

**SEE PAGES 99-100 FOR THE SIGNED AMENDMENT TO
INTERLOCAL AGREEMENT**



BOARD OF COUNTY COMMISSIONERS Escambia County, Florida

AI-16368

County Administrator's Report 12. 29.

BCC Regular Meeting

Budget & Finance Consent

Meeting Date: 07/18/2019

Issue: Amendment to Interlocal Agreement - Sanitary Sewer System Improvement Project on Innerarity Island

From: Joy Jones, Director

Organization: Engineering

CAO Approval:

A handwritten signature in black ink, reading "Janice P. Dillay", is written over a horizontal line.

RECOMMENDATION:

Recommendation Concerning the First Amendment to the Interlocal Agreement Between Escambia County, Florida, and Emerald Coast Utilities Authority Relating to a Sanitary Sewer System Improvement Project on Innerarity Island - Joy Jones, P.E., Engineering Department Director

That the Board approve and authorize the Chairman to sign the First Amendment to the Interlocal Agreement between Escambia County, Florida, and Emerald Coast Utilities Authority (ECUA), relating to a Sanitary Sewer System Improvement Project on Innerarity Island.

[Funding: Funds for design and construction and engineering inspection (CEI) are available in Fund 352, Local Option Sales Tax (LOST) III – Innerarity Island Development Corporation (IIDC) Water and Sewer Project, Cost Center 110211, Object Code 56301, Project #16PF3502. Funds for construction are available via the Municipal Services Benefit Unit (MSBU) Ordinance, and initial project costs will be provided through an inter-fund loan from LOST to the MSBU fund and reimbursed from assessments]

This project is located in Commission District 2.

BACKGROUND:

The Innerarity Island Development Corporation (IIDC) abandoned its sewer utilities early in 2014. On March 21, 2014, a court order required the County to become the Receiver of the IIDC utilities. The existing sanitary sewer system on Innerarity Island is in need of significant repairs and upgrades.

Emerald Coast Utilities Authority (ECUA) has agreed to manage and oversee the design and upgrades to the sanitary system on Innerarity Island at no cost to ECUA or its ratepayers, and thereafter accept Innerarity Island within its sewer service area, and accept ownership of the sanitary sewer system on Innerarity Island.

On February 18, 2016, the BCC signed the Department of Environmental Protection (DEP) Agreement Number S0878, which provided \$1,000,000 from the 2015-2016 General Appropriations Act for the Escambia County Innerarity Water & Sewer Upgrade Project.

On March 2, 2017, then amended on February 1, 2018, the Board of County Commissioners (BCC) enacted an Ordinance establishing the IIDC Sewage System Improvements Municipal Service Benefit Unit (MSBU). The MSBU assessment will defray the cost of sewage system improvements within the district, based upon a fair and reasonable apportionment of the cost to all specially-benefitting properties.

On September 21, 2017, the BCC signed Amendment Number 2 to the DEP Agreement which provided an additional \$500,000 from the 2017-2018 General Appropriations Act for Escambia County Innerarity Water & Sewer Upgrade.

On May 17, 2018, the BCC approved the Interlocal Agreement (ILA) with ECUA which established a \$4,220,000 not-to-exceed amount for Design and Construction reimbursement from the County to ECUA.

With the Design and Construction and Engineering Inspection (CEI) to be provided by Ken Horne and Associates at \$221,000 (via remaining funds from the DEP Grant) and the Construction low bid of \$4,542,070 received on June 6, 2019, from Talcon Group (to be funded via the MSBU), the total requires an increase to the ILA not-to-exceed amount.

Staff recommends that an approximate 20.63% contingency amount be added to the Construction Bid for a total of \$5,479,000. This, added to the \$221,000 Design and CEI amount totals \$5,700,000 for the ILA.

Therefore, staff recommends the current ILA not-to-exceed amount of \$4,220,000 be increased to \$5,700,000.

BUDGETARY IMPACT:

Funds for design and for Construction and Engineering Inspection (CEI) services are available in Fund 352, LOST III – IIDC Water and Sewer Project, Cost Center 110211, Object Code 56301, Project #16PF3502.

Funds for construction are available via the MSBU Ordinance and initial project costs will be provided through an inter-fund loan from LOST to the MSBU fund and reimbursed from assessments.

LEGAL CONSIDERATIONS/SIGN-OFF:

Stephen West, Senior Assistant County Attorney, has reviewed and signed off on the Interlocal Agreement.

PERSONNEL:

No additional personnel will be required.

POLICY/REQUIREMENT FOR BOARD ACTION:

N/A

IMPLEMENTATION/COORDINATION:

Engineering staff will continue to collaborate and coordinate with ECUA staff.

Attachments

- First Amendment
 - BCC Mins IA 051718
 - FDEP Grant Agrmnt 021816
 - FDEP Grant Amendment 2
 - Ordinance 2017
 - MSBU Amendment/Ord
 - Court Order
-

**FIRST AMENDMENT TO INTERLOCAL AGREEMENT BETWEEN
ESCAMBIA COUNTY, FLORIDA AND EMERALD COAST UTILITIES
AUTHORITY RELATING TO A SANITARY SEWER SYSTEM
IMPROVEMENT PROJECT ON INNERARITY ISLAND**

THIS FIRST AMENDMENT TO AGREEMENT is made on this ____ day of _____, 2019, by and between Escambia County, a political subdivision of the State of Florida (hereinafter "County") with administrative offices located at 221 Palafox Place, Pensacola, Florida 32502, and the Emerald Coast Utilities Authority, a local governmental body, corporate and politic, which was formed by the Florida Legislature as an independent special district (hereinafter "ECUA") with administrative offices located at 9255 Sturdevant Street, Pensacola, Florida 32514 (each at times also being referred to as a "Party" or collectively as "Parties").

WITNESSETH:

WHEREAS, the Parties entered into that certain Interlocal Agreement (hereinafter "Agreement") relating to a sanitary sewer system improvement project on Innerarity Island dated May 17, 2018; and

WHEREAS, the parties wish to amend the Agreement to increase the estimated Costs of the Project;

NOW THEREFORE, in consideration of the mutual terms and conditions, promises, covenants, and payments hereinafter set forth, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. The foregoing recitals are true and correct and incorporated herein by reference.
2. Section 4.1 of the Agreement is amended as shown below (additions are shown underlined and deletions are shown struck-through):

ARTICLE 4
Compensation and Method of Payment

4.1 County agrees to reimburse ECUA for the Costs of the Project as generally described in Exhibit "A", including but not necessarily limited to property and equipment costs, engineering and design services, and construction costs, in an amount not to exceed ~~Four Million, Two Hundred and Twenty Thousand Dollars (\$4,220,000)~~ Five Million, Seven Hundred Thousand Dollars (\$5,700,000.00).¹ ~~In the event that ECUA determines that the estimated Costs of the Project will exceed \$4,020,000 \$5,700,000 upon the opening of publicly advertised bids for construction of the Project, then either Party may elect to terminate this Agreement and not proceed~~

¹ This agreement to reimburse includes Costs of the Project incurred prior to entry into this Agreement as well as after.

~~with construction of the Project. In the event the Project proceeds post-bidding and if~~
during the course of construction it is learned that the Costs of the Project will exceed
\$4,220,000 \$5,700,000, then the Parties shall meet and decide how to proceed, if at all.
If the decision is made by either the County or ECUA not to proceed with the Project,
then ECUA shall promptly bring the Project to a close, with the County responsible for
all costs associated with terminating and closing the Project. In the event of termination
of the Agreement in accordance with this paragraph, ECUA shall be entitled to
compensation as set forth in paragraph 8.2, below.

3. In all other respects, the Agreement, as amended by this First Amendment, remains
unchanged and in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have made and executed this First
Amendment on the respective dates under each signature: Escambia County through
its Board of County Commissioners, signing by and through its Chairperson, duly
authorized to execute same by Board action on the ____ day of _____, 2019
and Emerald Coast Utilities Authority, by and through its Chairman, duly authorized to
execute same.

ESCAMBIA COUNTY, FLORIDA, a political
subdivision of the State of Florida acting by
and through its duly authorized Board of
County Commissioners.

ATTEST: Pam Childers
Clerk of the Circuit Court

By: Lumon J. May, Chairman
Date: _____

By: _____
Deputy Clerk

(SEAL)

Approved as to form and legal
sufficiency.

By/Title: William A. Gentry, Jr. Asst. County Atty.
Date: June 25, 2019

EMERALD COAST UTILITIES AUTHORITY, a
local governmental body, corporate and politic,
acting by and through its duly authorized
Board.

ATTEST:

By: Lois Benson, Chairman
Date: _____

By: _____
Secretary

PUBLIC FORUM WORK SESSION AND REGULAR BCC MEETING MINUTES – Continued

COUNTY ADMINISTRATOR'S REPORT – Continued

I. TECHNICAL/PUBLIC SERVICE CONSENT AGENDA – Continued

1-16. Approval of Various Consent Agenda Items - Continued

15. See Below.

16. Approving, and authorizing the Chairman to sign, a letter in support of the State of Florida Division of Economic Opportunity (DEO) Project Fisher Recertification regarding the updated schedule proposal.

15. Interlocal Agreement with ECUA ➤

Motion made by Commissioner Underhill, seconded by Commissioner Barry, and carried unanimously, approving, and authorizing the Chairman to sign, the Interlocal Agreement between Escambia County, Florida, and Emerald Coast Utilities Authority (ECUA) relating to a Sanitary Sewer System Improvement Project on Innerarity Island (Funding: funds for design and Construction and Engineering Inspection [CEI] are available in Fund 352, LOST [Local Option Sales Tax] III – IIDC Water and Sewer Project, Cost Center 110211, Object Code 56301, Project #16PF3502; funds for construction are available via the MSBU [Municipal Services Benefit Unit] Ordinance, and initial project costs will be provided through an inter-fund loan from LOST to the MSBU fund and reimbursed from assessments).

II. BUDGET/FINANCE CONSENT AGENDA

1-28. Approval of Various Consent Agenda Items

Motion made by Commissioner Barry, seconded by Commissioner Underhill, and carried unanimously, approving Consent Agenda Items 1 through 28, as follows, with the exception of Items 14, 15, and 16, which were held for separate votes, as amended to drop Items 23 and 24: ➤

1. Approving the extension to the Agreement Between the Escambia County Board of County Commissioners and Dennis Keith Cole for the Management of the Lake Stone Campground Facility, extending the existing Contract for an additional year, effective June 1, 2018 (Funding Source: Fund 001, General Fund, Lake Stone, Cost Center 350204).



BOARD OF COUNTY COMMISSIONERS
Escambia County, Florida

AI-14124

County Administrator's Report 14. 15.

BCC Regular Meeting

Technical/Public Service Consent

Meeting Date: 05/17/2018

Issue: Interlocal Agreement - Sanitary Sewer System Improvement Project on Innerarity Island

From: Joy Jones, Director

Organization: Public Works

CAO Approval:

A handwritten signature in black ink, appearing to read "Joy Jones", is written over a horizontal line.

RECOMMENDATION:

Recommendation Concerning the Interlocal Agreement between Escambia County, Florida, and Emerald Coast Utilities Authority Relating to a Sanitary Sewer System Improvement Project on Innerarity Island - Joy Jones, P.E., Public Works Director

That the Board approve and authorize the Chairman to sign the Interlocal Agreement between Escambia County, Florida, and Emerald Coast Utilities Authority (ECUA) relating to a Sanitary Sewer System Improvement Project on Innerarity Island.

[Funding: Funds for design and construction and engineering inspection (CEI) are available in Fund 352, LOST III – IIDC Water and Sewer Project, Cost Center 110211, Object Code 56301, Project #16PF3502. Funds for construction are available via the MSBU Ordinance, and initial project costs will be provided through an inter-fund loan from LOST to the MSBU fund and reimbursed from assessments]

BACKGROUND:

The Innerarity Island Development Corporation (IIDC) abandoned its sewer utilities early in 2014. On March 21, 2014, a court order required the County to become the Receiver of the IIDC utilities. The existing sanitary sewer system on Innerarity Island is in need of significant repairs and upgrades.

Prior to abandoning the utilities, IIDC had retained the professional engineering firm of Kenneth Horne & Associates, Inc. to evaluate and assess the needed upgrades to Innerarity Island's sewer system. Upon assuming Receivership, Escambia County retained Kenneth Horne & Associates, Inc. to further evaluate, assess, and partially design the needed upgrades to Innerarity Island's sewer system. The upgrades to Innerarity Island's sewer system have been conceptually designed by Kenneth Horne & Associates, Inc.

ECUA has agreed to manage and oversee the design and upgrades to the sanitary

system on Innerarity Island at no cost to ECUA or its ratepayers, and thereafter accept Innerarity Island within its sewer service area, and accept ownership of the sanitary sewer system on Innerarity Island.

On February 18, 2016, the BCC signed the Department of Environmental Protection (DEP) Agreement Number S0878, which provided \$1,000,000 from the 2015-2016 General Appropriations Act for Escambia County Innerarity Water & Sewer Upgrade.

On March 2, 2017, then amended on February 1, 2018, the Board of County Commissioners (BCC) enacted an Ordinance establishing the IIDC Sewage System Improvements Municipal Service Benefit Unit (MSBU). The MSBU assessment will defray the cost of sewage system improvements within the district, based upon a fair and reasonable apportionment of the cost to all specially-benefitting properties.

On September 21, 2017, the BCC signed Amendment Number 2 to the DEP Agreement which provided an additional \$500,000 from the 2017-2018 General Appropriations Act for Escambia County Innerarity Water & Sewer Upgrade.

BUDGETARY IMPACT:

Funds for design and construction and engineering inspection (CEI) are available in Fund 352. LOST III – IIDC Water and Sewer Project, Cost Center 110211, Object Code 56301, Project #16PF3502

Funds for construction are available via the MSBU Ordinance and initial project costs will be provided through an inter-fund loan from LOST to the MSBU fund and reimbursed from assessments.

LEGAL CONSIDERATIONS/SIGN-OFF:

Stephen West, Assistant County Attorney, has reviewed and signed off on the Interlocal Agreement.

PERSONNEL:

No additional personnel will be required.

POLICY/REQUIREMENT FOR BOARD ACTION:

N/A

IMPLEMENTATION/COORDINATION:

Public Works staff will continue to collaborate and coordinate with ECUA staff.

Attachments

Interlocal Agreement

FDEP Grant - Initial

FDEP Grant - Additional

**Escambia County
Clerk's Original**

5/17/2018 CA2I-15

**INTERLOCAL AGREEMENT BETWEEN ESCAMBIA COUNTY,
FLORIDA AND EMERALD COAST UTILITIES AUTHORITY RELATING
TO A SANITARY SEWER SYSTEM IMPROVEMENT PROJECT ON
INNERARITY ISLAND**

THIS AGREEMENT is made on this 17th day of May, 2018, by and between Escambia County, Florida a political subdivision of the State of Florida (hereinafter "County") with administrative offices located at 221 Palafox Place, Pensacola, Florida 32502, and the Emerald Coast Utilities Authority, a local governmental body, corporate and politic, which was formed by the Florida Legislature as an independent special district (hereinafter "ECUA") with administrative offices located at 9255 Sturdevant Street, Pensacola, Florida 32514 (each at times also being referred to as a "Party" or collectively as "Parties").

WITNESSETH:

WHEREAS, ECUA provides sanitary sewer in certain defined areas in Escambia County, Florida;

WHEREAS, within the confines of Escambia County, Florida, there exists an area known as Innerarity Island;

WHEREAS, Innerarity Island is not and has never been within ECUA's wastewater service area;

WHEREAS, an entity known as the Innerarity Island Development Corporation formerly operated a sanitary sewer system on Innerarity Island;

WHEREAS, the Innerarity Island Development Corporation abandoned its sewer utilities early in the 2014 calendar year;

WHEREAS, the existing sanitary sewer system on Innerarity Island is in need of significant repairs and upgrades;

WHEREAS, ECUA is willing to accept portions of the sanitary sewer system on Innerarity Island and incorporate Innerarity Island into its service area in the event that the existing sanitary sewer system on Innerarity Island is upgraded prior to becoming incorporated into the ECUA utility system;

WHEREAS, the Innerarity Island Development Corporation previously retained the professional engineering firm of Kenneth Horne & Associates, Inc. to evaluate and assess the needed upgrades to Innerarity Island's sewer system;

WHEREAS, the County subsequently retained Kenneth Horne & Associates, Inc. to further evaluate, assess, and partially design the needed upgrades to Innerarity Island's sewer system;

Date: 5/18/2018
Verified By: *[Signature]*

WHEREAS, the Parties agree that it is in the best interest of the public health, safety, and welfare that the sanitary sewer system presently existing on Innerarity Island be repaired and upgraded so that portions which are to become publicly owned may be ultimately accepted by ECUA and that Innerarity Island be incorporated into ECUA's sewer service area;

WHEREAS, ECUA and the County desire to work together to incorporate Innerarity Island into ECUA's sewer service area once certain repairs and upgrades are made;

WHEREAS, the upgrades to Innerarity Island's sewer system have been partially designed by Kenneth Horne & Associates, Inc., but significant additional design is required before those upgrades could be publicly advertised for bid;

WHEREAS, the Florida Legislature has appropriated funding to the County which would facilitate the desired upgrades to the sanitary sewer system on Innerarity Island;

WHEREAS, the County is willing to contribute the difference of those funds in a sufficient quantity to upgrade and repair the sanitary sewer system on Innerarity Island;

WHEREAS, ECUA has agreed to oversee and manage the upgrades to the sanitary sewer system on Innerarity Island at no cost to ECUA or its ratepayers, and thereafter accept Innerarity Island within its sewer service area, and accept ownership of portions of the sanitary sewer system on Innerarity Island; and

WHEREAS, the Parties desire to enter into this Interlocal Agreement to define the respective rights and responsibilities toward completing the design and construction of the upgrades to the sanitary sewer system and incorporating that system into ECUA's service area.

NOW THEREFORE, in consideration of the mutual terms and conditions, promises, covenants, and payments hereinafter set forth, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

ARTICLE 1 **Purpose**

1.1 The recitals contained in the preamble of this Agreement are declared to be true and correct and are hereby incorporated into this Interlocal Agreement solely for the purposes expressed herein and for no other purpose which causes an estoppel to arise against either Party in any litigation. Provided, however, that so long as this Agreement remains in effect, neither Party shall take any action, legal or otherwise, to alter their existing positions regarding the sanitary sewer system on Innerarity Island, as the Parties desire to work together towards a solution to the sanitary sewer issues on Innerarity Island.

1.2 This Interlocal Agreement (hereinafter "Agreement") defines the responsibilities of each Party participating in the Innerarity Island Sanitary Sewer System Improvement Project (hereinafter the "Project"), as set forth herein.

ARTICLE 2

Responsibilities of Parties

2.1 The County agrees to ensure that the portion of the sanitary sewer system on Innerarity Island which is to become publicly owned shall be transferred to ECUA upon successful completion of the Project, as defined in this Agreement. Additionally, upon execution of this Agreement, the County shall transfer to ECUA for incorporation in the Project, possession of 63 previously-purchased grinder pump station units which were obtained for that purpose. ECUA shall not become the owner of those grinder pump stations; instead, the County shall designate the addresses at which they will ultimately be installed, and the ownership of which shall thereafter become the respective property owners.

2.2 ECUA shall promptly retain a professional engineering firm to finalize the design of the needed repairs and upgrades to Innerarity Island's sanitary sewer system, as generally described in Exhibit "A", with sufficient specificity for ECUA to publicly advertise and receive bids for the construction of the Project and shall also retain a professional engineering firm to perform construction engineering inspections and assist in managing the Project.

2.3 Thereafter, ECUA shall issue a contract for the construction of those upgrades and repairs. All such work shall be carried out in a reasonably prompt and diligent manner.

2.4 The County agrees to promptly reimburse to ECUA, in accordance with the terms of this Agreement, all of the Costs of the Project in the amount hereinafter set forth in Section 4.1. Those funds shall solely be used on the Project, generally described in Exhibit "A", which is attached hereto and incorporated by reference herein.

2.5 Moreover, upon completion, the County agrees to convey to ECUA ownership of those portions of the sanitary sewer system which are to be publicly owned, as is generally described in Exhibit "A". Thereafter, ECUA shall own, operate and maintain those publicly owned portions of said system. Additionally, upon ECUA's acceptance, Innerarity Island will also become part of ECUA's sewer service area; and the County will execute all documents necessary or convenient to evidence same.

2.6 ECUA is not agreeing to and is under no obligation to financially participate in the Costs of the Project or otherwise financially contribute to the Project. Indeed, the Parties understand and acknowledge that ECUA's participation in this Agreement is at no cost to either ECUA or its ratepayers. However, the Parties acknowledge that ECUA provides substantial benefit to the Project by advancing the

Costs of the Project prior to and subject to reimbursement from the County; overseeing the public advertising, bidding, awarding, and managing of the contracts for both the design and construction of the Project; and otherwise adding benefit to the Project through its expertise in sanitary sewer systems. Given the above, as well as ECUA's donating limited employee time towards the Project, at no time will the County request financial participation on the part of ECUA on the Project. Change orders shall be approved by ECUA and County. No change orders will be approved for completed work. No scope changes will be added to approved design plans without approval of both Parties.

2.7 This Agreement, after being properly executed by the Parties, shall become effective upon filing with the Clerk of the Circuit Court of Escambia County. The County shall be responsible for such filing.

2.8 Subject to any claim of sovereign immunity, each Party to this Agreement shall be fully liable for the acts and omissions of its respective employees and agents in the performance of this Agreement to the extent permitted by law. Furthermore, nothing in this Agreement nor any act of the Parties shall be deemed or construed by the Parties hereto or by any third party to create a relationship of principal and agent, joint venture, business affiliation, or any association whatsoever between ECUA and the County.

2.9 The Parties are not waiving any legal arguments, claims or defenses by participating in this Agreement.

ARTICLE 3 **Contract Time**

3.1 It is anticipated by the Parties that the time for completion of the Project, as generally described in Exhibit "A", shall be within thirty six (36) months from ECUA's issuance of a Notice to Proceed to a selected contractor, absent rain delays or other unforeseen conditions and/or events.

ARTICLE 4 **Compensation and Method of Payment**

4.1 County agrees to reimburse ECUA for the Costs of the Project as generally described in Exhibit "A", including but not necessarily limited to property and equipment costs, engineering and design services, and construction costs, in an amount not to exceed Four Million, Two Hundred Twenty Thousand Dollars (\$4,220,000).¹ In the event that ECUA determines that the estimated Costs of the Project will exceed \$4,220,000 upon the opening of publicly advertised bids for construction of the Project, then either Party may elect to terminate this Agreement and not proceed with construction of the Project. In the event the Project proceeds post

¹ This agreement to reimburse includes Costs of the Project incurred prior to entry into this Agreement as well as after.

bidding and during the course of construction it is learned that the Costs of the Project will exceed \$4,220,000, then the Parties shall meet and decide how to proceed, if at all. If the decision is made by either the County or ECUA not to proceed with the Project, then ECUA shall promptly bring the Project to a close, with the County responsible for all costs associated with terminating and closing the Project. In the event of termination of the Agreement in accordance with this paragraph, ECUA shall be entitled to compensation as set forth in paragraph 8.2, below.

4.2 ECUA may periodically submit invoices to the County for reimbursement of the Costs of the Project, but requests for payment shall not be made more frequently than once a month. The County will promptly reimburse ECUA for its expenditures on the Costs of the Project. Final payment shall be made at or around the time that the property interests and improvements which are to be publicly owned are conveyed to ECUA.

4.3 Upon request, ECUA shall provide to the County copies of any payment documentation and such other financial documents as the County may reasonably require to verify Project costs.

4.4 Invoices and other requests will be sent to:

Escambia County
Attn: Public Works
3363 West Park Place
Pensacola, FL 32505

4.5 Payments and other requests will be sent to:

Emerald Coast Utilities Authority
Keith Fell, P.E.
Manager of Engineering Projects
P.O. Box 15311
9255 Sturdevant Avenue
Pensacola, Florida 32514

ARTICLE 5
Ownership of Improvements and Property

5.1 Title to the improvements specified in Exhibit "A" to be publicly owned shall pass to ECUA as provided herein upon the Contractor's achieving Final Completion of the underlying Work, ECUA's acceptance of the Work, and the entry of a corresponding Court Order. The County shall, upon reasonable notice, have the right to inspect all such work prior to ECUA's acceptance.

5.2 The Parties acknowledge and understand that some of the improvements

to be constructed as part of this Project will not become publicly owned, namely gravity sewer laterals, grinder pump stations, and low pressure sewer laterals. For those facilities constructed as part of this project which are not to be publicly owned, they shall become the property of and owned by the owner of the corresponding properties served by the lateral and/or grinder pump station serving it. The owner of those facilities shall be responsible for operating and maintaining those facilities, except to the extent otherwise provided by the ECUA Code, as it may be amended from time to time by the ECUA Board.

ARTICLE 6
Real Property

6.1 The real property site on which the lift station in Russell Bayou is located, including any necessary expansions thereto, shall be conveyed by the County to ECUA by way of a Deed.

6.2 The County shall cooperate with ECUA in obtaining such easements and rights of way as may be required for successful completion of this work and/or maintenance of sanitary sewer system thereafter.

