



*Seat 1 - Tom Farlow, Director*  
*Seat 2 - Charlie Smith, Chairman*  
*Seat 3 - Thomas Hosken, Director*  
*Seat 4 - Dominic Berardi, Vice Chairman*  
*Seat 5 - Matthew Friedland, Director*  
*Seat 6 - Richard Rademacher, Director*  
*Seat 7 - Diane Spencer, Director*

***Monthly Board Meetings are held at:***

*District Office Board Room*  
*984 Old Mill Run The Villages, FL 32162*  
*The Villages, Florida 32162*

## **AGENDA**

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April 18, 2019

9:00 AM

**Notice to Public: Audience Comments on all issues will be received by the Board.**

1. Call to Order
  - A. Roll Call
  - B. Pledge of Allegiance
  - C. Observation of Moment of Silence
  - D. Welcome Meeting Attendees

**NEW BUSINESS:**

2. Approval of the Minutes  
Approval of the Minutes for the Meeting held on March 14, 2019
3. Request for Sole Source designation of Ovivo USA, LLC for Carrousel System Equipment used in Wastewater Treatment Processing  
Review and approval of a Sole Source designation of Ovivo USA, LLC for Carrousel System Equipment used in Wastewater Treatment Processing. TSC-Jacobs, North is the exclusive authorized sales representative for this Wastewater Treatment Process Equipment within the State of Florida.
4. Approval of closing for Solid Waste Collection - Soulliere Villas  
Acquisition of permanent rights to be the exclusive residential solid waste collector within Soulliere Villas.

**INFORMATIONAL ITEMS ONLY:**

5. Financial Statements  
Budget to Actual Statements as of February 28, 2019.

**REPORTS AND INPUT:**

6. District Manager Reports
  - A. E-billing
7. District Counsel Reports

8. Supervisor Comments
9. Audience Comments
10. Adjourn

**HOSPITALITY \* STEWARDSHIP \* CREATIVITY \* HARD WORK**

NOTICE

Each person who decides to appeal any action taken at these meetings is advised that person will need a record of the proceedings and that accordingly, the person may need to ensure that a verbatim record of the proceedings is made, including the testimony and evidence upon which such appeal is to be based. Audio recordings of Board meetings, workshops or public hearings are available for purchase per Florida Statute 119.07 through the District Clerk for \$1.00 per CD requested. Any person requiring special accommodations at this meeting because of a disability or physical impairment should contact the District Office at (352) 751-3939 at least five calendar days prior to the meeting.



## **AGENDA REQUEST**

**TO:** Board of Directors  
North Sumter County Utility Dependent District

**FROM:** Jennifer McQueary, District Clerk

**DATE:** 4/18/2019

**SUBJECT:** **Approval of the Minutes**

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**ISSUE:** Approval of the Minutes for the Meeting held on March 14, 2019

**ANALYSIS/INFORMATION:** Staff requests approval of the Minutes for the Meeting held on March 14, 2019.

**STAFF RECOMMENDATION:** Staff recommends approval of the Minutes for the Meeting held on March 14, 2019.

**MOTION:** Motion to approve the Minutes for the Meeting held on March 14, 2019.

### **ATTACHMENTS:**

Description	Type
□ 3-14-19 Minutes	Cover Memo

**MINUTES OF MEETING  
NORTH SUMTER COUNTY UTILITY  
DEPENDENT DISTRICT**

A Meeting of the Board of Supervisors of North Sumter County Utility Dependent District was held on Thursday, March 14, 2019 at 9:00 a.m. the District Office Large Conference Room, 984 Old Mill Run, The Villages, Florida, 32162.

Board members present and constituting a quorum:

Charlie Smith	Chairman
Dominic Berardi	Vice Chairman
Tom Hosken	Board Director
Matt Friedland	Board Director
Richard Rademacher	Board Director
Jerry Watts	Board Director
Diane Spencer	Board Director

Staff Present:

Richard Baier	District Manager
Kenny Blocker	Assistant District Manager
Lewis Stone	District Counsel
Sam Wartinbee	District Property Management Director
Barbara Kays	Budget Director
Anne Hochsprung	Finance Director
Jennifer McQueary	District Clerk
Candice Harris	Deputy District Clerk

**FIRST ORDER OF BUSINESS:**

**Call to Order**

A. Roll Call

Chairman Smith called the meeting to order at 9:00 a.m. and stated for the record that all Board Directors were present representing a quorum.

B. Pledge of Allegiance

The Chairman led the Pledge of Allegiance.

C. Observation of Moment of Silence

Chairman Smith led the Board and residents in a moment of silence.

D. Welcome Meeting Attendees

The Board welcomed the meeting attendees present.

At this time, Jennifer McQueary, District Clerk, administered the Oath of Office to newly appointed Board Director Jerry Watts.

Chairman Smith and the Board recognized former Board Director Gary Sorenson for his service on the North Sumter County Utility Dependent District (NSCUDD) and thanked him for his service to the community.

**SECOND ORDER OF BUSINESS:                      Approval of the Minutes**

<b>On MOTION by Dom Berardi, seconded by Tom Hosken, with all in favor, the Board approved the Minutes from the Meeting held on February 14, 2019.</b>
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**THIRD ORDER OF BUSINESS:                      Discussion Item: Operating Policies and Procedures**

Richard Baier, District Manager, advised that Staff has completed the process of updating the District's Operating Policies and Procedures and has proposed updates for the Board's consideration and Staff will complete a review of the policies and procedures, and if the Board members have changes, concerns, questions, or comments about the existing procedures or those that may have been proposed, those will be addressed at this time. Mr. Baier advised that at the February meeting the Board was provided with a copy of the Draft Operating Policies and Procedures for review and completed an overview of the revised Operating Policies and Procedures document and requested direction from the Board on several sections.

- Section 1.2 Standards of Civil Discourse: This section was added as a result of some requests made by Board Supervisors to ensure that Board Meetings can progress in a professional manner.

- Section 1.3-6) Officers – Options for Selection of a Board Chairman and Vice Chairman: Maintain current process of nomination and majority vote by Board following a general election.
- Section 1.3-10) Voting Conflict of Interest: A correction to section “a.” will be made to state that “The Board Supervisor would then not vote”.
- Section 1.3-11) Board Supervisor Conduct: The Board requested that this section remain in the Operating Policies and Procedures.
- Section 1.5-4) Agenda Format: Maintain current agenda format.
- Section 1.5-11) Rescinding Action Previously Taken: Board action may be rescinded by a majority vote if the motion to reconsider is made by a Board Director who voted on the prevailing side.

Mr. Baier advised that once all revisions have been incorporated into the Operating Policies and Procedures Staff will proceed with the advertisement to hold a Public Hearing at a future meeting, at which time the Board will then formally adopt its Rule.

#### **FOURTH ORDER OF BUSINESS: Long-term Investment Policy**

Kenny Blocker, Assistant District Manager, advised that the Investment Advisory Committee (IAC) met with PFM, the District’s Financial Advisors, on February 5, 2019 to review the annual cash flow analysis. The analysis is performed annually to determine the appropriate allocation of cash, cash equivalents and investments in the Long-Term Investment Portfolio (LTIP). As a result of that analysis, it is recommended that North Sumter County Utility Dependent District (NSCUDD) increase the amount invested in the LTIP, which is consistent with the 15% recommended by the IAC and approved by this Board. If approved by the Board, the \$147,219 increase will be completed in quarterly increments.

<b>On MOTION by Dom Berardi, seconded by Matt Friedland, with all in favor, the Board approved the \$147,219 increase to the specifically identified Long-Term Investment Portfolio as of April 1, 2019.</b>
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**FIFTH ORDER OF BUSINESS:                      Designation of Authorized Agents for District Utility Operations**

Mr. Blocker advised that Staff is requesting the Board approve appointing John (Trey) Arnett III and Brian Foulkes of Arnett Environmental LLC as Authorized Agents for all matters relating to the utility operations of the District-owned utilities. Mr. Blocker stated the appointment shall include, but not limited to, execution of regulatory documents, execution of utility services agreements and approval of quotes obtained, in accordance with District's purchasing policies and procedures.

Mr. Baier advised this item is the implementation of the organizational chart that was provided to the Board previously and outlined the cost savings to the District by utilizing Arnett Environmental services and not fill two (2) vacant utility operations positions.

Board Director Rademacher advised that he wants to ensure the language would not authorize Mr. Arnett and Mr. Foulkes to perform functions that would be Board functions, which can be interpreted by reading the agenda item. Mr. Baier stated that Staff would not come to the Board requesting authorization to perform those duties that are prescribed to the Board and this authorization does not change any functions of this Board which is to set policy and provide oversight.

Lewis Stone, District Counsel, advised that he has reviewed the document and does not believe the language delegates any Board authority. Mr. Stone stated that he reads the language as an outline of the functions to be performed, and nothing within the document changes or delegates how the District Board functions.

Board Director Hosken inquired if there is a process is in place to review the performance of the authorized agents, as would occur for a direct employee. Mr. Baier advised that Staff holds monthly meetings, in addition to an annually meeting, to review the standards of the job.

<p><b>On MOTION by Dom Berardi, seconded by Tom Hosken, with all in favor, the Board approved the appointment of John (Trey) Arnett III and Brian Foulkes of Arnett Environmental LLC as Authorized Agents for all matters relating to the utility operations of the District-owned utilities.</b></p>
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**SIXTH ORDER OF BUSINESS:                      Award of Invitation to Bid (ITB) #19B-006 NSU  
WWTP Headworks Channel Coatings**

Mr. Blocker advised that on January 16, 2019 Staff issued Invitation to Bid (ITB) #19B-006 – North Sumter Utility (NSU) Wastewater Treatment Plant (WWTP) Headworks Channel Coatings, which includes all of the labor, equipment, tools, services and incidentals to complete the surface preparation activities and application of calcium aluminate coating. Staff is requesting award to Shamrock Restoration Services, Inc. for a total amount of \$61,160.00 based on the pricing reflected on Exhibit “A”.

Board Director Hosken requested an overview of what other criteria was considered, other than cost. Brian Foulkes, Arnett Environmental LLC, advised that an ITB, is awarded to lowest, responsible bidder and references are reviewed.

**On MOTION by Diane Spencer, seconded by Matt Friedland, with all in favor, the Board approved award of ITB #19B-006 NSU WWTP Headworks Channel Coatings to Shamrock Restoration Services, Inc. in the amount of \$61,160.00 based on the pricing in Exhibit “A” and authorized the Chairman/Vice Chairman to execute the Agreement.**

**SEVENTH ORDER OF BUSINESS:                      Award of Invitation to Bid (ITB) #19B-007 VWCA Nos.  
7, 9 & 10 Wet Well Gate Replacements**

Mr. Blocker advised that on January 16, 2019, Staff issued ITB #19B-007 Villages Water Conservation Authority (VWCA) Nos. 7, 9 & 10 Wet Well Gate Replacements which includes all costs relating to labor, equipment, tools, services and incidentals to complete the replacement of valves and wet well gates at VWCA well numbers 7, 9 & 10. Staff is requesting the Board approval the recommendation of award the ITB to Utility Technicians, Inc. for a total amount of \$239,720.00 based on the pricing reflected on Exhibit “A”.

Board Director Rademacher inquired if Wet Well Gate No. 7 was defective, as it was recently replaced. Mr. Foulkes advised that a different valve was changed at that location.



**On MOTION by Diane Spencer, seconded by Dom Berardi, with all in favor, the Board approved award of ITB #19B-007 VWCA Nos. 7, 9 & 10 Wet Well Gate Replacements to Utility Technicians, Inc. in the amount of \$239,720.00 based on the pricing in Exhibit “A”; and authorized the Chairman/Vice Chairman to execute the Agreement.**

**EIGHTH ORDER OF BUSINESS:                      Approval of Amendment 1 to Additional Services –  
Performance of Certain Annual Capital Improvement  
Projects**

Mr. Blocker advised that the Board approved a contract addendum for Fiscal Year 2018/2019 with Jacobs/CH2MHill for additional services and compensation for supplies, project oversight and accomplishing inventory management for performance of certain annual capital improvement projects (CIP). Mr. Blocker advised that the agreement allows for an 8% markup for project administration overhead, including but not limited to purchasing, inventory, accounts payable, invoicing and management. The project administration is included in the budgeted amounts for each capital project as provided for in the approved Fiscal Year 2018/2019 budget; however, a request has been made by Operations Management International (JACOBS/CH2M/OMI) to increase Project 1 as listed on the attached amendment by \$16,200 because the original quote was insufficient. Sufficient funds are available to cover the increase.

