed in counterparts, each counterpart to be considered an original.

ATTEST:

NORTH BEACH UTILITIES, INC.



Elizabeth K. Usina, Secretary Treasurer

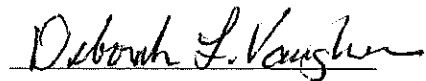


Frank Usina, President

Date: 8/2/24

STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 2nd day of August, 2024, by Frank Usina, as President of North Beach Utilities, Inc., on its behalf, who is personally known to me or who has produced _____ as identification.



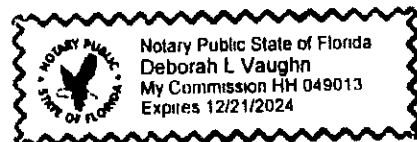
Notary Public Deborah L Vaughn

Printed Name: _____

License No: HH 049013

Expiration Date: 12/21/2024

(Notary Stamp)



ST. JOHNS COUNTY, FLORIDA

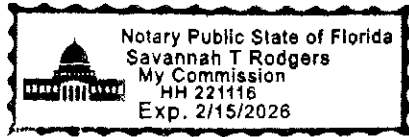
By: [Signature]
Joy Andrews, County Administrator
Brad Brodley, OCA

Date: 8/2/24

STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 2nd day of August, 2024, by Joy Andrews, as County Administrator of St. Johns County, Florida on the County's behalf, who is personally known to me or who has produced _____ as identification.

(Notary Stamp)



[Signature]

Notary Public FL

Printed Name: Savannah Rodgers

License No: 221116

Expiration Date: 2/15/26

**AMENDMENT NO. 2 TO
AGREEMENT FOR PURCHASE AND SALE OF UTILITY ASSETS**

THIS AMENDMENT No. 2 to that certain Agreement For Purchase and Sale of Utility Assets, dated as of May 7, 2024 as amended by that certain Amendment No. 1 dated August 2, 2024 (hereinafter collectively referred to as the “Agreement”) is made and entered into by and between the **NORTH BEACH UTILITIES, INC.**, a Florida corporation (“Seller”) and **ST. JOHNS COUNTY, FLORIDA**, a political subdivision of the State of Florida, (“Purchaser”).

RECITALS

WHEREAS, the Purchaser and the Seller entered into the Agreement, as amended, to provide for the sale and acquisition of water and wastewater utility systems, commonly known as the North Beach Utilities, Inc. Utility System consisting of potable water production, supply, treatment, storage, transmission, distribution, and fire flow facilities and wastewater collection, transmission, lift/pump stations, storage, treatment, and effluent disposal facilities, and all related appurtenances and all other utility facilities, as more particularly described herein (collectively, the “Utility System”); and

WHEREAS, certain matters have subsequently arisen and the parties hereby mutually agree to amend the Agreement in the manner set forth herein.

NOW THEREFORE, in consideration of ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. RECITALS. The above Recitals are true and correct and incorporated herein by reference.

SECTION 2. AMENDMENTS TO AGREEMENT.

a. The Seller and the Purchaser hereby amend and replace Exhibit “A” to the Agreement with Exhibit “A” to this Amendment No. 2. The purpose of this replacement is to add the real property identified as Parcel 6 to this Amendment No. 2 (the “Parcel 6 Property”). The Parcel 6 Property is currently owned by Seller’s affiliated company St. Augustine Scenic Cruise, Inc. (“Affiliate”) and will be conveyed to Seller prior to Closing.

b. Pursuant to Seller’s continuing duty to disclose any judicial or administrative suits, actions, proceedings and orders which in any way relate to the Utility System, as provided in Section 4.n. of the Agreement, the Seller has informed the Purchaser of an additional DEP Warning Letter. The Seller and the Purchaser hereby amend and replace Exhibit “I” to the Agreement as provided in Exhibit “B” to this Amendment No. 2. Seller shall indemnify, and defend upon request from Purchaser, 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, fines, penalties, administrative charges, and other expenses, including reasonable legal fees and other expenses of or resulting from any regulatory enforcement actions related to the regulatory noncompliance to the extent the operative act or omission was that of or

attributable to the Seller. For clarification, this indemnification does not cover any responsibility of Purchaser to meet a compliance schedule and complete associated improvements to which it has agreed or which may be required by DEP. Pursuant to section 11.b. of the Agreement this provision shall survive for a period of twenty four months following Closing.