ARTICLE 7
Force Majeure

7.1 In the event that performance by the Parties of any of its obligations under this Agreement shall be interrupted, delayed, or prevented by any occurrence not occasioned by the conduct of such party, whether such occurrence be an act of God or any other occurrence whatsoever this is beyond the reasonable control of such party, including a change in environmental law or regulation rendering performance impractical or impossible, then such party shall be excused from such performance for such period of time as is reasonably necessary after the occurrence to remedy the effects thereof, or until such performance is no longer impractical or impossible.

ARTICLE 8
General Provisions

8.1 Ownership of Documents: Drawings, specifications, design, models, photographs, reports, surveys, and other data produced by the County in connection with this Agreement are and shall remain the property of the County in connection with this Agreement are and shall remain the property of the County whether the work for which they were made is completed or not. Moreover, drawings, specifications, design, models, photographs, reports, surveys, and other data produced by ECUA or its agents in connection with this Agreement are and shall remain the property of ECUA or its agents whether the work for which they were made is completed or not.

8.2 Termination: In addition to the termination rights articulated in paragraph 4.1, above, this Agreement may be terminated by either the County or ECUA for cause, upon thirty (30) days written notice by the terminating party to the other parties of such termination, in which event ECUA shall be paid compensation for all work performed by it and its contractor/s prior to the termination date, including all reimbursable expenses then due or incurred prior to the date of termination.

8.3 Records: The Parties acknowledge that this Agreement and any related financial records, audits, reports, plans, correspondence, and other documents may be subject to disclosure to members of the public pursuant to Chapter 119, Florida Statutes, as amended. In the event a Party fails to abide by the provisions of Chapter 119, Florida Statutes, another Party may, without prejudice to any right or remedy and after giving that Party, seven (7) calendar days written notice, during which period the Party fails to allow access to such documents, terminate this Agreement. ECUA further agrees to:

- a. Keep and maintain public records required by the County to perform services under this Agreement.
- b. Upon request from the County's custodian of public records, provide the County with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.
- c. Ensure that public records that are exempt or confidential from public records disclosure requirements are not disclosed except as authorized by law during the term of this Agreement and following completion of the Agreement if ECUA does not transfer the records to the County.
- d. Upon completion of the Agreement, transfer, at no cost, to the County all public records in possession of ECUA or keep and maintain public records required by the County to perform the services under this Agreement. If ECUA transfers all public records to the County upon completion of the Agreement, ECUA shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If ECUA keeps and maintains public records upon completion of the Agreement, ECUA shall meet all applicable requirements for retaining the public records. All records stored electronically must be provided to the County, upon request from the County's custodian of public records, in a format that is compatible with the information technology systems of the County.

IF ECUA HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, AS TO ECUA'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS AGREEMENT, CONTACT THE CUSTODIAN OF PUBLIC RECORDS AT: ESCAMBIA COUNTY, OFFICE OF THE COUNTY ADMINISTRATOR, 221 PALAFOX PLACE, SUITE 420, PENSACOLA, FLORIDA 32502, (850) 595-4947.

8.4 Assignment: This Agreement or any interest herein, shall not be assigned, transferred, or otherwise encumbered, under any circumstances, by any Party, without the prior written consent of all other Parties.

8.5 Headings: Headings and subtitles used throughout this Agreement are for the purpose of convenience only, and no heading or subtitle shall modify or be used to interpret the text of any section.

8.6 Governing Law: This Agreement shall be governed by and construed in accordance with the laws of the State of Florida, and the Parties stipulate that venue for any matter which is the subject of this Agreement shall lie in Escambia County, Florida.

8.7 Interpretation: For the purpose of this Agreement, the singular includes the plural and the plural shall include the singular. References to statutes or regulations include all statutory or regulatory provisions consolidating, amending, or replacing the statute or regulation referred to. Words not otherwise defined that have well-known technical or industry meanings are used in accordance with such recognized meanings. References to persons include their respective permitted successors and assigns and, in the case of governmental persons, persons succeeding to their respective functions and capacities.

(a) If any Party discovers any material discrepancy, deficiency, ambiguity, error, or omission in this Agreement, or is otherwise in doubt as to the meaning of any provision of the Agreement, the Party shall immediately notify all other Parties and request clarification of this Agreement.

(b) This Agreement shall not be more strictly construed against any party hereto by reason of the fact that one Party may have drafted or prepared any or all of the terms and provisions hereof.

8.8 Severability: The invalidity or non-enforceability of any portion or provision of this Agreement shall not affect the validity or enforceability of any other portion or provision. Any invalid or unenforceable portion or provision shall be deemed severed from this Agreement and the balance hereof shall be construed and enforced as if it did not contain such invalid or unenforceable portion or provision.

8.9 Further Documents: The parties shall execute and deliver all documents and perform further actions that may reasonably be necessary to effectuate the provisions of this Agreement.

8.10 No Waiver: The failure of a Party to insist upon the strict performance of the terms and conditions hereof shall not constitute or be construed as a waiver or relinquishment of any other provision or of either Party's right to thereafter enforce the same in accordance with this Agreement.

8.11 All Prior Agreements Superseded: This document incorporates and includes all prior negotiations, correspondence, conversations, agreements, or understandings applicable to the matters contained herein, and the Parties agree that there are no commitments, agreements, or understandings concerning the subject

matter of this Agreement that are not contained in this document. Accordingly, it is agreed that no deviation from the terms hereof shall be predicated upon any prior representations or Agreements whether oral or written. It is further agreed that no modification, amendment, or alteration in the terms and conditions contained herein shall be effective unless contained in a written document executed with the same formality and of equal dignity herewith.

IN WITNESS WHEREOF, the Parties hereto have made and executed this Agreement on the respective dates under each signature: Escambia County through its Board of County Commissioners, signing by and through its Chairman, duly authorized to execute same by Board action on the 17th day of May, 2018 and Emerald Coast Utilities Authority, by and through its Chairman, duly authorized to execute same.

ESCAMBIA COUNTY, FLORIDA, a political subdivision of the State of Florida acting by and through its duly authorized Board of County Commissioners,

By: [Signature]
Jeff Bergosh, Chairman

Date: 5/17/2018

This document approved as to form and legal sufficiency.

By: [Signature]
Title: Asst. County Attorney
Date: May 3, 2018

EMERALD COAST UTILITIES AUTHORITY, a local governmental body, corporate and politic.

By: [Signature]
Lois Benson, Chairman

Date: 5-24-2018

ATTEST: Pam Childers
Clerk of the Circuit Court

By: [Signature]
Deputy Clerk



ATTEST:

By: [Signature]
Secretary

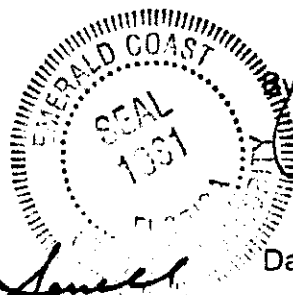


EXHIBIT "A"
Innerarity Island – Sewer System Improvements

Scope of Work

Project Location: The project is located on Innerarity Island in Escambia County, Florida (hereinafter referred to as the "Island").

General Project Description: Sanitary sewer system improvements would consist primarily of the construction of a low pressure sewer system to replace most of the gravity collection on the Island, leaving in service only the relatively new gravity sewer collection system in the Russell Bayou area. No gravity laterals, grinder pump stations, or small diameter force mains (a/k/a sewer laterals) will become owned by ECUA; instead, they will be owned by the corresponding property owner/s. Other improvements associated with this project, as well as certain existing sewer infrastructure, including utility easements, however, are to become the property of the Emerald Coast Utilities Authority (ECUA), as generally described below.

Anticipated upgrades to the Russell Bayou sewer collection system:

- 1.) Replace electrical control system at the Russell Bayou Lift Station with a panel and wiring system which complies with ECUA's design standards, including but not limited to the installation of a SCADA system with antenna. The bottom of the new panel shall be a minimum elevation of 10' above sea level.
- 2.) Power to the Russell Bayou Lift Station shall be reviewed and upgraded, as necessary, in order to comply with Gulf Power's minimum requirements as well as ECUA's standards.
- 3.) Replace the existing wet well with one of sufficient size to meet ECUA and Florida Department of Environmental Protection requirements, including but not limited to capacity to handle operational flows at full build-out with required and adequate holding times.
- 4.) Raise top of the wet well of the Russell Bayou Lift Station to an elevation of at least 7 feet above sea level.
- 5.) Install guide rails at the Russell Bayou Lift Station for pump removal and such other facilities as may be necessary to facilitate pump removal, such as base plate and elbows.
- 6.) Install water-proof wet well hatch which is compatible with the guide rails and other facilities to be installed to facilitate pump removal.
- 7.) Replace wet well piping at the Russell Bayou Lift Station with stainless steel piping, and install above-grade valve system in accordance with ECUA standards and practices.
- 8.) Replace approximately 450 linear feet of insufficiently sloped gravity sewer in the Russell Bayou area.
- 9.) Install manhole lid inserts to control infiltration in the Russell Bayou area.
- 10.) The lift station site shall be expanded, and site lighting, fencing, access, and the gate to the lift station will be altered/improved as necessary in order to conform to ECUA standards and practices.

Anticipated infrastructure and related installations in the North Shore Drive area:

- 1.) There are properties in the North Shore Drive area (which is hereby defined as 43 lots along North Shore Drive and 10 additional lots fronting Innerarity Point Road) which do not presently have sewer service. Accordingly, as part of this project, a large-diameter low pressure sewer force main shall be designed and installed so as to be capable of serving the properties in the North Shore Drive area in the event the owners of these properties desire to connect at some future time. The sewer force main will either directly or indirectly connect to existing ECUA Lift Station 380.
- 2.) In addition to the installation of this sewer force main, sewer laterals from the force main will be installed to the right-of-way line along the road fronting the parcels in the North Shore Drive area. No parcels in the North Shore Drive area will be connected to the sewer system as part of this project, however. Moreover, no grinder pumps will be provided for any parcel in the North Shore Drive area as part of this project.
- 3.) The design of the low pressure sewer system for the North Shore Drive area will comply with all applicable Florida Department of Environmental Protection regulations and guidelines. Although the sewer force main shall be owned by ECUA, no portion of the sewer laterals from that force main shall be owned by ECUA. Instead, those sewer laterals shall be owned by the corresponding property owner/s.

Anticipated upgrades to the remainder of the Island's sewer system:

For the remainder of the Island, i.e., for those portions of Innerarity Island outside of the Russell Bayou area and outside the North Shore Drive area, the existing gravity sewer system shall be abandoned and replaced by a low pressure sewer system generally described as follows:

- 1.) Approximately 30,000 linear feet of sewer force mains of appropriate size, which shall ultimately become the property of ECUA.
- 2.) Isolation and maintenance valves on the force main, which shall become owned by ECUA, to be installed at the appropriate distances approximately 1,000 feet apart, as determined by ECUA in consultation with its consultant Engineer.
- 3.) Approximately 150 grinder pump stations with associated valves and sewer laterals, which shall be owned by the corresponding property owner/s.
- 4.) The design of the low pressure sewer system on the Island will comply with all applicable Florida Department of Environmental Protection regulations and guidelines. The low pressure sewer system will either directly or indirectly connect to existing ECUA lift station 380.

The quantities described above are based on conceptual designs and are subject to change. All facilities are to be designed and constructed in accordance with the ECUA Engineering Manual.

DEP AGREEMENT NO. S0878

**STATE OF FLORIDA
DEPARTMENT OF ENVIRONMENTAL PROTECTION
DIVISION OF WATER RESTORATION ASSISTANCE
GRANT AGREEMENT
PURSUANT TO LINE ITEM 1662A OF THE FY15-16 GENERAL APPROPRIATIONS
ACT**

THIS AGREEMENT is entered into between the STATE OF FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION, whose address is 3900 Commonwealth Boulevard, Tallahassee, Florida 32399-3000 (hereinafter referred to as the "Department") and ESCAMBIA COUNTY, whose address is 221 Palafox Place, Suite 420, Pensacola, Florida 32502 (hereinafter referred to as "Grantee"), a local government, to provide financial assistance for the Escambia County Innerarity Water and Sewer Upgrade project. Collectively, the Department and the Grantee shall be referred to as "Parties" or individually as a "Party".

In consideration of the mutual benefits to be derived herefrom, the Department and the Grantee do hereby agree as follows:

1. TERMS OF AGREEMENT:

The Grantee does hereby agree to perform in accordance with the terms and conditions set forth in this Agreement, **Attachment A. Grant Work Plan**, and all attachments and exhibits named herein which are attached hereto and incorporated by reference. For purposes of this Agreement, the terms "Grantee" and "Recipient" are used interchangeably.

2. PERIOD OF AGREEMENT:

This Agreement shall begin upon execution by both parties and shall remain in effect until June 30, 2018, inclusive. The Grantee shall be eligible for reimbursement for work performed on or after July 1, 2015 through the expiration date of this Agreement. This Agreement may be amended to provide for additional services if additional funding is made available by the Legislature.

3. FUNDING/CONSIDERATION/INVOICING:

- A. As consideration for the satisfactory completion of services rendered by the Grantee under the terms of this Agreement, the Department shall pay the Grantee on a cost reimbursement basis up to a maximum of \$1,000,000. It is understood that any additional funds necessary for the completion of this project are the responsibility of the Grantee. The parties hereto understand and agree that this Agreement does not require a match on the part of the Grantee.

- B. Prior written approval from the Department's Grant Manager shall be required for changes to this Agreement. Changes to approved budget categories within a single deliverable that are less than 10% of the total approved deliverable budget amount will require a formal Change Order to the Agreement. Changes that are 10% or greater of the total approved deliverable budget amount, or changes that transfer funds from one deliverable to another deliverable, or changes that increase or decrease the project's total funding amount will require a formal Amendment to the Agreement.
- C. The Grantee shall be reimbursed on a cost reimbursement basis for all eligible project costs upon the completion, submittal and approval of each deliverable identified in **Attachment A**, in accordance with the schedule therein. Reimbursement shall be requested utilizing **Attachment B, Payment Request Summary Form**. To be eligible for reimbursement, costs must be in compliance with laws, rules and regulations applicable to expenditures of State funds, including, but not limited to, the Reference Guide for State Expenditures, which can be accessed at the following web address: http://www.myfloridacfo.com/aadir/reference_guide/. All invoices for amounts due under this Agreement shall be submitted in detail sufficient for a proper pre-audit and post-audit thereof. A final payment request should be submitted to the Department no later than sixty (60) calendar days following the completion date of the Agreement, to assure the availability of funds for payment. All work performed pursuant to **Attachment A** must be performed on or before the completion date of the Agreement, and the subsequent sixty-day period merely allows the Grantee to finalize invoices and backup documentation to support the final payment request.
- D. The State Chief Financial Officer requires detailed supporting documentation of all costs under a cost reimbursement agreement. The Grantee shall comply with the minimum requirements set forth in **Attachment C, Contract Payment Requirements**. The Payment Request Summary Form shall be accompanied by supporting documentation and other requirements as follows for each deliverable:
 - i. Contractual (Subcontractors) – Reimbursement requests for payments to subcontractors must be substantiated by copies of invoices with backup documentation identical to that required from the Grantee. Subcontracts which involve payments for direct salaries shall clearly identify the personnel involved, salary rate per hour, and hours spent on the project. All multipliers used (i.e., fringe benefits, overhead, indirect, and/or general and administrative rates) shall be supported by audit. If the Department determines that multipliers charged by any subcontractor exceeded the rates supported by audit, the Grantee shall be required to reimburse such funds to the Department within thirty (30) calendar days of written notification. Interest on the excessive charges shall be calculated based on the prevailing rate used by the State Board of Administration. For fixed-price (vendor) subcontracts, the following provisions shall apply:

- a. The Grantee may award, on a competitive basis, fixed-price subcontracts to consultants/contractors in performing the work described in **Attachment A**. Invoices submitted to the Department for fixed-price subcontracted activities shall be supported with a copy of the subcontractor's invoice and a copy of the tabulation form for the competitive procurement process (i.e., Invitation to Bid or Request for Proposals) resulting in the fixed-price subcontract.
 - b. The Grantee may request approval from the Department to award a fixed-price subcontract resulting from procurement methods other than those identified in the paragraph above. In this instance, the Grantee shall request the advance written approval from the Department's Grant Manager of the fixed price negotiated by the Grantee. The letter of request shall be supported by a detailed budget and Scope of Services to be performed by the subcontractor. Upon receipt of the Department Grant Manager's approval of the fixed-price amount, the Grantee may proceed in finalizing the fixed-price subcontract.
 - c. All subcontracts are subject to the provisions of paragraph 12 and any other appropriate provisions of this Agreement which affect subcontracting activities.
- E. In addition to the invoicing requirements contained in paragraphs 3.C. and D. above, the Department will periodically request proof of a transaction (invoice, payroll register, etc.) to evaluate the appropriateness of costs to the Agreement pursuant to State and Federal guidelines (including cost allocation guidelines), as appropriate. This information, when requested, must be provided within thirty (30) calendar days of such request. The Grantee may also be required to submit a cost allocation plan to the Department in support of its multipliers (overhead, indirect, general administrative costs, and fringe benefits). State guidelines for allowable costs can be found in the Department of Financial Services' Reference Guide for State Expenditures at http://www.myfloridacfo.com/aadir/reference_guide/.
- F. i. The accounting systems for all Grantees must ensure that these funds are not commingled with funds from other agencies. Funds from each agency must be accounted for separately. Grantees are prohibited from commingling funds on either a program-by-program or a project-by-project basis. Funds specifically budgeted and/or received for one project may not be used to support another project. Where a Grantee's, or subrecipient's, accounting system cannot comply with this requirement, the Grantee, or subrecipient, shall establish a system to provide adequate fund accountability for each project it has been awarded.
- ii. If the Department finds that these funds have been commingled, the Department shall have the right to demand a refund, either in whole or in

part. of the funds provided to the Grantee under this Agreement for non-compliance with the material terms of this Agreement. The Grantee, upon such written notification from the Department shall refund, and shall forthwith pay to the Department, the amount of money demanded by the Department. Interest on any refund shall be calculated based on the prevailing rate used by the State Board of Administration. Interest shall be calculated from the date(s) the original payment(s) are received from the Department by the Grantee to the date repayment is made by the Grantee to the Department.

- iii. In the event that the Grantee recovers costs, incurred under this Agreement and reimbursed by the Department, from another source(s), the Grantee shall reimburse the Department for all recovered funds originally provided under this Agreement. Interest on any refund shall be calculated based on the prevailing rate used by the State Board of Administration. Interest shall be calculated from the date(s) the payment(s) are recovered by the Grantee to the date repayment is made to the Department by the Grantee.

4. **ANNUAL APPROPRIATION:**

The State of Florida's performance and obligation to pay under this Agreement is contingent upon an annual appropriation by the Legislature. The parties hereto understand that this Agreement is not a commitment of future appropriations. Authorization for continuation and completion of work and payment associated therewith may be rescinded with proper notice at the discretion of the Department if Legislative appropriations are reduced or eliminated.

5. **REPORTS:**

- A. The Grantee shall utilize **Attachment D, Progress Report Form**, to describe the work performed during the reporting period, problems encountered, problem resolution, schedule updates and proposed work for the next reporting period. Quarterly reports shall be submitted to the Department's Grant Manager no later than twenty (20) calendar days following the completion of the quarterly reporting period. It is hereby understood and agreed by the parties that the term "quarterly" shall reflect the calendar quarters ending March 31, June 30, September 30 and December 31. The Department's Grant Manager shall have thirty (30) calendar days to review the required reports and deliverables submitted by the Grantee.
- B. As stated in the letter dated July 17, 2015 from the Office of the Governor, the Grantee will identify the return on investment for this project and provide quarterly updates to the Governor's Office of Policy and Budget.

6. **RETAINAGE:**

Retainage is not required under this Agreement.

7. **INDEMNIFICATION:**

Each party hereto agrees that it shall be solely responsible for the negligent or wrongful acts of its employees and agents. However, nothing contained herein shall constitute a waiver by either party of its sovereign immunity or the provisions of Section 768.28, Florida Statutes. Further, nothing herein shall be construed as consent by a state agency or subdivision of the State of Florida to be sued by third parties in any matter arising out of any contract or this Agreement.

8. **DEFAULT/TERMINATION/FORCE MAJEURE:**

- A. The Department may terminate this Agreement at any time if any warranty or representation made by Grantee in this Agreement or in its application for funding shall at any time be false or misleading in any respect, or in the event of the failure of the Grantee to fulfill any of its obligations under this Agreement. Prior to termination, the Department shall provide thirty (30) calendar days written notice of its intent to terminate and shall provide the Grantee an opportunity to consult with the Department regarding the reason(s) for termination.
- B. The Department may terminate this Agreement for convenience by providing the Grantee with thirty (30) calendar day's written notice. If the Department terminates the Agreement for convenience, the Department shall notify the Grantee of such termination, with instructions as to the effective date of termination or specify the stage of work at which the Agreement is to be terminated. If the Agreement is terminated before performance is completed, the Grantee shall be paid only for that work satisfactorily performed for which costs can be substantiated.
- C. Records made or received in conjunction with this Agreement are public records. This Agreement may be unilaterally canceled by the Department for unlawful refusal by the Grantee to allow public access to all documents, papers, letters, or other material made or received by the Grantee in conjunction with this Agreement and subject to disclosure under Chapter 119, Florida Statutes (F.S.), and Section 24(a), Article I, Florida Constitution.
- D. If a force majeure occurs that causes delays or the reasonable likelihood of delay in the fulfillment of the requirements of this Agreement, the Grantee shall promptly notify the Department orally. Within seven (7) calendar days, the Grantee shall notify the Department in writing of the anticipated length and cause of the delay, the measures taken or to be taken to minimize the delay and the Grantee's intended timetable for implementation of such measures. If the parties agree that the delay or anticipated delay was caused, or will be caused by a force majeure, the Department may, at its discretion, extend the time for performance under this Agreement for a period of time equal to the delay resulting from the force majeure upon execution of an amendment to this Agreement. Such agreement shall be confirmed by letter from the Department accepting, or if necessary, modifying the

extension. A force majeure shall be an act of God, strike, lockout, or other industrial disturbance, act of the public enemy, war, blockade, public riot, lightning, fire, flood, explosion, failure to receive timely necessary third party approvals through no fault of the Grantee, and any other cause, whether of the kind specifically enumerated herein or otherwise, that is not reasonably within the control of the Grantee and/or the Department. The Grantee is responsible for the performance of all services issued under this Agreement. Failure to perform by the Grantee's consultant(s) or subcontractor(s) shall not constitute a force majeure event.

9. **REMEDIES/FINANCIAL CONSEQUENCES:**

No payment will be made for deliverables deemed unsatisfactory by the Department. In the event that a deliverable is deemed unsatisfactory by the Department, the Grantee shall re-perform the services needed for submittal of a satisfactory deliverable, at no additional cost to the Department, within ten (10) calendar days of being notified of the unsatisfactory deliverable. If a satisfactory deliverable is not submitted within the specified timeframe, the Department may, in its sole discretion, either: 1) terminate this Agreement for failure to perform, or 2) the Department Grant Manager may, by letter specifying the failure of performance under this Agreement, request that a proposed Corrective Action Plan (CAP) be submitted by the Grantee to the Department. All CAPs must be able to be implemented and performed in no more than sixty (60) calendar days.

- A. A CAP shall be submitted within ten (10) calendar days of the date of the letter request from the Department. The CAP shall be sent to the Department Grant Manager for review and approval. Within ten (10) calendar days of receipt of a CAP, the Department shall notify the Grantee in writing whether the CAP proposed has been accepted. If the CAP is not accepted, the Grantee shall have ten (10) calendar days from receipt of the Department letter rejecting the proposal to submit a revised proposed CAP. Failure to obtain the Department approval of a CAP as specified above shall result in the Department's termination of this Agreement for cause as authorized in this Agreement.
- B. Upon the Department's notice of acceptance of a proposed CAP, the Grantee shall have ten (10) calendar days to commence implementation of the accepted plan. Acceptance of the proposed CAP by the Department does not relieve the Grantee of any of its obligations under the Agreement. In the event the CAP fails to correct or eliminate performance deficiencies by Grantee, the Department shall retain the right to require additional or further remedial steps, or to terminate this Agreement for failure to perform. No actions approved by the Department or steps taken by the Grantee shall preclude the Department from subsequently asserting any deficiencies in performance. The Grantee shall continue to implement the CAP until all deficiencies are corrected. Reports on the progress of the CAP will be made to the Department as requested by the Department Grant Manager.

- C. Failure to respond to a Department request for a CAP or failure to correct a deficiency in the performance of the Agreement as specified by the Department may result in termination of the Agreement.

The remedies set forth above are not exclusive and the Department reserves the right to exercise other remedies in addition to or in lieu of those set forth above, as permitted by the Agreement.

10. **RECORD KEEPING/AUDIT:**

- A. The Grantee shall maintain books, records and documents directly pertinent to performance under this Agreement in accordance with United States generally accepted accounting principles (US GAAP) consistently applied. The Department, the State, or their authorized representatives shall have access to such records for audit purposes during the term of this Agreement and for five (5) years following the completion date or termination of the Agreement. In the event any work is subcontracted, the Grantee shall similarly require each subcontractor to maintain and allow access to such records for audit purposes.
- B. The Grantee understands its duty, pursuant to Section 20.055(5), F.S., to cooperate with the Department's Inspector General in any investigation, audit, inspection, review, or hearing. The Grantee will comply with this duty and ensure that its subcontracts issued under this Grant, if any, impose this requirement, in writing, on its subcontractors.