Board Director Hosken inquired if cost comparisons will be received. Mr. Blocker advised that it is much more cost efficient for Jacobs, who is the District’s Operations Management Consultant, to complete some projects and services than issuing an ITB to receive costs.

**On MOTION by Matt Friedland, seconded by Dom Berardi, with all in favor, the Board approved Amendment 1 to Additional Services – Performance of Certain Annual Capital Improvement Projects in the Agreement with Operations Management International, Inc. (JACOBS/CH2M/OMI) and authorized the Chairman or Vice Chairman to execute the Agreement.**

**NINTH ORDER OF BUSINESS:                      Financial Statements**

The Financial Statements as of January 31, 2019 were provided as information to the Board.

**TENTH ORDER OF BUSINESS: District Manager Reports**

A. Updated Resident Academy Flyer

Mr. Baier reviewed the upcoming Resident Academy dates and advised the Board that on-line registration for the upcoming 2019 Resident Academy session will begin on February 28, 2019.

Board Director Hosken inquired if Staff was aware of what District the residents who attend Resident Academy reside in. Mr. Baier advised Staff identifies the address and provides the residents with a copy of the deed restrictions. There are a larger number of residents attending from District 10, 11 and 12.

B. Reminder: District Government Update Meeting

Mr. Baier provided a reminder regarding the District Government Update Meeting which will be held on Friday, April 5, 2019 from 9:00 a.m. to 11:00 a.m. at the Rohan Regional Recreation Center in the Colony Cottage and Laurel Manor Rooms.

Mr. Baier advised the construction of the rear access from the NSU Plant is beginning as Staff advised the Board previously via email.

**ELEVENTH ORDER OF BUSINESS: District Counsel Reports**

There were no District Counsel Reports.

**TWELFTH ORDER OF BUSINESS: Supervisor Comments**

Vice Chairman Berardi inquired if the District is reviewing any alternatives for recycling. Mr. Baier advised that he will forward an article to the Board about the current market for recycling.

**THIRTEENTH ORDER OF BUSINESS: Audience Comments**

No audience comments were received.

**FOURTEENTH ORDER OF BUSINESS: Adjourn**

The meeting was adjourned at 10:04 a.m.

**On MOTION by Matt Friedland, seconded by Diane Spencer, with all in favor, the Meeting was adjourned.**

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Richard J. Baier  
Secretary

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Charlie Smith  
Chairman



## **AGENDA REQUEST**

**TO:** Board of Directors  
North Sumter County Utility Dependent District

**FROM:** Kenneth Blocker, Assistant District Manager; Mark LaRock, Purchasing Director

**DATE:** 4/18/2019

**SUBJECT:** **Request for Sole Source designation of Ovivo USA, LLC for Carrousel System Equipment used in Wastewater Treatment Processing**

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### **ISSUE:**

Review and approval of a Sole Source designation of Ovivo USA, LLC for Carrousel System Equipment used in Wastewater Treatment Processing. TSC-Jacobs, North is the exclusive authorized sales representative for this Wastewater Treatment Process Equipment within the State of Florida.

### **ANALYSIS/INFORMATION:**

Staff is seeking to execute a sole source designation for Wastewater Treatment Processing Equipment manufactured by Ovivo USA, LLC. TSC-Jacobs, North is the exclusive sales representative for the purchase of this equipment. The wastewater treatment plant uses Ovivo's trademarked CARROUSEL treatment process using trademarked EXCELL aerators. The Ovivo treatment units have operated successfully since the plants were constructed. Ovivo designs and assures that the replacement equipment will meet current treatment requirements and regulatory requirements. In accordance with Florida State Statute 287.057(5)(c), District Staff electronically posted the Sole Source Procurement for seven (7) business days.

### **BUDGET IMPACT:**

No financial obligations shall accrue against the District until the completion of a Purchase Order with the Board's prior approval.

### **STAFF RECOMMENDATION:**

Staff requests approval for a Sole Source designation of Ovivo USA, LLC for the Purchase of Carrousel System Equipment used in Wastewater Treatment Processing from TSC-Jacobs, North (exclusive authorized sales representative) and authorize presenting of a Purchase Order upon need.

### **MOTION:**

Motion to approve a Sole Source designation of Ovivo USA, LLC for the Purchase of Carrousel System Equipment used in Wastewater Treatment Processing from TSC-Jacobs, North (exclusive authorized sales

representative) and authorize presenting of a Purchase Orders upon need.

**ATTACHMENTS:**

Description	Type
☐ Sole Source Justification	Exhibit

# Sole Source Single Source Standardization Request and Justification Form

The Villages  
Community Development Districts  
Purchasing  
MAR 29 2019 Rec'd

Date: Mar 27, 2019 Source Type: Sole Source District: Multiple Districts (see comments)  
Requested By: Terry Austin Requesting Department: Utilities  
Commodity / Service: Wastewater Treatment Process Equipment

A Sole Source purchase is defined as a non-competitive purchase of supplies, equipment and contractual services that is either: the only item that will produce the desired results; or is available from only one source of supply who possesses the unique and singularly available capability to meet the requirement of the solicitation (such as technical qualifications, ability to deliver at a particular time, or services from a public utility). A Single Source Standardization purchase is when there is functional or performance requirements and there is only one economically feasible product for that purchase; however, there may be multiple sources to purchase from. All Sole Source and Single Source Standardization requests must be posted on DemandStar and the District Purchasing web page for seven (7) days.

## VENDOR/MANUFACTURER INFORMATION

Company Name: TSC-Jacobs-North Company Address: 24156 SR 54, Ste. 3, Lutz, FL 33549  
Contact Name: John Verscharen Phone #: 813-242-2660 Email: johntscjn@verizon.net

## JUSTIFICATION

### 1. Describe all products and/or services to be procured under this exemption:

The wastewater treatment plants at VCSA, LSSA, and NSU Oxidation Ditch aerators are reaching the end of their useful life and require replacement. This would include replacement of the aerator, motor, gearbox and associated electrical/programming to the existing facility controls.

### 2. Briefly explain why it is in the best interest of the District to exempt this procurement from competition:

The wastewater treatment plants use Ovivo's trademarked CARROUSEL treatment process using trademarked EXCELL aerators. The Ovivo treatment units have operated successfully since the plants were constructed. When the aerators are at the end of their useful life they must be replaced. Ovivo designs and assure that the replacement aerator will meet current treatment requirements and regulatory requirements.

### 3. What steps were taken to verify that these features are not available elsewhere?

Other brands/manufacturers were examined (please list name and phone numbers, and explain why they are not suitable for use by the District- attach additional pages as necessary, do not leave blank):

The current process is a trademarked process by Ovivo. No other vendors were contacted.

Other vendors were contacted (please list names and phone numbers, and explain why those contacted would not meet the needs of the District - attach additional pages as necessary, do not leave blank):

No other vendors were contacted.

4. Attach documentation from the manufacturer certifying the vendor selected is the only distributor/dealer/contractor for the products or services in question and/or holds the production, unique capability, copyrights, trademark, and/or patent to the item, and check the following applicable statements:

- ☒ Patent, copyright or unique design restrictions (*Sole Source*) \*Attach verification from Manufacturer\*
- ☐ Proprietary rights in technical data and/or product formulations (e.g. cleaning compounds, lubricating oils, paint, etc.), which can only be determined through extensive laboratory analysis and examination (*Sole Source*) \*Attach verification from Manufacturer\*
- ☒ Only producer, such as utility supplier or construction material supplier, that will meet the specialized needs of the department or perform the intended function (*Sole Source*) \*Attach verification from Manufacturer\*
- ☒ Direct replacement parts, equipment or supplies that must be compatible with original equipment already installed but available only from the original equipment manufacturer. Most manufacturers have more than one dealer or distributor for their products. When this is the case, competition between dealers and/or distributors may be possible, eliminating the "sole or single source" restriction (*Single Source*) \*Attach verification from Manufacturer\*
- ☐ When tests and/or demonstrations of equipment, supplies, part, etc. under actual operating conditions reveal superior quality, performance, design or other characteristics in a product(s), which is available from only one source. Testing must be performed as often as practical (*Single Source*) \*Attach verification from Manufacturer\*
- ☐ Maintenance, repair services or warranty which require specialized test equipment, procedures, and technical expertise available only from the original equipment manufacturer or authorized/ licensed dealer/ field service representative (*Single Source*) \*Attach verification from Manufacturer\*
- ☐ The part(s)/equipment are required to permit standardization (*Standardization*)  
\*Must provide justification. For brand-specific items, quotes should still be obtained\*
- ☐ Other: None or some of the above apply. \*Detailed explanation and justification for this sole source/single source standardization request must be attached to this form\*

#### Approvals:

1.	<u>Terry Austin</u>	<u>3-27-19</u>		
	Requested By (End User)	Date		
	<u>Kenneth Blocker</u>	<u>3-27-19</u>	<input type="checkbox"/>	Additional Information Needed (see comments below)
2.	Department Director	Date		Date Rejected: _____
	<u>Mark Block</u>	<u>3/27/19</u>	<input type="checkbox"/>	Date Rejected: _____
3.	Purchasing Director	Date		Date Rejected: _____
	<u>[Signature]</u>	<u>3.27.19</u>	<input type="checkbox"/>	Date Rejected: _____
4.	District Manager	Date		

#### Comments:

VCCDD & NSCUSD Boards

RECEIVED

MAR 29 2019

[Signature]

Board Approved: ☐ Yes ☐ No Date: \_\_\_\_\_

**Ovivo USA, LLC**

4246 Riverboat Road, Suite 300  
Salt Lake City, Utah  
84123  
USA

**Telephone:** 801.931.3000

**Facsimile:** 801.931.3080

[www.ovivowater.com](http://www.ovivowater.com)



February 19, 2019

The Villages Community Development District  
Little Sumter Service Area (LSSA) WWTP

Re: Sole Source Equipment

To Whom It May Concern;

Please be advised that the following company is the exclusive authorized sales representative for Ovivo USA, LLC process Carrousel® System Equipment used in wastewater treatment processes within the state of Florida.

Please direct all inquiries for municipal treatment equipment to TSC-Jacobs, North.

TSC-Jacobs, North  
24156 SR 54  
Suite 3  
Lutz, FL 33549

Attn: Paul Wachter  
Or  
John Verscharen  
Ph: 813-242-2660  
Fx: 813-242-2597

Very truly yours,  
Ovivo USA, LLC

cc. John Verscharen  
Paul Wachter





## **AGENDA REQUEST**

**TO:** Board of Directors  
North Sumter County Utility Dependent District

**FROM:** Kenny Blocker, Assistant District Manager

**DATE:** 4/18/2019

**SUBJECT:** **Approval of closing for Solid Waste Collection - Soulliere Villas**

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### **ISSUE:**

Acquisition of permanent rights to be the exclusive residential solid waste collector within Soulliere Villas.

### **ANALYSIS/INFORMATION:**

On July 10, 2018, the NSCUDD Board approved the Solid Waste Agreement with Tri-County Sanitation, LLC for the purchase of the solid waste collection rights for Soulliere Villas for \$135,000.00 once 95 residential units within Soulliere Villas were sold to residents. The threshold of 95 sold units was met in February 2019.

### **STAFF RECOMMENDATION:**

Staff recommends the Board approve the closing of said agreement.

### **MOTION:**

Approve the closing of the purchase of the solid waste collection rights for Soulliere Villas pursuant to the Solid Waste Agreement approved on July 10, 2018.

### **ATTACHMENTS:**

Description	Type
❑ Solid Waste Agreement	Cover Memo

## SOLID WASTE AGREEMENT

**THIS SOLID WASTE AGREEMENT** ("Agreement") is made and entered into this day 10<sup>th</sup> of July, 2018 (the "Effective Date") by and among **TRI-COUNTY SANITATION, LLC**, a Florida limited liability company, whose address is 1020 Lake Sumter Landing, The Villages, Florida 32162 ("Tri-County Sanitation"), **NORTH SUMTER COUNTY UTILITY DEPENDENT DISTRICT**, a local unit of special purpose government created pursuant to Chapter 189, Florida Statutes, as amended, whose address is 984 Old Mill Run, The Villages, Florida 32162 ("NSCUDD"), and **THE VILLAGES OF LAKE-SUMTER, INC.**, a Florida corporation, whose address is 1020 Lake Sumter Landing, The Villages, Florida 32162 ("VLS").