SECTION 3. MISCELLANEOUS.

a. This Amendment is solely for the benefit of the parties and no right or cause of action shall accrue to or for the benefit of any third party that is not a formal party hereto. Nothing in this Amendment, express or implied, is intended or shall be construed to confer upon or give any person or corporation other than the parties any right, remedy, or claim under or by reason of this Amendment or any provisions or conditions of it; and all of the provisions, covenants, and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties.

b. The validity, construction, and performance of this Amendment shall be governed by the laws of the State of Florida.

c. If any portion of the Amendment, the deletion of which would not adversely affect the receipt of any material benefit by either party, is for any reason held or declared to be invalid or unenforceable, such determination shall not affect the remaining portions of this Amendment. If this Amendment or any portion of this Amendment is held or declared to be inapplicable to any person, property or circumstance, such determination shall not affect its applicability to any other person, property or circumstance.

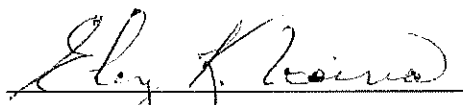
d. This Amendment shall be enforceable against Seller and Purchaser upon the execution of this Amendment by the Seller and Purchaser's County Administrator.

e. All other provisions of the Agreement not amended herein shall remain in full force and effect.

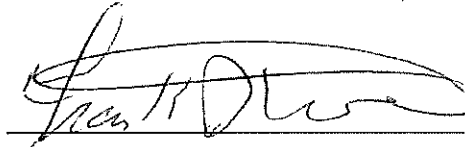
IN WITNESS WHEREOF, the Parties have hereunto caused this Amendment No. 2 to the Agreement to be executed in counterparts, each counterpart to be considered an original.

ATTEST:

NORTH BEACH UTILITIES, INC.



Elizabeth K. Usina, Secretary Treasurer

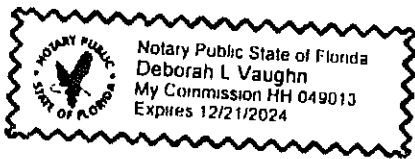


Frank Usina, President

Date: 10/2/24

**STATE OF FLORIDA
COUNTY OF ST. JOHNS**

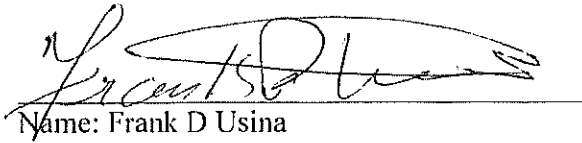
The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 2nd day of October, 2024, by Frank Usina, as President of North Beach Utilities, Inc., on its behalf, who is personally known to me or who has produced _____ as identification.



(Notary Stamp)

Notary Public Deborah L. Vaughn
Printed Name: Deborah L. Vaughn
License No: HH 049013
Expiration Date: 12/21/2024

The undersigned joins in the execution of this Amendment No. 2 for the sole and limited purpose of acknowledging: (a) the respective Seller's Affiliate is the sole legal owner and has full right, power and ability to convey a fee simple absolute interest and good and marketable title to the Parcel 6 Property hereto free and clear of all liens, claims, encumbrances (other than Permitted Encumbrances) and interests; and, (b) its agreement to convey its interests in the Parcel 6 Property at Closing.

A handwritten signature in black ink, appearing to read "Frank D Usina", written over a horizontal line.

Name: Frank D Usina

Title: President, St Augustine Scenic Cruise, Inc.

Date: October 2, 2024

ST. JOHNS COUNTY, FLORIDA

By: 
Joy Andrews, County Administrator


Date: 10.3.24

**STATE OF FLORIDA
COUNTY OF ST. JOHNS**

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 3rd day of October, 2024, by Joy Andrews, as County Administrator of St. Johns County, Florida on the County's behalf, who is personally known to me or who has produced (known to me) as identification.