11. **SPECIAL AUDIT REQUIREMENTS:**

- A. In addition to the requirements of the preceding paragraph, the Grantee shall comply with the applicable provisions contained in **Attachment E, Special Audit Requirements**, attached hereto and made a part hereof. **Exhibit 1 to Attachment E** summarizes the funding sources supporting the Agreement for purposes of assisting the Grantee in complying with the requirements of **Attachment E**. A revised copy of **Exhibit 1** must be provided to the Grantee for each amendment which authorizes a funding increase or decrease. If the Grantee fails to receive a revised copy of **Exhibit 1**, the Grantee shall notify the Department's Grant Manager to request a copy of the updated information.
- B. The Grantee is hereby advised that the Federal and/or Florida Single Audit Act Requirements may further apply to lower tier transactions that may be a result of this Agreement. The Grantee shall consider the type of financial assistance (federal and/or state) identified in **Attachment E, Exhibit 1** when making its determination. For federal financial assistance, the Grantee shall utilize the guidance provided under OMB Circular A-133, Subpart B, Section ___.210 for determining whether the relationship represents that of a subrecipient or vendor. For state financial assistance, the Grantee shall utilize the form entitled "Checklist for Nonstate Organizations Recipient/Subrecipient vs. Vendor Determination" (form number

DFS-A2-NS) that can be found under the "Links/Forms" section appearing at the following website:

<https://apps.fldfs.com/fsaa>

The Grantee should confer with its chief financial officer, audit director or contact the Department for assistance with questions pertaining to the applicability of these requirements.

12. SUBCONTRACTS:

- A. The Grantee may subcontract work under this Agreement without the prior written consent of the Department's Grant Manager except for certain fixed-price subcontracts pursuant to paragraph 3.D. of this Agreement, which require prior approval. The Grantee shall submit a copy of the executed subcontract to the Department prior to submitting any invoices for subcontracted work. Regardless of any subcontract, the Grantee is ultimately responsible for all work to be performed under this Agreement. The Grantee agrees to be responsible for the fulfillment of all work elements included in any subcontract and agrees to be responsible for the payment of all monies due under any subcontract. It is understood and agreed by the Grantee that the Department shall not be liable to any subcontractor for any expenses or liabilities incurred under the subcontract and that the Grantee shall be solely liable to the subcontractor for all expenses and liabilities incurred under the subcontract.
- B. The Department of Environmental Protection supports diversity in its procurement program and requests that all subcontracting opportunities afforded by this Agreement embrace diversity enthusiastically. The award of subcontracts should reflect the full diversity of the citizens of the State of Florida. A list of minority owned firms that could be offered subcontracting opportunities may be obtained by contacting the Office of Supplier Diversity at (850) 487-0915.

13. PROHIBITED LOCAL GOVERNMENT CONSTRUCTION PREFERENCES:

- A. Pursuant to Section 255.0991, F.S., for a competitive solicitation for construction services in which 50 percent or more of the cost will be paid from state-appropriated funds which have been appropriated at the time of the competitive solicitation, a state, college, county, municipality, school district, or other political subdivision of the state may not use a local ordinance or regulation that provides a preference based upon:
 - i. The contractor's maintaining an office or place of business within a particular local jurisdiction; or
 - ii. The contractor's hiring employees or subcontractors from within a particular local jurisdiction; or

iii. The contractor's prior payment of local taxes, assessments, or duties within a particular local jurisdiction,

B. For any competitive solicitation that meets the criteria in Paragraph A., a state college, county, municipality, school district, or other political subdivision of the state *shall disclose in the solicitation document* that any applicable local ordinance or regulation does not include any preference that is prohibited by Paragraph A.

14. LOBBYING PROHIBITION:

In accordance with Section 216.347, F.S., the Grantee is hereby prohibited from using funds provided by this Agreement for the purpose of lobbying the Legislature, the judicial branch or a state agency. Further, in accordance with Section 11.062, F.S., no state funds, exclusive of salaries, travel expenses, and per diem, appropriated to, or otherwise available for use by, any executive, judicial, or quasi-judicial department shall be used by any state employee or other person for lobbying purposes.

15. COMPLIANCE WITH LAW:

The Grantee shall comply with all applicable federal, state and local rules and regulations in providing services to the Department under this Agreement. The Grantee acknowledges that this requirement includes, but is not limited to, compliance with all applicable federal, state and local health and safety rules and regulations. The Grantee further agrees to include this provision in all subcontracts issued as a result of this Agreement.

16. NOTICE:

All notices and written communication between the parties shall be sent by electronic mail, U.S. Mail, a courier delivery service, or delivered in person. Notices shall be considered delivered when reflected by an electronic mail read receipt, a courier service delivery receipt, other mail service delivery receipt, or when receipt is acknowledged by recipient.

17. CONTACTS:

The Department's Grant Manager (which may also be referred to as the Department's Project Manager) for this Agreement is identified below:

Mahnaz Massoudi	
Florida Department of Environmental Protection	
Division of Water Restoration Assistance	
3900 Commonwealth Blvd., MS#3505	
Tallahassee, Florida 32399	
Telephone No.:	850-245-2960
E-mail Address:	Mahnaz.Massoudi@dep.state.fl.us

The Grantee's Grant Manager for this Agreement is identified below:

Jack Brown	
Escambia County	
221 Palafox Place, Suite 420	
Pensacola, Florida 32502	
Telephone No.:	850-595-4947
E-mail Address:	Jack.Brown@myescambia.com

18. INSURANCE:

To the extent required by law, the Grantee will secure and maintain insurance coverages in the amounts and categories specified below, during the life of this Agreement. The Grantee shall provide documentation of any private insurance or self-insurance, as may be applicable to governmental entities, to the Department's Grant Manager *prior to* performance of any work pursuant to this Agreement.

- A. The Grantee shall secure and maintain Workers' Compensation Insurance for all of its employees connected with the work of this project and, in case any work is subcontracted, the Grantee shall require the subcontractor similarly to provide Workers' Compensation Insurance for all of its employees unless such employees are covered by the protection afforded by the Grantee. Any self-insurance program or insurance coverage shall comply fully with the Florida Workers' Compensation law. In case any class of employees engaged in hazardous work under this Agreement is not protected under Workers' Compensation statutes, the Grantee shall provide, and cause each subcontractor to provide, adequate insurance satisfactory to the Department, for the protection of its employees not otherwise protected.
- B. The Grantee shall secure and maintain, and ensure that any of its subcontractors similarly secure and maintain, Commercial General Liability insurance including bodily injury and property damage. The minimum limits of liability shall be \$200,000 each individual's claim and \$300,000 each occurrence. This insurance will provide coverage for all claims that may arise from the services and/or operations completed under this Agreement, whether such services and/or operations are by the Grantee or any of its subcontractors. Such insurance shall include the State of Florida, the Department, and the State of Florida Board of Trustees of the Internal Improvement Trust Fund, as Additional Insureds for the entire length of the Agreement.
- C. The Grantee shall secure and maintain, and ensure that any of its subcontractors similarly secure and maintain, Commercial Automobile Liability insurance for all claims which may arise from the services and/or operations under this Agreement, whether such services and/or operations are by the Grantee or any of its subcontractors. Such insurance shall include the State of Florida, the Department,

and the State of Florida Board of Trustees of the Internal Improvement Trust Fund, as Additional Insureds for the entire length of the Agreement. The minimum limits of liability shall be as follows:

\$300,000 Automobile Liability Combined Single Limit for Company-Owned Vehicles, if applicable

\$300,000 Hired and Non-owned Automobile Liability Coverage

- D. If any work proceeds over or adjacent to water, the Grantee shall secure and maintain, as applicable, any other type of required insurance, including but not limited to Jones Act, Longshoreman's and Harbormaster's, or the inclusion of any applicable rider to worker's compensation insurance, and any necessary watercraft insurance, with limits of not less than \$300,000 each. In addition, the Grantee shall include these requirements in any sub grant or subcontract issued for the performance of the work specified in **Attachment A, Grant Work Plan**. Questions concerning required coverage should be directed to the U.S. Department of Labor (<http://www.dol.gov/owcp/dlhwc/lscntac.htm>) or to the parties' insurance carriers.
- E. All insurance policies shall be with insurers licensed or eligible to do business in the State of Florida. The Grantee's current certificate of insurance shall contain a provision that the insurance will not be canceled for any reason except after thirty (30) calendar days' written notice (with the exception of non-payment of premium which requires a 10-calendar-day notice) to the Department's Procurement Administrator. In addition, the Grantee shall include these requirements in any sub grant or subcontract issued for the performance of the work specified in **Attachment A, Grant Work Plan**.
- F. If the Grantee is a Florida governmental entity that is self-funded for liability insurance, this paragraph 18.F. supersedes 18.A. through E., above.

Grantee warrants and represents that it is self-funded for liability insurance, appropriate and allowable under Florida law, and that such self-insurance offers protection applicable to the Grantee's officers, employees, servants and agents while acting within the scope of their employment with the Grantee.

19. CONFLICT OF INTEREST:

The Grantee covenants that it presently has no interest and shall not acquire any interest which would conflict in any manner or degree with the performance of services required.

20. EQUIPMENT:

Reimbursement for equipment purchases costing \$1,000 or more is not authorized under the terms and conditions of this Agreement.

21. CHANGE ORDERS:

The Department may at any time, by written Change Order, make any change in the Grant Manager information, task timelines within the current authorized Agreement period, or make changes that are less than 10% of the total approved deliverable budget (per Paragraph 3). All Change Orders are subject to the mutual agreement of both parties as evidenced in writing. Any change which causes an increase or decrease in the Agreement amount, expiration date of the Agreement, or deliverable costs that are equal to or greater than 10% of the total approved deliverable budget (per Paragraph 3), shall require formal Amendment to this Agreement.

22. UNAUTHORIZED EMPLOYMENT:

The employment of unauthorized aliens by any Grantee/subcontractor is considered a violation of Section 274A(e) of the Immigration and Nationality Act. If the Grantee/subcontractor knowingly employs unauthorized aliens, such violation shall be cause for unilateral cancellation of this Agreement. The Grantee shall be responsible for including this provision in all subcontracts with private organizations issued as a result of this Agreement.

23. RESERVED:

24. DISCRIMINATION:

- A. No person, on the grounds of race, creed, color, religion, national origin, age, gender, or disability, shall be excluded from participation in; be denied the proceeds or benefits of; or be otherwise subjected to discrimination in performance of this Agreement.
- B. An entity or affiliate who has been placed on the discriminatory vendor list pursuant to section 287.134, F.S., may not submit a bid on a contract to provide goods or services to a public entity, may not submit a bid on a contract with a public entity for the construction or repair of a public building or public work, may not submit bids on leases of real property to a public entity, may not award or perform work as a contractor, supplier, subcontractor, or consultant under contract with any public entity, and may not transact business with any public entity. The Florida Department of Management Services is responsible for maintaining the discriminatory vendor list and posts the list on its website. Questions regarding the discriminatory vendor list may be directed to the Florida Department of Management Services, Office of Supplier Diversity, at (850) 487-0915.

25. LAND ACQUISITION:

Land acquisition is not authorized under the terms of this Agreement.

26. PHYSICAL ACCESS AND INSPECTION:

As applicable, Department personnel shall be given access to and may observe and inspect work being performed under this Agreement, including by any of the following methods:

- A. Grantee shall provide access to any location or facility on which Grantee is performing work, or storing or staging equipment, materials or documents; and
- B. Grantee shall permit inspection of any facility, equipment, practices, or operations required in performance of any work pursuant to this Agreement; and
- C. Grantee shall allow and facilitate sampling and monitoring of any substances, soils, materials or parameters at any location reasonable or necessary to assure compliance with any work or legal requirements pursuant to this Agreement.

27. EXECUTION IN COUNTERPARTS:

This Agreement may be executed in two or more counterparts, each of which together shall be deemed an original, but all of which together shall constitute one and the same instrument. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a ".pdf" format data file, such signature shall create a valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

28. SEVERABILITY CLAUSE:

This Agreement has been delivered in the State of Florida and shall be construed in accordance with the laws of Florida. Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision of this Agreement shall be prohibited or invalid under applicable law, such provision shall be ineffective to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement. Any action hereon or in connection herewith shall be brought in Leon County, Florida.

29. ENTIRE AGREEMENT:

This Agreement represents the entire agreement of the parties. Any alterations, variations, changes, modifications or waivers of provisions of this Agreement shall only be valid when they have been reduced to writing, duly signed by each of the parties hereto, and attached to the original of this Agreement, unless otherwise provided herein.

IN WITNESS WHEREOF, the parties have caused this Agreement to be duly executed, the day and year last written below.

ESCAMBIA COUNTY

STATE OF FLORIDA DEPARTMENT OF
ENVIRONMENTAL PROTECTION

By: 
Chairman* **Grover C. Robinson, IV**

By: 
Secretary or Designee

Date: 2/18/2016

Date: 3/8/16

FEID No.:59-6000598


Mahanaz Massoudi, DEP Grant Manager

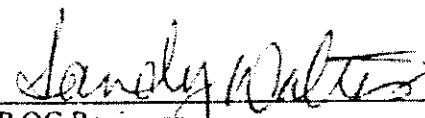
ATTEST: PAM CHILDERS

CLERK OF THE CIRCUIT COURT

BY: 
DEPUTY CLERK



Approved as to form and legal
sufficiency.

By: 
DEP QC Reviewer

By/Title: 
Date: 2/19/16

*For Agreements with governmental boards/commissions: If someone other than the Chairman signs this Agreement, a resolution, statement or other document authorizing that person to sign the Agreement on behalf of the Grantee must accompany the Agreement.

List of attachments/exhibits included as part of this Agreement:

Specify Type	Letter/ Number	Description (include number of pages)
Attachment	A	Grant Work Plan (4 Pages)
Attachment	B	Payment Request Summary Form (3 Pages)
Attachment	C	Contract Payment Requirements (1 Page)
Attachment	D	Progress Report Form (1 Page)
Attachment	E	Special Audit Requirements (5 Pages)

REPLACEMENT BACKUP – ATTACHMENT A
CAR II-21
BCC: 02-18-2016

**ATTACHMENT A
GRANT WORK PLAN**

PROJECT TITLE: Escambia County Innerarity Water and Sewer Upgrade

PROJECT AUTHORITY: Escambia County (Grantee) received funding from the Florida Legislature in the amount of \$1,000,000 through Specific Appropriation Line Item No. 1662A, Fiscal Year (FY) 2015 – 2016, General Appropriations Act. The Grantee received this funding for the purpose of evaluating the current water and wastewater system and design upgrades. Monitoring and auditing guidelines, as related to the Florida Single Audit Act, are specified in the Florida Catalog of State Financial Assistance (CSFA), No. 37.039.

PROJECT LOCATION: The Project will be located on Innerarity Island in Escambia County, Florida. See Figures 1 and 2 for a location map and site plan.

PROJECT BACKGROUND: The Innerarity Island Development Corporation (IIDC) provided water and wastewater service to the residents of Innerarity Island in southwestern Escambia County. IIDC purchased water from the Emerald Coast Utilities Authority (ECUA) and resold it to the residents. Wastewater is currently collected in a gravity sewer system and conveyed via a system of lift stations and force mains to ECUA lift station No. 380. Wastewater is metered at the discharge of the lift station before leaving the island. The wastewater is metered and billed independently of the potable water. Water and sewer services provided in the past by IIDC were subject to regulation by the Public Service Commission of the State of Florida.

On January 27, 2014, the Innerarity Island Development Corporation formally filed a note of abandonment pursuant to Florida Statute 367.165(1), and on March 21, 2014 the First Judicial Circuit Court ordered the Grantee to become the receiver of this now abandoned water and wastewater utility system. However, not only is long term ownership and maintenance outside of the capabilities of the County, the County also has no statutory authority to own and operate a water and wastewater system due to the Enabling Act of the ECUA. An agreement in principal has been reached between ECUA and Escambia County regarding future ownership and maintenance of the Innerarity Island Development Corporation's utilities, as well as options for financing mechanisms allowing ECUA to complete design and construction, as necessary, to bring the existing utility systems into compliance with current FDEP and ECUA standards.

The proposed project will facilitate the transfer of ownership and maintenance of the systems to ECUA. This transition is critical so that an entity with adequate resources can accept the long term requirements that come with utility ownership. This is a necessity for the residents served by this system.

PROJECT DESCRIPTION: The Grantee will evaluate the current water and wastewater system formerly owned by the IIDC and design the upgrades for the water and wastewater system infrastructure to meet the standards required by ECUA for a publicly owned and maintained water and wastewater utility system.

Water system improvements may consist of: a) relatively minor main relocations to remove encroachments of the water facilities from private properties or alternatively to relocations, easements could be secured with the assistance of the Innerarity Island Homeowners Association (II HOA) to negate the need for the relocations; b) installation of system isolation valves; c) fire hydrant additions; d) modification of dead end water lines to provide either flush valves or circulation loops; e) water service renewals to remove polybutylene tubing and replace meters with ECUA standard meters; and f) upgrade approximately 3,000 linear feet of existing 4-inch water main on North Shore Drive to 6-inch.

Sanitary sewer system improvements will consist primarily of the construction of a low pressure sewer system to replace all gravity collection on the island leaving only the relatively new gravity collection in the Russell Bayou development in service. The existing gravity sewer collection system was found to be prone to excessively heavy infiltration/inflow and to have many line segments laid at insufficient slope. Full replacement of the gravity sewer system was eliminated from consideration due to excessive cost.

TASKS and DELIVERABLES:

Task 1: Preconstruction

Task Description: The Grantee will procure professional engineering services in accordance with state law. The Grantee will complete the evaluation and design of upgrades to the water and wastewater system infrastructure and obtain all necessary permits for construction of the project. The Grantee will submit documentation of preconstruction activities, as described below.

Deliverable 1a: An electronic copy of the draft design at 30% completion submitted to the Department's Grant Manager for review prior to submittal of the draft design at 60% completion.

Performance Standard: The Department's Grant Manager will review the draft design at 30% completion to verify that it meets the specifications in the Grant Work Plan and this task description, and provide any comments to the Grantee for incorporation. Upon review and written acceptance of this submittal by the Department's Grant Manager, the Grantee may proceed with the payment request submittal for costs associated with this design document.

Deliverable 1b: An electronic copy of the draft design at 60% completion submitted to the Department's Grant Manager for review prior to submittal of the final design.

Performance Standard: The Department's Grant Manager will review the draft design at 60% completion to verify that it meets the specifications in the Grant Work Plan and this task description, and provide any comments to the Grantee for incorporation. Upon review and written acceptance of this submittal by the Department's Grant Manager, the Grantee may proceed with the payment request submittal for costs associated with this design document.

Deliverable 1c: An electronic copy of the final design, including professional certification as applicable. Upon request, the Grantee will provide a paper copy of the final design submittal.

Performance Standard: The Department's Grant Manager will review the final design to verify that it meets the specifications in the Grant Work Plan and this task description, and provide any comments to the Grantee for incorporation. Upon review and written acceptance of this submittal by the Department's Grant Manager, the Grantee may proceed with the payment request submittal for costs associated with this design document.

Deliverable 1d: A list of all required permits identifying issue dates and issuing authorities submitted to the Department's Grant Manager. Upon request, the Grantee will provide copies of obtained permits or permit related correspondence or documentation.

Performance Standard: The Department's Grant Manager will review the list of all issued permits to verify that it meets the specifications in the Grant Work Plan and this task description, and provide any comments to the Grantee for incorporation. Upon review and written acceptance of the list of all issued permits by the Department's Grant Manager, the Grantee may proceed with payment request submittal for costs associated with permitting.

Task 2: Construction

Task Description: The Grantee will construct water and wastewater improvements in accordance with the final design(s) and required permits.

Payment Request Schedule: Grantee may submit a payment request for cost reimbursement no more frequently than once per month. The outlined Interim Deliverable(s) and/or Final Deliverable(s) must have been submitted and accepted in writing by the Department's Grant Manager prior to payment request submittal.

Deliverable 2a: 1) Signed acceptance of the completed work by the Grantee, 2) Contractor's Application and Certification for Payment, 3) dated color photographs of on-going work representing time period covered in payment request. These interim deliverables must be submitted 5 days prior to each payment request and may be submitted no more frequently than monthly.

Performance Standard: The Department's Grant Manager will review each submitted interim deliverable to verify that it meets the specifications in the Grant Work Plan and this task description and that work is being performed in accordance with the Grantee's construction contract documents and specifications. Upon review and written acceptance of each interim deliverable submittal by the Department's Grant Manager, the Grantee may proceed with payment request submittal for costs associated with that submittal period under this task.

Contractor's Application and Certification for Payment should include the following supporting documentation:

1. An itemized summary of the materials, labor, and/or services utilized during the period for which payment is being requested.
2. The summary should identify the nature of the work performed; the amount expended for such work; the name of the person/entity providing the service or performing the work; proof of payment of the invoices; and evidence of all work conducted for which a request for payment is being made.
3. Evidence may include references to any drafts or partially-complete designs, surveys, environmental documents and/or permit applications, drawings, and specifications (which must be made available upon request); and documentation demonstrating partial completion of construction activities.

Deliverable 2b: Water and Wastewater improvements, constructed as described in this task, as evidenced by these final deliverables: 1) Dated color photographs of the construction site(s) prior to, during, and immediately following completion of the construction task; 2) written verification that the Grantee has received record drawings and any required final inspection report(s) for the project; 3) signed acceptance of the completed work by the Grantee; and 4) signed statement from a Florida Licensed Professional Engineer indicating construction has been completed in accordance with the design.

Performance Standard: The Department's Grant Manager will review the final deliverables to verify that they meet the specifications in the Grant Work Plan and this task description and that work is being performed in accordance with the Grantee's construction contract documents. Upon review and written approval by the Department's Grant Manager of all final deliverables under this task, the Grantee may proceed with payment request submittal.

Task 3: Administration, Operation and Repair of Water and Wastewater Utility System

Task Description: The Grantee will subcontract the Administrative, Operational and Repair Services for the water and wastewater utility system.

Payment Request Schedule: Grantee may submit a payment request for cost reimbursement no more frequently than once per month. The outlined Deliverable must have been submitted and accepted in writing by the Department's Grant Manager prior to payment request submittal.

Deliverable 3: An electronic copy of the Grantee's interlocal agreement with the City of Gulf Breeze for the administration, operation and repairs of the water and wastewater system submitted to the Department's Grant Manager provided prior to submitting any invoices for the subcontracted work.

Performance Standard: The Department's Grant Manager will review the deliverable to verify that it meets the specifications in the Grant Work Plan and this task description and that work is being performed in accordance with the Grantee's documents. Upon review and written acceptance by the Department's Grant Manager of the interim deliverables under this task, the Grantee may proceed with payment request submittal.

Task 4: Construction Engineering Inspection Services

Task Description: The Grantee will perform construction engineering inspection services. If the Grantee contracts these services, the Grantee will procure such services in accordance with state law.

Deliverables: 1) An electronic copy of the Grantee's executed contract(s) and scope of services for project management and/or engineering services submitted to the Department's Grant Manager provided prior to submitting any invoices for the subcontracted work. 2) engineering inspection reports associated with the inspection of the project.

Performance Standard: The Department's Grant Manager will review the deliverables to verify that they meet the specifications in the Grant Work Plan and this task description. Upon review and written acceptance by the Department's Grant Manager of the interim deliverables under this task, the Grantee may proceed with payment request submittal.

PROJECT TIMELINE: The tasks must be completed by the end of each task timeline and all deliverables must be received by the designated due date.

Task/ Deliverable No.	Task or Deliverable Title	Task Start Date	Task End Date	Deliverable Due Date/ Frequency
1	Design and Permitting	7/1/2015	6/30/2018	
1a	30% Design			1/3/2018
1b	60% Design			3/31/2018
1c	Final Design			4/30/2018
1d	Permits			4/30/2018
2	Construction	7/1/15	6/30/18	
2a	Interim deliverables			Not more than once per month
2b	Final deliverables			6/30/18
3	Administration, Operation and Repair of Water and Wastewater Utility System	7/1/15	6/30/18	Not more than once per month
4	Construction Engineering Inspection Services	7/1/15	6/30/18	Not more than once per month

BUDGET DETAIL BY TASK:

Task No.	Budget Category	Budget Amount
1	Contractual Services	\$78,000
2	Contractual Services	\$864,800
3	Contractual Services	\$40,200
4	Contractual Services	\$17,000
Total:		\$1,000,000

PROJECT BUDGET SUMMARY: Cost reimbursable grant funding must not exceed the category totals for the project as indicated below.

