

**GULF BREEZE CITY COUNCIL
REGULAR MEETING AGENDA**

FEBRUARY 17, 2015
TUESDAY, 5:30 P.M.
COUNCIL CHAMBERS

PLEASE NOTE THE DATE AND TIME CHANGE FOR THIS MEETING

1. Roll Call
2. Invocation and Pledge of Allegiance
3. Approval of Minutes for February 2, 2015 (Regular Meeting)
Approval of Minutes for February 2, 2015 (CRA)
4. **ORDINANCE NO. 0-15:** An Ordinance Pertaining to Vehicle Signs Along Rights-of-Ways on Gulf Breeze Parkway, Pensacola Beach Road, Shoreline Drive, and Fairpoint Drive
(SECOND READING & PUBLIC HEARING)
5. **RESOLUTION NO. 07-15:** A Resolution Approving a Plan of Finance for the Costs of the Acquisition, Construction, Development, Installation and Equipping of a Senior Living Facility Located in the State of Florida; Approving the Issuance of Approximately \$35,000,000 of Capital Trust Agency Revenue Bonds.
6. **CONSENT AGENDA ITEMS*:**
 - A. Discussion and Action Regarding Special Event Application by St. Ann's Catholic Church for their Annual Palm Sunday Processional on Sunday, March 29, 2015.
 - B. Discussion and Action Regarding Special Event Application by the American Diabetes Association for their Annual Family Fun Ride Bicycle Event.
 - C. Discussion and Action Regarding Grant Application by the Dog Lovers Group for Construction of a Gazebo at the Dog Park.
 - D. Discussion and Action Regarding Authorization of the Washington Street Storm Water Lift Station Transmission Lines by Gulf Power.
 - E. Discussion and Action Regarding Mower Replacement.

- F. Discussion and Action Regarding Approval to Paint the Fire Department's Humvee and Purchase a Portable Forestry Pump.
- G. Discussion and Action Regarding Amendment of City's Code regarding Disposal of Surplus Property.

***These are items considered routine in nature and will be considered by one motion. If any citizen wishes to voice an opinion on one of the items, you should advise the Council immediately.**

6. **ACTION ITEMS:**

- A. Discussion and Action Regarding Repair of Washout in Gulf Island National Seashore (GINS) by Utility Service Company.
 - B. Discussion and Action Regarding Natural Gas Conversion Assistance Loan to Travel Lodge.
 - C. Discussion and Action Regarding Storm Water Drainage Project Change Order for Relocation of Water Mains.
 - D. Discussion and Action Regarding Revision of City Manager Employment Contract.
7. New Business
8. Open Forum
9. Adjournment

If any person decides to appeal any decisions made with respect to any matter considered at this meeting or public hearing, such person may need to insure that a verbatim record of the proceedings is made, which record includes the testimony and any evidence upon which the appeal is to be based. The public is invited to comment on matters before the City Council upon seeking and receiving the recognition from the Chair.

MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA

The 1,265th Regular Meeting of the Gulf Breeze City Council, Gulf Breeze, Florida, was held at Gulf Breeze City Hall on Monday, February 2, 2015, at 6:30 p.m.

Upon call of the roll the following Councilmembers were present: Councilwoman Bookout, Councilwoman Cherry Fitch, Mayor Pro Tem Joseph Henderson, Councilman David G. Landfair, and Mayor Matt Dannheisser.

APPROVAL OF MINUTES:

Mayor Pro Tem Henderson moved for approval of the minutes for the Informal Workshop held on January 17, 2015. Councilwoman Fitch seconded. The vote for approval was unanimous.

Councilwoman Fitch moved for approval of the minutes for the Regular Meeting held on January 20, 2015. Councilman Landfair seconded. The vote for approval was unanimous.

**PROCLAMATION: PROCLAIMING FEBRUARY 15 – 21, 2015, "DISTRICT 1
LEPC HAZARDOUS MATERIALS AWARENESS WEEK"**

Mayor Pro Tem Henderson moved for approval of the Proclamation. Councilwoman Bookout seconded. The vote for approval was unanimous.

**ORDINANCE NO. 01-15 AN ORDINANCE PERTAINING TO VEHICLE SIGNS
ALONG RIGHTS-OF-WAY ON GULF BREEZE
PARKWAY, PENSACOLA BEACH ROAD, SHORELINE
DRIVE, AND FAIRPOINT DRIVE
(FIRST READING)**

The City Clerk read the Ordinance by title. The following individuals spoke in opposition to the Ordinance: Snap Nelson, Mattress Depot, 1163 Gulf Breeze Parkway; Diane Ward, 209 Shirley Drive; and Barbara Udit, 423 York Street. The following individuals spoke in favor of the Ordinance: Barbara Miksch, 3 Breeze Street, and Bruce DeMotts, 827 Bay Cliffs Road.

Mayor Pro Tem Henderson moved for approval of Ordinance No. 01-15 and that a Second Reading and Public Hearing be held on Tuesday, February 17, 2015. Councilwoman Fitch seconded. The vote for approval was unanimous.

**RESOLUTION 05-15: A RESOLUTION INCREASING SOLID WASTE
COLLECTION SERVICES RATES.**

MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA

Councilwoman Fitch made a motion to approve Resolution No. 05-15. Councilwoman Bookout seconded. The vote for approval was unanimous.

CONSENT AGENDA ITEM(S):

A. **SUBJECT: DISCUSSION AND ACTION REGARDING PURCHASE OF IDENTIFICATION CARD PRINTER SYSTEM FOR POLICE DEPARTMENT.**

Reference: Chief of Police memo dated January 21, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL APPROVE THE PURCHASE OF THE ID CARD PRINTING SYSTEM FOR \$1,499.00 TO BE FUNDED FROM THE FEDERAL FORFEITURE ACCOUNT.

B. **SUBJECT: DISCUSSION AND ACTION REGARDING PURCHASE OF 70 CFM AIR COMPRESSOR.**

Reference: Director of Public Services memo dated January 20, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL AUTHORIZE THE PURCHASE OF ONE (1) GRUNDOAIR 70 CFM AIR COMPRESSOR FROM TT TECHNOLOGIES AT A COST OF \$7,500 WITH FUNDING FROM THE NATURAL GAS FUND.

C. **SUBJECT: DISCUSSION AND ACTION REGARDING AWARD OF NETTING REPLACEMENT FOR SOFTBALL FIELDS.**

Reference: Director of Park and Recreation memo dated January 22, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL AUTHORIZE JOHN BROWN ELECTRIC, GULF BREEZE, FLORIDA, TO PROVIDE AND INSTALL REPLACEMENT NETTING ON THE FOUR SOFTBALL FIELDS IN SHORELINE PARK, AT THEIR BID PRICE OF \$23,273.

MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA

D. **SUBJECT: DISCUSSION AND ACTION REGARDING ACCEPTANCE OF U.S. ARMY CORPS OF ENGINEERS GRANT – DEADMAN'S ISLAND.**

Reference: City Manager memo dated January 23, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL APPROVE THE GRANT FROM THE U.S. ARMY CORPS OF ENGINEERS FOR \$1,000,000 WITH A \$357,000 MATCH FROM THE CITY FOR IMPROVEMENT OF THE REEF PROJECT AT DEADMAN'S ISLAND.

E. **SUBJECT: DISCUSSION AND ACTION REGARDING DECLARATION OF VEHICLES AS SURPLUS.**

Reference: City Manager memo dated January 23, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL DECLARE THE REFERENCED VEHICLES AS SURPLUS AND AUTHORIZE THEIR DISPOSAL THROUGH EGOVDEALS.

F. **SUBJECT: DISCUSSION AND ACTION REGARDING PAYMENT OF LEGAL FEES TO GALLOWAY/JOHNSON/TOMPKINS/BURR & SMITH.**

Reference: City Clerk memo dated January 19, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL APPROVE PAYMENT OF INVOICE NO. 303679 IN THE AMOUNT OF \$13,838.41 TO GALLOWAY/JOHNSON/TOMPKINS/BURR & SMITH AND INVOICE NO. 80585 IN THE AMOUNT OF \$560.30 TO WIERZBICKI COURT REPORTING.

Councilman Landfair moved for approval of Consent Agenda Items A through F. Mayor Pro Tem Henderson seconded. The vote for approval was unanimous.

** These are items considered routine in nature and will be considered by one motion. If any citizen wishes to voice an opinion on one of the items, you should advise the Council immediately.*

MINUTES OF THE REGULAR MEETING OF THE
CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA

ACTION ITEMS: None

NEW BUSINESS: None

OPEN FORUM:

Barbara Miksch, 3 Breeze Street, asked if Staff could look into the house where Eco-Friendly Landscaping is operating from to see if it is in compliance with all Code Enforcement laws. *(Ms. Miksch made this requesting while commenting on Ordinance No. 01-15.)*

Jim Cox, 423 Williamsburg, invited everyone to attend the Kids & Critters Parade held on Pensacola Beach on Saturday, February 7, 2015.

COUNCIL COMMENTS:

Councilwoman Bookout: Inquired about the Optimist Youth Breakfast and Council Take-Over. City Manager advised that the Breakfast is scheduled for February 27 at 6:45 a.m. and the Council Take-Over will be during the March 2, 2015, Regular Council meeting.

Councilman Landfair: Made a motion regarding the \$2 technology fee. His motion was to take approximately \$28,000 from the City's Reserve Fund to apply towards the \$1.00 of the \$2.00 technology fee. That figure represents the residents within the City limits that are users of the South Santa Rosa Utility (approximately 1/3 of all Utility users). The motion failed for a lack of a second. This matter will be taken back to the South Santa Rosa Utility Board for consideration.

ADJOURNMENT: Mayor Dannheisser adjourned the meeting at 7:13 p.m.

Stephanie D. Lucas, City Clerk

Matt E. Dannheisser, Mayor

**MINUTES OF A MEETING OF THE BOARD OF DIRECTORS FOR THE
COMMUNITY REDEVELOPMENT AGENCY**

A meeting of the Board of Directors for the Community Redevelopment Agency, Gulf Breeze, Florida, was convened at the Gulf Breeze City Hall Council Chambers on Monday, February 2, 2015, at 6:50 p.m.

The following members were present: Councilwoman Bookout, Councilwoman Cherry Fitch, Mayor Pro Tem Joseph Henderson, Councilman David G. Landfair, and Mayor Matt Dannheisser.

The purpose of the meeting was for the Board of Directors of the Community Redevelopment Agency to consider the following:

CONSENT AGENDA ITEM*:

A. SUBJECT: DISCUSSION AND ACTION REGARDING PAYMENT OF MASTER PLANNING INVOICE NO. 191527 and 193398 TO VANASSE HANGEN BRUSTLIN, INC.

Reference: City Clerk memo dated January 19, 2015.

RECOMMENDATION:

THAT THE CITY COUNCIL MEET AS THE BOARD OF DIRECTORS OF THE COMMUNITY REDEVELOPMENT AGENCY ON MONDAY, FEBRUARY 2, 2015, AND APPROVE PAYMENT OF INVOICE NO. 191527 IN THE AMOUNT OF \$7,099.24 AND INVOICE NO. 193398 IN THE AMOUNT OF \$6,709.51 TO VANASSE HANGEN BRUSTLIN.

Councilwoman Fitch moved for approval of Consent Agenda Item A. Councilwoman Bookout seconded. The vote for approval was unanimous.

***These are items considered routine in nature and will be considered by one motion. If any citizen wishes to voice an opinion on one of the items, you should advise the Council immediately.**

INFORMATIONAL ITEMS: None

PUBLIC FORUM: None

ADJOURNMENT: Mayor Dannheisser adjourned the meeting at 6:54 p.m.