### RECITALS

A. The Board of County Commissioners of Sumter County, Florida passed and executed Ordinance 2010-10 dated July 13, 2010, as amended by Ordinance 2012-14 dated October 23, 2012, as further amended and restated by Ordinance 2012-17 dated December 11, 2012, authorizing NSCUDD to provide solid waste management services including solid waste collection and disposal services within the geographic boundary of portions "The Villages" in Sumter County, Florida as more particularly described in Ordinance 2012-17.

B. Pursuant to the Interlocal Agreement between Marion County, Florida and NSCUDD dated November 20, 2012, and recorded in Official Records Book 5780, Page 1188, Public Records of Marion County, Florida, NSCUDD was authorized to provide solid waste collection and disposal services within the residential portions of Marion County lying within the Villages of Marion Florida Quality Development.

C. On December 27, 2012, NSCUDD acquired from Sumter Sanitation, LLC ("Sumter Sanitation") all of its rights as a solid waste collection and disposal business within the Sumter and Marion County portions of The Villages identified in such agreement, pursuant to the issuance of the NSCUDD Solid Waste Revenue Bonds Series 2012 (the "Initial Closing").

D. At the Initial Closing, a portion of the Purchase Price was not received by Sumter Sanitation (the "Deferred Costs"), a portion of which is still owed by NSCUDD to Sumter Sanitation.

E. Pursuant to the Interlocal Agreement between City of Fruitland Park, Florida and NSCUDD dated June 12, 2014, and recorded in Official Records Book 4502, Page 1002, Public Records of Lake County, Florida, NSCUDD was authorized to provide solid waste collection and disposal services within the residential portions of the Villages of Fruitland Park ("VOFP").

F. On September 18, 2014 Sumter Sanitation and NSCUDD set forth their agreements by which NSCUDD will acquire Sumter Sanitation's rights to be the solid waste

provider within VOFP and established a mechanism for the payment of the Deferred Costs.

G. Subsequently, Tri-County Sanitation, LLC was created by VLS to be the designated solid waste hauler designee for future developments within the retirement community generally known as "The Villages".

H. Pursuant to authorization by Sumter and Marion Counties in such Development Orders, VLS has recorded the Villages of Marion Soulliere Villas, a subdivision in Plat Book 12, Pages 184 through 187, Public Records of Marion County, Florida, which subdivision contains 135 residential lots. In addition, VLS recorded pursuant to such subdivision a Declaration of Covenants, Conditions and Restrictions for such subdivision which includes the right to designate the exclusive solid waste services company for lot owners and lessees within such subdivision, and has subsequently named Tri-County Sanitation as the designated solid waste provider.

At this time, the parties wish to set forth their agreement by which:

(1) Pursuant to a License Agreement, NSCUDD will collect residential solid waste within Soulliere Villas until such time as a total of 95 lots within Soulliere Villas has been sold to residents, and thereafter,

(2) NSCUDD will acquire from Tri-County Sanitation the permanent rights to be the exclusive residential solid waste collector within Soulliere Villas.

**NOW THEREFORE**, in consideration of the mutual covenants herein contained and other good and valuable consideration, the parties agree as follows:

1. Pursuant to the provisions in this Agreement, VLS and Tri-County Sanitation will enter into a revocable License Agreement allowing NSCUDD to be the exclusive collector of residential solid waste within Soulliere Villas and shall commence such collection and disposal activities beginning on the date that the first residence is sold within such subdivision.

A. The manner, collection, recycling, and frequency of collection will be consistent with NSCUDD's collection activities elsewhere in The Villages.

B. The exact days of collection will be as determined by NSCUDD.

C. Billing will be accomplished through the same unified billings system as employed elsewhere in The Villages by NSCUDD.

D. Customer rates will be consistent with NSCUDD's customer rates elsewhere in The Villages.

E. All income will belong to NSCUDD and all expenses shall be liabilities

and paid for by NSCUDD.

F. NSCUDD shall have a ninety (90) day due diligence period (the "Due Diligence Period") commencing on the Effective Date, which will provide NSCUDD with the right to terminate this Agreement for any reason during such ninety (90) day period by providing written notice to Tri-County Sanitation on or before the 90<sup>th</sup> day after the Effective Date.

2. Not less than one (1) month nor greater than two (2) months from the time 95 residential units within Soulliere Villas have been sold to residents, NSCUDD shall acquire from Tri-County Sanitation the exclusive right to collect residential solid waste in VOF (the "Closing"). The terms and Closing documents may include:

A. Assignment and Delegation recorded in the Public Records of Marion County, Florida;

B. Closing Statement;

C. Bill of Sale;

D. Assignment and Assumption of Service Contracts;

E. Covenant by VLS;

F. Opinion Letter from Tri-County Sanitation's counsel;

G. UCC Search Verification; and

H. Payment of the purchase price in the amount of One Hundred Thirty-Five Thousand and 00/100 Dollars (\$135,000.00) ("Purchase Price") will be from NSCUDD to Tri-County Sanitation.

3. **COVENANT TO ESTABLISH AND MAINTAIN SOLID WASTE COLLECTION AND DISPOSAL FEES.** To satisfy the above obligation, NSCUDD hereby covenants and agrees with Tri-County Sanitation that it will, in accordance with and to the full extent permitted by Chapter 189, Florida Statutes, and other applicable rules of law, establish charges for services provided by the solid waste operation for Soulliere Villas equal to or in excess of the charges currently in place.

4. **COVENANT REGARDING SOLID WASTE COLLECTION AND DISPOSAL RATES.** Unless prohibited by governmental regulation of general application, in order to ensure the equitable treatment of all solid waste customers, NSCUDD hereby covenants that after Closing, the solid waste collection and disposal rates for residential

customers shall not be increased by a greater percentage than the solid waste collection and disposal rates for commercial customers, and similarly, the solid waste collection and disposal rates for commercial customers shall not be increased by a greater percentage than the solid waste collection and disposal rates for residential customers. This covenant shall also survive Closing.

5. **LIMITED OBLIGATION OF NSCUDD.** Neither the initial Purchase Price nor any other amount due or to become due hereunder shall constitute a general obligation or general indebtedness of the NSCUDD within the meaning of the Constitution and the laws of the State of Florida; nor do such obligations constitute either a pledge of the full faith credit of the NSCUDD. Neither Tri-County Sanitation nor any other person shall have the right to compel the exercise of any ad valorem taxing power of the NSCUDD or any other public authority or governmental body to pay any amount due or to become due hereunder, or to pay any other amounts required to be paid pursuant hereto.

6. **ADDITIONAL MATTERS TO BE PERFORMED AT CLOSING.** At Closing, Tri-County Sanitation and VLS shall assign unto NSCUDD all rights, and NSCUDD shall assume the obligations to operate the solid waste operation for Soulliere Villas pursuant to the provision in the Development Order for the Development of Regional Impact within the Service Area, and pursuant to the specific provisions contained in the Declaration of Covenants, Conditions and Restrictions set forth in *Exhibit "A"*. NSCUDD shall assume in writing all the obligations to perform the services listed in the provisions contained within the Declaration of Covenants, Conditions and Restrictions set forth in *Exhibit "A"*.

7. **TRI-COUNTY SANITATION'S WARRANTIES.** Tri-County Sanitation represents and warrants as follows:

A. Tri-County Sanitation is a Florida limited liability company and has all requisite power and authority to execute and consummate this Agreement. The execution and performance of this Agreement has been duly authorized in accordance with the Operating Agreement governing Tri-County Sanitation.

B. The information provided to NSCUDD by Tri-County Sanitation as provided for in the exhibits hereto shall be true and correct and shall not omit any material fact necessary to make the information provided by Tri-County Sanitation not misleading to the best of Tri-County Sanitation's knowledge and said exhibits shall be incorporated herein by reference and made a part hereof.

C. Tri-County Sanitation shall perform all of the conditions to Closing which shall be performed by Tri-County Sanitation prior to Closing as provided herein.

D. There is, to the best of Tri-County Sanitation's knowledge and belief, no

litigation, investigation or proceeding pending or threatened against Tri-County Sanitation.

E. The transactions contemplated herein do not contravene any contractual or legal restriction contained in any document to which Tri-County Sanitation is a party.

F. There are no actions, suits, or proceedings pending, or affecting the solid waste operation for Soulliere Villas, or Tri-County Sanitation, LLC, at law or in equity, before any federal, state, county, municipal or government court, department, commission, board, bureau, agency or instrumentality which involves the possibility of any judgment, assessment or liability which would affect the title of the NSCUDD or would be a lien on any of the revenues generated by the solid waste operation of NSCUDD in Soulliere Villas. It is agreed that this subsection may be satisfied by Tri-County Sanitation's posting of an appropriate bond, suretyship contract or other acceptable guarantee to NSCUDD to cure or relieve any such lien or encumbrance that might be created prior to or after the Closing Date for any of the causes mentioned herein.

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

A. Neither party has terminated this Agreement pursuant to the provisions herein.

B. Neither party shall be prohibited by decree or law from consummating the transaction.

C. The Governing Board of the NSCUDD shall have ratified and approved the execution of this Agreement and authorized the acquisition of the solid waste operation for Soulliere Villas and certified copies of the resolutions evidencing such ratifications and approval have been delivered to Tri-County Sanitation.

9. **OTHER MISCELLANEOUS PROVISIONS.**

A. Negotiation at Arm's Length. This Agreement has been negotiated fully between the parties as an arms-length transaction. Both parties participated fully in the preparation of this Agreement and received the advice of counsel. In the case of a dispute concerning the interpretation of any provision of this Agreement, both parties are deemed to have drafted, chosen and selected the language, and the doubtful language will not be interpreted or construed against either party.

B. Acknowledgment of Assignment and Delegation. NSCUDD acknowledges that NSCUDD's ability to own and operate a solid waste operation within

Soulliere Villas is contingent upon the closing of the purchase and sale contemplated herein and completion of the assignment and delegations set forth herein, and NSCUDD hereby covenants not to commence any kind of solid waste operation within Soulliere Villas unless the assignment and delegations described above are assigned and transferred.

C. Public Records. Tri-County Sanitation understands and agrees that all documents of any kind provided to NSCUDD or NSCUDD's staff in connection with the activities contemplated under this Agreement are public records and are treated as such in accordance with Florida law.

D. The parties hereto recognize and agree that time is of the essence in this Agreement.

E. Prior to or simultaneously with the Closing hereof, each party will deliver to the other its opinion of counsel that it has the full legal authority to enter into this Agreement.

F. This writing embodies the entire agreement and understandings between the parties hereto and there are no other agreements or understandings, oral or written, with reference to the subject matter hereof are not merged herein and superseded hereby. No alteration, change or modification to the terms of this Agreement shall be valid unless made in writing and signed by the parties hereto. This Agreement, regardless of where executed, shall be governed and construed according to the laws of the State of Florida. This Agreement is being executed in duplicate originals, each of which shall be considered an original.

G. Each party will, at any time and from time to time after the Closing Date, upon request of the other party, execute, acknowledge and deliver, or will cause to be executed, acknowledged and delivered, all such further acts, deeds, assignments, transfers, powers of attorney and assurances as may be required in order to implement and perform any of the obligations, covenants and agreements of the parties herein.

H. Neither NSCUDD nor Tri-County Sanitation may transfer or assign this Agreement or the respective duties or obligations hereunder without obtaining the prior written consent of the other.

I. NSCUDD and Tri-County Sanitation represent and warrant each to the other that they have not dealt with either a broker, salesman, or finder in connection with any part of this transaction contemplated by this Agreement, and, insofar as it knows, no broker, salesman or other person is entitled to any commission or fee with respect to such transaction. Further, each party shall indemnify the other against any claim or loss incurred or suffered as a result of any broker's or salesman's commission or finder's fee alleged to be payable because of any statements, acts or omissions of the indemnifying party.

J. Any notice of other document to be given hereunder by any part to the other shall be in writing and shall be delivered personally or sent by certified or registered mail, postage prepaid.

**TRI-COUNTY SANITATION:**

**with a copy to Tri-County Sanitation's  
counsels:**

Tri-County Sanitation, LLC  
Attn: Robert Chandler, IV  
1020 Lake Sumter Landing  
The Villages, Florida 32162

Steven M. Roy, Esq.  
McLin Burnsed P.A.  
1028 Lake Sumter Landing  
The Villages, Florida 32162

and

Brian D. Hudson, Esq.  
1020 Lake Sumter Landing  
The Villages, Florida 32162

**NSCUDD:**

**with a copy to NSCUDD's counsel:**

North Sumter County  
Utility Dependent District  
984 Old Mill Run  
The Villages, Florida 32162

Lewis Stone, Esq.  
Stone & Gerken, P.A.  
4850 North Highway 19A  
Mount Dora, Florida 32757

and the term "Tri-County Sanitation" as used above is deemed to include the successors and assigns of Tri-County Sanitation.

