

11/6/14

MASTER AGREEMENT BETWEEN CITY OF GAINESVILLE d/b/a GAINESVILLE REGIONAL UTILITIES AND SHANDS TEACHING HOSPITAL AND CLINICS, INC. FOR THE PROVISION OF ENERGY COMMODITIES THROUGH A CENTRAL UTILITY PLANT

This Master Agreement ("Agreement") is made and entered into as of the 25th day of July, 2007 (the "Effective Date") by and between Shands Teaching Hospital and Clinics, Inc. ("Shands"), and the City of Gainesville ("City") d/b/a/ Gainesville Regional Utilities, ("GRU"), a Florida municipal corporation. Shands and GRU may be referred to herein individually as a "Party" and collectively as the "Parties."

RECITALS

WHEREAS, the Parties agree that the definitions of the terms defined in Exhibit "A", attached hereto shall apply to the Agreement Documents, as defined herein;

WHEREAS, Shands intends to construct, own and operate the Project Campus, as defined herein; and

WHEREAS, Shands selected GRU to provide the Project Campus with electric grid power, Essential Power, Standby Power generation, chilled water, steam, Medical Gases distribution and storage infrastructure, and all appurtenances, providing electric, water, wastewater, and natural gas service connections to the Project Campus in accordance with prevailing GRU policies, practices, and agreements, required to connect to the Project Campus and related land, buildings, fuel storage, metering services, controls and switchgear pursuant to the terms of the Energy Commodities Services Agreement (ECS Agreement) at Exhibit "B", attached hereto; and

WHEREAS, GRU intends to own, manage the design, procure, construct, operate and maintain a Central Utility Plant ("CUP") on the Project Campus for the express purpose of providing the Energy Commodities Services ("ECS") required by Shands and to construct direct buried piping and duct banks connecting the CUP to future facilities on the Project Campus; and

WHEREAS, GRU has leased the site for the CUP from Shands, pursuant to the Lease Agreement, Exhibit "C", attached hereto; and

WHEREAS, the Parties have agreed to the Operating Committee protocols, Exhibit "D", attached hereto;

NOW, THEREFORE, in consideration of the mutual covenants contained herein, the Parties agree as follows:

I. **TERM; INITIAL OPERATION DATE.**

A. **Term.**

The term of this Agreement ("Term") shall be for a period of fifty (50) years, commencing on the Effective Date and terminating on the fiftieth anniversary of the Effective Date, unless otherwise terminated pursuant to the terms and conditions of this Agreement. Upon the expiration of the Term, the Agreement shall be renewed automatically unless either Party shall give to the other written notice of its intention to terminate this Agreement. Such notice shall provide that GRU shall not disconnect services to the Project Campus until the earlier of the day the Project Campus is physically connected to a new provider; or three (3) years after the written notice of termination. All rates and charges set forth in the Agreement Documents will remain in effect. Upon termination, only if automatic renewal did not occur, the Lease, Exhibit C attached, will be simultaneously terminated. Further, the blanket easement over the Project Campus granted by Shands to GRU may, at the option of Shands, be terminated with the exception of easements for services unrelated to CUP.

B. **Initial Operation Date.**

The schedule of Shands' initial needs for Chilled Water Service, Steam Service and On-site Electric Power Service as of each respective Initial Operation Date is set forth in Attachment 1 of the ECS Agreement, Exhibit B attached. Shands shall update GRU on a monthly basis as to any change in the specified Chilled Water Operation Date, Steam Operation Date or the On-site Electric Power Operation Date, and the Parties may mutually agree to modify the specified dates. Shands shall provide GRU with a written notice at least thirty (30) days prior to the Initial Operation Date for each of the commodities. If GRU fails to meet the specified Chilled Water Operation Date, Steam Operation Date or the On-site Electric Power Operation Date, GRU shall provide Temporary Services to the level of Shands' needs as set forth in Attachment 1 of the ECS Agreement, Exhibit B attached from the specified date until permanent ECS can be commenced.

II. **DESIGN, PROCUREMENT, CONSTRUCTION, OPERATION, AND MAINTENANCE OF THE CUP**

GRU shall design, procure, construct, own, operate and maintain, a CUP in accordance with the ECS Agreement, Exhibit B attached, and Project Schedule, Attachment 1 to Exhibit B attached. The Scope of Work will be performed by GRU and its contractors in accordance with the conditions and specifications required by Shands and authorities having jurisdiction over Shands. All designs, including exterior design standards, shall be subject to review by Shands and Shands shall have a reasonable amount of time, to be determined by agreement of the Parties considering the circumstances, to review and comment on all plans and specifications for the CUP. To the extent Shands fails to provide comments in writing to GRU within the agreed amount of time, any plans and specifications submitted to it shall be deemed acceptable. Shands may request modifications to the plans and specifications for the CUP as long as such modifications are in compliance with the terms set forth in the Agreement Documents.

The total project cost is Thirty Five Million, Three Hundred Twenty Two Thousand, Forty Dollars and no/100 (\$35,322,040.00).

III. PROJECT SCHEDULE

GRU shall complete design, procurement, and construction of the CUP, in accordance with the Project Schedule, Attachment 1 to Exhibit B attached. The Parties acknowledge that failure to adhere to the Project Schedule may delay the provision of ECS to the Project Campus. Provided a delay in performance is not the fault of GRU or due to factors beyond the control of GRU, GRU shall adhere to the Project Schedule, as it may be adjusted from time to time.

IV. AGREEMENT DOCUMENTS: INTENT, AMENDING, ELECTRONIC DATA

A. Agreement Documents.

The Agreement Documents comprise the entire Agreement between GRU and Shands. The Agreement Documents are limited to the Agreement, and any and all Attachments, Exhibits, Addenda or Modifications thereto.

B. Amending and Supplementing Agreement Documents.

Upon mutual written agreement signed by the Parties, the Agreement Documents may be amended to provide for additions, deletions, and revisions to modify the terms and conditions thereof by a Modification

C. Electronic Data

1. **Reliance.** In performing services under this Agreement, GRU shall be entitled to rely on all information, including electronic media, provided by or on behalf of Shands, or anyone for whom Shands is responsible, hereunder. Equally, Shands shall be entitled to rely on all information, including electronic media, provided by or on behalf of GRU, or anyone for whom GRU is responsible, hereunder. The Parties shall not be responsible or liable in any manner for any defect or deficiency in the information supplied or for defects or deficiencies in a party's performance or services to the extent they result from one party's reliance on information provided by or on behalf of the other party.

2. **No warranty on capability of media.** Electronic media, including magnetic and optical disks and magnetic tapes, submitted by GRU to Shands or Shands to GRU under this Agreement are intended to operate on a system of hardware and software identical to that utilized by GRU or Shands to produce such media. Neither GRU nor Shands warrants or represents the capability of such media to operate on any other system of hardware or software.

3. **Viruses.** Neither Party shall be responsible to the other for the effects of computer viruses transmitted through the exchange of electronic media.

V. **TERMINATION**

A. **Events of Default; Termination by Shands**

1. **GRU Event of Default.** The occurrence of any one or more of the following events shall constitute a GRU Event of Default hereunder:

a. GRU's failure to substantially perform the Scope of Work in accordance with the Agreement, which failure continues for sixty (60) days after receipt of written notice from Shands;

b. GRU's failure to supply ECS to the Project Campus (from the CUP or any Temporary Services) for a continuous period of twenty-four (24) hours, or GRU's provision of Temporary Services to Shands within such time and failure to restore normal ECS, per the Contingency Plan, within thirty (30) days or such longer period as may be required to cure;

c. GRU's knowing disregard of Laws, Regulations or Standards of any public or private body having jurisdiction;

d. GRU's disregard of the authority of Shands or an authority having jurisdiction over Shands; or

e. GRU's failure to comply with any other material provision of this Agreement and failure to cure or remedy that default within sixty (60) days after notice and written demand by Shands to cure the same, or such longer period as may be reasonably required to cure.

2. **Shands' Remedies.** If one or more of the events identified in Section V.A.1. occur, Shands may terminate this Agreement after giving not less than sixty (60) days written notice to GRU.

3. **Effect of Termination upon GRU Event of Default.** Upon termination of this Agreement for a GRU Event of Default, Shands may:

a. purchase the entire CUP at 100% of the installed cost of the CUP (including the building and piping), less the accumulated depreciation of the CUP components, and assume the obligation to serve any other GRU customers then served by the CUP until GRU provides alternate facilities to serve existing customers. If Shands terminates this Agreement and purchases the entire CUP pursuant to this subsection, the Lease Agreement between the Parties, Exhibit C attached, will be simultaneously terminated. Further, the blanket easement over the Project Campus granted by Shands to GRU may, at the option of Shands, be terminated with the exception of services unrelated to CUP services;

b. purchase no portion of the CUP and arrange for an alternative provider of ECS or provide such services to itself.

4. **Mitigation.** Each Party agrees to take reasonable measures to mitigate its damages in the Event of Default by the other Party.

B. Events of Default; Termination by GRU

1. **Shands Event of Default.** The occurrence of any one or more of the following events shall constitute a Shands' Event of Default hereunder:

a. Shands' failure to substantially perform in accordance with the Agreement, which failure continues for sixty (60) days after receipt of written notice from GRU;

b. Shands' failure to pay any bill for ECS rendered or other charges incurred under this Agreement for a period of sixty (60) days after receipt of written notice from GRU unless Shands has given reasonable notice of a dispute to GRU which has not been resolved;

c. Shands' knowing disregard of Laws, Regulations or Standards of any public or private body having jurisdiction;

d. Shands' disregard of the authority of GRU; or

e. Shands' failure to comply with any other material provision of this Agreement and failure to cure that default within sixty (60) days after notice and written demand by GRU to cure the same, or such longer period as may be reasonably required to cure.

2. **GRU's Remedies.** If one or more of the events identified Section V.B.1. occur, GRU may terminate this Agreement after giving not less than 60 days written notice to Shands.

3. **Effect of Termination Upon Shands Event of Default.** Upon termination of this Agreement for a Shands Default, GRU shall discontinue providing ECS hereunder, and may enter the Hospital to disconnect service. Actual termination and disconnection by GRU shall not occur under any circumstances until the earlier of:

a. the day the Project Campus is physically connected to a new provider; or

b. three (3) years after written notice. All rates and charges set forth in the Agreement Documents will remain in effect.

4. **Mitigation.** Each Party agrees to take reasonable measures to mitigate its damages in the Event of Default by the other Party.

C. Shands' Termination For Convenience

1. **Requirements.** Shands may terminate the Agreement Documents at any time prior to the Initial Operation Date of ECS by providing written notice to GRU. In the event that a termination occurs pursuant to this Section, Shands shall pay to GRU the actual costs, as set forth below, incurred by GRU for any portion of the CUP, including Service Lines. Additionally, Shands may obtain and keep any salvage value for such unused equipment. In such case, GRU shall be paid for (without duplication of any items):

- a. completed and acceptable Scope of Work, executed in accordance with the Agreement Documents, prior to the effective date of termination, including fair and reasonable sums for overhead and profit on such Scope of Work;
- b. expenses sustained prior to the effective date of termination in performing services and furnishing labor, materials, or equipment as required by the Agreement Documents in connection with uncompleted Scope of Work (including costs for stored materials and materials and supplies in fabrication), plus fair and reasonable sums for overhead and profit on such expenses; and
- c. all costs incurred in settlement of terminated contracts with subcontractors and suppliers.

2. **Anticipated Profits.** GRU shall not be paid on account of loss of anticipated profits or revenues or other economic loss arising out of or resulting from such termination.

3. **Effect of Termination for Convenience.** In the event of termination as provided in this section V.C. of the Agreement, the Lease Agreement between the Parties, Exhibit C, attached, shall be simultaneously terminated. Further, the blanket easement over the Project Campus granted by Shands to GRU may, at the option of Shands, be terminated with the exception of services unrelated to CUP services.

D. GRU May Stop Work or Terminate

GRU may terminate this Agreement to the extent that construction of the Project Campus is not completed and initial commencement of ECS does not occur on or before December 31, 2009 (excluding delays due to Force Majeure Events or delays caused by GRU), by giving Shands not less than sixty (60) days written notice of its intent to terminate. All obligations that arose prior to the termination of this Agreement (including, without limitation, the obligation to pay any amounts outstanding for ECS supplied to the Project Campus prior to termination) shall survive the termination hereof.

Upon termination of this Agreement pursuant to this Section V.D., Shands may:

1. purchase the entire CUP at 100% of the installed cost of the CUP (including the building and piping), less the accumulated depreciation of the CUP components, and assume the obligation to serve any other GRU customers then served by the CUP until GRU provides alternate facilities to serve existing customers. If Shands purchases the entire CUP pursuant to this subsection, the Lease Agreement between the parties, Exhibit C attached, will be simultaneously terminated. Further, the blanket easement over the Project Campus granted by Shands to GRU may, at the option of Shands, be terminated with the exception of services unrelated to CUP services; or
2. purchase no portion of the CUP and arrange for an alternative provider of ECS or provide such services to itself.

E. Unilateral buyout

Shands shall have the unilateral option to purchase the CUP in accordance with the terms set forth in Attachment 2 to the ECS Agreement, Exhibit B attached. If Shands terminates this Agreement and purchases the entire CUP pursuant to this subsection, the Lease Agreement between the Parties, Exhibit C attached, will be simultaneously terminated. Further, the blanket easement over the Project Campus granted by Shands to GRU may, at the option of Shands, be terminated with the exception of services unrelated to CUP services.

VI. DISPUTE RESOLUTION

Any and all claims or matters in controversy ("Disputes") between GRU and Shands arising from or related to the terms and conditions of the Agreement Documents shall be resolved in the following manner:

A. Settlement

If the Dispute is not amicably settled by the authorized representatives of the Parties within thirty (30) days following written notice of a Dispute, then such Dispute shall be referred to senior management of the Parties for negotiation and resolution.

B. Mediation

In the event the Dispute has not been resolved within sixty (60) days following referral to senior management, or such longer period as the Parties may mutually agree, the Parties shall submit the Dispute to non-binding mediation under the Construction Industry Mediation Rules of the American Arbitration Association, or as otherwise mutually agreed. The mediation shall be held in Alachua County, Florida unless otherwise agreed to by the Parties in writing.

C. Litigation

If the Parties have not settled the Dispute by non-binding mediation within thirty (30) days from the commencement of such non-binding mediation, then either Party may, upon ten (10) days' written notice to the other Party, initiate litigation in the appropriate court having jurisdiction in Alachua County, Florida.

VII. OTHER PROVISIONS

A. Entire Agreement; Severability

This Agreement and any Exhibits, Attachments, Addenda or Modifications thereto, contains the entire agreement between the Parties hereto, and no representations, inducements, promises or agreements, oral or otherwise, entered into prior to the execution of this Agreement will alter the covenants, agreements and undertakings herein set forth. If any covenant, provision, or agreement of this Agreement shall be held illegal, invalid, or unenforceable under present or future laws effective during the term of this Agreement, then and in that event, it is the

intention of the Parties hereto that the remainder of this Agreement shall not be affected thereby, and that this Agreement shall otherwise continue in full force and effect. It is the further intention of the Parties that in lieu of each covenant, provision, or agreement of this Agreement that is held illegal, invalid, or unenforceable, there be added as a part hereof a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible and be legal, valid, and enforceable.

B. Rights and Remedies

To the extent a right or remedy is not specifically articulated by this Agreement, the Parties shall be entitled to such right or remedy as may be available at law or in equity which shall in any event be limited by the limitations, waivers and releases of liability set forth in this Agreement.

C. Releases and Waivers

All releases, waivers or limitations of liability specifically expressed in this Agreement apply notwithstanding the negligence, strict liability, fault, or breach of warranty or Agreement of the Party whose liability is so released or limited. Such releases, waivers or limitations of liability shall extend to the directors, officers, partners, employees and agents of such Party and apply equally to contractors and their related and affiliated companies and their sub-contractors of any tier.

D. Sovereign Immunity

Nothing in this document shall be interpreted to waive the City's sovereign immunity.

E. Assignment

GRU may sell, assign, transfer, or otherwise alienate or dispose of the GRU facilities governed by this Agreement or the rights hereby granted, without the prior consent of Shands.

F. Facsimile Signatures

The Parties agree that this Agreement may be signed by facsimile transmission and such facsimile shall be deemed to be original signatures.

G. Relation of the Parties

It is the intention of Shands and GRU to hereby create the relationship of independent contractors, and no other relationship whatsoever is hereby created. Nothing in this Agreement shall be construed to make Shands and GRU partners or joint venturers or to render either Party hereto liable for any obligation of the other.

H. **Survival of Obligation**

All representations, warranties, and guarantees made in, required by, or given in accordance with the Agreement Documents, as well as all continuing obligations indicated in the Agreement Documents, will survive final payment, completion, and acceptance of the Scope of Work or termination or completion of the Agreement or termination of the services of GRU.

I. **No Drafting Presumption**

Shands and GRU acknowledge and agree that they and their respective legal counsels have reviewed and actively participated in drafting, reviewing, revising and negotiating the terms of this Agreement and the Parties agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting Party shall not be applicable in the interpretation of this Agreement.

J. **No Third Party Beneficiaries**

Nothing in this Agreement confers, is intended to confer or shall be deemed to confer upon any party other than the Parties hereto and their respective permitted successors and permitted assigns any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provide in this Agreement.