Stephanie D. Lucas, City Clerk

Matt E. Dannheisser, Mayor

Councilmembers Present: Councilwoman Renee Bookout, Mayor Pro Tem Joseph Henderson, Councilman David Landfair, and Mayor Matt Dannheisser. Councilwoman Cherry Fitch was not in attendance.

ACTION AGENDA ITEMS:

A. SUBJECT: DISCUSSION AND ACTION REGARDING SANTA ROSA COUNTY LOCAL RESTORE ACT REQUEST FOR PROPOSALS.

Reference: Letter from T. Roland Brown & Verbal Report by City Manager

RECOMMENDATION:

THAT THE CITY COUNCIL SUPPORT THE FUNDING REQUEST TO INSTALL A MUNICIPAL SEWER SYSTEM IN SANTA ROSA PARK AND OLD TRAIL ESTATES SUBDIVISIONS FROM THE SANTA ROSA COUNTY LOCAL RESTORE COUNCIL.

Tommy Brown, 2336 W. Bayshore Road, Gulf Breeze, FL 32563 appeared before the Council on behalf of his Father Roland Brown.

Councilman Landfair moved to table this item until more information is provided on the proposed project. Mayor Pro-Tem Henderson seconded. The vote for approval was unanimous.

B. SUBJECT: DISCUSSION AND ACTION REGARDING SPECIAL EVENT APPLICATION BY ST. ANN'S CATHOLIC CHURCH FOR THEIR ANNUAL PALM SUNDAY PROCESSIONAL ON SUNDAY, MARCH 29, 2015.

Reference: Deputy Chief of Police memo dated January 29, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL APPROVE THE SPECIAL EVENT APPLICATION.

Mayor Pro Tem Henderson made a motion to place staff's recommendation on the February 17, 2015, Regular Council meeting agenda. The motion was seconded by Councilman Landfair. The vote for approval was unanimous.

C. SUBJECT: DISCUSSION AND ACTION REGARDING SPECIAL EVENT APPLICATION BY THE AMERICAN DIABETES ASSOCIATION FOR THEIR ANNUAL FAMILY FUN RIDE BICYCLE EVENT.

Reference: Deputy Chief of Police memo dated January 30, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL APPROVE THE SPECIAL EVENT APPLICATION.

Councilman Landfair made a motion to place staff's recommendation on the February 17, 2015, Regular Council meeting agenda. The motion was seconded by Mayor Pro Tem Henderson. The vote for approval was unanimous.

D. SUBJECT: DISCUSSION AND ACTION REGARDING GRANT APPLICATION BY THE DOG LOVERS GROUP FOR CONSTRUCTION OF A GAZEBO AT THE DOG PARK.

Reference: City Manager memo dated February 5, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL ENDORSE THE GRANT APPLICATION BY THE DOG LOVERS GROUP FOR CONSTRUCTION OF A GAZEBO AT THE DOG PARK WITH A CASH MATCH OF 50% OF THE TOTAL COSTS OF THE DESIGN AND CONSTRUCTION COSTS OF AT LEAST \$6,000.

Councilman Landfair made a motion to place staff's recommendation on the February 17, 2015, Regular Council meeting agenda as an action item. The motion was seconded by Mayor Pro Tem Henderson. The Council requested to see plans before money is spent. The vote for approval was unanimous.

E. SUBJECT: DISCUSSION AND ACTION REGARDING APPROVAL OF ORDINANCE 01-15 PERTAINING TO VEHICLE SIGNAGE.

Reference: Deputy City Manager memo dated February 3, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL HOLD A PUBLIC HEARING ON TUESDAY, FEBRUARY 17, 2015 AND APPROVE ORDINANCE 01-15 ON SECOND AND FINAL READING.

Mayor Pro Tem Henderson made a motion to place staff's recommendation on the February 17, 2015, Regular Council meeting agenda. The motion was seconded by Councilman Landfair. The vote for approval was unanimous.

F. SUBJECT: DISCUSSION AND ACTION REGARDING AUTHORIZATION OF THE WASHINGTON STREET STORM WATER LIFT STATION TRANSMISSION LINES BY GULF POWER.

Reference: Assistant Director of Public Services memo dated February 6, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL AUTHORIZE PAYMENT OF \$8,659.00 TO GULF POWER FOR THE INSTALLATION OF THREE PHASE POWER FOR THE WASHINGTON AVENUE STORM WATER LIFT STATION.

Councilwoman Bookout made a motion to place staff's recommendation on the February 17, 2015, Regular Council meeting agenda. The motion was seconded by Mayor Pro Tem Henderson. The vote for approval was unanimous.

G. SUBJECT: DISCUSSION AND ACTION REPAIR OF WASHOUT IN GULF ISLAND NATIONAL SEASHORE (GINS) BY UTILITY SERVICE COMPANY.

Reference: Director of Public Services memo dated February 3, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL AUTHORIZE UTILITY SERVICES COMPANY TO REPAIR THE WASHOUT LOCATED IN THE GULF ISLAND NATIONAL SEASHORE FOR \$22,461.00.

Mayor Pro Tem Henderson made a motion to place staff's recommendation on the February 17, 2015, Regular Council meeting agenda. The motion was seconded by Councilwoman Bookout. The vote for approval was 3-0-1 David Landfair recusing himself.

H. SUBJECT: DISCUSSION AND ACTION REGARDING NATURAL GAS CONVERSION ASSISTANCE LOAN TO TRAVEL LODGE.

Reference: Director of Public Services memo dated January 27, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL AUTHORIZE A \$22,050 EQUIPMENT LOAN AND \$10,000 REBATE TO TRAVEL LODGE AND AUTHORIZE STAFF AND CITY ATTORNEY TO FINALIZE THE DOCUMENTS.

Councilwoman Bookout made a motion to place staff's recommendation on the February 17, 2015, Regular Council meeting agenda as an action item with the caveat that the owner become current on all leases with the Santa Rosa Island Authority (SRIA) and that a personal guarantee be signed by all principal owners. The motion was seconded by Councilman Landfair. The vote for approval was unanimous.

I. SUBJECT: DISCUSSION AND ACTION REGARDING MOWER REPLACEMENT.

Reference: Director of Parks and Recreation and Director of Public Services memo dated February 5, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL AUTHORIZE THE USE OF CAPITAL RESERVE FUNDS IN THE AMOUNT OF \$7,972.26 (001-0300-564-64-00) AND \$8,816.13 (001-0400-546-46-01) FOR THE PURCHASE OF ONE 52" AND ONE 72" COMMAND PRO MOWER FROM KINGLINE EQUIPMENT, PENSACOLA FLORIDA.

Mayor Pro Tem Henderson made a motion to place staff's recommendation on the February 17, 2015, Regular Council meeting agenda. The motion was seconded by Councilman Landfair. The vote for approval was unanimous.

J. SUBJECT: DISCUSSION AND ACTION REGARDING STORM WATER DRAINAGE PROJECT CHANGE ORDER FOR RELOCATION OF WATER MAINS.

Reference: Assistant Director of Public Services memo dated February 6, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL AUTHORIZE CHANGE ORDERS IN THE AMOUNT OF \$145,757.50 TO THE CONTRACT WITH UTILITY SERVICE COMPANY FOR THE RELOCATION OF WATER MAINS DURING INSTALLATION OF THE 2014 GULF BREEZE DRAINAGE PROJECT.

Councilman Landfair made a motion to place staff's recommendation on the February 17, 2015, Regular Council meeting agenda as an action item. The motion was seconded by Councilwoman Bookout. The vote for approval was unanimous.

K. DISCUSSION AND ACTION REGARDING APPROVAL TO PAINT THE FIRE DEPARTMENT HUMVEE AND PURCHASE A PORTABLE FORESTRY PUMP.

Reference: Assistant Director of Public Services memo dated February 6, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL AUTHORIZE THE FIRE CHIEF TO ACCEPT THE FACT-O-BAKE QUOTE FOR PAINTING THE HUMVEE FOR \$1,900.00 AND TO PROCURE THE PORTABLE FORESTRY PUMP FROM MES FOR \$2,147.00.

Mayor Pro Tem Henderson made a motion to place staff's recommendation on the February 17, 2015, Regular Council meeting agenda. The motion was seconded by Councilwoman Bookout. The vote for approval was unanimous.

L. DISCUSSION AND ACTION REGARDING REVISED TEFRA REPORT FOR TUSCAN GARDENS, CAPITAL TRUST AGENCY FINANCING.

Reference: City Manager memo dated February 5, 2015.

RECOMMENDATION:

THAT THE CITY COUNCIL DIRECT STAFF TO PREPARE THE APPROPRIATE DOCUMENTS SO THAT AN AMENDED RESOLUTION CONCERNING A CAPITAL TRUST AGENCY FINANCING FOR TUSCAN GARDENS MAY BE CONSIDERED BY THE CITY COUNCIL ON FEBRUARY 17, 2015.

Item will be placed on the February 17, 2015 agenda. No action needed.

M. DISCUSSION AND ACTION REGARDING PAYMENT OF MASTER PLANNING INVOICE FROM VANASSE HANGEN BRUSTLIN (VHB).

Reference: City Clerk memo dated February 4, 2015.

RECOMMENDATION:

THAT THE CITY COUNCIL MEET AS THE BOARD OF DIRECTORS OF THE COMMUNITY REDEVELOPMENT AGENCY ON TUESDAY, FEBRUARY 17, 2015 AND APPROVE PAYMENT OF INVOICE NO. 193963 IN THE AMOUNT OF \$5,498.93 TO VHB.

Mayor Pro Tem Henderson made a motion to place staff's recommendation on the February 17, 2015, Community Redevelopment Agency meeting agenda. The motion was seconded by Councilman Landfair. The vote for approval was unanimous.

N. ITEM REMOVED FROM AGENDA

O. DISCUSSION AND ACTION REGARDING AMENDMENT OF CITY'S CODE REGARDING DISPOSAL OF SURPLUS PROPERTY.

Reference: Deputy City Manager memo dated February 4, 2015.

RECOMMENDATION:

THAT THE CITY COUNCIL AUTHORIZE STAFF TO PREPARE A DRAFT ORDINANCE AMENDING THE CITY CODE TO PROVIDE FOR A NEW SET OF PROCEDURES FOR THE DISPOSAL OF SURPLUS PROPERTY AS OUTLINED.

Mayor Pro Tem Henderson made a motion to place staff's recommendation on the February 17, 2015, Regular Council meeting agenda. The motion was seconded by Councilman Landfair. The vote for approval was unanimous.

P. DISCUSSION AND ACTION REGARDING REVISION OF CITY MANAGER EMPLOYMENT CONTRACT.

Reference: Mayor Dannheisser memo dated February 5, 2015

RECOMMENDATION:

THAT THE CITY COUNCIL APPROVE THE CITY MANAGER'S EMPLOYMENT CONTRACTED AS PRESENTED.

Councilman Landfair made a motion to place staff's recommendation on the February 17, 2015, Regular Council meeting agenda as an action item. The motion was seconded by Councilwoman Bookout. The vote for approval was 3-1 with Councilman Henderson Dissenting.

INFORMATION ITEMS: None

PUBLIC FORUM:

ADJOURNMENT: Mayor Dannheisser adjourned the meeting at 8:01 P.M.

