

EXHIBIT B

CONTRACT, LEASE, AGREEMENT CONTROL FORM

Date: 2/5/2003

Contract/Lease Control #: L03-0204-WSI-10

Bid #: N/A Contract/Lease Type: EXPENDITURE

Award To/Lessee: OKALOOSA COUNTY W & S

Lessor: SOUTHERN COMMUNICATIONS SERVICES

Effective Date: 2/4/2003 \$1200.00 ANNUAL

Term: INDEFINITE/AUTO ANNUAL RENEWAL

Description of Contract/Lease: EQUIPMENT SPACE RACK LEASE

Department Manager: WATER & SEWER

Department Monitor: J. CREWS

Monitor's Telephone #: 651-7502

Monitor's FAX #: 651-7193

Date Closed: _____

LEASE AGREEMENT
(Equipment Rack Space in Telecommunication)EQUIPMENT SPACE RACK LEASE
EXPIRES: INDEFINITE

THIS LEASE AGREEMENT (hereinafter referred to as the "Lease") is made and entered into on this the 4TH day of FEBRUARY 2003 (the "Commencement Date") by and between SOUTHERN COMMUNICATIONS SERVICES, INC. d/b/a Southern LINC, with its principal place of business located at 5555 Glenridge Connector, Suite 500, Atlanta, Georgia 30342 (hereinafter referred to as "Lessor"), and OKALOOSA COUNTY, FLORIDA, with offices located at 1804 Lewis Turner Boulevard, Suite 300, Fort Walton Beach, Florida 32547, (hereinafter referred to as "Lessee").

WITNESSETH:

WHEREAS, Lessor, under an underlying Lease ("Prime Lease") with ForeSite, L.L.C. ("Prime Lessor") is the Lessee of a portion of certain real property containing 0.057 acres more or less, being situated in Section 34, Township 1 South, Range 24 West, Okaloosa County, Florida and being a portion of "Parcel 1" as per description recorded in Official Record Book 2256, page 2204 of the Official Records of Said Okaloosa County, being more particularly described herein (hereinafter the "Real Property") which is improved with a certain Telecommunications Building (hereinafter the "Building") owned by Lessee, and

WHEREAS, Lessee desires to sublease a portion of the Building located upon said real property for equipment rack space consisting of approximately four (4) square feet (hereinafter the "Leased Premises"), and

NOW, THEREFORE, in consideration of the mutual covenants contained herein, and intending to be legally bound hereby, Lessor and Lessee hereby agree with each other as follows:

1. **Lease.** Lessor hereby leases and lets to Lessee the Leased Premises described above and as depicted on the Drawing attached hereto as **Exhibit "A"**.

2. **Use and Restrictions.**

(a) The Leased Premises shall be used for installation and operation of telecommunications equipment and other related uses, and for no other or different use or purpose, unless the Lessor consents in writing to such other or different use or purpose.

(b) As long as the Lessee occupies the Leased Premises, the Lessee, together with its authorized employees and contractors, shall have the right of entry to the Building and the Leased Premises, free of charge, on a twenty four (24) hour, 7 day per week basis; subject, however to the following the following restrictions:

(1) Lessee shall call Lessor's Main Switching Office ("MSO") at (800)406-0153 within a reasonable amount of time prior to entering the Building to allow sufficient time for the MSO to disable alarms;

(2) Lessee shall call Lessor's Main Switching Office ("MSO") at (800)406-0153 immediately after departure from the Building in order to allow the MSO to immediately enable alarms;

(3) Lessee shall be responsible for negotiating access, construction, utility and any other easements outside of the Building directly with the Prime Lessor.

3. **Term.** The term (the "Term") of this Lease shall be for an initial one (1) year period beginning on the Commencement Date. The term shall thereafter automatically renew on a year to year basis and remain in effect until terminated by one of the parties by providing written notice to the other party of its intent to terminate the Lease at least ninety (90) days prior to any anniversary of Commencement Date.

4. **Rent.**

(a) In consideration whereof, the Lessee agrees to pay the Lessor on or before the tenth (10th) day of each month during the term of this Lease, the sum of \$100.00 per month, being at the rate of \$1,200.00 per annum. Rent shall be prorated for a fraction of a month, if any; and

(b) Lessee shall make such payments to the address set forth below, or to such other address as Lessor shall from time to time designate by written notice:

Southern LINC
600 University Park Place, Suite 400
Birmingham, Alabama 35209
ATTN: Russell B. Boylan

Reference: Site #F-9312: Ocean City, Building Space Rent

5. **Prime Lease.** Lessee acknowledges that Lessor only has a leasehold interest in the Real Property. Lessee agrees that since Lessor only has a leasehold interest in the Real Property, Lessee's rights and obligations hereunder shall at all times be subject and subordinate to the rights granted to Lessor Prime Lease. In the event of an expiration or termination of the Prime Lease, Lessor agrees to provide Lessee with written notice of said expiration or termination (including, the effective date of the expiration or termination) within ten (10) days of the Lessor's receipt of, or providing of, said expiration or termination notice. In the event of the expiration of the term of the Prime Lease during the initial or any extension term thereof, Lessee acknowledges that this Lease shall automatically expire simultaneously therewith.