K. **Authority to Enter into Agreement.**

Each Party represents and warrants to the other Party that it is authorized to enter into this Agreement, that it has secured all necessary governmental, regulatory, corporate or governing board approvals to enter into this Agreement and perform its obligations hereunder, that this Agreement shall not conflict with any other existing Agreement, and that this Agreement is binding upon such Party

L. **Successors and Assigns.**

Any transferee shall take assignment of this Agreement subject to its terms and conditions. Whenever a reference is made herein to either Party, such reference shall include the Party's successors and assigns.

M. **Regulatory Authorizations.**

This Agreement is expressly conditioned upon receipt of such regulatory approvals or authorization as may be required, which GRU shall diligently and in good faith use reasonable efforts to secure.

N. **No Consequential Damages.**

It is specifically agreed and understood that neither Party shall be responsible to the other for any indirect, special, incidental or consequential loss or damage whatsoever (including lost profits and opportunity costs) arising out of this Agreement or anything done in connection

herewith, including but not limited to (i) Shands' failure to accept, or GRU's failure to deliver, the ECS at any time, (ii) any condition on the CUP or at the Project Campus which is likely to endanger human life or property, or (iii) the construction, engineering, repair, inspection, supervision, testing, protection, operation, maintenance, replacement, use or ownership of any of GRU's equipment and/or facilities. This Section shall apply whether any such indirect, special, incidental or consequential loss or damage is based on a claim brought or made in contract or in tort (including negligence and strict liability), under any warranty, or otherwise.

O. **Public Relations**

1. **Signage.**

Any and all signage to be located on or about the CUP, and any and all signage with Shands' name, logo or likeness, must be approved in writing by Shands prior to placement.

2. **Name.**

The CUP facility shall be formally named the GRU South Energy Center.

3. **Press Releases and Media Placement.**

Each Party shall notify the other of any press releases, media placements, conference, seminar or other educational or informational materials, whether written or verbal, including advertisements and website materials, that mention the other Party and both Parties shall agree to what is presented in any such copy. In the event materials are presented from one Party to the other for approval and such approval or disapproval is not rendered within seven (7) days of submittal, the materials shall be deemed approved. In addition, each Party shall notify the other of any inquiries by the media.

P. **Public Records**

1. **Scope.** Upon receipt by GRU, any and all submittals by Shands will be subject to Florida's Public Records Law unless these submittals involve proprietary or confidential information, including trade secrets, protected by statute.

2. **Confidential Information.** Confidential Information means any and all information, regardless of the form or characteristics of such information which has been so designated (annotated) by the Disclosing Party and provided by the Disclosing Party to the Receiving Party, pursuant to this Agreement which is exempt from disclosure under federal and state laws and regulations, including but not limited to Florida Statute Chapters 119 and 395, and including but not limited to trade secrets as defined by Florida Statute Chapter 812.

3. **Disclosure.** Each Party (including but not limited to any agent, employee, officer or stockholder thereof) understands and agrees that any information whether of a business, technical, engineering or economic nature, whether oral, written or otherwise disclosed by any Party (the "Disclosing Party") to the other Party (the

“Receiving Party”) in connection with this Agreement, or prior related discussions, to the extent such information meets the definition of Confidential Information will be treated as confidential and secret and exempt from disclosure and that the Receiving Party, without the prior written consent of the Disclosing Party, shall not disclose proprietary and Confidential Information, including trade secrets, to any third person or entity, except that such information shall not include:

- a. information which was already in the Receiving Party’s possession prior to the disclosure by the Disclosing Party;
- b. information which was received from a third Party which the Receiving Party reasonably believes was not violating an obligation of confidentiality to the Disclosing Party; and
- c. information that does not meet the definition of Confidential Information or which is not otherwise exempt from disclosure under other applicable provision of Florida law.

4. **Requests for Information.** In the event that the Receiving Party is requested (by oral questions, interrogatories, requests for information or documents subpoena, civil investigative demand or other process) or required pursuant to applicable law, including, but not limited to applicable provisions of Chapter 119, *Florida Statutes*, (“The Florida Public Records Law”), rule or regulation to disclose any Confidential Information supplied to the Receiving Party by the Disclosing Party, it is agreed that the Receiving Party shall provide the Disclosing Party with prompt written notice of such request(s) so that the Disclosing Party may assert an exemption or seek a protective order or other appropriate remedy if the Disclosing Party so elects. The foregoing shall not relieve the Receiving Party of its obligations to protect such Confidential Information from disclosure, to the extent permitted by law, and the Receiving Party agrees that if it is required to disclose, then

- a. it shall furnish only that portion of the Confidential Information which it is legally required to disclose;
- b. it shall exercise reasonable efforts to obtain assurance that confidential treatment will be accorded to such Confidential Information which is required to be disclosed; and
- c. it shall keep the Disclosing Party informed of its efforts with respect to the foregoing.

5. **Mark Exempt Information.** The Receiving Party shall keep all Confidential Information secret and confidential, and to that end, without limiting the generality of the foregoing, shall cause all written materials relating to or containing any part of such Confidential Information, including all sketches, drawings, reports and notes, and all copies, reproductions, reprints and translations, to be stored in a plainly marked manner to indicate the secret and confidential nature thereof, in order to prevent the unauthorized use, disclosure or reproduction thereof.

6. **Return of Information.** The Receiving Party, upon receipt of a request from the Disclosing Party, shall, subject to the requirements of applicable Florida law, either (i) return to the Disclosing Party within ten (10) days of receipt of such a request all such materials containing Confidential Information, or (ii) destroy all such materials containing Confidential Information and deliver a certification of the same to the Disclosing Party within ten (10) days of receipt of such a request, in each case without retaining copies. However, in the case of a request for analyses, compilations, studies or other documents or records prepared by the Receiving Party which contain or otherwise reflect or are generated from Confidential Information, the Receiving Party may retain copies but shall notify the Disclosing Party of such retention and shall keep such copies confidential, in accordance with this Agreement.

Q. **Computation of Days**

Whenever this Agreement refers to a number of days, such number shall refer to calendar days. A requirement that a payment be made on a day which is not a Business Day shall be construed as a requirement that the payment be made on the next following Business Day.

R. **Notices**

All notices provided for in this Agreement shall be made in writing and delivered in person or by registered or certified mail postage prepaid, courier service, or telecopy (followed by mail) addressed as follows:

To: Gainesville Regional Utilities

General Manager
PO Box 147117
Gainesville, FL 32614-7117

with copies to:

Assistant General Manager, Energy Supply
Address same as above

Utilities Attorney
Address same as above

To: Shands Teaching Hospital and Clinics, Inc.:

Vice President, Facilities
Shands Teaching Hospital and Clinics, Inc.
P.O. Box 100366
Gainesville, FL 32610

with copies to:

Associate General Counsel, Real Estate
720 Southwest 2nd Avenue, Suite 360A
Gainesville, FL 32601

Or to such other address and person as either Party may, from time to time, notify the other in writing.

S. Access to Records


To the extent required by 42 CFR 420.302, until the expiration of four (4) years after the furnishing of any services provided under this Agreement, GRU shall make available, upon written request Comptroller General of the U.S., Department of Health and Human Services, and their duly authorized representatives, this Agreement and all books, documents and records of GRU that are necessary to certify the nature and extent of the costs of such services. If GRU carries out the duties of this Agreement through a permitted subcontract worth \$10,000 or more over a 12-month period with a related organization, to the extent required, such subcontract also shall contain an access clause to permit access by the Comptroller General, HHS, and their duly authorized representatives to the related organization's books, documents and records.

T. Indemnification


To the fullest extent permitted by law, Shands shall indemnify, defend and hold harmless GRU and GRU's Contractors, and their Subcontractors of any tier, GRU's Engineer or Architect, and the Architect's or Contractor's consultants and agents and employees of any of them from and against claims (including without limitation, all penalties, fines and administrative or civil sanctions arising out of or related to such claim), costs, damages, judgments, losses and expenses, including but not limited to attorneys' fees, arising out of or resulting from performance of the Scope of Work in the affected area if in fact the material or substance presents the risk of bodily injury or death and has not been rendered harmless, provided that such claim, damage, loss or expense is attributable to the regulation and/or protection of the environment, including without limitation, losses incurred in connection with characterization, handling, transportation storage, removal, remediation, disturbance or disposal of or the bodily injury, sickness, disease or death, or to injury to or destruction of tangible property (other than the Scope of Work itself) except to the extent such claim, damage or cost is due to the negligence of the party seeking indemnity.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date.

SHANDS TEACHING HOSPITAL
AND CLINICS, INC.

By: 
Jodi J. Mansfield
Executive Vice President and
Chief Operating Officer

GAINESVILLE
REGIONAL UTILITIES

By: 
Karen S. Johnson
General Manager

Approved as to Form and Legality:

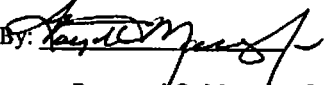
By: 
Raymond O. Manasco, Jr.
Utilities Attorney

EXHIBIT A

DEFINITIONS

The following capitalized terms shall have the stated definitions throughout the Agreement Documents:

1. "Applicable Law" means all laws, rules, regulations, orders and ordinances of any governmental authority having jurisdiction over the subject matter of this Agreement.
2. "Approval" means to accept as satisfactory, to give formal sanction to.
3. "Allowance for Funds Used During Construction" ("AFUDC") means the accumulated bond interest rate paid for funds used during construction.
4. "Average Monthly Cost of Electricity" means the total electrical bill in any given month, including all billing elements pursuant to retail tariffs, divided by the number of kilowatt-hours consumed by the CUP. No auxiliary loads associated with the Combined Heat and Power generation equipment shall be included in this calculation.
5. "Backup Water Point of Delivery" means the point(s) where backup water supply is delivered to the Project Campus.
6. "Best Practices" means using any combination of technique, method, process, activity, and best engineering practices to achieve a desired outcome benefiting the CUP performance and operation.
7. "Bond Interest Rate" means the interest rate to be applied which, for the purposes of this Agreement, will be the prevailing tax exempt municipal bond interest rate applicable during the month in which any capital expenditure is made for the CUP by GRU. This rate shall be determined as the average Securities Industry and Financial Markets Association ("SIFMA") municipal index for a given month plus 15 basis points.
8. "Btu" means British thermal unit.
9. "Business Day" means any weekday on which banks in Alachua County, Florida are open for business.
10. "Capital Costs" includes those items eligible for debt financing and subject to depreciation pursuant to generally accepted accounting principles and consistent with GRU's internal policies and procedures.
11. "Capital Recovery Charge" ("CRC") means the recovery by GRU of the capital cost required to achieve the mutually agreed design capacity and performance requirements of the CUP as set forth in Attachment 2 of the ECS Agreement, Exhibit B attached.

12. **“Central Utility Plant” (“CUP”)** means the building cooling, heating, power total energy system to be constructed on the eastern side of the Project Campus and operated by GRU to provide ECS Services to Shands and similar services to others. Services include electric power, Essential Power, Standby Power, chilled water, steam, and Medical Gas infrastructure. The CUP will include all of the facilities to be constructed within the plant and associated Service Lines.
13. **“Chilled Water Operation Date”** means the date that GRU commences delivery of Chilled Water Service to the Project Campus.
14. **“Chilled Water Performance Guarantee”** means the minimum level of efficiency, computed as electrical energy used per ton-hour of chilled water delivered, guaranteed by GRU for a given ratio of chilled water capacity and usage in a given month. One ton-hour equals 12,000 Btu delivered, measured as a product of temperature change and water flow volume.
15. **“Chilled Water Point of Delivery”** means the point where Shands receives the Chilled Water Service, as shown in Attachment 3 of the ECS Agreement, Exhibit B attached.
16. **“Chilled Water Point of Return”** means the point where Shands returns the Chilled Water to GRU, as shown in Attachment 3 of the ECS Agreement, Exhibit B attached.
17. **“Chilled Water Service”** means the provision by GRU of chilled water to cool the Project Campus.
18. **“Combined Heat and Power” (“CHP”)** means facilities, which are a part of the CUP, consisting of an electrical generating turbine fueled with natural gas that will produce waste heat which in turn will be converted into steam in a heat recovery steam generator (“HRSG”) to either be used directly or to produce chilled water. Additional natural gas may be duct-fired in the HRSG for supplemental steam production. The CHP facility will be dispatched by GRU as a must run generating unit.
19. **“Contingency Plan”** means the plan jointly developed by the Parties to address emergency response and the provision of Temporary Services in the event of an interruption of ECS.
20. **“Contract Demand Charge” (“CDC”)** means GRU’s monthly fee for furnishing, maintaining and reliably operating the chilled water, steam, emergency and standby electrical power, and Medical Gas storage and delivery systems required by Shands.
21. **“Contract Price”** means the moneys payable by Shands to GRU for completion of the Scope of Work in accordance with the Agreement Documents, more specifically Exhibit B, Attachment 2.
22. **“Contract Times”** means the number of days or the dates stated in the Agreement to (i) achieve Initial Operation Date; (ii) achieve Substantial Completion; and (iii) complete the Scope of Work so that it is ready to service the Project Campus.

23. "Contribution in Aid of Construction" ("CIAC") means any amount of money or other property contributed to GRU for a capital improvement to the CUP or Service Lines infrastructure in lieu of capital funding by GRU.
24. "Electric Power Point of Delivery" means the point(s) where any and all electric power is delivered at three phase 12,470V, as described in Exhibit B, is delivered to the Project Campus.
25. "Energy Commodities Services" ("ECS") means the provision of electric power service, backup emergency power, chilled water service and steam service.
26. "Energy Measurement Station" means the equipment installed by GRU within the Utility Distribution Area to provide the delivery and measurement of chilled water and steam.
27. "Environmental Credits" means the potential economic or regulatory value of the use of waste heat and the low emission profile that the CHP may accrue under greenhouse gas and air emission regulations.
28. "Essential Power" means power supplied from on site power generation sources which is utilized for code mandated life safety and essential loads, excluding Stand-By Power.
29. "Fiscal Year" means the twelve (12) month period beginning October 1 through September 30.
30. "Grid Power" means power supplied from off site generation sources via the GRU utility grid.
31. "GRU Equipment" means all equipment, wiring, conduit and piping furnished, owned, constructed, installed, operated and maintained by GRU.
32. "Initial Capacity" means the initial minimum design capacity for the CUP in order for GRU to provide ECS to the Project Campus based on the development, as set forth in Attachment 1 of the ECS Agreement, Exhibit B attached.
33. "Initial Operation Date" means the first in time to occur of: (i) the On-Site Electric Power Operation Date; (ii) the Chilled Water Operation Date; or (iii) the Steam Operation Date.
34. "Irrigation Water Point of Delivery" means the point where irrigation water is delivered to the Project Campus.
35. "Liquidated Damages" see Exhibit B.
36. "Medical Gases" means those Medical Gases including liquid oxygen, liquid nitrogen and nitrous oxide to be stored at and delivered from the CUP.

37. "Medical Gas Point of Delivery" means a point where GRU delivers Medical Gases to Shands which shall be the first flange after building entry within any building on the Project Campus.
38. "Medical Gas Point of Origination" means a point where GRU receives Medical Gases from Shands at the CUP. This point is designated as the closest pipe flange located above the slab of the Medical Gas storage tank area at the CUP.
39. "MMBtu" means 1,000,000 Btu.
40. "On-site Electric Power Operation Date" means the date that GRU commences delivery of On-site Electric Power Service to the Project Campus.
41. "On-site Electric Power Service" means the on-site generation of electric power by GRU and delivery of electric power to Shands (including the provision of grid, Essential Power and Standby Power systems) to the Project Campus.
42. "Operating and Maintenance Recovery Charge" ("OMRC") means amounts, set annually by the Operating Committee, through the approved budget, and collected from Shands in equal monthly installments, in arrears, for labor, maintenance contracts, materials, tools, other items required for the sustained and reliable operation of the CUP, including GRU's customary and usual overhead expenses as applied to its retail utility services plus an additional 16.54% margin.
43. "Operating Reserves" means sixty (60) days of projected annual OMRC charges that will be assessed by GRU and collected from Shands during the first two (2) months following the Initial Operation Date of the CUP and which will be maintained in an interest bearing account. Interest on the Operating Reserves will be income to Shands and used to offset OMRC charges. Any and all Operating Reserves at the termination or expiration of this Agreement will become the property of Shands.
44. "Operation Date" means December 1, 2008, unless revised by written agreement of the Parties.
45. "Party" and "Parties" have the meanings ascribed in the preamble hereto.
46. "Performance Guarantees" means guarantees made by GRU that the equipment furnished by GRU shall meet the Performance Guarantees listed in Attachment 2 to Exhibit B. The Performance Guarantees are based upon the data agreed upon between Shands and GRU concerning the conditions under which the equipment supplied by GRU, and accepted by Shands, is required to perform.
47. "Performance Test" means that the demonstration of the achievement of Performance Guarantees as required in the specifications and project QA/QC procedures to be developed.

48. "Points of Delivery" means the Electric Power Point of Delivery, the Chilled Water Point of Delivery, the Steam Point of Delivery, and the Medical Gases Point of Delivery all as described in Attachment 3 of the ECS Agreement, Exhibit B attached.

49. "Points of Return" means the Chilled Water Point of Return and the Steam Point of Return, as shown in Attachment 3 of the ECS Agreement, Exhibit B attached.

50. "Power Generation Fuel Credit" ("PGFC") means the credit that Shands will receive each month, in arrears, and is equal to the product of: 1) the net megawatt-hours produced by the CHP; 2) an assumed net heat rate of 8.0 MMBtu per MWH; and 3) the Power System Gas Cost.

