

7/25/2019 3:14 PM

KAREN E. RUSHING

CITY OF NORTH PORT, FLORIDA  
and  
SABAL TRACE DEVELOPMENT PARTNERS, LLC

CLERK OF THE CIRCUIT COURT  
SARASOTA COUNTY, FLORIDA

SIMPLIFILE

Receipt # 2403104

SABAL TRACE DEVELOPMENT PARTNERS, LLC  
WATER AND WASTEWATER SYSTEM  
DEVELOPER'S AGREEMENT

THIS AGREEMENT made and entered into this 23 day of July, 2019, (the Effective Date) by and between SABAL TRACE DEVELOPMENT PARTNERS, LLC, a Florida limited liability company, hereinafter referred to as "Developer," and the City of North Port, Florida, an incorporated municipality located within the State of Florida, hereinafter referred to as the "City."

**RECITALS**

1. Developer owns or controls lands ("Property") located in North Port, Florida, the boundary description and property identification(s) of which is set forth in Exhibit "A-1" and a map of which is attached as Exhibit "A-2," both of which are incorporated herein.
2. Developer has commenced or is about to commence development of the Property, by erecting thereon, residential or commercial improvements including improvements contemplated under this agreement.
3. Developer is desirous of prompting the construction and/or maintenance of central water and wastewater facilities so occupants of each residence or commercial improvement constructed will receive adequate water and wastewater services.
4. The City is willing to provide, in accordance with the provisions and stipulations hereinafter set out, and in accordance with all applicable laws, central water and wastewater facilities, and to have extended such facilities by way of water and wastewater mains, and to thereafter operate such facilities so the occupants of each residence or commercial improvement constructed on the Property will receive adequate water and wastewater services from the City.
5. The City is also willing to provide reclaimed water service, if applicable and economically feasible and subject to City regulation.
6. The Property is currently subject to an Agreement related to reclaimed wastewater effluent, dated February 12, 1986, as amended, between General Development Corporation and the City of North Port as successor in interest of General Development Utilities, Inc. ("Prior Agreement"). The Prior Agreement is attached here to as Exhibit C.
7. The Prior Agreement relates to certain real property, including but not limited to the Property. The City and Developer desire to terminate the Prior Agreement as it relates the Property only. The Prior Agreement shall continue to exist for the property described in Exhibit A of the Prior Agreement, less and except the Property. Consistent with such termination, Developer shall have no further obligation under the Prior Agreement including, but not limited to, the obligation to pay the minimum monthly reclaimed water charges.

ACCORDINGLY, the Property is hereby removed from the Prior Agreement, the Prior Agreement is terminated with regard to the Property and shall no longer encumber the Property, and the Property shall be subject to the following new terms and conditions. For and in consideration of the Recitals, the mutual undertakings and agreements herein contained and assumed, and other good and valuable consideration the receipt and sufficiency of which are acknowledged by the parties, Developer and the City hereby covenant and agree as follows:

**SECTION 1. RECITALS.** The above Recitals are true and correct, and are a material part of this Agreement.

**SECTION 2. DEFINITIONS.** The definitions set forth in the chapter entitled “Public Utilities” found in the North Port City Code shall apply in this Agreement unless otherwise specified below. The following definitions and references are given for the purpose of interpreting the terms as used in this Agreement and apply unless the context indicates a different meaning:

- (1) **“Service”**: The readiness and ability on the part of the City to furnish water and wastewater services to each lot.
- (2) **“Point of Delivery or Collection”**: The point where the pipes of utility are connected with the pipes of the customer. Unless otherwise indicated, the point of delivery shall be the point on the customer’s lot line.
- (3) **“Contribution-in-Aid-of-Construction”**: The sum of money, and/or property, represented by the value of the water distribution and wastewater collection systems constructed by Developer, which Developer covenants and agrees to pay and/or transfer to the City as a contribution-in-aid-of-construction, to induce the City to continuously provide water and wastewater services to the Property.

**SECTION 3. EASEMENT AND RIGHT OF ACCESS.** Developer shall grant at no cost to the City the exclusive right or privilege to construct, own, maintain, and operate the water and wastewater facilities in, under, over and across the present and future streets, roads, easements, reserved utility sites and public places as provided and dedicated to public use in the record plats, or as provided for in agreements, dedications or grants made otherwise and independent of said record plats. Developer acknowledges that the City will possess the right of ingress and egress to carry out these utility functions through the recording of the final plat. The foregoing grants shall be for such period of time, as the City requires such rights, privileges or easements in the ownership, maintenance, operation or expansion of the water and wastewater facilities. The City covenants that it will use due diligence in ascertaining all easement locations; however, should the City install any of its facilities outside a dedicated easement area, Developer, the successors and assigns of Developer, covenant and agree that the City will not be required to move or relocate any facilities lying outside a dedicated easement area so long as the facilities do not interfere with the then proposed use of the area in which the facilities have been installed. The City hereby agrees that all easement grants will be utilized in accordance with the established and generally accepted practices of the water and wastewater industry with respect to the installation of all its water and wastewater facilities in any of the easement areas; and Developer in granting easements herein, or pursuant to the terms of this instrument, shall have the rights to grant exclusive or non-

exclusive rights, privileges and easements to other entities to provide the Property any utility services other than water and wastewater services. Developer shall obtain, at its own expense, upon direction by the City, any and all easements necessary which easements shall be in favor of the City. Developer agrees to dedicate to the City, an easement, as to be determined by the City, so as to allow the City to enter the Property and make such alterations, repairs, or other work, as the City shall deem necessary to achieve efficient service in the water and sewer systems. Any easement shall be dedicated to the City and recorded in the Public Records of Sarasota County, Florida within ten days prior to acceptance of the asset by the City. The Property is a former golf course with a clubhouse and related improvements served by utility facilities which are still located within the Property. Developer will be removing such old, existing utility facilities as it redevelops the Property and installs the water, wastewater, and reclaimed water facilities described in this Agreement. New utility easements will be created and granted to the City to accommodate the new water and wastewater utility facilities as described in this Section 3. Any existing easements over, across or within the Property in favor of the City relating to the old, existing utility facilities shall be terminated or vacated by the City prior to or concurrently with Developer's creation of the streets, roads, utility easements, and reserved utility sites required for the new utility facilities to be installed under this Agreement.

**SECTION 4. PROVISION OF SERVICE, PAYMENT OF RATES.** Upon the continued accomplishment of all the prerequisites contained in this Agreement to be performed by Developer, the City covenants and agrees that it will allow the connection of the water distribution and wastewater collection facilities installed by Developer to the central water and wastewater facilities of the City in accordance with the terms and intent of this Agreement. Such connection shall be in accordance with rules and regulations of the Department of Health and the Florida Department of Environmental Protection. The City agrees that once it provides water and wastewater services to the Property and Developer or others have connected customer installations to its system, that thereafter, the City will continuously provide in return for payment of all applicable rates, fees, and charges and in accordance with the other provisions of this Agreement, and of applicable laws, including rules and regulations and rate schedules, water and wastewater services to the Property in a manner to conform with all requirements of all governmental agencies having jurisdiction over the water distribution and wastewater collection operations of the City. Developer, its successors and assigns agree to timely and fully pay to the City all applicable monthly rates, fees and charges including but not limited to, Utility Inspection Fees and Developer Agreement Fees as defined in the City Fee Structure and to fully comply with all City codes, rules, regulations, and ordinances applicable to the provision of water, wastewater and reclaimed water service.

**SECTION 5. DESIGN, REVIEW, CONSTRUCTION, INSPECTION AND CONVEYANCE OF FACILITIES.**

5.1 So that the City may provide water and wastewater facilities, and to continuously provide customers located on the Property with water and wastewater services, Developer hereby covenants and agrees to pay for the construction and to transfer ownership and control to the City as a contribution-in-aid-of-construction, the on-site and off-site water distribution and wastewater collection systems referred to herein. In connection with it providing the contribution-in-aid-of-

construction, Developer further covenants and agrees to demolish and remove, at its own cost, the existing on-site water, wastewater, and reclaimed water facilities.

5.2 Developer shall provide the City with engineering plans and specifications of the type and in the form as prescribed by the City, showing the on-site and off-site water distribution, irrigation distribution (if applicable) and wastewater collection systems proposed to be installed to provide service to the subject Property. The Utility Engineer will advise Developer's engineer of any sizing requirements as mandated by the City's system policies and utility standards for the preparation of plans and specifications of facilities within the Property. If applicable, such detailed plans may be limited to a phase of the Property, and subsequent phases may be furnished from time to time. However, each such phase, if applicable, shall conform to a master plan for the development of the Property and such master plan shall be submitted to the City concurrent with or prior to submission of plans for the first phase. All such plans and specifications shall be submitted to the City and no construction shall commence until the City has approved such plans and specifications in writing. The complete plans and specifications, as to be approved by the City's Utilities Director or designee, for connection to the City's system shall be prepared by Developer's Professional Engineer, who shall be registered in the State of Florida. All construction shall be in strict conformity with the final plans and specifications as approved by the City. The City, its Utilities Director, or other representative, shall have the right to inspect any and all construction, whether in public rights-of-way or on private property. Upon notification of any deviation from the approved plans and specifications, Developer shall immediately make modifications as directed by the City. No construction shall be commenced without final approval of the plans and specifications by the City's Utilities Director. After approval, Developer shall cause to be constructed, at Developer's expense, the water distribution, irrigation and wastewater collection systems as shown on all plans and specifications.

5.3 Developer agrees to the following working hours for any work done by the City in connection with implementation of this Agreement. Normal working hours are defined as Monday through Friday, 7:00 a.m. to 3:30 p.m. Work outside of the normal working hours will constitute an "Overtime" rate, which will be reimbursed to the City. The Overtime rate will be calculated by the City on a time and a half basis plus all overhead fees. Should work be conducted on scheduled holidays, Developer will be responsible to reimburse on a double time and a half rate plus all overhead fees. The City will invoice for such fees and payment must be made by Developer within 30 days.

5.4 To connect Developer's water transmission and distribution system to the City's existing water transmission system, Developer's wastewater collection system to the City's existing wastewater system and Developer's reclaimed water system to the City's existing reclaimed water system, Developer shall design to the City's specifications, apply for and be issued all required permits, and construct to the City's most current specifications all infrastructure, approved by Staff Development Review (SDR). Developer agrees to upgrade and pay for any and all supporting infrastructure, which is required to support the flows for the said project to include but not be limited to a DATAFLOW SCADA system on any existing or newly constructed lift stations that will serve the project.