Category Totals	Grant Funding, Not to Exceed, \$1,000,000
Contractual Services Total	\$1,000,000
Total:	\$1,000,000

Figure 1

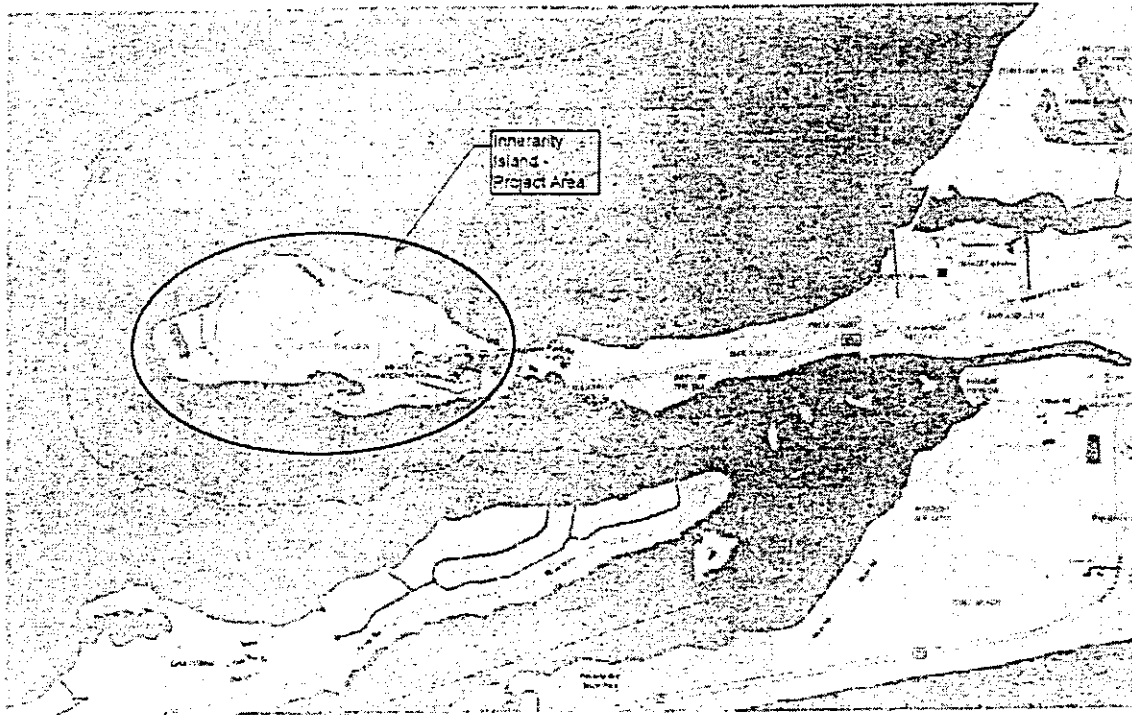
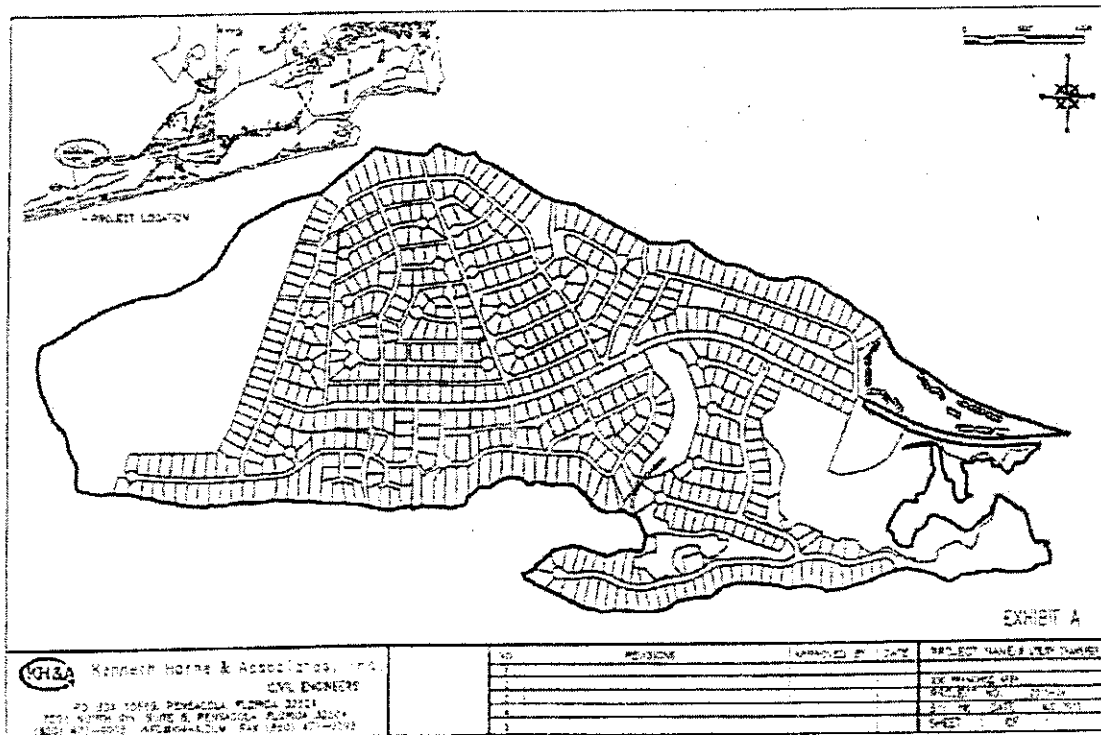


Figure 2



ATTACHMENT B PAYMENT REQUEST SUMMARY FORM

DEP Agreement No.: 50878 Agreement Effective Dates: _____

Grantee: Escambia County Grantee's Grant Manager: Jack R. Brown

Mailing Address: 221 Palafox Place; Suite 420; Pensacola, Florida 32502

Payment Request No. _____ Date of Payment Request: _____

Performance Period (Start date - End date): _____

Task/Deliverable No(s). _____ Task/Deliverable Amount Requested: \$ _____

GRANT EXPENDITURES SUMMARY SECTION

[Effective Date of Grant through End-of-Grant Period]

CATEGORY OF EXPENDITURE	AMOUNT OF THIS REQUEST	TOTAL CUMULATIVE PAYMENT REQUESTS	MATCHING FUNDS FOR THIS REQUEST	TOTAL CUMULATIVE MATCHING FUNDS
Salaries/Wages	SN/A	SN/A	SN/A	SN/A
Overhead/Indirect/G&A Costs	SN/A	SN/A	SN/A	SN/A
Fringe Benefits	SN/A	SN/A	SN/A	SN/A
Indirect Cost	SN/A	SN/A	SN/A	SN/A
Contractual (Subcontractors)	\$	\$	SN/A	SN/A
Travel (if authorized)	SN/A	SN/A	SN/A	SN/A
Equipment Purchases (if authorized)	SN/A	SN/A	SN/A	SN/A
Rental/Lease of Equipment	SN/A	SN/A	SN/A	SN/A
Other Expenses	SN/A	SN/A	SN/A	SN/A
Land (if authorized)	SN/A	SN/A	SN/A	SN/A
TOTAL AMOUNT	\$	\$	SN/A	SN/A
TOTAL TASK/DELIVERABLE BUDGET AMOUNT	\$		SN/A	
Less Total Cumulative Payment Requests of:	\$		SN/A	
TOTAL REMAINING IN TASK	\$		SN/A	

GRANTEE CERTIFICATION

Complete Grantee's Certification of Payment Request on Page 2 to certify that the amount being requested for reimbursement above was for items that were charged to and utilized only for the above cited grant activities.

Grantee's Certification of Payment Request

I, Jack R. Brown,

(Print name of Grantee's Grant Manager designated in the Agreement)

on behalf of Escambia County, do hereby certify that:

(Print name of Grantee/Recipient)

- ☒ The disbursement amount requested is for allowable costs for the project described in Attachment A of the Agreement.
- ☒ All costs included in the amount requested have been satisfactorily purchased, performed, received, and applied toward completing the project; such costs are documented by invoices or other appropriate documentation as required in the Agreement.
- ☒ The Grantee has paid such costs under the terms and provisions of contracts relating directly to the project; and the Grantee is not in default of any terms or provisions of the contracts.

Check all that apply:

- ☐ All permits and approvals required for the construction, which is underway, have been obtained.
- ☐ Construction up to the point of this disbursement is in compliance with the construction plans and permits.
- ☐ The Grantee's Grant Manager relied on certifications from the following professionals that provided services for this project during the time period covered by this Certification of Payment Request, and such certifications are included:

<u>Professional Service Provider (Name / License No.)</u>	<u>Period of Service (mm/dd/yy – mm/dd/yy)</u>

<u>Grantee's Grant Manager's Signature</u>
<u>Jack R. Brown</u>
Print Name
<u>(850) 595-4947</u>
Telephone Number

<u>Grantee's Fiscal Agent</u>
Print Name
Telephone Number

**INSTRUCTIONS FOR COMPLETING
PAYMENT REQUEST SUMMARY FORM**

DEP AGREEMENT NO.: This is the number on your grant agreement.
AGREEMENT EFFECTIVE DATES: Enter agreement execution date through end date.
GRANTEE: Enter the name of the grantee's agency.
GRANTEE'S GRANT MANAGER: This should be the person identified as grant manager in the grant Agreement.
MAILING ADDRESS: Enter the address that you want the state warrant sent.
PAYMENT REQUEST NO.: This is the number of your payment request, not the quarter number.
DATE OF PAYMENT REQUEST: This is the date you are submitting the request.
PERFORMANCE PERIOD: This is the beginning and ending date of the performance period for the task/deliverable that the request is for (this must be within the timeline shown for the task/deliverable in the Agreement).
TASK/DELIVERABLE NO.: This is the number of the task/deliverable that you are requesting payment for and/or claiming match for (must agree with the current Grant Work Plan).
TASK/DELIVERABLE AMOUNT REQUESTED: This should match the amount on the "TOTAL TASK/DELIVERABLE BUDGET AMOUNT" line for the "AMOUNT OF THIS REQUEST" column.

GRANT EXPENDITURES SUMMARY SECTION:

"AMOUNT OF THIS REQUEST" COLUMN: Enter the amount that was expended for this task during the period for which you are requesting reimbursement for this task. This must agree with the currently approved budget in the current Grant Work Plan of your grant Agreement. Do not claim expenses in a budget category that does not have an approved budget. Do not claim items that are not specifically identified in the current Grant Work Plan. Enter the column total on the "TOTAL AMOUNT" line. Enter the amount of the task on the "TOTAL TASK BUDGET AMOUNT" line. Enter the total cumulative amount of this request and all previous payments on the "LESS TOTAL CUMULATIVE PAYMENT REQUESTS OF" line. Deduct the "LESS TOTAL CUMULATIVE PAYMENT REQUESTS OF" from the "TOTAL TASK BUDGET AMOUNT" for the amount to enter on the "TOTAL REMAINING IN TASK" line.

"TOTAL CUMULATIVE PAYMENT REQUESTS" COLUMN: Enter the cumulative amounts that have been requested to date for reimbursement by budget category. The final request should show the total of all requests; first through the final request (this amount cannot exceed the approved budget amount for that budget category for the task you are reporting on). Enter the column total on the "TOTALS" line. **Do not enter anything in the shaded areas.**

"MATCHING FUNDS" COLUMN: Enter the amount to be claimed as match for the performance period for the task you are reporting on. This needs to be shown under specific budget categories according to the currently approved Grant Work Plan. Enter the total on the "TOTAL AMOUNT" line for this column. Enter the match budget amount on the "TOTAL TASK BUDGET AMOUNT" line for this column. Enter the total cumulative amount of this and any previous match claimed on the "LESS TOTAL CUMULATIVE PAYMENTS OF" line for this column. Deduct the "LESS TOTAL CUMULATIVE PAYMENTS OF" from the "TOTAL TASK BUDGET AMOUNT" for the amount to enter on the "TOTAL REMAINING IN TASK" line.

"TOTAL CUMULATIVE MATCHING FUNDS" COLUMN: Enter the cumulative amount you have claimed to date for match by budget category for the task. Put the total of all on the line titled "TOTALS." The final report should show the total of all claims, first claim through the final claim, etc. **Do not enter anything in the shaded areas.**

GRANTEE'S CERTIFICATION: Check all boxes that apply. Identify any licensed professional service providers that certified work or services completed during the period included in the request for payment. **Must be signed by both the Grantee's Grant Manager as identified in the grant agreement and the Grantee's Fiscal Agent.**

NOTES:

If claiming reimbursement for travel, you must include copies of receipts and a copy of the travel reimbursement form approved by the Department of Financial Services, Chief Financial Officer.

Documentation for match claims must meet the same requirements as those expenditures for reimbursement.

ATTACHMENT C

Contract Payment Requirements **Florida Department of Financial Services, Reference Guide for State Expenditures** ***Cost Reimbursement Contracts***

Invoices for cost reimbursement contracts must be supported by an itemized listing of expenditures by category (salary, travel, expenses, etc.). Supporting documentation must be provided for each amount for which reimbursement is being claimed indicating that the item has been paid. Check numbers may be provided in lieu of copies of actual checks. Each piece of documentation should clearly reflect the dates of service. Only expenditures for categories in the approved contract budget should be reimbursed.

Listed below are examples of the types of documentation representing the minimum requirements:

- (1) Salaries: A payroll register or similar documentation should be submitted. The payroll register should show gross salary charges, fringe benefits, other deductions and net pay. If an individual for whom reimbursement is being claimed is paid by the hour, a document reflecting the hours worked times the rate of pay will be acceptable.
- (2) Fringe Benefits: Fringe Benefits should be supported by invoices showing the amount paid on behalf of the employee (e.g., insurance premiums paid). If the contract specifically states that fringe benefits will be based on a specified percentage rather than the actual cost of fringe benefits, then the calculation for the fringe benefits amount must be shown.

Exception: Governmental entities are not required to provide check numbers or copies of checks for fringe benefits.
- (3) Travel: Reimbursement for travel must be in accordance with Section 112.061, Florida Statutes, which includes submission of the claim on the approved State travel voucher or electronic means.
- (4) Other direct costs: Reimbursement will be made based on paid invoices/receipts. If nonexpendable property is purchased using State funds, the contract should include a provision for the transfer of the property to the State when services are terminated. Documentation must be provided to show compliance with Department of Management Services Rule 60A-1.017, Florida Administrative Code, regarding the requirements for contracts which include services and that provide for the contractor to purchase tangible personal property as defined in Section 273.02, Florida Statutes, for subsequent transfer to the State.
- (5) In-house charges: Charges which may be of an internal nature (e.g., postage, copies, etc.) may be reimbursed on a usage log which shows the units times the rate being charged. The rates must be reasonable.
- (6) Indirect costs: If the contract specifies that indirect costs will be paid based on a specified rate, then the calculation should be shown.

Contracts between state agencies, and or contracts between universities may submit alternative documentation to substantiate the reimbursement request that may be in the form of FLAIR reports or other detailed reports.

The Florida Department of Financial Services, online Reference Guide for State Expenditures can be found at this web address: http://www.dfs.com/audit/reference_guide.htm

ATTACHMENT D

PROGRESS REPORT FORM

DEP Agreement No.:	S0878		
Grantee Name:	Escambia County		
Grantee Address:	221 Palafox Place; Suite 420; Pensacola, FL 32502		
Grantee's Grant Manager:	Jack R. Brown	Telephone No.:	850 595-4947
Reporting Period:			
Project Number and Title:			
<p>Provide the following information for all tasks and deliverables identified in the Grant Work Plan: a summary of project accomplishments for the reporting period; a comparison of actual accomplishments to goals for the period; if goals were not met, provide reasons why; provide an update on the estimated time for completion of the task and an explanation for any anticipated delays and identify by task.</p> <p>NOTE: Use as many pages as necessary to cover all tasks in the Grant Work Plan.</p> <p><u>The following format should be followed:</u></p> <p>Task 1:</p> <p>Progress for this reporting period:</p> <p>Identify any delays or problems encountered:</p>			

This report is submitted in accordance with the reporting requirements of DEP Agreement No. S0854 and accurately reflects the activities associated with the project.

Signature of Grantee's Grant Manager
Jack R. Brown

Date

ATTACHMENT E

SPECIAL AUDIT REQUIREMENTS

The administration of resources awarded by the Department of Environmental Protection (*which may be referred to as the "Department", "DEP", "FDEP" or "Grantor", or other name in the contract agreement*) to the recipient (*which may be referred to as the "Contractor", "Grantee" or other name in the contract agreement*) may be subject to audits and/or monitoring by the Department of Environmental Protection, as described in this attachment.

MONITORING

In addition to reviews of audits conducted in accordance with OMB Circular A-133 and Section 215.97, F.S., as revised (see "AUDITS" below), monitoring procedures may include, but not be limited to, on-site visits by Department staff, limited scope audits as defined by OMB Circular A-133, as revised, and/or other procedures. By entering into this Agreement, the recipient agrees to comply and cooperate with any monitoring procedures/processes deemed appropriate by the Department of Environmental Protection. In the event the Department of Environmental Protection determines that a limited scope audit of the recipient is appropriate, the recipient agrees to comply with any additional instructions provided by the Department to the recipient regarding such audit. The recipient further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Chief Financial Officer or Auditor General.

AUDITS

PART I: FEDERALLY FUNDED

This part is applicable if the recipient is a State or local government or a non-profit organization as defined in OMB Circular A-133, as revised.

1. In the event that the recipient expends \$500,000 or more in Federal awards in its fiscal year, the recipient must have a single or program-specific audit conducted in accordance with the provisions of OMB Circular A-133, as revised. EXHIBIT 1 to this Attachment indicates Federal funds awarded through the Department of Environmental Protection by this Agreement. In determining the Federal awards expended in its fiscal year, the recipient shall consider all sources of Federal awards, including Federal resources received from the Department of Environmental Protection. The determination of amounts of Federal awards expended should be in accordance with the guidelines established by OMB Circular A-133, as revised. An audit of the recipient conducted by the Auditor General in accordance with the provisions of OMB Circular A-133, as revised, will meet the requirements of this part.
2. In connection with the audit requirements addressed in Part I, paragraph 1, the recipient shall fulfill the requirements relative to auditee responsibilities as provided in Subpart C of OMB Circular A-133, as revised.
3. If the recipient expends less than \$500,000 in Federal awards in its fiscal year, an audit conducted in accordance with the provisions of OMB Circular A-133, as revised, is not required. In the event that the recipient expends less than \$500,000 in Federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of OMB Circular A-133, as revised, the cost of the audit must be paid from non-Federal resources (i.e., the cost of such an audit must be paid from recipient resources obtained from other than Federal entities).
4. The recipient may access information regarding the Catalog of Federal Domestic Assistance (CFDA) via the internet at <http://12.46.245.173/cfda/cfda.html>.

PART II: STATE FUNDED

This part is applicable if the recipient is a nonstate entity as defined by Section 215.97(2)(m), Florida Statutes.

1. In the event that the recipient expends a total amount of state financial assistance equal to or in excess of \$500,000 in any fiscal year of such recipient, the recipient must have a State single or project-specific audit for such fiscal year in accordance with Section 215.97, Florida Statutes; applicable rules of the Department of Financial Services; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. EXHIBIT I to this Attachment indicates state financial assistance awarded through the Department of Environmental Protection by this Agreement. In determining the state financial assistance expended in its fiscal year, the recipient shall consider all sources of state financial assistance, including state financial assistance received from the Department of Environmental Protection, other state agencies, and other nonstate entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a nonstate entity for Federal program matching requirements.
2. In connection with the audit requirements addressed in Part II, paragraph 1; the recipient shall ensure that the audit complies with the requirements of Section 215.97(7), Florida Statutes. This includes submission of a financial reporting package as defined by Section 215.97(2), Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General.
3. If the recipient expends less than \$500,000 in state financial assistance in its fiscal year, an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, is not required. In the event that the recipient expends less than \$500,000 in state financial assistance in its fiscal year, and elects to have an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, the cost of the audit must be paid from the non-state entity's resources (i.e., the cost of such an audit must be paid from the recipient's resources obtained from other than State entities).
4. For information regarding the Florida Catalog of State Financial Assistance (CSFA), a recipient should access the Florida Single Audit Act website located at <https://apps.fldfs.com/fsaa> for assistance. In addition to the above websites, the following websites may be accessed for information: Legislature's Website at <http://www.leg.state.fl.us/Welcome/index.cfm>, State of Florida's website at <http://www.myflorida.com/>, Department of Financial Services' Website at <http://www.fldfs.com/> and the Auditor General's Website at <http://www.state.fl.us/audgen>.

PART III: OTHER AUDIT REQUIREMENTS

(NOTE: This part would be used to specify any additional audit requirements imposed by the State awarding entity that are solely a matter of that State awarding entity's policy (i.e., the audit is not required by Federal or State laws and is not in conflict with other Federal or State audit requirements). Pursuant to Section 215.97(8), Florida Statutes, State agencies may conduct or arrange for audits of State financial assistance that are in addition to audits conducted in accordance with Section 215.97, Florida Statutes. In such an event, the State awarding agency must arrange for funding the full cost of such additional audits.)

PART IV: REPORT SUBMISSION

1. Copies of reporting packages for audits conducted in accordance with OMB Circular A-133, as revised, and required by PART I of this Attachment shall be submitted, when required by Section 320 (d), OMB Circular A-133, as revised, by or on behalf of the recipient directly to each of the following:

- A. The Department of Environmental Protection at one of the following addresses:

By Mail:

Audit Director

Florida Department of Environmental Protection
Office of the Inspector General, MS 40
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Electronically:

FDEPSingleAudit@dep.state.fl.us

- B. The Federal Audit Clearinghouse designated in OMB Circular A-133, as revised (the number of copies required by Sections .320 (d)(1) and (2), OMB Circular A-133, as revised, should be submitted to the Federal Audit Clearinghouse), at the following address:

Federal Audit Clearinghouse
Bureau of the Census
1201 East 10th Street
Jeffersonville, IN 47132

Submissions of the Single Audit reporting package for fiscal periods ending on or after January 1, 2008, must be submitted using the Federal Clearinghouse's Internet Data Entry System which can be found at <http://harvester.census.gov/fac/>.

- C. Other Federal agencies and pass-through entities in accordance with Sections .320 (e) and (f), OMB Circular A-133, as revised.

2. Pursuant to Section .320(f), OMB Circular A-133, as revised, the recipient shall submit a copy of the reporting package described in Section .320(c), OMB Circular A-133, as revised, and any management letters issued by the auditor, to the Department of Environmental Protection at one the following addresses:

By Mail:

Audit Director

Florida Department of Environmental Protection
Office of the Inspector General, MS 40
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Electronically:

FDEPSingleAudit@dep.state.fl.us

3. Copies of financial reporting packages required by PART II of this Attachment shall be submitted by or on behalf of the recipient directly to each of the following:

- A. The Department of Environmental Protection at one of the following addresses:

By Mail:

Audit Director

Florida Department of Environmental Protection
Office of the Inspector General, MS 40
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Electronically:

FDEPSingleAudit@dep.state.fl.us

B. The Auditor General's Office at the following address:

State of Florida Auditor General
Room 401, Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

4. Copies of reports or management letters required by PART III of this Attachment shall be submitted by or on behalf of the recipient directly to the Department of Environmental Protection at one of the following addresses:

By Mail:

Audit Director

Florida Department of Environmental Protection
Office of the Inspector General, MS 40
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Electronically:

FDEPSingleAudit@dep.state.fl.us

5. Any reports, management letters, or other information required to be submitted to the Department of Environmental Protection pursuant to this Agreement shall be submitted timely in accordance with OMB Circular A-133, Florida Statutes, or Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.
6. Recipients, when submitting financial reporting packages to the Department of Environmental Protection for audits done in accordance with OMB Circular A-133, or Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, should indicate the date that the reporting package was delivered to the recipient in correspondence accompanying the reporting package.

PART V: RECORD RETENTION

The recipient shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of 5 years from the date the audit report is issued, and shall allow the Department of Environmental Protection, or its designee, Chief Financial Officer, or Auditor General access to such records upon request. The recipient shall ensure that audit working papers are made available to the Department of Environmental Protection, or its designee, Chief Financial Officer, or Auditor General upon request for a period of 3 years from the date the audit report is issued, unless extended in writing by the Department of Environmental Protection.

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EXHIBIT - 1

FUNDS AWARDED TO THE RECIPIENT PURSUANT TO THIS AGREEMENT CONSIST OF THE FOLLOWING:

Federal Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following:					
Federal Program Number	Federal Agency	CFDA Number	CFDA Title	Funding Amount	State Appropriation Category

State Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following Matching Resources for Federal Programs:					
Federal Program Number	Federal Agency	CFDA	CFDA Title	Funding Amount	State Appropriation Category

State Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following Resources Subject to Section 215.97, F.S.:						
State Program Number	Funding Source	State Fiscal Year	CSFA Number	CSFA Title or Funding Source Description	Funding Amount	State Appropriation Category
Original Agreement	General Revenue Fund, Line Item 1662A	2015-2016	37.039	Statewide Surface Water Restoration And Wastewater Projects	\$1,000,000.00	140047

Total Award					\$1,000,000.00	
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For each program identified above, the recipient shall comply with the program requirements described in the Catalog of Federal Domestic Assistance (CFDA) [<http://12.46.245.173/cfda/cfda.html>] and/or the Florida Catalog of State Financial Assistance (CSFA) [<https://apps.fldfs.com/fsaa/searchCatalog.aspx>]. The services/purposes for which the funds are to be used are included in the Contract scope of services/work. Any match required by the recipient is clearly indicated in the Contract.

**DEP AGREEMENT NO. S0878
ESCAMBIA COUNTY
AMENDMENT NO. 2**

THIS AGREEMENT as entered into on the 8th day of March, 2016, and amended on the 22nd day of March, 2017, between the FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION (hereinafter referred to as the "Department") and ESCAMBIA COUNTY (hereinafter referred to as the "Grantee") is hereby amended.