ORDINANCE NO. 01-15

AN ORDINANCE OF THE CITY OF GULF BREEZE, FLORIDA, PERTAINING TO VEHICLE SIGNS ALONG THE RIGHTS-OF-WAY OF GULF BREEZE PARKWAY, PENSACOLA BEACH ROAD, SHORELINE DRIVE, AND FAIRPOINT DRIVE; CREATING SECTION 18-77(C) OF THE CODE OF ORDINANCES; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City of Gulf Breeze has the responsibility to protect the health safety and welfare of its residents and visitors; and,

WHEREAS, the City of Gulf Breeze had adopted certain rules and regulations relative to stopping, standing and parking of vehicles; and,

WHEREAS, the City Council has recently undertaken steps to help revitalize and enhance the appearance of the commercial district.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Gulf Breeze, Florida, as follows:

SECTION 1 - Section 18-77(c) is hereby created:

- (c) No person shall locate, place, store, or park a vehicle sign on private property within one-hundred (100) feet of the right-of-way on Gulf Breeze Parkway, Pensacola Beach Road, Shoreline Drive, and/or Fairpoint Drive. For the purpose of this section, a vehicle sign shall mean any sign pertaining to or associated with any business which is attached, painted, glued, adhered, fastened, screwed, nailed, wrapped or otherwise affixed or applied to parked vehicles, including but not limited to passenger vehicles, pick-up trucks, trailers, box trucks, cargo trucks, step vans, panel vans and tractor trailers. In those instances where a parcel or parking lot's size, placement or design precludes the ability to locate, place, store or park a vehicle sign the required minimum distance of one-hundred (100) feet or more from the right-of-way, then the vehicle sign shall be located as far away from the right-of-way as possible. The following vehicles are exempt from this section:
- (1) Authorized government vehicles;
 - (2) Authorized emergency vehicles;
 - (3) Any vehicle being temporarily loaded or unloaded;
 - (4) Vehicles that are associated with active construction and which have been issued a valid building permit, development order or right-of-way construction permit; or,

ORDINANCE 01-15

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- (5) Any vehicle with a sign less than ten (10) square feet per side (twenty (20) square feet including both sides of the vehicle).

SECTION 2 - SEVERABILITY

If any section, paragraph, sentence, clause, phrase or word of this Ordinance is for any reason held by any court to be unconstitutional, inoperative, invalid or void, such holding shall not in any manner affect the validity of the remaining portions of this Ordinance.

SECTION 3 - CONFLICT

The provisions of this Ordinance shall be deemed to control and prevail over any ordinance or portion thereof in conflict with the terms hereof.

SECTION 4 - EFFECTIVE DATE

This Ordinance shall become effective upon its adoption by the City Council.

PASSED ON THE FIRST READING ON THE 2ND DAY OF FEBRUARY, 2015.

ADVERTISED ON THE ___ DAY OF _____, 2015.

PASSED ON THE SECOND READING ON THE ___ DAY OF _____, 2015.

By: _____
Matt E. Dannheisser, Mayor

ATTESTED TO BY:

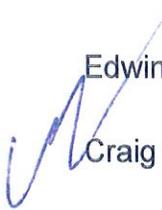
Leslie Guyer, City Clerk



City of Gulf Breeze

MEMORANDUM

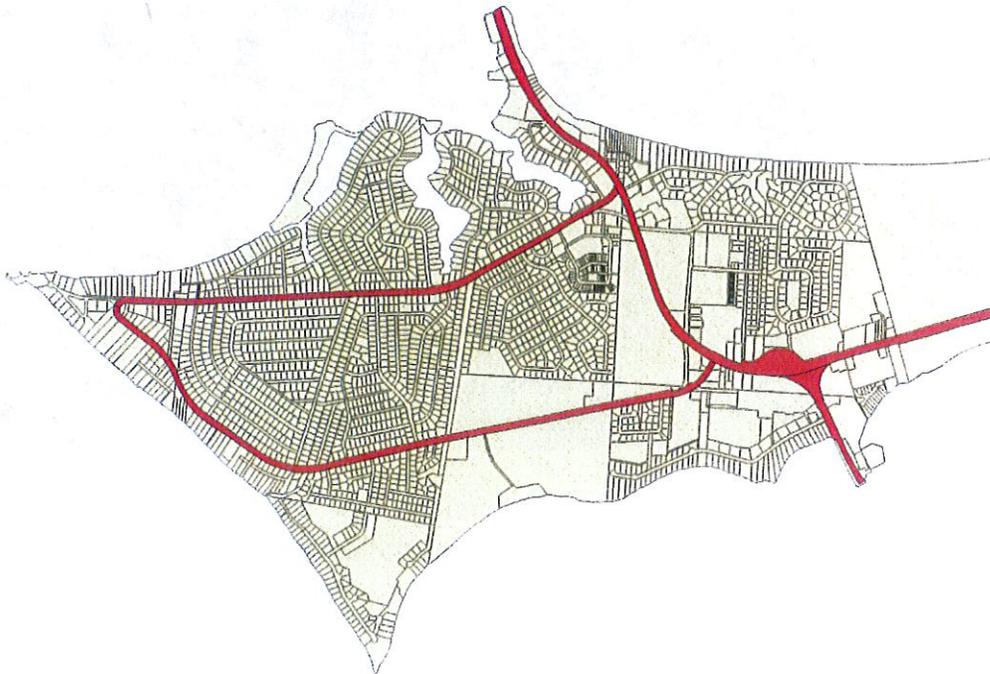
TO: Edwin A. Eddy, City Manager

FROM:  Craig S. Carmichael, Director of Community Services

DATE: January 22, 2015

SUBJECT: **ORDINANCE 01-15**

Pursuant to the City Council's direction, staff has prepared an ordinance relative to vehicle signs. The ordinance establishes that a vehicle sign is any sign pertaining to or associated with any business which is attached, painted, glued, adhered, fastened, screwed, nailed, wrapped or otherwise affixed to parked vehicles, including but not limited to passenger vehicles, pick-up trucks, trailers, box trucks, cargo trucks, step vans, panel vans and tractor trailers. According to the draft, any vehicle sign will have to be parked 101 feet or more from the right-of-way along Gulf Breeze Parkway, Pensacola Beach Road, Shoreline Drive and Fairpoint Drive.



Staff also added language to the ordinance that address smaller parcels and parking lots where the 100 foot exclusion would be unattainable (i.e. Flowerama). In those instances, the vehicle sign must be located as far away from the right-of-way as possible.



ORDINANCE 01-15 MEMO
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RECOMMENDATION: THAT THE CITY COUNCIL APPROVE ORDINANCE 01-15 ON THE FIRST READING ON FEBRUARY 2, 2015 AND SCHEDULE THE SECOND READING AND PUBLIC HEARING ON FEBRUARY 17, 2015.

CSC
Attachments

RESOLUTION 07-15

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA, APPROVING A PLAN OF FINANCE FOR THE COSTS OF THE ACQUISITION, CONSTRUCTION, DEVELOPMENT, INSTALLATION AND EQUIPPING OF A SENIOR LIVING FACILITY LOCATED IN THE STATE OF FLORIDA; APPROVING THE ISSUANCE OF APPROXIMATELY \$35,000,000 OF CAPITAL TRUST AGENCY REVENUE BONDS FOR THE PURPOSE OF FINANCING A LOAN PROGRAM TO ASSIST IN FINANCING SUCH FACILITY; PROVIDING FOR REPEAL OF CONFLICTING PROVISIONS; AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the City Council (the "City Council") of Gulf Breeze, Florida (the "City"), a municipal corporation of the State (the "State"), has heretofore adopted Resolution No. 14-99 dated as of July 19, 1999 (the "Original Resolution"), and entered into an Interlocal Agreement between the City and the Town of Century, Florida, dated as of August 2, 1999, as amended by Amendment No. 1 through No. 56 (collectively, the "Enabling Agreement"), approving the creation of the Capital Trust Agency (the "Agency"), a legal entity and public agency of the State, organized and existing under the provisions of Chapter 163, Part I, and Chapter 159, Part II, Florida Statutes, Ordinance No. 05-97 of the City, as amended, and its Articles of Incorporation, as amended and other applicable provisions of law (collectively the "Act"), to enable public, private and not-for-profit organizations to obtain public assistance in financing and refinancing certain beneficial projects or programs that benefit, enhance and/or serve a public purpose; and

WHEREAS, pursuant to the Act and in accordance with the provisions of the Original Resolution, the Agency did on November 5, 2014, take official action by adopting its preliminary resolution (the "Agency Resolution") indicating its intent to authorize the financing, including through reimbursement, of the hereinafter described project, and the issuance from time to time of revenue bonds (the "Bonds") by the Agency for a loan program for the purpose, among other things, of acquiring, constructing, developing, installing and equipping a senior living facility, and the acquisition and installation of related facilities, fixtures, furnishings and equipment, as described on Schedule "I" attached hereto (the "Senior Living Facility"); and

WHEREAS, the City has been advised that the Agency desires to issue the Bonds in an aggregate principal amount of approximately \$35,000,000 (the exact amount to be determined by the appropriate official of the Agency, as being the amount required to fund the financing herein authorized), to finance the Senior Living Facility on behalf of Tuscan Gardens of Venetia Bay Properties, LLC, a Florida limited liability company, or one or more of its affiliates, whose principal place of business is 189 South Orange Avenue, Suite 1650, Orlando, Florida 32801 (as applicable, the "Borrower") to fund a program herein described (the "Plan of Finance"), such Senior Living Facility to be managed initially by CRSA/LCS Management, LLC, an Iowa limited liability company, Des Moines, Iowa; and

WHEREAS, the City has previously entered into Amendment No. 57 authorizing revenue bonds in a principal amount of approximately \$25,000,000, and, due to a change in the plan of finance, the Borrower has requested that the Agency issue bonds of approximately \$35,000,000; and

WHEREAS, the proposed Senior Living Facility is appropriate to the needs and circumstances of the community in which it will be located and will serve a public purpose by (i) providing gainful employment and making a significant contribution to the economic growth of the local community, (ii) promoting commerce within the State, (iii) providing safe, decent and accessible housing facilities for the elderly, including providing memory support services, and (iv) advancing the economic prosperity and the general welfare of the State and its people; and

WHEREAS, in order to advance and further the public purposes set forth in the Act, it is necessary and in the public interest to facilitate the financing of the Senior Living Facility and to facilitate and encourage the planning and development of such Senior Living Facility without regard to the boundaries between counties, municipalities, special districts, and other local governmental bodies or agencies in order to more effectively and efficiently serve the interests of the greatest number of people in the widest area practicable; and

WHEREAS, Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), requires public approval of certain revenue bonds by an applicable elected representative or governmental unit on behalf of which such bonds are to be issued, following a public hearing; and

WHEREAS, (i) notice of such public hearing was given in the form required by the Code by publication at least fourteen (14) days prior to such public hearing in the *Pensacola News Journal* on January 29, 2015, and (ii) the Bonds and the Plan of Finance have been submitted to such public hearing held on behalf of the City Council of the City of Gulf Breeze, Florida (the "City Council") on February 12, 2015; and

WHEREAS, the City Manager has conducted the public hearing on behalf of the City Council and provided reasonable opportunity for all interested persons to express their views, both orally and in writing and diligently and conscientiously considered all comments and concerns expressed by such individuals, if any; and

WHEREAS, the City Council desires to approve the Bonds and the issuance and sale thereof pursuant to the Plan of Finance and to grant all approvals required or contemplated by Section 147(f) of the Code, to express its approval of the action taken by the Agency and its officials pursuant to the Agency Resolution, and to grant all other approvals required by the Enabling Agreement, as amended and the Original Resolution in connection with the issuance and sale of the Bonds;

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GULF BREEZE, FLORIDA:

SECTION 1. PUBLIC HEARING NOTICE AND REPORT APPROVED.

The City Council hereby approves the form of and the manner of publication of the Notice of Public Hearing (the "Notice") published on January 29, 2015, in the *Pensacola News Journal*, a newspaper of general circulation in the jurisdiction of the City. The City Council hereby approves the report of the public hearing conducted by the City Manager, a copy of which is attached as Exhibit "A" hereto. Such Notice and other means and methods utilized by the City to give notice of purpose, time and date of the public hearing provided reasonable notice sufficient to inform residents of the City of the proposed Bonds.

SECTION 2. BONDS AND PLAN OF FINANCE APPROVED.