**5.5 Developer understands the need to support the City's water conservation efforts and, to the extent it is possible shall utilize Florida friendly yards, xeriscape landscaping and agrees to permit, construct and design all irrigation systems to meet the City's reclaimed water standards approved by Staff Development Review (SDR) and to include FDEP Rule**

**62-610.460 and agrees to utilize reclaimed water, if available as the primary source for irrigation purposes. The quality of the reclaimed water shall meet the requirements of FDEP Rule 62-610.460. The City shall be held harmless and indemnified by Developer for the resulting water quality after mixing in Developer's storage pond, unless reclaimed waters of quality not meeting the requirements of FDEP Rule 62-610.460 is provided by the City. Developer agrees to connect any existing irrigation distribution systems to the City's reclaimed water system and agrees to utilize reclaimed water as the primary source for irrigation purposes at such time as reclaimed water is made available to the development.**

5.6 All costs relating to the construction of the systems by Developer including but not limited to labor, overhead, permits, taxes, licenses, application fees, easement acquisitions, lift stations, backflows, SCADA systems, pumps, pipes, materials, and any other direct or indirect costs related to the construction shall be borne by Developer and shall be fully paid by Developer. All of the City's costs in connection with the construction including but not limited to charges for inspections, maintenance, administrative expenses, and any other costs incurred by the City in connection with this matter shall be paid by Developer. In addition to such costs, Developer shall pay to the City, fees described in Section 4 above and in Section 20 below.

5.7 During the construction of the water distribution and wastewater collection systems by Developer, the City shall have the right to inspect such installation to determine compliance with plans and specifications, adequacy of the quality of the installation, and further, shall be entitled to perform standard tests for pressure, infiltration/vacuum, line and grade, and all other normal engineering tests required by specifications and/or good engineering practices. Complete as-built plans shall be submitted to the City upon completion of construction. City inspections of the off-site and on-site facilities will not delay the construction schedule.

5.8 Developer shall have applied for, and have been issued; all required permits for construction of the facilities described herein and shall have prepared all documents necessary to solicit bids from qualified contractors. Developer acknowledges that the City may request the facilities be oversized and Developer agrees if directed by the City to design such oversized facilities to prepare either separate bid proposals or one bid proposal for the oversizing as the base proposal and Developer required line size as an alternative proposal. Before publication of distribution by Developer, Developer agrees to submit either separate bid proposals or a singular bid proposal to the City for its review and comment which may include, but not limited to, requiring incorporating for provisions for compliance with public project bid requirements. Provided that the City does not reject the bid proposal which Developer intends to accept, the City agrees to pay Developer the difference of the bid construction cost for the oversizing of the pipeline not later than thirty (30) days following approval by the City of Developer's delivery of its contractually required incremental payment to its construction contractor if the City elects to request Developer to construct any oversized facilities. Developer understands and agrees that the City's share of construction cost shall not include such items as design, insurance, contingency, construction management and administrative fees.

5.9 By these presents, Developer hereby transfers to the City, title to all water distribution and wastewater collection systems installed by Developer's contractor, pursuant to the provisions of this Agreement. Such conveyance is to take effect without further action upon the acceptance by the City of said installation. As further evidence of said transfer to title, and upon the completion of the installation and prior to the rendering of service by the City, Developer shall convey to the City, by bill of sale, or other appropriate documents, in a form satisfactory to the City's counsel,

the complete on-site and off-site water distribution and wastewater collection systems as constructed by Developer and approved by the City. Developer shall further cause to be conveyed to the City, all easements and/or rights-of-way covering areas in which water distribution and wastewater collection lines are installed by recordable document in a form satisfactory to the City's counsel. All conveyance of easements and/or rights-of-way shall be accompanied by a title policy or other evidence of title, satisfactory to the City, establishing Developer's rights to convey such continuous enjoyment of such easements or rights-of-way for those purposes set forth in this Agreement to the exclusion of any other person in interest. The use of easements granted by Developer shall include the use by other utilities so long as such uses by electric, telephone, gas utilities, or cable television do not unreasonably and materially interfere with use by the City. The City agrees that the acceptance of the water distribution and wastewater collection systems, installed by Developer, for service, or by acceptance of the bill of sale, shall constitute that assumption of responsibility by the City for the continuous operation and maintenance of such systems from that date forward.

5.10 All installations by Developer or its contractor shall have at least a one-year warranty from the date of acceptance by the City. Mortgagee(s), if any, holding prior liens on such properties shall be required to release such liens, subordinate their position and join in the grant or dedication of the easements or rights-of-way. Any such liens shall remain subordinate to this Agreement. All water distribution and wastewater collection facilities shall be covered by easements if not located within platted or dedicated rights-of-way.

5.11 Whenever the development of the subject Property involves one customer or a unity of several customers, and in the opinion of the City ownership by the City of the internal water distribution and wastewater collection systems is not necessary, then at the sole option of the City, Developer, or its successor or assigns, shall retain ownership and the obligation for maintenance of such on-site facilities.

**5.12 Payment of the contribution-in-aid-of-construction does not and will not result in the City waiving any of its rates, rate schedules or rules and regulations, and their enforcement shall not be affected in any manner whatsoever by Developer making the contribution. The City shall not be obligated for any reason whatsoever nor shall the City pay any interest or rate of interest upon the contribution. Neither Developer nor any person or other entity holding any of the Property by, through or under Developer, or otherwise, shall have any present or future right, title, claim or interest in and to the contributions or to any of the water and wastewater facilities and properties of the City, and all prohibitions applicable to Developer with respect to no refund of contributions, no interest payment on said contributions and otherwise, are applicable to all persons or entities. Any user or customer of water and wastewater services shall not be entitled to offset any bill or bills rendered by the City for such service or services against the contributions. Developer shall not be entitled to offset the contributions against any claim or claims of the City unless specified in the Special Conditions of this Agreement.**

5.13 If any use involving commercial kitchen facilities is located on the Property, the wastewater facilities shall include such grease interceptors or grease traps (a "Grease Trap") as may be required by City Standards or by applicable law, codes, rules, regulations and standards pertaining thereto, as the same may from time to time be amended. All wastewater from any grease producing equipment, including floor drains in food preparation areas, must first enter the grease trap for pretreatment before the wastewater is delivered to the City's wastewater system.

Provisions for a Grease Trap shall be included in the plans and specifications and shall call for such size, capacity and other specifications as are required by the City's Standards and the applicable governmental agencies. The City shall have the right, but not the obligation, to inspect and test any Grease Trap in order to ensure compliance with the terms hereof. Developer shall indemnify and hold harmless the City from and against any and all liability, cost, expenses and fees, including attorneys' fees and costs, arising or resulting from Developer's failure to install and adequately maintain a Grease Trap including, without limitation, any costs or expenses resulting or arising from damage to the City's wastewater system lines, lift stations and plant facilities caused by grease, oil, fats, prohibited solvents or any other materials entering into or coming in contact with such lines, lift stations and plant facilities because of Developer's failure to adhere to the provisions.

**SECTION 6. EVIDENCE OF TITLE.** Within a period of thirty (30) days after the execution of this Agreement, at the expense of Developer, Developer agrees to either deliver to the City an Abstract of Title, brought up to date, which abstract shall be retained by the City and remain the property of the City, or to furnish the City an opinion of title from a qualified attorney at law or a qualified title insurance company with respect to the Property, which opinions shall include a current report on the status of the title, setting out the name of the legal title holders, the outstanding mortgages, taxes, liens, and covenants. The provisions of the Section are for the exclusive rights of service contained in this Agreement. Any mortgage or lien holder having an interest in the Property shall be required to join in the grant of exclusive service rights set forth in this Agreement. Any and all such grants of exclusive service rights set forth in any Prior Agreement shall survive through the adoption of this Agreement. Title standards shall be the same as those applicable to real estate generally adopted by the Florida Bar and in accordance with Florida law.

**SECTION 7. OWNERSHIP OF FACILITIES.** Developer agrees with the City that all water and wastewater facilities conveyed to the City for use in connection with providing water and wastewater services to the Property, shall at all times remain in the complete and exclusive ownership of the City, and any entity owning any part of the Property or any residence or building constructed or located thereon, shall not have the right, title, claim or interest in and to such facilities, or any part of them, for any purpose, including the furnishing of water and wastewater services to other persons or entities located within or beyond the limits of the Property.

**SECTION 8. APPLICATION OF RULES, REGULATIONS, AND RATES.** Notwithstanding any provision in this Agreement, the City may establish, revise, modify and enforce rules, regulations and rates covering the provision of water and wastewater services to the Property. Such rules, regulations and rates are subject to the approval of the City of North Port, Florida. Such rules and regulations shall at all times be reasonable and subject to regulations as may be provided by law or under contract. Rates charged to Developer or customers located upon the Property shall be identical to rates charged for the same classification of service. All rules, regulations and rates in effect, or placed into effect in accordance with the preceding, shall be binding upon Developer, upon any other entity holding by, through or under Developer; and upon any customer of the water and wastewater services provided to the Property by the City.

**SECTION 9. PERMISSION TO CONNECT REQUIRED.** Developer, or any owner of any parcel of the Property, or any occupant of any residences or buildings located thereon, shall not have the right to and shall not connect any customer installation to the water and wastewater facilities of the City until the City has granted approval for such connection and shall be subject to illegal connection fee in effect at the time of discovery.

**SECTION 10. BINDING AGREEMENT; ASSIGNMENTS BY DEVELOPER; DISCLOSURE; INDEMNIFICATION RELATING TO ASSIGNMENT.**

10.1 This Agreement shall be binding upon and shall inure to the benefit of Developer, the City and their respective assigns and successors by merger, consolidation or conveyance.

10.2 Except as provided in Section 10.3 below, the Developer may not sell, convey, assign, or otherwise dispose of its rights and obligations under this Agreement without the written consent of the City having been obtained first, which consent shall not be unreasonably withheld.

10.3 Developer intends to convey portions of the Property to third parties who will be constructing thereon residences and buildings which will be connected to the water and wastewater facilities as customer connections. Upon conveyance of such portions of the Property to third parties, Developer shall have the right to assign to such third parties ERCs, together with the obligation to pay to the City all Guaranteed Revenue Charges associated with such ERCs. When assigning ERCs, Developer shall, pursuant to the procedures of Section 11, below, deliver to the City an executed and recorded instrument assigning such ERCs to the third-party assignee which shall be in substantial accordance with Exhibit "B," attached hereto and incorporated herein. Upon Developer's recording the assignment in the Public Records of Sarasota County, Florida, Developer's rights and obligations with regard to the assigned ERCs and their associated Guaranteed Revenue Charges shall be terminated under this Agreement.

10.4 Developer and the City acknowledge that Developer may sell or lease some or all of the Property and may or may not be the Applicant who shall subsequently pay the Water and Wastewater Capacity Fees prior to connection of the proposed ERCs to be serviced by the City. Developer agrees to disclose to any grantee, lessee, or assignee any obligation of such grantee, lessee, or assignee to pay to the City the then adopted Water and Wastewater Capacity Fees.

