RESOLUTION NO. 12-12-106

A RESOLUTION OF THE VILLAGE COUNCIL OF ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA APPROVING THE FIRST AMENDMENT TO DESIGN, BUILD AND OPERATE (DBO) AGREEMENT BETWEEN ISLAMORADA, VILLAGE OF ISLANDS, AND REYNOLDS WATER ISLAMORADA, LLC TO DESIGN, BUILD AND OPERATE THE VILLAGE’S WASTEWATER SYSTEM; AUTHORIZING VILLAGE OFFICIALS TO IMPLEMENT THE TERMS AND CONDITIONS OF THE FIRST AMENDMENT; AUTHORIZING THE VILLAGE MANAGER TO EXPEND BUDGETED FUNDS; AUTHORIZING THE VILLAGE MAYOR TO EXECUTE THE FIRST AMENDMENT; AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, on August 21, 2012, Islamorada, Village of Islands (the “Village”) entered into a Design, Build and Operate (DBO) Agreement with Reynolds Water Islamorada, LLC (“Company”) to design, build and operate the Village’s wastewater system (the “DBO Agreement”); and

WHEREAS, Section 11.6.3 of the DBO Agreement provides that the Village may exercise its right to implement an owner direct purchase program whereby the Village will directly purchase materials and equipment as a municipality exempt from sales tax for the Design/Build Work of the Project, and that the parties would develop a protocol and procedure to implement an owner direct purchase program; and

WHEREAS, the Village and the Company wish to adopt and implement the Owner Direct Purchase Program Protocol and Procedure (the “Owner Direct Purchase Program”) in the form attached hereto as Appendix 25, and amend the DBO Agreement to incorporate the Owner Direct Purchase Program as part of the DBO Agreement; and

WHEREAS, the Owner Direct Purchase Program would enable the Village to be exempt
from sales tax on the direct purchase of materials and equipment for the Project in accordance
with Section 212.08(6), Florida Statutes, and Rule 12A-1.094, Florida Administrative Code,
providing for requirements and criteria for the tax exempt purchase by municipalities of materials
for a public works project; and

WHEREAS, the parties also wish to amend Section 6.1.11 of the DBO Agreement to
establish that title and ownership of all materials and equipment directly purchased by the Village
pursuant to the Owner Direct Purchase Program, as well as risk of loss or damage to such
materials and equipment, shall pass to the Village at the time of delivery of the materials and
equipment to the Project site; and

WHEREAS, the Village and Company desire to amend the DBO Agreement to adopt
and implement the Owner Direct Purchase Program as a new Appendix 25 to the DBO
Agreement; and

WHEREAS, the Village Council finds that approval of the First Amendment to the DBO
Agreement between the Village and the Company, attached hereto as Exhibit “A”, is in the best
interests of the Village.

NOW, THEREFORE, BE IT RESOLVED BY THE VILLAGE COUNCIL OF
ISLAMORADA, VILLAGE OF ISLANDS, FLORIDA, AS FOLLOWS:

Section 1. Recitals. The above recitals are true and correct and incorporated
into this Resolution by this reference.

Section 2. Approval of First Amendment. The First Amendment to the Design,
Build, and Operate (DBO) Agreement between the Village and the Company, a copy of which is
attached hereto as Exhibit “A,” together with such non-material changes as may be acceptable to
the Village Manager and approved as to form and legality by the Village Attorney, is approved.

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Section 3. Authorization of Village Officials. The Village Manager and/or his designee and the Village Attorney are authorized to take all actions necessary to implement the terms and conditions of the First Amendment and this Resolution.

Section 4. Authorization of Fund Expenditure. Notwithstanding the limitations imposed upon the Village Manager pursuant to the Village’s Purchasing Procedures Ordinance, the Village Manager is authorized to expend budgeted funds to implement the terms and conditions of the First Amendment.

Section 5. Execution of First Amendment. The Village Mayor is authorized to execute the First Amendment on behalf of the Village, and to execute any required agreements and/or documents to implement the terms and conditions of the First Amendment, subject to the approval as to form and legality by the Village Attorney.

Section 6. Effective Date. This Resolution shall take effect immediately upon adoption.

PASSED AND ADOPTED this 13th day of December, 2012.

Motion to adopt by Vice Mayor Ted Blackburn, second by Councilwoman Deb Gillis.