WHEREAS, funding in the amount \$1,000,000 was provided under Line Item 1662A of the 2015-2016 General Appropriations Act for Escambia County Innerarity Water and Sewer Upgrade ("Project"); and

WHEREAS, \$500,000 in additional funding for this Project was provided under Line Item 1606A of the 2017-2018 General Appropriations Act; and

WHEREAS, the Grantee has requested a revision in the scope of work and a reallocation of the budget for the project; and,

WHEREAS, the Grantee has requested an extension of the Agreement because additional work has been added to the work plan due to an increase in funding; and,

WHEREAS, certain provisions of the Agreement need revision and a provision needs to be added to the Agreement.

NOW, THEREFORE, the parties hereto agree as follows:

1. The Agreement is effective from July 1, 2015, to December 31, 2021.
2. Section 3. of the Agreement is hereby deleted in its entirety and replaced with the following:

FUNDING/CONSIDERATION/INVOICING:

- A. As consideration for the satisfactory completion of services rendered by the Grantee under the terms of this Agreement, the Department shall pay the Grantee on a cost reimbursement basis up to a maximum of \$1,500,000. It is understood that any additional funds necessary for the completion of this project are the responsibility of the Grantee. The parties hereto understand and agree that this Agreement does not require a match on the part of the Grantee.
- B. Prior written approval from the Department's Grant Manager shall be required for changes to this Agreement.
 - i. A Change Order to this Agreement is required when task timelines within the current authorized Agreement period change, and/or when the cumulative transfer of funds between approved budget categories, as defined in Attachment A, are less than ten percent (10%) of the total budget as last approved by the Department. All Change Orders are subject to the mutual agreement of both parties as evidenced in writing.
 - ii. A formal Amendment to this Agreement is required for changes which cause any of the following: an increase or decrease in the Agreement funding amount, a change in the Grantee's match requirements, a change in the expiration date of the Agreement, and/or changes to the cumulative amount of funding transfers between approved budget categories, as defined in Attachment A, exceeds or is expected to exceed ten percent (10%) of the total budget as last approved by the Department. All Amendments are subject to the mutual agreement of both parties as evidenced in writing.

- C. The Grantee shall be reimbursed on a cost reimbursement basis for all eligible project costs upon the completion, submittal and approval of each deliverable identified in **Attachment A-2**, in accordance with the schedule therein. Reimbursement shall be requested utilizing **Attachment B-1, Payment Request Summary Form**. To be eligible for reimbursement, costs must be following laws, rules and regulations applicable to expenditures of State funds, including, but not limited to, the Reference Guide for State Expenditures, which can be accessed at the following web address: http://www.myfloridacfo.com/aadir/reference_guide/. All invoices for amounts due under this Agreement shall be submitted in detail sufficient for a proper pre-audit and post-audit thereof. A final payment request should be submitted to the Department no later than sixty (60) calendar days following the completion date of the Agreement, to assure the availability of funds for payment. All work performed pursuant to **Attachment A-2** must be performed on or before the completion date of the Agreement, and the subsequent sixty-day period merely allows the Grantee to finalize invoices and backup documentation to support the final payment request.
- D. The State Chief Financial Officer requires detailed supporting documentation of all costs under a cost reimbursement agreement. The Grantee shall comply with the minimum requirements set forth in **Attachment C, Contract Payment Requirements**. The Payment Request Summary Form shall be accompanied by supporting documentation and other requirements as follows for each deliverable: Reimbursement shall be limited to the following budget categories:
- i. Contractual (Subcontractors) – Reimbursement requests for payments to subcontractors must be substantiated by copies of invoices with backup documentation identical to that required from the Grantee. Subcontracts which involve payments for direct salaries shall clearly identify the personnel involved, salary rate per hour, and hours spent on the project. All multipliers used (i.e., fringe benefits, overhead, indirect, and/or general and administrative rates) shall be supported by audit. If the Department determines that multipliers charged by any subcontractor exceeded the rates supported by audit, the Grantee shall be required to reimburse such funds to the Department within thirty (30) calendar days of written notification. Interest on the excessive charges shall be calculated based on the prevailing rate used by the State Board of Administration. Subcontracts, which involve equipment purchases as part of an installation/retrofit or that include infrastructure and/or infrastructure improvements, as defined in Florida Chief Financial Officer (CFO) Memorandum No. 5 (2011-2012), must be capitalized in accordance with Chapter 69I-72, Florida Administrative Code (F.A.C.). The Grantee shall be responsible for maintaining appropriate property records for any subcontracts that include the purchase of equipment as part of the delivery of services. The Grantee shall comply with this requirement and ensure its subcontracts issued under this Agreement, if any, impose this requirement, in writing, on its subcontractors.

For fixed-price (vendor) subcontracts, the following provisions shall apply:

- a. The Grantee may award, on a competitive basis, fixed-price subcontracts to consultants/contractors in performing the work described in **Attachment A-2**. Invoices submitted to the Department for fixed-price subcontracted activities shall be supported with a copy of the subcontractor's invoice and a copy of the tabulation form for the competitive procurement process (i.e., Invitation to Bid or Request for Proposals) resulting in the fixed-price subcontract.
- b. The Grantee may request approval from the Department to award a fixed-price subcontract resulting from procurement methods other than those identified in the paragraph above. In this instance, the Grantee shall request the advance written approval from the Department's Grant Manager of the fixed price negotiated by the Grantee. The letter of request shall be supported by a detailed budget and Scope of Services to be performed by the subcontractor. Upon

receipt of the Department Grant Manager's approval of the fixed-price amount, the Grantee may proceed in finalizing the fixed-price subcontract.

- c. All subcontracts are subject to the provisions of paragraph 12 and any other appropriate provisions of this Agreement which affect subcontracting activities.
 - ii. Equipment – (Capital outlay costing \$1,000 or more) – Reimbursement for the Grantee's direct purchase of equipment is subject to specific approval of the Department, and does not include any equipment purchased under the delivery of services to be completed by a subcontractor. Include copies of invoices or receipts to document purchases, and a properly completed **Attachment F, Property Reporting Form**.
- E. In addition to the invoicing requirements contained in paragraphs 3.C. and D. above, the Department will periodically request proof of a transaction (invoice, payroll register, etc.) to evaluate the appropriateness of costs to the Agreement pursuant to State and Federal guidelines (including cost allocation guidelines), as appropriate. This information, when requested, must be provided within thirty (30) calendar days of such request. The Grantee may also be required to submit a cost allocation plan to the Department in support of its multipliers (overhead, indirect, general administrative costs, and fringe benefits). State guidelines for allowable costs can be found in the Department of Financial Services' Reference Guide for State Expenditures at http://www.myfloridacfo.com/aadir/reference_guide/.
- F.
- i. The accounting systems for all Grantees must ensure that these funds are not commingled with funds from other agencies. Funds from each agency must be accounted for separately. Grantees are prohibited from commingling funds on either a program-by-program or a project-by-project basis. Funds specifically budgeted and/or received for one project may not be used to support another project. Where a Grantee's, or subrecipient's, accounting system cannot comply with this requirement, the Grantee, or subrecipient, shall establish a system to provide adequate fund accountability for each project it has been awarded.
 - ii. If the Department finds that these funds have been commingled, the Department shall have the right to demand a refund, either in whole or in part, of the funds provided to the Grantee under this Agreement for non-compliance with the material terms of this Agreement. The Grantee, upon such written notification from the Department shall refund, and shall forthwith pay to the Department, the amount of money demanded by the Department. Interest on any refund shall be calculated based on the prevailing rate used by the State Board of Administration. Interest shall be calculated from the date(s) the original payment(s) are received from the Department by the Grantee to the date repayment is made by the Grantee to the Department.
 - iii. In the event that the Grantee recovers costs, incurred under this Agreement and reimbursed by the Department, from another source(s), the Grantee shall reimburse the Department for all recovered funds originally provided under this Agreement. Interest on any refund shall be calculated based on the prevailing rate used by the State Board of Administration. Interest shall be calculated from the date(s) the payment(s) are recovered by the Grantee to the date repayment is made to the Department by the Grantee.
3. Section 8. of the Agreement is hereby deleted in its entirety and replaced with the following:
- DEFAULT/TERMINATION/FORCE MAJEURE:**
- A. Termination for Convenience. The Department may terminate the Agreement in whole or in part by giving 30 days' written notice to the Grantee, when the Department determines, in its sole

discretion, that it is in the State's interest to do so. The Department shall notify the Grantee of the termination for convenience with instructions as to the effective date of termination or the specific stage of work at which the Agreement is to be terminated. The Grantee shall not furnish any service or deliverable after it receives the notice of termination, unless otherwise instructed in the notice. The Grantee shall not be entitled to recover any cancellation charges or lost profits. If the Agreement is terminated before performance is completed, the Grantee shall be paid only for that work satisfactorily performed for which costs can be substantiated.

- B. Termination for Cause. The Department may terminate this Agreement if any of the events of default described below occur or in the event that the Grantee fails to fulfill any of its other obligations under this Agreement. The Grantee shall continue work on any portion of the Agreement not terminated. If, after termination, it is determined that the Grantee was not in default, or that the default was excusable, the rights and obligations of the parties shall be the same as if the termination had been issued for the convenience of the Department. The rights and remedies of the Department in this clause are in addition to any other rights and remedies provided by law or under this Agreement.
- C. Grantee Obligations upon Notice of Termination. After receipt of a notice of termination or partial termination, is directed by the Department, the Grantee shall stop performing services on the date, and to the extent specified, in the notice.
- D. Force Majeure. The Grantee shall not be responsible for delay resulting from its failure to perform if neither the fault nor the negligence of the Grantee or its employees or agents contributed to the delay and the delay is due directly to acts of God, wars, acts of public enemies, strikes, fires, floods, or other similar cause wholly beyond the Grantee's control, or for any of the foregoing that affect subcontractors or suppliers if no alternate source of supply is available to the Grantee. In case of any delay the Grantee believes is excusable, the Grantee shall notify the Department in writing of the delay or potential delay and describe the cause of the delay either (1) within ten days after the cause that creates or will create the delay first arose, if the Grantee could reasonably foresee that a delay could occur as a result; or (2) if delay is not reasonably foreseeable, within five days after the date the Grantee first had reason to believe that a delay could result. **THE FOREGOING SHALL CONSTITUTE THE GRANTEE'S SOLE REMEDY OR EXCUSE WITH RESPECT TO DELAY.** Providing notice in strict accordance with this paragraph is a condition precedent to such remedy. No claim for damages, other than for an extension of time, shall be asserted against the Department. The Grantee shall not be entitled to an increase in the Agreement price or payment of any kind from the Department for direct, indirect, consequential, impact or other costs, expenses or damages, including but not limited to costs of acceleration or inefficiency, arising because of delay, disruption, interference, or hindrance from any cause whatsoever. If performance is suspended or delayed, in whole or in part, due to any of the causes described in this paragraph, after the causes have ceased to exist the Grantee shall perform at no increased cost, unless the Department determines, in its sole discretion, that the delay will significantly impair the value of the Agreement to the Department, in which case the Department may (1) accept allocated performance or deliveries from the Grantee, provided that the Grantee grants preferential treatment to Department with respect to products subjected to allocation; (2) contract with other sources (without recourse to and by the Grantee for the related costs and expenses) to replace all or part of the products or services that are the subject of the delay, which purchases may be deducted from the Agreement quantity; or (3) terminate the Agreement in whole or in part.

- 4. Section 17. of the Agreement is hereby deleted in its entirety and replaced with the following:

CONTACTS:

The Department's Grant Manager (which may also be referred to as the Department's Project Manager) for this Agreement is identified below:

Sandra Waters, or Successor	
Florida Department of Environmental Protection	
Division of Water Restoration Assistance	
3900 Commonwealth Blvd., MS# 3505	
Tallahassee, Florida 32399	
Telephone No.:	850-245-2898
E-mail Address:	Sandra.waters@dep.state.fl.us

The Grantee's Grant Manager at the time of execution for this Agreement is identified below:

Jack Brown, or Successor	
Escambia County	
221 Palafox Place, Suite 402	
Pensacola, Florida 32502	
Telephone No.:	850-595-4947
E-mail Address:	jbrown@myescambia.com

5. Section 18. of the Agreement is hereby deleted in its entirety and replaced with the following:

INSURANCE:

- A. Required Coverage. At all times during the Agreement the Grantee, at its sole expense, shall maintain insurance coverage of such types and with such terms and limits described below. The limits of coverage under each policy maintained by the Grantee shall not be interpreted as limiting the Grantee's liability and obligations under the Agreement. All insurance policies shall be through insurers licensed and authorized to issue policies in Florida, or alternatively, Grantee may provide coverage through a self-insurance program established and operating under the laws of Florida. Additional insurance requirements for this Agreement may be required elsewhere in this Agreement, however the minimum insurance requirements applicable to this Agreement are:

i. Commercial General Liability Insurance.

The Grantee shall provide adequate commercial general liability insurance coverage and hold such liability insurance at all times during the Agreement. The Department of Environmental Protection, its employees, and officers shall be named as an additional insured on any general liability policies. The minimum limits shall be \$200,000 each individual's claim and \$300,000 each occurrence.

a. Workers' Compensation and Employer's Liability Coverage.

The Grantee shall provide workers' compensation, in accordance with Chapter 440, F.S., and employer's liability insurance with minimum limits of \$100,000 per accident, \$100,000 per person, and \$500,000 policy aggregate. Such policies shall cover all employees engaged in any work under the Agreement.

b. Commercial Automobile Insurance.

If the Grantee's duties include the use of a commercial vehicle, the Grantee shall maintain automobile liability, bodily injury, and property damage coverage. Insuring clauses for both bodily injury and property damage shall provide coverage on an occurrence basis. The Department of Environmental Protection, its employees, and officers shall be named as an additional insured on any automobile insurance policy. The minimum limits shall be as follows:

\$300,000 Automobile Liability Combined Single Limit for Company- Owned
Vehicles, if applicable
\$300,000 Hired and Non-owned Automobile Liability Coverage

c. Other Insurance.

Additional insurance may be required by federal law, where applicable, if any work proceeds over or adjacent to water, including but not limited to Jones Act, Longshoreman's and Harbor Worker's, or the inclusion of any applicable rider to worker's compensation insurance, and any necessary watercraft insurance, with limits of not less than \$300,000 each. Questions concerning required coverage should be directed to the U.S. Department of Labor (<http://www.dol.gov/owcp/dlhwc/lscntac.htm>) or to the parties' insurance carrier.

- B. Insurance Requirements for Sub-Grantees and/or Subcontractors. The Grantee shall require its sub-grantees and/or subcontractors, if any, to maintain insurance coverage of such types and with such terms and limits as described above. The Grantee shall require all its sub-grantees and/or subcontractors, if any, to make compliance with the insurance requirements of this Agreement a condition of all contracts are related to this Agreement. Sub-grantees and/or subcontractors must provide proof of insurance upon request.
- C. Exceptions to Additional Insured Requirements. If the Grantee's insurance is provided through an insurance trust, the Grantee shall instead add the Department of Environmental Protection, its employees, and officers as an additional covered party everywhere the Agreement requires them to be added as an additional insured. Further, notwithstanding the requirements above, if Grantee is self-insured, then the Department of Environmental Protection, its employees, and officers do not need to be listed as additional insureds.
- D. Deductibles. The Department shall be exempt from, and in no way liable for, any sums of money representing a deductible in any insurance policy. The payment of such deductible shall be the sole responsibility of the Grantee providing such insurance.
- E. Proof of Insurance. Upon execution of this Agreement, the Grantee shall provide the Department documentation demonstrating the existence and amount for each type of applicable insurance coverage *prior to* performance of any work under this Agreement. Upon receipt of written request from the Department, the Grantee shall furnish the Department with proof of applicable insurance coverage by standard form certificates of insurance, a self-insured authorization, or other certification of self-insurance.
- F. Failure to Maintain Coverage. In the event that any applicable coverage is cancelled by the insurer for any reason, the Grantee shall immediately notify the Department of such cancellation and shall obtain adequate replacement coverage conforming to the requirements herein and provide proof of such replacement coverage within ten (10) calendar days after the cancellation of coverage.

6. Section 20. of the Agreement is hereby deleted in its entirety and replaced with the following

EQUIPMENT:

The purchase of non-expendable personal property or equipment costing \$1,000 or more purchased for purposes of this Agreement remains the property of the Grantee. Upon satisfactory completion of this Agreement, the Grantee may retain ownership or determine the disposition of the non-expendable personal property or equipment purchased under this Agreement. However, the Grantee shall complete and sign **Attachment F, Property Reporting Form**, and forward it along with the appropriate invoice(s) to the Department's Grant Manager. The following terms shall apply:

- A. The Grantee shall have use of the non-expendable personal property or equipment for the authorized purposes of the contractual arrangement as long as the required work is being performed.
 - B. The Grantee is responsible for the implementation of adequate maintenance procedures to keep the non-expendable personal property or equipment in good operating condition.
 - C. The Grantee is responsible for any loss, damage, or theft of, and any loss, damage or injury caused by the use of, non-expendable personal property or equipment purchased with state funds and held in Grantee's possession for use in a contractual arrangement with the Department.
7. Section 32. is added to the Agreement as follows:

PROHIBITED GOVERNMENTAL ACTIONS FOR PUBLIC WORKS PROJECTS

Pursuant to Section 255.0992, F.S., state and political subdivisions that contract for public works projects are prohibited from imposing restrictive conditions on certain contractors, subcontractors, or material suppliers and prohibited from restricting qualified bidders from submitting bids.

- A. "Political subdivision" means separate agency or unit of local government created or established by law or ordinance and the officers thereof. The term includes, but is not limited to, a county; a city, town, or other municipality; or a department, commission, authority, school district, taxing district, water management district, board, public corporation, institution of higher education, or other public agency or body thereof authorized to expend public funds for construction, maintenance, repair or improvement of public works.
- B. "Public works project" means an activity of which fifty percent (50%) or more of the cost will be paid from state-appropriated funds that were appropriated at the time of the competitive solicitation and which consists of construction, maintenance, repair, renovation, remodeling or improvement of a building, road, street, sewer, storm drain, water system, site development, irrigation system, reclamation project, gas or electrical distribution system, gas or electrical substation, or other facility, project, or portion thereof that is owned in whole or in part by any political subdivision.
- C. Except as required by federal or state law, the state or political subdivision that contracts for a public works project may not require that a contractor, subcontractor or material supplier or carrier engaged in such project:
 - i. Pay employees a predetermined amount of wages or prescribe any wage rate;
 - ii. Provide employees a specified type, amount, or rate of employee benefits;
 - iii. Control, limit, or expand staffing; or
 - iv. Recruit, train, or hire employees from designated, restricted, or single source.
- D. For any competitive solicitation that meets the criteria of this section, the state or political subdivision that contracts for a public works project may not prohibit any contractor, subcontractor, or material supplier or carrier able to perform such work who is qualified, licensed, or certified as required by state law to perform such work from submitting a bid on the public works project, except for those vendors listed under Section 287.133 and Section 287.134, F.S.
- E. Contracts executed under Chapter 337, F.S. are exempt from these prohibitions.

8. **Attachment A-1**, Revised Project Work Plan, is hereby deleted in its entirety and replaced with **Attachment A-2**, Revised Project Work Plan, attached hereto and made a part of the Agreement. All references in the Agreement to prior **Attachment A's**, shall hereinafter refer to **Attachment A-2**, Revised Project Work Plan.
9. **Attachment B**, Disbursement Request Package, is hereby deleted in its entirety and replaced with **Attachment B-1**, Payment Request Summary Form, attached hereto and made a part of the Agreement. All references in the Agreement to **Attachment B**, shall hereinafter refer to **Attachment B-1**, Payment Request Summary Form.
10. **Attachment E**, Special Audit Requirements, is hereby deleted in its entirety and replaced with **Attachment E-1**, Revised Special Audit Requirements, attached hereto and made a part of the Agreement. All references in the Agreement to **Attachment E**, shall hereinafter refer to **Attachment E-1**, Revised Special Audit Requirements.

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IN WITNESS WHEREOF, the parties have caused this amendment to Agreement S0878 to be duly executed, the day and year last written below.

ESCAMBIA COUNTY

STATE OF FLORIDA DEPARTMENT OF
ENVIRONMENTAL PROTECTION

Board of County Commissioners
Escambia County, Florida


D. B. Underhill, Chairman

Date Executed


9/21/2017

ATTEST:

Pam Childers
Clerk of the Circuit Court


Jessica Mittelle
Deputy Clerk

By:


Secretary or designee

Trina Vielhauer
Print Name and Title of Authorized Person

Date:

10/9/17


Sandra Waters, DEP Grant Manager


Lisa Mecca, DEP QC Reviewer

FEID No.: 59-6000598

BCC Approved 09-21-2017

Approved as to form and legal
sufficiency.

By/Title:

Date:

List of attachments/exhibits included as part of this Amendment:

Specify Type	Letter/ Number	Description (include number of pages)
Attachment	A-2	Revised Project Work Plan (5 Pages)
Attachment	B-1	Payment Request Summary Form (2 Pages)
Attachment	E-1	Revised Special Audit Requirements (5 pages)
Attachment	F	Property Reporting Form (1 Page)

**DEPARTMENT OF ENVIRONMENTAL PROTECTION
REVISED GRANT WORK PLAN
DEP AGREEMENT NO. S0878**

ATTACHMENT A-2

PROJECT TITLE: Escambia County Innerarity Water and Sewer Upgrade

PROJECT LOCATION: The Project will be located on Innerarity Island in Escambia County, Florida. Lat/Long 30.315489, -87.484840 See Figures 1 and 2 for a location map and site plan.

PROJECT BACKGROUND: The Innerarity Island Development Corporation (IIDC) provided water and wastewater service to the residents of Innerarity Island in southwestern Escambia County. IIDC purchased water from the Emerald Coast Utilities Authority (ECUA) and resold it to the residents. Wastewater is currently collected in a gravity sewer system and conveyed via a system of lift stations and force mains to ECUA lift station No. 380. Wastewater is metered at the discharge of the lift station before leaving the island. The wastewater is metered and billed independently of the potable water. Water and sewer services provided in the past by IIDC were subject to regulation by the Public Service Commission of the State of Florida.

On January 27, 2014, the IIDC formally filed a note of abandonment pursuant to Florida Statute 367.165(1), and on March 21, 2014 the First Judicial Circuit Court ordered Escambia County (Grantee) to become the receiver of this now abandoned water and wastewater utility system. However, not only is long term ownership and maintenance outside of the capabilities of the Grantee, the Grantee also has no statutory authority to own and operate a water and wastewater system due to the Enabling Act of the ECUA. An agreement in principal has been reached between ECUA and the Grantee regarding future ownership and maintenance of the IIDC's utilities, as well as options for financing mechanisms allowing ECUA to complete design and construction, as necessary, to bring the existing utility systems into compliance with current FDEP and ECUA standards.

The proposed project will facilitate the transfer of ownership and maintenance of the systems to ECUA. This transition is critical so that an entity with adequate resources can accept the long term requirements that come with utility ownership. This is a necessity for the residents served by this system.

PROJECT DESCRIPTION: The Grantee will evaluate the current water and wastewater system formerly owned by the IIDC and design the upgrades for the water and wastewater system infrastructure to meet the standards required by ECUA for a publicly owned and maintained water and wastewater utility system.

Water system improvements may consist of: a) relatively minor main relocations to remove encroachments of the water facilities from private properties or alternatively to relocations, easements could be secured with the assistance of the Innerarity Island Homeowners Association to negate the need for the relocations; b) installation of system isolation valves; c) fire hydrant additions; d) modification of dead end water lines to provide either flush valves or circulation loops; e) water service renewals to remove polybutylene tubing and replace meters with ECUA standard meters; and f) upgrade approximately 3,000 linear feet of existing 4-inch water main on North Shore Drive to 6-inch.

Sanitary sewer system improvements will consist primarily of the construction of a low pressure sewer system to replace all gravity collection on the island leaving only the relatively new gravity collection in the Russell Bayou development in service. The existing gravity sewer collection system was found to be

prone to excessively heavy infiltration/inflow and to have many line segments laid at insufficient slope. Full replacement of the gravity sewer system was eliminated from consideration due to excessive cost.

The Grantee does not anticipate that the funding under this agreement will result in a fully completed project, so this agreement will cover a portion of the work.

TASKS and DELIVERABLES:

Task 1: Design and Permitting

Task Description: The Grantee will procure professional engineering in accordance with state law. The Grantee will complete the evaluation and design of upgrades to the water and wastewater system infrastructure and obtain all necessary permits for construction of the project. The Grantee will submit documentation of design and permitting activities, as described below.

Deliverable 1 : Design completed to date as described in this task, as evidenced by these deliverables: 1) Signed acceptance of the completed work by the Grantee, 2) Summary of design activities to date, indicating % of design completion representing time period covered in the payment request. 3) The final payment request for this task must be accompanied by an electronic copy of the final design and a list of all required permits identifying issue dates and issuing authorities. Upon request, the Grantee will provide paper copies of obtained permits or permit related correspondence or documentation and the final design document.

Performance Standard: The Department's Grant Manager will review all deliverables to verify that they meet the specifications in the Grant Work Plan and this task description.

Payment Request Schedule: Grantee may submit a payment request for cost reimbursement no more frequently than once per month. The outlined deliverables, as applicable, must have been submitted and accepted in writing by the Department's Grant Manager prior to payment request submittal.