10.5 Developer agrees to disclose in writing to any grantee, lessee, or assignee, Developer's entitlement to receive a refund from the City of any Water and Wastewater Capacity Fees paid and reserved hereunder by Developer to the City upon payment of those Water and Wastewater Capacity Fees by any grantee, lessee or assignee of Developer.

**10.6 Developer, on behalf of itself and its successors and assigns, hereby further agrees to indemnify, defend, save and hold harmless the City from and against any and all suits, actions, claims, demands, liabilities, judgments and costs of any nature whatsoever arising as a result of the City's refund to Developer of the Water and Wastewater Capacity Fees previously paid by Developer and/or the City's receipt of payment from Developer's grantees, lessees, or assignees, of new Water and Wastewater Capacity Fees at the time of application for connection of the proposed units to be served by the City unless same was due to the City's negligence by act or omission. In the event the City is made a party to any litigation arising as a result thereof, the City shall have the option of providing for its own**



**defense in said litigation and billing Developer, its successors and/or assignees for all expenses of litigation, including its direct costs, at the commercially recognized rate for attorney fees, inclusive of paralegal or legal assistant services, which expenses Developer shall pay promptly upon demand, or in the alternative, designating Developer, its successors and/or assigns, to defend the City at the expense of Developer, its successors and assignees.**

**SECTION 11. NOTICES.** Until further written notice by either party to the other, all notices provided for herein shall be in writing and delivered by email, courier service or by US Mail to:

As to Developer:

Sabal Trace Development Partners, LLC  
301 W. Platt Street Unit 368  
Tampa FL 33606  
Telephone: (407) 616-3248  
Attn: Mark Gerenger  
Email: markgerenger@gnpdev.com

As to City:

City of North Port Utilities Department  
Attention: Utilities Director  
6644 W. Price Boulevard  
North Port, FL 34291  
Telephone: (941) 240-8000  
Email: rnewkirk@cityofnorthport.com

When providing notice of an assignment pursuant to Section 10.3, Developer shall additionally provide the City notice by email to: npuengineering@cityofnorthport.com.

**SECTION 12. SURVIVAL OF COVENANTS.** The rights, privileges, obligations and covenants of Developer and the City shall survive the completion of work of Developer with respect to completing the water and wastewater facilities and services to any phase area and to the Property as a whole.

**SECTION 13. ENTIRE AGREEMENT; AMENDMENTS; APPLICABLE LAW; VENUE; ATTORNEY'S FEES.**

13.1 This Agreement supersedes all previous agreements or representations either verbal or written, heretofore in effect between Developer and the City, made with respect to the matters herein contained, and when duly executed, constitutes the agreement between Developer and the City.

13.2 No additions, alterations or variations of the terms of this Agreement shall be valid, nor can either party waive provisions of this Agreement, unless such additions, alterations, variations or waivers are expressed in writing and duly signed.

13.3 This Agreement shall be governed by the laws of the State of Florida, as well as all applicable local ordinances of the City and it shall be and become effective immediately upon execution by both parties hereto.

13.4 Exclusive venue for any action arising out of this Agreement shall be in the state courts having jurisdiction within Sarasota County, Florida.

13.5 In the event that the City or Developer is required to enforce this Agreement by court proceedings or otherwise, by instituting suit or otherwise, then the prevailing party in such suit shall be entitled to recover all costs incurred, including reasonable attorney's fees.

#### **SECTION 14. DISCLAIMERS, LIMITATIONS ON LIABILITY.**

14.1 **STATUS.** The parties deem each other to be independent contractors, and not agents of the other.

**14.2 INDEMNITY. Developer shall indemnify the City, its respective agents, commissioners and employees, from and against any and all claims, liability, demands, damages, expenses, fees, fines, penalties, suits, proceedings, actions and fees, including reasonable attorney's fees, for injury (including death) to persons or damage to property or property rights that may arise from or be related to acts, errors, or omissions of Developer, its agents, employees, servants, licensees, invitees, or contractors or by any person under the control of direction of Developer, or by Developer's connection to and use of the City's system, and Developer shall indemnify and hold harmless the City as aforesaid from all liability, claims and all other items above mentioned, arising or growing out of or connected with any default, breach, violation or nonperformance by Developer of any covenant, condition, agreement or provision contained in this Agreement concerning all or any part of the City's system. Should Developer fail for any reason to indemnify and hold harmless the City, the City shall have the right to enforce the terms of this Agreement by placing a lien against the Property, but excluding lots subsequently sold to third party end users, upon which this Agreement runs, and the City shall be entitled to recover interest at the highest lawful rate on the lien and shall be entitled to foreclose and enforce the lien and recover costs and fees in connection with the foreclosure of the lien or enforce this Agreement in any other manner allowed by law, including termination of service. Such indemnification shall include costs for physical repair of the City's system.**

14.3 **FORCE MAJEURE.**

(a) Neither party shall be liable to the other in any way whatsoever for any failure or delay in performance of any of the obligations under this Agreement (other than obligations to make payment) arising out of any event or circumstance beyond the reasonable control of such party ("force majeure event"), including without limitation, acts of God, hurricanes, earthquakes, fires, floods, washouts, power outages, explosions, interruptions in telecommunications or internet or network provider services, acts of governmental entities (provided, however, that a legislative or executive act of the City shall not constitute a force majeure event as to the City except in the case of a declared emergency), war, terrorism, civil disturbance, insurrection, riots, acts of public enemies, epidemics, strikes, lockouts or other labor disputes, inability of the City to obtain necessary materials, supplies, labor, or permits whether due to existing or future rules, regulations, orders, laws or proclamations,

either federal, state or county (but not any such rules, regulations, orders, laws or proclamations by the City, except as set forth above relating to declared emergencies), civil or military, or otherwise, and other causes beyond the reasonable control of either party, whether or not specifically enumerated herein.

(b) Failure or delay of performance by either party due to a force majeure event shall not be deemed a breach of this Agreement, and neither party shall have the right to terminate this Agreement on account of non-performance of the other party based on a force majeure event.

(c) Furthermore, any temporary cessation or interruption of water and/or sewer services to the Property by the City resulting from necessary maintenance work, breakdown of, or damages to, machinery, pumps or pipelines shall not constitute a breach of this Agreement by the City nor shall it impose liability upon the City by Developer, its successors or assigns.

#### 14.4 LIMITATION OF LIABILITY; AVAILABLE REMEDIES.

(a) IN NO EVENT SHALL THE CITY HAVE ANY LIABILITY FOR ANY INDIRECT, INCIDENTAL, SPECIAL, CONSEQUENTIAL OR PUNITIVE DAMAGES, HOWEVER CAUSED AND ON WHATEVER THEORY OF LIABILITY, ARISING OUT OF THIS AGREEMENT, INCLUDING, BUT NOT LIMITED TO, LOSS OF ANTICIPATED PROFITS OR BUSINESS INTERRUPTION, EVEN IF THE CITY HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES; and

(b) DEVELOPER'S REMEDIES AGAINST THE CITY FOR THE CITY'S FAILURE TO PERFORM ITS OBLIGATIONS UNDER THIS AGREEMENT, IF NOT EXCUSED ON THE BASIS OF A FORCE MAJEURE EVENT OR AS OTHERWISE PROVIDED IN THIS AGREEMENT, SHALL BE LIMITED TO SPECIFIC PERFORMANCE, INJUNCTION OR OTHER EQUITABLE RELIEF.

14.5 DISCLAIMER OF THIRD PARTY BENEFICIARIES. This Agreement is solely for the benefit of and shall be binding upon the formal parties hereto and their respective authorized successors and assigns, and no right or cause of action shall accrue upon or by reason hereof, to or for the benefit of any third party not a party to this Agreement or an authorized successor or assignee thereof.

14.6 DISCLAIMER OF SECURITY. Notwithstanding any other provision of this Agreement, Developer expressly acknowledges (1) that it has no pledge of or lien upon any real property (including, specifically, the City's system), any personal property, or any existing or future revenue source of the City (including, specifically, any revenue or rates, fees, or charges collected by the City in connection with the City system) as security for any amounts of money payable by the City under this Agreement; and (2) that its rights to any payments or credits under this Agreement are subordinate to the rights of all holders of any stocks, bonds, or notes of the City, whether currently outstanding or hereafter issued.

14.7 CERTIFICATE OF INSURANCE. Developer shall furnish the City with a certificate(s) of insurance prior to the date upon which FDEP permits for construction of any On-Site Facilities, Off-Site Facilities or Treatment Facilities are signed by the Utility Director which shall comply with the insurance requirements set forth below. Said certificate shall provide that insurance coverage shall not be canceled or reduced by the insurance carrier without at least thirty (30) days

prior written notice to the City. In the event that the insurance coverage expires prior to completion of the project, renewal certificates shall be issued 30 days prior to said expiration date. The City reserves the right to alter or amend the insurance requirements from time to time based on scope of the contract and risk factors. Insurance policies must be written by companies licensed to do business in the State of Florida and reasonably acceptable to the City. The City must be named an additional insured on all policies except worker's compensation. Approval and acceptance of insurance by the City shall not relieve or decrease the liability of Developer. Commercial general liability insurance coverage must be written on an occurrence form and shall include bodily injury and property damage liability for premises, operations, independent contractors, products and completed operations, contractual liability, broad form property damages, and property damage resulting from explosion, collapse or underground exposures, personal injury and advertising injury. Fire damage liability shall be included at \$100,000.

14.7.1 City Insurance Requirements

	<b>City Insurance Requirements</b>
<b>WORKERS COMP</b> all state and federal statutory limits apply	\$3,000,000 each accident \$1,000,000 each employee \$1,000,000 policy limit for disease
<b>COMMERCIAL GENERAL LIABILITY</b> occurrence form; required aggregate separate to this job	\$3,000,000 each occurrence \$6,000,000 general aggregate \$1,000,000 products and completed ops \$100,000 fire damage
<b>COMMERCIAL AUTO LIABILITY</b> all owned, non-owned, hired vehicles	\$3,000,000 each accident for property damage and bodily injury with contractual liability coverage

14.7.2 RESERVATION OF RIGHTS - The City of North Port reserves the right to alter or amend these requirements, to decrease or increase the requirements as they see fit, without prior notice, depending on the scope of the contract and the risk factors involved.

14.7.3 ADDITIONAL REQUIREMENTS - The (contractor / vendor) shall furnish the City with Certificates of Insurance. The City of North Port is to specifically be listed / named as an ADDITIONAL INSURED on both the COMPREHENSIVE GENERAL LIABILITY and BUSINESS AUTO POLICIES. All Certificates of Insurance must be on file with and approved by the City before commencement of any work activities. An INDEMNIFICATION & HOLD HARMLESS AGREEMENT must be signed by an authorized representative of the firm and included with the Certificate of Insurance for all contracts for service.