Following is a hypothetical example for the wholesale power credit for a month in which 2,958.9 of net energy for load was produced (corresponding to a 97% capacity factor achieved by a 4.1 net megawatt combustion turbine over 744 hours in the month) and a Power System Gas Cost of \$8.35/mmBTU.

$$\begin{aligned} \text{Example: } \quad \text{PGFC} &= 2,958.9 \text{ MWH} * 8.0 \text{ mmBtu/MWH} * \$8.35/\text{mmBtu} \\ &= \$197,653.52 \end{aligned}$$

51. "Power System Gas Cost" means the cost of all gas consumed by the CUP, which shall be charged for natural gas at the same monthly average price per mmBtu (delivered) used for GRU's production of electricity for its wholesale and retail customers, as audited for the purposed of fuel adjustment charges levied in that month, and reconciled pursuant to the prevailing City of Gainesville Code of Ordinances, Chapter 27 Section 28 and Appendix A.

52. "Project Campus" means the hospital and ancillary facilities to be constructed by Shands on property owned by, or under the control of, Shands in the area generally bounded on the north by Southwest Archer Road, on the east by Southwest 13th Street, on the south by Southwest 26th Avenue, and on the west by Southwest 16th Street.

53. "Project Plan" means the fifty (50) year history and projection of the anticipated capital, operational and maintenance costs of the CUP intended primarily for the use of the Operating Committee (see Exhibit D attached) and for tracking the bases of the CRC, CDC and OMRC charges that are set either annually or as capital improvements are made.

54. "Prudent Utility Practices" means, in respect of any particular utility industry, any of the practices, methods and acts which, in the exercise of reasonable judgment, in the light of the facts, including but not limited to the practices, methods and acts engaged in or approved by a significant portion of such utility industry prior thereto, known at the time the decision was made, would have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and expedition. It is recognized that Prudent Utility Practice is not intended to be limited to the optimum practice, method or act to the exclusion of all others, but rather is a spectrum of possible practices, methods or acts which could have been expected to accomplish the desired result at the lowest reasonable cost consistent with reliability, safety and expedition.

55. "Retail Services" means services provided by GRU that are provided to the Project Campus that are not included within the scope of the Agreement, including but not limited to water, wastewater, natural gas, and telecommunications.
56. "Scope of Work" means the demolition, clearing and construction of the CUP and required infrastructure so that GRU can provide ECS to Shands from the CUP, as set forth in Exhibit B.
57. "Service Lines" means the wiring, conduit and piping furnished, owned, operated and maintained by GRU within the Project Campus as required for the conveyance of services from the CUP to Shands and retail customers.
58. "Standby Power" means power supplied from on site power generation sources which is utilized for non-Essential Power loads.
59. "Steam Operation Date" means the date that GRU commences delivery of Steam Service to Shands at the Project Campus.
60. "Steam Performance Guarantee" means the minimum level of boiler efficiency for the use of natural gas, computed as the amount of natural gas directly used, either in a steam boiler or to duct-fire a heat recovery steam generator associated with a CHP facility, guaranteed by GRU for a given amount of steam usage. For the purposes of this section, steam shall be assumed to contain 1070 Btu per pound of steam and natural gas shall be metered and reported in units of MMBtu, which is equivalent to 10 therms of natural gas of standard Federal Energy Regulatory Commission ("FERC") pipeline quality.
61. "Steam Point of Delivery" means the point where Shands receives Steam Service, as shown in Attachment 3 of the ECS Agreement, Exhibit B attached.
62. "Steam Point of Return" means the point where Shands returns the Steam condensate to GRU, as shown in Attachment 3 of the ECS Agreement, Exhibit B attached.
63. "Steam Service" means the provision by GRU of steam to heat the Project Campus.
64. "Substantial Completion" means the stage in the progress of the Scope of Work where the Scope of Work is sufficiently complete in accordance with the Agreement Documents so that the GRU is able to provide ECS to the Project Campus.
65. "Temporary Services" means the provision of ECS from any backup, alternative or temporary source either to meet Initial Operation Dates or because of the failure or disruption of On-site Electric Power Service, Chilled Water Service or Steam Service (including but not limited to permanent or portable backup electric generators steam boilers and electric chillers).
66. "Thermal Content" means the thermal content of steam is 1070 Btu per pound of steam.

67. "Third Party Customers" means any entity other than Shands, or a Shands affiliate, provided with chilled water, steam, or electric power produced all or in part from the CUP facilities.

68. "Ton" means 12,000 Btu.

69. "Unitized Capital Asset" means a category of capital assets whose expected life and initial actual cost are tracked for the purposes of tracking the debt, eventual retirement of debt, and/or adjustment of the investment in that asset for the purposes of calculating the CRC and CDC charges associated with that asset.

70. "Utility Distribution Area" means the enclosed, dry, adequately ventilated and secure space consisting of approximately 100 square feet within the Project Campus designated by Shands for GRU to install its Energy Measurement Station near the Points of Delivery, as shown in Attachment 3 of the ECS Agreement, Exhibit B attached.

EXHIBIT B

ENERGY COMMODITIES SERVICES AGREEMENT

I. **CONSTRUCTION OF CENTRAL UTILITY PLANT AND PROVISION OF ENERGY COMMODITIES SERVICES.**

A. **On-site Electric Power Service; Chilled Water Service; Steam Service**

GRU shall provide financing and shall design, locate, furnish, own, construct, install, operate and maintain:

1. all facilities, equipment, conduit and wiring (including transformers and switchgear) necessary to produce and deliver On-site Electric Power Service at 12KV to the Project Campus at the Electric Power Point of Delivery, in accordance with the specifications set forth in this Agreement.

2. all facilities, equipment and piping necessary to produce and deliver Chilled Water Service to the Project Campus at the Chilled Water Point of Delivery and to receive return water from Shands at the Chilled Water Point of Return, in accordance with the specifications set forth in this Agreement.

3. all equipment and piping necessary to produce and deliver Steam Service to the Hospital at the Steam Point of Delivery and to receive return steam condensate from the Hospital at the Steam Point of Return, in accordance with the specifications set forth in this Agreement.

B. **Medical Gases**

GRU shall provide financing and shall design, based on standards supplied by Shands, locate, install, and maintain the Service Lines for Medical Gases. Shands shall be solely responsible for furnishing the storage tanks, purchasing and storing of the Medical Gases, and monitoring the operating and distribution thereof.

C. **Temporary Services**

GRU shall design, construct and own, at GRU's expense, necessary accommodations to provide Temporary Services to the Project Campus, including but not limited to taps, valves, connections, controls and access, consistent with the terms of the Contingency Plan. GRU shall furnish, install, operate and maintain all equipment necessary to provide Temporary Services to the Project Campus during scheduled and unscheduled outages, consistent with the terms of the Contingency Plan.

D. **Grid Power**

GRU agrees to design, furnish, own, construct, install, operate and maintain backup grid power feeds to the Project Campus from the distribution grid, and reserve sufficient electric power such that each is capable of serving one hundred percent (100%) of Shands' electric power requirements at the Project Campus, and the requirements of the equipment used to provide chilled water and Steam Service, in the event of the failure of the On-site Electric Power Service;

E. **Backup Generators for Essential Power**

GRU agrees to furnish, own, construct, install, operate and maintain backup generators for the generation and delivery of Essential Power to the Project Campus in the event of a simultaneous loss of primary On-site Electric Power generating equipment and the failure of both feeds from the distribution grid.

F. **Service Lines**

Except as otherwise provided herein:

1. **Installation and Maintenance.** GRU shall install and maintain Service Lines for Chilled Water Service and Steam Service on its side of the Points of Delivery and Points of Return as are reasonably necessary to provide Chilled Water Service and Steam Service to the Project Campus under this ECS Agreement.
2. **Location and Relocation.** GRU and Shands shall mutually agree on the location and relocation of any Service Lines for the Chilled Water Service and Steam Service on the Project Campus.
3. **GRU's Points of Delivery.** The Service Lines for the Chilled Water Service and Steam Service on GRU's side of the Points of Delivery and Points of Return, the Energy Measurement Station and other equipment furnished by GRU shall remain the property of GRU. Any change requested by Shands in the Points of Delivery or Points of Return or the location of GRU's equipment at the Points of Delivery or Points of Return (including measurement equipment) after initial installation of GRU's equipment (provided such change is approved by GRU) shall be made at Shands' expense.
4. **Dedicated Lines.** Although Chilled Water Service and Steam Service will normally be supplied to the Project Campus each through dedicated supply and return lines, GRU may, at its option, install multiple Service Lines. All GRU Service Lines located on the Project Campus shall be dedicated to the Project Campus unless Shands otherwise consents in writing.
5. **Medical Gas Lines.** GRU shall design, based on standards supplied by Shands, and construct, own and maintain Service Lines for the conveyance of Medical Gases from the Medical Gas Point of Origination to the Medical Gas Point of Delivery.

G. Irrigation and Backup Water

GRU shall design construct, own and maintain a well to be used to provide irrigation water for the Project Campus, and as a backup water source for the CUP and Project Campus in the event that the GRU potable water system is unavailable. GRU shall design, construct, own and maintain Service Lines for the conveyance of irrigation water and backup water from the CUP to the Irrigation Water Point of Delivery and the Backup Water Point of Delivery.

H. Supply and Acceptance of ECS; Limitations

GRU agrees to supply, and Shands agrees to accept, Shands' total ECS requirements for the Project Campus during the Term of this Agreement, subject to the terms and conditions hereof, including the attachments.

The ECS Agreement does not include CIAC nor does it provide for any of GRU's Retail Services.

I. Expectation of Uninterrupted ECS; Extension of Contract Times; Force Majeure

1. **Expectation of Uninterrupted ECS.** It is Shands' intent to construct and operate the Project Campus, which will function 24 hours a day, 365 days a year. GRU acknowledges that the provision of uninterrupted ECS is critical to Shands' operations and to the public health, safety and welfare. GRU shall design, furnish, install, own, operate and maintain the CUP such that On-site Electric Power Service, Chilled Water Service and Steam Service shall each remain in operation under all conditions except:

- a. if there is a Force Majeure Event, or
- b. in the event that requires a planned outage for maintenance and repair, in which case, GRU shall give Shands reasonable advance notification.

GRU agrees that if any ECS (including any alternate or Temporary Services) are disrupted for any reason, GRU shall:

- a. utilize all available alternate or Temporary Services;
- b. make the restoration of ECS to the Hospital its highest priority; and
- c. use its best efforts to restore the disrupted ECS as soon as possible.

2. **Extension of Contract Times.** In addition to delays caused by Force Majeure Events, as described below, to the extent that GRU's performance of its Scope of Work is delayed, disrupted, interfered with, or hindered, GRU shall be entitled to an adjustment in the Contract Price and/or Contract Time. However, GRU shall not be entitled to an adjustment in Contract Price or Contract Times for delays within the reasonable control of GRU. Delays attributable to, and within the reasonable control of, a subcontractor or supplier shall be deemed to be delays within the control of GRU.

3. **Force Majeure Event.** Delays beyond the reasonable control of GRU shall include, but not be limited to, changes to the Scope of Work ordered by Shands, acts or neglect by Shands or anyone for whom Shands is responsible, acts or neglect of utility owners (other than GRU) or other contractors, or any other person for whom GRU is not responsible. Force Majeure includes fires, floods, epidemics, acts of God, landslide, lightning, earthquake, explosion, acts of a public enemy, war, extortion, act of terrorism, sabotage, theft, blockade or insurrection, riot, civil disturbance, change in law (as defined herein), act of government or judiciary, job action, labor disturbance, labor shortage, action or strike, or failure of any subcontractor or supplier to furnish labor, services, materials or equipment, if such failure could not be avoided without additional expense to the affected party. Shands shall have the option of incurring such additional expense. Notwithstanding the foregoing, to the extent that the On-site Electric Power Service, Chilled Water Service or Steam Service is disrupted, a Force Majeure Event shall not exist unless it is not possible for GRU to provide alternate or Temporary Services. Prompt notice of all failures of which GRU has actual knowledge will be given to Shands.

Neither Party shall be considered to be in default in respect of any obligation hereunder (other than the obligation to pay amounts due to the other Party pursuant to this ECS Agreement) to the extent such failures of performance shall be due to a Force Majeure Event lasting less than two (2) Business Days. The Party affected by a Force Majeure Event shall give notice to the other Party immediately upon the affected Party's knowledge of the commencement of non-performance due to a Force Majeure Event stating the nature of the event, its anticipated duration and any action being taken to avoid or minimize its effect. The non-performing Party shall use all available means to remedy its inability to perform. However, notwithstanding any Force Majeure Event, GRU shall, after the expiration of two (2) Business Days after the commencement of non-performance due to a Force Majeure Event, make available at its sole cost, a remedy that shall either temporarily or permanently resolve the non-performance so that Shands can receive or be made to receive ECS.

J. Substantial Completion

1. **Substantial Completion Date.** Substantial Completion shall be met on the date that GRU is able to provide Chilled Water Service, Steam Service, and/or On-site Electric Power Service on the proposed Operation Date, as may be amended, and Shands is able or willing to receive it, and GRU's Scope of Work shall have satisfied all of the following conditions:

- (a) either: (i) the Scope of Work shall have satisfied all Performance Guarantees, and/or (ii) GRU has paid to Shands the Liquidated Damages, if any, for shortfall(s) in meeting the Performance Guarantees; or (iii) Shands has waived the Performances Tests;
- (b) GRU shall have delivered to Shands all documentation to support that GRU has fulfilled the requirements of this Agreement, as of the Substantial Completion date;
- (c) GRU shall have delivered to Shands a certificate signed by GRU certifying that all of the preceding conditions have been satisfied; and

(d) any and all authorities having jurisdiction over the Project Campus shall have approved the Scope of Work.

2. **Shands Inability or Unwillingness to Accept ECS.** In the event that the above conditions (except J.1.(a) (ii) and (iii)) have been met, however, Shands is unable or unwilling to accept ECS from GRU, then Shands shall waive the conditions stated in J.1.(a)(ii)and (iii).

3. **Liquidated Damages.** GRU recognizes that Shands will suffer financial loss if the Scope of Work is not completed within the times specified herein, plus any extensions granted. The Parties also recognize the delays, expenses and difficulties involved in proving the actual loss suffered by Shands if the Scope of Work is not completed on time. Accordingly, rather than requiring any such proof, the Parties agree that as Liquidated Damages for the delay, and not as a penalty, GRU shall pay to Shands the reasonable cost for supply of temporary ECS, which shall be no more than \$5,000.00 per day, for each and every calendar day elapsing between the date fixed for Substantial Completion and the date such Substantial Completion shall have been fully accomplished or the date GRU shall have made alternate provisions to meet or supply ECS to Shands.

GRU and Shands recognize that the Service Lines that connect the Project Campus with the CUP are essential for the cost effective delivery of ECS Services to the Project Campus. During the initial phase of construction of the CUP and Project Campus, Shands shall be responsible for ensuring that GRU is afforded access and a place and condition of work as required to construct the Service Lines within the utility corridor connecting the CUP and initial phase of the Project Campus for a period of not more than 6 months beginning not later than June 1, 2008. GRU shall be afforded day-for-day relief from the commencement of Liquidated Damages in the event that GRU is not afforded access after such date. GRU and Shands shall use best efforts to coordinate work to ensure completion in an expedient manner.

During the initial phase of construction, GRU and Shands recognize that the timing of the commencement of construction for the parking structure will have a material impact on the schedule and cost of construction for the CUP, which is essential for the cost effective delivery of ECS to the Project Campus. During the initial phase of construction of the CUP and Project Campus, the site of the future parking structure east of the CUP shall be available for use by GRU for contractor parking and construction lay down until not sooner than October 1 2008, or such earlier date as mutually agreed in writing by Shands and GRU.

GRU will negotiate similar time frames for the construction of Service Lines for subsequent phases of construction of the Project Campus.

This provision for Liquidated Damages for delay shall in no manner affect Shands' right to terminate this Agreement, as provided herein. Shands' exercise of its right to terminate shall not release GRU of its obligation to pay said Liquidated Damages in the amount set out above.

I. **Contingency Plan**

GRU and Shands, through the Operating Committee, Exhibit D attached, shall develop a mutually agreeable Contingency Plan prior to the Initial Operation Date for use by the Parties in the event of interruptions of ECS. The Contingency Plan shall be reviewed and updated by the Parties yearly during the Term of the Agreement.

J. **Operation of Equipment; Notification of Concerns**

Each Party shall operate its equipment in accordance with mutually agreed design parameters so as not to cause damage to the other Party's equipment. GRU shall advise Shands of the chilled water quality standards and chemical treatment it employs, as well as any changes thereto. Shands shall not perform any water treatment or add any chemicals or foreign substances into the chilled water or steam being supplied without the prior written consent of GRU. GRU shall provide a minimum of ten (10) days written advance notice to Shands of any anticipated change in GRU's chemical treatment or other changes to the specifications as published and updated by GRU from time to time.

II. **COMPLIANCE WITH LAWS AND REGULATORY AGENCIES**

A. **Law and Agency Compliance**

GRU shall design, furnish, install, own, operate and maintain, provide financing for the CUP in accordance with all Applicable Laws, including but not limited to the requirements of the Agency for Health Care Administration, the Centers for Medicare and Medicaid Services and the Joint Commission for Accreditation of Health Care Organizations ("Agency" or "Agencies").

