CITY CLERK
CITY OF SUNRISE
98 JAN 14 PM 4:02

SUNRISE, FLORIDA

RESOLUTION NO. 98-4

A RESOLUTION OF THE CITY OF SUNRISE, FLORIDA, APPROVING A FIRM TRANSPORTATION AGREEMENT WITH FLORIDA GAS TRANSMISSION; AUTHORIZING THE APPROPRIATE CITY OFFICIALS TO SIGN ALL NECESSARY DOCUMENTS; AND PROVIDING AN EFFECTIVE DATE.

BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF SUNRISE, FLORIDA:

Section 1. The Firm Transportation Agreement with Florida Gas Transmission is hereby approved.

A copy of the Agreement is attached to and made a part of this Resolution as Exhibit "A."

Section 2. The appropriate City officials are hereby authorized to approve and execute all necessary documents.

Section 3. Effective Date. This Resolution shall be effective immediately upon its passage.

PASSED AND ADOPTED THIS 13TH DAY OF JANUARY, 1998.

Mayor Steven B. Feren

Authentication:

Dorothy J. Dunn
City Clerk

MOTION: WISHNER
SECOND: HARLEM

HARLEM: YEA
KLAUBER: YEA
WISHNER: YEA
SCUOTTO: YEA
FEREN: YEA

Approved by the City Attorney
as to Form and Legal Sufficiency: Jeffrey D. Olson

EXHIBIT A

CITY CLERK
CITY OF SUNRISE
98 FEB -9 AM 11:56

FOR INTERNAL USE ONLY
Request No. 2275
Contract No. 5761
Legal Entity No. 4108
DUNS No. 78-137-9557

FIRM TRANSPORTATION SERVICE AGREEMENT
Market Area
FTS-1

THIS AGREEMENT entered into this 1st day of January, 1998, by and between Florida Gas Transmission Company, a corporation of the State of Delaware (herein called "Transporter"), and the City of Sunrise (herein called "Shipper"),

W I T N E S S E T H :

WHEREAS, Shipper is interested in obtaining firm transportation service from Transporter and Transporter is willing to provide firm transportation service to Shipper; and

WHEREAS, such service will be provided by Transporter for Shipper in accordance with the terms hereof.

NOW THEREFORE, in consideration of the premises and of the mutual covenants and agreements herein contained, the sufficiency of which is hereby acknowledged, Transporter and Shipper do covenant and agree as follows:

C98012
98-4

ARTICLE I
Definitions

In addition to the definitions incorporated herein through Transporter's Rate Schedule FTS-1, the following terms when used herein shall have the meanings set forth below:

1.1 The term "Rate Schedule FTS-1" shall mean Transporter's Rate Schedule FTS-1 as filed with the FERC as changed and adjusted from time to time by Transporter in accordance with Section 5.2 hereof or in compliance with any final FERC order affecting such rate schedule.

1.2 The term "FERC" shall mean the Federal Energy Regulatory Commission or any successor regulatory agency or body, including the Congress, which has authority to regulate the rates and services of Transporter.

ARTICLE II
Quantity

2.1 The Maximum Daily Transportation Quantity ("MDTQ") shall be set forth on a seasonal basis, and by Division if applicable, on Exhibit B attached hereto. The applicable MDTQ shall be the largest daily quantity of gas expressed in MMBtu, that Transporter is obligated to transport and make available for delivery to Shipper under this Service Agreement on any one day.

2.2 Shipper may tender natural gas for transportation to Transporter on any day, up to the MDTQ plus Transporter's Fuel, if applicable. Transporter agrees to receive the

C98012
98-4

aggregate of the quantities of natural gas that Shipper tenders for transportation at the Receipt Points, up to the maximum daily quantity specified for each receipt point as set out on Exhibit A, plus Transporter's Fuel, if applicable, and to transport and make available for delivery to Shipper at each Delivery Point specified on Exhibit B, up to the amount scheduled by Transporter less Transporter's Fuel, if applicable (as provided in Rate Schedule FTS-1), provided however, that Transporter shall not be required to accept for transportation and make available for delivery more than the MDTQ on any day.

ARTICLE III
No Notice Transportation Service

To the extent that Shipper has subscribed for No Notice Transportation Service within its FTS-1 MDTQ, such level of No Notice Transportation Service subscribed for is set forth on the NNTS Addendum to this FTS-1 Service Agreement. Such No Notice Transportation Service shall be provided in accordance with the terms and conditions of Rate Schedule NNTS, and within Shipper's MDTQ under this FTS-1 Service Agreement.

ARTICLE IV
Payment and Rights in the Event of Non-Payment

4.1 Upon the commencement of service hereunder, Shipper shall pay Transporter, for all service rendered hereunder, the rates established under Transporter's Rate

C98012
98-4

Schedule FTS-1 as filed with the FERC and as said Rate Schedule may hereafter be legally amended or superseded.