**SECTION 15. COVENANT NOT TO ENGAGE IN UTILITY BUSINESS.** Developer, as a further consideration for this Agreement, agrees that it shall not (the words “shall not” being used in a mandatory definition) engage in the business of providing water and wastewater services to the Property during the period of time the City, its successors and assigns, provide water and wastewater services to the Property, it being the intention of the parties hereto that the foregoing provision shall be a covenant running with the land and under said provision and also under other provisions of this Agreement the City shall have sole and exclusive right and privilege to provide water and wastewater services to the Property and to the occupants of each residence, building or unit constructed thereon.

**SECTION 16. RECORDATION.** The parties hereto agree that an executed copy of this Agreement and Exhibits attached hereto shall be recorded in the Public Records of Sarasota County, Florida at the expense of Developer.

**SECTION 17. SEVERABILITY.** If any court finds any part of this Agreement invalid or unenforceable, such invalidity or unenforceability shall not affect the other parts of this Agreement if the rights and obligations of the parties contained therein are not materially prejudiced, and if the intentions of the parties can continue to be effected. To that end, this Agreement is declared severable.

**SECTION 18. AUTHORITY TO EXECUTE AGREEMENT.** The signature by any person to this Agreement shall be deemed a personal warranty by that person that he has the full power and authority to bind any corporation, partnership, or any other business entity for which he purports to act hereunder.

**SECTION 19. CAPACITY.**

19.1 Except as otherwise may be set forth in this Agreement, the execution of this Agreement between Developer and the City does not constitute a specific reservation of capacity by Developer. Unless and until the required capacity fees and charges have been paid by Developer, the City does not hereby guarantee that capacity will be available for Developer’s project on any later date.

19.2 Any specific reservations of capacity, and the fees and charges for such reservation of capacity, must be detailed either within the body of this Agreement or in Section 20 -- Special Conditions. Such reservation of capacity shall be so reserved for a definite period of time only as long as the payment of appropriate fees and charges are made by Developer or as negotiated between the parties.

19.3 Capacity fees that are paid for by Developer for reservation of capacity, but which are not used by Developer within the period of the reservation, are not refundable.

19.4 The City reserves the right to adjust the Water and Wastewater Capacity Fees (higher or lower) in the future. Developer shall pay the adopted capacity charge that is in effect at the time

of meter application for water and wastewater capacity, as well as the connection fee and security deposits as connections are required and approved by the North Port Utilities Department.

**SECTION 20. SPECIAL CONDITIONS.** The following Special Conditions are mutually agreed upon by Developer and the City. To the extent these Special Conditions conflict with any recitals or provisions contained in this Agreement, these Special Conditions shall prevail.

20.1 If Developer wishes to reserve ERCs, Developer shall pay to the City the adopted Guaranteed Revenue Charge for each unconnected or unused potable water and wastewater ERC. Charges will be billed as of June 30 annually and prorated based upon the period of time during the preceding year between reservation (payment of Capacity Fees) and for as long as such ERCs were unconnected or unused. Developer will be billed for the per day charge (a prorated basis) for the number of days each ERC remained unconnected or unused during the preceding year. Upon connection of an ERC within the Property, any obligation to pay City the Guaranteed Revenue Charge for such ERC shall terminate, as the City (upon connection) begins to bill and collect monthly for water and wastewater pursuant to the City-adopted rate schedule under Section 78-24, *Code of the City of North Port*.

20.2 As of October 1, 2016, the Guaranteed Revenue Charge was set at \$205.00 per year per water ERC and \$190.00 per year per wastewater ERC, and currently remains at that amount; however, City reserves the right to adjust the charge (higher or lower) in the future. Developer shall pay the guaranteed revenue charge in effect at the time of payment. Developer shall have thirty (30) days from the date of the guaranteed revenue invoice to make payment.

20.3 Developer, or its individual lot transferees, shall pay the adopted Water Capacity Fee and Wastewater Capacity Fee for the sole purpose of reserving capacity as follows:

- i. Developer shall pay the adopted Water Capacity Fee and Wastewater Capacity Fee for a block of 50 ERCs on or before October 1, 2019.
- ii. Developer shall pay the adopted Water Capacity Fee and Wastewater Capacity Fee for a block of 100 ERCs on or before October 1, 2020.
- iii. Developer shall pay the adopted Water Capacity Fee and Wastewater Capacity Fee for a block of 130 ERCs on or before October 1, 2021.
- iv. Developer shall pay the adopted Water Capacity Fee and Wastewater Capacity Fee for a block of 130 ERCs on or before October 1, 2022.
- v. Developer shall pay the adopted Water Capacity Fee and Wastewater Capacity Fee for a block of 120 ERCs on or before October 1, 2023.
- vi. Developer shall pay the adopted Water Capacity Fee and Wastewater Capacity Fee for a block of 240 ERCs on or before October 1, 2024.

20.4. The Parties acknowledge the capacity reservation schedule set forth above is Developer's estimate of the anticipated development schedule for the Property as of the Effective Date of this Agreement and is provided primarily to allow City to budget, manage and plan for available water and wastewater capacity. However, if Developer determines the development of the Property will occur at a greater rate (i.e., more quickly) than the schedule set forth in Section 20.3, then Developer may request the City to approve Developer accelerating its payments of Water and Wastewater Capacity Charges for yearly increments in exchange for the City accelerating its reservation of capacity for the corresponding number of paid-for ERCs. The Utilities Director or

the City Manager may approve a requested accelerated ERC payment and reservation, without need for amending this Agreement, which approval will not unreasonably be withheld.

**SECTION 21. DEFAULT, NOTICE, DAMAGES AND REMEDIES.**

21.1 Developer shall have a five (5) day grace period before a failure to make payment as required herein shall constitute an event of default under this Agreement. Developer shall be assessed a five percent (5%) late fee to be calculated on any delinquent payment if made after the expiration of the five (5) day grace period. In the event of Developer's failure to make timely payment as set forth herein and upon the expiration of the five (5) day grace period, the City shall, prior to declaring an event of default, provide Developer with written notice of the City's intent to declare an event of default. Upon such notice, should Developer be in default of any provision of this Agreement, and fail to cure the default upon proper notice, the City has the right to deny issuance of any building permits, certificate of occupancies or approval of any FDEP permits for utility construction associated with the project. Developer shall have an additional twenty (20) days from the date Developer receives the City's written notice within which to make the specified payment.

21.2 Should Developer fail to cure a default upon its receipt of proper notices, the City may undertake the appropriate legal actions it deems necessary to enforce its right and remedies as provided under this Agreement and Florida law.

21.3 The City and Developer agree that in the event of an uncured default by Developer resulting in termination of this Agreement, the City will suffer damages not only in the amount of any unpaid capacity fees, any unpaid guaranteed revenues and any associated late fees, but also in the amount of Developer's proportionate share of the capital investment the City has made in constructing the City's water and wastewater system made available to serve Developer, including but not limited to the debt service on bonds or other financing instruments issued for that purpose. For purposes of calculating damages related to the City's capital investment in the water and wastewater system, the City and Developer agree that such damages shall be valued at \$132.73 per year per reserved but unconnected water ERC and at \$111.82 per year per reserved but unconnected wastewater ERC, and that Developer shall be liable to the City, as liquidated damages, and not as a penalty, for three (3) years of such damages. This liquidated damages amount shall pertain only to the City's damages related to its capital investment in its water and wastewater system, and shall be in addition to the City's damages related to unpaid capacity fees, unpaid guaranteed revenues and associated late fees.

21.4 In addition to its other remedies, should Developer be in default of any provision of this Agreement, and fail to cure the default upon proper notice, the City has the right to deny issuance of any building permits, certificate of occupancies or approval of any FDEP permits for utility construction associated with the project.

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IN WITNESS WHEREOF, Developer and the City have executed or have caused this Agreement, with the named Exhibits attached, if any, to be duly executed in several counterparts, each of which counterpart shall be considered an original executed copy of this Agreement.

ATTEST:

**CITY OF NORTH PORT, FLORIDA**

*for* *Kathryn Wong*  
KATHRYN WONG  
CITY CLERK

By: *Peter D. Lear*  
PETER D. LEAR, CPA, CGMA  
CITY MANAGER

Approved as to form and correctness:

*Amber L. Slayton*  
AMBER L. SLAYTON  
CITY ATTORNEY

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SIGNATURES CONTINUED ON FOLLOWING PAGES



*Dwayne K Ellis*  
Witness

Dwayne K Ellis  
Print Name

*[Signature]*  
Witness

Josh Pardue  
Print Name

SABAL TRACE DEVELOPMENT  
PARTNERS, LLC

By: *Mark Gerenges*  
Name: *Mark Gerenges*  
Title: *member*

STATE OF FLORIDA  
COUNTY OF SARASOTA

The foregoing instrument was acknowledged before me this 9 day of July, 2019, by Mark Gerenges, as member of Sabal Trace Development Partners, LLC . He/She is personally known to me or has produced \_\_\_\_\_ as identification, and did not take an oath.