FINAL VOTE AT ADOPTION

Mayor Ken Philipson                  YES
Vice Mayor Ted Blackburn             YES
Councilman Mike Forster              YES
Councilwoman Deb Gillis              YES
Councilman Dave Purdo                YES

KEN PHILIPSON, MAYOR
ATTEST:

[Signature]
VILLAGE CLERK

APPROVED AS TO FORM AND LEGALITY FOR THE USE AND BENEFIT OF ISLAMORADA, VILLAGE OF ISLANDS:

[Signature]
VILLAGE ATTORNEY
FIRST AMENDMENT TO DESIGN, BUILD AND OPERATE (DBO) AGREEMENT BETWEEN ISLAMORADA, VILLAGE OF ISLANDS, AND REYNOLDS WATER ISLAMORADA, LLC

This First Amendment to the Design, Build and Operate (DBO) Agreement (the "First Amendment") is made and entered into as of this 14th day of December, 2012, by and between Islamorada, Village of Islands (the "Village") and Reynolds Water Islamorada, LLC, a Delaware Limited Liability Company authorized to do business in the State of Florida (the "Company").

WITNESSETH

WHEREAS, on August 21, 2012, the Village and Company entered into that certain Design, Build and Operate (DBO) Agreement (hereinafter the "DBO Agreement") for the design, construction and operation of the Village’s wastewater system (the “Project”); and

WHEREAS, Section 11.6.3 of the DBO Agreement provides that the Village may exercise its right to implement an owner direct purchase program whereby the Village will directly purchase materials and equipment as a municipality exempt from sales tax for the Design/Build Work of the Project, and that the parties would develop a protocol and procedure to implement an owner direct purchase program; and

WHEREAS, the Village and the Company wish to adopt and implement the Owner Direct Purchase Program Protocol and Procedure (the “Owner Direct Purchase Program”) substantially in the form attached hereto as Exhibit “1”, and amend the DBO Agreement to incorporate the Owner Direct Purchase Program as part of the DBO Agreement; and

WHEREAS, the Owner Direct Purchase Program would enable the Village to be exempt from sales tax on the direct purchase of materials and equipment for the Project in accordance with Section 212.08(6), Florida Statutes, and Rule 12A-1.094, Florida Administrative Code, providing for requirements and criteria for the tax exempt purchase by municipalities of materials for a public works project; and

WHEREAS, the parties also wish to amend Section 6.1.11 of the DBO Agreement to establish that title and ownership of all materials and equipment directly
purchased by the Village pursuant to the Owner Direct Purchase Program, as well as risk of loss or damage to such materials and equipment, shall pass to the Village at the time of delivery of the materials and equipment to the Project site; and

WHEREAS, the Village and Company desire to amend the DBO Agreement to adopt and implement the Owner Direct Purchase Program.

NOW THEREFORE, in consideration of the sum of Ten Dollars ($10.00), and other good and valuable consideration and the mutual covenants set forth in this First Amendment, the receipt and adequacy of which are hereby acknowledged, the Village and Company agree as follows:

Section 1. Recitals. The foregoing recitals are incorporated into this First Amendment.

Section 2. First Amendment to Article 6 of the DBO Agreement. The DBO Agreement is amended as follows:

* * *

"6.1.11 Title and Risk of Loss. Except for direct purchases made by the Village pursuant to the Owner Direct Purchase Program adopted and incorporated into this Agreement as Appendix 25, 'Title to the structures, improvements, fixtures, machinery, Equipment, and materials constituting the Project, or agreed upon portions or independent components thereof, shall pass to the Village, upon proper payment by the Village pursuant to this Agreement, on the Acceptance Date, free and clear of all liens and encumbrances, provided, however, that the vesting of such title shall not impose any obligations on the Village or relieve the Company from any of its obligations hereunder: The Company shall, however, bear all risk of loss concerning such facilities, structures, improvements, fixtures, machinery, Equipment and materials prior to and up to the Acceptance Date in accordance with the Contract Standards, regardless of the extent to which the loss was insured or the availability of insurance proceeds. Notwithstanding any of the foregoing, the Company shall bear all risk of loss concerning any facilities, structures, improvements, fixtures, machinery, Equipment, and materials stored at any location other than the Project or Sites, regardless of whether the Village has paid for any such structures, improvements, fixtures, machinery, Equipment or materials. Notwithstanding the foregoing, title and the risk of loss or damage to any and all fixtures, machinery, Equipment and materials purchased by the Village directly through the Owner Direct Purchase Program, as set forth in Appendix 25 to this Agreement, shall pass to the Village at the time of delivery by the supplier or vendor to the Project Site(s), and in accordance with the requirements of Section 212.08(6), Florida Statutes, and Applicable Law governing exempt sales to a governmental entity of tangible personal property in connection with a public works contract.'

