

WATER USE AGREEMENT

THIS WATER USE AGREEMENT ("Agreement") is entered into as of the ____ day of _____, 20__ between _____, a _____ existing under the laws of the State of _____, whose mailing address is _____ ("Owner") and CYPRESS GROVE COMMUNITY DEVELOPMENT DISTRICT, an independent special district created under the laws of the State of Florida, whose mailing address is c/o GL Homes of Florida, 1600 Sawgrass Corporate Parkway, Suite 300, Sunrise, FL 33323 ("CDD").

WITNESSETH

WHEREAS, CDD has applied to South Florida Water Management District ("SFWMD") for an "impoundment and diversion" water use permit ("SFWMD Permit") covering the property under the CDD's jurisdiction; and

WHEREAS, under SFWMD's Basis of Review for Water Use Applications, amended August 31, 2003 ("BOR"), a user of surface water maintained through operation of a diversion and impoundment system is considered a "secondary user" of the system; and

WHEREAS, a dependent secondary user may elect to obtain its right to use the surface water in the system through the diversion and impoundment permittee's permit, rather than by obtaining its own separate water use permit from SFWMD, by entering into a water use agreement with such permittee which satisfies the requirements set forth in the BOR; and

WHEREAS, Owner is a dependent secondary user of the diversion and impoundment system located within the CDD's jurisdiction and desires to obtain its water use rights through the CDD's SFWMD Permit.

NOW, THEREFORE, in consideration of the foregoing, the mutual promises and benefits, and other valuable consideration, the receipt and adequacy of which is hereby acknowledged, the parties agree as follows:

1. Incorporation of Recitals. The foregoing recitals are true and correct and are incorporated herein by reference.
2. Water Use Allocation. Subject to the terms and conditions of this Agreement and the SFWMD Permit, Owner shall have the right to withdraw water from the CDD's diversion and impoundment system for _____ [insert purpose or purposes of withdrawals]. Such withdrawals shall not exceed _____ per month or _____ per year. Owner shall not exceed the water consumption amount specified in this Agreement. Owner shall install devices approved by the CDD's engineer on all irrigation pumps capable of measuring water pumpage. Owner shall submit to the CDD on a quarterly basis a report showing the monthly water usage for the quarter.
3. Irrigation Connection Permit. Owner shall apply for and obtain an Irrigation Connection Permit from the CDD for any pumps, pipes, ditches or water control structures connected, either directly or indirectly, to the CDD's diversion and impoundment system.

4. Water Shortage Restrictions. Owner shall comply with all water shortage restrictions imposed by SFWMD rule or order pursuant to Chapter 40E-21, Florida Administrative Code ("F.A.C.").
5. Water Conservation. Owner shall comply with applicable water conservation standards required in the CDD's SFWMD Permit.
6. Notification of Changes. Owner shall promptly notify the CDD of any changes in water use demands or sources.
7. Reclaimed Water. Owner shall continue to evaluate the feasibility of using reclaimed water in accordance with the requirements contained within the CDD's SFWMD Permit.
8. Mitigation. Owner shall mitigate any harm to the resources or existing legal uses caused by Owner, or Owner's agents, employees, tenants and invitees.
9. Map. Owner shall submit a map to the CDD identifying its system's location, irrigated acreage, type of irrigation system, and land use type. Owner shall provide updated maps to the CDD upon any material changes to the information contained thereon.
10. Other Legal Users' Rights. Owner shall not block, constrict, divert or impound the flow of water in canals through or around Owner's property in a manner that impairs the access of other legal users to the CDD's water resources or adversely affects drainage in the CDD.
11. Compliance with Conditions. Owner shall comply with the foregoing conditions and all applicable conditions within the CDD's SFWMD Permit or be subject to potential SFWMD enforcement action pursuant to Chapter 373, Florida Statutes. Owner understands and agrees that failure to comply with all applicable conditions shall be grounds for suspension, termination or non-renewal of this Agreement. Owner shall incorporate the terms of this Agreement into any lease of the Owner's property.
12. Effective Date; Expiration; Renewal. This Agreement shall become effective ("Effective Date") upon the issuance of the SFWMD Permit to the CDD. This Agreement shall expire on the expiration date of the SFWMD Permit, provided however, that this Agreement shall not expire, and shall automatically be extended, upon the extension, renewal or reissuance of the SFWMD Permit, until the expiration date of such permit as extended, renewed or reissued. If the amount of water withdrawals authorized in the extended, renewed or reissued SFWMD Permit is reduced, the amount in Paragraph 2 hereof shall be proportionately reduced. Owner, at any time, shall have the right to obtain its own water use permit from SFWMD and terminate this Agreement.
13. Non-liability of CDD. CDD shall take reasonable measures to maintain adequate water levels in the diversion and impoundment system. However, Owner acknowledges and agrees that the amount, availability and quality of water is subject to many factors outside of the CDD's control, including, but not limited to, climatic and meteorological conditions, insufficient water levels in the L-8 Canal, water shortages, emergency conditions, regulatory changes, casualties, mechanical breakdowns, and similar factors. CDD does not represent or warrant that the amount of water described in Paragraph 2 hereof, or any amount of water,

shall be available for Owner's use or that the quality of such water shall be suitable for Owner's purposes. Owner hereby waives any claims against CDD due to or arising out of the amount, availability or quality of water in the CDD's diversion and impoundment system.

14. Indemnification. Owner agrees to indemnify, defend and hold the CDD harmless from and against any claim, suit, loss, damage, cost, expense, penalty or liability brought by any third party due to or arising out of this Agreement.
15. Breach; Termination. Either party may terminate this Agreement for a breach by the other party, provided that thirty (30) days notice has been given to the breaching party and the breach has not been cured within said time period. The non-breaching party shall have available to it all remedies at law or at equity.
16. No Other Agreements; Amendment. This instrument embodies the entire agreement of the parties. There are no provisions, terms, conditions or obligations other than those contained herein; and this Agreement shall supersede all previous communication, representation or agreements, either verbal or written between the parties hereto. This Agreement shall not be modified unless in writing and signed by both parties hereto.
17. Venue; Attorneys' Fees. This Agreement shall be interpreted and construed pursuant to the laws of the State of Florida. The venue of any such litigation shall be had only in the courts of Palm Beach County, Florida. In the event of any litigation arising hereunder, the prevailing party shall be entitled to reasonable costs, including attorneys' fees, at the trial, appellate and post-judgment levels.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the date first above written.

_____,
a _____

By: _____
Name: _____
Title: _____

**CYPRESS GROVE COMMUNITY
DEVELOPMENT DISTRICT**

By: _____
Chair

ATTEST

By: _____
Secretary

APPROVED AS TO FORM AND LEGAL
SUFFICIENCY

District Attorney