*Dee H Kirby*  
Notary Public

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**EXHIBIT A-1**

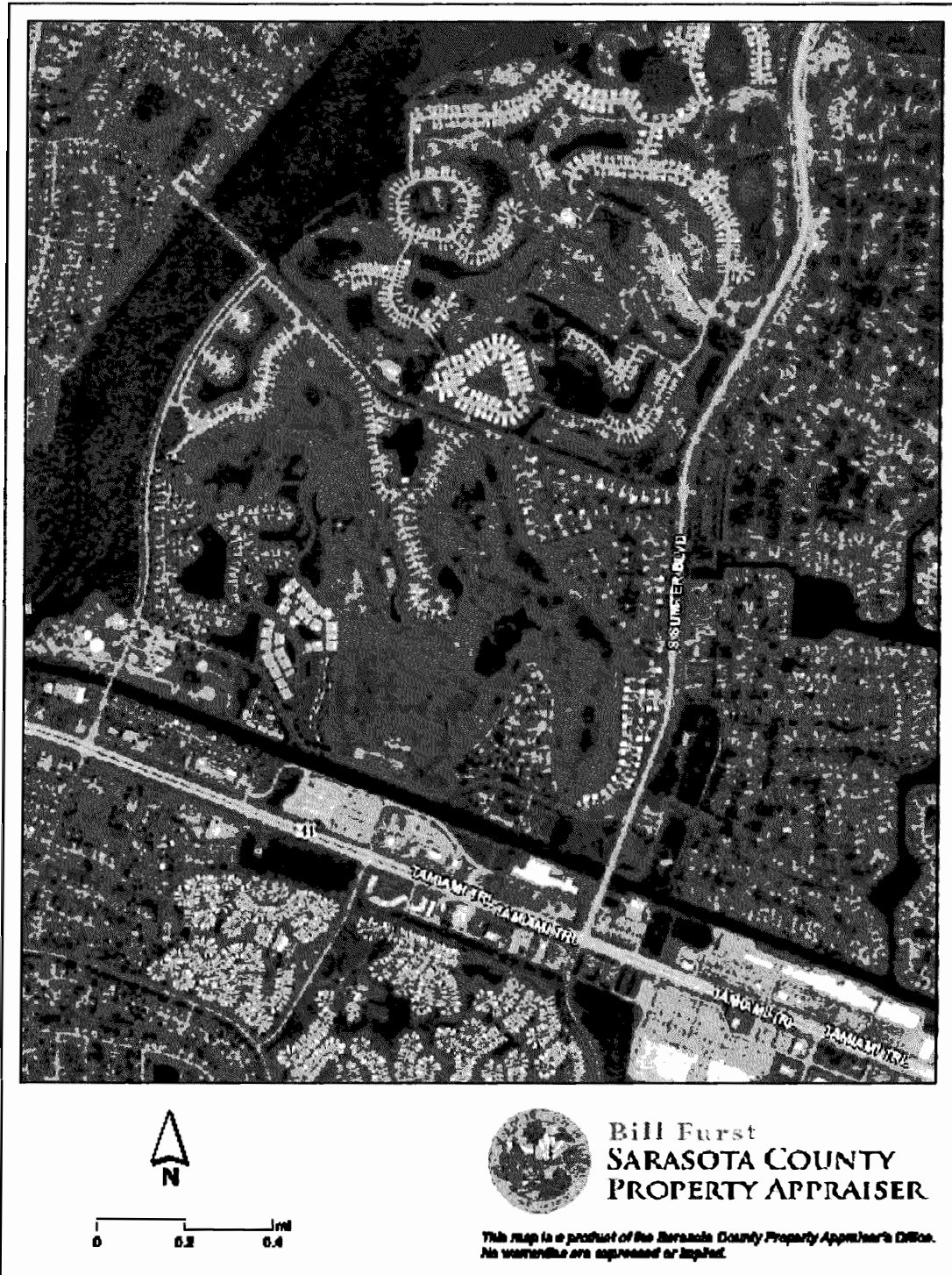
**BOUNDARY DESCRIPTION OF PROPERTY**

**That property located in Sarasota County, Florida, as described in the Certificate of Title recorded in Official Records Instrument # 2017131148, Public Records of Sarasota County, Florida.**

<https://secure.sarasotaclerk.com/viewTiff.aspx?intrnum=2017131148>

EXHIBIT A-2

MAP OF PROPERTY



**EXHIBIT B**

**ASSIGNMENT SAMPLE**

**ASSIGNMENT AND ASSUMPTION OF UTILITY AGREEMENT**

Sabal Trace Development Partners, LLC, a Florida limited liability company (“Assignor”) for and in consideration of the sum of \$10.00 and other good and valuable consideration, the receipt of sufficiency of which are hereby acknowledged, hereby assigns to \_\_\_\_\_, a (Florida LLP, LLC, Corporation) (“Assignee”), all of Assignor's rights, title, and interest in and to \_\_\_\_\_ ERCs (“Assigned ERCs”) allocated to and reserved by Assignor in that certain agreement more particularly described as the City of North Port, Florida (“the City”) and Sabal Trace Development Partners, LLC Water and Wastewater System Developer’s Agreement, dated \_\_\_\_\_, and recorded in Official Records Instrument # 2019 \_\_\_\_\_, Public Records of Sarasota County, Florida, (“Utility Agreement”). This Assignment does not affect the remaining ERCs allocated to and reserved by Assignor under the Utility Agreement.

Assignee hereby covenants and agrees to assume, keep, and perform, from and after the date of this Assignment, all of the terms, conditions, covenants, obligations and provisions contained in the Utility Agreement to be kept and performed on the part of Assignor with regard to the Assigned ERCs, including but not limited to, paying all Guaranteed Revenue Charges due to the City for the Assigned ERCs under the Utility Agreement, subject to the terms, covenants, conditions, and provisions contained in the Utility Agreement to be kept and performed by the City. Assignor shall have no further obligation to the City for the Assigned ERCs consistent with Section 10.3 of the Utility Agreement.

IN WITNESS WHEREOF, this Assignment and Assumption has been executed on the \_\_\_ day of \_\_\_\_\_ 2019.

Signed in the presence of:

**ASSIGNORS:**

\_\_\_\_\_

\_\_\_\_\_  
A Florida (LLP, LLC, Corporation)

\_\_\_\_\_

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

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Signed in the presence of:

\_\_\_\_\_

\_\_\_\_\_

**ASSIGNEES:**

\_\_\_\_\_  
A Florida (LLP, LLC, Corporation)

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

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

EXHIBIT C  
PRIOR AGREEMENT  
(Including Assignment and Amendments)  
(20 Pages)

This instrument prepared by or under the supervision of:  
Name: Joel K. Goldman, Esq.  
Address: Greenberg, Traurig, Hoffman, Lipoff, Rosen &  
Quertel, P.A.  
1221 Brickell Avenue  
Miami, Florida 33131-3261

(Space reserved for Clerk of Court)

ASSIGNMENT OF EFFLUENT AGREEMENT

THIS ASSIGNMENT OF EFFLUENT AGREEMENT ("Assignment") is made as of the 5<sup>th</sup> day of December, 1992, by and between GENERAL DEVELOPMENT UTILITIES, INC., a Florida corporation ("Assignor") and the CITY OF NORTH PORT, FLORIDA, a municipal corporation created under the laws of the State of Florida ("Assignee").

RECITALS

A. Assignor and Assignee are parties to that certain CITY OF NORTH PORT FLORIDA/ GENERAL DEVELOPMENT UTILITIES, INC. WATER AND SEWER SYSTEM ASSET PURCHASE AND SALE AGREEMENT dated October 19, 1992 (the "Contract").

B. Assignor and ATLANTIC GULF COMMUNITIES CORPORATION, a Delaware corporation, f/k/a GENERAL DEVELOPMENT CORPORATION are parties to that certain Agreement dated February 12, 1986, as amended, a copy of which is attached hereto as Exhibit "A" and by this reference made a part hereof (the "Effluent Agreement").

C. Pursuant to Section 19.3 of the Contract, Assignor has agreed to assign the Effluent Agreement to Assignee and Assignee has agreed to assume all of the obligations of Assignor under the Effluent Agreement.

NOW, THEREFORE, for and in consideration of the mutual covenants exchanged by and among the parties hereto, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Recitals. The foregoing recitals are true and correct and are incorporated herein by this reference.
2. Assignment. Assignor hereby sells, assigns, transfers, sets over and delivers to Assignee the Effluent Agreement subject, however, to the terms, covenants and conditions contained in the Effluent Agreement.
3. Assumption. Assignee hereby assumes all of the obligations of Assignor under the Effluent Agreement, and shall faithfully observe and perform all of the terms, covenants and conditions contained in the Effluent Agreement to be observed and performed on Assignor's part.
4. Interpretation. The terms "Assignor" and "Assignee" as used herein shall mean and include the named parties and their respective successors and assigns.
5. Governing Law. This Assignment shall be governed by and construed in accordance with the laws of the State of Florida.

IN WITNESS WHEREOF, the undersigned have executed and delivered this Assignment as of the day and year first above written.

Signed, sealed and delivered in the presence of:

GENERAL DEVELOPMENT UTILITIES, INC., a Florida corporation

[Signature]  
Name: ROBERT L. NORRIS

By: [Signature]  
Charles E. Fancher, Jr.  
President

[Signature]  
Name: ROBERT L. NORRIS

CITY OF NORTH PORT, FLORIDA, a municipal corporation created under the laws of the State of Florida

[Signature]  
Name: ROBERT L. NORRIS

By: [Signature]  
Ben Hardin  
Chairperson

[Signature]  
Name: ROBERT L. NORRIS

STATE OF FLORIDA }  
COUNTY OF Hillsborough }

SS:

The foregoing instrument was acknowledged before me this 14 day of December, 1992 by CHARLES E. FANCHER, JR., as President of GENERAL DEVELOPMENT UTILITIES, INC., a Florida corporation, on behalf of the corporation. He personally appeared before me, is personally known to me or produced [Signature] as identification, and did not take an oath.

[NOTARIAL SEAL]

Notary: [Signature]  
Print Name: DAVID S. BERGAMINI  
Notary Public, State of Florida  
Commission No: 0011677  
My commission expires: \_\_\_\_\_

Notary Public, State of Florida  
My Commission Expires June 23, 1995  
Equal Opportunity Lender

STATE OF FLORIDA }  
COUNTY OF Hillsborough }

SS:

The foregoing instrument was acknowledged before me this 14 day of December, 1992 by BEN HARDIN, as Chairperson of THE CITY OF NORTH PORT, FLORIDA, a municipal corporation created under the laws of the State of Florida, on behalf of the municipal corporation. He personally appeared before me, is personally known to me or produced \_\_\_\_\_ as identification, and did not take an oath.

[NOTARIAL SEAL]

Notary: [Signature]  
Print Name: DAVID S. BERGAMINI  
Notary Public, State of Florida  
Commission No: 0011677  
My commission expires: \_\_\_\_\_

Notary Public, State of Florida  
My Commission Expires June 23, 1995  
Equal Opportunity Lender

AGREEMENT

AGREEMENT made this 12<sup>th</sup> day of February, 1986, between General Development Corporation, a Delaware corporation, authorized to transact business in the State of Florida, hereinafter referred to as "General", and General Development Utilities, Inc., a Florida corporation, hereinafter referred to as "Utilities".

WHEREAS, Utilities has been required by the Florida Department of Environmental Regulation through permit conditions that incorporate Sarasota County Resolution No. 85-229 requirements to dispose of reclaimed wastewater effluent from its North Port wastewater treatment plant.

WHEREAS, General desires to use the reclaimed wastewater effluent to spray irrigate the property set forth in Exhibit "A".

NOW, THEREFORE, in consideration of the mutual covenants herein granted:

1. CONSIDERATION. For Ten (\$10.00) Dollars and other valuable consideration, General agrees to accept and use reclaimed wastewater effluent.

2. DESCRIPTION OF PROPERTY. General hereby agrees to accept reclaimed wastewater effluent from the Utilities' North Port wastewater treatment plant for the purpose of irrigating the property described at Exhibit "A", attached hereto and by this reference made a part hereof, for the term and upon the conditions hereafter set forth.

3. TERM. The term of this Agreement shall commence upon execution of this Agreement and shall continue until terminated by mutual consent of the parties.