* * *
Section 3. First Amendment to DBO Agreement Appendix. The DBO Agreement is amended to include a new Appendix 25, the Owner Direct Purchase Program, attached as Exhibit 1 to this Amendment.

Section 4. No Further Modifications. All other provisions of the DBO Agreement, other than as specifically amended or modified in this First Amendment, shall remain in full force and effect as if set forth herein in full.

Section 5. First Amendment Controls; Defined Terms. In the event of any conflict between this First Amendment and the DBO Agreement, it is agreed that this First Amendment shall govern and control. This First Amendment shall be construed as part of the DBO Agreement. All defined terms in this First Amendment shall have the same meaning as in the DBO Agreement, except as otherwise noted herein.

[The Remainder of this Page Intentionally Left Blank]
IN WITNESS WHEREOF, the parties hereto have accepted, made and executed this First Amendment upon the terms and conditions above stated as of the day and year first above written.

VILLAGE:

ISLAMORADA, VILLAGE OF ISLANDS,
A Florida municipal corporation

[Signature]
Ken Philipson, Mayor
Date Executed: 12/4/12

ATTEST:

[Signature]
Village Clerk

APPROVED AS TO FORM AND LEGAL SUFFICIENCY:

[Signature]
Village Attorney

[COMPANY'S SIGNATURE CONTINUES ON THE NEXT PAGE]
IN WITNESS WHEREOF, the parties hereto have accepted, made and executed this First Amendment upon the terms and conditions above stated on the day and year first above written.

Signed, Sealed and Delivered the presence of two witnesses:

\[Signature\]
Print Name: Julie McConnell

\[Signature\]
Print Name: Kay Smith

COMPANY:

REYNOLDS WATER ISLAMORADA, LLC, a Delaware Limited Liability Company

By: \[Signature\]
Mark Accetturo, President and Managing Member

Date Executed: 1/2/13

STATE OF Georgia
COUNTY OF Clayton

The foregoing instrument was acknowledged before me this 2nd day of January, 2013, by Mark Accetturo, as President and Managing Member of Reynolds Water Islamorada, LLC, a Delaware Limited Liability Company, who is [✓] personally known to me, or who [ ] has produced a __________________________ driver's license as identification.

\[Signature\]
Print Name: Sandra J. Murphy
My Commission expires: 2/22/2015
APPENDIX 25

ISLAMORADA, VILLAGE OF ISLANDS

OWNER DIRECT PURCHASE PROGRAM
PROTOCOL AND PROCEDURE FOR DBO AGREEMENT WITH REYNOLDS WATER ISLAMORADA, LLC.

Purpose:

Pursuant to Section 11.6.3 of the Design, Build and Operate (DBO) Agreement (the “DBO Agreement”) between Islamorada, Village of Islands (the “Village”) and Reynolds Water Islamorada, LLC (the “Company”), dated August 21, 2012, the parties hereby establish a Protocol and Procedure for an Owner Direct Purchase Program (the “Program”), and Company shall work with the Village through its Contract Administrator and Owner’s Representative to implement the Program.

The Owner Direct Purchase Program will reduce Project costs by exempting sales tax on purchases made directly by the Village of Materials and/or Equipment for incorporation in the wastewater Project.

Scope:

The Village holds a current Florida Consumer’s Certificate of Exemption, and the Village is exercising its right under Section 11.6.3 of the Agreement to implement a Program whereby the Village will directly purchase Materials and/or Equipment for the Design/Build Work referred to in the DBO Agreement. At the Village’s option, the Program may be followed when the cost of Materials and/or Equipment to be purchased from a single vendor equals or exceeds One Hundred Thousand Dollars ($100,000.00) before sales tax.

Definitions:

The following terms shall have the meanings set forth in the DBO Agreement on the pages indicated:

Agreement (page 13)
Company (page 15)
Contract Administrator (page 15)
Design/Build Work (page 17)
Equipment (page 18)
Owner’s Representative (page 22)
Project (page 23)

The following terms shall have the meanings set forth in this Program and herein below:

“Direct Purchase Items” means materials and equipment purchased directly by the Village through execution and delivery of a Purchase Order.
“Materials” means raw and processed material, components, parts, assemblies and sub-assemblies from a third party materials or equipment supplier that will be incorporated directly or indirectly in the Design/Build Work.