For purposes of the Act, the City hereby approves the Plan of Finance described herein, and the issuance of the Bonds described in the Notice. The Agency and its officers, employees, agents and attorneys are hereby authorized from time to time to take all action, to execute and deliver such authorizations, approvals, certificates and documents, and to enter into, on behalf of the Agency, such interlocal agreements, interest rate swap or hedge transactions, investment agreements, repurchase agreements, bond credit or insurance agreements, reimbursement agreements, and other agreements, approvals or instruments deemed necessary or convenient to effect, implement, maintain and continue the Plan of Finance, the financing, including through reimbursement, of the Senior Living Facility through the issuance from time to time of the Bonds and the purposes for which the Bonds are to be issued, including, without limitation, the Amendment (hereinafter defined) and the Agency Resolution. No obligation of the Agency under any such agreement shall constitute an obligation of the City except to the extent the same may be expressly approved by the City. The Bonds shall be limited and special obligations of the Agency, and shall not constitute a pledge of the faith and credit or taxing power of or constitute an obligation of the City.

SECTION 3. AMENDMENT NO. 57-A TO THE ENABLING AGREEMENT RATIFIED.

Pursuant to the Enabling Agreement, there is hereby approved the execution and delivery of Amendment No. 57-A to the Enabling Agreement (the "Amendment") to effect the approvals set forth in Section 1 and Section 2 hereof. Such Amendment shall be in substantially the form attached hereto as Exhibit "B," and the Mayor is authorized to execute and deliver the same on behalf of the City Council, with such changes not inconsistent herewith as the Mayor shall approve, her execution thereof to conclusively establish such approval.

SECTION 4. TEFRA APPROVAL.

After diligent and conscientious consideration of the views expressed by the persons appearing at the public hearing, the City Council hereby approves the Agency's Plan of Finance, which includes (i) the issuance by the Agency of an aggregate principal amount of approximately \$35,000,000 of revenue bonds for all purposes of the Enabling Agreement, as amended, and for all purposes of the Original Resolution and (ii) the issuance by the Agency of tax-exempt bonds in an amount not exceeding \$35,000,000 for all purposes under Section 147(f) of the Code.

SECTION 5. REPEALING CLAUSE.

All resolutions or parts thereof of the City in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

SECTION 6. EFFECTIVE DATE.

This resolution shall take effect immediately upon its adoption this ____st day of February, 2015.

**GULF BREEZE, FLORIDA
CITY COUNCIL**

(SEAL)

By: _____
Matt E. Dannheisser, Mayor

ATTEST:

By: _____
Stephanie D. Lucas, City Clerk

EXHIBIT "A"
REPORT OF CITY MANAGER

[Follows]

**REPORT OF HEARING OFFICER
(TUSCAN GARDENS OF VENETIA BAY PROPERTIES, LLC)**

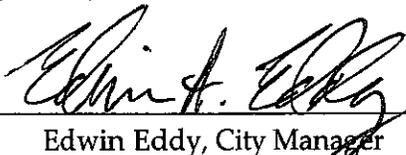
This instrument shall constitute the official report of the undersigned designated official of the City of Gulf Breeze, Florida (the "City"), a municipal corporation of the State of Florida, with respect to a public hearing scheduled and held by the City on February 12, 2015, for and on behalf of the Capital Trust Agency (the "Agency"), a legal entity and public agency created and existing under Chapter 163, Part I, and Chapter 617, Florida Statutes, and established and empowered by the provisions of Chapter 159, Part II, Florida Statutes, Chapter 163, Part I, *et seq.*, Chapter 166, Part II, Florida Statutes, Chapter 617, Florida Statutes and other applicable provisions of law, in connection with the proposed issuance of the Agency's approximately \$35,000,000 revenue bonds (the "Bonds") on behalf of Tuscan Gardens of Venetia Bay Properties, LLC, a Florida limited liability company, or one or more of its affiliates (as applicable, the "Borrower"), and whose principal place of business is 189 South Orange Avenue, Suite 1650, Orlando, Florida 32801. The proceeds of the Bonds will be loaned to the Borrower for financing the acquisition, construction, development, installation and equipping of a 136-unit senior living facility comprised of 78 assisted living units and 58 memory care units to be known as Tuscan Gardens of Venetia Bay (the "Senior Living Facility"), as more fully described in Exhibit "A" hereto.

The public hearing was duly advertised in the *Pensacola News Journal*, a newspaper of general circulation in the jurisdiction of the City, on January 29, 2015. The proof of publication was presented to me at such hearing, and a copy is attached hereto as Exhibit "B" (the "Notice").

The hearing commenced at the time and location stated in the Notice. At such hearing, interested individuals were afforded reasonable opportunity to express their views, both orally and in writing, on all matters pertaining to the plan of finance and the financing of the Senior Living Facility. Information about the proposed Bonds, the location of the Senior Living Facility, and the proposed use of the proceeds were presented. When the information had been presented, opportunity was given for members of the public in attendance to give their input. It was noted that no written communication was received.

No interested party was in attendance at the public hearing. Minutes of the Council Meeting, including the public hearing, will be kept on file with the City Clerk as referenced in Exhibit "C" hereto. The undersigned then concluded the hearing.

Respectfully submitted,

By: 
Edwin Eddy, City Manager
City of Gulf Breeze, Florida

**EXHIBIT "A" TO
REPORT OF HEARING OFFICER
(TUSCAN GARDENS OF VENETIA BAY PROPERTIES, LLC)**

The project herein described consist of the acquisition, construction, development, installation and equipping of an approximately 136-unit senior living facility comprised of approximately 78 assisted living units and 58 assisted living units providing memory support services for the elderly, including related facilities, fixtures, furnishings and equipment, to be known as Tuscan Gardens of Venetia Bay, and located at 841 Venetia Bay Boulevard, in the City of Venice, Sarasota County, Florida 342850.

**EXHIBIT "B" TO
REPORT OF HEARING OFFICER
(TUSCAN GARDENS OF VENETIA BAY PROPERTIES, LLC)**

PROOF OF PUBLICATION

[FOLLOWS]

Published Daily-Pensacola, Escambia County, FL

PROOF OF PUBLICATION

State of Florida

County of Escambia:

Before the undersigned authority personally appeared **Anna Hammes** who, on oath, says that she is a personal representative of the Pensacola News Journal, a daily newspaper published in Escambia County, Florida; that the attached copy of advertisement, being a Legal in the matter of:

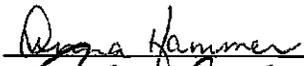
Notice Of Public Hearing

Was published in said newspaper in the issue(s) of:

January 29, 2015

Affiant further says that the said Pensacola News Journal is a newspaper published in said Escambia County, Florida, and that the said newspaper has heretofore been published in said Escambia County, Florida, and has been entered as second class matter at the Post Office in said Escambia County, Florida, for a period of one year next preceding the first publication of the attached copy of advertisement; and affiant further says that she has neither paid nor promised any person, firm or corporation any discount, rebate, commission or refund for the purpose of securing this advertisement for publication in the said newspaper.

Sworn to and subscribed before me this **29th** day of **January, 2015**, by **Anna Hammes**, who is personally known to me.

 Affiant

 Notary Public

CHERYL MANISCALCO
 Notary Public - State of Florida
 Comm. Expires August 4, 2018
 Comm. No. FF 147551

**NOTICE OF PUBLIC HEARING
 CITY OF GULF BREEZE, FLORIDA**

For the purpose of Section 147(f) of the Internal Revenue Code of 1986, as amended (the "Code"), notice is hereby given that the City of Gulf Breeze, Florida (the "City") will hold a public hearing at 10:00 a.m. on Thursday, February 12, 2015, in the City Council Chambers located at 1070 Shoreline Drive, Gulf Breeze, Florida 32561, for the purpose of the public hearing is to consider a plan of finance to provide funds to be loaned by the Capital Trust Agency (the "Agency") to Tuscan Gardens of Veneta Bay Properties, LLC a Florida limited liability company, or one of its officers or affiliates (as applicable, the "Borrower") for financing the cost of the acquisition, construction, development, installation and equipping of a 36-unit senior living facility, comprised of 78 assisted living units and 50 memory care units to be known as Tuscan Gardens of Veneta Bay and to be located at 841 Veneta Bay Boulevard in the City of Veneta, Sarasota County, Florida 34285 (the "Senior Living Facility").

The plan of finance contemplates that the Agency will issue, in respect to said Senior Living Facility, notes exceeding \$15,000,000 in aggregate principal amount of its revenue bonds (the "Bonds") in one or more installments to series, and loan the proceeds of such Bonds to the Borrower to provide funds for the Senior Living Facility. The Senior Living Facility will be owned by the Borrower. The initial manager of the Senior Living Facility will be PSA/US Management, LLC, an Iowa limited liability company, Des Moines, Iowa (the "Manager").

The purpose of the public hearing is to comply with the provisions of Section 147(f) of the Code. The City will not issue, and will not be obligated on, the Bonds.

The Bonds, when issued, will be special limited obligations payable solely out of the revenues, income and receipts produced to the payment thereof and derived from financing agreements with the Borrower, and the Agency will not be obligated to pay the principal or premium, if any, or interest on the Bonds, except from the payments of the Borrower. The Bonds will not constitute a debt, liability or obligation of the Agency, the City, the State of Florida (the "State") or any political subdivision, public agency or municipality thereof. The pledge of the full faith and credit of the Agency, the City, the State, or any political subdivision, public agency or municipality thereof, or the pledge of the taxing power of the City, the State, or any political subdivision or municipality, in each case, in the meaning of any constitutional or statutory provision, of the Agency, has no taxing power.

At the time and place set for said public hearing, all who appear will be given an opportunity to express their views for or against the proposal to approve said Bonds and the plan of finance for said public hearing. Written comments may be delivered to the City Manager, at City 1070 Shoreline Drive, Gulf Breeze, Florida 32561. All persons are advised that if they decide to appeal any decision made by the City with respect to any matter considered at this meeting, they will need a record of the proceedings, and for such purposes they may need to ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal shall be based. All interested persons are invited to present their comments at the time and place set forth above.

Following the hearing, a report concerning this public hearing will be submitted to the applicable elected representative responsible for approving the issuance of the Bonds.

In accordance with the Americans with Disabilities Act and Section 288.26, Florida Statutes, as amended, persons in need of a special accommodation to participate in the proceedings shall contact the telephone operator of City Hall, 1070 Shoreline Drive, Gulf Breeze, Florida 32561, 850-934-5115, at least 48 hours in advance of the meeting, excluding Saturday and Sunday.

Legal No. 1636936-IT, January 29, 2015

**EXHIBIT "C" TO
REPORT OF HEARING OFFICER
(TUSCAN GARDENS OF VENETIA BAY PROPERTIES, LLC)**

**MINUTES OF COUNCIL MEETING INCLUDING
PUBLIC HEARING ON FILE WITH CITY CLERK**

EXHIBIT "B"

**AMENDMENT NO. 57-A
OF THE ENABLING AGREEMENT**

EXHIBIT "B"

AMENDMENT NO. 57-A TO INTERLOCAL AGREEMENT

This **AMENDMENT NO. __ TO INTERLOCAL AGREEMENT** (this "Amendment No. 57-A") is made and entered into as of the ____ day of February, 2015, by and among the **CITY OF GULF BREEZE, FLORIDA**, a municipal corporation of the State of Florida ("Gulf Breeze") and the **TOWN OF CENTURY, FLORIDA**, a municipal corporation of the State of Florida ("Century"). Gulf Breeze and Century may collectively be referred to herein as the "Parties."