4. USE. During the term of this Agreement and any extensions thereof, Utilities shall pump reclaimed wastewater effluent to a point (Point of Delivery) defined at Exhibit B. General shall construct and operate an irrigation system to utilize the reclaimed wastewater effluent from said point for spray irrigation of portions of the subject property described at Exhibit A.

5. UTILITIES AGREES:

A. To provide reclaimed wastewater effluent to the Point of Delivery, in accordance with the requirements of permits issued by state and federal regulatory agencies having jurisdiction over such activities.

B. To construct and maintain the facilities necessary to treat and transport reclaimed wastewater effluent from the North Port wastewater treatment plant to the Point of Delivery.

C. To promptly execute and comply with all statutes, ordinances, rules, orders, regulations and requirements of the Federal, State, County and City Government and of any and all of these departments and bureaus applicable to treatment of reclaimed wastewater effluent for irrigation of areas accessible to the public during the term of this Agreement.



D. To indemnify and save General harmless from and against any and all claims, suits, actions, damages and/or causes of action arising during the term of this Agreement for any personal injury, loss of life and/or damage to soil and/or property sustained in or about the property or elsewhere, by reason or as a result of providing reclaimed wastewater effluent to the Point of Delivery which does not meet applicable standards for irrigation of areas accessible to the public and from and against any orders, judgments, and/or decrees which may be entered thereon and from and against all costs, counsel fees, expenses and liabilities incurred in and about the defense of any such claim and the investigation thereof, including those on appeal.

6. GENERAL AGREES:

A. To irrigate the property shown on Exhibit A with reclaimed wastewater effluent delivered to the point shown on Exhibit B.

B. To assume all construction, operation and maintenance responsibility and expense for the irrigation system beyond the Point of Delivery.

C. To manage subject golf course in accordance with all applicable laws, relating to this Agreement.

D. To indemnify and save Utilities harmless from and against any and all claims, suits, actions, damages and/or causes of action arising during the term of this Agreement for any personal injury, loss of life and/or damage to soil and/or property sustained in or about the property or elsewhere, by reason or as a result of General's use of said reclaimed wastewater effluent, and from and against any orders, judgments, and/or decrees which may be entered thereof and from and against all costs, counsel fees, expenses and liabilities incurred in and about the defense of any such claim and the investigation thereof, including those on appeal.

E. To grant to Utilities easements necessary for the construction, operation and maintenance of any facilities required to be constructed by Utilities on General's property up to the Point of Delivery.

F. That General is aware of the fact Utilities is required by the Florida Department of Environmental Regulation through permit conditions that incorporate Sarasota County Resolution No. 85-229 to dispose of reclaimed wastewater effluent by golf course irrigation. General agrees to assist Utilities to comply with the terms and conditions of this Resolution regarding the requirement to dispose of the effluent by golf course irrigation.

G. To at all times operate and maintain such facilities in an efficient manner. Circumstances resulting in the temporary or partial failure of the facilities as required by this Agreement shall be remedied with all reasonable dispatch. General shall notify Utilities if any temporary or partial failure of the facilities occurs.

H. That Utilities shall at all times during the term of this Agreement have the right to go on, upon and across the subject property, with advance notice to General.

I. To post appropriate warning signs around the sites utilizing reclaimed wastewater effluent to designate the nature of the water and its non-potability.

J. To take all reasonable precautions, including signs and labeling, to clearly identify the reclaimed wastewater effluent to prevent inadvertent human consumption.

K. That no cross-connections will be made between the reclaimed wastewater effluent system and other water systems.

L. All construction shall be in accordance with plans and specifications approved by all the applicable regulatory agencies and Utilities. Construction, operation and maintenance of the reclaimed water irrigation system shall be in accordance with the requirements of local, state, and federal regulatory agencies having jurisdiction over such activities including but not limited to the following:

1. To maintain a minimum distance of 500 feet between the periphery of the wetted reclaimed wastewater effluent irrigation system application area and any existing or approved (but not yet constructed) shallow water supply wells (excluding irrigation wells), Class I waters or Class II waters approved or conditionally approved for shell fish harvesting.

2. To maintain a minimum distance between the periphery of the wetted reclaimed wastewater effluent irrigation system application area and the edge of General's property which will preclude or minimize odor or aerosol drift.

3. To maintain a minimum distance of 100 feet between the periphery of the wetted reclaimed wastewater effluent irrigation system application area (including areas of aerosol drift) and outdoor public eating, drinking or bathing facilities.

4. To maintain a minimum distance of 15 feet between the periphery of the wetted reclaimed wastewater effluent irrigation system application area and any on-site surface water bodies or paved areas, not including paved golf cart path.

5. To prepare and implement a ground water monitoring plan in accordance with the requirements of local, state, and federal regulatory agencies having jurisdiction over such activities.

6. To operate the reclaimed water irrigation system during times which minimize public exposure to the reclaimed wastewater effluent.

7. DELIVERY:

Utilities will deliver and General will accept and use no less than 90 million gallons nor no more than 160 million gallons of reclaimed wastewater effluent per year in as equal of daily quantities as the weather or unforeseen circumstances will allow. Utilities will not be required to deliver more than 0.6 million gallons during any one twenty-four hour period. Utilities will deliver the reclaimed wastewater effluent at little or no pressure and General will supply the facilities necessary to increase the pressure to meet their needs.

8. OTHER

A. General's right to sell, transfer, or encumber the property described in Exhibit "A" shall not be restricted by this Agreement, as long as the terms and conditions of this agreement are not violated, and except that written notice of any proposed sale or transfer must be given to Utilities, at least thirty (30) days prior to the sale or transfer of the property described in Exhibit "A".

B. This Agreement shall be binding upon the successors, assigns and legal representatives of the respective parties hereto.

C. General and Utilities agree to execute any applications, affidavits, or other instruments which may be deemed necessary or desirable to permit General and Utilities to comply with Florida Statutes and any other applicable law.

9. NOTICES.

All notices to be given under this Agreement by either party to the other shall be given in writing by registered or certified mail, addressed to such party at the address hereinafter set forth or at such other address, if any, given by such party to the other during the term of this lease. Notice to be served on Utilities shall be mailed to its office at:

General Development Utilities, Inc.  
1111 South Bayshore Drive  
Miami, Florida 33131

Notices to be served on General shall be mailed to:

General Development Corporation  
Commercial and Resorts Division  
1114 South Bayshore Drive  
Miami, Florida 33131

General and Utilities agree to execute any applications, affidavits, or other instruments which may be deemed necessary or desirable to permit General and Utilities to comply with Florida Statutes and any other applicable law.

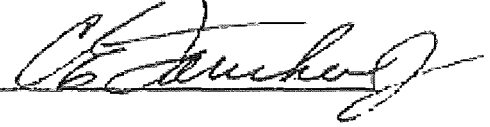
IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

GENERAL DEVELOPMENT CORPORATION

By: 

Attest:   
Asst. Secy

GENERAL DEVELOPMENT UTILITIES, INC.

By: 


Attest:   
Asst. Secy

EXHIBIT A

A parcel of land lying in sections 28, 29, 32, 33, Township 39 South Range 21 East, Sarasota County, Florida, more particularly described as follows:

Beginning at the southwesterly corner of Tract "A" of Block 3 which is also a point on the Northwesterly right-of-way line of Greenwood Avenue as shown on North Port Charlotte Country Club Unit Two according to the plat as recorded in Plat Book 26, pages 37 and 37A through 37C, of the public records of Sarasota County, Florida, thence run along the boundary of said North Port Charlotte Country Club Unit Two the following 13 courses: N19°12'49"W a distance of 229.36 feet, thence N47°02'39"E a distance of 314.34 feet to the POINT OF CURVATURE with a 1800 foot radius circular curve concave Northwesterly, thence Northeastly along the arc of said curve through a central angle of 21°25'11" for a distance of 672.92 feet to a POINT OF TANGENCY thence N25°37'28"E a distance of 428.55 feet, thence S79°14'40"E a distance of 148.65 feet to a POINT ON THE ARC of a 1260 foot radius circular curve concave Northeastly with a tangent bearing of S18°54'13"E at that point, thence Southeasterly along the arc of said curve through a central angle of 17°18'44" a distance of 380.72 feet, thence S00°03'22"W a distance of 132.71 feet to the POINT OF CURVATURE with a 3,000 foot radius circular curve concave Westerly, thence Southerly along the arc of said curve through a central angle of 03°55'49" a distance of 310.50 feet to a POINT OF TANGENCY, thence S05°59'11"W a distance of 117.89 feet to the POINT OF CURVATURE with a 685 foot radius circular curve concave Easterly, thence Southerly along the arc of said curve through a central angle 21°28'36" a distance of 256.76 feet to a POINT OF TANGENCY, thence S15°29'25"E a distance of 361.35 (plat) feet, thence S69°21'34"E a distance of 243.98 feet to the POINT OF CURVATURE with a 350 foot radius circular curve concave Northerly, thence Easterly along the arc of said curve through a central angle of 24°31'19" a distance of 149.80 feet; thence leaving said North Port Charlotte Country Club Unit Two run N20°40'21"E a distance of 286.79 feet to the POINT OF CURVATURE with a 1275.00 foot radius circular curve concave Southeastly, thence Northeastly along the arc of said curve through a central angle of 18°11'42" a distance of 404.89 feet to POINT OF REVERSE CURVATURE with a 725.00 foot radius circular curve concave Northwesterly; thence Northeastly along the arc of said curve through a central angle of 18°11'42" a distance of 230.23 feet to a POINT OF TANGENCY with the Northwesterly line of Block 1 of North Port Charlotte Country Club Unit One according to the Plat as recorded in Plat Book 19, pages 32 and 32A through 32C, of the Public Records of Sarasota County, Florida; thence run along the boundary of said North Port Charlotte Country Club Unit One the following 15 courses: N20°40'21"E a  
NE GOLF COURSE/EXHIBIT A