“Owner Direct Purchase” means the direct purchase of materials and equipment for the sole purpose of sales tax savings when the cost of the materials and equipment equals or exceeds One Hundred Thousand Dollars ($100,000) for a single vendor.

“Purchase Order” means the Village’s request for materials and/or equipment from a particular vendor or supplier and the Village’s promise to pay for the materials and/or equipment specified upon delivery and acceptance at the Project site and upon presentation of proper documentation by the Company to the Village certifying payment of same.

“Purchase Requisition” means a request by the Company to the Village specifying materials and/or equipment items, in sufficient detail, that the Village will directly purchase from a particular vendor or supplier.

Background:
These procedures are established pursuant to Section 212.08(6), Florida Statues, and Rule 12A-1.094, Florida Administrative Code, revised effective January 12, 2011.

Policy:
The following criteria will be met to demonstrate that the Village is the purchaser of materials and/or equipment through the Program:

1. **Direct Purchase Order.** The Village must issue its Purchase Order directly to the vendor supplying the materials the Company will use, and the Village must provide the vendor with a copy of the Village’s Florida Consumer’s Certificate of Exemption.

2. **Direct Invoice.** The vendor’s invoice must be issued to the Village rather than to Company.

3. **Direct Payment.** The Village must make payment directly to the vendor from public funds.

4. **Passage of Title.** The Village must take title to the materials and equipment from the vendor at the time of purchase or delivery by the vendor.

5. **Assumption of the Risk of Loss.** Assumption of the risk of damage or loss by the Village at the time of purchase is a paramount consideration. The Village will be deemed to have assumed the risk of loss if the Village bears the economic burden of obtaining insurance covering damage or loss or directly enjoys the economic benefit of the proceeds of such insurance.

The Village will issue a Certificate of Entitlement (substantially in the form attached hereto as Exhibit A) to each vendor and the Company certifying that the Direct Purchase Items being purchased will become part of the public facility or the Project and that the Village will be liable for any tax, penalty or interest should the Department of Revenue later determine that the items purchased do not qualify for the exemption. The Village will attach a copy of the Purchase

KMP
Order to each Certificate of Entitlement and provide copies of both documents to the Company to retain in the Company's books and records.

**Procedures:**

A. At the Village’s option, the Company shall work with the Owner’s Representative and the Contract Administrator to identify Materials and/or Equipment in the Design/Build Work for direct purchase by the Village when the cost of the purchases will equal or exceed One Hundred Thousand Dollars ($100,000). The Company shall provide the Village with cost of Materials and/or Equipment from its agreed contract or quotation pricing with the vendor or supplier. The agreed contract or quotation pricing will also include all Florida State sales tax applicable to such Materials and/or Equipment directly from the vendor or supplier.

B. In the event the Village elects to make direct purchases pursuant to this Program as “Direct-Purchase Items,” the responsibilities of both the Village and the Company relative to Direct-Purchase Items shall be governed by the terms and conditions of this Program and the DBO Agreement. The Village reserves the right to require the Company to assign to the Village any of the Company’s subcontractors’ purchase orders or other agreements for the direct purchase of Materials and/or Equipment. Any Materials and/or Equipment purchased by the Village pursuant to such an assignment are hereinafter referred to as “Direct-Purchased Items.” The responsibilities of the Village and the Company relating to such Direct-Purchased Items shall be governed and controlled by the terms and conditions of this Program. All clerical, administrative, management, supervisory inspection, handling, storage, and other costs necessary to comply with the Program remain the responsibility of the Company.

C. The Company shall select the vendor or supplier from whom it wishes to direct purchase Materials or Equipment.

D. The Company shall furnish the Village with a Purchase Requisition identifying each item of Material and/or Equipment items to be purchased by the Company for the Project. This form shall be acceptable to Village and the Owner’s Representative. The Purchase Requisition shall include:

1. The name, address, telephone number and contact person for the supplier
2. Manufacturer or brand, model or specification number of the item.
3. Quantity needed as estimated by the Company or its Subcontractors and Suppliers.
4. The price quoted by the Supplier for the Material or Equipment in question. The Company shall submit the vendor or supplier agreed upon contract pricing or quotation to justify the price for the item of Material or Equipment to be purchased.
5. Any sales tax associated with such quote.
6. Shipping, handling and insurance costs.
7. Delivery date as established by the Company or its Subcontractors and Suppliers.
8. Special terms and conditions which have been negotiated with the supplier relative to payment terms, discounts, rebates, warranty, credits or other terms and conditions which will revert to the Village.