K. All salaries, if any, of employees accruing prior to the Closing Date are the responsibility of Tri-County Sanitation. NSCUDD shall accept responsibility to said employees for accrued vacation pay or severance or for sick term benefits.

L. This Agreement may be varied, modified or altered only by written instrument signed by both parties.

M. All representations and warranties heretofore made by either party to the other are merged into this Agreement.

N. The headings used are for convenience only, and the parties herein agree that they shall be disregarded in the construction of this Agreement.

O. The parties acknowledge that either shall have against the other the right to seek specific performance to compel either party to act or perform in accordance with the



requirements of this Agreement. Such right of specific performance shall not, however, be the sole or exclusive remedy of each party against the other, and each party hereby preserves its rights to seek damages.

P. In connection with any litigation pursuant to this Agreement, venue shall be in Sumter County, Florida.

Q. It is agreed by and between the parties hereto that all words, terms, and conditions herein contained are to be read in concert, each with the other, and that a provision contained under one heading may be construed to be equally applicable under another heading in the interpretation of this Agreement.

R. This Agreement shall be construed in accordance with the terms and conditions set forth in the Trust Indenture, and no term or condition contained herein shall be construed in such a manner so as to create a breach under the Trust Indenture.

S. This Agreement, and the instruments which are to be executed pursuant thereto, are for the sole benefit of the parties hereto and it is not intended that any third parties shall have any beneficial interest herein or therein, whether directly or indirectly, nor shall any third parties rely on the terms, provisions, and conditions of this Agreement or the aforesaid documents.

T. The right of the NSCUDD to receive any funds or payments after Closing shall be fully assignable.

10. This offer is made this \_\_\_ day of \_\_\_\_\_, 2018 (the "Offer Date"), and this Agreement shall lapse if not accepted by the NSCUDD by executing below and inserting the date into the introductory paragraph on or before thirty (30) days from the Offer Date.

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

TRI-COUNTY SANITATION, LLC,  
a Florida limited liability company

BY: TVL Company, LLC a Florida limited  
liability company, its Manager

BY:   
Martin L. Dzuro, Manager

ATTEST:

  
Richard J. Borer, District Manager

**NORTH SUMTER COUNTY UTILITY  
DEVELOPMENT DISTRICT**, a local unit of  
Special purpose government created pursuant to  
Chapter 189, Florida Statutes, as amended

Name:  
Title:

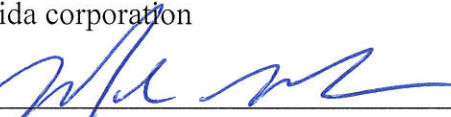
  
Charles Smith  
Vice Chairman

VLS joins in this Agreement for the purpose of agreeing to take such actions as is necessary for the Declaration of Covenants, Conditions and Restrictions for Soulliere Villas to designate NSCUDD as the perpetual exclusive residential solid waste hauler.



**THE VILLAGES OF LAKE-SUMTER, INC.**,  
a Florida corporation

By:



Mark G. Morse, President

# Exhibit "A"

## DECLARATION OF COVENANTS, CONDITIONS

### AND RESTRICTIONS

#### FOR THE VILLAGES OF MARION

#### SOULLIERE VILLAS

THE VILLAGES OF LAKE-SUMTER, INC., a Florida corporation, hereinafter called Declarant, is the owner in fee simple of certain real property located in Marion County, Florida, known by official plat designation as the VILLAGES OF MARION SOULLIERE VILLAS pursuant to a plat recorded in Official Plat Book 12 beginning at Page(s) 184-187 of the Public Records of Marion County, Florida (the "Plat").

For the purpose of enhancing and protecting the value, attractiveness and desirability of the lots or tracts constituting such Subdivision, Declarant hereby declares that all of the Homesites (as hereinafter defined), and each part thereof, but not the tracts within the Subdivision, shall be held, sold, and conveyed only subject to the following easements, covenants, conditions, and restrictions, which shall constitute covenants running with the land and shall be binding on all parties having any right, title, or interest in the above described property or any part thereof, their heirs, successors, and assigns, and shall inure to the benefit of each owner thereof.

#### ARTICLE I. DEFINITIONS

**Section 1.** "Declarant" shall mean THE VILLAGES OF LAKE-SUMTER, INC. and its successors and assigns.

**Section 2.** "District" shall mean the Village Community Development District No. 4, a community development district created pursuant to Chapter 190, Florida Statutes.

**Section 3.** "Homesite" shall mean any plot of land shown upon the Plat which bears a numerical designation, but shall not include the tracts or other areas not intended for a residence.

**Section 4.** "Institutional First Mortgage" shall mean a mortgage upon a Homesite and the improvements thereon granted to an owner by a bank, savings and loan association, pension fund, trust, real estate investment, insurance company or any other federally insured investment or financial institution.

**Section 5.** "Maintenance" shall mean the exercise of reasonable care and repair to keep buildings, roads, landscaping, lighting, lawns, walls, fences, water and sewer distribution systems, storm water run off collection systems, and other related improvements and fixtures in good repair and condition. Maintenance of landscaping shall further mean the exercise of generally accepted garden-management practices necessary to promote a healthy, weed-free environment for optimum plant growth.

**Section 6.** "Mortgage" shall mean a conventional mortgage.

**Section 7.** "Owner" shall mean the record owner, whether one or more persons or entities, of a fee simple title to any Homesite which is a part of the Subdivision, and shall include contract sellers, but shall not include those holding title merely as security for performance of an obligation.

**Section 8.** "Subdivision" shall mean the subdivided real property hereinafter described and such additions thereto as may be brought within the jurisdiction of these restrictions as hereinafter provided.

#### ARTICLE II. THE DISTRICT

**Section 1.** **Services Provided by the District.** The District shall have such authority and perform those services consistent with Chapter 190 of the Florida Statutes. Services shall include, but not be limited to the following:

- (a) Maintenance and repair of areas owned by the District or dedicated to the use and enjoyment of the residents of the District, the Subdivision, or the public;
- (b) Water and sewer (not owned or maintained by Marion County), garbage, electrical, lighting, telephone, gas and other necessary utility service for areas owned by the District or dedicated to the use and enjoyment of the residents of the District, Subdivision, or the public;
- (c) Maintenance and repair to roads within the Subdivision owned by the District;
- (d) Maintenance and repair of the storm water runoff drainage system including drainage easements and drain pipes;



DAVID R ELLSPERMANN CLERK & COMPTROLLER MARION CO  
DATE: 12/28/2016 04:21:05 PM  
FILE #: 2016120110 OR BK 6508 PGS 1516-1524  
REC FEES: \$78.00 INDEX FEES: \$0.00  
DDS: \$0 MDS: \$0 INT: \$0

(e) Maintenance and repair to the top and exterior of the security wall and/or fences running along the southerly portion of Homesites 30 through 32, adjoining SE 169<sup>th</sup> Cote Loop, including landscape maintenance;

(f) Maintenance and repair to the interior security wall and/or fence on that portion of SE 169<sup>th</sup> Cote Loop between Homesites 29 and 36, including landscape maintenance;

(g) Maintenance of the top and exterior security wall and/or fence running around the perimeter of the Subdivision, except for that portion of the perimeter security wall and/or fence adjoining Tract B, which shall be maintained by the Owner of Tract B; and

(h) Maintenance and repair to that portion of the wall and/or fence abutting and facing Tract H within the Subdivision reserved for temporary vehicular parking.

**Section 2. District Assessments.** The District shall have the authority to impose assessments pursuant to the authority granted under Chapter 190 of the Florida Statutes.

### ARTICLE III. THE VILLAGES CONTRACTUAL AMENITIES FEE

Each Owner hereby agrees to pay a monthly fee or charge (the "Contractual Amenities Fee") against each Homesite for the benefit and use of the recreational and other amenities, in the amount per month set forth in such Owner's Deed. The Contractual Amenities Fee set forth is limited to the Owner named therein. In the event the Owner(s) transfers, assigns or in any way conveys their interest in and to the Homesite, the new Owner(s) shall be obligated to pay the prevalent Contractual Amenities Fee sum that is then in force and effect for new Owner(s) of Homesites in the most recent addition or unit. The monthly Contractual Amenities Fee as set forth in this section is based on the cost of living for the month of sale as reflected in the Consumer Price Index, U.S. Average of Items and Food, published by the Bureau of Labor Statistics of the U.S. Department of Labor (the "Index"). The month of sale shall be the date of the Contract for Purchase of the Homesite. There shall be an annual adjustment in the monthly Contractual Amenities Fee. The adjustments shall be proportional to the percentage increase or decrease in the Index. Each adjustment shall be in effect for the intervening one year period. Adjustments not used on any adjustment date may be made any time thereafter. Each Owner agrees that as additional facilities are requested by the Owner(s) of Homesites and the erection of such additional facilities is agreed to by the Declarant, that upon a vote of one half (1/2) of the Owners requesting such additional facilities and the commencement of charges therefor, the monthly Contractual Amenities Fee provided for in this section shall be increased accordingly without the limitations set forth herein. For the purpose of all votes the Declarant shall be entitled to one (1) vote for each Homesite owned by the Declarant. The monthly charges shall be paid to the Declarant, or its designate, each month to insure the provision of the services being paid for. The monthly charges for services described in this section shall be due and payable to Declarant and said charges once in effect will continue month to month whether or not said Homesite is vacant. Owner does hereby give and grant unto Declarant a continuing lien in the nature of a Mortgage upon the Homesite of the Owner superior to all other liens and encumbrances, except any Institutional First Mortgage. This lien shall be perfected by recording in the Public Records a notice of lien or similarly titled instrument and shall secure the payment of all monies due Declarant hereunder and may be foreclosed in a court of equity in the manner provided for the foreclosures of mortgages. In any such action or any other action to enforce the provision of this lien, including appeals, Declarant shall be entitled to recover attorney's fees incurred by it, abstract bills and court costs. Owner, together with Owner's heirs, successors and assigns, agree to take title subject to and be bound by, and pay the charge set forth herein and acceptance of the deed shall further signify approval of said charge as being reasonable and fair, taking into consideration the nature of Declarant's project, Declarant's investment in the recreational area, and in view of all the other benefits to be derived by the Owners as provided herein. Purchasers of Homesites further agree, by the acceptance of their deeds and the payment of the purchase price therefor, acknowledge that the purchase price was solely for the purchase of their Homesite or Homesites, and that the Owners, their heirs, successors and assigns, do not have any right, title or claim or interest in and to the recreational, dedicated, or reserved areas or security facilities contained therein or appurtenant thereto, by reason of the purchase of their respective Homesites, it being specifically agreed that Declarant, its successors and assigns, is the sole and exclusive Owner of the areas and facilities, and the Contractual Amenities Fee is a fee for services and is in no way adjusted according to the cost of providing those services.

### ARTICLE IV. PROPERTY RIGHTS

**Section 1. Reciprocal Easements.** There shall exist reciprocal appurtenant easements between adjacent Homesites and between Homesites and adjacent dedicated or reserved areas. Each Homesite may be both benefitted and burdened by rear side yard easements, driveway and/or front side yard and landscaping easements, easements for ingress and egress, and easements for maintenance, as described below:

(a) **Rear Side Yard Easements.**

(1) **Scope and Duration.** There shall exist for the benefit and use of the dominant tenement rear side yard easements over and upon the servient tenement. The easements shall be perpetual and the holder of the dominant tenement shall have exclusive use of that portion of the servient tenement burdened by the rear side yard easement, except that the servient tenement shall retain the following rights:

(i) The Owner of the servient tenement shall have the right at all reasonable times to enter upon the easement area, including the right to cross over the dominant tenement for such entry, in order to perform work related to the use and maintenance of the servient tenement. In exercising the right of entry upon the easement area as provided for above, the Owner of the servient tenement agrees to utilize reasonable care not to damage any landscaping or other items existing in the easement area.

(ii) The servient tenement shall have the right of drainage over, across and upon the easement area for water draining from the roof of any dwelling or structure upon the servient tenement, the right to maintain eaves and appurtenances thereto and the portions of any dwelling structure upon the servient tenement as originally constructed or as constructed pursuant hereto.

(iii) The Owner of the dominant tenement shall not attach any object to a wall, fence or dwelling belonging to the servient tenement or disturb the grading of the easement area or otherwise act with respect to the easement area in any manner which would damage the servient tenement.