4.2 Termination for Non-Payment. In the event Shipper fails to pay for the service provided under this Agreement, pursuant to the condition set forth in Section 15 of the General Terms and Conditions of Transporter's FERC Gas Tariff, Transporter shall have the right to terminate this Agreement pursuant to the condition set forth in said Section 15.

ARTICLE V
Rights to Amend Rates and Terms and Conditions of Service

5.1 This Agreement in all respects shall be and remain subject to the provisions of said Rate Schedule and of the applicable provisions of the General Terms and Conditions of Transporter on file with the FERC (as the same may hereafter be legally amended or superseded), all of which are made a part hereof by this reference.

5.2 Transporter shall have the unilateral right to file with the appropriate regulatory authority and seek to make changes in (a) the rates and charges applicable to its Rate Schedule FTS-1, (b) Rate Schedule FTS-1 including the Form of Service Agreement and the existing Service Agreement pursuant to which this service is rendered; provided however, that the firm character of service shall not be subject to change hereunder by means of a Section 4 Filing

C98012
98-4

by Transporter, and/or (c) any provisions of the General Terms and Conditions of Transporter's Tariff applicable to Rate Schedule FTS-1. Transporter agrees that Shipper may protest or contest the aforementioned filings, or seek authorization from duly constituted regulatory authorities for such adjustment of Transporter's existing FERC Gas Tariff as may be found necessary in order to assure that the provisions in (a), (b) or (c) above are just and reasonable.

ARTICLE VI
Term of Agreement and Commencement of Service

6.1 The primary term of this Agreement shall commence on January 1, 1998, and shall continue in effect until December 31, 2003.

6.2 In the event the capacity being contracted for was acquired pursuant to Section 18.E. of Transporter's Tariff, then this Agreement shall terminate on the date set forth in Section 6.1 above. Otherwise, in accordance with the provisions of Section 20 of the General Terms and Conditions of Transporter's Tariff, Shipper has elected [Right of First Refusal or Roll-over Option] and upon the expiration of the primary term and any extension or roll-over, termination will be governed by the provisions of Section 20 of the General Terms and Conditions of Transporter's Tariff.

6.3 Service hereunder shall commence as set forth in Section 2 of Rate Schedule FTS-1.

C98012
98-4

ARTICLE VII
Point(s) of Receipt and Delivery and Maximum Daily Quantities

7.1 The Primary Point(s) of Receipt and maximum daily quantity for each Primary Point of Receipt, for all gas delivered by Shipper into Transporter's pipeline system under this Agreement shall be at the Point(s) of Receipt on Transporter's pipeline system as set forth in Exhibit A attached hereto. In accordance with the provisions of Section 8.A. of Rate Schedule FTS-1 and Section 21.C. of the General Terms and Conditions of Transporter's Tariff, Shipper may request changes in its Primary Point(s) of Receipt. Transporter may make such changes in accordance with the terms of Rate Schedule FTS-1 and the applicable General Terms and Conditions of its Tariff.

7.2 The Primary Point(s) of Delivery and maximum daily quantity for each point for all gas made available for delivery by Transporter to Shipper, or for the account of Shipper, under this Agreement shall be at the Point(s) of Delivery as set forth in Exhibit B and shall be in Transporter's Market Area. In accordance with the provisions of Section 9.A. of Rate Schedule FTS-1 and Section 21.C. of the General Terms and Conditions of Transporter's Tariff, Shipper may request changes in its Primary Point(s) of Delivery provided that such new requested Primary Delivery Points must be located in Transporter's Market Area. Transporter may make such changes in accordance with the terms of Rate Schedule FTS-1 and the

C98012
98-4

applicable General Terms and Conditions of its Tariff. Transporter is not obligated to accept changes where the new Primary Delivery Point is also a delivery point under a Rate Schedule SFTS Service Agreement and the load to be served is an existing behind-the-gate customer of a Rate Schedule SFTS Shipper as defined in Section 11 of Rate Schedule SFTS.

ARTICLE VIII
Notices

All notices, payments and communications with respect to this Agreement shall be in writing and sent to the addresses stated below or at any other such address as may hereafter be designated in writing:

ADMINISTRATIVE MATTERS

Transporter: Florida Gas Transmission Company
P. O. Box 1188
Houston, Texas 77251-1188
Attention: FGT Marketing Services Group
Telephone No. (713) 853-5832
FAX No. (713) 853-6756

Shipper: City of Sunrise
4747 Nob Hill Road, Ste. 5
Sunrise, Florida 33351
Attention: Harry Zehender
Telephone No. (954) 572-2294
Telecopy No. (954) 572-2416

PAYMENT BY WIRE TRANSFER

Transporter: Florida Gas Transmission Company
NationsBank ABA No. 111000012
Account No. 3750354511
Dallas, Texas

C98012
98-4

ARTICLE IX
Facilities

To the extent that construction of facilities is necessary to provide service under this Service Agreement, such construction, including payment for the facilities, shall occur in accordance with Section 21 of the General Terms and Conditions of Transporter's Tariff.