WITNESSETH:

WHEREAS, the Parties hereto have by Interlocal Agreement, dated as of August 2, 1999, as amended by Amendments No. 1 through No. 57 (collectively, the "Enabling Agreement"), heretofore provided for the creation of the Capital Trust Agency (the "Agency"), to enable public, private and not-for-profit organizations to obtain public assistance in financing certain projects or programs that benefit, enhance and/or serve a public purpose; and

WHEREAS, Tuscan Gardens of Venetia Bay Properties, LLC, a Florida limited liability company, or one or more of its affiliates (as applicable, the "Borrower"), has represented to the Agency that, acting for itself or through its affiliates, it is engaged in, among other things, acquiring, constructing, developing, improving, furnishing, equipping and owning senior living facilities; and

WHEREAS, on November 5, 2014, the Agency approved a request by the Borrower that the Agency issue its revenue bonds in a principal amount of approximately \$25,000,000 (the exact amount to be determined by the appropriate official of the Agency, as being the amount required to fund the financing herein authorized), in one or more series from time to time (collectively, the "Bonds") and loan the net proceeds thereof to the Borrower, for the purpose, among other things, of financing, including through reimbursement, the acquisition, construction, development, installation and equipping of an approximately 136-unit senior living facility comprised of approximately 78 assisted living units and approximately 58 assisted living units providing memory support services for the elderly to be known as Tuscan Gardens of Venetia Bay (the "Senior Care Facility") described on Schedule "I" attached hereto, located in the State of Florida; and

WHEREAS, the parties have previously entered into Amendment No. 57 authorizing revenue bonds in a principal amount of approximately \$25,000,000, and, due to a change in the plan of finance, the Borrower has requested that the Agency issue bonds in an amount of approximately \$35,000,000; and

WHEREAS, the Agency will issue its Bonds on a case-by-case basis after review by the Agency, to provide financing and refinancing from time to time for individual projects or groups of projects, or

eligible financing programs, based upon the credit pledged therefor from one or more of the projects, the Borrower, a sponsor, a credit enhancement facility, if any, or from the revenues of any such programs; and

WHEREAS, Section 7 of the Enabling Agreement requires that as a condition precedent to the Agency issuing the Bonds, the Agency must obtain the prior written approval, evidenced by resolution, from the governing bodies of Century and Gulf Breeze approving such issuance and approving an amendment to the Enabling Agreement specifically authorizing such issuance. Such approval evidenced by appropriate resolutions has been obtained, authorizing the execution and delivery of this Amendment No. 57-A to the Enabling Agreement with respect to the financing herein described; and

WHEREAS, the Parties desire to amend the Enabling Agreement to permit and authorize the Agency to issue the Bonds herein described and loan the proceeds to the Borrower in order to provide financing, including through reimbursement, for the Senior Living Facility;

NOW, THEREFORE, the Parties hereby agree as follows:

SECTION 1. ENABLING AGREEMENT AMENDED FOR SERIES 2015 PROJECT.

This Amendment No. 57-A is entered into pursuant to Section 7 of the Enabling Agreement for the purpose of authorizing the Agency to issue the Bonds and to finance projects of the type and character of the Facility.

SECTION 2. BONDS, PROGRAM, PLAN OF FINANCE APPROVED.

The Parties do hereby approve and authorize the Bonds, and the issuance of Bonds from time to time, in one or more taxable or tax-exempt series, in an aggregate principal amount of approximately \$35,000,000 (the exact amount to be determined by an appropriate official of the Agency to be sufficient to enable the financing, including through reimbursement, of the Senior Living Facility). Each installment or issue of such Bonds shall be designated by series, in such manner as the Agency shall determine, so as to separately identify each such installment or issue. The Agency and its officers, employees, agents and attorneys are hereby authorized to enter into, on behalf of the Agency, from time to time, interlocal agreements, cash management agreements, interest rate swap or hedge transactions, investment agreements, repurchase agreements, bond credit or insurance agreements, escrow agreements, reimbursement agreements, security documents and other agreements, approvals or instruments deemed necessary or convenient to effect or implement the financing, including through reimbursement, of the Senior Living Facility through the issuance of the Bonds, and the purposes and programs for which the Bonds are to be issued and to conform the purposes stated in the Articles of Incorporation of the Agency to authorizations herein contained. No obligation of the Agency under any such agreement or instrument shall constitute an obligation of Century or Gulf Breeze. The Bonds shall be limited and special obligations of the Agency, payable from the revenues or receipts of the programs or projects, payments by the Borrower, a sponsor, or other sources relating to the purpose for which they are issued, all in the indentures for the Bonds. The Bonds shall not constitute a pledge of the faith and

credit or taxing power of or constitute an obligation of Century or of Gulf Breeze.

SECTION 3. ADMINISTRATIVE FEES AND EXPENSES FOR THE TOWN OF CENTURY.

Upon the issuance of each series or installment of Bonds, Century shall be paid by either the Agency or Gulf Breeze, solely from amounts received from the Borrower, the sum specified on Schedule "II" attached hereto.

SECTION 4. ENABLING AGREEMENT CONTINUED.

The Enabling Agreement, as amended hereby, is hereby ratified, confirmed and approved and shall otherwise continue in full force and effect. Nothing in this Amendment No. 57-A shall be deemed to adversely affect the authorizations in the Enabling Agreement as it existed prior to the effective date of this Amendment No. 57-A, or to adversely affect the interests of the holders of any Bonds issued or to be issued pursuant to such authorizations. Except as and only to the extent specifically amended hereby, such Enabling Agreement is hereby incorporated by reference.

SECTION 5. INDEMNITY.

To the extent permitted by law, the Agency and Gulf Breeze shall indemnify and defend Century and hold Century harmless against any and all claims, losses, liabilities or damages to property or any injury or death of any person or persons occurring in connection with the issuance of the Bonds pursuant hereto, or in connection with the acquisition or operation of any project, or for any liability any way growing out of or resulting from the Enabling Agreement, as amended, this Amendment No. 57-A, the financing agreements and/or bond indentures executed in connection with the Bonds, including, without limitation, all costs and expenses of Century, including reasonable attorney's fees, incurred in the performance of any activities of Century in connection with the foregoing or the enforcement of any agreement of the Agency herein contained. Any such obligation of Gulf Breeze or the Agency shall be payable solely from the amounts available to them for such purposes under the Bond financing or any other plan of finance heretofore or hereafter undertaken by the Agency, and shall not constitute a general obligation or a pledge of the faith and credit of Gulf Breeze or the Agency, or an obligation to pay the same from any sources other than such amounts available to them for such purposes under the Bond financing.

SECTION 6. SEVERABILITY OF INVALID PROVISIONS.

If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed severable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereto.

SECTION 7. COUNTERPARTS.

This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 8. EFFECTIVE DATE; AMENDMENTS.

This Amendment shall take effect when duly executed by the Parties and filed in accordance with law. This Amendment may be amended only by written instrument signed by authorized representatives of Century and of Gulf Breeze; provided, however, that no such amendment which would adversely affect the rights of the holders or owners of any then outstanding Bonds of the Agency or of any other member shall take effect until such time as all necessary consents or approvals with respect to such Bonds shall have been obtained, in the case of the rights of bondholders, or the consents and approvals of the affected members, in the case of the rights of members.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have caused this Amendment No. 57-A to the Enabling Agreement to be executed by their duly authorized officers as of the date first above written.

CITY OF GULF BREEZE, FLORIDA

[SEAL]

By: _____
Matt E. Dannheisser, Mayor

ATTEST:

By: _____
Stephanie D. Lucas
City Clerk

[Signature Page to Amendment No. 57-A to Interlocal Agreement]

TOWN OF CENTURY, FLORIDA

[SEAL]

By: _____
Freddie W. McCall, Sr., Mayor

ATTEST:

By: _____
Leslie Gonzalez, Town Clerk

[Signature Page to Amendment No. 57-A to Interlocal Agreement]

SCHEDULE "I"

The project herein described consists of the acquisition, construction, development, installation and equipping of an approximately 136-unit senior living facility comprised of approximately 78 assisted living units and approximately 58 assisted living units providing memory support services for the elderly, including related facilities, fixtures, furnishings and equipment, to be known as Tuscan Gardens of Venetia Bay, located at 841 Venetia Bay Boulevard, in the City of Venice, Sarasota County, Florida 34285

SCHEDULE "II"
PAYMENT TO TOWN OF CENTURY

\$350.00 per million principal amount of each issue, upon issuance thereof, but not less than \$2,500.00.

SCHEDULE "I"

The project herein described consist of the acquisition, construction, development, installation and equipping of an approximately 136-unit senior living facility comprised of approximately 78 assisted living units and 58 assisted living units providing memory support services for the elderly, including related facilities, fixtures, furnishings and equipment, to be known as Tuscan Gardens of Venetia Bay, and located at 841 Venetia Bay Boulevard, in the City of Venice, Sarasota County, Florida 342850.

AMENDMENT NO. 57-A TO INTERLOCAL AGREEMENT

This **AMENDMENT NO. __ TO INTERLOCAL AGREEMENT** (this "Amendment No. 57-A") is made and entered into as of the ____ day of February, 2015, by and among the **CITY OF GULF BREEZE, FLORIDA**, a municipal corporation of the State of Florida ("Gulf Breeze") and the **TOWN OF CENTURY, FLORIDA**, a municipal corporation of the State of Florida ("Century"). Gulf Breeze and Century may collectively be referred to herein as the "Parties."

WITNESSETH:

WHEREAS, the Parties hereto have by Interlocal Agreement, dated as of August 2, 1999, as amended by Amendments No. 1 through No. 57 (collectively, the "Enabling Agreement"), heretofore provided for the creation of the Capital Trust Agency (the "Agency"), to enable public, private and not-for-profit organizations to obtain public assistance in financing certain projects or programs that benefit, enhance and/or serve a public purpose; and

WHEREAS, Tuscan Gardens of Venetia Bay Properties, LLC, a Florida limited liability company, or one or more of its affiliates (as applicable, the "Borrower"), has represented to the Agency that, acting for itself or through its affiliates, it is engaged in, among other things, acquiring, constructing, developing, improving, furnishing, equipping and owning senior living facilities; and

WHEREAS, on November 5, 2014, the Agency approved a request by the Borrower that the Agency issue its revenue bonds in a principal amount of approximately \$25,000,000 (the exact amount to be determined by the appropriate official of the Agency, as being the amount required to fund the financing herein authorized), in one or more series from time to time (collectively, the "Bonds") and loan the net proceeds thereof to the Borrower, for the purpose, among other things, of financing, including through reimbursement, the acquisition, construction, development, installation and equipping of an approximately 136-unit senior living facility comprised of approximately 78 assisted living units and approximately 58 assisted living units providing memory support services for the elderly to be known as Tuscan Gardens of Venetia Bay (the "Senior Care Facility") described on Schedule "I" attached hereto, located in the State of Florida; and

WHEREAS, the parties have previously entered into Amendment No. 57 authorizing revenue bonds in a principal amount of approximately \$25,000,000, and, due to a change in the plan of finance, the Borrower has requested that the Agency issue bonds in an amount of approximately \$35,000,000; and

WHEREAS, the Agency will issue its Bonds on a case-by-case basis after review by the Agency, to provide financing and refinancing from time to time for individual projects or groups of projects, or

eligible financing programs, based upon the credit pledged therefor from one or more of the projects, the Borrower, a sponsor, a credit enhancement facility, if any, or from the revenues of any such programs; and

WHEREAS, Section 7 of the Enabling Agreement requires that as a condition precedent to the Agency issuing the Bonds, the Agency must obtain the prior written approval, evidenced by resolution, from the governing bodies of Century and Gulf Breeze approving such issuance and approving an amendment to the Enabling Agreement specifically authorizing such issuance. Such approval evidenced by appropriate resolutions has been obtained, authorizing the execution and delivery of this Amendment No. 57-A to the Enabling Agreement with respect to the financing herein described; and

WHEREAS, the Parties desire to amend the Enabling Agreement to permit and authorize the Agency to issue the Bonds herein described and loan the proceeds to the Borrower in order to provide financing, including through reimbursement, for the Senior Living Facility;

NOW, THEREFORE, the Parties hereby agree as follows:

SECTION 1. ENABLING AGREEMENT AMENDED FOR SERIES 2015 PROJECT.

