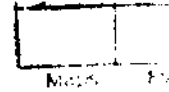


STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION  
DIVISION OF ROAD OPERATIONS  
UTILITY JOINT PROJECT MASTER AGREEMENT  
JOINT POLE USE  
(At Utility Expense)



THIS AGREEMENT, made and entered into this 15 day of May, 1979, by and between the STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION, hereinafter called the DEPARTMENT, and CHOCTAWHATCHEE ELECTRIC CORP., INC., a corporation organized and existing under the laws of FLORIDA, with its principal place of business in the City of DE FUNIAK SPRINGS, County of WALTON, State of FLORIDA, hereinafter called the COMPANY.

WITNESSETH:

WHEREAS, the DEPARTMENT proposes to engage in certain projects for construction, reconstruction and other change of portions of the State Highway System which shall call for the installation or attachment of DEPARTMENT poles and/or equipment within certain areas of the COMPANY'S pole line,

AND WHEREAS, the COMPANY occupies public ways, streets and private properties with an unspecified number of poles upon which are attached electric transmission and distribution lines, street lighting systems, communications lines, and appurtenances; and the DEPARTMENT also similarly occupies public ways with poles upon which are attached traffic control systems and street lighting systems,

AND WHEREAS, the parties hereto desire to cooperate in jointly using each other's poles under one or more of the above conditions when the conditions determining the necessity or desirability of joint use depend upon the requirements to be met by both parties, including considerations of safety and economy, and each party should be the judge of what the character of its circuits should be to meet its requirements and as to whether or not these requirements can be properly met by the joint use of poles,

AND WHEREAS, the plans for the said construction, reconstruction or other changes to be made, as above described, are to be reviewed by the DEPARTMENT and the COMPANY, such above described joint use arrangement to hereinafter be designated as "Relocation Work."

NOW, THEREFORE, in consideration of the mutual covenants hereinafter contained, it is agreed by the parties as follows:

1. When the DEPARTMENT and COMPANY have mutually agreed regarding joint use of facilities owned by one or the other along, over and under publicly owned property, the DEPARTMENT will issue a change order placing those facilities under the terms of this agreement. The COMPANY agrees to make or cause to be made all arrangements for necessary adjustment or changes of its facilities at COMPANY'S own expense and in accordance with the provisions of Rule 014-46.01 "Utility Accommodation Guide," Florida Administrative Code, dated May 4, 1970; any supplements or

revisions thereof as of the date of this Agreement, which, by reference hereto, are made a part of this Agreement; and the plans, designs and specifications of the DEPARTMENT for the construction or reconstruction of said portions of the State Highway System, prior to the advertising for bid on said project. The COMPANY further agrees to do all of such work with its own forces or by a contractor paid under a contract let by the COMPANY, all under the direction of the DEPARTMENT'S engineer. The COMPANY'S use of the poles subject to this Agreement shall be confined to the transmission and distribution of electricity, street lighting and/or communications facilities in pursuit of its business of serving the public; and the DEPARTMENT'S use of the poles subject to this Agreement shall be confined to that necessary for the operation and support of traffic control systems, street light systems, and luminaries as the case may be.

2. The DEPARTMENT hereby agrees to install, construct and maintain its attachments with its own qualified electrician or by a qualified electrical contractor paid under a contract let by the DEPARTMENT all in accordance with the safety requirements as approved by the Florida Public Service Commission at the time of installation, to comply at all times with generally accepted safety practices of the electric utility and/or communications industry and the regulations of the Florida Department of Commerce as they exist or as they are subsequently revised, amended or superseded; and that utility service connections shall in all cases be performed by the COMPANY when the COMPANY is expected to supply a utility service. It is further understood and agreed by the DEPARTMENT that the said installation, construction and maintenance of such attachments within six (6) feet of the power utilities primary conductors (which shall herein be defined as all conductors with voltage potentials exceeding 750v) shall be performed only with prior consent of the COMPANY when pole ownership lies with the DEPARTMENT. When the pole ownership lies with the COMPANY, all installations, construction and maintenance of DEPARTMENT attachments shall be subject to the approval of the COMPANY within its sole and absolute discretion and shall conform with any other joint use agreement now in effect between the COMPANY and other joint users.

3. The DEPARTMENT also agrees to require that the local Governmental Agency charged with the responsibility of maintaining the DEPARTMENT'S attachments shall comply with the generally accepted practices of the electric utility and/or communications industries and the regulations of the Florida Department of Commerce as they exist or as they are subsequently revised, amended or superseded. The DEPARTMENT further agrees to require the local Governmental Agency to notify the COMPANY and obtain the COMPANY'S approval prior to performing maintenance work within six (6) feet of the primary conductors while the COMPANY agrees to provide direction and assistance to the same local Governmental Agency in making the work area safe when the COMPANY finds it necessary and advisable.