6. **Assignment.** Lessee shall not assign, mortgage or otherwise encumber this Lease or sublease all or any part of the Leased Premises, without Lessor's express written consent. Upon any assignment of this Lease or subletting of all or any part of the Leased Premises, Lessee shall be and remain fully responsible for all obligations under this Lease.

7. **Quiet Enjoyment.** Lessor covenants that Lessee shall have quiet and peaceable possession of the Leased Premises throughout the Lease term as the same may be extended, and that Lessor will not intentionally disturb Lessee's enjoyment thereof as long as Lessee is not in default under this Lease.

8. **Building Maintenance and Repairs.** During the term of this Lease Lessor will whenever required pursue enforcement of the obligations of Prime Lessor pursuant to the Prime Lease with respect to maintenance of the Building.

9. **Improvements to Leased Premises.** Any and all improvements to the equipment rack space shall be performed by Lessor at Lessee's sole cost and expense.

10. **Lessee's Property.** Lessee shall have the right, provided the Lessee is not in default, at any time and from time to time during the term hereof, to remove any and all of its trade fixtures, signs and other personal property which it may have stored or installed in the Leased Premises and shall, upon termination or expiration of this Lease, promptly remove such items from the Leased Premises.

11. **Compliance by Lessee.** Lessee shall comply with all local, city, county, state and federal laws, rules, ordinances, statutes and regulations now in effect or hereafter enacted as the same may apply to the use of the Leased Premises by Lessee, and shall obtain, at Lessee's sole cost and expense, any licenses, permits and other approvals required for Lessee's use of the Leased Premises.

12. **Utilities.** Lessee shall be responsible for and shall promptly pay Lessor in full for all utilities (excluding electricity service, but including, but not limited to, telephone and data port services) provided by Lessor and consumed by Lessee at the Leased Premises.

13. **Liens.** Lessee shall not create or permit to remain, and shall promptly discharge, at its sole cost and expense, any lien, encumbrance or charge upon the Leased Premises, or any part thereof or upon Lessee's rights under this Lease that arises from the use or occupancy of the Leased Premises by Lessee or by reason of any labor, service or material furnished or claimed to have been furnished to or for the benefit of Lessee or by reason of any construction, repairs or demolition by or at the direction of Lessee.

14. **Site Rules and Regulations.** Lessee shall comply with all site rules and regulations then in effect with respect to the Building and the Leased Premises, including, without limitation, all access restrictions.

15. **Interference.** Lessee shall operate its equipment in a manner that will not cause interference to Lessor or any pre-existing lessee. From and after the date of this Lease, Lessee shall not install new equipment in the Building if such equipment is likely to cause interference with Lessor's or any pre-existing lessee's operations. Such interference by Lessee shall be a material breach of this Lease. In the event any such interference occurs, Lessee shall promptly remove any such equipment causing such interference. If such interference does not cease promptly, Lessor shall have the right, in addition to any other rights or remedies under this Lease or at law or in equity, to turn off Lessee's equipment and/or terminate this Lease. In the event Lessor's, equipment must be turned "down" or off in order for Lessee to determine the cause of said interference or to make the necessary repairs or corrections to Lessee's Facilities, then Lessee shall provide Lessor with at least two (2) business days' written notice of that date upon which Lessee plans to make such repairs or corrections. Lessee shall promptly pay to Lessor, upon receipt of invoice, those reasonable expenses and charges Lessor incurred for labor, downtime, and loss of revenue due to any interference caused by Lessee or its equipment and/or for time during the repair thereof.

16. **Insurance, Liability and Indemnity.** Throughout the Initial Term of this Lease and each Extension Term, Lessee's obligations for insurance, liability and indemnity shall be determined in accordance with Fla. Stat. § 768.28, entitled "Waiver of sovereign immunity in tort actions; recovery limits; limitation on attorney fees; statute of limitations; exclusions; indemnification; risk management programs."

