

**UTILITY CONSTRUCTION REIMBURSEMENT
(PIONEERING) AGREEMENT**

THIS AGREEMENT made as of the _____ day of _____, 2008, between **THE CITY OF LEESBURG, FLORIDA**, hereafter referred to as the "City," and **THE FIRST NATIONAL BANK OF MOUNT DORA**, hereafter referred to as the "Developer,"

WITNESSETH:

THAT Developer is constructing a project on the real property described on Exhibit "A" attached (hereafter called the "Development"). The City will be providing one or more utility services to the Development as described more particularly below. Developer has constructed certain infrastructure to support the provision of these utility services, as described on Exhibit "B" attached (hereafter called the "Infrastructure"). The parties have entered into this Agreement to set forth the terms and conditions under which Developer will be entitled to partial reimbursement for the cost of the Infrastructure.

NOW THEREFORE, for and in consideration of the construction of the Infrastructure, the provision of utility services to the Development by the City, and the mutual covenants and promises contained in this instrument, the parties do hereby agree as set forth below:

1. The following utility services will be provided to the Development by the City (check all that apply):

- | | |
|---|---|
| <input checked="" type="checkbox"/> Potable Water | <input checked="" type="checkbox"/> Wastewater |
| <input type="checkbox"/> Electricity | <input checked="" type="checkbox"/> Natural Gas |
| <input type="checkbox"/> Fiber Optic/telecommunications | <input type="checkbox"/> Reuse water |

2. The portion of the Infrastructure for which Developer is entitled to reimbursement under this Agreement is described specifically on Exhibit "C" attached. During the term of this Agreement, any time a new user taps into the portion of the Infrastructure described on Exhibit "C," Developer will receive reimbursement as provided herein. However, Developer shall not under any circumstances be entitled to any reimbursement for new hookups to any portion of the Infrastructure outside the area described on Exhibit "C."

3. The term of this Agreement shall be for ten (10) years from the date this Agreement is approved by the Leesburg City Commission (unless terminated earlier as provided below because total reimbursement to Developer has reached the maximum amount specified). Developer shall be entitled to reimbursement for any new taps into the portion of the Infrastructure described on Exhibit "C" which are placed into final service within the term of this Agreement, but shall not be entitled to reimbursement for any new taps not placed into final service prior to the expiration of the term of this Agreement.

4. The amount and manner of reimbursement to Developer under this Agreement is set forth on Exhibit "D" hereto. In no case shall Developer receive reimbursement which exceeds \$200,988.03 in amount, and at such time as the total of all reimbursement to Developer hereunder equals that limit, this Agreement shall terminate and Developer shall not be entitled to any further reimbursements hereunder.

5. This Agreement sets forth the entire understanding of the parties with regard to its subject matter. It supersedes and takes precedence over any and all prior negotiations, representations and agreements, oral or written, all of which are deemed to have merged into this Agreement and to have been extinguished except to the extent specifically set forth herein. This Agreement may not be amended orally, by implication, by course of conduct, or in any other manner whatsoever than by way of a written instrument signed by both parties hereto or their lawful successors. This Agreement shall be construed in accordance with the laws of Florida and venue for any action or proceeding arising out of this Agreement shall be in Lake County, Florida. This Agreement shall be binding on the parties hereto, as well as on their lawful successors and assigns. Each party represents for the benefit of the other that it has not entered into this Agreement in reliance on, or on the basis of, any promise, negotiation, representation, undertaking or agreement of the other party, oral or written, which is not specifically set forth within this Agreement. This Agreement shall not be binding on the City until it has received approval by a majority vote of the City Commission of the City of Leesburg at a public meeting, where a quorum was present, at which this Agreement was duly placed on the agenda for approval. In the event of any litigation arising out of this Agreement, the prevailing party shall be entitled to recover its reasonable attorneys' fees and court costs (at trial, on appeal, or in any proceeding involving bankruptcy or insolvency) in addition to any other relief obtained.

6. If the City sells or transfers one or more of its utility operations covered by this Agreement, it may assign its rights and delegate its duties hereunder to the person or entity to which the utility operations are assigned and upon such assignment and delegation in writing the City shall be relieved of further obligations hereunder, provided that the assignee of the City's utility operations assumes such obligations in writing. Unless it first receives written permission from the City, Developer may not assign its rights or delegate its duties hereunder, either outright or as collateral or security for any loan or other obligation, except as part of a transfer of ownership of the Development other than through the sale of individual lots or units in the ordinary course of business.