(2) **Description of the Rear Side Yard Easement.** The dominant tenement shall be the property benefitted by the use of the rear side yard easement, and the servient tenement shall be the property burdened by the rear side yard easement. The rear side yard easement shall extend from the rear of the gate wall/fence between the two Homesites and over that portion of the servient tenement lying between the exterior of the side dwelling wall of the servient tenement (on the garage side) and adjoining side Homesite lot line of the adjoining dominant tenement; and also extending from the exterior of the said side dwelling wall of the servient tenement in a straight line with the exterior side wall to the rear Homesite lot line of servient tenement. The dominant tenement shall be responsible for maintenance of the rear side yard easement.

(3) **Homesites Affected by the Rear Side Yard Easement.** The rear side yard easement shall benefit and burden the following Homesites:

(i) Homesites both burdened and benefitted by rear side yard easements shall be Homesites 2 through 22, 25 through 28, 31, 34, 35, 38 through 40, 43, 44, 47 through 49, 52, 55 through 60, 63 through 69, 72 through 83, 86 through 95, 98 through 107, 110 through 121, and 124 through 134.

(ii) Homesites burdened but not benefitted by rear side yard easements shall be Homesites 23, 24, 29, 36, 37, 45, 46, 51, 61, 62, 71, 96, 97, 122, and 123.

(iii) Homesites benefitted but not burdened by rear side yard easements shall be Homesites 1, 30, 32, 33, 41, 42, 50, 53, 54, 70, 84, 85, 108, 109 and 135.

(b) **Driveway and/or Front Side Yard and Landscaping Easements.**

(1) **Scope and Duration.** There shall exist for the benefit and use of the dominant tenement a driveway and/or front side yard and landscaping easement (hereinafter the "Driveway and/or Front Side Yard and Landscaping Easement") over and upon the servient tenement. The Driveway and/or Front Side Yard and Landscaping Easement shall be perpetual and the holder of the dominant tenement shall have exclusive use of that portion of the servient tenement burdened by the Driveway and/or Front Side Yard and Landscaping Easement, except that the servient tenement shall retain the following rights:

(i) The Owner of the servient tenement shall have the right of ingress and egress over the Driveway and/or Front Side Yard and Landscaping Easement to access the Owner's side yard and the side yard easement benefitting the Homesite Owner.

(ii) The Owner of the servient tenement shall have the right at all reasonable times to enter upon the easement area, including the right to cross over the dominant tenement for such entry, in order to perform work related to the use and maintenance of the servient tenement. In exercising the right of entry upon the easement area as provided for above, the Owner of the servient tenement agrees to utilize reasonable care not to damage any landscaping or other items existing in the easement area.

(iii) The servient tenement shall have the right of drainage over, across and upon the easement area for water drainage from the roof of any dwelling or structure upon the servient tenement, the right to maintain eaves and appurtenances thereto and the portions of any dwelling structure upon the servient tenement as originally constructed or as constructed pursuant hereto.

(iv) The Owner of the dominant tenement shall not attach any object to a wall or dwelling belonging to the servient tenement or disturb the grading of the easement area or otherwise act with respect to the easement area in any manner which would damage the servient tenement.

(2) **Description of the Driveway and/or Front Side Yard and Landscaping Easement.**

(i) **Description of the Driveway and/or Front Side Yard and Landscaping Easement where the Side Yard lot line between the dominant tenement and the servient tenement intersects the driveway serving the dominant tenement.** Beginning at a point where the side Homesite lot line of the dominant tenement intersects the driveway of the dominant tenement (a) thence run along the side Homesite lot line away from the roadway to a point on the front gate fence or wall; (b) thence along the front gate fence or wall to a point on the side wall of the servient tenement (where a golf cart garage is originally constructed by the Developer serving the servient tenement, such point will be on the side wall of the golf cart garage of the servient tenement); (c) thence along a line running along the side wall of the servient tenement towards the roadway to a point where the line intersects the driveway of the dominant tenement; (d) thence along said driveway toward the roadway to a point where the driveway intersects the front Homesite lot line of the servient tenement; (e) thence along the front Homesite lot line of the servient tenement to a point where the front Homesite lot line of the dominant and servient tenements intersect; and (f) thence along the side Homesite lot line between the dominant and servient tenements to the point of beginning and close.



(ii) **Description of the Driveway and/or Front Side Yard and Landscaping Easement where the Side Yard lot line between the dominant tenement and the servient tenement intersects the driveway serving the dominant tenement, however, the Driveway and/or Front Side Yard and Landscaping Easement does not intersect the driveway of the dominant tenement in call (c) of Article IV, Section 1.(b)(2)(i) above.** Beginning at a point where the side Homesite lot line of the dominant tenement intersects the driveway of the dominant tenement (a) thence run along the side Homesite lot line away from the roadway to a point on the front gate fence or wall; (b) thence along the front gate fence or wall to a point on the side wall of the servient tenement (where a golf cart garage is originally constructed by the Developer serving the servient tenement, such point will be on the side wall of the golf cart garage of the servient tenement); (c) thence along a line running along the side wall of the servient tenement towards the roadway to the front Homesite lot line; (d) thence to a point where the front Homesite lot line of the dominant and servient tenements intersect; and (e) thence along the side Homesite lot line between the dominant and servient tenements to the point of beginning and close.

(iii) **Description of the Driveway and/or Front Side Yard and Landscaping Easement where the Side Yard lot line between the dominant tenement and the servient tenement does not intersect the driveway serving the dominant tenement.** Beginning at a point where the side Homesite lot line of the dominant and servient tenement intersects the right of way along the front Homesite lot lines (a) thence run along the side Homesite lot line away from the roadway to a point on the front gate fence or wall; (b) thence along the front gate fence or wall to a point on the side wall of the servient tenement (where a golf cart garage is originally constructed by the Developer serving the servient tenement, such point will be on the side wall of the golf cart garage of the servient tenement); (c) thence along a line running along the side wall of the servient tenement towards the roadway to a point where the line intersects the front lot line of the servient tenement; and (d) thence along the front Homesite lot line of the servient tenement to a point where the front Homesite lot line of the dominant and servient tenements intersect to the point of beginning and close.

In each case, the dominant tenement shall be responsible for landscaping and maintenance of the Driveway and/or Front Side Yard and Landscaping Easement.

(3) **Homesites Affected by Driveway and/or Front Side Yard and Landscaping Easements.** The driveway easement shall benefit and burden the following Homesites:

(i) Homesites both burdened and benefited by Driveway and/or Front Side Yard and Landscaping Easements shall be Homesites 2 through 28, 31, 34, 35, 38 through 40, 43, 44, 47 through 49, 52, 55 through 60, 63 through 69, 72 through 83, 86 through 95, 98 through 107, 110 through 121, and 124 through 134.

(ii) Homesites burdened but not benefited by Driveway and/or Front Side Yard and Landscaping Easements shall be Homesites 1, 24, 32, 33, 41, 42, 50, 53, 54, 70, 84, 85, 108, 109, and 135.

(iii) Homesites benefited but not burdened by Driveway and/or Front Side Yard and Landscaping Easements shall be Homesites 23, 29, 30, 36, 37, 45, 46, 51, 61, 62, 71, 96, 97, 122, and 123.

(c) **Easement for Ingress and Egress.** There shall exist for the benefit and use of the dominant tenement a perpetual easement for ingress and egress over and upon the servient tenement for the limited purpose of allowing the dominant tenement to access his side yard and side yard easement through the front gate fence and/or wall.

**Section 2. Owner's Easements of Enjoyment in Dedicated or Reserved Areas.** Every Owner of a Homesite shall have a right and easement of ingress and egress and enjoyment in and to the dedicated or reserved areas subject to limitations and conditions set forth in the dedications and restrictions found in the plat of the Subdivision.

**Section 3. Easements of Encroachment.** There shall exist reciprocal appurtenant easements as between adjacent Homesites and between each Homesite and any portion or portions of reserved or dedicated areas adjacent thereto for any encroachment due to the nonwillful placement, settling, or shifting of the improvements constructed, reconstructed, or altered thereon, provided such construction, reconstruction, or alteration is in accordance with the terms of this Declaration. Such easement shall exist to a distance of not more than one (1) foot as measured from any point on the common boundary between adjacent Homesites, and between each Homesite and any adjacent portion of the dedicated or reserved area. No easement for encroachment shall exist as to any encroachment occurring due to the willful conduct of an Owner. A certificate by Declarant recorded in the Public Records to the effect that an encroachment is not willful, shall be conclusive proof thereof.

#### **Section 4. Other Easements.**

(a) Easements for installation and maintenance of underground utilities, cable television, sanitary and storm drainage facilities, landscaping and wall fencing, are hereby reserved over reserved or dedicated areas. Within these easements, no structure, planting, or other material shall be placed or permitted to remain which may damage or interfere with the installation and maintenance of utilities, or which may damage, interfere with, or change the direction of flow of drainage facilities in the easements. The easement area of each Homesite and all improvements therein shall be continuously maintained by the Owner of such Homesite, except for improvements for maintenance of which a public authority or utility company is responsible. Declarant contemplates constructing patios and similar improvements within such easements. Utility providers utilizing such easement area covenant, as a condition of the right to use such easement, not to interfere or disturb such equipment and improvements located within the easement area. In order to minimize damage to the property subject to such easement, utility providers are encouraged to install utilities pursuant to a Joint Trench Agreement. All utility providers are responsible for repairing the grading and landscape being disturbed pursuant to any utilization of such easements. The front yard easements shall also be granted and dedicated to Marion County for the installation, construction, repair and maintenance of Marion County water and wastewater utility lines, valves, meters and related infrastructure.

(b) Easements for the installation and maintenance of wall and fencing and easements for the installation and maintenance of a storm water runoff drainage system are hereby reserved over a strip of land five feet (5) wide running along the rear Homesite lot line of each Homesite in the Subdivision, together with that portion of each Homesite actually occupied by side fence walls, gate fence walls, security walls, and the storm water runoff drainage system. Such easements shall also permit a community development district to enter upon such easement area to maintain the security wall and drainage system on the Homesite or the adjoining property. Easements for the installation and maintenance of utilities is hereby granted to the providers of those utilities over and upon a five (5) foot strip of land within each Homesite, running along the front Homesite lot line. Declarant reserves the right to remove, relocate, or reduce such easements lying along the front and rear lot lines of the Homesite by recording in the Public Records of Marion County, Florida, an amendment to this Declaration which is duly executed by the Declarant.

(c) No dwelling unit or other structure of any kind other than the aforementioned walls or fences shall be built, erected, or maintained on any such easement, reservation, or right of way, except that patios and walks may be constructed over the easement reserved over the strip of land running along the back Homesite lot line of each Homesite. Equipment for pool or spa operation may be placed within the easement however. Such easements, reservations, and rights of way shall at all times be open and accessible to public and quasi-public utility corporations, their employees and contractors, and shall also be open and accessible to Declarant, its successors and assigns, all of whom shall have the right and privilege of doing whatever may be necessary in, on, under, and above such locations to carry out any of the purposes for which such easements, reservations, and rights of way are reserved.

**Section 5. Right of Entry.** The Declarant and the District, through its duly authorized employees and contractors, shall have the right after reasonable notice to the Owner thereof, to enter any Homesite at any reasonable hour on any day to perform such maintenance as may be authorized herein.

**Section 6. No Partition.** There shall be no judicial partition of dedicated or reserved areas, nor shall Declarant, or any Owner or any other person acquiring any interest in the Subdivision or any part thereof, seek judicial partition thereof. However, nothing contained herein shall be construed to prevent judicial partition of any Homesite owned in co-tenancy.

#### ARTICLE V. USE RESTRICTIONS

The Subdivision shall be occupied and used only as follows:

**Section 1.** The Subdivision is an adult community designed to provide housing for persons fifty-five (55) years of age or older. All homes that are occupied must be occupied by at least one person who is at least fifty-five (55) years of age. No person under nineteen (19) years of age may be a permanent resident of a home, except that persons below the age of nineteen (19) years may be permitted to visit and temporarily reside for periods not exceeding thirty (30) days in total in any calendar year period. The Declarant, or its designee, in its sole discretion, shall have the right to establish hardship exceptions to permit individuals between the ages of nineteen (19) and fifty-five (55) to permanently reside in a home even though there is not a permanent resident in the home who is fifty-five (55) years of age or over, providing that said exceptions shall not be permitted in situations where the granting of a hardship exception would result in less than 80% of the Homesites in the Subdivision having less than one resident fifty-five (55) years of age or older, it being the intent that at least 80% of the units shall at all times have at least one resident fifty-five (55) years of age or older. The Declarant shall establish rules, regulations policies and procedures for the purpose of assuring that the foregoing required percentages of adult occupancy are maintained at all times. The Declarant, or its designee, shall have the sole and absolute authority to deny occupancy of a home by any person(s) who would thereby create a violation of the aforesaid percentages of adult occupancy. Permanent occupancy or residency may be further defined in the Rules and Regulations of the Subdivision as may be promulgated by the Declarant, or its designee, from time to time. All residents shall certify from time to time as requested by the Declarant, the names and dates of birth of all occupants of a home.