003683

distance of 161.77 feet to the POINT OF CURVATURE with a 275.00 foot radius circular curve concave Westerly, thence Northerly along the arc of said curve through a central angle of 17°12'49" a distance of 232.84 feet to a POINT OF TANGENCY, thence N03°27'32"E a distance of 485.00 feet, thence N 89°14'56"W a distance of 147.04 feet, thence N44°30'00"W a distance of 385.09 feet, thence N13°38'52"W a distance of 388.81 feet, thence S76°21'08"W a distance of 213.08 feet to a point of intersection with the arc of a 225.00 foot radius circular curve concave Easterly, said POINT BEARING, S13°37'06"W from the center of circle of said curve, thence Northwesterly, Northerly and Northeasterly along the arc of said curve through a central angle of 113°27'19" a distance of 446.86 feet, thence N76°21'08"E a distance of 511.42 feet, thence N62°59'35"E a distance of 101.03 feet, thence N67°08'07"W a distance of 128.83 feet, thence S76°21'08"W a distance of 707.14 feet to a point of intersection with the arc of a 275 foot radius circular curve concave Northeasterly, said point bearing S10°36'20"W from the center of circle of said curve, thence Northwesterly along the arc of said curve through a central angle of 65°12'48" a distance of 313.80 feet to a POINT OF TANGENCY, thence N13°38'52"W a distance of 674.01 feet, thence N21°12'00"E a distance of 83.67 feet, thence leaving said North Port Charlotte Country Club Unit One Run N68°45'00"W a distance of 466.91 feet, thence S32°06'27"W a distance of 328.32 feet, thence S35°53'33"E a distance of 875.00 feet, thence S19°36'27"W a distance of 530.00 feet, thence N70°23'33"W a distance of 605.00 feet, thence N08°41'17"W a distance of 1164.14 feet, thence N70°27'59"W a distance of 70.00 feet, thence N35°30'55"W a distance of 198.69 feet, thence N06°50'00"W a distance of 334.95 feet, thence N07°02'37"W a distance of 276.28 feet, thence N22°36'33"W a distance of 250.49 feet, thence N33°23'30"W a distance of 369.42 feet to a point on a line 150.00 feet Southwesterly of and parallel to the Southwesterly right-of-way line of Appomattox Drive as said Drive is shown on the Plat for the Fifty-Second Addition to Fort Charlotte Subdivision according to the plat thereof recorded in Plat Book 21, Pages 13 and 13A through 13H of the Public Records of Sarasota County, Florida; thence N45°34'35"W along said parallel line a distance of 315.76 feet, thence S44°25'25"W a distance of 470.00 feet, thence S00°34'35"E a distance of 390.00 feet; thence S28°34'35"E a distance of 140.00 feet; thence S61°25'25"W a distance of 220.00 feet; thence N70°04'35"W a distance of 195.00 feet; thence S69°55'25"W a distance of 475.00 feet to the POINT OF CURVATURE with a 500 foot radius circular curve concave Southeasterly; thence Southwesterly along the arc of said curve through a central angle of 66°00'00" for a distance of 375.96 feet to the POINT OF COMPOUND CURVATURE with a 300.00 foot radius curve concave Northeasterly; thence Southeasterly along the arc of said curve through a central angle of 64°03'19" for a distance of 335.39 feet to a POINT OF

NE GOLF COURSE/EXHIBIT A

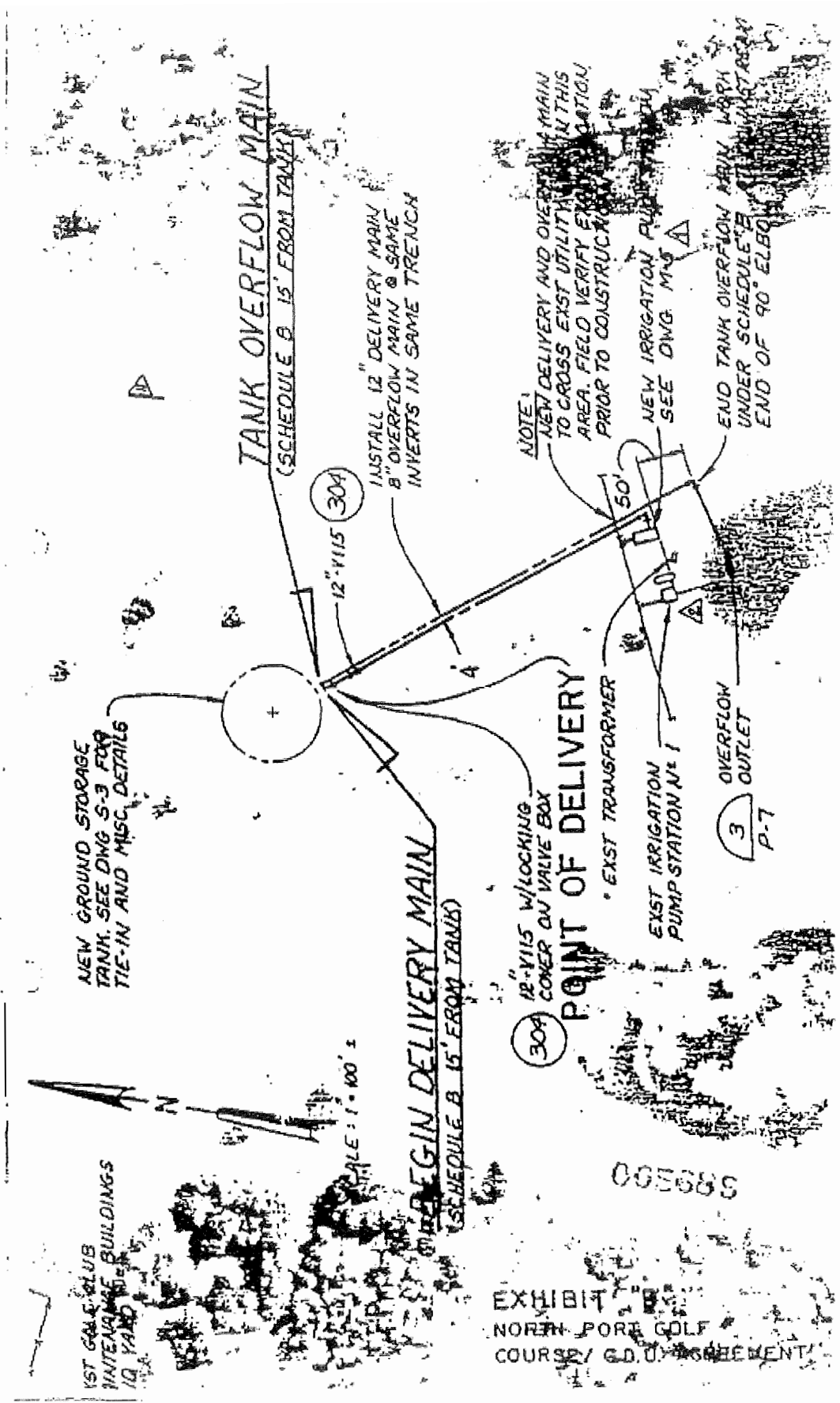
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005681

EXHIBIT "7"

TANGENCY, thence S60°07'34"E a distance of 187.79 feet; thence N70°40'21"E a distance of 140.00 feet; thence N80°40'21"E a distance of 586.85 feet; thence S71°19'39"E a distance of 247.22 feet; thence S01°19'39"E a distance of 639.45 feet to a POINT OF CURVATURE with a 380.00 foot radius circular curve concave Northeasterly ; thence Southeasterly along the arc of said curve through a central angle of 40°45'00" for a distance of 270.26 feet to a POINT OF TANGENCY; thence S42°04'39"E a distance of 367.65 feet to the POINT OF CURVATURE with a 550.00 foot radius circular curve concave Westerly; thence Southerly along the arc of said curve through a central angle of 51°45'00" for a distance of 496.76 feet to a POINT OF TANGENCY; thence S09°40'21"W a distance of 942.12 feet; thence S69°13'39"E a distance of 1205.00 feet to the POINT OF CURVATURE with a 350 foot radius circular curve concave Northarly; thence Easterly along the arc of said curve through a central angle of 39°53'10" for a distance of 243.65 feet to a POINT OF TANGENCY; thence N70°47'11"E a distance of 69.44 feet to the POINT OF BEGINNING. Containing 227.44 acres, more or less.

005685



NEW GROUND STORAGE TANK. SEE DWG S-3 FOR TIE-IN AND MISC. DETAILS

1ST GOLF CLUB MAINTENANCE BUILDINGS IG YARD

EXHIBIT "7"

EXHIBIT NORTH PORT GOLF COURSE / G.D.U. AGREEMENT



1548/3

over on legal  
table

FIRST AMENDMENT

THIS FIRST AMENDMENT made this 17<sup>th</sup> day of April, 1987, between General Development Corporation, a Delaware corporation authorized to do business in the State of Florida, hereinafter referred to as "General", and General Development Utilities, Inc., a Florida corporation, hereinafter referred to as "Utilities", amends that certain Agreement dated February 12, 1986 between the parties.

WHEREAS, Utilities is required to properly dispose of additional reclaimed wastewater effluent from its North Port Wastewater Treatment Plant.

WHEREAS, General desires to use the additional reclaimed wastewater effluent to spray irrigate the property described in Exhibit A.

NOW, THEREFORE, in consideration of the mutual covenants herein granted, the parties agree as follows:

1. Paragraph 7 "Delivery" of the Agreement dated February 12, 1986 ("Agreement") is hereby deleted in its entirety and the following substituted therefor:

"7. Delivery. Utilities will deliver and General will accept and use no less than 150 million gallons nor no more than 440 million gallons of reclaimed wastewater effluent per year in as equal of daily quantities as the weather or unforeseen circumstances will allow. Utilities will not be required to deliver more than 1.2 million gallons during any one twenty-four hour period. Utilities will deliver the reclaimed wastewater effluent at little or no pressure and General will supply the facilities necessary to increase the pressure to meet their needs."

2. All other terms and conditions of the Agreement remain unchanged and in full force and effect.

IT WITNESS WHEREOF the parties have executed this First Amendment to the Agreement on the day and year first above written.

GENERAL DEVELOPMENT CORPORATION

By: [Signature]  
SENIOR VICE PRESIDENT

Attest: [Signature]  
VICE SECRETARY

GENERAL DEVELOPMENT UTILITIES, INC

By: [Signature]  
SENIOR VICE PRESIDENT

Attest: [Signature]  
SECRETARY

003887

LEG. 70/12/03/09/87

- 1 -

EXHIBIT "7"

SECOND AMENDMENT

THIS SECOND AMENDMENT made this 30th day of July, 1992 between Atlantic Gulf Communities Corporation, a Delaware corporation authorized to do business in the State of Florida, hereinafter referred to as "Atlantic" and General Development Utilities, Inc., a Florida corporation, hereinafter referred to as "Utilities," amends that certain Agreement dated February 12, 1986 and First Amendment dated April 14, 1987 between the parties.

WHEREAS, Utilities desires to amend Exhibit "B" Paragraph 7 "Delivery," and the addition of Paragraph 10 to the Agreement.

WHEREAS, Atlantic has no objection to the amendments of Exhibit "B" Paragraph 7 "Delivery" and the addition of Paragraph 10 to the Agreement.

NOW, THEREFORE, in connection of the mutual covenants herein granted, the parties agree as follows:

1. Exhibit "B" of the Agreement is amended by relocating the point of delivery from the twelve inch valve located fifteen feet from the ground storage tank to the discharge of the irrigation pump.