This Amendment No. 57-A is entered into pursuant to Section 7 of the Enabling Agreement for the purpose of authorizing the Agency to issue the Bonds and to finance projects of the type and character of the Facility.

SECTION 2. BONDS, PROGRAM, PLAN OF FINANCE APPROVED.

The Parties do hereby approve and authorize the Bonds, and the issuance of Bonds from time to time, in one or more taxable or tax-exempt series, in an aggregate principal amount of approximately \$35,000,000 (the exact amount to be determined by an appropriate official of the Agency to be sufficient to enable the financing, including through reimbursement, of the Senior Living Facility). Each installment or issue of such Bonds shall be designated by series, in such manner as the Agency shall determine, so as to separately identify each such installment or issue. The Agency and its officers, employees, agents and attorneys are hereby authorized to enter into, on behalf of the Agency, from time to time, interlocal agreements, cash management agreements, interest rate swap or hedge transactions, investment agreements, repurchase agreements, bond credit or insurance agreements, escrow agreements, reimbursement agreements, security documents and other agreements, approvals or instruments deemed necessary or convenient to effect or implement the financing, including through reimbursement, of the Senior Living Facility through the issuance of the Bonds, and the purposes and programs for which the Bonds are to be issued and to conform the purposes stated in the Articles of Incorporation of the Agency to authorizations herein contained. No obligation of the Agency under any such agreement or instrument shall constitute an obligation of Century or Gulf Breeze. The Bonds shall be limited and special obligations of the Agency, payable from the revenues or receipts of the programs or projects, payments by the Borrower, a sponsor, or other sources relating to the purpose for which they are issued, all in the indentures for the Bonds. The Bonds shall not constitute a pledge of the faith and

credit or taxing power of or constitute an obligation of Century or of Gulf Breeze.

SECTION 3. ADMINISTRATIVE FEES AND EXPENSES FOR THE TOWN OF CENTURY.

Upon the issuance of each series or installment of Bonds, Century shall be paid by either the Agency or Gulf Breeze, solely from amounts received from the Borrower, the sum specified on Schedule "II" attached hereto.

SECTION 4. ENABLING AGREEMENT CONTINUED.

The Enabling Agreement, as amended hereby, is hereby ratified, confirmed and approved and shall otherwise continue in full force and effect. Nothing in this Amendment No. 57-A shall be deemed to adversely affect the authorizations in the Enabling Agreement as it existed prior to the effective date of this Amendment No. 57-A, or to adversely affect the interests of the holders of any Bonds issued or to be issued pursuant to such authorizations. Except as and only to the extent specifically amended hereby, such Enabling Agreement is hereby incorporated by reference.

SECTION 5. INDEMNITY.

To the extent permitted by law, the Agency and Gulf Breeze shall indemnify and defend Century and hold Century harmless against any and all claims, losses, liabilities or damages to property or any injury or death of any person or persons occurring in connection with the issuance of the Bonds pursuant hereto, or in connection with the acquisition or operation of any project, or for any liability any way growing out of or resulting from the Enabling Agreement, as amended, this Amendment No. 57-A, the financing agreements and/or bond indentures executed in connection with the Bonds, including, without limitation, all costs and expenses of Century, including reasonable attorney's fees, incurred in the performance of any activities of Century in connection with the foregoing or the enforcement of any agreement of the Agency herein contained. Any such obligation of Gulf Breeze or the Agency shall be payable solely from the amounts available to them for such purposes under the Bond financing or any other plan of finance heretofore or hereafter undertaken by the Agency, and shall not constitute a general obligation or a pledge of the faith and credit of Gulf Breeze or the Agency, or an obligation to pay the same from any sources other than such amounts available to them for such purposes under the Bond financing.

SECTION 6. SEVERABILITY OF INVALID PROVISIONS.

If any one or more of the covenants, agreements or provisions herein contained shall be held contrary to any express provisions of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed severable from the remaining covenants, agreements or provisions and shall in no way affect the validity of any of the other provisions hereto.

SECTION 7. COUNTERPARTS.

This Amendment may be simultaneously executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

SECTION 8. EFFECTIVE DATE; AMENDMENTS.

This Amendment shall take effect when duly executed by the Parties and filed in accordance with law. This Amendment may be amended only by written instrument signed by authorized representatives of Century and of Gulf Breeze; provided, however, that no such amendment which would adversely affect the rights of the holders or owners of any then outstanding Bonds of the Agency or of any other member shall take effect until such time as all necessary consents or approvals with respect to such Bonds shall have been obtained, in the case of the rights of bondholders, or the consents and approvals of the affected members, in the case of the rights of members.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

IN WITNESS WHEREOF, the Parties have caused this Amendment No. 57-A to the Enabling Agreement to be executed by their duly authorized officers as of the date first above written.

CITY OF GULF BREEZE, FLORIDA

[SEAL]

By: _____
Matt E. Dannheisser, Mayor

ATTEST:

By: _____
Stephanie D. Lucas
City Clerk

[Signature Page to Amendment No. 57-A to Interlocal Agreement]

TOWN OF CENTURY, FLORIDA

[SEAL]

By: _____
Freddie W. McCall, Sr., Mayor

ATTEST:

By: _____
Leslie Gonzalez, Town Clerk

[Signature Page to Amendment No. 57-A to Interlocal Agreement]

SCHEDULE "I"

The project herein described consists of the acquisition, construction, development, installation and equipping of an approximately 136-unit senior living facility comprised of approximately 78 assisted living units and approximately 58 assisted living units providing memory support services for the elderly, including related facilities, fixtures, furnishings and equipment, to be known as Tuscan Gardens of Venetia Bay, located at 841 Venetia Bay Boulevard, in the City of Venice, Sarasota County, Florida 34285

SCHEDULE "II"
PAYMENT TO TOWN OF CENTURY

\$350.00 per million principal amount of each issue, upon issuance thereof, but not less than \$2,500.00.



504 NORTH BAYLEN STREET
PENSACOLA, FLORIDA 32501
850-434-9922
FACSIMILE: 850-432-2028

February 11, 2015

VIA FEDEX
#8670 9153 5840

Mayor Freddie W. McCall
Town of Century
P.O. Drawer 790
Century, Florida 32535

Ann C. Brooks, President
9302 North Century Boulevard
Century, Florida 32535

Sandra M. Jackson
124 Maple Street
Century, Florida 32535

Benjamin D. Boutwell
Town of Century
P.O. Box 790
Century, Florida 32525

Annie Savage
170 Henry Street
Century, Florida 32535

Gary Riley
7100 Roberts Road
Century, Florida 32535

RE: Town of Century - Approval of Bond Issuance for:

Tuscan Gardens of Venetia Bay Properties, LLC/Tuscan Garden Senior Living Facility

Dear Mayor McCall and Members of the Town Council:

There is bond issue for which Capital Trust Agency seeks your approval. It is an amendment to a bond issuance previously approved by the Town Council on December 8, 2014. Please recall that pursuant to the Interlocal Agreement between the Town of Century and the City of Gulf Breeze, no bonds can be issued by Capital Trust Agency unless it first obtains approval from both the Century Town Council and the Gulf Breeze City Council. The proposed financing is discussed below.

Mayor Freddie W. McCall
Ann Brooks, President
Sandra M. Jackson
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General Matters

As with all bond issues by CTA, it is contemplated that for the financing discussed in this letter neither the Town of Century nor the City of Gulf Breeze will be responsible for repaying the bonds. Each of the bonds will expressly state that neither the Town nor the City will be liable to pay the principal or interest on the bonds, rather CTA's obligations to repay the bonds will be limited to the assets in the respective trust estates for each transaction. The security for the bonds will be a pledge of revenues realized by the borrowers as well as a security interest in the property and improvements for which the loan proceeds would be utilized to acquire, construct, improve, etc.

Because of the Town's participation in the creation of Capital Trust Agency, it was contemplated that the Town of Century would receive a fee upon closing of the financing discussed herein. For this financing, CTA proposes to utilize the same fee schedule that has been approved by the Town of Century in previous financing. Specifically, it is proposed that the Town of Century be paid a fee equal to \$350.00 per \$1,000,000.00 of principal amount of bond issuance, subject to a minimum fee of \$2,500.00.

Tuscan Gardens of Venetia Bay Properties, LLC/Tuscan Garden Senior Living Facility (*Century Resolution No. 05-15; Amendment No. 57-A to Interlocal Agreement*)

This financing was approved by the Town Council on December 8, 2014 in an amount not to exceed \$25,000,000.00. At that time, the financing was based on investors providing approximately \$9,000,000.00 towards the project. The Executive Director at CTA has advised me that the investors are pulling out anywhere between \$5,000,000.00 to \$9,000,000.00 from the project. Therefore, in order for the project to move forward, the Executive Director of the CTA has asked that the amount of bond issuance be increased from \$25,000,000.00 to \$35,000,000.00. Otherwise, the project remains unchanged. Below is a brief summary of the project.

The Project. Tuscan Gardens of Venetia Bay Properties, LLC intends to develop a senior living facility with assisted living units and memory support services for the elderly to be located at 841 Venetia Bay Boulevard, in the City of Venice, Sarasota County, Florida 34285 ("Tuscan Gardens Development").

At this juncture, it is contemplated that the Tuscan Gardens Development will be a 136-unit facility with 78 assisted living units and 58 assisted living units providing memory support services for the elderly. The assisted living units will be comprised of two-bedroom/two bath, two-bedroom/one bath, one bedroom/one bath, and petite bedroom/one bath units ranging in size

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Ann Brooks, President
Sandra M. Jackson
Benjamin D. Boutwell
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from 856 sq. ft. to 452 sq. ft. The memory care units will be studios with 1 bathroom and 301 sq. ft. in size.

Security for the financing will include a first mortgage on the assisted living facility and a first lien on all revenues of the assisted living facility.

Project Sponsor and Manager. According to its application for financing, Tuscan Gardens of Venetia Bay Properties, LLC is managed by Laurence J. Pino, Charles C. Smith, Jr., Christopher P. Young, and Sean D. Casterline all of whom have extensive experience in business and real estate development. Mr. Young, in particular, has been involved in the development and financing of senior living communities in the United States. Mr. Young developed the financing model that allowed the placement of \$75,000,000.00 in debt and \$15,000,000.00 in equity for three large senior assisted living communities in the State of Florida.

Tuscan Gardens of Venetia Bay Properties, LLC's application for financing also reflects that the facility will be managed by CRSA/LCS Management, LLC, a limited liability company of the State of Iowa. CRSA/LCS Management, LLC is a company that has provided management services for senior living facilities for more than 40 years. More than 31,000 people live in 115 communities managed by CRSA/LCS Management, LLC.

Public Purpose. CTA's bond counsel has represented that the issuance of the bonds in the loaning of the proceeds thereof as contemplated herein constitutes a valid public purpose and that the above described projects will serve significant public purposes described in Part II Florida Statutes, Chapter 159. Section 159.26 sets forth findings of the Florida Legislature that in order to improve prosperity and welfare of the State and its inhabitants, and to improve healthcare, it is necessary and in the public's interest to facilitate the financing of certain facilities such as senior care projects discussed in the segment. The statute further provides that the purpose is to be achieved by such projects and their financings implement the government purposes under the Florida Constitution providing for health, safety and welfare of the people of the State of Florida. CTA's bond counsel has also represented that the above described senior living facilities are appropriate to the needs and circumstances the communities in which they will be located and will serve a public purpose by (i) providing gainful employment in making significant contribution to the economic growth the whole community, (ii) promoting commerce within the State of Florida, (iii) providing safe, decent and accessible living facilities for the senior living community and, (iv) advancing the economic prosperity and the general welfare of the State of Florida and its people.