**Section 2.** No business of any kind shall be conducted on any residence with the exception of the business of Declarant, and the transferees of Declarant, in developing and selling all of the Homesites as provided herein.

**Section 3.** No noxious or offensive activity shall be conducted on or in any Homesite with the exception of the business of Declarant, and the transferees of Declarant, in developing all of the Homesites as provided herein.

**Section 4.** No sign of any kind shall be displayed to public view on a Homesite or any dedicated or reserved area without the prior written consent of the Declarant, except customary name and address signs and one sign advertising a property for sale or rent which shall be no larger than twelve (12) inches wide and twelve (12) inches high and which shall be located wholly within the residence and only visible through a window of the residence. Lawn ornaments are prohibited, except for seasonal displays not exceeding a thirty (30) day duration.

**Section 5.** Nothing shall be done or kept on a Homesite or on any dedicated or reserved area which would increase the rate of insurance relating thereto without the prior written consent of the Declarant, and no Owner shall permit anything to be done or kept on his Homesite or any dedicated or reserved area which would result in the cancellation of insurance on any residence or on any part of the dedicated or reserved area, or which would be in violation of any law.

**Section 6.** Birds, fish, dogs and cats shall be permitted, with a maximum of two (2) pets per Homesite. Each Owner shall be personally responsible for any damage caused to any dedicated or reserved area by any such pet and shall be responsible to immediately remove and dispose of any excrement of such pet and shall be responsible to keep such pet on a leash. No other animals, livestock, or poultry of any kind shall be raised, bred, or kept on any Homesite or on any dedicated or reserved area.

**Section 7.** No fence, hedge, wall, or other dividing instrumentality shall be constructed or maintained on any Homesite, except that Declarant, and the transferees of Declarant, may construct fences in accordance with existing architectural plans. In order to maintain a visible roadway, no bush, shrub, tree, or other similar plant may be placed within the road right-of-way. No ingress or egress to or from any Homesite is permitted except pursuant to such driveways and sidewalks as originally constructed by Declarant.

**Section 8.** No outbuilding, tent, shack, garage, trailer, shed, utility building or temporary building of any kind shall be erected, except temporarily only for construction purposes. No arbor, trellis, gazebo, pergola (or similar item), awning, fence, barrier, wall or structure of any kind or nature shall be placed on the property without prior written approval of the Developer. Painting with natural concrete color or clear (non-colored) concrete and driveway coatings are permitted. No other colored coatings are permitted without the prior written consent of Developer, its designee, or an architectural review committee appointed by Developer or Developer's designee.

**Section 9.** Nothing shall be altered in, constructed on, or removed from any dedicated or reserved areas except on the written consent of the Declarant, after the original development thereof by the Declarant. Landscaping maintenance in the dedicated or reserved areas shall be the duty of the District and no other person shall attempt to alter or maintain it.

**Section 10.** The hanging of clothes or clotheslines or placing of clothes poles is prohibited to the extent allowed by law. No aerials, satellite reception dishes, or antennas of any kind, nor window air-conditioners or irrigation wells are permitted within the Subdivision, except as specifically allowed by law. The location of any improved device will be as previously approved by the Declarant in writing.

**Section 11.** Prior to being placed curbside for collection, no rubbish, trash, garbage, or other waste material shall be kept or permitted on any Homesite or on dedicated or reserved areas except in sanitary containers located in appropriate areas concealed from public view.

**Section 12.** Once placed curbside for collection, all garbage will be contained in plastic bags prescribed by Declarant and placed curbside no earlier than the day before scheduled pick-up. In the alternative, the Declarant shall have the right to require that garbage be placed in a dumpster and not placed curbside. In either event, all garbage must be contained in fully closed and sealed plastic bags prescribed by the Declarant. To Maintain the Subdivision in a clean and sanitary condition and to minimize heavy commercial traffic within the Subdivision, garbage and trash service shall be provided by Declarant, or Declarant's designee, and charges paid separately by each Owner. Owner agrees that garbage and trash service shall commence on the closing date the Owner purchases Owner's Homesite and home. Owner acknowledges that garbage and trash services is provided, and the fee for such service is payable, on a year-round basis regardless of use or occupancy. Declarant reserves the right to require all Owner's to participate in a curbside recycling program if and when one is instituted.

**Section 13.** Owner(s) shall use his property in such a manner as to allow his neighbors to enjoy the use of their property. Radios, record players, television, voices and other sounds are to be kept on a moderate level from 10:00 p.m. to one (1) hour before daylight. These restrictions shall not apply to construction noises being made by the Declarant.

**Section 14.** The Declarant reserves the right to prohibit or control all peddling, soliciting, selling, delivery and vehicular traffic within the Subdivision.

**Section 15.** The Declarant reserves the right to establish such other reasonable rules and regulations covering the utilization of the Homesites by the Owner(s) in order to maintain the aesthetic qualities of this Subdivision, all of which apply equally to all of the parties in the Subdivision. The rules and regulations shall take effect within five (5) days from the sending of a notice to an Owner(s).

**Section 16.** Individual mailboxes may not be located upon a Homesite. Mailboxes are provided by the U.S. Postal Service at no cost to Owner, however, those boxes shall be housed by the Declarant at a one time charge of \$190.00 per box, payable at the time of the initial sale of the Homesite from Declarant to Owner.

**Section 17.** Declarant, or the transferees of Declarant, shall undertake the work of developing all Homesites included within the Subdivision. The completion of that work, and the sale, rental, or other disposition of residential units is essential to the establishment and welfare of the Subdivision as an ongoing residential community. In order that such work may be completed and the Subdivision be established as a fully occupied residential community as soon as possible, nothing in this Declaration shall be understood or construed to:

- (a) Prevent Declarant, Declarant's transferees, or the employees, contractors, or subcontractors of Declarant, or Declarant's transferees from doing on any part or parts of the Subdivision owned or controlled by Declarant, or Declarant's transferees, or their representatives, whatever they determine may be reasonably necessary or advisable in connection with the completion of such work;
- (b) Prevent Declarant, Declarant's transferees, or the employees, contractors, or subcontractors of Declarant, or Declarant's transferees, from constructing and maintaining on any part or parts of the Subdivision property owned or controlled by Declarant, Declarant's transferees, or their representatives such structures as may be reasonably necessary for the completion of such work, the establishment of the Subdivision as a residential community, and the disposition of Homesites by sale, lease, or otherwise;



(c) Prevent Declarant, Declarant's transferees, or the employees, contractors, or subcontractors of Declarant, or Declarant's transferees, from conducting on any part or parts of the Subdivision property owned or controlled by Declarant, or Declarant's transferees, or their representatives, the business of completing such work, of establishing the Subdivision as a residential community, and of disposing of Homesites by sale, lease, or otherwise; or

(d) Prevent Declarant, Declarant's transferees, or the employees, contractors, or subcontractors of Declarant, or Declarant's transferees, from maintaining such sign or signs on any of the Homesites owned or controlled by any of them as may be necessary in connection with the sale, lease or other disposition of subdivision Homesites.

As used in this section, the words "its transferees" specifically exclude purchasers of Homesites improved with completed residences.

**Section 18.** No unauthorized person may enter onto any wildlife preserve set forth within the areas designated as such in the Development Order entered into in connection with the Villages of Marion, a Development of Regional Impact, or as it may be amended from time to time.

**Section 19.** Each Owner shall ensure that any construction on the Homesite complies with the construction plans for the surface water management system pursuant to Chapter 40D-4, F.A.C., approved and on file with the Southwest Florida Water Management District (SWFWMD). No Owner of the property within the Subdivision may construct or maintain any building, residence, or structure, or undertake or perform any activity in the wetlands, buffer areas, and upland conservation areas described in the approved permit and recorded plat of the Subdivision, unless prior approval is received from the SWFWMD pursuant to Chapter 40D-4, F.A.C.

**Section 20.** Except as originally constructed by the Declarant, no driveways, walkways, carpaths or access shall be located on or permitted on any road right-of-way, walkway or carpath.

**Section 21.** Temporary parking depicted on the plat of the Subdivision is not for Owner's use but is for the use of Owner's invitees and guests.

**Section 22.** In an effort to protect limited natural resources, all Homesites shall remain finished with the same quantity and style of water-conservative, drought-tolerant sod and landscape as originally provided by the Declarant.

Notwithstanding: (a) the construction, installation, and maintenance of structures, additions, and other improvements to Owner's Homes and Homesites shall not be deemed a violation of the foregoing sentence if such improvements and activities are first approved by the Declarant, in accordance with the other provisions set forth in this Declaration; and (b) Owners are encouraged to and may add and replace landscape that is more water-conservative and drought-tolerant than originally provided, however, any such alterations to areas visible from roadways or golf courses must receive the prior written approval from the Declarant.

## ARTICLE VI. WATER RESOURCES

**Section 1.** **Potable water and wastewater utility systems.** All Homes will contain modern plumbing facilities connected to the wastewater and potable water systems provided by Marion County. Upon acquiring any interest as an Owner of a Homesite in the Subdivision, each Owner hereby agrees to pay for water and sewer services provided by Marion County. The charges for such services shall be billed and paid on a monthly basis. Private wells are prohibited.

**Section 2.** **Ownership and Maintenance.** The Owner of a Homesite shall own and maintain the water distribution system downstream from the water meter measuring the amount of water supplied to the Homesite. Marion County shall own and maintain the irrigation water supply system upstream from, and including, the water meter measuring the amount of water supplied to the Homesite (the "Marion County Water Supply System"). Prior to commencing any underground activity which could damage the Marion County Water Supply System, the Owner shall contact Marion County to determine the location of the Marion County Water Supply System. Any damage to the Marion County Water Supply System shall be repaired by Marion County at the sole cost of the Owner.

## ARTICLE VII. OWNER'S OBLIGATIONS OF MAINTENANCE AND REPAIR

### Section 1. Maintenance Obligations.

(a) **Home, Homesite and adjoining areas.** Subject to these restrictions, each Owner shall, at his sole cost and expense, repair his residence, other than as otherwise provided for herein, keeping the same in condition comparable to the condition of such residence at the time of its initial construction, excepting only normal wear and tear. Each Homesite Owner shall be responsible for maintaining in a mowed, edged, neat and clean manner:

- (i) that portion of his Homesite not subject to side yard or driveway easements.
- (ii) his side yard easement area, driveway easement area and driveway, whether on his Homesite or on an adjacent Homesite, reserved area, or dedicated area.
- (iii) the unpaved area between an adjacent roadway or walkway located in the road right of way and the Owner's Homesite.

(iv) Owners of Homesites subject to a Special Easement for Landscaping, as shown on the Plat or described in Article IV above, shall perpetually maintain the vegetation located thereon, consistent with good horticultural practice. No owner of a Homesite which is subject to a Special Easement for Landscaping shall take any action to prevent the Landscaped Buffer from complying with those provisions of the Marion County Subdivision regulations requiring Landscaped Buffer areas.

(b) **Walls, Fences and Gates.** Owners shall be responsible for all wall and fence maintenance not assumed by the District in ARTICLE II, Section 1 herein. Subject to these restrictions, each Owner shall paint and keep clean all fences and walls. The gate on the gate fence or wall shall be maintained by the Owner enjoying the use of the adjacent side yard area. Owners shall be responsible for maintenance and repair of the structural integrity of all walls and fences serving the Owners' Homesites whether on the Owner's Homesite or on an adjacent Homesite, reserved area, or dedicated area. Where a wall or fence serves more than one Homesite, the cost of maintaining and repairing the structural integrity of the wall or fence shall be shared among the respective Owners served by such wall and/or fence. Owners of Homesites that adjoin a roadway within the Subdivision, in addition to maintaining the interior of such wall or fence, Owner shall be responsible for maintenance and repair of the exterior surface and structural integrity of the wall and/or fence.

The Owners of Homesites 37 and 51 ; Homesites 61 and 62; and Homesites 70 and 71, shall clean and paint the interior portion of the security wall or fence upon and adjacent to the Homesites, and shall mow and maintain in a neat and clean manner, the area located between such Owners Homesites and the centerline of the unpaved right of way adjoining such Homesites.