7. If Developer becomes delinquent in payment of any amount due the City for any reason, during the term of this Agreement, the City may withhold any reimbursement due Developer under this Agreement and offset it against the past due debt owed by Developer to the City, until such debt is paid in full, together with any interest or other additional charges incurred thereon. If Developer violates any provision of the City's codes and ordinances, its approved site plans or development plans, or the conditions of any permits or approvals issued to the Developer by the City, the City may withhold payment of reimbursements due Developer hereunder until all such violations have been abated fully.

8. Approval and execution of this Agreement by the City shall not be deemed to constitute approval by the City of any aspect of the Development, nor shall it be construed as permission to proceed with any portion of the Development. Developer shall still be required to

obtain all necessary permits and approvals from the City and other governmental bodies before commencement or continuation of work on the Development.

9. The City's obligation to pay reimbursement to Developer under this Agreement is contingent on the completion by Developer of construction of the Infrastructure in accordance with applicable City and other standards, the plans and specifications for the Infrastructure (which must be approved in writing by the City prior to commencement of construction), and any other applicable codes and standards imposed by any level or agency of government, and upon payment in full by Developer of the costs of such construction (including but not limited to design and engineering, materials, and labor), and upon acceptance of the Infrastructure by the City into its utility system for operation and maintenance as part of the overall City system. Nothing in this Agreement shall be construed to require the City to accept or approve the Infrastructure until it is in full compliance with the plans and specifications, and all applicable codes and standards.

IN WITNESS WHEREOF, the parties have caused their duly authorized representatives to set their hands and seals to this Agreement.

THE CITY OF LEESBURG, FLORIDA

BY: _____
MAYOR

Attest: _____
CITY CLERK

Approved as to form and content:

CITY ATTORNEY

"DEVELOPER"
THE FIRST NATIONAL BANK OF
MOUNT DORA

Florence E. Godding

FLORENCE E. GODDING
(Type or print name of witness)

BY: *John Dean*

Its CHAIRMAN & CEO

Carol Rector

CAROL RECTOR
(Type or print name of witness)

EXHIBIT "A"
LEGAL DESCRIPTION OF PROJECT

The following parcels located in Section 14, Township 20 South, Range 24 East, Lake County, Florida:

PARCEL NO. 1:

That part of the Southwest ¼ of the Northeast ¼ of Section 14, Township 20 South, Range 24 East, in Lake County, Florida, bounded and described as follows: From the Northwest corner of the Northeast ¼ of said Section 14, run South 89°44'00" East along the North line of said Northeast ¼ a distance of 474.07 feet to a point on the Easterly right of way of U.S. Highway No. 27; thence South 11°00'00" East along said right of way of U.S. Highway No. 27 a distance of 1565.76 feet to the Point of Beginning; from said Point of Beginning, continue South 11°00'00" East along said right of way 100 feet, thence North 79°00'00" East to a point on the West line of the Palatka River, said point hereby designated as Point "A"; return to the Point of Beginning; run thence North 79°00'00" East to the West line of said Palatka River; thence Southerly along the Westerly line of said river to intersect the aforementioned Point "A".

SUBJECT TO all easements, rights-of-way and restrictions of record

PARCEL NO. 2:

That part of the West ¼ of the Northeast ¼ of Section 14, Township 20 South, Range 24 East, in Lake County, Florida, bounded and described as follows: From the Northwest corner of said Northeast ¼ run East along the North line thereof 474.07 feet to the Easterly line of the right of way of U.S. Highway No. 27; thence South 11°00'00" East along the Easterly line of said right of way 1313 feet to the point of beginning of this description; from said point of beginning continue South 11° East along the Easterly line of said right of way 250.76 feet; thence North 79° East 410 feet, more or less, to the Westerly line of the Palatka River, thence Northerly along and with said Westerly line to a point that is North 79° East of the point of beginning; thence South 79° West 480 feet, more or less, to the point of beginning.

SUBJECT TO all easements, riparian rights, rights of way and restrictions of record.

PARCEL NO. 3:

All property lying between the East boundaries of PARCELS NO. 1 and 2, hereinabove, and the centerline of the Palatka River right of way, in Section 14, Township 20 South, Range 24 East in Lake County, Florida.

AND

That part of the SW ¼ of the NE ¼ of Section 14, Township 20 South, Range 24 East, in Lake County, Florida, bounded and described as follows: From the Northwest corner of the NE ¼ of the said Section 14, run East along the North line of the said Section 14 a distance of 474.07 feet to a point on the Easterly line of the right-of-way of U.S. Highway No. 27; thence run South 11° East along the Easterly line of the said right-of-way 1665.76 feet; thence run North 79°00'00" East to a point on the West line of the Palatka River, for a Point of Beginning. Continue North 79°00'00" East to the centerline of the Palatka River, thence run Southerly along said centerline of said River to a point which is North 79°00'00" East of a point which is South 11°00'00" East and 1972.76 feet from the intersection of the North line of the NE ¼ with the Easterly right of way line of U.S. Highway No. 27; thence run West to a point on the West line of the Palatka River, then run Northerly along and with the West line of the Palatka River to the Point of Beginning. Subject to all easements, rights-of-way and restrictions of record, if any.