Mayor Freddie W. McCall
Ann Brooks, President
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Gary Riley
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The Bonds. The financing application still reflects an estimated development cost of \$36,380,000.00 with senior debt of up to \$32,180,000.00 from the previously requested \$23,180,000.00 financing. Nevertheless, the developer and CTA request that you approve the authorization of \$35,000,000 of CTA bonds and loaning the proceeds thereof to the developer for the purposes described above.

The bonds would be issued for "private activity" purposes. Further, since the developer is a for-profit entity, this financing is contingent upon the developer receiving private activity bond allocation from the State of Florida.

Approval by the Century Town Council. If you are inclined to approve CTA's request to issue the bonds for Tuscan Gardens of Venetia Bay Properties, LLC, it will be necessary that you adopt Resolution No. 05-15, to which a proposed "Amendment No. 57-A to Interlocal Agreement" is attached as an exhibit. If approved, your Resolution authorizes Mayor McCall to enter into the Amendment on behalf of the Town of Century. If \$35,000,000.00 of bonds are issued, the fee schedule would suggest that the Town of Century would be paid a fee of \$12,250.00. However, if only \$32,180,000.00 of bonds are issued, as is more likely, the fee schedule contemplates a fee of \$11,550.00.

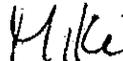
Conclusion

Capital Trust Agency appreciates your consideration of this matter at your meeting on Monday, February 16, 2015. I will be present at your meeting to discuss this matter and answer any questions you may have.

Please call me if you have any questions regarding this matter.

Sincerely,

MICHAEL J. STEBBINS, P.L.



Michael J. Stebbins
For the Firm

MJS
Enclosures

Mayor Freddie W. McCall
Ann Brooks, President
Sandra M. Jackson
Benjamin D. Boutwell
Annie Savage
Gary Riley
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cc: Leslie Gonzalez, Town Clerk (via email w/ enc.)
Ed M. Gray, III Capital Trust Agency, Executive Director (via email w/o enc.)
Edwin A. Eddy, Gulf Breeze City Manager (via email w/o enc.)
Brian A. Watson, Esq., Bond Counsel (via email w/o enc.)
Matt E. Dannheisser, Esq., Mayor, City of Gulf Breeze (via email w/o enc.)



City of Gulf Breeze

Office of City Manager

MEMORANDUM

To : Mayor and City Council

From :  Edwin A. Eddy, City Manager

Date : February 13, 2015

Subject: Installment Sale Agreement – Travel Lodge

At the February 11th Executive Session, the City Council raised questions regarding the above noted subject. We have corrected noted typographical errors and added information in spaces previously left blank.

We recommend approval of this agreement and Guaranty subject to the Travel Lodge being current with its lease fees.

Installment Sale and Security Agreement

This Installment Sale and Security Agreement (“Agreement”) is made this [date] between the City of Gulf Breeze (“Seller”) whose address is 1070 Shoreline Drive, Gulf Breeze, FL 32561 and Travel Lodge (“Buyer”) whose address is 40 Ft Picken’s Road Pensacola Beach, FL 32561.

WHEREAS the Buyer desires to convert to the use of natural gas at the Travel Lodge located at 40 Ft Picken’s Road Pensacola Beach, FL 32561; and,

WHEREAS the Buyer needs to install two new natural gas water heaters at a cost of \$34,345 (“Total Cost”) in order to convert to natural gas; and,

WHEREAS the Seller desires to sell the Buyer natural gas services; and,

WHEREAS the Seller agrees to rebate \$10,000 (“Rebate”) to the Buyer towards the Total Cost, which Rebate the Buyer agrees will be paid directly by the Seller to the third party vendor that installs the two new natural gas water heaters if the Buyer agrees to convert to the Seller’s natural gas service, pay the Seller \$2,450, ten (10%) percent of the cost to install the two new natural gas water heaters after the application of the Rebate to the Total Cost and to pay the remaining balance of \$22,050 (“Financed Amount”) according to the terms of this Agreement.

In consideration of the mutual promises and releases contained herein and for other good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. **Incorporation by Reference:** The Whereas clauses recited in the preamble of this Agreement are incorporated in and made a part of this Agreement.

2. **Purchase and Security Interest:** Seller agrees to sell and Buyer agrees to buy, upon the terms set forth below, the following described property to which Seller retains a security interest to secure payment of all the obligations under this Agreement:

Two (2) 100 gallon Rheem 400,000 BTU ASME certified natural gas water heaters,
Serial Nos. _____ & _____

(“Property”)

3. **Payment:** The Buyer agrees to pay \$22,050 (“Purchase Price”) plus interest at a rate of 5% according to the payment schedule attached Exhibit A to this Agreement. Until all payments reflected under Exhibit A, and all other amounts due under this Agreement, have been paid, and all other obligations under this Agreement are met, Seller shall retain a security interest in the Property and any and all equipment, parts, accessories, attachments, additions and other goods, and all replacements of them, installed in, affixed to or used in connection with the Property; and, if Buyer sells or otherwise disposes of the Property in violation of the terms of this Agreement, in the proceeds of such sale or disposition.

4. **Insurance:** The Buyer agrees to maintain physical damage insurance in at least the Financed Amount covering the loss or damage to the Property as long as this Agreement is in effect and the Buyer shall furnish to the Seller a certificate of the insurance, which provides for the above coverage, at the time this Agreement is executed. The insurance must cover the Seller's interest in the Property and benefits under the policy shall be payable to the Seller. The Buyer shall not cancel and/or reduce the insurance coverage while this Agreement is in effect without the written consent of the Seller. The Seller has the sole discretion to determine the disposition of any insurance proceeds, including but not limited to subtracting the proceeds from what the Buyer owes the Seller under this Agreement.

5. **Information and Filings:** The Buyer agrees to give the Seller, any information that Seller may request and sign any papers the Seller needs to establish and maintain a security interest in the Property, including but not limited to, the filing and maintenance of a UCC Financing Statement for the Property for the duration of this Agreement, the form of which is attached hereto as Exhibit B. Buyer will pay all costs of filing this Agreement or any financing or termination statement with respect to the Property, and appoints the Seller to do whatever Seller may deem necessary to perfect or continue perfected its security interest in the Property. If the Buyer fails to timely remit the filing fees to the Seller, the Seller may recover the filing fees per Section 11 of this Agreement. Additionally, Buyer agrees to not allow any person or entity to obtain a lien or security interest in the Property or levy against the Property to pay a debt or judgment while this Agreement is in effect.

6. **Property Removal:** The Buyer agrees not to remove, or allow anyone else to remove, the Property from **40 Ft Picken's Road Pensacola Beach, FL 32561**.

7. **Property Condition:** The Buyer, at Buyer's expense, agrees to keep the Property in good repair and not destroy it or use it in a way that violates any federal, state, and/or local law, regulation, ordinance, rule or policy. Loss or damage to the Property shall not release the Buyer from any obligations, promises, undertakings, covenants, terms and/or conditions of this Agreement. Moreover, repairs to the Property and equipment or accessories placed on the Property shall constitute component parts of the Property, subject to the terms of this Agreement. If the Buyer fails to keep the Property in good repair, fails to take steps to prevent its destruction and/or fails use it in a way that violates any federal, state, and/or local law, regulation, ordinance, rule or policy, then the Seller may accomplish such repairs, prevent such destruction, and/or assure compliance with any federal, state, and/or local law, regulation, ordinance, rule or policy and recover such costs incurred by Seller per Section 11 of this Agreement.

8. **Taxes and Other Payment Obligations:** The Buyer agrees to pay any taxes, assessments, registration fees, repair bills or other expenses in connection with the Property when they are due.

9. **Personal Guarantee:** The Buyer agrees that as a condition of this Agreement the Personal Guarantee attached hereto as Exhibit C, shall be executed contemporaneously with this Agreement by **Richard A. McAplin and Jerri McAlpin 40 Ft Picken's Road**

10. **Events of Default**: The following events shall constitute an event of default under this Agreement:

- a. The Buyer fails to make any payment as required by this Agreement;
- b. The Buyer fails to insure the Property and/or maintain insurance on the Property per this Agreement;
- c. The Buyer fails to agree to the filing of, to sign and/or pay the filing fee for the UCC Financing Statement, the form of which is attached hereto as Exhibit B.
- d. If the Seller believes that the prospect of performance of any obligation of Buyer under this Agreement, or of performance or payment of any obligation secured by this Agreement is impaired, the following, without limitation, shall constitute an impairment:
 - (i) Death of either guarantors of the Buyer as reflected in Exhibit C;
 - (ii) Insolvency, receivership, assignment for the benefit of creditors, or commencement of any proceeding under bankruptcy or insolvency laws by or against Buyer;
 - (iii) Issuance of execution or process against any property of the Buyer or the entry of any judgment against the Buyer;
 - (iv) Dissolution or termination of the Buyer, or the Buyer otherwise ceases to do business;
 - (v) Loss, theft, substantial damage to or destruction of the Property not covered by insurance;
 - (vi) Condemnation, levy, forfeiture or similar action against the Property or any part of the Property;
 - (vii) Sale or encumbrance of the Property;
 - (viii) Discovery by the Seller of any misstatement of a material fact in any documents signed by the Buyer, which forms part of the basis for the Seller entering into this Agreement;
- e. The Guarantors fail to agree to the Personal Guarantee, fail to abide by the terms of the Personal Guarantee and/or withdraw from any or all of the terms of the Personal Guarantee attached hereto as Exhibit C.
- f. The Buyer otherwise fails to perform any of the Buyer's obligations or

comply with any of the promises, undertakings, covenants, terms and conditions of this Agreement, other than payments reflected on attached Exhibit A.

11. **Default and Remedies:** The Buyer will be deemed in default of this Agreement if:

- a. The Buyer fails to deliver payment to the Seller on the due date reflected on Exhibit A or within [redacted] days thereof after written demand for payment to the Buyer (“Default”); and/or
- b. The Buyer fails to perform Buyer’s obligations or comply with any of the promises, undertakings, covenants, terms and conditions of this Agreement, other than payments reflected on attached Exhibit A, for [redacted] days after written demand for performance to the Buyer (“Default”);
- c. If an Event of Default and Default occurs, the Seller may, at Seller’s sole discretion and option, in addition to all other remedies now and hereafter provided by law or in equity, notwithstanding any other provisions of this Agreement:
 - (i) Perform any act or do anything required under this Agreement to be performed by the Buyer, and to recover the cost thereof from the Buyer. Such cost shall be due and payable upon demand and may be treated as additional amounts payable under this Agreement;
 - (ii) Accelerate the maturity of all amounts due at the time of default due under the remaining term of this Agreement as reflected in Exhibit A and any other amounts due, and obtain judgment for all amounts due under the Agreement plus interest at 5% on such delinquent payments from due date;
 - (iii) Suspend natural gas service to the **Travel Lodge at 40 Ft Picken’s Road Pensacola Beach, FL 32561** without notice other than what is prescribed in sub-Section 11.b. herein; and/or
 - (iv) Exercise any and all the rights on default of a secured party under the Uniform Commercial Code. Including but not limited to:
 - (a) Require the Buyer to assemble the Property and make it available to Seller at a place to be designated by Seller; and/or.
 - (b) Take immediate possession of the Property wherever found, without legal process, without notice and without being guilty or liable in any manner for trespass or conversion; and/or
 - (c) Sell or otherwise dispose of the Property and seek a deficiency judgment against the Buyer for any amounts still owed under this Agreement after applying the proceeds of

the sale to the amounts owed under this Agreement.

12. **Warranties:** No representation, statements or warranties have been made by Seller concerning the Property except as stated in this Agreement; and no warranty, express or implied, by Seller, arises apart from this Agreement. Buyer agrees that all warranties, if any, regarding the Property are between the Buyer and the manufacturer of the Property.