B. **Agency Access, Authority to Inspect, Accountability, and Approval**

The Parties understand that Shands is licensed, accredited and regulated by the Agencies. Shands shall, as a result of the regulations and standards of such Agencies, comply with certain access, inspection and review requirements imposed by the Agencies. GRU agrees that it will comply with all rules, regulations and standards, and any amendments thereto, that would otherwise apply to Shands with regard to the regulated systems of the CUP that will serve the Project Campus. Such compliance will include, but is not limited to the following:

1. The Parties shall notify one to the other in the event it is contacted by an Agency.
2. GRU shall, after notifying Shands, or receiving notification from Shands, grant the Agency access to the property and the building and recognize the Agency's authority to inspect and review the regulated systems of the CUP within the Agency's jurisdiction.
3. GRU agrees to be accountable to correct any deficiencies reported by an Agency within the time limits indicated in the Agency report. In the event GRU does not

complete the corrections within said time limits, then Shands, or its contracted agents, shall have the right to enter the CUP for the express purpose of correcting the Agency reported deficiencies.

4. If the deficiencies are the result of GRU's failure to maintain the CUP or provide services in and from the CUP in accordance with the terms of the Agreement, then the costs and expenses of correcting the deficiencies shall be borne by GRU.

5. In the event GRU plans any changes or renovations to the CUP, it shall first submit such plans to Shands for approval by the Agencies. GRU agrees that it shall not make any planned changes or renovations to the CUP without Agency approval regarding matters within an Agency(s)' jurisdiction. Agency(s)' jurisdictions shall be determined by the Operating Committee.

6. GRU shall have sole authority in decisions regarding expansions for the benefit of Third Party Customers so long as it remains in compliance with the requirements of this section.

C. System Testing

In addition to the above, GRU shall routinely test the CUP and all components thereof, and all Grid and Essential Power systems, and maintain all documentation related to such testing and make it available for inspection by Shands, Agencies and other federal, state and local authorities having jurisdiction over the Project Campus. Shands, the Agencies and other federal, state and local authorities having jurisdiction over the Project Campus shall have the authority to observe and be provided with required documentation of prior testing or to demand testing of the CUP, all components, and all grid and emergency generator backup systems. GRU shall provide staff to accommodate the obligations of this section.

III. ACCESS TO THE PROJECT CAMPUS

A. Permits and Easements

GRU shall use reasonable efforts to secure and maintain all necessary permits, easements, franchises, ordinances and licenses over private and public property and any other approvals that may be required to operate the CUP. Shands shall assist and cooperate with GRU in securing and maintaining such permits, easements, franchises, ordinances, licenses and approvals, and shall allow, as much as is reasonably practical, the installation of Service Lines and all necessary equipment within and on, or adjacent to the Project Campus, subject to Shands' prior review of plans or drawings. In order to serve Third Party Customers from the CUP site, GRU shall be granted an easement for Service Lines from the CUP site to SW 13th Street, along SW 13th Avenue and SW 14th Avenue, or within or adjacent to SW 14th Street. Additional easements over Shands' property shall require the prior written approval of Shands.

GRU shall provide advance notice and coordinate the installation of Service Lines and valve pits with Shands. All such Service Lines and necessary easements shall be shown on the approved construction documents for the Project Campus.

B. GRU Access

Shands shall, upon reasonable notice, provide GRU access to the Project Campus only as necessary under the terms of this Agreement. To the extent GRU is granted access to the Project Campus, it shall at all times comply with the rules, regulations and policies of Shands then in effect. GRU shall be responsible for all persons under GRU's supervision or oversight when admitted to the Project Campus. Shands shall issue to GRU any necessary security badges, if applicable.

IV. EQUIPMENT; NOTICE OF CONCERNS OR NONCOMPLIANCE

A. Operation of Equipment

Each Party shall operate its equipment in accordance with mutually agreed design parameters so as not to cause damage to the other Party's equipment.

B. Shands' Equipment

Shands shall furnish, install, own, operate and maintain on Shands' side of the Points of Delivery and Points of Return, such equipment as is necessary to receive ECS in accordance with this ECS Agreement ("Shands' Equipment"). Beginning with the Initial Operation Date and throughout the Term of the Agreement, Shands assumes sole responsibility for proper maintenance, operation and, if necessary, replacement of the Shands' Equipment.

C. Notice of Concerns to GRU

Shands shall promptly notify GRU of any concerns regarding the quantity and/or quality of ECS received from GRU. Further, Shands shall give immediate notice to GRU of any leakage or escape of chilled water, steam, or condensate return and loss of Medical Gases known to Shands. GRU shall take all necessary steps to investigate and correct the concern(s) in accordance with the provisions of this Agreement as soon as practicable.

D. Notice of Noncompliance to Shands

In the event GRU, in its reasonable discretion, deems any part of the Shands' Equipment to be unsafe or not in compliance with Applicable Laws, GRU shall provide notice to Shands of such noncompliance and the necessary actions to make the Shands' Equipment safe and in compliance with all Applicable Laws, and Shands shall reimburse GRU for any additional reasonable costs incurred by GRU due to such noncompliance, provided that the operations of GRU are otherwise in compliance with Applicable Laws. Shands shall take all necessary corrective actions in a timely manner. To the extent Shands fails to correct an unsafe condition in a timely manner, GRU may, after written notice to Shands, correct or remedy any such unsafe

condition, but only to the extent necessary to avoid imminent danger to the public health, safety and welfare.

V. **SHANDS NOTICE FOR INCREASED CAPACITY REQUIREMENTS**

GRU shall be required to meet additional Project Campus expansion with a planned ultimate build-out providing 25mW electricity, 4000 BH steam and 16,000 tons chilled water. It is anticipated that the CUP building will be designed and constructed in two phases. Shands shall give GRU no less than eighteen (18) months advance written notice of any anticipated increased demand that will require GRU to increase ECS to the Project Campus. Shands shall give GRU no less than thirty-six (36) months advance notice of any anticipated increased demand that will require GRU increase ECS to the Project Campus such that GRU will be required to expand the building structure of the CUP. If Shands fails to give the minimum notice required by this section, GRU shall nevertheless use best efforts to comply with Shands' request to increase its requirement for ECS.

VI. **PRICES AND CHARGES FOR ECS**

A. **Prices**

Shands shall pay for ECS for the billing elements as set forth in Attachment 2 of the ECS Agreement, Exhibit B attached (for the purposes of this Agreement referred to as "Prices"). To the extent that GRU provides Temporary Services during the Term of this Agreement, under no circumstances shall Shands be required to pay for such Temporary Services in excess of the Prices shown in Attachment 2 of the ECS Agreement, Exhibit B attached.

B. **Billing**

1. **Monthly Bill.** GRU shall provide, in accordance with Attachment 2 of the ECS Agreement, Exhibit B attached, on a monthly basis a consolidated bill to Shands for all ECS. Each monthly bill shall contain a detailed line item breakdown of the charges for each component of the ECS and shall include a due date that is approximately thirty (30) calendar days from the date the bill is sent to Shands. Shands shall deliver payment to GRU by the due date. If Shands fails to deliver payment by the within 1 day of the due date, GRU may charge Shands a one-time administrative late fee of 2% of the amount owed. No dispute as to payments due either Party hereunder shall relieve that Party's obligation to pay any invoiced amounts not in dispute.

2. **Commencement of Charges.** Monthly charges for each of the ECS, at the prices shown in Attachment 2 of the ECS Agreement, Exhibit B attached, shall begin on the actual Chilled Water Operation Date, the Steam Operation Date and the On-site Electric Power Operation Date, respectively. In the event GRU is able to provide ECS to the Project Campus, and Shands is unable or unwilling to accept ECS, then beginning October 1, 2009, GRU may begin charging Shands for Capital Recovery Charge (CRC) and Operation and Maintenance Recovery Charge (O&M) pursuant to

Attachment 2 of Exhibit B attached, until such time as Shands begins to take actual Service(s), subject to the Termination provisions of the Agreement.

VII. COMMODITY MEASUREMENT

A. Measurement Instrumentation

GRU shall, at its own expense, furnish, construct, install, own, operate and maintain, an Energy Measurement Station for Chilled Water Service and Steam Service. The Energy Measurement Station will include a strainer, associated controls, sensors and instrumentation, and such Measurement equipment, as GRU deems appropriate to measure and monitor the Chilled Water Service and Steam Service. GRU shall also furnish, install, operate and maintain, at its own expense, capacity and consumption meters and associated equipment appropriate (at the time of installation) for the provision of On-site Electric Power Service. Throughout the Term of this Agreement, GRU shall have the right to install (and remove) reasonable check meter(s) on the Shands' Equipment at GRU's expense at mutually agreed locations. If Shands requests installation of any meter in addition to those determined to be appropriate by GRU in its reasonable discretion, Shands shall pay all reasonable installation and equipment expenses therefore.

B. Utility Distribution Area

Shands shall provide, without cost to GRU, space in the Utility Distribution Area(s) of each Shands facility within the Project Campus. GRU shall furnish and install chilled water and steam Energy Measurement Stations in the Utility Distribution Area. GRU shall complete the installation of the Energy Measurement Station equipment including inspecting, testing, adjusting, calibrating and the start up for the proper operation of such GRU equipment. Where electricity or instrument air is required for the operation of GRU's measurement instrumentation, Shands shall furnish, without cost to GRU, wiring, piping, electric power and compressed air to an outlet located within the Utility Distribution Area. GRU shall furnish and install wiring and piping from such outlet to its equipment.

C. Testing of Measurement Instrumentation

Measurement instrumentation shall have accuracy established in accordance with the manufacturer's written recommendations and shall conform to generally accepted engineering practices and standards applicable to utility measurement. GRU measurement instrumentation shall be tested for accuracy in accordance with the manufacturer's recommendations, at a minimum every two (2) years. If a test establishes the GRU measurement instrumentation is not performing within specifications, GRU shall repair or replace the instrumentation and shall make an appropriate adjustment in Shands' billing, measured from the date GRU determines in good faith that the inaccuracy began. Shands may request additional tests at any time based on differences in measurement of Chilled Water Service, Steam Service or On-site Electric Power Service between Shands' measurement instrumentation and GRU's instrumentation and similar appropriate adjustments will be made as necessary, provided that if the GRU measurement

instrumentation is found to be accurate in accordance with this Section, Shands shall bear the cost of all such additional tests, otherwise the costs of the tests will be the responsibility of GRU.

D. Bill Adjustments Based on Estimated Use

If the date any proven inaccuracy began cannot be determined, a billing adjustment shall be made (excluding any period of outage or other non-use of ECS and taking into account price changes during the period) for one-half of the period between the date of the last prior successful meter test or recalibration and the date of the test disclosing the inaccuracy, but in no case for a period greater than six (6) months. If a meter fails to provide usable readings, the quantities of ECS to be billed for such period will be estimated by GRU based on best engineering practices, including one or more of the following: Shands' meter readings, previous usage history, thirty (30) day CUP average, or average per-day use. Shands shall pay for ECS during such periods based on the estimated amount. All billings based on estimated usage shall be indicated on the bill as such.

VIII. PROVISION OF ECS TO THIRD PARTY CUSTOMERS

GRU may, in its sole discretion, at GRU's expense, provide chilled water and/or steam service to Third Party Customers from the CUP, subject to the terms of this Agreement. Notwithstanding the foregoing, GRU shall ensure that the provision of such services to Third Party Customers will not interfere with or adversely affect the ECS provided to Shands or Shands ability to develop its Project Campus. See Attachment 2 of Exhibit B, attached.

IX. REPRESENTATIONS AND WARRANTIES

Chilled water, steam, electric power produced by GRU and delivered to the Project Campus under this ECS Agreement are intended for hospital and ancillary functions and applications and shall meet the specifications set forth in Attachment 1 of the ECS Agreement, Exhibit B attached. The chilled water, steam, and electric power are delivered and sold to Shands in accordance with the Performance Guarantees in Attachment 2 of Exhibit B. GRU SPECIFICALLY DISCLAIMS ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. Except as otherwise expressly provided in this ECS Agreement, no other warranties are applicable to this Agreement or to the ECS provided herein.

X. INSURANCE

All insurance required hereunder shall be primary to any and all other insurance coverage and shall not contribute with similar insurance in effect by the other Party.

A. Bonds and Certificates

1. **Performance, Payment, and Other Bonds.** GRU shall require and receive from the Engineer, Procure, Construct contractor a Performance and Payment bond for the full amount of the Scope of Work covered by this Agreement.

2. Certificates of Insurance.

a. Shands shall deliver to GRU, with copies to each additional insured identified herein, certificates of insurance (and other evidence of insurance (not including the policy) requested by GRU or any other additional insured which Shands is required to purchase and maintain.

b. GRU shall deliver to Shands, with copies to each additional insured identified herein, certificates of insurance (and other evidence of insurance requested by Shands or any other additional insured) which GRU is required to purchase and maintain.

B. Shands' Liability Insurance

Shands shall purchase policies of insurance as described in this Section, with insurance carriers authorized to do business in the State of Florida having a Best Rating of at least "A-:VII":

The minimum insurance required by Subsection B. will be:

1. Workers' Compensation:

- (a) State \$10 million/occurrence
- (b) Applicable Federal (e.g., Longshoremen's) \$10 million/occurrence
- (c) Employer's Liability: \$1,000,000 per Accident (per project aggregate)
\$500,000 Disease, Policy Limit (per project aggregate)
\$500,000 Disease, Each Employee (per project aggregate)
- (d) Commercial General Liability (including Premises-Operations; Independent Shands Liability; Products and Completed Operations; Broad Form Property Damage): Minimum limit of \$2,000,000 total per project aggregate.
- (e) Umbrella excess liability shall be \$10,000,000 over primary insurance.

2. Liability and Other Insurance. Shands shall purchase and maintain such liability and other insurance as is appropriate for the Scope of Work being performed and as will provide protection from claims set forth below which may arise out of or result from Shands' performance of the Scope of Work and Shands' other obligations under the Contract Documents, whether it is to be performed by Shands, any Subcontractor or Supplier, or by anyone directly or indirectly employed by any of them to perform any of the Scope of Work, or by anyone for whose acts any of them may be liable:

- (a) claims under workers' compensation, disability benefits, and other similar employee benefit acts;
- (b) claims for damages because of bodily injury, occupational sickness or disease, or death of Shands' employees;
- (c) claims for damages because of bodily injury, sickness or disease, or death of any person other than Shands' employees;
- (d) claims for damages, other than to the Scope of Work itself, because of injury to or destruction of tangible property wherever located, including loss of use resulting therefrom; and
- (e) claims for damages because of bodily injury or death of any person or property damage arising out of the ownership, maintenance or use of any motor vehicle.

3. Requirements. The policies of insurance required by this Section B. shall:

- (a) with respect to insurance required by Section B.2.(c) through B.2.(e) inclusive, include as additional insured (subject to any customary exclusion regarding professional liability) GRU, and any other individuals or entities identified herein, all of whom shall be listed as additional insureds, and include coverage for the respective officers, directors, partners, employees, agents, consultants and subcontractors of each and any of all such additional insureds, and the insurance afforded to these additional insureds shall provide primary coverage for all claims covered thereby and which are losses caused by Shands' negligence;
- (b) include at least the specific coverages and be written for not less than the limits of liability provided herein or required by Laws or Regulations, whichever is greater;
- (c) include completed operations insurance;
- (d) include contractual liability insurance covering Shands' indemnity obligations.
- (e) contain a provision or endorsement that the coverage afforded will not be canceled until at least 30 days prior written notice has been given to GRU and Shands and to each other additional insured identified herein to whom a certificate of insurance has been issued (and the certificates of insurance furnished by GRU pursuant to Section C shall so provide);

(f) remain in effect at least until final payment and at all times thereafter when GRU may be correcting, removing, or replacing defective Scope of Work; and

(g) with respect to completed operations insurance, and any insurance coverage written on a claims-made basis, remain in effect for at least two years after final payment.

C. **GRU's Liability Insurance**

GRU, through its program of self-insurance, agrees to provide general and auto liability coverage subject to limits of liability set forth in Florida Statute 768.28. The provision of this coverage for the negligent acts of its employees should in no way be interpreted as a waiver of sovereign immunity as provided by Florida Statute 768.28.

GRU and its subcontractors will carry workers compensation, general liability (GL), hired and non-owned automobile liability (auto), and umbrella liability equal to \$10M per project limit; subcontractors shall name Shands as an additional insured on the GL and auto policies.

GRU, at GRU's option, may purchase and maintain at GRU's expense GRU's own liability insurance as shall protect GRU against claims which may arise from operations under the Contract Documents.

1. **Property Insurance.**

(a) **GRU-Furnished Insurance.** In addition to insurance required above, GRU shall have procured and maintained by the Engineer, Procure, Construct contractor (EPC) in full force and effect at all times from the effective date of the Notice to Proceed to Final Completion policies of insurance as described in this Section, with insurance carriers authorized to do business in the State of Florida having a Best Rating of at least "A-VII":

(1) Builder's Risk Insurance on an "all risk" basis (excluding Shands' equipment and property not intended to be installed in the Facility except as agreed by Shands and GRU), including but not limited to coverage against damage or loss caused by earth movement, flood, windstorm, and operational testing; fire and extended coverage; and coverage of mechanical breakdown and electrical malfunction. Such insurance shall be written on a replacement cost basis. The policy shall include hot test coverage for start-up. The policy shall also list Shands as an insured and provide, in amounts reasonably acceptable to Shands, for (1) coverage for removal of debris, (2) transit coverage, not including ocean marine coverage, and (3) off-site storage coverage.