(Notary Stamp)





Notary Public _____

Printed Name: _____

License No: _____

Expiration Date: _____

**Exhibit A
Real Property**

Parcel 1:

Legal Description: A parcel of land in Lot 1, Block 88, North Beach Subdivision, according to the Map or Plat thereof recorded in Map Book 3, Page 28 of the Public Records of St Johns County, Florida, more particularly described as follows:

Commencing at the Northeast corner of said Lot 1, Block 88, thence S 69° 19' W, along the South right-of-way of Eighteenth Street [AKA Boating Club Road] a distance of six (6') feet to a point; thence S 20° 41' E a distance of six (6') feet to a point; thence N 69° 19' E a distance of six (6') to a point; thence N 20° 41' West along the West right-of-way of Myrtle Street a distance of six (6') feet to the Point of Beginning. Subject to water connection right set forth in Warranty Deed recorded in Official Records Book 56, Page 48, of the Public Records of St Johns County, Florida.

General Description: Well Site, Parcel ID: 1460400001, SWC Boating Club Road & Myrtle Street

Parcel 2:

Legal Description: Lots 9 through 16, inclusive, Block 94, North Beach Subdivision, according to the Map or Plat thereof recorded in Map Book 3, Page 28 of the Public Records of St Johns County, Florida.

General Description: Water Treatment Plant, Parcel ID: 1461540090, 415 Nineteenth Street

Parcel 3A:

Legal Description: Block 112, excepting Lots 13 and 15 and the North 25 feet of Lots 14 and 16, North Beach Subdivision, according to the Map or Plat thereof recorded in Map Book 3, Page 28 of the Public Records of St Johns County, Florida.

General Description: Waste Water Treatment Plant—North Parcel, Parcel ID: 1462120000, 401 Twenty Third Street

Parcel 3B:

Legal Description: All of fractional Block 116, North Beach Subdivision, according to the Map or Plat thereof recorded in Map Book 3, Page 28 of the Public Records of St Johns County, Florida.

General Description: Waste Water Treatment Plant—South Parcel, Parcel ID: 1462160000, 401 Twenty Fourth Street

Parcel 3C:

Legal Description: That portion of vacated Twenty-Fourth Street lying between the West right-of-way line of Palm Street and the East right-of-way line of Myrtle Street, as shown on the Plat of North Beach, a subdivision of U.S. Lots 2 & 3 of Section 29, all Fractional Section 30 and Section 44 (Joseph Arnau

Grant) all in Township 6 South, Range 30 East, recorded in Map Book 3, Page 28 of the Public Records of St Johns County, Florida.

General Description: Waste Water Treatment Plant—vacated 24th Street ROW between Parcels 3A and 3B above.

Parcel 4:

Legal Description: Block 111, North Beach Subdivision, according to the Map or Plat thereof recorded in Map Book 3, Page 28 of the Public Records of St Johns County, Florida.

General Description: Waste Water Treatment Plant Pond, Parcel ID: 1462110000, 301 Twenty Third Street

Parcel 5:

Legal Description: Vilano Oaks Tract A, as dedicated to Seller on Vilano Oaks Replat Official Records Book 40, Page 102-105, Public Records of St. Johns County, Florida.

General Description: Vilano Oaks Stormwater Retention Area and NBU lift station, Parcel ID: 1452090001, Between First and Second Streets, Vilano Oaks Tract A, Per SJCPA--Assessed to Individual Lot Owners as Common Elements per FS 193.0235.

Parcel 6:

Legal Description: Lot 7, Block 94, North Beach Subdivision, according to the map or plat thereof as recorded in Plat Book 3, Page 28, Public Records of St. Johns County, Florida.

Exhibit B

Exhibit I

Litigation and Regulatory Noncompliance

Litigation

None

Regulatory Noncompliance

FDEP Warning Letter #: WL23-104 (WTP) dated 6/1/2023

FDEP Warning Letter #: WL24-158 (WWTF) dated 8/15/24

**AMENDMENT NO. 3 TO
AGREEMENT FOR PURCHASE AND SALE OF UTILITY ASSETS**

THIS AMENDMENT No. 3 to that certain Agreement For Purchase and Sale of Utility Assets, dated as of May 7, 2024 as amended by that certain Amendment No. 1 dated August 2, 2024 and that Amendment No. 2 dated October 3, 2024 (hereinafter collectively referred to as the “Agreement”) is made and entered into by and between the **NORTH BEACH UTILITIES, INC.**, a Florida corporation (“Seller”) and **ST. JOHNS COUNTY, FLORIDA**, a political subdivision of the State of Florida, (“Purchaser”).