17. **Access to Leased Premises.** Lessor and its representative shall have the right to enter upon the Leased Premises at all reasonable times for the purpose of inspecting same or for making repairs, additions or alterations, or for the purpose of exhibiting same to prospective sublessees or others, and during the last six (6) months of the term of this Lease, Lessor may maintain "For Rent" signs upon the Leased Premises.

18. **Default.** The following events shall constitute events of default under this Lease:

- (a) Lessee's failure to pay any installment of rent when the same shall be due and payable;
- (b) Lessee's failure to perform any of the other covenants, conditions and agreements herein contained and to be performed by Lessee and the continuance of such failure without the curing of same within thirty (30) days after receipt by Lessee of notice in writing from Lessor specifying the nature of such default; or
- (c) In the event Lessee shall (i) voluntarily be adjudicated a bankrupt or insolvent, (ii) seek or consent to the appointment of a receiver or trustee for itself or for any portion of the Leased Premises, (iii) file a petition seeking relief under the bankruptcy or other similar laws of the United States, any state or any jurisdiction, (iv) make a general assignment for the benefit of creditors, (v) have a petition in bankruptcy or other insolvency protection filed against it which is not dismissed within ninety (90) days thereafter, or (vi) be unable to pay its debts as they mature.

Upon the occurrence of an event of default, at Lessor's option, Lessor may: (i) terminate this Lease by written notice to Lessee, in which event Lessee shall promptly surrender the Leased Premises, and if Lessee fails to do so, Lessor may, without prejudice to any other right or remedy which Lessor may have, enter upon and take possession of the Leased Premises by summary proceedings or ejectment, or (ii) pursue any remedy provided at law or in equity.

19. **Surrender of Possession.** Upon the expiration or termination of this Lease the Lessee will surrender peaceable possession of the Leased Premises to the Lessor in as good condition as the same were when received, reasonable wear and tear excepted.

20. **Damage or Destruction.** In the event that, at any time during the term of this Lease, the Building shall be destroyed or damaged in whole or in part then Lessor will pursue enforcement of the duties and obligations of Lessor's Lessor pursuant to the terms and conditions of the Prime Lease.

21. **Consequential Damages.** NEITHER PARTY SHALL BE LIABLE TO THE OTHER PARTY FOR CONSEQUENTIAL OR INCIDENTAL DAMAGES OF ANY KIND WHATSOEVER, INCLUDING LOST PROFITS, REGARDLESS OF WHETHER OR NOT EITHER PARTY WAS ADVISED OF THE POSSIBILITY OF SUCH CONSEQUENTIAL OR INCIDENTAL DAMAGES OR LOST PROFITS.

22. **Condemnation.** If the whole of the Building, or such portion of the Building or the Real Property as will make the Building unusable for Lessor's use, in Lessor's sole discretion, or if the whole of the Leased Premises, or such portion thereof as will make the Leased Premises unusable for the purposes herein leased, is condemned by any legally constituted authority, or conveyed to such authority in lieu of such condemnation, then in any of said

events, the term of this Lease shall end on the date when possession thereof is taken by the condemning authority, and rental shall be accounted for between Lessor and Lessee as of such date.

23. **Notices.** All notices required or permitted under this Lease shall be in writing and shall be deemed duly given upon actual delivery if delivery is by hand (against receipt) or on the third day following the date on which each such notice is deposited, postage prepaid, in the United States mail, certified, return receipt requested or on the next business day after being sent via by a nationally recognized overnight courier service which provides signed acknowledgements of receipt. All notices shall be directed to the other party at the address indicated below, or to any other address as the parties may designate by notice delivered pursuant to this provision.

If to Lessor:

Southern LINC
600 University Park Place, Suite 400
Birmingham, Alabama 35209
ATTN: Russell B. Boylan
Phone # 205-716-4901
Fax # 205-874-3951

With a copy to:

Southern Company Services, Inc.
600 North 18th Street
Birmingham, Alabama 35203
ATTN: Joseph L. Coker, Esq.
Legal Dept.: 7N-8374

If to Lessee:

Okaloosa County, Florida
1804 Lewis Turner Boulevard
Suite 300
Fort Walton Beach, Florida 32547
ATTN: Joey Crews, Engineering Manager
Phone # 850-651-7136
Fax # 850-651-7550

24. **Representations and Warranties of the Parties.** Each party hereto hereby represents and warrants to the other party hereto the following:

A. Such party is a corporation or recognized Florida governmental agency duly organized, validly existing and in good standing under the laws of its jurisdiction of formation and has the power and authority to enter into and perform its obligations under this Lease.