Task 2: Construction

Task Description: The Grantee will construct water and wastewater improvements in accordance with the construction contract documents.

Deliverable 2: Construction completed to date as described in this task, as evidenced by these deliverables: 1) Dated color photographs of the construction site(s) prior to, during, and immediately following completion of the construction task, or of the portion of work completed when the funding supplied by this grant has been fully expended; 2) written verification that the Grantee has received record drawings and any required final inspection report(s) for the project (as applicable); 3) Contractor's Application and Certification for Payment, 4) signed acceptance of the completed work by the Grantee; and 5) signed statement from a Florida Licensed Professional Engineer indicating construction has been completed (as applicable) in accordance with the construction contract documents, or indicating that construction completed by the end of the funding has been completed in accordance with the construction contract documents.

Performance Standard: The Department's Grant Manager will review each submitted deliverable to verify that it meets the specifications in the Grant Work Plan and this task description and that work is being performed in accordance with the Grantee's construction contract documents.

Payment Request Schedule: Grantee may submit a payment request for cost reimbursement no more frequently than once per month. The outlined deliverables, as applicable, must have been submitted and accepted in writing by the Department's Grant Manager prior to payment request submittal.

Task 3: Administration, Operation, and Repair of Water and Wastewater Utility System

Task Description: The Grantee will subcontract the Administrative, Operational and Repair Services for the water and wastewater utility system.

Deliverables 3: 1) An electronic copy of the Grantee's interlocal agreement with the City of Gulf Breeze for the administration, operation and repairs of the water and wastewater system submitted to the Department's Grant Manager provided prior to submitting any invoices for the subcontracted work; and 2) interim progress reports, work summaries and field notes, as applicable, documenting administrative, operation and repair services provided.

Performance Standard: The Department's Grant Manager will review the deliverables to verify they meet the specifications in the Grant Work Plan and this task description. Upon review and written acceptance by the Department's Grant Manager of the interim deliverables under this task, the Grantee may proceed with payment request submittal.

Payment Request Schedule: Grantee may submit a payment request for cost reimbursement no more frequently than once per month. The deliverables must have been submitted and accepted in writing by the Department's Grant Manager prior to payment request submittal.

Task 4: Construction Engineering Inspection Services

Task Description: The Grantee will perform construction engineering inspection services. If the Grantee contracts these services, the Grantee will procure such services in accordance with state law.

Deliverables 4: 1) An electronic copy of the Grantee's executed contract(s) and scope of services for project management and/or engineering services submitted to the Department's Grant Manager provided prior to submitting any invoices for the subcontracted work. 2) engineering inspection reports associated with the inspection of the project.

Performance Standard: The Department's Grant Manager will review the deliverables to verify that they meet the specifications in the Grant Work Plan and this task description. Upon review and written acceptance by the Department's Grant Manager of the interim deliverables under this task, the Grantee may proceed with payment request submittal.

Payment Request Schedule: Grantee may submit a payment request for cost reimbursement no more frequently than once per month. The deliverables must have been submitted and accepted in writing by the Department's Grant Manager prior to payment request submittal.

Task 5: Equipment Purchase

Task Description: The Grantee will purchase the equipment for upgrading the current water and wastewater system infrastructure to meet the standards required by ECUA for a publically owned and maintained water and wastewater utility system. Water system equipment may include water meters, yoke boxes, fire hydrants, pipe main, isolation valves, flush valves and other incidental items. Sewer system equipment may include sewer main, gate valves, service connections, grinder pumps and other incidental items. The Grantee will not retain possession of the equipment at the end of the grant period.

Deliverables 5: Purchase of the equipment as evidenced by: Purchase order(s); vendor invoice(s) for delivery, installation and start up; proof of payment to vendor; Bills of Lading; and pictures of equipment purchased. Completed Property Reporting Form with invoice copy.

Performance Standard: The Department's Grant Manager will review the deliverables to ensure that they meet the specifications in the Grant Work Plan and this task description.

Payment Request Schedule: Grantee may submit a payment request for cost reimbursement upon completion of the purchases and Department approval of the associated task deliverables.

PROJECT TIMELINE & BUDGET DETAIL: The tasks must be completed by, and all deliverables received by, the corresponding task end date.

Task No.	Task Title	Budget Category	Budget Amount	Task Start Date	Task End Date
1	Design and Permitting	Contractual Services	\$223,800	7/1/2015	6/30/2021
2	Construction	Contractual Services	\$844,495	7/1/2015	6/30/2021
3	Administration, Operation, and Repair of Water and Wastewater Utility System	Contractual Services	\$166,000	7/1/2015	6/30/2021
4	Construction Engineering Inspection Services	Contractual Services	\$108,520	7/1/2015	6/30/2021
5	Equipment Purchase	Equipment	\$157,185	7/1/2015	6/30/2021
Total:			\$1,500,000		

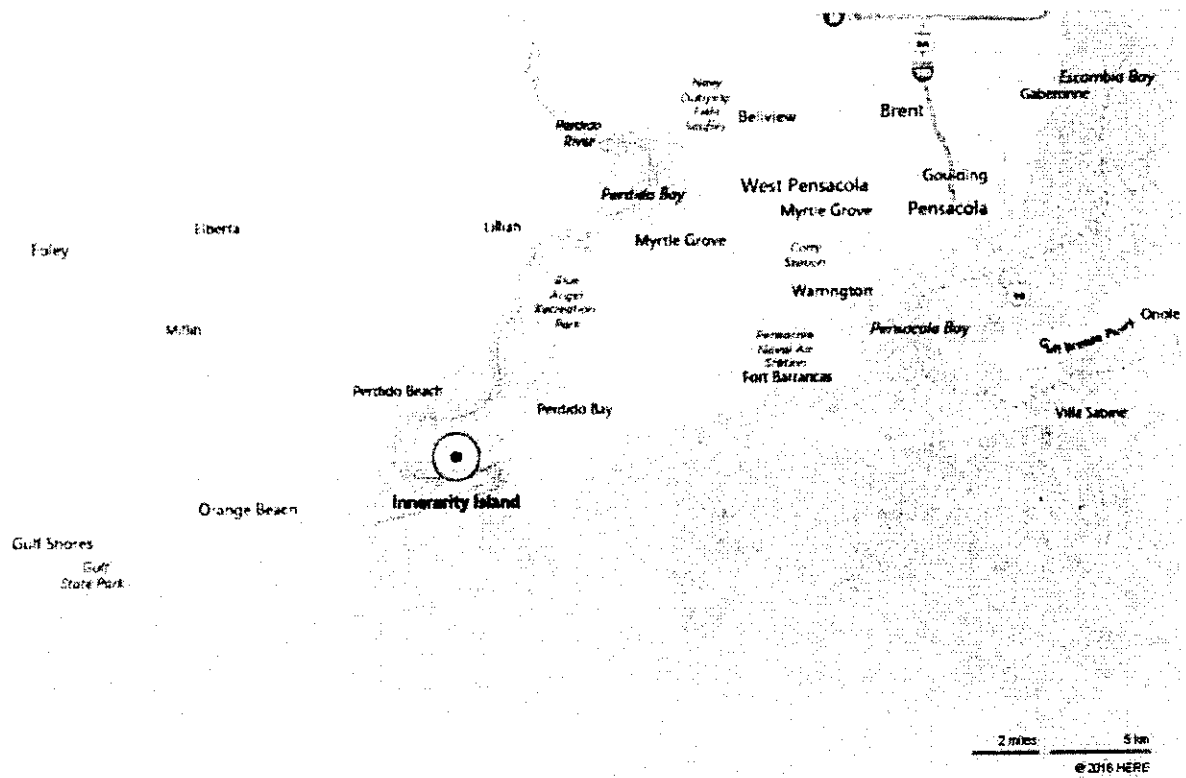


Figure 1

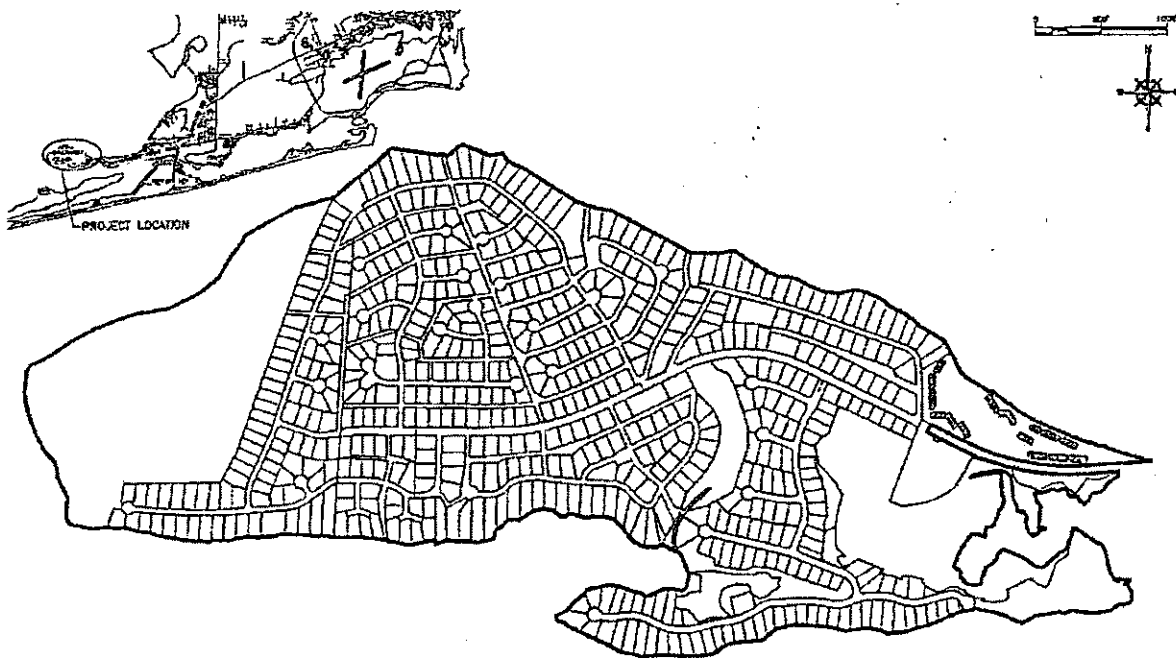


Figure 2

**ATTACHMENT B-1
PAYMENT REQUEST SUMMARY FORM**

DEP Agreement No. _____ Agreement Effective Dates: _____

Grantee: _____
(Name & Mailing Address) _____

Grantee's Grant Manager _____

Performance Period (Start date – End date): _____ Date of Request: _____

Task/Deliverable No(s). _____ Task/Deliverable Amount Requested: \$ _____

GRANT EXPENDITURES SUMMARY SECTION

CATEGORY OF EXPENDITURE (As authorized)	AMOUNT OF THIS REQUEST	PREVIOUS PAYMENT REQUESTS	TOTAL CUMULATIVE PAYMENT REQUESTS	MATCHING FUNDS FOR THIS REQUEST	TOTAL CUMULATIVE MATCHING FUNDS
Task 1:	\$ -	\$ -	\$ -	\$ -	\$ -
Task 2:	\$ -	\$ -	\$ -	\$ -	\$ -
Task 3:	\$ -	\$ -	\$ -	\$ -	\$ -
Task 4:	\$ -	\$ -	\$ -	\$ -	\$ -
Task 5:	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6:	\$ -	\$ -	\$ -	\$ -	\$ -
Task 7:	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8:	\$ -	\$ -	\$ -	\$ -	\$ -
Task 9:	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL AMOUNT	\$	\$	\$	\$	\$
TOTAL BUDGET (ALL TASKS)	\$			\$	
LESS TOTAL CUMULATIVE PAYMENT REQUESTS OF:	\$			\$	
TOTAL REMAINING (ALL TASKS)	\$			\$	

GRANTEE CERTIFICATION

Complete Grantee's Certification of Payment Request on Page 2 to certify that the amount being requested for reimbursement above was for items that were charged to and utilized only for the above cited grant activities.

Grantee's Certification of Payment Request

I, _____, on behalf of
(Print name of Grantee's Grant Manager designated in the Agreement)

_____, do hereby certify for
(Print name of Grantee)

DEP Agreement No. _____ and Payment Request No. _____ that:

- ☒ The disbursement amount requested is for allowable costs for the project described in Attachment A of the Agreement.
- ☒ All costs included in the amount requested have been satisfactorily purchased, performed, received, and applied toward completing the project; such costs are documented by invoices or other appropriate documentation as required in the Agreement.
- ☒ The Grantee has paid such costs under the terms and provisions of contracts relating directly to the project; and the Grantee is not in

Check all that apply:

- ☐ All permits and approvals required for the construction, which is underway, have been obtained.
- ☐ Construction up to the point of this disbursement is in compliance with the construction plans and permits.
- ☐ The Grantee's Grant Manager relied on certifications from the following professionals that provided services for this project during the time period covered by this Certification of Payment Request, and such certifications are included:

Professional Service Provider (Name / License No.)	Period of Service (mm/dd/yy – mm/dd/yy)
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Grantee's Grant Manager's Signature

Print Name

Telephone Number

Grantee's Fiscal Agent Signature

Print Name

Telephone Number

**INSTRUCTIONS FOR COMPLETING
PAYMENT REQUEST SUMMARY FORM**

DEP AGREEMENT NO.: This is the number on your grant agreement.

AGREEMENT EFFECTIVE DATES: Enter agreement execution date through end date.

GRANTEE: Enter the name of the grantee's agency.

MAILING ADDRESS: Enter the address that you want the state warrant sent.

GRANTEE'S GRANT MANAGER: This should be the person identified as grant manager in the grant Agreement.

PERFORMANCE PERIOD: This is the beginning and ending date of the performance period for the task/deliverable that the request is for (this must be within the timeline shown for the task/deliverable in the Agreement).

TASK/DELIVERABLE NO.: This is the number of the task/deliverable that you are requesting payment for and/or claiming match for (must agree with the current Grant Work Plan).

TASK/DELIVERABLE AMOUNT REQUESTED: This should match the amount on the "*TOTAL TASK/DELIVERABLE BUDGET AMOUNT*" line for the "*AMOUNT OF THIS REQUEST*" column.

GRANT EXPENDITURES SUMMARY SECTION:

"AMOUNT OF THIS REQUEST" COLUMN: Enter by authorized category of expenditure the amount for which you are requesting reimbursement for this task. This must agree with the currently approved budget in the current Grant Work Plan of your grant Agreement. Do not claim expenses in a budget category that does not have an approved budget. Do not claim items that are not specifically identified in the current Grant Work Plan. Enter the column total on the "*TOTAL AMOUNT*" line. Enter the amount of all Tasks on the "*TOTAL BUDGET (ALL TASKS)*" line. Enter the total cumulative amount of this request **and** all previous payments on the "*LESS TOTAL CUMULATIVE PAYMENT REQUESTS OF*" line. Deduct the "*LESS TOTAL CUMULATIVE PAYMENT REQUESTS OF*" from the "*TOTAL BUDGET (ALL*

"PREVIOUS PAYMENT REQUESTS" COLUMN: Enter the total cumulative amount that has been paid in previous requests. Do not include the current requested amount in this total. **Do not enter anything in the shaded areas.**

"TOTAL CUMULATIVE PAYMENT REQUESTS" COLUMN: Enter the cumulative amounts that have been requested to date for reimbursement by budget category. The final request should show the total of all requests; first through the final request (this amount cannot exceed the approved budget amount for that budget category for the Task(s) you are reporting on). Enter the column total on the "*TOTAL PAYMENT REQUEST*" line. **Do not enter anything in the shaded areas.**

"MATCHING FUNDS" COLUMN: Enter the amount to be claimed as match for the performance period for the Task(s) you are reporting on. This needs to be shown under specific budget categories according to the currently approved Grant Work Plan. Enter the total on the "*TOTAL AMOUNT*" line for this column. Enter the match budget amount on the "*TOTAL BUDGET (ALL TASKS)*" line for this column. Enter the total cumulative amount of this and any previous match claimed on the "*LESS TOTAL CUMULATIVE PAYMENTS OF*" line for this column. Deduct the "*LESS TOTAL CUMULATIVE PAYMENTS OF*" from the "*TOTAL BUDGET (ALL TASKS)*" for the amount to enter on

"TOTAL CUMULATIVE MATCHING FUNDS" COLUMN: Enter the cumulative amounts you have claimed to date for match by budget category. Put the total of all on the line titled "*TOTAL PAYMENT REQUEST.*" The final request should show the total of all claims, first claim through the final claim, etc. **Do not enter anything in the shaded areas.**

GRANTEE'S CERTIFICATION: Check all boxes that apply. Identify any licensed professional service providers that certified work or services completed during the period included in the request for payment. **Must be signed by both the Grantee's Grant Manager as identified in the grant agreement and the Grantee's Fiscal Agent.**

Documentation for match claims must meet the same requirements as those expenditures for reimbursement.

FLORIDA DEPARTMENT OF ENVIRONMENTAL PROTECTION

REQUEST FOR PAYMENT – PART II

REIMBURSEMENT DETAIL

Grantee Name:					Payment Request No.:		
DEP Agreement No.:							
Vendor Name	Invoice Number	Invoice Date	Invoice Amount (1)	Local Share or Other Funding or Amount Not Requested (2)	Requested Amount (3)	Check Number	Task/Deliverable Number (4)
				\$ -	\$ -		
				\$ -	\$ -		
				\$ -	\$ -		
				\$ -	\$ -		
				\$ -	\$ -		
				\$ -	\$ -		
				\$ -	\$ -		
				\$ -	\$ -		
				\$ -	\$ -		
				\$ -	\$ -		
				\$ -	\$ -		
				\$ -	\$ -		
				\$ -	\$ -		
				\$ -	\$ -		
				\$ -	\$ -		
Totals:				\$ -	\$ -		

Instructions for Completing Request for Payment - Part II

Include the Grantee Name, Payment Request No., and DEP Agreement Number. List vendor invoices that are associated with the Project by Task/Deliverable.

- 1 **Invoice Amount:** Amount of Invoice being submitted for reimbursement.
- 2 **Local Share or Other Funding or Amount Not Requested:** Portion of invoice paid for by Grantee.
Requested Amount: Subtract Grantee's Local Share or Other Funding or Amount Not Requested (2) from Invoice Amount (1).
- 3 **Deliverable Number:** Must identify completed deliverable(s) for each invoice. If invoice covers multiple deliverables, that invoice would be listed multiple times, a line item for each deliverable with any portion not applicable to that Task/Deliverable identified under (2).

Submittal Instructions

Instructions for E-mailing:

The program now accepts reimbursement requests electronically, please E-mail to SRF. When scanning please be sure that the minimum scan resolution must be 300 DPI (dots per inch). When reimbursement requests are sent electronically, please **do not** also send a hard copy by postal mail.

Remit Payment Request by E-mail to: SRF_Reporting@dep.state.fl.us

Be sure the E-mail payment request includes the following:

Cc: Department's Grant/Project Manager

Subject: Project Number_Disbursement Number: example – LP14025_Disb_1

Attachments:

- 1) Exhibit D Payment Request Summary
- 2) Request for Payment Part II Reimbursement Detail
- 3) Copies of invoices
- 4) Other supporting documentation, as needed

For questions or concerns regarding these forms or if you would like the payment request forms listed above in electronic format please contact:

Sandy Waters 850-245-2898
Sandra.waters@dep.state.fl.us

ATTACHMENT E-1

SPECIAL AUDIT REQUIREMENTS

The administration of resources awarded by the Department of Environmental Protection (*which may be referred to as the "Department", "DEP", "FDEP" or "Grantor", or other name in the contract/agreement*) to the recipient (*which may be referred to as the "Contractor", "Grantee" or other name in the contract/agreement*) may be subject to audits and/or monitoring by the Department of Environmental Protection, as described in this attachment.

MONITORING

In addition to reviews of audits conducted in accordance with OMB Circular A-133 and Section 215.97, F.S., as revised (see "AUDITS" below), monitoring procedures may include, but not be limited to, on-site visits by Department staff, limited scope audits as defined by OMB Circular A-133, as revised, and/or other procedures. By entering into this Agreement, the recipient agrees to comply and cooperate with any monitoring procedures/processes deemed appropriate by the Department of Environmental Protection. In the event the Department of Environmental Protection determines that a limited scope audit of the recipient is appropriate, the recipient agrees to comply with any additional instructions provided by the Department to the recipient regarding such audit. The recipient further agrees to comply and cooperate with any inspections, reviews, investigations, or audits deemed necessary by the Chief Financial Officer or Auditor General.

AUDITS

PART I: FEDERALLY FUNDED

This part is applicable if the recipient is a State or local government or a non-profit organization as defined in OMB Circular A-133, as revised.

1. In the event that the recipient expends \$500,000 or more in Federal awards in its fiscal year, the recipient must have a single or program-specific audit conducted in accordance with the provisions of OMB Circular A-133, as revised. EXHIBIT 1 to this Attachment indicates Federal funds awarded through the Department of Environmental Protection by this Agreement. In determining the Federal awards expended in its fiscal year, the recipient shall consider all sources of Federal awards, including Federal resources received from the Department of Environmental Protection. The determination of amounts of Federal awards expended should be in accordance with the guidelines established by OMB Circular A-133, as revised. An audit of the recipient conducted by the Auditor General in accordance with the provisions of OMB Circular A-133, as revised, will meet the requirements of this part.
2. In connection with the audit requirements addressed in Part I, paragraph 1, the recipient shall fulfill the requirements relative to auditee responsibilities as provided in Subpart C of OMB Circular A-133, as revised.
3. If the recipient expends less than \$500,000 in Federal awards in its fiscal year, an audit conducted in accordance with the provisions of OMB Circular A-133, as revised, is not required. In the event that the recipient expends less than \$500,000 in Federal awards in its fiscal year and elects to have an audit conducted in accordance with the provisions of OMB Circular A-133, as revised, the cost of the audit must be paid from non-Federal resources (i.e., the cost of such an audit must be paid from recipient resources obtained from other than Federal entities).
4. The recipient may access information regarding the Catalog of Federal Domestic Assistance (CFDA) via the internet at <http://12.46.245.173/cfda/cfda.html>.

PART II: STATE FUNDED

This part is applicable if the recipient is a nonstate entity as defined by Section 215.97(2)(m), Florida Statutes.

1. In the event that the recipient expends a total amount of state financial assistance equal to or in excess of \$500,000 in any fiscal year of such recipient, the recipient must have a State single or project-specific audit for such fiscal year in accordance with Section 215.97, Florida Statutes; applicable rules of the Department of Financial Services; and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General. EXHIBIT I to this Attachment indicates state financial assistance awarded through the Department of Environmental Protection by this Agreement. In determining the state financial assistance expended in its fiscal year, the recipient shall consider all sources of state financial assistance, including state financial assistance received from the Department of Environmental Protection, other state agencies, and other nonstate entities. State financial assistance does not include Federal direct or pass-through awards and resources received by a nonstate entity for Federal program matching requirements.
2. In connection with the audit requirements addressed in Part II, paragraph 1; the recipient shall ensure that the audit complies with the requirements of Section 215.97(7), Florida Statutes. This includes submission of a financial reporting package as defined by Section 215.97(2), Florida Statutes, and Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General.
3. If the recipient expends less than \$500,000 in state financial assistance in its fiscal year, an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, is not required. In the event that the recipient expends less than \$500,000 in state financial assistance in its fiscal year, and elects to have an audit conducted in accordance with the provisions of Section 215.97, Florida Statutes, the cost of the audit must be paid from the non-state entity's resources (i.e., the cost of such an audit must be paid from the recipient's resources obtained from other than State entities).
4. For information regarding the Florida Catalog of State Financial Assistance (CSFA), a recipient should access the Florida Single Audit Act website located at <https://apps.fldfs.com/fsaa> for assistance. In addition to the above websites, the following websites may be accessed for information: Legislature's Website at <http://www.leg.state.fl.us/Welcome/index.cfm>, State of Florida's website at <http://www.myflorida.com/>, Department of Financial Services' Website at <http://www.fldfs.com/> and the Auditor General's Website at <http://www.state.fl.us/audgen>.

PART III: OTHER AUDIT REQUIREMENTS

(NOTE: This part would be used to specify any additional audit requirements imposed by the State awarding entity that are solely a matter of that State awarding entity's policy (i.e., the audit is not required by Federal or State laws and is not in conflict with other Federal or State audit requirements). Pursuant to Section 215.97(8), Florida Statutes, State agencies may conduct or arrange for audits of State financial assistance that are in addition to audits conducted in accordance with Section 215.97, Florida Statutes. In such an event, the State awarding agency must arrange for funding the full cost of such additional audits.)

PART IV: REPORT SUBMISSION

1. Copies of reporting packages for audits conducted in accordance with OMB Circular A-133, as revised, and required by PART I of this Attachment shall be submitted, when required by Section .320 (d), OMB Circular A-133, as revised, by or on behalf of the recipient directly to each of the following:

- A. The Department of Environmental Protection at one of the following addresses:

By Mail:

Audit Director

Florida Department of Environmental Protection
Office of the Inspector General, MS 40
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Electronically:

FDEPSingleAudit@dep.state.fl.us

- B. The Federal Audit Clearinghouse designated in OMB Circular A-133, as revised (the number of copies required by Sections .320 (d)(1) and (2), OMB Circular A-133, as revised, should be submitted to the Federal Audit Clearinghouse), at the following address:

Federal Audit Clearinghouse
Bureau of the Census
1201 East 10th Street
Jeffersonville, IN 47132

Submissions of the Single Audit reporting package for fiscal periods ending on or after January 1, 2008, must be submitted using the Federal Clearinghouse's Internet Data Entry System which can be found at <http://harvester.census.gov/fac/>

- C. Other Federal agencies and pass-through entities in accordance with Sections .320 (e) and (f), OMB Circular A-133, as revised.