RECITALS

WHEREAS, the Purchaser and the Seller entered into the Agreement, as amended, to provide for the sale and acquisition of water and wastewater utility systems, commonly known as the North Beach Utilities, Inc. Utility System consisting of potable water production, supply, treatment, storage, transmission, distribution, and fire flow facilities and wastewater collection, transmission, lift/pump stations, storage, treatment, and effluent disposal facilities, and all related appurtenances and all other utility facilities, as more particularly described herein (collectively, the “Utility System”); and

WHEREAS, certain matters have subsequently arisen and the parties hereby mutually agree to amend the Agreement in the manner set forth herein.

NOW THEREFORE, in consideration of ten dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

SECTION 1. RECITALS. The above Recitals are true and correct and incorporated herein by reference.

SECTION 2. AMENDMENTS TO AGREEMENT.

a. The Seller and the Purchaser hereby amend and replace Exhibit “F” to the Agreement with Exhibit “A” to this Amendment No. 3.

SECTION 3. MISCELLANEOUS.

a. This Amendment is solely for the benefit of the parties and no right or cause of action shall accrue to or for the benefit of any third party that is not a formal party hereto. Nothing in this Amendment, express or implied, is intended or shall be construed to confer upon or give any person or corporation other than the parties any right, remedy, or claim under or by reason of this Amendment or any provisions or conditions of it; and all of the provisions, covenants, and conditions herein contained shall inure to the sole benefit of and shall be binding upon the parties.

b. The validity, construction, and performance of this Amendment shall be governed by the laws of the State of Florida.

c. If any portion of the Amendment, the deletion of which would not adversely affect the receipt of any material benefit by either party, is for any reason held or declared to be invalid or unenforceable, such determination shall not affect the remaining portions of this Amendment. If this Amendment or any portion of this Amendment is held or declared to be inapplicable to any person, property or circumstance, such determination shall not affect its applicability to any other person, property or circumstance.

d. This Amendment shall be enforceable against Seller and Purchaser upon the execution of this Amendment by the Seller and Purchaser's County Administrator.

e. All other provisions of the Agreement not amended herein shall remain in full force and effect.

IN WITNESS WHEREOF, the Parties have hereunto caused this Amendment No. 3 to the Agreement to be executed in counterparts, each counterpart to be considered an original.

ATTEST:

NORTH BEACH UTILITIES, INC.

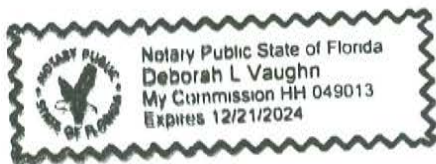

Elizabeth K. Usina, Secretary Treasurer


Frank Usina, President

Date: 10/29/2024

**STATE OF FLORIDA
COUNTY OF ST. JOHNS**

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 29th day of October, 2024, by Frank Usina, as President of North Beach Utilities, Inc., on its behalf, who is personally known to me or who has produced _____ as identification.



Notary Public Deborah L. Vaughn
Printed Name: Deborah L. Vaughn
License No: HH 049013
Expiration Date: 12/21/2024

(Notary Stamp)

ST. JOHNS COUNTY, FLORIDA

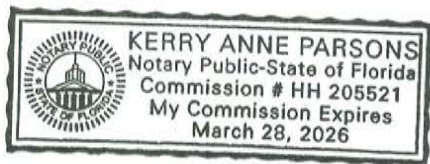
By: [Signature]
Sarah Arnold, Chair

Date: Oct 29, 2024

STATE OF FLORIDA
COUNTY OF ST. JOHNS

The foregoing instrument was acknowledged before me by means of physical presence or online notarization, this 29 day of oct, 2024, by Sarah Arnold, as Chair of the Board of County Commissioners of St. Johns County, Florida on the County's behalf, who is personally known to me or who has produced license as identification.

(Notary Stamp)



[Signature]
Notary Public _____
Printed Name: Kerry Parsons
License No: HH 205521
Expiration Date: March 28, 2026

Exhibit A
CONTRACTS AND LEASES

Contracts

1. CONTRACT – Hauling, Treatment and Land Application of Domestic Wastewater Residuals dated July 31, 2013 by and between Shelley’s Septic Tanks, Inc. d/b/a Shelley’s Environmental Systems and North Beach Utilities WWTF

Leases

1. None