B. This Lease has been duly authorized by all necessary action on the part of such party, has been duly executed and delivered by a duly authorized officer or representative of such party and constitutes the legal, valid and binding obligation of such party enforceable in accordance with its terms, except to the extent such enforceability may be limited by applicable bankruptcy, insolvency, reorganization, and similar laws affecting creditors' rights generally and except to the extent that remedies may be limited by applicable principles of equity.

25. **Disclaimer of Warranties.** LESSOR MAKES NO WARRANTIES OF ANY KIND WITH RESPECT TO THE CONDITION OR SUITABILITY OF THE SUBLEASED PREMISES, REAL PROPERTY OR THE BUILDING FOR THE PURPOSES INTENDED BY LESSEE, INCLUDING, WITHOUT LIMITATION, WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE, AND ALL EXPRESS, IMPLIED OR STATUTORY WARRANTIES ARE HEREBY DISCLAIMED. LESSEE HAS MADE OR SHALL MAKE SUCH INSPECTIONS OF THE SUBLEASED PREMISES, THE BUILDING AND REAL PROPERTY AS LESSEE DEEMS APPROPRIATE PRIOR TO THE INSTALLATION OF ANY OF LESSEE'S FACILITIES THEREON OR THEREIN, AND LESSEE EXPRESSLY ACCEPTS LESSOR'S PERMISSION TO

INSTALL LESSEE'S FACILITIES THEREON OR THEREIN WITHOUT WARRANTY OF ANY KIND OR NATURE. LESSOR DOES NOT REPRESENT OR WARRANT THAT LESSOR OR ANY OF ITS AFFILIATES HOLDS TITLE OF ANY KIND TO THE SUBLEASED PREMISES, REAL PROPERTY OR THE BUILDING.

26. **Severability.** In the event any one or more of the provisions contained in this Lease shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision hereof and this Lease shall not terminate and shall be continued as if such invalid, illegal, or unenforceable provisions had never been contained herein, and there shall be substituted for such illegal, invalid or unenforceable provision a like provision which is legal, valid and enforceable and which most clearly accomplishes and reflects the original intention of the parties. Paragraph or section headings used in this Lease are for convenience of reference only and do not affect any provision of this Lease.

27. **Governing Law.** This Lease shall be governed by the laws of the State of Florida.

28. **Entire Agreement.** This Lease constitutes the full and complete agreement between the parties hereto with respect to the subject matter hereof and said parties shall not be bound by any statement, special condition or agreements not herein expressed. No alteration or amendment to this Lease by the parties hereto shall be effective unless in writing and by reference incorporated into this Lease.

29. **Multiple Originals.** This Lease may be executed in one or more counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, each of the parties has caused this Lease to be executed in duplicate originals by their duly authorized representatives on the date first written above.


GARY STANFORD
DEPUTY CLERK OF COURTS
OKALOOSA COUNTY, FL



OKALOOSA COUNTY, FLORIDA

(LESSEE)

By:


PAULA RIGGS
CHAIRMAN
BOARD OF COUNTY COMMISSIONERS



LESSEE'S Tax ID Number: 56-02-018639-53C

SOUTHERN COMMUNICATIONS SERVICES, INC. d/b/a
Southern LINC

(LESSOR)

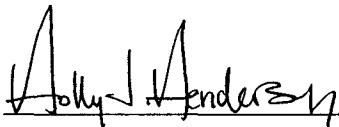
By:


Name: R. Craig Elder

(typed or printed)

Title: Vice President, Treasurer and CFO

Witness



STATE OF FLORIDA)
COUNTY OF OKALOOSA)

I, _____, a notary public in and for said county in said state, hereby certify that _____, whose name as _____ of Okaloosa County, Florida a(n) _____, is signed to the foregoing instrument and who is known to me, or has provided satisfactory evidence of such identity to me, and further that, being informed of the contents of such instrument, he, as such representative and with full authority, executed the same voluntarily for and as the act of said _____.

Given under my hand and official seal this _____ day of _____, 20____.

Notary Public

[Notarial Seal]

My Commission Expires: _____

STATE OF GEORGIA)
COUNTY OF FULTON)

I, Darlene Worley, a notary public in and for said county in said state, hereby certify that R. Craig Elder, whose name as Vice President, Treasurer and CFO of Southern Communications Services, Inc. d/b/a Southern LINC, a Delaware corporation, is signed to the foregoing instrument and who is known to me, or has provided satisfactory evidence of such identity to me, and further that, being informed of the contents of such instrument, he, as such officer and with full authority, executed the same voluntarily for and as the act of said corporation.

Given under my hand and official seal this 10th day of January, 2003.


Notary Public

[Notarial Seal]

My Commission Expires: _____

Exhibit "A"

Sketch of Location of Leased Premises in Building