(2) Marine Cargo Insurance written on a form acceptable to GRU insuring equipment to be installed in the CUP against loss or damage arising from customary "all risk" marine perils while in transit, if applicable.

2. Cancellation Notice.

All the policies of insurance (and the certificates or other evidence thereof) required to be purchased and maintained in accordance with Section C. will contain a provision or endorsement that the coverage afforded will not be canceled or materially changed or renewal refused until at least 30 days prior written notice has been given to GRU and Shands and to each other additional insured to whom a certificate of insurance has been issued and will contain waiver provisions in accordance with Section C.

3. Deductible.

GRU shall be responsible for purchasing and maintaining any property insurance specified in this Section C. to protect the interests of Shands, Subcontractors, or others in the Scope of Work to the extent of any deductible amounts that are identified herein. The risk of loss within such identified deductible amount will be borne by GRU.

4. Special Insurance.

If Shands requests in writing that other special insurance be included in the property insurance policies provided under Section C., GRU shall, if possible and commercially reasonable, include such insurance, and the cost thereof will be charged to Shands by appropriate Change Order. Prior to commencement of the Scope of Work at the Site, GRU shall, in writing, advise Shands whether or not such other insurance has been procured by GRU.

D. Receipt and Application of Insurance Proceeds

1. Any insured loss under the policies of insurance required by this Section X. will be adjusted with GRU and made payable to GRU as fiduciary for the insureds, as their interests may appear, subject to the requirements of any applicable mortgage clause and of Section X. GRU shall distribute any money so received in accordance with the terms of the insurance policy. The damaged work shall be repaired or replaced.

2. GRU as fiduciary shall have power to adjust and settle any loss with the insurers unless one of the parties in interest shall object in writing within fifteen (15) days after the occurrence of loss to GRU's exercise of this power. If such objection is made, GRU as fiduciary shall make settlement with the insurers in accordance with such agreement as the parties in interest may reach. If no such agreement among the parties in interest is reached, GRU as fiduciary shall adjust and settle the loss with the insurers and,

if required in writing by any Party in interest, GRU as fiduciary shall give bond for the proper performance of such duties.

E. Acceptance of Bonds and Insurance; Option to Replace

If GRU has any objection to the coverage afforded by or other provisions of the insurance required to be purchased and maintained by Shands in accordance with this Agreement, and amendments included herein, on the basis of the insurance not complying with the Agreement Documents, GRU shall notify Shands in writing within (10) ten days of the date of delivery of the certificates to GRU. Shands shall provide additional information in respect to insurance provided as GRU may reasonably request. Failure by GRU to give notice of objection within the time provided shall constitute acceptance of the insurance purchased by Shands.

F. Maintenance, Additional Insured and Notification

Shands and GRU shall maintain all required insurance coverages through Substantial Completion, or in the case of insurance coverages that insure against loss of damage under a warranty, as set forth in the agreement between GRU and its subcontractor(s), through the warranty period. Required insurance shall continue through the Term of this Agreement or sooner termination.

G. Partial Utilization, Acknowledgment of Property Insurer

1. If GRU finds it necessary to occupy or use a portion or portions of the CUP or Service Lines prior to Substantial Completion of all the Scope of Work, no such use or occupancy shall commence before the insurers providing the property insurance have acknowledged notice thereof and in writing effected any changes in coverage necessitated thereby. The insurers providing the property insurance shall consent by endorsement on the policy or policies, but the property insurance shall not be canceled or permitted to lapse on account of any such partial use or occupancy.

2. Notwithstanding anything in this agreement to the contrary, each Party hereby waives any and all rights of recovery, claims, actions, or causes of action against the other, its agents, officers, and employees for any injury, death, loss, or damage that may occur to persons, the CUP, the hospital, or any part thereof, or any personal property of such party therein, by reason of fire, the elements, or any other cause which is insured against under the terms of the policies of casualty insurance or worker's compensation insurance or certificates of self-insurance, that such party is required to provide hereunder, to the extent, and only to the extent, of any proceeds actually received by such party, with respect thereto, regardless of cause or origin, including negligence of either party hereto, its agents, officers, or employees, and each party covenants that no insurer shall hold any right of subrogation against the other.

H. Waiver of Subrogation

All insurance coverages maintained by the Parties and subcontractors shall include a waiver of any right of subrogation of the insurers thereunder against each other and their subcontractors and all of their respective assigns, subsidiaries, affiliates, employees, insurers and underwriters, and of any right of the insurers to any set-off or counterclaim or any other deduction, whether by attachment or otherwise, in respect of any liability of any person insured under any such policy (Workers Compensation – where permitted). The Parties further waives all claims and all rights of subrogation against each other and their subcontractors and all of their respective assigns, subsidiaries, affiliates, employees, insurers and underwriters for loss of, or damage to, Scope of Work, tools, machinery, equipment, material, supplies, or any other losses within the scope of any insurance.

ATTACHMENT 1
to EXHIBIT B

PROJECT SCHEDULE/INITIAL CAPACITY AND ESTIMATE OF FUTURE DEMAND/ENERGY COMMODITIES SERVICES SPECIFICATIONS

I. PROJECT SCHEDULE

A. Commencement for Construction Activities

GRU shall be prepared to commence ECS to the Project Campus from the CUP to support the Project Campus construction activities according to the following schedule:

Electric Grid Power	December 1, 2008
Chilled Water	Demonstration by Shands that Chilled Water demand will be maintained above 500 tons on a sustained basis, and no earlier than December 1, 2008.
Steam	Demonstration by Shands that Steam demand will be maintained above 5,000 #/hour on a sustained basis, and Project Campus is prepared to return condensate to CUP, and no earlier than December 1, 2008.

During this period, equipment will be tested and systems will be fully commissioned. Periodic planned and unplanned interruptions may occur, which shall be coordinated with Shands, to the extent possible.

B. Commencement of Stable and Redundant Services

The following ECS to the Project Campus from the CUP shall be ready for inspection, testing oversight, and acceptance by agencies having jurisdiction according to the following:
Essential Power and Grid Power, and Medical Gas Service Lines March 1, 2009

II. INITIAL CAPACITY AND ESTIMATES OF FUTURE DEMAND

Table 1
Project Campus Program and Capacities

Year	Normal Power	Essential Power	Steam Boiler HP	Chiller Tons	Capacity	Building Sq Ft
2009	4.2 MW	2.25 MW	900	2,400	Initial Capacity	500,000
Build Out	20-25 MW	13.5 MW	4,000	16,000	Final	3,000,000

Note: Normal power includes electrical power required by both the Project Campus and CUP.

The Initial Capacities of the CUP System and for build out of the Project Campus are set forth in Table 1 above.

III. CHILLED WATER SERVICE SPECIFICATIONS

A. GRU shall supply Chilled Water Service to Shands through GRU's distribution system from its CUP System at a range of 60-80 PSIG with a normal operating pressure of approximately 70 PSIG.

B. GRU shall supply Chilled Water Service to Shands at a range of 39 degrees to 43 degrees F, as measured at the Chilled Water Point of Delivery, which temperature may temporarily fall outside of this range, but not higher than 48 degrees F for more than for (4) consecutive hours.

C. The Parties acknowledge that maintaining high differential temperature between the chilled water supply and the chilled water return is critical to the efficient and economical operation of the Chilled Water Service cooling system. Shands shall design and operate the Project Campus air conditioning system in a manner that returns water at the Chilled Water Point of Return at a change in temperature of at least 16 degrees F over the delivered temperature. Shands shall implement Best Practices to achieve high chilled water differential temperatures.

D. GRU will maintain a chilled water quality, and will employ such chemical treatment of its water, as it determines to be adequate for the normal protection of its production and distribution equipment, and in accordance with generally accepted industry standards, as well as the health and safety of employees and customers. GRU will advise Shands of the chemical treatment it employs, as well as any changes thereto. Shands is responsible for ensuring that its equipment is compatible with GRU's system. Shands shall not perform any water treatment or add any chemicals or foreign substances into the water being used in its cooling system without the prior written consent of GRU. GRU shall provide ten (10) days advance written notice to Shands of any anticipated change in GRU's chemical treatment program.

E. Unless GRU notifies Shands to the contrary, ethylene propylene diene monomer (EPDM), and aluminum shall not be used in the Shands Equipment. Other common materials including stainless steel, carbon steel, bronze, brass, copper, polyurethane, polypropylene, PVC, fiberglass, rubber, polyethylene, Teflon, buna-n, hypalon, nickel, and plastite are compatible with the chemical treatment regime.

IV. ON-SITE ELECTRIC POWER SERVICE SPECIFICATIONS

A. Continuous Power

GRU shall provide electric power to the Project Campus on a continuous basis via dedicated conduits and wiring systems enclosed in a concrete duct bank dedicated to serve the Project Campus. GRU shall deliver three phase electric power at approximately 12,470 volts, to

the Electric Power Point of Delivery at the Project Campus. Sufficient on-site generation capacity will be provided by GRU to meet or exceed Shands' needs for the entire Project Campus load, including Essential Power in compliance with the requirements of Agencies having jurisdiction over the Shands. The on-site generation capacity will be provided to enable the entire Project Campus electrical load to be operated even if the area electric utility feeds become unavailable.

B. Power Quality

Power quality delivered to the Project Campus shall equal or exceed standard utility grade power that is normally delivered to any other customer operating a trauma center and hospital facility 24 hours per day, 365 days per year.

V. STEAM SERVICE SPECIFICATIONS

A. Pressure

GRU shall supply saturated Steam Service to the Project Campus at a normal operating pressure of approximately 60-80 pounds per square inch. The minimum pressure will be 60 psig measured at the Steam Point of Delivery which may temporarily fall outside of this range due to boiler shutdown, startup, and malfunction.

B. No Contamination

There shall be no carryover of chemicals into the steam lines. Condensate shall be returned to the CUP uncontaminated by the addition of chemicals or foreign substances not present in the steam, including cross contamination with potable or other sources of water.

ATTACHMENT 2
to EXHIBIT B

RATES, FEES AND FINANCIAL SETTLEMENT

I. ACCOUNTING AND REPORTING STANDARDS

A. Property Records

Property records for the CUP plant assets shall be unitized into general plant, chilled water, Essential Power, steam, and Medical Gases categories. Initial and depreciated book values shall be recorded by GRU.

B. Cost of Service Studies

Cost of service studies shall accompany each audited year to assign nominal costs to the production and delivery of steam (kilo pounds), chilled water (Tons), and Essential Power (kilowatts of capacity) for the purposes of benchmarking against other facilities and to facilitate accurate production cost allocation for the provision of services to Third Party Customers.

C. Monthly Operating Reports

GRU shall provide monthly operating reports to Shands.

D. Capital Costs

All capital costs shall be recorded and CRC fees shall be based on the final actual cost of the CUP facility and any other subsequent capital expenditure. CRC fees shall not be applied to CIAC capital contributions. CDC fees shall be adjusted for CIAC in accordance with Section IV.H. of this Attachment.

The amount due each month will be the sum of CRC charges individually assigned to each asset tracked in the Project Plan. This sum will change as new assets are recorded and as the net book value on each asset is reduced. CRC calculations will assume all capital is 100% debt financed, with levelized payments over the anticipated useful life applicable to each unitized capital asset, and shall be calculated using the Bond Interest Rate. Outstanding principle as may be needed for termination, or other provisions of this Agreement, shall be computed using standard levelized amortization tables for each unitized capital asset, then summed to obtain a total. The history and projected value of the CRC for each asset will be recorded and tracked. An illustrative example of the CRC computation is found in Example 2-A of this Attachment.

E. Contract Demand Charge

The monthly CDC charge for each unitized capital asset is set as of 0.006633 times the initial capital cost of each asset unless Shands has provided a CIAC for that asset. This charge shall remain in effect so long as the asset has not been replaced, required other capital

investment, or becomes fully depreciated. In the event of replacement or additional capital investment, the installed cost basis for that asset shall be adjusted based on actual costs. In the event that the asset becomes fully depreciated, the monthly CDC charge will be applied at the CIAC rate as described in subsection IV.H. The total monthly CDC is the sum of these charges across all assets in service. The history and projected value of the CRC for each asset will be recorded and tracked. An illustrative example of the CRC computation is found in Example 2-A of Attachment 2 of the ECS Agreement, Exhibit B attached.

F. Direct Costs

All usual and customary overhead costs shall be applied to direct costs incurred by GRU by virtue of owning and operating the CUP facility. These usual and customary overhead costs currently are direct salary overhead costs, indirect salary overhead costs, and overhead costs applied to contractual services and major equipment purchases. Overhead multipliers may be adjusted at least annually. General fund transfers shall not be considered an overhead expense.

G. Updates

GRU shall annually, as part of the budgeting process, update the Project Plan to reflect actual results for completed fiscal years, budgeted values for the current fiscal year, and future projections based on updated plans for expansion and operations. This information shall be used to project long term CRC, CDC and OMRC charges for the project as well as the cost for projected fuel and utility costs.

II. BUDGET APPROVAL PROCESS

A. Previous Year Financial Results

By April 1 of each year, GRU shall provide Shands with the financial results of the CUP for the previous fiscal year, together with final statements of cost over or under runs and the cost-of service results described in Section I.B. above.

B. Pre-Budget Meeting

Prior to preparing budgets, GRU and Shands shall have a pre-budget meeting to review performance, costs, equipment conditions, and changes in load, and any other planning matter that might pertain to the operation, maintenance, expansion, or renewal of the CUP. Both parties will use best efforts to identify methods in which to improve efficiency, reduce costs, improve reliability, and to discuss and understand the tradeoffs therein. GRU shall have an obligation to prepare a business case for all capital expenditures for individual assets with a value greater than \$100,000.00 that will be included in the budget, and that will be used to provide services to Shands. GRU shall submit the budget for the CUP to Shands for review by June 1 of each calendar year. The submitted budget will include all capital and operating and maintenance projections for the fiscal year commencing on October 1 through September 30. The budget will be based on projected costs for CRC, CDC and OMRC charges, operating results from the first half of the current fiscal year, and applicable revenue excesses or shortages from the preceding

year, adjusted for gain sharing. GRU shall have the overriding responsibility to meet the Performance Guarantees provided in this Agreement. Should Shands object to a level of expenditure, these Performance Guarantees shall prevail unless otherwise agreed to in writing.

C. **Budget Amendment**

During the budget year, GRU shall provide quarterly comparisons of actual financial performance compared to budget. The Operating Committee may agree to amend the CUP budget based on the observed variances. Any such amendment shall form the basis of subsequent computation of gain sharing incentives.

D. **Operating Reserves**

Budgets will be set to maintain an operating reserve of sixty (60) days of the projected OMRC.

III. **UTILITY COSTS**

A. **General**

Electricity, fuel, water and wastewater costs used to produce chilled water and steam will be billed to Shands without additional mark-ups, except that GRU shall achieve Performance Guarantees for electrical consumption and boiler fuel consumption. All utility costs shall be determined monthly and billed in arrears.

B. **Electrical Service**

GRU shall provide electrical power to the entire Project Campus, including the CUP and Project Campus buildings, applying GRU's most favorable tariffs. Shands shall receive a 13% discount on non fuel energy and demand charges for large power metered facilities (greater than 1000 kilowatts), 10% on non fuel energy and demand charges for general service demand facilities (between 50 and 999 kilowatts), and 7% on non fuel energy charges for general service category facilities (less than 50 kilowatts) through January 31, 2013. These discounts shall only be applicable for Shands' facilities within the confines of the Project Campus. Facilities on the Project Campus shall be metered and billed individually. Shands electrical costs for the CUP shall be billed monthly in arrears based on the large power retail rate and retail fuel adjustment pursuant to the prevailing City of Gainesville Code of Ordinances. No provisions of this Agreement other than relating to tariff discounts shall supercede GRU's normal retail electrical service terms and conditions.

C. **Natural Gas Service**

Provided that the CUP includes CHP facilities, the CUP shall be provided at the Power System Gas Cost, otherwise it would be served under GRU's large volume interruptible sales tariff. Other Shands' facilities within the Project Campus will receive service at the appropriate retail tariff rate. GRU shall, at Shands request, hedge (fix) all or part of the price of natural gas

for the CUP under commodity orders specifying the quantities, prices, and contract conditions for a specific time period, provided that Shands is willing to pay the premium costs for such hedges. All other facilities served with natural gas will be subject to GRU's normal retail terms and conditions for natural gas service, pursuant to the prevailing City of Gainesville Code of Ordinances.

D. Water, Wastewater and Reclaimed Water

Water and wastewater charges to facilities on the Project Campus shall be subject to GRU's applicable retail tariffs, pursuant to the prevailing City of Gainesville Code of Ordinances.

E. Medical Gases

Shands shall be responsible for the purchase and delivery of all Medical Gases ultimately delivered, stored, and distributed from the CUP site. The costs for all facilities and operations required to perform this function will be part of the fixed monthly CRC and OMRC charges.

IV. BILLING AND INVOICING

A. Commencement of Billing and Invoicing

Billing and invoicing may commence prior to the Initial Operation Date of the CUP to avoid capitalizing temporary operational costs incurred during construction of the Shands Project Campus and/or the CUP, or to avoid AFUDC charges. These billings and invoices shall be as mutually agreed and any such cost will be subject to the fees and charges as described herein related to capital and operating expenses.

B. Monthly Bills

1. **Operating Costs.** Shands shall be billed monthly, in arrears, a single fixed amount set in advance as part of either the provisions of Section IV.A. of this Attachment, or the budget process for each fiscal year, in order to recover all fixed and variable operating costs for the CUP (CRC, CDC, and OMRC charges), together with any reconciliation process, excluding the cost of electricity, natural gas, generator fuels, water and wastewater, and Medical Gases. Capital costs for each asset will consist of invoices paid and GRU direct costs (including usual and customary overhead charges) plus AFUDC.