Owners of Homesites on the perimeter of the Subdivision who must maintain the exterior of the fence and/or walls on their Homesites are encouraged to do so in a cooperative and uniform manner with other adjacent Homesite Owners so as to present to the public a uniform well maintained appearance of the Subdivision as a whole.

All gates, walls and fences must be of a uniform color and type of paint. Owners intending to paint must contact the Declarant, or the District, for paint specifications.

**Section 2.** If an Owner does not adhere to the above regulations, then the work may be performed on behalf of the Owner by the Declarant, but the Declarant shall not be obligated to perform such work, and the cost shall be charged to the Owner.

#### **ARTICLE VIII. OWNER'S OBLIGATION TO REBUILD**

If all or any portion of a residence is damaged or destroyed by fire or other casualty, it shall be the duty of the Owner thereof, with all due diligence, to rebuild repair, or reconstruct such residence and walls and/or fences in a manner which will substantially restore it to its appearance and condition immediately prior to the casualty. Reconstruction shall be undertaken within two (2) months after the damage occurs, and shall be completed within six (6) months after the damage occurs, unless prevented by governmental authority. Such reconstruction is subject to the provisions of these restrictions.

#### **ARTICLE IX. PARKING RESTRICTIONS**

No Owner of a Homesite shall park, store, or keep any vehicle except wholly within his driveway, garage or other non-visitor parking spaces. No truck in excess of 3/4 ton, camper, boat, trailer, or aircraft, or any vehicle other than a private non-commercial vehicle may be parked in a parking space except a boat may be kept in the garage with the garage door closed. No Owner of a Homesite shall repair or restore any motor vehicle, boat, trailer, aircraft, or other vehicle on any portion of any Homesite, or on dedicated or reserved areas, except for emergency repairs, and then only to the extent necessary to enable movement thereof to a proper repair facility.

#### **ARTICLE X. ARCHITECTURAL CONTROL**

**Section 1.** **Alterations, Additions, and Improvements of Residences.** No Owner, other than Declarant, or its transferees, shall make any structural alteration, or shall undertake any exterior repainting or repair of, or addition to his residence, which would substantially alter the exterior appearance thereof, without the prior written approval of the plans and specifications therefor by the Declarant, or an architectural review committee appointed by the Declarant. The Declarant, or an architectural review committee designated by the Declarant, shall grant its approval only in the event the proposed work (a) will benefit and enhance the entire Subdivision in a manner generally consistent with the plan of development thereof, and (b) complies with the construction plans for the surface water management system pursuant to Chapter 40 D-4, F.A.C., approved and on file with the Southwest Florida Water Management District. All fences and walls must be of a uniform color and type of paint. Owners intending to paint their fence and/or walls must contact the Declarant, or the District, for paint specifications.

**Section 2.** **Waiver and Release.** When a building or other structure has been erected or its construction substantially advanced and the building is located on any Homesite or building plot in a manner that constitutes a violation of these covenants and restrictions, the Declarant, or an architectural review committee appointed by the Declarant, may release the Homesite or building plot, or parts of it, from any part of the covenants and restrictions that are violated. The Declarant, or the architectural review committee, shall not give such a release except for a violation that it determines to be a minor or insubstantial violation in its sole judgment.

ARTICLE XI. GENERAL PROVISIONS

**Section 1. Water Features.** Owner recognizes that lakes, ponds, basins, retention and detention areas, marsh areas or other water related areas (hereafter, "Water Features") within or outside of the Subdivision are designed to detain, or retain stormwater runoff and are not necessarily recharged by springs, creeks, rivers or other bodies of water. In many instances, the Water Features are designed to retain more water than may exist from ordinary rainstorms in order to accommodate major flood events. The level of water contained within such Water Features at any given time is also subject to naturally occurring events such as drought, floods, or excessive rain. Owner acknowledges that from time to time there may be no water in a Water Feature and that no representation has been made that the water depth or height will be at any particular level.

**Section 2. Enforcement.** All Owners shall have the right and duty to prosecute in proceedings at law or in equity against any person or persons violating or attempting to violate any covenants, conditions or restrictions, either to prevent him or them from so doing, or to recover damages or any property charges for such violation. The cost of such proceedings, including a reasonable attorney's fee, shall be paid by the party losing said suit. In addition, the Declarant shall also have the right but not the duty to enforce any such covenants, conditions or restrictions as though Declarant were the Owner of the Homesite, including the right to recover reasonable attorney's fees and costs. Declarant may assign its right to enforce these covenants, conditions or reservations and to recover reasonable attorney's fees and costs to a person, committee, or governmental entity.

**Section 3. Severability.** Invalidation of any one of these covenants or restrictions by judgment or court order shall in no way affect any other provisions, which shall remain in full force and effect.

**Section 4. Amendments.** Covenants and restrictions of this Declaration may be amended by duly recording an instrument executed and acknowledged by the Declarant.

**Section 5. Subordination.** No breach of any of the conditions herein contained or reentry by reason of such breach shall defeat or render invalid the lien of any mortgage made in good faith and for value as to the Subdivision or any Homesite therein; provided, however, that such conditions shall be binding on any Owner whose title is acquired by foreclosure, trustee's sale, or otherwise.

**Section 6. Duration.** The covenants and restrictions of this Declaration shall run with and bind the land, and shall inure to the benefit of and be enforceable by the Declarant, or any Owner, until the first day of August 2046 (except as elsewhere herein expressly provided otherwise). After the first day of August 2046, said covenants, restrictions, reservations and servitudes shall be automatically extended for successive periods of ten (10) years unless an instrument signed by the Declarant, or his assignee, shall be recorded, which instrument shall alter, amend, enlarge, extend or repeal, in whole or in part, said covenants, restrictions, reservations and servitude.

EXECUTED this 30<sup>th</sup> day of September, 2016.

Signed, Sealed and Delivered  
in the presence of:

*Steven M. Roy*

Print Name: Steven M. Roy

*Meg Mosher*

Print Name: Meg Mosher

STATE OF FLORIDA  
COUNTY OF SUMTER

THE VILLAGES OF LAKE SUMTER, INC.

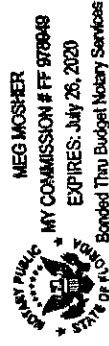
By: *Martin L. Dzuro*  
Martin L. Dzuro, Vice President

Address of The Villages of Lake Sumter, Inc.:  
1020 Lake Sumter Landing, The Villages, FL 32162

The foregoing was acknowledged before me this day 30<sup>th</sup> of September, 2016, by **Martin L. Dzuro** as Vice President of and on behalf of THE VILLAGES OF LAKE-SUMTER, INC., a Florida corporation, who is personally known to me and who did not take an oath.

*Meg Mosher*  
NOTARY PUBLIC - STATE OF FLORIDA  
Printed Name: Meg Mosher  
My Commission Expires: \_\_\_\_\_  
Serial/Commission Number: \_\_\_\_\_

[S E A L]



**THIS INSTRUMENT PREPARED BY:**

Steven M. Roy, Esq., marn  
McLin Burnsed  
P.O. Box 1299  
The Villages, Florida 32158-1299

**RETURN TO:**

Martin L. Dzuro, PSM  
Dzuro & Associates  
1045 Lake Sumter Landing  
The Villages, Florida 32162



## **AGENDA REQUEST**

**TO:** Board of Directors  
North Sumter County Utility Dependent District

**FROM:** Anne Hochsprung, Finance Director

**DATE:** 4/18/2019

**SUBJECT:** Financial Statements

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**ISSUE:** Budget to Actual Statements as of February 28, 2019.

**ANALYSIS/INFORMATION:**

**STAFF RECOMMENDATION:**

**MOTION:**

**ATTACHMENTS:**

Description	Type
▣ Budget to Actuals	Cover Memo
▣ Cash Sheet	Cover Memo

NORTH SUMTER UTILITY FUND	
OPERATING BUDGET	
BUDGET TO ACTUAL STATEMENT AS OF: February 28, 2019 (Unaudited)	
Five (5) Months of Operations- 41.67% of Year	

Account Number	Description of Account		Actual Information			Percent of Annual Budget	Footnotes
			Annual Budget	Current Month Actual	Year-to-Date Actual		
	REVENUES:					Over/(Under)	
341910	Sales Tax Collection Allowance		-	7	34	34	0.00%
341911	Lien Fees		-	-	30	30	0.00%
341999	Misc Revenue		10,000	13,934	15,317	5,317	153.17%
343601	Water Fees - Residential		4,173,600	367,129	1,737,106	(2,436,494)	41.62%
343602	Water Fees - Commercial		308,100	27,852	131,759	(176,341)	42.77%
343603	Sewer Fees - Residential		6,921,100	637,627	2,955,837	(3,965,263)	42.71%
343604	Sewer Fees - Commercial		524,500	47,977	221,279	(303,221)	42.19%
343607	Meters Impact Fees		-	-	68	68.00	0.00%
343609	Reconnect Fees		7,000	399	3,819	(3,181)	54.56%
343610	Fire Protection Water		83,600	7,115	35,401	(48,199)	42.35%
343611	Metered Irrigation Water		9,394,800	644,300	3,916,842	(5,477,958)	41.69%
343612	Metered Construction Water		500	180	900	400	180.00%
343613	Returned Check Fees (\$25)		3,000	336	1,289	(1,711)	42.97%
343615	Other Misc Water & Sewer		12,000	-	5,371	(6,629)	44.76%
343616	Utility Late Penalty Fee		18,000	1,628	8,150	(9,850)	45.28%
361102	Int Income - Cash Equiv		131,500	35,247	175,226	43,726	133.25%
361103	Int Income - USB		100,000	26,088	85,469	(14,531)	85.47%
362007	Lease Revenue		219,800	18,557	91,846	(127,954)	41.79%
365001	Sales of Surplus Material & Sc		19,000	-	5,633	(13,367)	29.65%
	Total Revenues:		\$ 21,926,500	\$ 1,828,376	\$ 9,391,376	\$ (12,535,124)	42.83%
361306	FLGIT-Unrealized Gain/Loss		-	16,879	55,701	55,701	0.00%
361307	LTP Unrealized Gain/Loss		-	172,276	(81,228)	(81,228)	0.00%
361309	FLFIT-Unrealized Gain/Loss		-	(2,059)	(3,082)	(3,082)	0.00%
361404	FMlvt-Realized Gain/Loss		-	-	49	49	0.00%
361409	FLFIT-Realized Gain/Loss		-	7,300	38,396	38,396	0.00%
	Total Available Resources:		\$ 21,926,500	\$ 2,022,772	\$ 9,401,212	\$ (12,525,288)	42.88%
	EXPENDITURES:					Under/(Over)	
511111	Executive Salaries		\$ 16,584	\$ 790	\$ 1,974	\$ 14,610	11.90%
511211	Social Security Taxes		1,027	49	122	905	11.88%
511212	Medicare Taxes		240	11	29	211	12.08%
511241	Worker's Compensation		46	(13)	25	21	54.35%
	Subtotal Personnel Services		\$ 17,897	\$ 837	\$ 2,150	\$ 15,747	12.01%
536311	Management Fees		\$ 738,507	\$ 61,542	\$ 307,713	\$ 430,794	41.67%
536312	Engineering Services		324,395	27,602	95,820	228,575	29.54%
514313	Legal Services		15,000	-	1,232	13,768	8.21%
536318	Technology Services		60,110	5,009	25,047	35,063	41.67%
536319	Other Professional Services		65,119	1,754	6,006	59,113	9.22%
536321	Accounting Services		2,000	-	-	2,000	0.00%
536322	Auditing Services		13,040	5,593	8,390	4,650	64.34%
536323	Trustee Services		15,497	-	14,258	1,239	92.00%
536343	Systems Management Support		13,088	1,612	2,187	10,901	16.71%
536349	Misc Contractual Services		2,956,659	229,031	1,145,316	1,811,343	38.74%
536412	Postage		2,000	-	35	1,965	1.75%
536431	Electricity		1,398,389	76,207	379,547	1,018,842	27.14%
536433	Water & Sewer		60,000	-	-	60,000	0.00%
536442	Equipment Rental		45,000	150	4,050	40,950	9.00%
536451	Casualty & Liability Insurance		220,281	16,753	83,763	136,518	38.03%
536462	Building/Structure Maintenance		1,035,998	25,380	147,688	888,310	14.26%
536463	Landscape Maint. Recurring		66,838	4,159	20,015	46,823	29.95%
536464	Landscape Maint.NonRecurring		14,000	-	-	14,000	0.00%
536471	Printing & Binding		1,500	193	233	1,267	15.53%
536491	Bank Charges		300	12	24	276	8.00%
536493	Permits & Licenses		6,000	500	2,675	3,325	44.58%
536497	Legal Advertising		2,000	220	393	1,607	19.65%
536499	Misc Current Charges		1,000	-	199	801	19.90%
536522	Operating Supplies		500	-	-	500	0.00%
536524	NonCapital FF&E		40,388	-	2,321	38,067	5.75%
536526	Meter Supplies		82,500	-	-	82,500	0.00%
536529	Operating Supplies - Other		234,025	12,615	54,299	179,726	23.20%
	Subtotal Operating Expenses		\$ 7,414,134	\$ 468,332	\$ 2,301,211	\$ 5,112,923	31.04%
536633	Infrastructure		\$ 2,363,380	\$ 142,704	\$ 538,542	\$ 1,824,838	22.79%
536641	Vehicles		100,000	-	-	100,000	0.00%
	Subtotal Capital Outlay- Expenses		\$ 2,463,380	\$ 142,704	\$ 538,542	\$ 1,924,838	21.86%
536710	Principal		\$ 3,015,000	\$ -	\$ 3,015,000	\$ -	100.00%
536721	Interest Expense Senior Debt		7,728,118	644,010	3,220,049	4,508,069	41.67%
536722	Interest Expense Subordinate		1,073,663	89,472	447,359	626,304	41.67%
517730	Miscellaneous Bond Expenses		2,500	-	-	2,500	0.00%
	Subtotal Non-operating Expenses		\$ 11,819,281	\$ 733,482	\$ 6,682,408	\$ 5,136,873	56.54%
536911	Trans to Gen R&R		3,000,000	250,000	1,250,000	\$ 1,750,000	41.67%
	Subtotal Transfers		\$ 3,000,000	\$ 250,000	\$ 1,250,000	\$ 1,750,000	41.67%
	Total Expenditures		\$ 24,714,692	\$ 1,595,355	\$ 10,774,311	\$ 13,940,381	43.59%
369901	Change in Unreserved Net Position		\$ (2,788,192)	\$ 427,417	\$ (1,373,099)	\$ 1,415,093	
Change in Net Assets indicates a budget decrease in Working Capital of \$2,788,192.							