2. Atlantic agrees to pay all power costs associated with the operation of the irrigation pump as identified in Exhibit "B."

3. Paragraph 7 "Delivery" of the Agreement is hereby amended as follows:

7. Delivery: Utilities will deliver and Atlantic will accept and use no less than 50 million gallons nor no more than 440 million gallons of reclaimed wastewater effluent per year in as equal of daily quantities as the weather or unforeseen circumstances will allow. Utilities will not be required to deliver more than 1.2 million gallons during any one 24 hour period.

4. Paragraph 10 is added to the Agreement as follows:

10. Rates: All rates and charges made by Utilities to Atlantic shall be made in accordance with such tariff filed by Utilities with the Florida Public Service Commission in accordance with such tariff, as amended, as may be from time to time adopted and approved by the Florida Public Service Commission in accordance with its' regulatory authority contained in applicable statutes, ordinances, rules and regulations.

5. All other terms and conditions of this Agreement remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the day and year first above written.

ATLANTIC GOLF COMMUNITIES CORPORATION

By: Arnold A. Ferraro  
Attest: Harvey K. Newberry

GENERAL DEVELOPMENT UTILITIES, INC.

By: [Signature]

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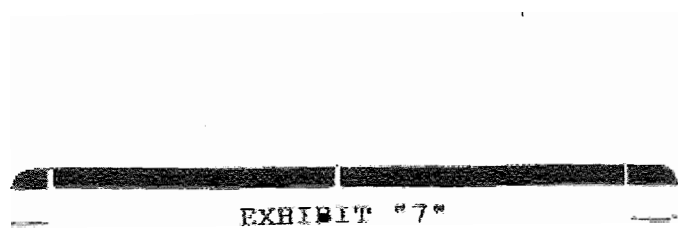


EXHIBIT "7"

EXHIBIT "7"

EXIST GOLF CLUB  
INTERCHANGE BUILDINGS  
10 YARD

NEW GROUND STORAGE  
TANK. SEE DWG S-3 FOR  
TIE-IN AND MISC. DETAILS

SCALE: 1" = 100'

BEGIN DELIVERY MAIN  
(SCHEDULE B 15' FROM TANK)

TANK OVERFLOW MAIN  
(SCHEDULE B 15' FROM TANK)

12" V115 (30A)

INSTALL 12" DELIVERY MAIN &  
8" OVERFLOW MAIN @ SAME  
INVERTS IN SAME TRENCH

(30A) 12" V115 W/LOCKING  
COVER ON VALVE BOX

POINT OF DELIVERY

EXIST TRANSFORMER

EXIST IRRIGATION  
PUMP STATION N=1

NOTE:  
NEW DELIVERY AND OVERFLOW MAIN  
TO CROSS EXIST UTILITY IN THIS  
AREA. FIELD VERIFY EXISTING UTILITY  
PRIOR TO CONSTRUCTION

NEW IRRIGATION PUMP  
SEE DWG. M-5

(3) OVERFLOW  
OUTLET  
P-7

END TANK OVERFLOW MAIN WITH  
UNDER SCHEDULE B. END OF 90° ELEV

13159 GENERAL DEVELOPER UTILITIES

P-5/3

EXHIBIT "7"  
NO. 100-PT. 3 (GOLF CLUB)  
COURTESY AND DEVELOPER'S AGREEMENT

## THE THIRD AMENDMENT

THIS THIRD AMENDMENT is made this 12-12 day of October, 1992, between ATLANTIC GULF COMMUNITIES CORPORATION, a Delaware Corporation authorized to do business in the State of Florida, hereinafter referred to as "ATLANTIC" and GENERAL DEVELOPEMENT UTILITIES, INC., a Florida Corporation, hereinafter referred to as "UTILITIES" amends that certain Agreement dated February 12, 1986, First Amendment dated April 14, 1987, and Second Amendment dated July 30, 1992 between the parties.

WHEREAS, UTILITIES is this same date entering into a Purchase and Sale Agreement with the City of North Port, Florida, to sell its water and sewer system located in the City of North Port.

WHEREAS, the City will be assuming the Agreement dated February 12, 1986, as amended.

WHEREAS, upon assumption of the February 12, 1986 Agreement and all Amendments thereto, the Florida Public Service Commission will no longer regulate the water and sewer system and the rates to be charged under the February 12, 1986 Agreement as amended.

WHEREAS, ATLANTIC and UTILITIES desire to amend paragraph 10 to the Agreement to clarify that upon acquisition of the water and sewer system by the City of North Port, the City of North Port will set rates for the use of reclaimed wastewater effluent by ATLANTIC under the February 12, 1986 Agreement.

ACCORDINGLY, in consideration of the above recitals and benefits to be derived from the mutual observation of the covenants contained herein, and other good and valuable consideration the receipt and sufficiency of which are hereby acknowledged by the parties, the parties agree as follows:

1. The above recitals are true and correct and form a material part of this Agreement.

2. Paragraph 10 of the Agreement is hereby amended as follows:

10. RATES: All rates and charges made by UTILITIES, its successors or assigns to ATLANTIC shall be made in accordance with such tariff, as amended, as may be from time to time adopted and approved by the Florida Public Service Commission in accordance with its regulatory authority contained in applicable statutes, ordinances, rules and regulations. Should this Agreement be assigned to and assumed by the City of North Port, Florida, the City shall set rates and charges to be paid by ATLANTIC for the delivery of reclaimed wastewater effluent under this Agreement. The City shall charge and ATLANTIC shall pay to the City \$.23 (twenty-three cents) per thousand gallons of reclaimed wastewater effluent delivered to the golf course property under this Agreement. Furthermore, said user rate for the delivery of reclaimed wastewater effluent may change from time to time as determined by the City Commission of the City of North Port,

Florida so long as said rate is just, fair, reasonable and equitable.

3. Except as expressly amended by this THIRD AMENDMENT, all other terms and conditions of the February 12, 1986 Agreement as amended by the First Amendment and the Second Amendment shall remain unchanged and in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date and year first above written.

Signed, sealed and delivered in the presence of:

(x) \_\_\_\_\_

Name: \_\_\_\_\_

(x) \_\_\_\_\_

Name: \_\_\_\_\_

Signed, sealed and delivered in the presence of:

(x) \_\_\_\_\_

Name: \_\_\_\_\_

(x) \_\_\_\_\_

Name: \_\_\_\_\_

UTILITY:

GENERAL DEVELOPMENT UTILITIES, INC., a corporation

By: *Charles E. Fancher, Jr.*  
Mr. Charles E. Fancher, Jr.  
President

[Corporate Seal]

AGCC:

ATLANTIC GULF COMMUNITIES, CORPORATION, a corporation

By: *Donald A. Damm*

*DONALD A. DAMM*  
Print Name

*(Signature)*  
Title

[Corporate Seal]

FOURTH AMENDMENT TO EFFLUENT AGREEMENT

THIS FOURTH AMENDMENT is made as of the 8<sup>th</sup> day of December, 1992, by and between ATLANTIC GULF COMMUNITIES CORPORATION, a Delaware corporation authorized to do business in the State of Florida ("Atlantic") and GENERAL DEVELOPMENT UTILITIES, INC., a Florida corporation ("Utilities").

W H E R E A S:

A. Atlantic and Utilities are parties to that certain Agreement dated February 12, 1986, as amended by the First Amendment dated April 14, 1987, Second Amendment dated July 30, 1992 and Third Amendment dated October 12, 1992 (collectively, "Effluent Agreement"), which provides for, among other things, the use of reclaimed wastewater effluent for the irrigation of Sabal Trace Golf Course located in the City of North Port Florida ("Golf Course").

B. Atlantic recognizes that irrigating the Golf Course through the effluent disposal system is the preferred use for the reclaimed wastewater effluent.

C. Conditions may exist from time to time where using the reclaimed wastewater effluent for irrigation may be harmful to the use of the Golf Course for its primary purpose as a country club and golf course.

D. The parties desire to amend the Effluent Agreement in certain respects as more particularly set forth below.

NOW, THEREFORE, in consideration of the execution and delivery of the Effluent Agreement and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby further agree as follows:

1. The foregoing recitals are true and correct and are incorporated herein by this reference.

2. Paragraph 7, entitled "Delivery", is hereby amended and restated in its entirety as follows:

"7. Delivery: Utilities will deliver as required by Atlantic and Atlantic will accept and use no less than 50 million gallons and no more than 440 million gallons, subject to the terms provided below, of reclaimed wastewater effluent per year in as equal of daily quantities as the weather or unforeseen circumstances will allow. Utilities will not be required to deliver more than 1.2 million gallons during any one 24 hour period. Notwithstanding anything to the contrary contained herein, Atlantic will not be required to accept any reclaimed wastewater effluent in an amount or amounts in excess of what Atlantic determines to be necessary for the irrigation of the subject property in Atlantic's sole discretion."

3. Paragraph 10, entitled "Rates", is hereby amended and restated in its entirety as follows:

"10. Rates: All rates and charges made by Utilities, its successors or assigns to Atlantic shall be made in accordance with such tariff, as amended, as may be from time to time adopted and approved by the Florida Public Service Commission in accordance with its regulatory authority contained in applicable statutes, ordinances, rules and regulations. Should this Agreement be assigned to and assumed by the City of North Port, Florida, the



City shall set rates and charges to be paid by Atlantic for the delivery of reclaimed wastewater effluent under this Agreement. The City shall charge and Atlantic shall pay to the City \$.23 (twenty-three cents) per thousand gallons of reclaimed wastewater effluent delivered to the golf course property under this Agreement with the minimum charge for any continuous twelve month period being calculated on a minimum usage of not less than 50 million gallons. Furthermore, said user rate for the delivery of reclaimed wastewater effluent may change from time to time as determined by the City Commission of the City of North Port, Florida so long as said rate is just, fair, reasonable and equitable."

4. Except as specifically modified hereby, all of the provisions of the Effluent Agreement which are not in conflict with the terms of this Fourth Amendment shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this Fourth Amendment as of the date first above written.

Signed, sealed and delivered  
presence of:

Karen L. Shorter  
Name: KAREN L. SHORTER  
Matthew B. Gordon  
Name: MATTHEW B. GORDON

ATLANTIC GULF COMMUNITIES  
CORPORATION, a Delaware  
corporation  
By: [Signature]  
Name: MARCIA J. HANLEY  
Title: Vice - Pres.

[CORPORATE SEAL]

Karen L. Shorter  
Name: KAREN L. SHORTER  
Matthew B. Gordon  
Name: MATTHEW B. GORDON

GENERAL DEVELOPMENT UTILITIES,  
INC., a Florida corporation  
By: [Signature]  
Name: C.E. FLORES JR.  
Title: PRESIDENT

[CORPORATE SEAL]

12/03/92\JKG\EFF-ADR.AMD