4. The DEPARTMENT further agrees to require its contractor to furnish liability insurance, including Broad Form Contractual Coverage, for the protection of the COMPANY from all claims, actions, damages and expenses of litigation resulting in connection with the performance of the described work under this agreement and providing for a limit of not less than \$1,000,000 for all damages arising out of bodily injuries to or death of one person or any one occurrence, and regular Protective Property Damage Liability Insurance providing for a limit of not less than \$300,000 for all damages arising out of injury to or destruction of property. This insurance shall be maintained in effect during the term of the contract. However, should the insurance be terminated, altered or reduced, 30 days notice shall be given the DEPARTMENT and COMPANY. No work may be performed in the absence of said insurance.

5. The DEPARTMENT will require in any agreement entered into with another governmental agency for maintenance by that agency of any installation on the state highway system, where such installation involves use of COMPANY poles, that the governmental agency must obtain an Owners and Contractors Protective Liability Policy naming the COMPANY as the named insured in the amount of \$1,000,000.00. Said policy shall be endorsed to be primary to any other insurance carried by the COMPANY. Said policy shall also cover the named insured for bodily injury or property damage arising out of acts of omissions, including negligence of the named insured or any of his employees. Copies of the policy shall be provided upon request by the COMPANY.

6. The DEPARTMENT agrees to include the following indemnification in all contracts with contractors who perform construction or maintenance work on poles owned by the COMPANY:

"The (contractor), hereby agrees to indemnify, defend, save and hold harmless the DEPARTMENT and any owner of equipment attached to or supported by a jointly used pole from all claims, demands, liabilities and suits whether or not due to or caused by negligence of the DEPARTMENT or joint pole equipment owners for bodily injuries or death to persons or damage to property resulting in connection with the performance of the described work by (contractor), its subcontractors, agents or employees." This indemnification shall not exceed the sum of \$1,000,000.00 for bodily injury or death of persons for any one occurrence or \$300,000.00 for property damage for any one occurrence.

7. It is mutually agreed that the COMPANY'S plans, maps or sketches showing any such facility or utility to be adjusted, changed or relocated on any individual "Relocation Work" project are, when approved by the DEPARTMENT, made a part hereof by reference. The DEPARTMENT agrees to furnish the COMPANY with all necessary highway construction plans that are required by the COMPANY to facilitate the COMPANY'S "Relocation Work."

8. It is understood and agreed that either party hereto may at any time and whether with or without cause terminate joint usage for any pole or poles by mailing to the other a written notice of its intent to do so. The party desiring termination may then remove its attachments and facilities from said joint use pole or poles defined in the notice of termination. The title to and maintenance responsibility for said pole or poles and accessory attachments such as guy wires, anchors and pole foundations shall revert to the party retaining use of said pole or poles.

9. The COMPANY covenants to indemnify, defend, save harmless and exonerate the DEPARTMENT of and from all liability, claims and demands arising out of the work undertaken by the COMPANY pursuant to this agreement, due to the negligent actions, delays or omissions done or committed by the COMPANY, its subcontractors, employees, agents or representatives. It is specifically understood and agreed that this indemnification agreement does not cover nor indemnify the DEPARTMENT for its own negligence or breach of this contract.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be executed by their duly authorized officers, and their official seals hereto affixed, the day and year first above written.

STATE OF FLORIDA  
DEPARTMENT OF TRANSPORTATION

BY: Billy S. Bellam (SEAL)  
Director of Administration

ATTEST: Carole Seval  
Executive Secretary

COMPANY: CHOCTAWHATCHEE ELECTRIC CORP., INC.,

BY: Herbert D. Turner (SEAL)  
(Title: Acting Manager)

ATTEST: Johnie Courtney  
Johnie Courtney, Secretary

Approved as to Form, Legality and Execution  
STATE OF FLORIDA DEPARTMENT OF TRANSPORTATION

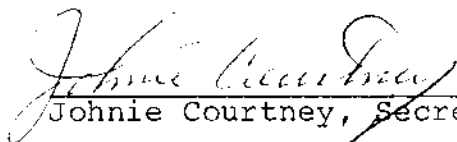
BY: JMK  
Assistant Attorney

BE IT RESOLVED that the Board of Trustees authorize the Acting Manager to execute a Utility Joint Project Master Agreement Joint Pole Use at Utility Expense with the State of Florida, Department of Transportation, Division of Road Operation.

CERTIFICATION

I, Johnie Courtney, Secretary of Choctawhatchee Electric Cooperative, Inc., do hereby certify that the foregoing is a true and correct copy of a resolution duly and regularly adopted at a meeting of the Board of Trustees duly held on April 26, 1979 at which a quorum was in attendance and voting throughout and that said resolution has not since been rescinded or modified but is still in full force and effect.

IN WITNESS WHEREOF I have hereunto set my hand and affixed the seal of the Cooperative this the 26th day of April, 1979.

  
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Johnie Courtney, Secretary

(S E A L)