## OPERATING BUDGET

## BUDGET TO ACTUAL STATEMENT AS OF: February 28, 2019 (Unaudited)

**Five (5) Months of Operations- 41.67% of Year**

[illegible]

SUMTER SANITATION FUND								
OPERATING BUDGET								
BUDGET TO ACTUAL STATEMENT AS OF: February 28, 2019 (Unaudited)								
Five (5) Months of Operations- 41.67% of Year								
Account Number	Description of Account	Annual Budget	Actual Information		Year-to-Date Variance	Percent of Annual Budget	Footnotes	
			Current Month Actual	Year-to-Date Actual				
	<b>REVENUES:</b>				<b>Over/(Under)</b>			
341999	Misc Revenue	\$ 18,000	\$ 2,273	\$ 8,273	\$ (9,727)	45.96%		
343401	Solid Waste - Residential	11,000,000	919,598	4,593,640	(6,406,360)	41.76%		
343402	Solid Waste - Commercial	1,000,000	82,789	413,387	(586,613)	41.34%		
343404	Solid Waste-Late Pymt Pnty Fee	15,000	1,227	6,331	(8,669)	42.21%		
343405	SW Fee-Residential-FP	440,000	36,726	182,427	(257,573)	41.46%		
343406	SW Fee-Commercial-FP	2,400	-	-	(2,400)	0.00%		
361102	Int Income - Cash Equiv	28,450	4,476	25,397	(3,053)	89.27%	A	
361103	Int Income - USB	45,000	10,984	37,311	(7,689)	82.91%		
	<b>Total Revenues:</b>	<b>\$ 12,548,850</b>	<b>\$ 1,058,073</b>	<b>\$ 5,266,766</b>	<b>\$ (7,282,084)</b>	<b>41.97%</b>		
361306	FLGIT-Unrealized Gain/Loss	-	2,086	6,885	6,885	0.00%	B	
361309	FLFIT-Unrealized Gain/Loss	-	(182)	(272)	(272)	0.00%	A	
361404	FMIvT-Realized Gain/Loss	-	-	4	4	0.00%	C	
361409	FLFIT-Realized Gain/Loss	-	643	3,385	3,385	0.00%	A	
	<b>Total Available Resources:</b>	<b>\$ 12,548,850</b>	<b>\$ 1,060,620</b>	<b>\$ 5,276,768</b>	<b>\$ (7,272,082)</b>	<b>42.05%</b>		
	<b>EXPENDITURES:</b>				<b>Under/(Over)</b>			
511111	Executive Salaries	8,615	411	1,026	7,589	11.91%	D	
511211	Social Security Taxes	534	25	64	470	11.99%	D	
511212	Medicare Taxes	124	6	15	109	12.10%	D	
511241	Worker's Compensation	23	13	13	10	56.52%		
	<b>Subtotal Personnel Services</b>	<b>\$ 9,296</b>	<b>\$ 455</b>	<b>\$ 1,118</b>	<b>\$ 8,178</b>	<b>12.03%</b>		
534311	Management Fees	\$ 155,228	\$ 12,934	\$ 64,690	\$ 90,538	41.67%		
514313	Legal Services	11,527	-	332	11,195	2.88%	D	
534318	Technology Services	12,431	1,036	5,179	7,252	41.66%		
534319	Other Professional Services	497	44	88	409	17.71%		
534321	Accounting Services	1,020	-	-	1,020	0.00%		
534322	Auditing Services	7,097	2,907	4,360	2,737	61.43%	E	
534323	Trustee Services	15,497	-	14,258	1,239	92.00%	F	
534343	Systems Management Support	111	25	64	47	57.66%		
534349	Misc Contractual Services	6,908,093	574,001	2,868,296	4,039,797	41.52%		
534412	Postage	3,382	-	-	3,382	0.00%		
534438	Recycling Expenses-FP	3,937	548	2,961	976	75.21%	G	
534439	Recycling Expenses Non-FP	371,393	58,095	176,351	195,042	47.48%		
534445	Ground Lease	18,381	-	7,500	10,881	40.80%		
534461	Equipment Maintenance	20,400	2,013	6,235	14,165	30.56%		
534471	Printing & Binding	5,120	-	1,532	3,588	29.92%		
534499	Misc Current Charges	1,028,593	168,966	495,807	532,786	48.20%		
534521	Gasoline/Diesel	68,919	-	312	68,607	0.45%		
534522	Operating Supplies	3,121	-	-	3,121	0.00%		
534524	Non-Capital FF&E	68,562	-	-	68,562	0.00%	H	
	<b>Subtotal Operating Expenses</b>	<b>\$ 8,703,309</b>	<b>\$ 820,569</b>	<b>\$ 3,647,965</b>	<b>\$ 5,055,344</b>	<b>41.91%</b>		
534711	Senior Debt	995,000	-	995,000	-	100.00%	I	
534712	Junior Debt	75,000	-	75,000	-	100.00%	I	
534721	Interest Expense - Senior Debt	2,336,250	194,688	973,434	1,362,816	41.67%		
534722	Interest Expense - Subordinate	184,750	15,396	76,978	107,772	41.67%		
	<b>Subtotal Non-operating Expenses</b>	<b>\$ 3,591,000</b>	<b>\$ 210,084</b>	<b>\$ 2,120,412</b>	<b>\$ 1,470,588</b>	<b>59.05%</b>		
534911	Trans to Gen R&R	250,000	20,833	104,169	145,831	41.67%		
	<b>Subtotal Transfers</b>	<b>\$ 250,000</b>	<b>\$ 20,833</b>	<b>\$ 104,169</b>	<b>\$ 145,831</b>	<b>41.67%</b>		
	<b>Total Expenditures</b>	<b>\$ 12,553,605</b>	<b>\$ 1,051,941</b>	<b>\$ 5,873,664</b>	<b>\$ 6,679,941</b>	<b>46.79%</b>		
369901	<b>Change in Unreserved Net Position</b>	<b>\$ (4,755)</b>	<b>\$ 8,679</b>	<b>\$ (596,896)</b>	<b>\$ (592,141)</b>			
Change in Net Assets indicates a budget decrease in Working Capital of \$4,755								

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**NORTH SUMTER COUNTY UTILITY DEPENDENT DISTRICT (NSCUDD)  
CASH AND INVESTMENT SUMMARY  
AS OF FEBRUARY 28, 2019**

Fund Code	Account Name	Bank	Balance as of 10/01/18	Current Balance	Reconciled Yes/No
<b>NORTH SUMTER UTILITY FUND (NSU)</b>					
442	Cash Operating	CFB	1,103,410.84	1,638,941.39	Yes
442	FLCLASS	FLCLASS	9,130,985.40	10,041,402.02	Yes
442	FEITF	FEITF	5,841,611.14	5,901,083.50	Yes
442	Cash-FL-FIT	FLFIT	3,511,973.22	3,547,287.51	Yes
442	Cash FLGIT	FLGIT	4,196,134.76	4,251,835.67	Yes
442	Cash LTIP USB	LTIP	2,967,694.50	2,886,466.18	Yes
			<b>26,751,809.86</b>	<b>28,267,016.27</b>	
<b>DEBT SERVICE FUND - TRUST ACCOUNTS</b>					
442	Senior Reserve Fund 2010	USB	6,173,529.69	6,241,153.22	Yes
442	Subordinate Reserve Fund 2010	USB	1,446,479.24	1,462,323.68	Yes
442	Sr/Sub - Utility Guaranty Fund 2010	USB	-	-	Yes
442	Senior Interest Fund 2010	USB	3,998,676.93	3,306,426.63	Yes
442	Subordinate Interest Fund 2010	USB	554,066.09	459,294.37	Yes
442	Senior Principal Fund 2010	USB	2,753,844.40	1,239,790.68	Yes
442	Subordinate Principal Fund 2010	USB	309,868.25	139,383.04	Yes
442	Sr/Sub - Repair & Repl Fund 2010	USB	429,096.77	433,797.01	Yes
442	SR - Term Bond Redemption Fund 2010	USB	-	-	Yes
442	Sub- Term Bond Redemption Fund 2010	USB	-	-	Yes
			<b>15,665,561.37</b>	<b>13,282,168.63</b>	
<b>SUMTER SANITATION FUND (SSF)</b>					
444	Cash Operating	CFB	553,329.14	224,050.36	Yes
444	FLCLASS	FLCLASS	1,594,628.51	1,760,663.79	Yes
444	FEITF	FEITF	293,716.65	296,706.91	Yes
444	Cash-FL-FIT	FLFIT	309,560.84	312,673.60	Yes
444	Cash FLGIT	FLGIT	518,692.12	525,577.41	Yes
			<b>3,269,927.26</b>	<b>3,119,672.07</b>	
<b>SOLID WASTE TRUST ACCOUNTS</b>					
444	Principal Fund 2012	USB	1,086,208.55	493,287.40	Yes
444	Interest Fund 2012	USB	1,307,109.53	1,076,624.68	Yes
444	Sr Reserve Fund 2012	USB	3,496,064.21	3,534,359.36	Yes
444	Debt Service Fund 2012	USB	-	-	Yes
444	Term Bond Redemption Fund 2012	USB	-	-	Yes
444	Ins & Condemnation Proceeds Fund 2012	USB	-	-	Yes
444	Redemption Fund 2012	USB	-	-	Yes
444	Rebate Fund 2012	USB	-	-	Yes
444	Sub Reserve Fund 2012	USB	280,550.58	283,623.67	Yes
444	Construction Fund	USB	-	-	Yes
444	Solid Waste Rev Guaranty Fund 2012	USB	71,288.32	72,069.19	Yes
			<b>6,241,221.19</b>	<b>5,459,964.30</b>	

NSU Total

SSF Total

**Grand Totals**

42,417,371.23	41,549,184.90
9,511,148.45	8,579,636.37
<b>51,928,519.68</b>	<b>50,128,821.27</b>



## **AGENDA REQUEST**

**TO:** Board of Directors  
North Sumter County Utility Dependent District

**FROM:** Richard Baier, District Manager

**DATE:** 4/18/2019

**SUBJECT:** E-billing

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**ISSUE:** Please refer to attached graph.

**ANALYSIS/INFORMATION:**

**STAFF RECOMMENDATION:**

**MOTION:**

**ATTACHMENTS:**

Description	Type
▣ E-billing graph	Cover Memo

Month	# E-Bills
November 17'	4501
December 17'	4599
November 18'	6861
December 18'	7016
January	7290
February	7460
March	7522
April	
May	
June	
July	
August	
September	
October	
November	
December	

## # E-Bills 2019