2. **Invoice.** GRU will produce a monthly invoice including at a minimum the information contained in Example 2-B. The invoice amount due will be sum of the following billing elements:

Billing Element	Reference	Additional Notes
Operation & Maintenance (OMRC)	Exhibit A	Set annually, includes gain sharing adjustments and covers salaries, maintenance contracts, chemical
Capital Recovery (CRC)	Exhibit A	Corresponds to acquisition dates for each unitized asset, summed across assets
Contract Demand Charge (CDC)	Exhibit A, and Exhibit B, Attachment 2, Sections I.E. and IV.H.	Corresponds to installed cost of each unitized asset in service, summed across assets
Natural Gas Charges	Exhibit B, Attachment 2, Sections III.A. and C.	Pass through of total natural gas consumed by CUP
Power Generation Fuel Credit	Exhibit A	Adjustment for natural gas used for GRU's power production with the CUP facilities
Electrical Charges	Exhibit B, Attachment 2, Section III, A. and B.	Pass through of all electrical costs for CUP
Chilled Water Performance Guarantee	Attachment 2 to Exhibit B, Section IV, D.	Adjustment for GRU's monthly performance guarantee
Steam Performance Guarantee	Attachment 2 to Exhibit B, Section IV, E	Adjustment for GRU's monthly performance guarantee
Fuel Oil Consumption	Exhibit B, Attachment 2, Section III.A.	Pass through of fuel costs incurred for exercise and use of stand by and emergency generation other than the CUP facility.
Water and Wastewater Charges	Exhibit B, Attachment 2, Sections III.A. and D.	Pass through of water, wastewater, and reclaimed water charges for resources consumed by the CUP
Medical Gas Consumption	Exhibit B, Attachment 2, Section III.E.	For Shands Inventory Control Only
Medical Gas Delivered	Exhibit B, Attachment 2, Section III.E.	For Shands Inventory Control Only

D. Chilled Water Performance Guarantees

Electrical consumption for chilled water production will be billed as the total tons of chilled water delivered times a guaranteed efficiency (0.92 kilowatts per ton hour) times the average cost per kilowatt-hour of electricity used by the CUP during that billing period. If GRU is unable to meet that efficiency it will not recover costs for the excess energy, provided a minimum chilled water delivery to the Project Campus of 1000 tons, and the chilled water delta T is maintained at or above 14 degrees F during the billing period.

If Performance Guarantee(s) is not met, a billing adjustment will be made to adjust Shands' cost to that which it would have been if the Performance Guarantee(s) had been met, based on the average cost of electricity delivered to the CUP during that month.

E. Steam Performance Guarantees

Fuel consumption for steam production will be billed as the total tons of steam delivered times a guaranteed efficiency (0.78 MMBTU of steam per MMBTU of fuel) times the weighted average cost per MMBTU of fuel used by the CUP during that billing period (natural gas or diesel). If GRU is unable to meet that efficiency it will not recover costs for the excess energy, provided a minimum steam delivery to the project campus of 5,000 pounds per hour is maintained during the billing period.

F. Power Generation Unused Gas

A portion of the gas employed by the CUP facility plus any other gas used for steam boilers or duct firing in the CUP HRSG is allocated to steam production for the purpose of evaluating GRU's Steam Performance Guarantee. This will be accomplished by either of the following options: (1) subtracting the product of the number of net megawatt-hours produced by the CUP times 8 MMBtu per megawatt-hour from the total volume of natural gas consumed by the CUP in a given month; or (2) using actual meter readings from the CHP facility that measure actual gas used by the gas turbine multiplied by 0.8 and then subtracting that gas amount from the total gas used within the CHP as measured by plant metering.

G. CHP

All net electrical power produced by the CHP shall be the property of GRU. The volumes and cost of the natural gas used by the turbine shall be allocated between Shands and GRU through the application of a Power Generation Fuel Credit. The non-fuel cost to operate and maintain the CHP facilities shall be included in the computation of the monthly OMRC charges.

H. Contributions in Aid of Construction ("CIAC")

1. **GRU CIAC.** Under certain circumstances, as mutually agreed, GRU may choose to make investments either to benefit its other retail systems or to enable the provisions of chilled water, steam, Essential Power, or Medical Gases to Third Party Customers. In this eventuality, GRU's capital contribution shall not be included in

the computation of CDC or CRC charges to be levied against Shands, but shall be included in computations of outstanding principle for termination or any other provisions of this Agreement. A GRU CIAC of \$750.00 per net kilowatt peak capacity shall be deducted from the Shands capital cost of the CHP facilities, which is nominally rated at 4,395 kilowatts @ 60 degrees F and 60% RH which is the appropriate rating with inlet cooling.

2. **Shands CIAC.** Shands may choose to furnish capital rather than to have GRU provide all of the capital financing. Shands may choose, at its sole discretion, to contribute up to 10% of the capital costs for the initial construction of the CUP as a way to reduce the CRC charge, and up to 50% of capital costs for subsequent expansions. Any contributions made by Shands pursuant to this provision are in the nature of a prepayment to reduce recurring costs and will not confer CUP property ownership upon Shands. Shands CIAC will be exempted from CRC calculations, and will not be included as outstanding principle for the purposes of termination or other provisions of this Agreement. The factor to be applied for purposes of the computing the applicable monthly CDC charge against any CIAC provided by Shands for the initial construction of the CUP shall be 0.004523. All other considerations related to CDC charges shall apply.

3. **CDC Discounts for CIAC Made For Future Phases.** The factors to be applied to compute the monthly CDC from the cost of future phases of the CUP shall be discounted depending upon the level of CIAC provided by Shands. These discounts shall apply to facilities installed to increase the capacity of the CUP as described in Attachment 1 of Exhibit B to serve additional buildings constructed on the Project Campus by Shands. The monthly factors to be applied for computing the CDC associated with GRU's capital cost and Shands' CIAC under these circumstances are provided in the following schedule.

Level of CIAC Contribution by Shands to Future Phases	Factor for Computing Monthly CDC Charge for Future Phases	
	Applied to GRU's Capital Cost	Applied to Shands' CIAC
Less than 5.0% of Actual Cost	.006633	.004523
5.0% to 10.0% of Actual Cost	.006216	.004106
Greater than 10.0% of Actual Cost	.005800	.003690

I. **Gain Sharing**

Any annual savings in OMRC resulting from expenditures below budgeted amounts shall be split 50%/50% between Shands and GRU through subsequent annual cost reconciliation. For any OMRC cost overruns, GRU will absorb 50% and Shands will absorb 50% through subsequent annual cost reconciliation. Unforeseeable extraordinary expenses from Force Majeure Events or new regulatory requirements will be excluded from gain sharing calculations. However, gain sharing reconciliation will not be set until after the completion of the fiscal year

V. **PURCHASE OPTION**

Shands shall have the unilateral option to purchase the CUP upon, at a minimum, one hundred-twenty (120) day's written notice. Shands shall continue to provide energy services to any Third Party Customers until such time as GRU is able to construct and place into service adequate replacement facilities, but in any event for a period not to exceed three years from the date the Shands assumes possession of the CUP. The purchase price shall be the sum of: a) outstanding principle computed according to the levelized amortization schedules set forth in Section I.D. of this Attachment; b) the cost of replacement facilities required to serve Third Party Customers at similar prices and profitability; and c) eight (8.0) times the current CDC. Outstanding principle shall be determined as described in the definition of CRC. Example 2-C illustrates the computation of the purchase price for a hypothetical initial investment.

VI. **ENVIRONMENTAL CREDITS**

GRU shall retain the rights to and ownership of any tradable environmental credits that may accrued as a result of operating and owning the CUP, including, but not limited to, carbon off-sets, green tags, or conservation credits.

VII. **PROVISION OF SERVICES TO THIRD PARTY CUSTOMERS**

A. **Allocation of Capital and Other Costs of CUP**

All capital and other costs of the CUP will be allocated to Third Party Customers served from the CUP in proportion to the quantity of ECS from the CUP used by Shands and Third Party Customers to reduce Shands' charges for any facility and service provided pursuant to Section I.B. of this Attachment. GRU shall not commit to provide ECS from the CUP to Third Party Customers without the prior review of facility requirements and cost allocations and the consent of Shands, which consent shall not be unreasonably withheld.

B. **No Reduction in Services to Shands**

Provision of services to Third Party Customers shall not reduce the reliability of services provided to Shands or impede the ability of Shands to expand its facilities on the Project Campus.

C. **No Share in Revenues**

Although it is intended that Shands should benefit from the economies of scale inherent in providing services to Third Party Customers, Shands will not share in any revenues in excess of allocated production costs.

EXAMPLE 2-A: PART 1 - COMPUTATION OF MONTHLY CDC AND CAPITAL RECOVERY FACTORS
ASSUMPTIONS FOR ILLUSTRATION ONLY

Computational Elements			
Line	Description	Monthly Value	Annual Value
a.	CDC factor without Shands CIAC	0.006633	0.079596
b.	CDC factor with Shands CIAC ¹	0.004523	0.054276
c.	SIFMA Tax-Exempt Interest Rate ²		4.25%
d.	Applicable Bond Interest Rate ³		4.40%
Notes:	1. Also applies when service life exceeds amortization period 2. This will vary monthly. Value shown for example only. 3. Item c. plus 15 basis points (0.15%).		

Computation of Charges								
Line	Computation	Asset						
		Chiller 1	Chiller 2	Boiler	Genset 1	Genset 2	CHP	Building
e	Year Installed	2007	2017	2007	2007	2022	2007	2007
e	Asset Capital Cost	\$8,000,000	\$11,200,000	\$5,000,000	\$1,500,000	\$3,000,000	\$4,000,000	\$5,000,000
f	GRU Contribution in Aid of Construction (CIAC)	\$0	\$0	\$0	\$0	\$0	\$3,200,000	\$0
g	Shands Contribution In Aid of Construction	\$0	\$5,600,000	\$0	\$0	\$0	\$0	\$0
h	Expected Life (Amortization period - Months)	120	120	240	150	150	240	360
i	Basis for Capital Recovery Charge (line e - line f - line g)	\$8,000,000	\$5,600,000	\$5,000,000	\$1,500,000	\$3,000,000	\$800,000	\$5,000,000
j	Monthly CRC (levelized PMT, P=line i, interest=4.40%/12, n=line h)	\$82,526	\$57,768	\$31,363	\$13,019	\$26,037	\$5,018	\$25,038
k	Monthly CDC for GRU financed capital (line a * line i)	\$53,064	\$37,145	\$33,165	\$9,950	\$19,899	\$5,306	\$33,165
l	Monthly CDC for Shands contributed capital (Line b * line g)	\$0	\$25,329	\$0	\$0	\$0	\$0	\$0
m	Monthly CDC for service life beyond amort. period (Line b * line i)	\$36,184	\$25,329	\$22,615	\$6,785	\$13,569	\$3,618	\$22,615
n	Mnthly Total Fixed Charge during amort. per. (line j + line k + line l)	\$135,590	\$120,242	\$64,528	\$22,968	\$45,936	\$10,325	\$58,203
o	Monthly Total Fixed Charge after amort. period- still in service (line m)	\$36,184	\$25,329	\$22,615	\$6,785	\$13,569	\$3,618	\$22,615

6/22/2007

EXAMPLE 2-A: PART 2 - COMPUTATION OF MONTHLY CONTRACT DEMAND AND CAPITAL RECOVERY CHARGES
ASSUMPTIONS FOR ILLUSTRATION ONLY - DOLLARS IN MILLIONS

Asset Category	Year Installed	Expected Life	During Amort. Period		After Amort. Period	
			Total Monthly Fixed Charges	Total Annual Fixed Charges	Total Monthly Fixed Charges	Total Annual Fixed Charges
Chiller 1	2007	10	\$0.14	\$1.63	\$0.04	\$0.43
Chiller 2	2017	10	\$0.12	\$1.44	\$0.03	\$0.30
Boiler	2007	20	\$0.06	\$0.77	\$0.02	\$0.27
Genset 1	2007	15	\$0.02	\$0.28	\$0.01	\$0.08
Genset 2	2022	15	\$0.05	\$0.55	\$0.01	\$0.16
CHP	2007	20	\$0.01	\$0.12	\$0.00	\$0.04
Building	2007	30	\$0.06	\$0.70	\$0.02	\$0.27

EXAMPLE OF ASSETS ENTERING AND EXITING COMPUTATION OF FIXED CHARGES
Annual Charges Shown for Simplicity

Asset	Year																	
	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Chiller 1	\$1.63	\$1.63	\$1.63	\$1.63	\$1.63	\$1.63	\$1.63	\$1.63	\$1.63	\$1.63	\$0.43							
Chiller 2												\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44	\$1.44
Boiler	\$0.77	\$0.77	\$0.77	\$0.77	\$0.77	\$0.77	\$0.77	\$0.77	\$0.77	\$0.77	\$0.77	\$0.77	\$0.77	\$0.77	\$0.77	\$0.77	\$0.77	\$0.77
Genset 1	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28	\$0.28			
Genset 2																\$0.55	\$0.55	\$0.55
CHP	\$0.12	\$0.12	\$0.12	\$0.12	\$0.12	\$0.12	\$0.12	\$0.12	\$0.12	\$0.12	\$0.12	\$0.12	\$0.12	\$0.12	\$0.12	\$0.12	\$0.12	\$0.12
Building	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70	\$0.70
Total Charge	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$3.50	\$2.31	\$3.32	\$3.32	\$3.32	\$3.32	\$3.59	\$3.59	\$3.59

6/22/2007

EXAMPLE 2-B: CUP MONTHLY INVOICE

Billing Period: July 1 – July 31 Invoiced: August 20

Item	BILLING ELEMENT	VALUE	AMOUNT DUE
1	OMRC CHARGE	From Budget	\$272,305.35
2	CAPITAL RECOVERY CHARGE	From Budget	\$137,367.69
3	CONTRACT DEMAND CHARGE	From Budget	184,770.96
	NATURAL GAS CHARGES		
4	Metered Natural Gas Consumption	29,884 mmBTU	
5	Natural Gas Delivered Cost	\$8.35 /mmBtu	
6	Previous Month Consumption	24,240 mmBtu	
7	Previous Month Gas reconciliation	\$0.13 /mmBtu	
	(# 4 * #5) + (#6 * #7)	Subtotal	\$252,682.60
	POWER GENERATION FUEL CREDIT		
8	MWH Generated	2,958.9 MWH	
9	Natural Gas Delivered Cost	\$8.35 /mmBtu	
10	Previous Month Generation	2,400.0 MWH	
11	Previous Month Gas reconciliation	\$0.13 /mmBtu	
	(8.0 * #8 * #9) + (8.0 * #10 * #11)	Subtotal	(\$200,150.52)
	ELECTRICAL CHARGES		
12	Monthly Peak Demand	1,220 kW	
13	Energy Consumption	635,376 kWh	
14	Demand Charge	\$6.16/kW	
15	Non-Fuel Energy Charge	\$0.0226/kWh	
16	Fuel Adjustment	45 mills	
17	Customer Service Charge	\$213.59/month	
18	(#12 * #14)+ #13* (#15 + #16/1000) + #16	Subtotal	\$50,680.21
	CHILLED WATER EFFICIENCY CREDIT		
19	Chilled Water Delivered	624,960 ton-hours	
20	Delivered Efficiency (#13 / #19)	1.0167 kWh/ton-hr	
21	Adjusted Performance Guarantee	0.95 kWh/ton-hr	
	Zero if #21 is less than #20 Otherwise (1 - (#20 / #21)) * #18	Subtotal	(\$3,324.83)
	BOILER EFFICIENCY CREDIT		
22	Steam Delivered	9,885 kib	
23	Nat. Gas Not Used For Power Gen. (#4 - (8.0 * #8))	6,212.8 mmBTU	
24	Adj Boiler Performance Guarantee	.82 COP	
25	Delivered Efficiency (#22 * 1070 Btu/lb *1000) / #23	1.7024 COP	
26	Zero if #24 is less than #25, Otherwise (1-(#25/#24)) * #23 * #9	\$0.0	
27	Reconciliation of performance credit paid previous month	(\$1,500.00)	
	#26 +#27	Subtotal	(\$1,500.00)
	FUEL OIL CONSUMPTION		
28	Price	\$2.00/gallon	
29	Total Consumption	800 gallons	
	#28 * #29	Subtotal	\$1,600.00
			=====
	AMOUNT DUE	TOTAL	\$694,431.46
	MEDICAL GAS CONSUMPTION		
	Liquid Oxygen	Pounds	Na
	Liquid Nitrogen	Pounds	Na
	Nitrous Oxide	Pounds	Na
	MEDICAL GAS DELIVERED		
	Liquid Oxygen	Pounds	Na
	Liquid Nitrogen	Pounds	Na
	Nitrous Oxide	Pounds	Na

EXAMPLE 2-C SHANDS HEALTHCARE CUP PURCHASE OPTION COMPARISON

ASSUMPTIONS

No additions, additional capital expenditures, or third party customers
 EOY Outstanding principle invested on Shands behalf amortized based on
 Capital Cost \$25,000,000
 GRU's capital cost 4.40%
 Term 28 Yrs
 Asset value set at straight line depreciation for discussion