9. Performance and Payment Bonds costs for such Direct Purchase Items, and any reduction in the Company’s costs for such Performance and Payment Bonds.

F. Promptly upon receipt and acceptance of a Purchase Requisition, the Village may, at its election, prepare and issue a Purchase Order for the Materials and/or Equipment the Village chooses to direct purchase. The Village shall issue the Purchase Order directly to the vendor or supplier. The Purchase Order shall require that the vendor or supplier provide the required shipping and handling insurance. The Purchase Order shall also require the delivery of the Direct-Purchase Items on the delivery dates provided by the Company on the Purchase Requisition. A copy of each Purchase Order will be sent to the Company to verify that items ordered are in accordance with the Purchase Requisition and the terms and delivery dates specified. The Village’s Purchase Order shall be accompanied by a copy of the completed Certificate of Entitlement.

G. As Direct-Purchase Items are delivered to the Project site, the Company shall notify the Village and the Owner’s Representative and shall visually inspect all shipments, and approve the supplier’s shipping documents and invoice. The Company shall ensure that each delivery of Direct-Purchase Items is accomplished by documentation adequate to identify the Purchase Order against which the purchase is made and that the shipment conforms to the Purchase Order. The Company shall forward approved invoices to the Owner’s Representative for payment. The Village and Owner’s Representative will verify the shipment amounts and, upon verification, process these completed invoices as they are received with their associated paperwork.

H. The Company shall inspect to insure that Direct-Purchase Items conform to the approved Purchase Order and determine prior to incorporation into the Project if such Materials and/or Equipment conform to the Shop Drawings (and/or Plans and Specifications) or are defective. During such inspection, the Company shall not responsible to identify latent defects in Materials or Equipment that would not be ascertainable during an inspection. If the Company discovers nonconforming or defective items, it shall not utilize such items in the Project and shall promptly notify the Village of the nonconformity or defect and assist the Village in obtaining repair or replacement of the item. The Company shall be fully responsible and liable to the Village if it fails to perform such inspections. The Company shall not be relieved of its obligation to ensure that Direct Purchase Items have been reviewed by the Owner’s Representative and are released for purchase complying with the Shop Drawing and submittal procedures in the DBO Agreement.

I. Nothing in this document shall alter or modify the procedures for submission of Shop Drawings and other submittals by the Company.

J. The Company shall verify correct quantities, verify documentation, coordinate and expedite delivery, obtain and verify warranties required by the Agreement, inspect and accept each item at the time of delivery, unload, handle and store the item. Direct purchase of Materials and/or Equipment by the Village in no way relieves the Company of any
responsibilities regarding the compliance with specification requirements, coordination, protection, scheduling or warranty.

K. The Company shall be responsible for obtaining and managing all warranties and guarantees for all Direct Purchase Items as required by the DBO Agreement. All repair, maintenance or damage-repair calls shall be forwarded to the Company for initial resolution with the appropriate supplier.

L. The Company shall be responsible for all matters relating to the receipt of Direct-Purchase Items, including, but not limited to: assuring that the correct Materials and/or Equipment in the correct amounts are received timely with appropriate warranties; inspecting and accepting the goods; and unloading, handling, and storing the Materials and/or Equipment until installation. The Company shall coordinate delivery schedules, sequence of delivery, loading, orientation, and other arrangements normally required by the Company for the particular Materials and/or Equipment furnished. The Company shall remain liable for its negligence in meeting any of these obligations.

M. The Village will take title and ownership of the Direct Purchase Items from the vendor at the time of delivery by vendor, and the Village will assume the risk of damage or loss at the time of purchase. The Village will bear the economic burden of obtaining insurance coverage for damage or loss and will enjoy the economic benefit of the proceeds of such insurance. The Company and/or Village shall maintain insurance sufficient to protect against any loss of or damage to the Direct-Purchase Items. Such insurance shall cover the full value of any Direct-Purchase Items not yet incorporated into the Project during the period between the time the Village first takes title to and the Company assumes possession and control of any such Owner Furnished Materials and the time when the last of such Direct-Purchase Items is incorporated into the Project or consumed in the process of completing the Project. The Village shall be named as an insured party and shall receive proceeds or the economic benefit of the proceeds in case of loss.