2. Pursuant to Section .320(f), OMB Circular A-133, as revised, the recipient shall submit a copy of the reporting package described in Section .320(c), OMB Circular A-133, as revised, and any management letters issued by the auditor, to the Department of Environmental Protection at one the following addresses:

By Mail:

Audit Director

Florida Department of Environmental Protection
Office of the Inspector General, MS 40
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Electronically:

FDEPSingleAudit@dep.state.fl.us

3. Copies of financial reporting packages required by PART II of this Attachment shall be submitted by or on behalf of the recipient directly to each of the following:

- A. The Department of Environmental Protection at one of the following addresses:

By Mail:

Audit Director

Florida Department of Environmental Protection
Office of the Inspector General, MS 40
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Electronically:

FDEPSingleAudit@dep.state.fl.us

B. The Auditor General's Office at the following address:

State of Florida Auditor General
Room 401, Claude Pepper Building
111 West Madison Street
Tallahassee, Florida 32399-1450

4. Copies of reports or management letters required by PART III of this Attachment shall be submitted by or on behalf of the recipient directly to the Department of Environmental Protection at one of the following addresses:

By Mail:

Audit Director

Florida Department of Environmental Protection
Office of the Inspector General, MS 40
3900 Commonwealth Boulevard
Tallahassee, Florida 32399-3000

Electronically:

FDEPSingleAudit@dep.state.fl.us

5. Any reports, management letters, or other information required to be submitted to the Department of Environmental Protection pursuant to this Agreement shall be submitted timely in accordance with OMB Circular A-133, Florida Statutes, or Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, as applicable.
6. Recipients, when submitting financial reporting packages to the Department of Environmental Protection for audits done in accordance with OMB Circular A-133, or Chapters 10.550 (local governmental entities) or 10.650 (nonprofit and for-profit organizations), Rules of the Auditor General, should indicate the date that the reporting package was delivered to the recipient in correspondence accompanying the reporting package.

PART V: RECORD RETENTION

The recipient shall retain sufficient records demonstrating its compliance with the terms of this Agreement for a period of **5** years from the date the audit report is issued, and shall allow the Department of Environmental Protection, or its designee, Chief Financial Officer, or Auditor General access to such records upon request. The recipient shall ensure that audit working papers are made available to the Department of Environmental Protection, or its designee, Chief Financial Officer, or Auditor General upon request for a period of **3** years from the date the audit report is issued, unless extended in writing by the Department of Environmental Protection.

REMAINDER OF PAGE INTENTIONALLY LEFT BLANK

EXHIBIT - 1

FUNDS AWARDED TO THE RECIPIENT PURSUANT TO THIS AGREEMENT CONSIST OF THE FOLLOWING:

Federal Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following:					
Federal Program Number	Federal Agency	CFDA Number	CFDA Title	Funding Amount	State Appropriation Category

State Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following Matching Resources for Federal Programs:					
Federal Program Number	Federal Agency	CFDA	CFDA Title	Funding Amount	State Appropriation Category

State Resources Awarded to the Recipient Pursuant to this Agreement Consist of the Following Resources Subject to Section 215.97, F.S.:						
State Program Number	Funding Source	State Fiscal Year	CSFA Number	CSFA Title or Funding Source Description	Funding Amount	State Appropriation Category
Original Agreement	General Revenue Fund, Line Item 1662A	2015-2016	37.039	Statewide Surface Water Restoration And Wastewater Projects	\$1,000,000.00	140047
Amendment 1	General Revenue Fund, Line Item 1606A	2017-2018	37.039	Statewide Surface Water Restoration And Wastewater Projects	\$500,000.00	140047

Total Award					\$1,500,000.00	
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For each program identified above, the recipient shall comply with the program requirements described in the Catalog of Federal Domestic Assistance (CFDA) [<http://12.46.245.173/cfda/cfda.html>] and/or the Florida Catalog of State Financial Assistance (CSFA) [<https://apps.fldfs.com/fsaa/searchCatalog.aspx>]. The services/purposes for which the funds are to be used are included in the Contract scope of services/work. Any match required by the recipient is clearly indicated in the Contract.

EXHIBIT C

PROPERTY REPORTING FORM FOR DEP AGREEMENT NO. S0878

GRANTEE: List non-expendable equipment/personal property* costing \$1,000 or more purchased under the above Agreement. Also list all upgrades* under this Agreement, costing \$1,000 or more, of property previously purchased under a DEP agreement (identify the property upgraded and the applicable DEP agreement on a separate sheet). Complete the serial no./cost, location/address and property control number columns of this form.

DESCRIPTION OF PROPERTY	SERIAL NO. OR OTHER ID NO.	COST**	ACQUISITION DATE	LOCATION/ADDRESS

*Not including software. **Attach copy of invoice, bill of sale, or other documentation to support purchase.

GRANTEE:	Grantee's Project Manager:	Date:
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BELOW FOR DEP USE ONLY

DEP GRANT MANAGER: MAINTAIN THIS DOCUMENT WITH A COPY OF THE INVOICES SUPPORTING THE COST OF EACH ITEM IDENTIFIED ABOVE IN YOUR AGREEMENT FILE. IF THE AGREEMENT IS A COST REIMBURSEMENT AGREEMENT, SEND THIS COMPLETED FORM ALONG WITH INVOICES SUPPORTING THE COST OF THE ITEMS TO FINANCE AND ACCOUNTING FOR THE PROCESSING OF THE GRANTEE'S/ INVOICE FOR PAYMENT.

DEP Grant Manager Signature: _____ Date: _____

DEP FINANCE AND ACCOUNTING: No processing required by Finance & Accounting as the Grantee/Contractor is responsible for retaining ownership of the equipment/property upon satisfactory completion of the Contract.

DEP PROPERTY MANAGEMENT: No processing required by the Property Management section as the Grantee/Contractor will retain ownership of the equipment/property upon satisfactory completion of the Contract.

Escambia County
Clerk's Original

- 3/2/2017 5:32pm P.H.

ORDINANCE 2017- 10

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF ESCAMBIA COUNTY, FLORIDA CREATING CHAPTER 70, ARTICLE VIII, DIVISION 3, SECTIONS 70-824 THROUGH 70-831 CREATING THE INNERARITY ISLAND DEVELOPMENT CORPORATION SEWAGE SYSTEM IMPROVEMENTS MUNICIPAL SERVICE BENEFIT UNIT FOR THE PURPOSE OF PROVIDING SEWAGE SYSTEM IMPROVEMENTS WITHIN THE DISTRICT; DEFINING THE BOUNDARIES OF SAID DISTRICT; PROVIDING FOR THE GOVERNANCE OF SAID DISTRICT BY THE BOARD OF COUNTY COMMISSIONERS; PROVIDING FOR LEGISLATIVE FINDINGS; AUTHORIZING THE LEVY OF A NON-AD VALOREM SPECIAL ASSESSMENT TO DEFRAY THE COSTS OF SEWAGE SYSTEM IMPROVEMENTS WITHIN THE DISTRICT BASED ON A FAIR AND REASONABLE APPORTIONMENT OF THE COST TO SPECIALLY BENEFITTED PROPERTIES; PROVIDING FOR THE USE OF THE UNIFORM METHOD OF COLLECTION PRESCRIBED BY §197.3632, FLORIDA STATUTES; IDENTIFYING THE DUTIES OF THE ESCAMBIA COUNTY CLERK OF THE CIRCUIT COURT, TAX COLLECTOR, AND PROPERTY APPRAISER; PROVIDING FOR AN APPEAL PROCESS; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES OF ESCAMBIA COUNTY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, the Board of County Commissioners of Escambia County, Florida has the authority to establish a Municipal Service Benefit Unit ("MSBU") pursuant to Chapter 125, Florida Statutes; and

WHEREAS, by Resolution R2016-155, the Board of County Commissioners reaffirmed its intent to use the uniform method of collection of non-ad valorem special assessments levied for such services; and

WHEREAS, the Board of County Commissioners has adopted administrative procedures for the establishment of such a MSBU; and

WHEREAS, due to public safety concerns, the Board of County Commissioners waived the Application and Petition requirements specified in the *Escambia County Municipal Services Benefits Units Guidelines and Procedures*; and

WHEREAS, the proposed MSBU has otherwise met the criteria established by the Board of County Commissioners for a MSBU; and

WHEREAS, following completion of said improvements funded by the proposed MSBU, the lot owners shall assume responsibility for the improvements in this district.

Verified By: K. McLeod
Date: 3-3-2017

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF ESCAMBIA COUNTY:

Section 1: The foregoing recitals are true and correct and incorporated herein by reference.

Section 2. Part I, Chapter 70, Article VIII, Division 3, Sections 70-824 through 70-831 of the Escambia County Code of Ordinances are hereby created to read as follows:

Division 3. –INNERARITY ISLAND DEVELOPMENT CORPORATION

Sec. 70-824. AUTHORITY; PURPOSE; SCOPE. This Ordinance is enacted under the authority of Article VIII, Section 1 (f) of the Constitution of the State of Florida and Chapter 125, Florida Statutes, for the purpose of providing a sewage system improvement district in certain unincorporated areas in Escambia County, Florida as described herein, not lying within the corporate boundaries of any municipality.

Sec. 70-825. SHORT TITLE. This Ordinance shall be known and referred to as the "Innerarity Island Development Corporation Sewage System Improvement Municipal Service Benefit Unit Ordinance."

Sec. 70-826. DEFINITIONS. When used in this Ordinance, the following terms shall be defined to mean:

(A) *Annual Installment* shall mean one tenth (1/10) of the total Costs of the improvements, a four percent (4%) interest charge on the remaining costs and accrued interest compounded annually, plus any statutory administrative fees payable to the Escambia County Tax Collector and the Escambia County Property Appraiser.

(B) *Board* shall mean the Board of County Commissioners of Escambia County, Florida.

(C) *Costs* shall mean the total cost of engineering and construction associated with the sewage system improvements contained in the District. The costs for improvements may include, but are not limited to, the costs of design, permitting, surveys, engineering services, construction, labor, materials, plans and specifications, as well as administrative fees and the Escambia County Tax Collector's collection fee.

(D) *County or Escambia County* shall mean all those geographical territories of Escambia County, a political subdivision of the State of Florida, which territories are not now within the corporate limits of any municipality.

(E) *District* shall mean that geographical area of the *Innerarity Island Development Corporation Sewage System Improvement MSBU* as described in **Exhibit A**, attached hereto and incorporated by reference herein.

(F) *Fiscal Year* shall mean the period of time between October 1st and September 30th.

(G) *Improvements* shall mean all sewage system improvements presently located or to be located within or added to the District.

(H) *Lot* shall mean a developed or vacant parcel identified with a unique property identification number by the Escambia County Property Appraiser.

(I) *Person* shall mean individuals, children, firms, associations, ventures, partnerships, estates, trusts, business trusts, syndicates, fiduciaries, corporations, and all other groups and legal entities or combinations thereof.

Sec. 70-827. DISTRICT CREATED. There is hereby created in Escambia County, Florida the *Innerarity Island Development Corporation Sewage System Improvement Municipal Service Benefit Unit* for the purpose of providing sewage system improvements within the District. The aforementioned District shall include all Lots which benefit from the improvements, including those Lots listed in **Exhibit A**, excluding any holding ponds, wetland/drainage easements, designated wetlands, or buffer zones.

Sec. 70-828. GOVERNANCE OF THE DISTRICT. The District shall be governed by the Board. The Board shall have the following powers and duties:

(A) To authorize and provide for the collection of non-ad valorem special assessments to defray the Costs associated with the sewage system improvements within the District.

(B) To provide for or contract for the improvements within the District.

(C) To buy, lease, or rent any and all real or personal property necessary to implement this Ordinance.

(D) To fairly and reasonably apportion the Costs of the improvements among all specially benefited Lots.

(E) To prepare and adopt an annual budget for the District.

(F) To make legislative findings related to the special benefits provided to Lots located in the District.

(G) To otherwise act or satisfy its duties and responsibilities under this Ordinance.

(H) To adopt by resolution, rules and regulations regarding fiscal management of the District.

Sec. 70-829. LEGISLATIVE FINDINGS.

(A) Due to public safety concerns, the Board waived the Application and Petition requirements specified in the *Escambia County Municipal Services Benefits Units Guidelines and Procedures*. The proposed Innerarity Island Development Corporation Sewage System Improvement MSBU has otherwise met the criteria established by the Board in the *Escambia County Municipal Services Benefits Units Guidelines and Procedures*.

(B) Lots in the District are specially benefited since sewage system improvements increase the market value of an individual Lot and increase the ability of Lot owners to develop their land.

(C) The non-ad valorem special assessments levied will represent a fair and reasonable apportionment of the Costs of the special benefit received by each Lot and do not represent the cost of general governmental services provided to residents in the unincorporated areas of Escambia County.

(D) Through its creation of the District, the Board has not accepted ownership of any roads, streets, easements, or lots located within the District other than those expressly accepted or acquired through vote of the Board, and the Board shall not maintain such properties during or subsequent to the completion of any improvements in the District.

Sec. 70-830. NON-AD VALOREM SPECIAL ASSESSMENT COLLECTION.

(A) The Board shall authorize the levy of a non-ad valorem special assessment for sewage system improvements on Lots located within the District the first year following completion of the improvements. This non-ad valorem special assessment for sewage system improvements shall be levied following the preparation and adoption of a budget by the Board as provided by law each Fiscal Year.

(B) The Board may, by proper resolution, establish rules and regulations related to the fiscal management of the District.

(C) All special non-ad valorem special assessments shall be levied and collected by the uniform method of collection as adopted by the Board pursuant to §197.3632, Florida Statutes. All non-ad valorem special assessments shall become a lien upon the land so assessed, prior in dignity to all other liens and assessments against said lands, save and except county taxes, and those liens and encumbrances of record prior to and on the effective date of this Ordinance, until said non-ad valorem special assessments are paid.

(C) The Tax Collector of Escambia County shall be entitled to receive a commission for the collection of non-ad valorem special assessments as provided in §197.3632 (2), Florida Statutes.

(D) The amount of non-ad valorem special assessment to be assessed and levied against each Lot within the District shall be determined by resolution of the Board based on the special benefit received by each Lot within the District. The non-ad valorem special assessment for sewage system improvements shall be fairly and reasonably apportioned among the benefited Lots at the time of completion of the improvements.

(E) Said non-ad valorem special assessment may be paid in one lump sum payment or may be amortized over a ten (10) year period at four percent (4%) interest compounded annually, plus any applicable statutory administrative fees payable to the Escambia County Tax Collector and the Escambia County Property Appraiser. No discount shall be applied to early payment of the total outstanding non-ad valorem special assessment due. Lot owners may prepay any outstanding non-ad valorem special assessment in whole or in part without penalty. Any partial prepayment received shall be applied to the outstanding non-ad valorem special assessment balance and shall not postpone the date of any subsequent payment due or waive any future applicable interest or statutory administrative fees payable to the Escambia County Tax Collector or the Escambia County Property Appraiser.

(F) A certified copy of this Ordinance shall be recorded in the public records of Escambia County after filing with the Secretary of State.

Sec. 70-831. APPEAL PROCESS.

(A) Any Lot owner may contest the amount of non-ad valorem special assessment levied upon Lots located in the District or any of the annual installments paid on the outstanding non-ad valorem special assessment by notifying the County Administrator or designee in writing that the owner's Lot has been erroneously assessed within thirty (30) days of receiving the non-ad valorem special assessment or any of the notices for payment of the annual installment.

(B) The County Administrator or designee shall review the request and determine within a reasonable time based on the circumstances whether an error of the owner's Lot exists based on the information provided by the Lot owner, the information provided by the records of the Escambia County Property Appraiser's Office, and any other records or information made available to the Board. The County Administrator or designee shall be authorized to correct facial errors based on these information sources. The County Administrator or designee shall also be authorized to make any necessary adjustment to the amount of the Lot owner's non-ad valorem special assessment due or any of the annual installments as a result of the error, with notice to the Board.

(C) In the event the County Administrator or designee finds the Lot owner has been erroneously assessed, the County Administrator or designee shall correct such errors on the non-ad valorem special assessment roll and shall make any necessary

adjustment to the amount of the owner's non-ad valorem special assessment due or any annual installment owing as a result of the identified error, with notice to the Board.

(D) In the event the County Administrator or designee finds the Lot owner has been correctly assessed, the County Administrator or designee shall notify the Lot owner and advise the Lot owner of his or her right to petition for review of the alleged assessment error by the Board within thirty (30) days. The Petition for Assessment Review shall state the Lot owner's name, a description of the real property, and the facts underlying the Lot owner's petition. The burden shall be on the Lot owner to demonstrate by competent and substantial evidence to the Board that the Lot has been erroneously assessed on the non-ad valorem special assessment roll or that the annual installment has been erroneously calculated.

(E) At the next available meeting, the Board shall either: 1) direct the County Administrator or designee to adjust the non-ad valorem special assessment due or the annual installment; or 2) advise the Lot owner the Board finds no error in the assessment of the owner's Lot and the Lot owner may appeal the Board's decision to the circuit court within thirty (30) days.

(F) The Board may at its discretion create an independent board to review any Petition for Assessment Review filed. In addition, the Board is authorized to establish by resolution and collect at the time a petition is filed an administrative fee for processing of the petition. The Board may also, by resolution, identify circumstances in which a refund of the administrative fee for processing the appeal is available.

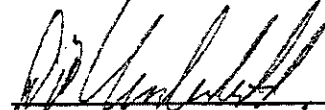
Section 3. SEVERABILITY. If any section, paragraph, sentence or clause of this Ordinance or the application thereof to any person or circumstance is held void, invalid, unlawful or unconstitutional by a court of competent jurisdiction, it is the intent of the Board that such section, invalidity, paragraph, sentence or clause shall be deemed a separate, distinct, independent and severable and shall not otherwise affect application of this Ordinance which can be given effect without the invalid provision or application.

Section 4. INCLUSION IN THE CODE. It is the intent of the Board that the provisions of this Ordinance shall become and be made part of the Escambia County Code and the word "Ordinance" may be changed to section, article, or other appropriate word or phrase and the sections of this Ordinance may be renumbered to accomplish such intention.

Section 5. EFFECTIVE DATE. This Ordinance shall take effect upon receipt of official acknowledgment of the Clerk of the Board of County Commissioners from the Department of State that this Ordinance has been filed with the Department of State.

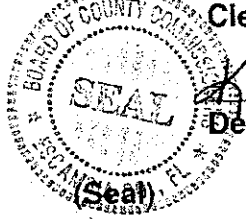
DONE AND ENACTED THIS 2nd DAY OF March, 2017.

BOARD OF COUNTY COMMISSIONERS
ESCAMBA COUNTY, FLORIDA



D.B. Underhill, Chairman

ATTEST: Pam Childers
Clerk to the Circuit Court


Deputy Clerk

Date Executed

3-2-2017

Enacted: March 2, 2017

Filed with Department of State: March 3, 2017

Effective: March 3, 2017

Approved as to form and legal
sufficiency

By/Title: 

Date: 2/15/17

EXHIBIT A

PROPERTY NUMBER	PROPERTY NUMBER	PROPERTY NUMBER	PROPERTY NUMBER	PROPERTY NUMBER	PROPERTY NUMBER
15-35-32-3000-060-004	15-35-32-2000-316-002	15-35-32-2003-007-001	15-35-32-1900-102-007	15-35-32-1900-094-007	15-35-32-2000-021-001
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EXHIBIT A

PROPERTY NUMBER	PROPERTY NUMBER	PROPERTY NUMBER	PROPERTY NUMBER	PROPERTY NUMBER	PROPERTY NUMBER
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15-35-32-2001-002-001	15-35-32-2003-005-001	15-35-32-2001-005-002	15-35-32-1103-001-001	15-35-32-2000-066-001	15-35-32-3000-020-002
15-35-32-2002-025-002	15-35-32-2003-002-003	15-35-32-1103-000-005	15-35-32-1900-070-008	15-35-32-3000-230-001	15-35-32-3000-030-002
15-35-32-1900-086-007	15-35-32-2003-006-001	15-35-32-1900-103-004	15-35-32-2004-001-002	15-35-32-3000-450-008	15-35-32-2001-006-008
15-35-32-2001-013-003	15-35-32-1900-001-001	15-35-32-1900-104-004	15-35-32-1900-057-008	15-35-32-3000-320-008	15-35-32-2004-001-001
15-35-32-3000-210-008	15-35-32-1900-002-001	15-35-32-1900-105-004	15-35-32-2001-016-003	15-35-32-3000-090-003	15-35-32-2004-002-001
15-35-32-2000-315-002	15-35-32-1900-003-001	15-35-32-1900-106-004	15-35-32-2002-001-002	15-35-32-3000-070-008	15-35-32-3000-050-008
15-35-32-2002-003-002	15-35-32-1900-004-001	15-35-32-1900-107-004	15-35-32-2002-002-002	15-35-32-2004-003-001	15-35-32-3000-100-004
15-35-32-1900-035-002	15-35-32-1900-005-001	15-35-32-1900-108-004	15-35-32-1102-002-010	15-35-32-2003-009-003	15-35-32-3000-040-004
15-35-32-2002-004-002	15-35-32-1900-006-001	15-35-32-1900-000-500	15-35-32-3000-160-001	15-35-32-2002-007-002	15-35-32-2000-312-002
15-35-32-2000-064-001	15-35-32-1900-007-001	15-35-32-1102-001-008	15-35-32-2003-050-010	15-35-32-2002-009-002	15-35-32-2000-072-001
15-35-32-3000-030-003	15-35-32-1900-008-001	15-35-32-2002-029-002	15-35-32-1900-056-008	15-35-32-2001-007-005	15-35-32-1900-041-002
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15-35-32-2003-002-001	15-35-32-1900-010-001	15-35-32-1900-097-007	15-35-32-2001-002-005	15-35-32-2003-005-009	15-35-32-2006-008-001
15-35-32-3000-080-001	15-35-32-1900-011-002	15-35-32-1103-007-003	15-35-32-2006-013-009	15-35-32-3000-350-001	15-35-32-2003-005-005
15-35-32-2003-012-002	15-35-32-1900-012-002	15-35-32-1103-006-003	15-35-32-2003-015-002	15-35-32-3000-320-001	15-35-32-2000-019-001
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15-35-32-1900-074-008	15-35-32-1900-014-002	15-35-32-2000-060-001	15-35-32-2000-063-001	15-35-32-3000-220-001	15-35-32-2000-068-001
15-35-32-2005-004-004	15-35-32-1900-015-002	15-35-32-3000-040-002	15-35-32-1900-044-005	15-35-32-3000-080-008	15-35-32-2001-016-008
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15-35-32-3000-460-008	15-35-32-1900-017-002	15-35-32-3000-060-002	15-35-32-2001-002-006	15-35-32-2002-027-002	15-35-32-2001-001-003
15-35-32-3000-070-001	15-35-32-1900-018-003	15-35-32-3000-200-001	15-35-32-2003-101-010	15-35-32-3000-020-010	15-35-32-2001-015-008
15-35-32-2000-311-002	15-35-32-1900-019-003	15-35-32-1103-005-004	15-35-32-2001-014-005	15-35-32-1900-069-008	15-35-32-2001-003-003

EXHIBIT A

PROPERTY NUMBER	PROPERTY NUMBER	PROPERTY NUMBER	PROPERTY NUMBER	PROPERTY NUMBER	PROPERTY NUMBER
15-35-32-2005-001-003	15-35-32-1900-020-003	15-35-32-2000-061-001	15-35-32-2001-012-005	15-35-32-2000-309-002	15-35-32-2001-016-004
15-35-32-2003-080-010	15-35-32-1900-021-003	15-35-32-1103-004-004	15-35-32-3000-020-006	15-35-32-3000-270-008	15-35-32-2001-017-004
15-35-32-2003-100-010	15-35-32-1900-022-003	15-35-32-1900-100-007	15-35-32-2002-026-002	15-35-32-3000-290-001	15-35-32-1900-066-008
15-35-32-1900-079-008	15-35-32-1900-023-004	15-35-32-2001-002-002	15-35-32-2003-005-006	15-35-32-1102-004-002	15-35-32-2003-004-006
15-35-32-1900-080-008	15-35-32-1900-024-004	15-35-32-1103-006-001	15-35-32-1900-092-007	15-35-32-2001-010-008	15-35-32-1900-081-008
15-35-32-3000-140-010	15-35-32-1900-025-004	15-35-32-2000-056-001	15-35-32-1900-096-007	15-35-32-2001-009-008	15-35-32-2001-013-004
15-35-32-1102-002-008	15-35-32-1900-026-004	15-35-32-1102-001-002	15-35-32-3000-080-004	15-35-32-2001-003-007	15-35-32-3000-250-008
15-35-32-1900-039-002	15-35-32-1900-027-004	15-35-32-2002-024-002	15-35-32-3000-100-002	15-35-32-1900-043-005	15-35-32-3000-380-008
15-35-32-2006-007-001	15-35-32-1900-028-004	15-35-32-1900-046-005	15-35-32-3000-010-002	15-35-32-1900-038-002	15-35-32-2002-021-002
15-35-32-2001-014-004	15-35-32-1900-029-004	15-35-32-1102-005-002	15-35-32-3000-090-002	15-35-32-2000-310-002	15-35-32-3000-030-004
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15-35-32-2003-007-009	15-35-32-1900-032-004	15-35-32-3000-030-001	15-35-32-2005-006-002	15-35-32-3000-010-006	15-35-32-1102-001-011
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15-35-32-1103-001-002	15-35-32-1900-034-004	15-35-32-3000-100-003	15-35-32-2001-007-003	15-35-32-2001-001-002	15-35-32-2000-307-002
15-35-32-3000-310-008	15-35-32-2004-002-002	15-35-32-2005-002-003	15-35-32-1900-072-008	15-35-32-2001-009-005	15-35-32-3000-410-008
15-35-32-1900-059-008	15-35-32-1102-001-004	15-35-32-3000-350-008	15-35-32-3000-090-004	15-35-32-3000-100-008	15-35-32-3000-130-004
15-35-32-1900-098-007	15-35-32-2000-303-002	15-35-32-2000-313-002	15-35-32-1900-073-008	15-35-32-3000-110-008	15-35-32-2001-018-008
15-35-32-2001-004-003	15-35-32-1102-001-010	15-35-32-1103-003-002	15-35-32-2003-004-003	15-35-32-3000-120-008	15-35-32-2000-000-000
15-35-32-1900-067-008	15-35-32-1102-002-001	15-35-32-2001-011-004	15-35-32-2001-001-008	15-35-32-3000-270-001	15-35-32-2004-003-002
15-35-32-1900-087-007	15-35-32-3000-020-004	15-35-32-2003-010-002	15-35-32-3000-080-003	15-35-32-2003-008-001	15-35-32-1102-003-013
15-35-32-1103-008-003	15-35-32-1102-001-012	15-35-32-1103-004-001	15-35-32-3000-120-004	15-35-32-1102-002-011	15-35-32-1102-002-013
15-35-32-1900-089-007	15-35-32-1102-002-012	15-35-32-3000-140-001	15-35-32-3000-150-008	15-35-32-3000-220-008	15-35-32-1900-101-007
	15-35-32-2001-008-003	15-35-32-2003-011-006	15-35-32-2006-001-001	15-35-32-2000-024-001	15-35-32-1900-062-008
					15-35-32-3000-370-001
					15-35-32-3000-010-003

2017-000235 BCC
Mar. 2, 2017 Page 10



BOARD OF COUNTY COMMISSIONERS

Escambia County, Florida

AI-11794

Public Hearings 11.