AND:

Parcel "1"

That part of the W 1/2 of the NE 1/4 of Section 14, Township 20 South, Range 24 East, in Lake County, Florida, bounded and described as follows:

From the Northwest Corner of the N.E. 1/4 of Section 14, Township 20 South, Range 24 East, Lake County, Florida, run East along the North Line of said N.E. 1/4, 474.07 feet to a Point on the Easterly right-of-way of U.S. Highway No. 27; thence S.11°00'00"E. along said Easterly right-of-way of U.S. Highway No. 27 a distance of 1315.0 feet to the Point of Beginning of this description; from said Point of Beginning, run N.79°00'00"E. 400.11 feet, more or less, to the Westerly Line of the Palatka River and a Point hereby designated as Point "A"; return to the Point of Beginning and run S.11°00'00"E. along said Easterly right-of-way of U.S. Highway No. 27 a distance of 250.76 feet; thence N.79°00'00"E., 410.0 feet, more or less, to the Westerly Line of said Palatka River; thence Northerly along said water of Palatka River to intersect the aforementioned Point "A".

Parcel "2"

That part of the S.W. 1/4 of the N.E. 1/4 of Section 14, Township 20 South,

Range 24 East, in Lake County, Florida, bounded and described as follows:

From the Northwest corner of the N.E. 1/4 of said Section 14, Run S.89°44'00"E. along the North Line of said N.E. 1/4 a distance of 474.07 feet to a Point on the Easterly right-of-way of U.S. Highway No. 27; thence S.11°00'00"E. along said right-of-way of U.S. Highway No. 27 a distance of 1665.76 feet to the Point of Beginning of this description; from said point of beginning, continue S.11°00'00"E. along said right-of-way 100.0 feet, thence N.79°00'00"E. to a Point on the West Line of the Palatka Creek, said Point hereby designated as Point "A"; return to the Point of Beginning; run thence N.79°00'00"E. to the West Line of said Palatka Creek, thence Southerly along the Westerly Line of said creek to intersect the aforementioned Point "A".

Parcel "3":

That Part of the S.W. 1/4 of the N.E. 1/4 of Section 14, Township 20 South,

Range 24 East, in Lake County, Florida, bounded and described as follows:

From the Northwest Corner of the N.E. 1/4 of the said Section 14, run East along the North Line of the said Section 14 a distance of 474.07 feet to a Point on the Easterly Line of the right-of-way of U.S. Highway No. 27; thence run S.11° E. along the Easterly Line of the said right-of-way 1665.76 feet for a Point of Beginning; from said Point of Beginning, run thence S.11° E. along the Easterly Line of the said right-of-way, 100 feet; thence run N.79° E. To a Point on the West Line of the Palatka Creek, said Point being hereby designated as Point "A"; begin again at the Point of Beginning; run thence N.79° E. at right angles to the right-of-way of U.S. Highway No. 27 to the West Line of the Palatka

Creek; thence run Southerly along the Westerly Line of the said creek to the above designated Point "A".

EXHIBIT "B"

DESCRIPTION OF THE INFRASTRUCTURE:

Lift Station located on the East side of U.S. 27, North of CR 48

EXHIBIT "C"

DESCRIPTION OF PORTION OF INFRASTRUCTURE FOR WHICH REIMBURSEMENT IS PAYABLE:

Of the available capacity of the Lift Station, Developer is projected to utilize 46% thereof, accordingly Developer's reimbursement for expenses incurred in the construction of the Lift Station shall be limited to 54% of the cost of construction.

EXHIBIT "D"

FORMULA FOR REIMBURSEMENT:

As each additional customer connects to the Lift Station during the term of this Agreement, Developer shall be entitled to reimbursement of \$1,317.34 for each gallon of capacity allocated to the new connection, and for each project connected to the Lift Station, excluding Parcels 1, 2, and 3 in Exhibit "A", Developer shall be entitled to reimbursement of \$17,313.71, up to but not exceeding the maximum reimbursement to which Developer is entitled under this Agreement.

The aggregate of all reimbursements shall not exceed the maximum reimbursement to which the Developer is entitled under this Agreement.