GRU'S NEW PROPOSAL #3 7/23/07					
See Sections:	1.4 for amortization standard 1.7 for Contract demand charge 1.13 for definition of market value 6.0 for purchase option				
YEAR	GRU'S Contract Demand Charge	Remaining Principle	Minimum Buy-Out	Shands Book Value Asset EOY	Shands Buy-out Net Cost
1	2,148,000	24,529,710	41,713,710	24,107,143	21,902,567
2	2,148,000	24,038,727	41,222,727	23,214,286	22,304,441
3	2,148,000	23,526,140	40,710,140	22,321,429	22,684,712
4	2,148,000	22,991,000	40,175,000	21,428,571	23,042,429
5	2,148,000	22,432,314	39,616,314	20,535,714	23,376,600
6	2,148,000	21,849,046	39,033,046	19,642,857	23,686,189
7	2,148,000	21,240,114	38,424,114	18,750,000	23,970,114
8	2,148,000	20,604,388	37,788,388	17,857,143	24,227,245
9	2,148,000	19,940,691	37,124,691	16,964,286	24,456,405
10	2,148,000	19,247,791	36,431,791	16,071,429	24,656,363
11	2,148,000	18,524,404	35,708,404	15,178,571	24,825,832
12	2,148,000	17,769,187	34,953,187	14,285,714	24,963,473
13	2,148,000	16,980,741	34,164,741	13,392,857	25,067,884
14	2,148,000	16,157,604	33,341,604	12,500,000	25,137,604
15	2,148,000	15,298,248	32,482,248	11,607,143	25,171,105
16	2,148,000	14,401,081	31,585,081	10,714,286	25,166,795
17	2,148,000	13,464,438	30,648,438	9,821,429	25,123,009
18	2,148,000	12,486,583	29,670,583	8,928,571	25,038,012
19	2,148,000	11,465,703	28,649,703	8,035,714	24,909,988
20	2,148,000	10,399,903	27,583,903	7,142,857	24,737,046
21	2,148,000	9,287,209	26,471,209	6,250,000	24,517,209
22	2,148,000	8,125,556	25,309,556	5,357,143	24,248,413
23	2,148,000	6,912,790	24,096,790	4,464,286	23,928,504
24	2,148,000	5,646,662	22,830,662	3,571,429	23,555,234
25	2,148,000	4,324,825	21,508,825	2,678,571	23,126,254
26	2,148,000	2,944,827	20,128,827	1,785,714	22,639,113
27	2,148,000	1,504,109	18,688,109	892,857	22,091,252
28	2,148,000	0	17,184,000	0	21,480,000
29	2,148,000	0	17,184,000	0	21,480,000
30	2,148,000	0	17,184,000	0	21,480,000
31	2,148,000	0	17,184,000	0	21,480,000
32	2,148,000	0	17,184,000	0	21,480,000

ATTACHMENT 3
to EXHIBIT B

POINTS OF DELIVERY AND POINTS OF RETURN

I. CHILLED WATER

For initial phase, GRU shall be responsible for installation of chilled water piping from the CUP to a distance of 5 feet from the building foundation of the Project Campus facility (s). Shands shall furnish and install piping in accordance with mutually agreed specifications from that point into an Energy Measurement Station and chilled water supply and return isolation valves that will be designated as a Point of Delivery and Point of Return. GRU shall furnish valves and instrumentation. GRU shall inspect and accept for Shands all piping and equipment up to and including the Chilled Water Point of Delivery.

For future expansions, the location of the Chilled Water Point of Supply and Chilled Water Point of Return shall be isolation valves located between the Energy Measurement Station and the building piping. The initial construction of facilities on the Project Campus shall not include the use of a heat exchanger. GRU may require that future expansions on the Project Campus, that are taller than the initial construction, and any vertical expansion of the initial construction shall include the installation of a heat exchanger to ensure the maintenance of system pressure in accordance with Prudent Utility Practice.

II. STEAM AND CONDENSATE

For the initial construction, GRU shall be responsible for installation of steam and condensate piping from the CUP to a distance of 5 feet from the building foundation of the Project Campus facility(s). Shands shall furnish and install piping in accordance with mutually agreed specifications from that point into an Energy Measurement Station and isolation valve that will be designated as a Point of Delivery and Point of Return. GRU shall furnish valves and instrumentation. GRU shall inspect and accept for Shands all piping and equipment up to and including the Steam Point of Supply and Return.

For future expansions of the Project Campus, the Steam Point of Delivery and Point of Return shall be as mutually agreed.

III. ELECTRIC

For the initial construction, GRU shall be responsible for installation of concrete encased conduit (duct bank) to a distance of 5 feet from the building foundation of the Project Campus facility(s). Shands shall furnish and install conduit from that point up to and including Shands switchgear located within the building, in accordance with a mutually agreed design provided by Shands. GRU shall inspect and accept for use or reject for cause, the conduit system installed by Shands. GRU shall be responsible for furnishing and installing conductors through the conduit and terminating on Shands switchgear. The Point of Delivery shall be the point to which GRU terminates its conduit system approximately 5 feet from the building foundation of the Project

Campus facility(s). GRU shall coordinate the expeditious repair of any failed conductors with Shands.

For future expansion, the Electric Point of Delivery shall be as mutually agreed.

VII. **MEDICAL GASES**

For the initial construction, GRU shall be responsible for installation of Medical Gas Service Lines for the Medical Gas Point of Origination to the Medical Gas Point of Delivery.

EXHIBIT C
LEASE AGREEMENT

THIS Lease (hereinafter called the "Lease") is made and entered into on this ____ day of _____, 2007, by and between SHANDS TEACHING HOSPITAL AND CLINICS, INC., a Florida non-profit corporation, whose post office address is 720 SW 2nd Avenue, Suite 360A, Gainesville, Florida 32601, (hereinafter called "Landlord") and the CITY OF GAINESVILLE, Florida, a municipal corporation of the State of Florida, whose post office address is P.O. Box 490, Gainesville, Florida 32601, (hereinafter called "Tenant" or "Lessee").

RECITALS

Landlord is the owner of certain property located in the 1300 block of SW 14th Street, Gainesville, Florida, and more particularly described in Exhibit "A" attached hereto and made a part hereof, (the "Leased Property").

Landlord desires to lease to Tenant and Tenant desires to lease from Landlord the Leased Property subject to the terms and conditions contained in this Lease.

NOW, THEREFORE, in consideration of the mutual benefits to be gained by the performance of the promises, covenants and conditions set forth below, Landlord and Tenant hereby agree as follows:

Section 1. GRANT AND DEMISE.

Landlord, in consideration of the promises, covenants and agreements herein undertaken to be kept and performed by Tenant, hereby grants, demises and leases to Tenant, and Tenant hereby takes, rents and leases from Landlord, the Leased Property, together with all rights, privileges and appurtenances thereunto for the term of the Lease as hereinafter provided.

Section 2. TERM/COMMENCEMENT DATE.

(a) This Lease shall be effective as of July 25th, 2007 (the "Commencement Date") and shall terminate at 11:59 p.m., July 24th, 2106, or as otherwise provided by the terms of this Lease.

(b) Occupancy. Upon execution hereof by Landlord, Tenant shall be entitled to continued use and occupancy of the Leased Property pursuant to the terms of this Lease.

Section 3. RENT.

(a) Rent. Except for Additional Rent, no rent shall be payable to Landlord by Tenant under this Lease. Notwithstanding the foregoing, Tenant shall be responsible for the payment of all costs and expenses relating to the Leased Property, including, without limitation, the cost of maintenance and repairs and casualty insurance, as more particularly hereafter set forth; provided, however, that Landlord shall pay for any ad valorem real property taxes to the extent required by Section 5 hereof.

- (b) **Additional Rent.** All damages, costs and expenses which Landlord may incur by reason of the occurrence of an Event of Default by Tenant in accordance with the provisions of this Lease shall be deemed to be "Additional Rent" hereunder and shall be payable to Landlord on demand.

Section 4. UTILITIES.

Tenant shall pay for water, heat, gas, hot water, electricity, light, power, cable television, and other utility service or services furnished to the Leased Property or the occupants thereof during the term of this Lease.

Section 5. TAXES.

The parties anticipate that the Leased Property shall be exempt from real property ad valorem taxes. The parties agree to cooperate with each other to maintain such exemption. In the event, however, the Leased Property is not so exempt, then Landlord shall pay such ad valorem taxes; provided, however, if the Leased Property is not exempt solely by reason of Tenant's action (e.g., Tenant fails to maintain its 501(c)(3) status under the Internal Revenue Code or the Tenant's interest under this Lease is assigned to a non-exempt entity), then in such event Tenant shall be responsible for the payment of such ad valorem taxes for the portion of the tax year falling within the term of this Lease. To the extent any such ad valorem taxes are payable by a party hereunder as provided above, such taxes shall be paid before delinquency. Tenant shall be responsible for the payment of any personal property ad valorem taxes that may be assessed against Tenant's personal property.

Section 6. USE OF PREMISES.

The Leased Property shall be used for the construction, ownership, operation and maintenance of a Central Utility Plant ("CUP"), and related utility facilities, and for no other purpose. Tenant will not do or permit any act or thing which might impair the value or usefulness of the Leased Property or any part thereof, or commit or permit any act or omission in violation of any governmental or municipal law, regulation, rule or ordinance applicable to the Leased Property or its use as herein permitted, nor do or permit anything to be done in or on the Leased Property which would in any manner jeopardize any of Tenant's licenses as may be required in connection with Tenant's use of the Leased Property. In the event any governmental authority having jurisdiction shall at any time contend or declare by notice, violation, order, or in any other manner that the facility is in violation of its license or any applicable laws, rules or ordinances, Tenant shall discontinue such actions or conduct and shall otherwise bring the facility into substantial compliance within the time frame allowed by such governmental authority.

Section 7. CONDITION OF PREMISES.

Tenant acknowledges that Landlord makes no representations or warranties as to the condition of the Property and any improvements located thereon, except as otherwise set forth herein.

Section 8. ALTERATIONS.

At any time and from time to time during the Term, Tenant may perform such alteration, renovation, repair, expansion, refurbishment, and other work with regard to the CUP located on

the Leased Property, provided that the same is done with the written approval of the Landlord, which approval shall not be unreasonably withheld, conditioned, or delayed.

Section 9. COVENANT AGAINST LIENS.

Landlord's interest shall not be subject to liens for repairs or improvements made by Tenant upon the Leased Property. At Landlord's election, a memorandum or short form of this Lease shall be recorded in the public records of Alachua County to give notice of the above stated agreement in accordance with the provisions of Section 713.10, *Florida Statutes*. Tenant shall not permit any mechanic's lien to be filed against the Leased Property by reason of work, labor, services or materials supplied or claimed to have been supplied, whether prior to or subsequent to the Commencement Date of this Lease, to Tenant or anyone holding the Leased Property through or under Tenant. If any such mechanic's lien shall at any time be filed against the Leased Property, Tenant shall have fifteen (15) days after written notice from Landlord to Tenant regarding the filing thereof, to cause such lien to be discharged. If Tenant fails to do so, then in addition to any other right or remedy of Landlord, Landlord may, but shall not be obligated to, discharge such lien, either by paying the amount claimed to be due or by procuring the discharge of such lien by deposit or by bonding proceedings. In any such event, Landlord shall be entitled, if Landlord so elects, to compel the prosecution of an action for the foreclosure of such mechanic's lien by the lienor and to pay the amount of the judgment for and in favor of the lienor, with interest, costs, and all other allowances. Any amount paid by Landlord for any such purposes, including all attorneys' fees and expenses incurred in connection therewith, shall be repaid by Tenant to Landlord on demand, and if unpaid shall be due and payable as Additional Rent hereunder pursuant to this Lease.

Section 10. ACCESS TO PREMISES.

At all times during the term of this Lease, upon reasonable prior notice to Tenant, Landlord, and any authorities have jurisdiction over Landlord, including but not limited to the Agency for Health Care Administration (AHCA), the Centers for Medicare and Medicaid Services (CMS) and the Joint Commission on Accreditation of Health Care Organizations (JCAHO), shall have the right to enter upon and inspect the Leased Property during Tenant's normal business hours for the purpose of examining the condition of the Leased Property, provided that such action shall not unreasonably interfere with the business of Tenant.

Section 11. ASSIGNMENT AND SUBLETTING.

- (a) Except as hereinafter specifically provided, Tenant shall not assign this Lease to any person or entity without Landlord's prior written consent, which consent may be withheld by Landlord in its sole and absolute discretion, except that this Lease may be assigned to a wholly owned subsidiary of Tenant as long as the assignee remains a wholly owned subsidiary of Tenant and is engaged in activities consistent with Tenant's mission. However, despite any such assignment, Tenant hereby fully guarantees performance under this Lease and shall remain liable for all obligations under this Lease. Neither Tenant nor its wholly owned subsidiary assignee shall sublease all or any portion of the Leased Property without the Landlord's prior written consent, which consent may be withheld by Landlord in its sole and absolute discretion. Any assignment or sublease of the Leased Property in violation of this prohibition shall be void ab initio. Landlord may accept rent payments from any person or entity, including any proposed

assignee and the acceptance of such payments shall not be deemed to be an acceptance by Landlord of such assignment.

- (b) Landlord shall have the right to assign or pledge this Lease to any entity which Landlord owns or legally or beneficially controls for any purpose.

Section 12. SUCCESSORS AND ASSIGNS.

This Lease shall constitute a real right and covenant running with the premises, and subject to the provisions hereof pertaining to Tenant's rights to assign, sublet, or encumber, this Lease shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns. Whenever a reference is made herein to either Party, such reference shall include the Party's successors and assigns.

Section 13. SIGNS.

Tenant shall have the right to install or maintain signage at the Leased Property identifying Tenant or Tenant's permitted use of the Leased Property, however, Tenant shall, prior to placement of such signage, submit the plans to Landlord for approval which shall not be unreasonably withheld. In the event, Landlord has not approved or disapproved the signage within seven (7) days of submission, the signage shall be deemed approved as submitted.

Section 14. INDEMNIFICATION.

Tenant covenants and agrees to be responsible for the safety and security of the Leased Property, all conditions of the Leased Property that arise as a result of Tenant's activities, whether or not directly related to the Leased Property or the facilities constructed thereon. Tenant further assumes all risk of liability for damage to persons or property arising out of acts or omissions of its officers, employees, or others under its control, in the exercise of the rights granted under this Lease Agreement.

Section 15. INSURANCE.

Tenant shall provide, effective as of Commencement Date, through its program of self-insurance, and agrees to provide general liability coverage subject to limits of liability set forth in Florida Statute 768.28. The provision of this coverage for the negligent acts of its employees should in no way be interpreted as a waiver of sovereign immunity as provided by Florida Statute 768.28.

Tenant will maintain all risk property insurance on its owned assets in accordance with its business practice. The property, boiler and machinery will be insured for replacement cost.

Tenant will maintain worker's compensation coverage as required by Florida Statutes.

Section 16. RELATIONSHIP OF PARTIES.

Nothing contained in this Lease shall be deemed or construed to create the relationship of principal and agent or of partnership or of joint venture or of any other type of association whatsoever between the parties other than the relationship of Landlord and Tenant. Landlord shall not be liable for any debts, losses or obligations incurred by the Tenant in the conduct of its business and Landlord shall have no management or operational responsibilities or rights

whatsoever. Tenant shall be free to determine and follow its own policies and practices in the conduct of its business on the Leased Property. Tenant shall not be liable for any debts, losses or obligations incurred by the Landlord in the conduct of its business and Tenant shall have no management or operational responsibilities or rights whatsoever. Landlord shall be free to determine and follow its own policies and practices in the conduct of its business regarding the Leased Property.

Section 17. QUIET ENJOYMENT.

Subject to the rights of the Landlord, and upon observing and keeping of all covenants, warranties, agreements and conditions of this Lease on Tenant's part to be kept, Tenant shall quietly have and enjoy the Leased Property during the term of this Lease without hindrance or molestation by Landlord or any other party.

Section 18. HAZARDOUS MATERIALS.

(a) Compliance. The operations of Tenant will be conducted in a manner such that said operations will comply all applicable state, local and federal environmental laws and regulations ("Environmental Laws") and will not cause harm or potential harm to third parties from violation of any Environmental Laws. The Tenant has or will obtain all governmental authorizations under Environmental Laws necessary to its operations, and all such governmental authorizations will remain in good standing.

Tenant will exercise due diligence in order to comply with all Environmental Laws. Tenant agrees that the Landlord may, from time to time, if it in good faith believes that a release of hazardous substances (as defined under Section 104 of the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9604, or comparable state laws, hereinafter referred to as "Hazardous Substances") may have occurred or than and Environmental Law may have been violated, retain an independent professional consultant to review any report relating to Hazardous Substances prepared by or for Landlord and to conduct its own investigation of the Leased Property. Tenant, subject to reasonable notice and conditions relating to safety and non-interference with utility operations, grants to Landlord and its agents, employees, consultants and contractors the right to enter into or on the Leased Property to perform such test on such Property as are reasonably necessary to conduct such a review or investigation.

There shall not, at any time, be any Hazardous Substances located, stored in, used, generated, treated or disposed upon or at the Leased Property except such materials as shall be stored, used, generated, treated or disposed of in full compliance with all Environmental Laws.