BCC Regular Meeting

Meeting Date: 03/02/2017

Issue: 5:32 p.m. Public Hearing to consider an Ordinance creating the Innerarity Island Development Corporation Sewage System Improvements MSBU

From: Kristin Hual, Assistant County Attorney

Organization: County Attorney's Office

CAO Approval:

A handwritten signature in black ink, appearing to read "Jack R. Brown", is written over a horizontal line.

RECOMMENDATION:

5:32 p.m. Public Hearing to consider adopting an Ordinance creating the Innerarity Island Development Corporation Sewage System Improvements Municipal Service Benefit Unit (MSBU).

Recommendation: That the Board take the following action concerning the Innerarity Island Development Corporation Sewage System Improvements Municipal Service Benefit Unit:

A. Adopt an Ordinance creating Volume I, Chapter 70, Article VIII, Division 3, Sections 70-824 through 70-831, of the Escambia County Code of Ordinances, establishing the Innerarity Island Development Corporation Sewage System Improvements Municipal Service Benefit Unit and all related documents; and

B. Make the following findings of fact:

1. Due to public safety concerns, the Board of County Commissioners waived the Application and Petition requirements specified in the Escambia County Municipal Services Benefits Units Guidelines and Procedures. The proposed Municipal Service Benefit Unit has otherwise met the criteria established by the Board of County Commissioners in the Escambia County Municipal Services Benefits Units Guidelines and Procedures for a municipal service benefit unit;

2. Lots in the District are specially benefited since sewage system improvements increase the market value of an individual Lot, and increase the ability of Lot owners to develop their land;

3. The non-ad valorem special assessments levied will represent a fair and reasonable apportionment of the Cost of the special benefit received by each Lot and do not

represent the cost of general governmental service provided to residents in the unincorporated areas of Escambia County; and

4. Through its creation of the District, the Board of County Commissioners has not accepted ownership of any roads, streets, easements, or lots located within the District other than those expressly accepted or acquired through vote of the Board of County Commissioners, and the Board of County Commissioners shall not maintain such properties during or subsequent to installation of any drainage improvements in the District.

BACKGROUND:

The proposed Ordinance will create the Innerarity Island Development Corporation Sewage System Improvements Municipal Service Benefit Unit for the purpose of providing sewage system improvements within the District.

BUDGETARY IMPACT:

The proposed MSBU assessment will defray the cost of sewage system improvements within the District based upon a fair and reasonable apportionment of the cost to all specially benefitted properties. The assessment may be paid in a single lump sum or may be amortized over a ten (10) year period at four percent (4%) interest compounded annually plus any applicable statutory administrative fees payable to the Tax Collector and Property Appraiser.

LEGAL CONSIDERATIONS/SIGN-OFF:

The proposed Ordinance was drafted by Assistant County Attorney, Kristin D. Hual, and advertised in the *Pensacola News Journal* on Saturday, February 18, 2017.

PERSONNEL:

N/A

POLICY/REQUIREMENT FOR BOARD ACTION:

N/A

IMPLEMENTATION/COORDINATION:

N/A

Attachments

Ordinance



BOARD OF COUNTY COMMISSIONERS
Escambia County, Florida

AI-13514

Public Hearings 10.

BCC Regular Meeting

Meeting Date: 02/01/2018

Issue: 5:32 p.m. Public Hearing to Consider an Ordinance Amending Sec. 70-827, Exhibit A, Relating to the IIDC Sewage System Improvements MSBU

From: Kristin Hual, Senior Assistant County Attorney

Organization: County Attorney's Office

CAO Approval:

A handwritten signature in black ink, appearing to read "James A. B...".

RECOMMENDATION:

5:32 p.m. Public Hearing to consider an Ordinance amending Volume I, Chapter 70, Article VIII, Division 3, Section 70-827, Exhibit A, of the Escambia County Code of Ordinances, relating to the Innerarity Island Development Corporation Sewage System Improvements Municipal Service Benefit Unit Ordinance to revise the boundaries of the district.

Recommendation: That the Board adopt an Ordinance amending Volume I, Chapter 70, Article VIII, Division 3, Section 70-827, Exhibit A, of the Escambia County Code of Ordinances, relating to the Innerarity Island Development Corporation Sewage System Improvements Municipal Service Benefit Unit Ordinance to revise the boundaries of the district.

BACKGROUND:

On March 2, 2017, the Board of County Commissioners previously enacted an Ordinance establishing the Innerarity Island Development Corporation (IIDC) Sewage System Improvements Municipal Service Benefit Unit (MSBU). The boundaries of the district were defined in the Ordinance to include a total of 601 lots. It was later discovered that 109 lots, referred to as the "Innerarity Townhomes" development, are serviced by a private lift station and would not benefit from the proposed sewage system improvements. The proposed Ordinance will reduce the geographical area of the MSBU to include a total of 492 lots and exclude those lots that would not benefit from the improvements funded by the proposed MSBU.

BUDGETARY IMPACT:

The MSBU assessment will defray the cost of sewage system improvements within the District based upon a fair and reasonable apportionment of the cost to all specially benefitted properties. The assessment may be paid in a single lump sum or may be amortized over a ten (10) year period at four percent (4%) interest compounded annually plus any applicable statutory administrative fees payable to the Tax Collector and Property Appraiser.

LEGAL CONSIDERATIONS/SIGN-OFF:

The proposed Ordinance was drafted by Senior Assistant County Attorney, Kristin D. Hual, and was advertised in the *Pensacola News Journal* on Saturday, January 20, 2018.

PERSONNEL:

N/A

POLICY/REQUIREMENT FOR BOARD ACTION:

N/A

IMPLEMENTATION/COORDINATION:

A copy of the Ordinance will be filed with the Department of State.

Attachments

Ordinance with Legal Sign-off

**Escambia County
Clerk's Original**

2/1/2018 5:32pm. PH

ORDINANCE 2018- 3

AN ORDINANCE OF THE BOARD OF COUNTY COMMISSIONERS OF ESCAMBIA COUNTY, FLORIDA AMENDING VOLUME 1, CHAPTER 70, ARTICLE VIII, DIVISION 3, SECTION 70-827, EXHIBIT A OF THE ESCAMBIA COUNTY CODE OF ORDINANCES RELATING TO THE INNERARITY ISLAND DEVELOPMENT CORPORATION SEWAGE SYSTEM IMPROVEMENTS MUNICIPAL SERVICE BENEFIT UNIT ORDINANCE; REVISING THE BOUNDARIES OF SAID DISTRICT; PROVIDING FOR SEVERABILITY; PROVIDING FOR INCLUSION IN THE CODE OF ORDINANCES OF ESCAMBIA COUNTY; AND PROVIDING FOR AN EFFECTIVE DATE.

WHEREAS, pursuant to the authority granted in §125.01, Florida Statutes, the Board of County Commissioners of Escambia County, Florida previously enacted an ordinance establishing the Innerarity Island Development Corporation Sewage System Improvement Municipal Service Benefit Unit ("MSBU"); and

WHEREAS, the Board of County Commissioners finds that Sec. 70-827, Exhibit A of the Escambia County Code of Ordinances defining the boundaries of said District requires amendment to exclude certain lots that would not benefit from the improvements funded by the proposed MSBU; and

WHEREAS, the Board of County Commissioners further finds that the proposed amendment to Sec. 70-827, Exhibit A serves an important public purpose.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COUNTY COMMISSIONERS OF ESCAMBIA COUNTY:

Section 1. RECITALS. The foregoing recitals are true and correct and incorporated herein by reference.

Section 2. AMENDMENT. Volume I, Chapter 70, Article VIII, Division 3, Section 70-827, Exhibit A of the Escambia County Code of Ordinances is hereby amended to reflect that the District shall include all Lots which benefit from the improvements, excluding any holding ponds, wetland/drainage easements, designated wetlands, or buffer zones, including those Lots listed in the revised **Exhibit A**, attached hereto and incorporated herein.

Section 3. SEVERABILITY. If any section, paragraph, sentence or clause of this Ordinance or the application thereof to any person or circumstance is held void, invalid, unlawful or unconstitutional by a court of competent jurisdiction, it is the intent of the Board that such section, invalidity, paragraph, sentence or clause shall be deemed a separate, distinct, independent and severable and shall not otherwise affect application of this Ordinance which can be given effect without the invalid provision or application.

Section 4. INCLUSION IN THE CODE. It is the intent of the Board that the provisions of this Ordinance shall become and be made part of the Escambia County Code and the word "Ordinance" may be changed to section, article, or other appropriate word or phrase and the sections of this Ordinance may be renumbered to accomplish such intention.

Data: 2/16/2018 Verified By: D. Allen

Section 5. EFFECTIVE DATE. This Ordinance shall take effect upon receipt of official acknowledgment of the Clerk of the Board of County Commissioners from the Department of State that this Ordinance has been filed with the Department of State.

DONE AND ENACTED THIS 1st **DAY OF** February, 2018.

**BOARD OF COUNTY COMMISSIONERS
ESCAMBIA COUNTY, FLORIDA**



**TEST: Pam Childers
Clerk to the Circuit Court**

[Signature]
Deputy Clerk

[Signature]
Jeff Bergosh, Chairman

(Seal)

Enacted: February 1, 2018

Filed with Department of State: February 6, 2018

Effective: February 6, 2018

Approved as to form and legal
sufficiency.

By/Title: *[Signature]*

Date: 2/9/18

Date Executed

2/6/2018

IN THE CIRCUIT COURT OF
THE FIRST JUDICIAL CIRCUIT
IN AND FOR ESCAMBIA COUNTY, FLORIDA

ESCAMBIA COUNTY, FLORIDA, a
political subdivision of the State of Florida,

Petitioner,

v.

Case No. 2014 CA 000237

INNERARITY ISLAND DEVELOPMENT
CORPORATION, a Florida corporation,

Respondent.

ORDER APPOINTING RECEIVER

THIS MATTER having come before the Court on March 21, 2014 upon the
Petition of Escambia County to appoint a Receiver pursuant to a Notice of
Abandonment and the Court having heard argument of counsel and being fully advised
in the premises, hereby finds:

1. Respondent owns and operates a water and wastewater utility and associated real and personal property constituting a system (hereinafter "System") within the jurisdictional boundaries of Escambia County, Florida. Respondent is a utility as defined by § 367.021(12), Fla. Stat. and owns and operates a system as defined by § 367.021(11), Fla. Stat.
2. Respondent purchases water and wastewater services from Emerald Coast Utilities Authority which is then resold and billed to the customers of System.
3. On or about January 27, 2014, Respondent formally filed a Notice of Abandonment pursuant to § 367.165(1), Fla. Stat. and Escambia County subsequently filed its Petition to Appoint a Receiver (the "Petition") to take possession of and operate

Respondent's System and utility.

ACCORDINGLY, IT IS HEREBY ORDERED AND ADJUDGED:

A. The County's Petition is hereby granted.

B. Appointment of Receiver and Term. Escambia County is hereby appointed as the Receiver for Respondent's System. The term of this receivership shall begin on a date mutually agreeable to the Receiver and Respondent, but no later than March 28, 2014. It shall terminate when the Receiver disposes of the real and personal property of Respondent as provided in § 367.165(2), Fla. Stat., in a manner designed to continue the efficient and effective operation of utility service. In light of Respondent's abandonment of the System, Respondent is not, nor will be, entitled to any benefits or proceeds, specifically including any proceeds from disposition of property or distribution of monies, that result from, or which are associated with, the disposal of all, or a part of, the System by the Receiver. Upon termination of the receivership as provided, the Receiver shall be released from all further obligations to operate and maintain the System.

C. Surrender of Property, Assets, Documents, and Facilities. All real and personal property, assets, documents, and facilities comprising and necessary to the System shall be transferred to the custody and possession of Receiver after entry of this Order. In this respect, Respondent shall: (1) transfer to and produce to the Receiver all customer account records, contracts, agreements, non-privileged correspondence, business records, easements, construction drawings, record drawings, O&M manuals, permits, operating protocol, and any other documents related to the System, to include the real and personal property, assets and liabilities associated therewith in order that the Receiver may then operate and maintain said System, and (2) surrender possession of all

real and personal property comprising the System and owned by Respondent to the custody of Receiver. Upon entry of this Order, Respondent shall transfer and produce all bank accounts, bank account records, customer deposits, cash, and accounts receivable balances to the custody of Receiver, which relate to the subject abandoned property and System. However, the Receiver shall maintain all documents in accordance with its record retention policy and subject to all applicable federal, state or local laws. At Respondent's cost and expense, Respondent may retain, or make arrangements for the duplication of records in the possession of the Receiver to be disposed of. To the extent that the System is sold or otherwise disposed of, the Receiver shall include a provision in the instrument effectuating the transfer for the maintenance of records as provided herein.

D. Receiver's Powers. Once the documents maintained and possessed by Respondent together with the real and personal property owned by Respondent are surrendered and transferred to the custody and possession of Receiver in accordance with Paragraph C above, the Receiver shall send written notice of receipt thereof to this Court and shall continue the lawful operation and maintenance of the utility service to the customers of Respondent. In order to discharge its responsibilities under this Order and by statute, the Receiver shall have the following powers and authority:

- (1) To provide and maintain water and wastewater utility service within the designated service area, in compliance with all applicable permits, regulations, local laws, and statutes;
- (2) To make extensions, expansions, repairs, replacements, and improvements to the System as appropriate and necessary;
- (3) To collect rates, fees and charges, and deposits for all utility service

provided by the System in accordance with all applicable state and local laws;

(4) To increase rates charged to customers served by the System or to impose special assessments in accordance with law upon real property owners benefitted by the System to pay for costs of operation, maintenance and upgrade of the System;

(5) To borrow money and to pledge or encumber the facilities, assets and revenues of the System for the repayment thereof;

(6) To enter into contracts or agreements with any other public agency or private entity providing for or relating to the operation and maintenance of the System or the connection of the customers to any other public or private water and wastewater utility;

(7) To accept any gifts, grants, or contributions in kind in connection with the management, operation, and maintenance of the System;

(8) To retain and pay the fees, costs, and salaries of accountants, architects, engineers, attorneys, employees, or other professional consultants as necessary or desirable in the management, operation, or maintenance of the System and to ensure compliance with all provisions of this Order for the rates, fees and charges authorized under this paragraph;

(9) To pay from the revenues collected from the customers of the System, all necessary and reasonable operating expenses (including the costs and expenses contemplated in this paragraph) in a manner designed to continue the efficient and effective operation of said System. Furthermore, Receiver may expend such reasonable amounts as prudent, necessary, and advisable, in the professional judgment of Receiver, in order to effectuate the efficient and effective operation of the System.

(10) To sue or be sued, to implead or to be impleaded, to complain and defend in any court, and to seek all legal or equitable relief in accordance with applicable state law;

(11) To apply for and obtain any applicable federal, state, and local governmental permits, certificates, licenses, or other approvals in order to operate and maintain the System;

(12) To perform generally any other lawful acts necessary or desirable to carry out the express powers and authority granted and imposed herein.

(13) To seek further instructions and/or guidance from this Court concerning the operation and maintenance of the System during any part of the time frame that the receivership exists.

E. Continuing Jurisdiction. This Court shall retain jurisdiction in this cause to enter such further orders or take any action as it deems appropriate. Nothing in this Order is intended to determine what entity or person may be ultimately and permanently responsible for the operation and maintenance of the System, except as provided in Paragraph B, above. As Receiver did not operate or own a water and wastewater utility or system prior to entry of this Order, it is contemplated that Receiver will be endeavoring to dispose of the System in compliance with statute and in furtherance of its police power. Further, Respondent contends that certain parcels of real property are not part of the System and are not necessary for its effective and efficient operation. Receiver contends that the statutory definition of System set forth in § 367.021(11) provides that real property used or useful in providing service would encompass all real property owned by Respondent. In the event that Receiver and Respondent are not able to reach an

agreement concerning the extent of real property owned by Respondent which should be ultimately disposed of as part of Receiver's obligation under § 367.165(2), Fla. Stat., then the Court retains jurisdiction to make a determination as to the extent of real property either necessary or useful for the efficient and effective operation of the System.

F. Immunity from Liability and Violations. As consideration for Receiver assuming the responsibility for the continued operation and maintenance of the System, the Receiver and its agents and employees are hereby declared to be held harmless and not legally responsible for any or all claims, liability, demands, damages, expenses, fees, fines, penalties, suits, proceedings, actions and fees, including attorneys' fees, that have arisen or may arise out of (or be the result of) the past design, construction, operation, and maintenance of the System. This immunity shall include, but is not limited to: immunity from injury to persons, damage to property or property rights, or violation of any governmental law, rule, regulation or requirement that may arise from the design, construction, operation, or maintenance of the System occurring prior to the effective date of abandonment of March 28, 2014, or during the period of receivership, if such injury, damage or violation is the direct result of design, construction, operation or maintenance of the System occurring prior to the effective date of abandonment of March 28, 2014.

G. Respondent's Liability. Respondent shall remain liable under all applicable laws for any claims, violations, demands, penalties, suits, proceedings, actions or fees occurring on or prior to the effective date of abandonment of March 28, 2014. To the extent that any such claim, violation, demand, penalty, suit, proceeding, action, or fee is presented, Receiver, or its successors or assigns, shall make available to Respondent all documents surrendered pursuant to Paragraph C herein.

H. Receiver's Separation of Funds. Escambia County, as Receiver, is hereby directed by this Court to maintain separate accounts and records for the management of the Respondent's System. Additionally, this Court hereby directs that the revenues from the Respondent's System are not to be considered the revenues of the Receiver, nor are the revenues of the Receiver to be considered those of Respondent.

I. Receiver's Obligations for Operation. The Receiver in this cause is hereby directed to operate the System until disposed of as provided by this Order. The System shall be operated by the Receiver in such a manner so as to provide efficient and effective continuous service to the customers of the System during the term of this receivership and as can be provided from the revenues of the System.

J. Receiver's Accounting to the Court. Upon request and subject to the Florida Public Records Act, Receiver shall submit to the Court and to Respondent financial and operational reports for the System for the duration of its receivership.

DONE AND ORDERED in Chambers at Pensacola, Escambia County, Florida this 21st day of March, 2014.

ISI JAN SHACKELFORD

Jan Shackelford, Circuit Court Judge

Copies to: Charles V. Peppler, Deputy County Attorney
Ron Nelson, Attorney for Respondent

7/18/2019 CAAI-29

**FIRST AMENDMENT TO INTERLOCAL AGREEMENT BETWEEN
ESCAMBIA COUNTY, FLORIDA AND EMERALD COAST UTILITIES
AUTHORITY RELATING TO A SANITARY SEWER SYSTEM
IMPROVEMENT PROJECT ON INNERARITY ISLAND**

THIS FIRST AMENDMENT TO AGREEMENT is made on this ____ day of _____, 2019, by and between Escambia County, a political subdivision of the State of Florida (hereinafter "County") with administrative offices located at 221 Palafox Place, Pensacola, Florida 32502, and the Emerald Coast Utilities Authority, a local governmental body, corporate and politic, which was formed by the Florida Legislature as an independent special district (hereinafter "ECUA") with administrative offices located at 9255 Sturdevant Street, Pensacola, Florida 32514 (each at times also being referred to as a "Party" or collectively as "Parties").

WITNESSETH:

WHEREAS, the Parties entered into that certain Interlocal Agreement (hereinafter "Agreement") relating to a sanitary sewer system improvement project on Innerarity Island dated May 17, 2018; and

WHEREAS, the parties wish to amend the Agreement to increase the estimated Costs of the Project;

NOW THEREFORE, in consideration of the mutual terms and conditions, promises, covenants, and payments hereinafter set forth, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. The foregoing recitals are true and correct and incorporated herein by reference.
2. Section 4.1 of the Agreement is amended as shown below (additions are shown underlined and deletions are shown struck-through):

ARTICLE 4

Compensation and Method of Payment

4.1 County agrees to reimburse ECUA for the Costs of the Project as generally described in Exhibit "A", including but not necessarily limited to property and equipment costs, engineering and design services, and construction costs, in an amount not to exceed ~~Four Million, Two Hundred and Twenty Thousand Dollars (\$4,220,000)~~ Five Million, Seven Hundred Thousand Dollars (\$5,700,000.00).¹ ~~In the event that ECUA determines that the estimated Costs of the Project will exceed \$4,020,000 \$5,700,000 upon the opening of publicly advertised bids for construction of the Project, then either Party may elect to terminate this Agreement and not proceed~~

¹ This agreement to reimburse includes Costs of the Project incurred prior to entry into this Agreement as well as after.

Date: 7/28/19 Verified By: [Signature]

~~with construction of the Project. In the event the Project proceeds post bidding and if~~
during the course of construction it is learned that the Costs of the Project will exceed
~~\$4,220,000~~ \$5,700,000, then the Parties shall meet and decide how to proceed, if at all.
If the decision is made by either the County or ECUA not to proceed with the Project,
then ECUA shall promptly bring the Project to a close, with the County responsible for
all costs associated with terminating and closing the Project. In the event of termination
of the Agreement in accordance with this paragraph, ECUA shall be entitled to
compensation as set forth in paragraph 8.2, below.

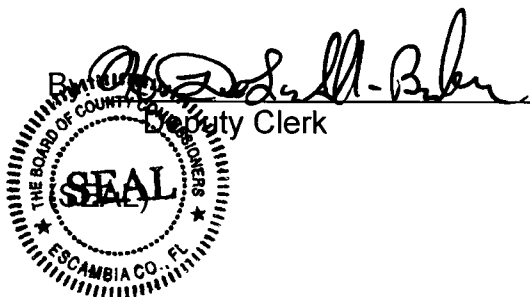
3. In all other respects, the Agreement, as amended by this First Amendment, remains
unchanged and in full force and effect.

IN WITNESS WHEREOF, the Parties hereto have made and executed this First
Amendment on the respective dates under each signature: Escambia County through
its Board of County Commissioners, signing by and through its Chairperson, duly
authorized to execute same by Board action on the 18th day of July, 2019
and Emerald Coast Utilities Authority, by and through its Chairman, duly authorized to
execute same.

ESCAMBIA COUNTY, FLORIDA, a political
subdivision of the State of Florida acting by
and through its duly authorized Board of
County Commissioners.

ATTEST: Pam Childers
Clerk of the Circuit Court

Lumon J. May
By: Lumon J. May, Chairman
Date: 7/18/19



Approved as to form and legal
sufficiency.

By/Title: Billie A. Gentry
Date: June 25, 2019

EMERALD COAST UTILITIES AUTHORITY, a
local governmental body, corporate and politic,
acting by and through its duly authorized
Board.

ATTEST:

Lois Benson
By: Lois Benson, Chairman

Date: 7-23-19

By: Shirley J. Howell
Secretary