N. Notwithstanding the transfer of Direct-Purchase Items by the Village to the Company's possession, the Village shall retain legal and equitable title to any and all Direct-Purchase Items. The transfer of possession and control of the Direct-Purchase Items from the Village to the Company shall constitute a bailment between the Village and the Company. The Village as owner shall be considered the bailor and the Company the bailee of the Direct-Purchase Items. The Direct-Purchase Items shall be considered returned to the Village for purposes of their bailment at such time as they are incorporated into the Project or consumed in the process of completing the Project.

O. The Company shall execute and deliver to the Village deductive Change Orders to reflect Direct Purchase Items made by the Village pursuant to this Program. The amount of the deduction shall be based on the full value of the Direct Purchase Item, plus all sales tax avoided, and plus the costs of any savings to the Company for the costs of the Performance and Payment Bonds. In connection with existing agreements that the Village may have in place with vendors or suppliers for the purchase of Materials or Equipment (such as AIRVAC), which pricing is more competitive on a unit or other costs basis than those provided by the Company for the purchase of Direct Purchase Items, the deductive Change Order amount shall reflect the amount provided for in the Company's pricing agreements with vendors or suppliers.
P. The Company shall on a monthly basis, provide the Village and Owner’s Representative with documentation establishing the amount and nature of the Direct Purchase Items delivered by suppliers and accepted by the Company during that reporting period. The Company shall match all Direct Purchase Items to Purchase Orders, invoices, delivery tickets, and inspection and acceptance reports. The Company shall also obtain lien waivers and other releases from suppliers. Upon receipt of appropriate documentation from the Company, the Owner’s Representative shall recommend payment by the Village. Payments will be made directly by the Village to the appropriate supplier in accordance with the terms and conditions of this Program and the DBO Agreement.

Q. The Company shall maintain records of all Direct-Purchase Items incorporated into the Design/Build Work. These records shall be available for inspection by the Village or Owner’s Representative upon request.
EXHIBIT A
CERTIFICATE OF ENTITLEMENT TO EXEMPTION

The undersigned authorized representative of Islamorada, Village of Islands (hereinafter "Governmental Entity"), Florida Consumer's Certificate of Exemption Number 85-80147542861C-1, affirms that the tangible personal property purchased pursuant to Purchase Order Number ______________________ from ______________________ (Vendor) on or after ______________________ (date) will be incorporated into or become a part of a public facility as part of a public works contract pursuant to Contract Number RFP 11-06-29 with Reynolds Water Islamorada, LLC, for the construction of the Village's Wastewater Collection and Treatment System.

Governmental Entity affirms that the purchase of the tangible personal property contained in the attached Purchase Order meets the following exemption requirements contained in Section 212.08(6), F.S., and Rule 12A-1.094, F.A.C.:

Authorized Representative must initial each of the following requirements.

1. The attached Purchase Order is issued directly to the vendor supplying the tangible personal property the Company will use in the identified public works.

2. The vendor's invoice will be issued directly to Governmental Entity.

3. Payment of the vendor's invoice will be made directly by Governmental Entity to the vendor from public funds.

4. Governmental Entity will take title to the tangible personal property from the vendor at the time of purchase or of delivery by the vendor.

5. Governmental Entity assumes the risk of damage or loss at the time of purchase or delivery by the vendor.

Governmental Entity affirms that if the tangible personal property identified in the attached Purchase Order does not qualify for the exemption provided in Section 212.08(6), F.S., and Rule 12A-1.094, F.A.C., Governmental Entity will be subject to the tax, interest, and penalties due on the tangible personal property purchased. If the Florida Department of Revenue determines that the tangible personal property purchased tax-exempt by issuing this Certificate does not qualify for the exemption, Governmental Entity will be liable for any tax, penalty, and interest determined to be due.

I understand that if I fraudulently issue this certificate to evade the payment of sales tax, I will be liable for payment of the sales tax plus a penalty of 200% of the tax and may be subject to conviction of a third degree felony.

Under the penalties of perjury, I declare that I have read the foregoing Certificate of Entitlement and the facts stated in it are true.

_________________________  ____________________________
Signature of Authorized Representative  Title

_________________________  ____________________________
Purchaser's Name (Print or Type)  Date

_________________________  ____________________________
Federal Employer Identification Number  Telephone Number

A copy of the Purchase Order must be attached to this Certificate of Entitlement to Exemption.