ARTICLE X
Regulatory Authorizations and Approvals

10.1 Transporter's obligation to provide service is conditioned upon receipt and acceptance of any necessary regulatory authorization to provide Firm Transportation Service to Shipper in accordance with the terms of Rate Schedule FTS-1 and this Service Agreement and the General Terms and Conditions of Transporter's Tariff. Shipper agrees to reimburse Transporter for all reporting and/or filing fees incurred by Transporter in providing service under this Service Agreement.

ARTICLE XI
Pressure

11.1 The quantities of gas delivered or caused to be delivered by Shipper to Transporter hereunder shall be delivered into Transporter's pipeline system at a pressure sufficient to enter Transporter's system, but in no event shall such gas be delivered at a pressure exceeding the

C98 012
98-4

maximum authorized operating pressure or such other pressure as Transporter permits at the Point(s) of Receipt.

11.2 Transporter shall have no obligation to provide compression and/or alter its system operation to effectuate deliveries at the Point(s) of Delivery hereunder.

ARTICLE XII
Other Provisions

None

ARTICLE XIII
Miscellaneous

13.1 This Agreement shall bind and benefit the successors and assigns of the respective parties hereto; provided however, neither party shall assign this Agreement or any of its rights or obligations hereunder without first obtaining the written consent of the other party.

13.2 No waiver by either party of any one or more defaults by the other in the performance of any provisions of this Agreement shall operate or be construed as a waiver of any future defaults of a like or different character.

13.3 This Agreement contains Exhibits A and B (and NNTS Addendum, if applicable) which are incorporated fully herein.

13.4 THIS AGREEMENT SHALL BE GOVERNED BY AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE OF TEXAS.

C98012
98-4

ARTICLE XIV
Superseding Prior Service Agreements

This Agreement supersedes and cancels the following Service Agreements between Transporter and Shipper:

None

IN WITNESS WHEREOF, the parties hereto have executed this Agreement by their duly authorized officers effective as of the date first written above.

SHIPPER

CITY OF SUNRISE

By: _____

Title: Mayor Steven B. Feren

Attest: (To be attested by the corporate secretary if not signed by an officer of the company)

By: _____

Title: Dorothy J. Dunn, City Clerk

Date: 1-15-98

TRANSPORTER

FLORIDA GAS TRANSMISSION COMPANY

By: _____

Title: R. E. HAYES, VICE PRESIDENT OF MARKETING

636Cont/Sunrlma

C98012
98-4

EXHIBIT A
TO
FIRM TRANSPORTATION SERVICE AGREEMENT
BETWEEN
FLORIDA GAS TRANSMISSION COMPANY
AND
CITY OF SUNRISE
DATED
JANUARY 1, 1998

Point(s) of Receipt		Maximum Daily Quantity (MMBtu)*			
Description of Point of Receipt	DRN	Oct	Nov-Mar	Apr	May-Sept
PRODUCTION ZONE 1					
ZONE 1 TOTAL C.S. #7 EUNICE	**6489**	**0**	**0**	**0**	**0**
PRODUCTION ZONE 2					
LRC Kaplan	10876	400	400	400	400
ZONE 2 TOTAL C.S. 8 ZACHARY	**7995**	**400**	**400**	**400**	**400**
PRODUCTION ZONE 3					
PRODUCTION ZONE 3 C.S. 11 Mt. VERNON	**716**	**0**	**0**	**0**	**0**

* Exclusive of Transporter's fuel. Shipper to provide fuel pursuant to Fuel Reimbursement Charge Adjustment provisions of Transporter's F.E.R.C. Gas Tariff, General Terms and Conditions.

Date of this Exhibit A: January 1, 1998

Contract No. 5761

636Cont/Sunr1ma

C98012
98-4

EXHIBIT B
TO
FIRM TRANSPORTATION SERVICE AGREEMENT
BETWEEN
FLORIDA GAS TRANSMISSION COMPANY
AND
CITY OF SUNRISE
DATED
JANUARY 1, 1998

Point(s) of Delivery		Maximum Daily Quantity (MMBtu)*			
Description of Point of Delivery	DRN	Oct	Nov-Mar	Apr	May-Sept
CF Industries	39028	390	390	390	390
CF Industries-Bartow	3226	10	10	10	10
TOTAL MDTQ:		**400**	**400**	**400**	**400**

Date of this Exhibit B: January 1, 1998

Contract No. 5761

636Cont/Sunr1ma

C98012
98-4