In the event Tenant encounters, on the Leased Property, material reasonably believed to be a Hazardous Substance, Tenant shall stop the work in the area affected and report the condition to Landlord in writing. The work in the affected area shall not thereafter be resumed by Tenant until the affected has been rendered harmless by Landlord, if a pre-existing condition, or Tenant, if condition is caused by Tenant (or individuals for whom Tenant is responsible) and then only upon mutual written agreement of Landlord and Tenant. Work shall not be resumed in the affected area until any required permits, specifying that the unsafe condition has been rendered safe for the resumption of work or that any special conditions under which work may be resumed safely, relating to the Hazardous Substances has been obtained. If Landlord and Tenant cannot agree as to remediation, entitlement to or the amount or extent, if any, of any

adjustment in Contract Price or Contract Times, or both, as a result of any work stoppage or special conditions under which work is agreed to be resumed by Tenant, either Party may make a claim therefore as provided in the Master Agreement.

(b) Indemnification.

Except to the extent caused or generated through or by Landlord's operation and maintenance of its Project Campus, or is a pre-existing condition on the Leased Property prior to the commencement of Tenant's Scope of Work, Tenant does hereby indemnify and agree to hold harmless Landlord, its directors, officers, employees, agents, successors and assigns, from and against all claims, damages, expenses (including attorneys' fees), liabilities and all other obligations including, without limitation, real or personal property damage (collectively, "Environmental Claims") which Tenant may incur or be exposed to as a result of any one or more of the following (except to the extent any of the foregoing is attributable to the negligence or willful misconduct of the Landlord, its officers, directors, agents or employees, or is a pre-existing condition on the Leased Property):

1. The presence, suspected presence or threat of release, release or suspected release of any Hazardous Substance in, on or into the air, soil, surface water, groundwater or soil vapor at, on, about, under, within or from the Leased Property, or any portion thereof, as a direct or indirect consequence of action or negligence of the Tenant.
2. Except for remedial work to be undertaken by Landlord as a result of a pre-existing condition on the Leased Property or caused by Landlord (or individuals for whom Landlord is responsible) as a result of its activities on the Project Campus, in the event the Tenant fails to undertake remedial work for removing Hazardous Substances caused by Tenant, any costs or expenses which may be incurred by the Landlord in performing remedial work in connection with removing any Hazardous Substances from the Leased Property; provided, however, nothing contained in this Lease Agreement shall impose any duty or obligation whatsoever upon the Landlord to perform any remedial work on the Leased Property.
3. Any environmental action connected in any way with the Leased Property, as a direct or indirect consequence of action or negligence of the Tenant.
4. Any acts of the Tenant, or its agents or employees, in arranging for transport, disposal or treatment, or arranging with a transporter for transport, disposal or treatment, of Hazardous Substances owned or possessed by Tenant.

Section 19. DEFAULT.

The following event shall be deemed to be an event of default ("Event of Default") on the part of Tenant:

The failure of Tenant to comply with any term, provision or covenant contained in this Lease, and Tenant shall not have cured such failure within fifteen (15) days after written notice is received from Landlord specifying in detail the nature and extent of such breach. In the event compliance cannot reasonably be accomplished within such fifteen

(15) days, Tenant shall not be in default hereunder if Tenant, due to the nature of the default or for causes beyond Tenant's control, actively and continuously proceeds to cure said default with reasonable diligence and in good faith.

Section 20. REMEDIES.

If an uncured Event of Default occurs, Landlord shall have the right, at its election, then or at any time thereafter while such Event of Default shall continue, to pursue any one or more of the following remedies:

- (i) Landlord may terminate this Lease by giving written notice thereof to Tenant; and
- (ii) Pursue such other remedies as may be available under Florida law.

The foregoing remedies are not exclusive, but are cumulative and are in addition to any remedies now or later allowed by law, in equity, or otherwise.

Section 21. EXCEPTION TO REMEDIES.

Notwithstanding the remedies set forth above, Landlord may not terminate this Lease or terminate Tenant's right to possession of the Leased Property and any improvements under any circumstances if Tenant is serving or is obligated to serve other Customers from the CUP, except as provided in that certain Master Agreement for the Provision of Energy Commodity Services through Central Utility Plant between the parties.

Section 22. SURRENDER OF LEASED PROPERTY.

On the last day of the term of this Lease, or sooner termination as provided herein, Tenant shall quit and surrender the Leased Property in good condition and repair (ordinary wear and tear excepted), together with all alterations, additions and improvements which may have been made on or to the Leased Property. If the Leased Property is not surrendered as and when aforesaid, Tenant shall indemnify Landlord against loss or liability resulting from the delay by Tenant in so surrendering the Leased Property including, without limitation, any claims made by any succeeding occupant, prospective purchaser or other party founded on such delay. Any personal property remaining at the Leased Property at the expiration of the term of this Lease shall be deemed abandoned by Tenant, and Landlord shall have the right to dispose of any such personal property in any manner deemed appropriate by Landlord.

Section 23. WAIVERS.

Failure of Landlord or Tenant to require compliance with any and all provisions of the Lease on the part of the other party no matter how long the same may continue shall not be deemed to be a waiver by said party of any of its rights hereunder. No delay in exercising or omission of the right to exercise any right or power by the Landlord or Tenant shall impair any such rights or power, or shall be construed as a waiver of any breach or default, or as acquiescence thereto. One or more waivers of any covenant, term or condition of this Lease by Landlord or Tenant shall not be construed by the other party as a waiver of a continuing or subsequent breach of the same covenant, provision or condition. The consent to, or approval of, any act shall not be deemed to waive or render unnecessary consent to, or approval of, any subsequent similar act. No acceptance by Landlord of any partial payment or reference shall constitute an accord or satisfaction.

Section 24. LIABILITY OF LANDLORD.

Notwithstanding anything else herein to the contrary, Landlord shall be under no personal liability with respect to any provisions of this Lease, and if Landlord is in default with respect to any obligations under this Lease, Tenant shall look solely to the Leased Property and Landlord's interest therein for satisfaction of Tenant's remedies.

Section 25. REPRESENTATIONS AND WARRANTIES

Landlord and Tenant hereby represent and warrant that this Lease will be a valid and binding obligation of both parties upon the execution hereof, and that the person who executed this Lease on behalf of each party has the power and authority to do so.

Section 26. NOTICES.

Every notice, approval, consent or other communication authorized or required by this Lease shall not be effective unless same shall be in writing and delivered by hand, transmitted by cable or telefax, sent by overnight delivery service or mailed, postage prepaid, registered or certified mail, return receipt requested, directed to the other party at the following address:

Landlord: Vice President, Facilities
Shands Teaching Hospital and Clinics, Inc.
PO Box 100366
Gainesville, FL 32610

With Copy to: Associate General Counsel, Real Estate
720 SW 2nd Avenue Suite 360A
Gainesville, FL 32601

Tenant: General Manager
Gainesville Regional Utilities
P.O. Box 147117
Gainesville, FL 32614-7117

With Copy to: Land Rights Coordinator
Gainesville Regional Utilities
P.O. Box 147117
Gainesville, FL 32614-7117

or to such other address as either party may designate by notice given from time to time in accordance with the provisions of this Section. Notice shall be deemed given upon receipt thereof by the other party.

Section 27. GOVERNING LAW.

This Lease and the performance thereof shall be governed, interpreted, construed and regulated by the laws of the State of Florida. The parties to this Lease agree to submit themselves to the jurisdiction of the courts of the State of Florida, County of Alachua, for the purpose of the enforcement of any or all aspects hereof. They further agree that, in addition to those methods provided by law, service of process upon them by overnight delivery service or

by certified or registered mail, return receipt requested, postage prepaid, shall be deemed personal service, effective on the date of receipt, with respect to any action or proceeding commenced to enforce the provisions of this Lease. Venue for any action on this Lease shall be in Alachua County, Florida.

Section 28. PARTIAL INVALIDITY.

In the event any provision of this Lease shall be held invalid or unenforceable by any court of competent jurisdiction, such holding shall not invalidate or render unenforceable any other provision hereof.

Section 29. PRIOR AGREEMENTS.

This written document represents the entire agreement between the parties. This Lease may not be changed orally, but only by an agreement in writing and signed by the party against whom enforcement of any waiver, change, modification or discharge is sought.

Section 30. COUNTERPARTS.

This Lease may be executed in any number of counterparts, each of which shall be deemed to be an original, but all of which together shall constitute one and the same instrument.

Section 31. LITIGATION COSTS.

If an action shall be brought for or on account of any breach of or to enforce or interpret any of the terms, covenants and conditions of this Lease, or for the recovery of possession of the Leased Property, the prevailing party shall be entitled to recover from the other party, the prevailing party's costs, and reasonable attorneys' fees at both the trial and appellate levels, the amount of which shall be fixed by the court and shall be made a part of any judgment rendered.

Section 32. BINDING EFFECT.

The provisions of this Lease shall be binding on and inure to the benefit of the parties, their legal representatives, successors and assigns.

Section 33. SUBORDINATION AND ATTORNMENT.

- (a) This Lease and all rights of Tenant hereunder are and shall be subject and subordinate to the lien of any mortgage or other instrument in the nature thereof (a "Mortgage") which may now or hereafter affect Landlord's estate or interest in and to the Leased Property and to any modifications, renewals, consolidation, extensions or replacements thereof; provided, however, Tenant shall be permitted to condition such subordination upon Tenant's receipt of a written agreement (a "Non-Disturbance Agreement") from the holder of any such Mortgage whereby such Mortgage holder agrees not to disturb Tenant's possession of the Leased Property during the term of this Lease so long as Tenant is not in default hereunder.
- (b) If the holder of a Mortgage shall hereafter succeed to the rights of Landlord under this Lease, whether through possession or foreclosure action or exercise of private power of sale, Tenant shall, at the option of such holder, attorn to and

subject to any Non-Disturbance Agreement to be provided to Tenant, in form satisfactory to the holder of such Mortgage and Landlord. Upon such attornment, this Lease shall continue in full force and effect as a direct lease between such successor Landlord and Tenant, subject to all of the terms, covenants, and conditions of this Lease, and any Non-Disturbance Agreement.

Section 34. ESTOPPEL CERTIFICATE.

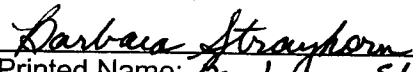
Each party agrees, from time to time, within ten (10) days after request of the other, to deliver to the requesting party, or its designee, an estoppel certificate stating that this Lease is in full force and effect, the unexpired term of this Lease and such other matters pertaining to this Lease as may be reasonably requested.

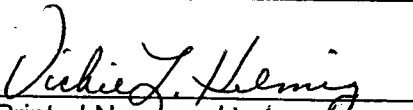
Section 35. INCORPORATION OF RECITALS.

The statements contained in the recitals to this Lease are expressly made a part hereof and incorporated herein by reference with the same force and effect as if fully and at length set forth in this Lease.

IN WITNESS WHEREOF, Landlord and Tenant have executed this Lease on the date first above written.

Witness as to Landlord:


Printed Name: Barbara Strayhorn

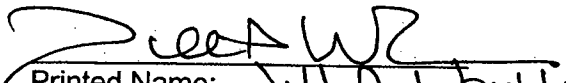

Printed Name: Vickie L. Helmig

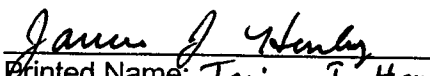
LANDLORD:

Shands Teaching Hospital and Clinics, Inc.


Jodi J. Mansfield, Executive Vice President and
Chief Operating Officer 7/25/07

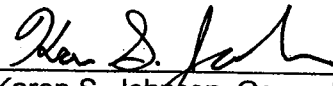
Witness as to Tennant:


Printed Name: J. A. W. W. W.


Printed Name: Janice J. Henley

TENNANT:

City of Gainesville, Florida


Karen S. Johnson, General Manager

Approved as to form and legality:

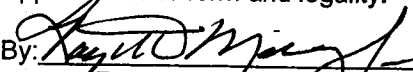
By: 
Raymond O. Manasco, Jr.
Utilities Attorney
City of Gainesville, FL

EXHIBIT "A"

LEGAL DESCRIPTION:

LEGAL DESCRIPTION:

ALL OF LOTS 7 AND 8, AND A PART OF LOT 9, ALL LOCATED IN BLOCK 3 OF LITTLE GANDY SUB-DIVISION, A SUBDIVISION ACCORDING TO THE PLAT THEREOF RECORDED IN PLAT BOOK "B", PAGE 28 OF THE PUBLIC RECORDS OF ALACHUA COUNTY, FLORIDA, AND A PORTION OF LANDS VACATED BY CITY ORDINANCE 060418 RECORDED IN OFFICIAL RECORDS BOOK 3529, PAGE 197 OF THE PUBLIC RECORDS OF ALACHUA COUNTY, FLORIDA, LOCATED IN THE D.L. CLINCH GRANT, ALACHUA COUNTY, FLORIDA, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

COMMENCE AT THE SOUTHWEST CORNER OF LOT 5, BLOCK 6 OF SAID LITTLE GANDY SUB-DIVISION; THENCE S.86°03'43"E., ALONG THE SOUTH LINE OF SAID LOT 5, BLOCK 6 AND ALONG THE NORTH RIGHT OF WAY LINE OF S.W. 14th AVENUE A DISTANCE OF 120.47 FEET TO THE SOUTHEAST CORNER OF SAID LOT 5 AND THE WEST RIGHT OF WAY LINE OF S.W. 14th STREET (50 FOOT RIGHT OF WAY); THENCE S.85°56'40"E. A DISTANCE OF 50.21 FEET TO A POINT BEING THE SOUTHWEST CORNER OF LOT 7, BLOCK 3 OF SAID LITTLE GANDY SUB-DIVISION AND THE EAST RIGHT OF WAY LINE OF S.W. 14th STREET (50 FOOT RIGHT OF WAY), SAID POINT BEING THE POINT OF BEGINNING; THENCE N.01°08'05"W, ALONG THE WEST LINE OF SAID LOT 7 AND ALONG THE WEST LINES OF SAID LOT 8 AND LOT 9, AND ALONG SAID EAST RIGHT OF WAY LINE, A DISTANCE OF 162.65 FEET; THENCE N.88°51'55"E. A DISTANCE OF 130.09 FEET TO THE EAST LINE OF LANDS VACATED BY SAID CITY ORDINANCE No. 060418; THENCE S.01°08'05"E., ALONG SAID EAST LINE, A DISTANCE OF 174.74 FEET TO THE SOUTHEAST CORNER OF SAID VACATED LANDS AND SAID NORTH RIGHT OF WAY LINE OF S.W. 14th AVENUE; THENCE N.85°49'37"W, ALONG SAID NORTH RIGHT OF WAY LINE, ALONG THE SOUTHERLY LINE OF SAID VACATED LANDS, AND ALONG THE SOUTHERLY LINE OF SAID LOT 7, A DISTANCE OF 130.65 FEET TO THE POINT OF BEGINNING. CONTAINING 21,946 SQUARE FEET MORE OR LESS.

EXHIBIT D

GRU SOUTH ENERGY CENTER OPERATING COMMITTEE

I. GENERAL INTENT

As a means of securing effective cooperation and interchange of information and of providing consultation on a prompt and orderly basis between Shands and GRU in connection with various administrative, operational, and technical matters which may arise from time to time in connection with the terms and conditions of this Agreement, an Operating Committee ("Committee") is established which shall have the functions and responsibilities and be constituted as described herein.

II. MEMBERSHIP

A. Chairperson

The Committee shall have as its Chairperson a non-voting facilitator, appointed by and representing GRU. The Chairperson shall be responsible for calling meetings and establishing agendas.

B. Members

In addition, GRU and Shands shall each appoint up to two people to serve as voting members of the Committee. Changes to the Committee appointments will be noticed in writing by either Party to the other.

C. Meetings

The Committee shall meet monthly, at the discretion of Shands, on a date and at a location announced by the Chairperson. Special meetings may be called, as reasonably required, by the Chairperson with as much advance notice to Shands and GRU, by telephone or in writing, as is practical, but no less than 48 hours.

III. COMMITTEE FUNCTIONS

A. General

The Committee shall provide a forum for discussion of ways to improve operations, reduce costs, monitor monthly operating reports, review annual performance, budget plans, review quarterly adjustments for the CUP budget, evaluate services to Third Party Customers, evaluate insurance policies and deductibles, including insurance proceeds, if any, manage warranties and any claims thereunder, and appoint Ad Hoc Committees as necessary to perform detailed work and conduct studies regarding matters requiring investigation. The Committee

shall also review, negotiate and approve rates, fees and budget, and other duties as necessary, as provided in Attachment 2 of Exhibit B, attached.

A. Agency(s) Jurisdiction

The Committee shall develop Standard Operating Procedure (SOP) for operations personnel to follow in regards to what Agency(s)' approval is required for planned changes or renovations to the CUP.

C. Contingency Plan

The Committee shall develop and approve a Contingency Plan for emergency response and the provision of Temporary Services in the event of an interruption of ECS. The Committee shall review the Contingency Plan as necessary, but in no event less than annually, to assure that it achieves or exceeds the outcomes for which it was developed.

The Committee shall also review Contingency Plan responses when implemented and discuss the process for future performance improvement.

D. Disputes

If the Committee fails to reach agreement while performing the respective functions and duties, then such disagreement shall be resolved in accordance with the Dispute Resolution provisions in the Agreement.

IV. SCOPE OF COMMITTEE ACTION

GRU shall have final responsibility to achieve the reliability and Performance Guarantees set forth in the Agreement. Subject to the provisions of Section II of the ECS Agreement, Exhibit B attached, GRU shall have ultimate authority to manage, control, maintain, and operate the CUP facilities and shall take all steps which it deems necessary or appropriate for that purpose. GRU shall apply Prudent Utility Practices to the operation, maintenance, and planning for the CUP facilities.