13. **Assignment:** Seller may assign this Agreement but Buyer shall not. Seller's assignee shall have all of the rights, powers and remedies of Seller.

14. **Entire Agreement:** This Agreement constitutes and contains the entire agreement and understanding of the parties and the subject matters addressed herein between the parties, and supersedes and replaces all prior negotiations and all prior agreements proposed or otherwise, whether written or oral, concerning the subject matter hereof.

15. **Law and Venue:** This Agreement shall be governed by and subject to the laws of the State of Florida; and venue shall be exclusively in the state courts of the Santa Rosa County, Florida.

16. **Severability:** In the event that one or more of the provisions of this Agreement shall for any reason be held to be illegal or unenforceable, this Agreement shall be revised only to the extent necessary to make such remaining provision(s) of the Agreement legal and enforceable.

17. **Legal Counsel; Mutual Drafting:** Each party recognizes that this is a legally binding agreement and acknowledges and agrees that they have had the opportunity to consult with legal counsel of their choice. Each party has cooperated in the drafting, negotiation and preparation of this Agreement. Hence, in any construction to be made of this Agreement, the same shall not be construed against either party on the basis of that party being the drafter of such language. Buyer, through its signor of the Agreement, agrees and acknowledges that he/she has read and understands this Agreement, is entering into it freely and voluntarily, and has been advised to seek counsel prior to entering into this Agreement and has had ample opportunity to do so.

18. **Waiver of Jury Trial:** Each party, to the extent permitted by law, knowingly, voluntarily and intentionally waives its/his right to a trial by jury in any action or other legal proceeding arising out of or relating to this Agreement and the transactions it contemplates. This waiver applies to any action or legal proceeding, whether sounding in contract, tort or otherwise and the events and circumstances relating to the subject matter of this Agreement.

19. **Amendment:** The parties may amend this Agreement only by a written agreement of the parties.

20. **Non-Waiver:** No provision in this Agreement may be waived, except pursuant to a writing executed by the party against whom the waiver is sought to be enforced.

21. **Indemnification:** Buyer shall indemnify, defend and hold harmless the Seller, the City of Gulf Breeze, its Mayor, its City Council Members, employees, and contractors at all times after the date of this Agreement against:

- a. Any liability, loss, damage (including punitive damages), claim, settlement payment, cost and expense, interest, award, judgment, diminution in value, fine, fee, and penalty, or other charge, arising out of or relating to, in whole or in part, directly or indirectly, to this Agreement and regardless of whether the act or omission giving rise to the liability, loss, damage (including punitive damages), claim, settlement payment, cost and expense, interest, award, judgment, diminution in value, fine, fee, and penalty, or other charge occurs before or after the date of this Agreement;
- b. Any court filing fee, court cost, arbitration fee or cost, witness fee, and each other fee and cost of investigating and defending or asserting any claim for indemnification under this Agreement, including, without limitation, in each case, attorneys' fees, other professionals' fees, and disbursements, both at trial and on appeal.
- c. The Buyer's indemnification obligations set forth in subsections a. and b. herein shall not be limited by, or in any way to, any insurance coverage or by any provision in or exclusion or omission from any policy of insurance or by any bond. The Buyer agrees to pay for and provide a legal defense for the Seller, the City of Gulf Breeze, its Mayor, its City Council Members, employees, and contractors, which will be done if and when requested by the Seller to the Buyer in writing.

22. **Attorney's Fees and Costs:** If the Seller retains attorneys to assist in the collection of any sums due under this Agreement, which are not paid when due, and/or to enforce any other provision of this Agreement, the Buyer shall pay the attorney's fees and cost incurred by the Seller whether or not a lawsuit is filed within ten (10) days of written demand from the Seller.

If any legal action or other proceeding is brought under this Agreement, in addition to any other relief to which the successful or prevailing party or parties ("Prevailing Party") is entitled, the Prevailing Party is entitled to recover, and the non-Prevailing Party shall pay, all:

- a. Reasonable attorneys' fees of the Prevailing Party,
- b. Court costs, and

c. Expenses, even if not recoverable by law as court costs (including, without limitation, all fees, taxes, costs and expenses incident to the action as well as appellate, bankruptcy and post-judgment proceedings), incurred in that action or proceeding and all appellate proceedings. For purposes of this sub-section, the term “attorneys’ fees” shall include, without limitation, paralegal fees, investigative fees, expert witness fees, administrative costs, disbursements, and all other charges billed by the attorney to the Prevailing Party.

23. **Notice:** Any notices (“Notice”) to be sent pursuant to this Agreement shall be to the following designated individuals:

For the Seller:

Person, City of Gulf Breeze 1070 Shoreline Drive Gulf Breeze, FL 32561
850-934-5100 fax 850-934-5114 **email**

For the Buyer:

Jerri McAlpin 40 Fort Pickens Rd Pensacola Beach Fl 32561 850-934-5400
fax 850-932-7210 mac@mcalpingroup.com.

All Notices must be sent via (a) facsimile transmission, (b) via email, and (c) (i) certified U.S. Mail, return receipt requested, or (ii) nationally recognized overnight carrier (such as FedEx or UPS).

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

SIGNATURE BLOCKS TO BE INSERTED

EXHIBIT A
Amortization Schedule

EXHIBIT B
UCC Financing Statement

EXHIBIT C
Personal Guarantee

Personal Guaranty

Whereas, the **Travel Lodge**, ("Buyer"), desires to convert the **Travel Lodge** located at **40 Ft Picken's Road Pensacola Beach, Fl 32561** to natural gas and needs to install two new natural gas water heaters in order to convert to natural gas; and,

Whereas, the **City of Gulf Breeze** ("Seller") desires to sell the Buyer natural gas services; and,

Whereas, the Seller is willing to make a loan to the Buyer to pay for the installation of two new natural gas water heaters in order for the Buyer to convert the **Travel Lodge** located at **40 Ft Picken's Road Pensacola Beach, Fl 32561** to natural gas; and,

Whereas the Seller requires a written guarantee from the undersigned ("Personal Guarantee") covering all obligations, promises, undertakings, covenants, terms and conditions of that certain Installment Sale and Security Agreement ("Agreement") executed by the Seller and Buyer contemporaneously with this Personal Guarantee in order for the Seller to make a loan to the Buyer to pay for the installation of two new natural gas water heaters at the **Travel Lodge** located at **40 Ft Picken's Road Pensacola Beach, Fl 32561**

Now, therefore, in consideration of the premises and of other good and valuable consideration and in order to induce the Seller, in its discretion, to make a loan to the Buyer per the Agreement,

1. The undersigned **Richard A. McAplin and Jerri McAplin** ("Guarantors"), individually, jointly and unconditionally guarantee the prompt performance of all obligations, promises, undertakings, covenants, terms and conditions of the Agreement, including but not limited to the timely payment of any amounts due under the Agreement without the necessity of any recourse being first had against the Buyer or against any security.
2. The Guarantors are bound, as a primary obligator, to answer to Seller for any default in the prompt performance of all obligations, promises, undertakings, covenants, terms and conditions of the Agreement, including but not limited to the timely payment of any amounts due under the Agreement.
3. This Personal Guarantee shall remain in full force and effect as long as the Agreement is in effect unless the Personal Guarantee is terminated by written notice from the Seller.
4. This Personal Guarantee shall remain unaffected by any modifications or amendments to the Agreement including but not limited to any extensions of time or renewals.
5. The Guarantors hereby waive presentment, protest, demand and notice of nonpayment of any financial obligations, and notice of every other kind to which the Guarantors may be entitled, including but not limited to, notice of the acceptance by Seller of this Personal Guarantee, or of any extensions of time, renewals, modifications or amendments of the Agreement.

6. The Guarantors agree that whether or not any action, suit, matter or proceeding is brought to enforce Seller's rights under the Agreement, and/or to collect any amounts due under the Agreement, the Guarantors shall pay within ten (10) days of written demand from the Seller all amounts due and owing under the Agreement, including but not limited to, any costs, expenses and reasonable attorney's fees incurred by Seller.

7. All monies available to the Seller for application in payment or reduction of amounts owed by the Buyer under the Agreement may be applied by Seller in such manner and in such amounts and at such time or times as the Seller shall determine, in its sole discretion, to the payment or reduction of such amounts owed by the Buyer under the Agreement, and the obligations pursuant to this Personal Guarantee shall not be affected by the above determinations of the Seller for any claim hereby guaranteed.

8. The obligations under this Personal Guarantee shall not be affected by any surrender or release by the Buyer of any security held by the Buyer for any claim hereby guaranteed.

9. No delay on the part of Seller in exercising any rights hereunder or failure to exercise the same shall operate as a waiver of such rights. Moreover, no provision in this Personal Guarantee may be waived, except pursuant to a writing executed by the party against whom the waiver is sought to be enforced.

10. This Personal Guarantee is, and shall be deemed to be, a contract entered into under and pursuant to the laws of the State of Florida and shall be in all respects governed, construed, applied and enforced in accordance with the laws of said State; venue shall be exclusively in the state courts of the Santa Rosa County, Florida.

11. If the Seller retains attorneys to assist in the collection of any sums due under this Personal Guarantee, which are not paid when due, and/or to enforce any other provision of this Personal Guarantee, the Guarantors shall pay the attorney's fees and cost incurred by the Seller whether or not a lawsuit is filed within ten (10) days of written demand from the Seller.

12. If any legal action or other proceeding is brought under this Personal Guarantee, in addition to any other relief to which the successful or prevailing party or parties ("Prevailing Party") is entitled, the Prevailing Party is entitled to recover, and the non-Prevailing Party shall pay, all:

- a. Reasonable attorneys' fees of the Prevailing Party,
- b. Court costs, and

- c. Expenses, even if not recoverable by law as court costs (including, without limitation, all fees, taxes, costs and expenses incident to the action as well as appellate, bankruptcy and post-judgment proceedings), incurred in that action or proceeding and all appellate proceedings. For purposes of this sub-section, the term "attorneys' fees" shall include, without limitation, paralegal fees, investigative fees, expert witness fees, administrative costs, disbursements, and all other charges billed by the attorney to the Prevailing Party.

13. Any notices ("Notices") to be sent pursuant to this Personal Guarantee shall be to the following designated individuals:

For the Seller:

Person, City of Gulf Breeze, 1070 Shoreline Drive, Gulf Breeze, FL 32561 850-934-5100
fax 850-934-5114 email

For the Guarantors:

Richard A. McAplin 40 Fort Pickens Rd Pensacola Beach, FL 32561 850-934-5400

Jerri McAlpin 40 Fort Pickens Rd Pensacola Beach, FL 32561 850-934-5400
fax 850-932-7210 mac@mcAlpingroup.com

All Notices must be sent via (a) facsimile transmission, (b) via email, and (c) (i) certified U.S. Mail, return receipt requested, or (ii) nationally recognized overnight carrier (such as FedEx or UPS).

IN WITNESS WHEREOF, the Guarantors have executed this Personal Guarantee as of the date first written above.

By: _____

Name of Guarantor: **Richard A. McAplin**

Address: _____

SWORN TO AND SUBSCRIBED before me on this _____ day of February, 2015, by **Richard A. McAplin**, who is personally known to me or who has produced _____ as identification.

Notary Public, State of Florida
Printed Name:
My Commission Expires:
My Commission Number:

SEAL

By: _____
Name of Guarantor: Jerri McAplin

Address: _____

SWORN TO AND SUBSCRIBED before me on this _____ day of February, 2015, by Jerri McAplin, who is personally known to me or who has produced _____ as identification.

Notary Public, State of Florida
Printed Name:
My Commission Expires:
My Commission Number:

SEAL



City of Gulf Breeze

Memorandum

To: Edwin A. Eddy, City Manager

From: Curt Carver, Deputy City Manager

Date: 2/13/2015

Subject: Storm Water Project- Water main conflicts

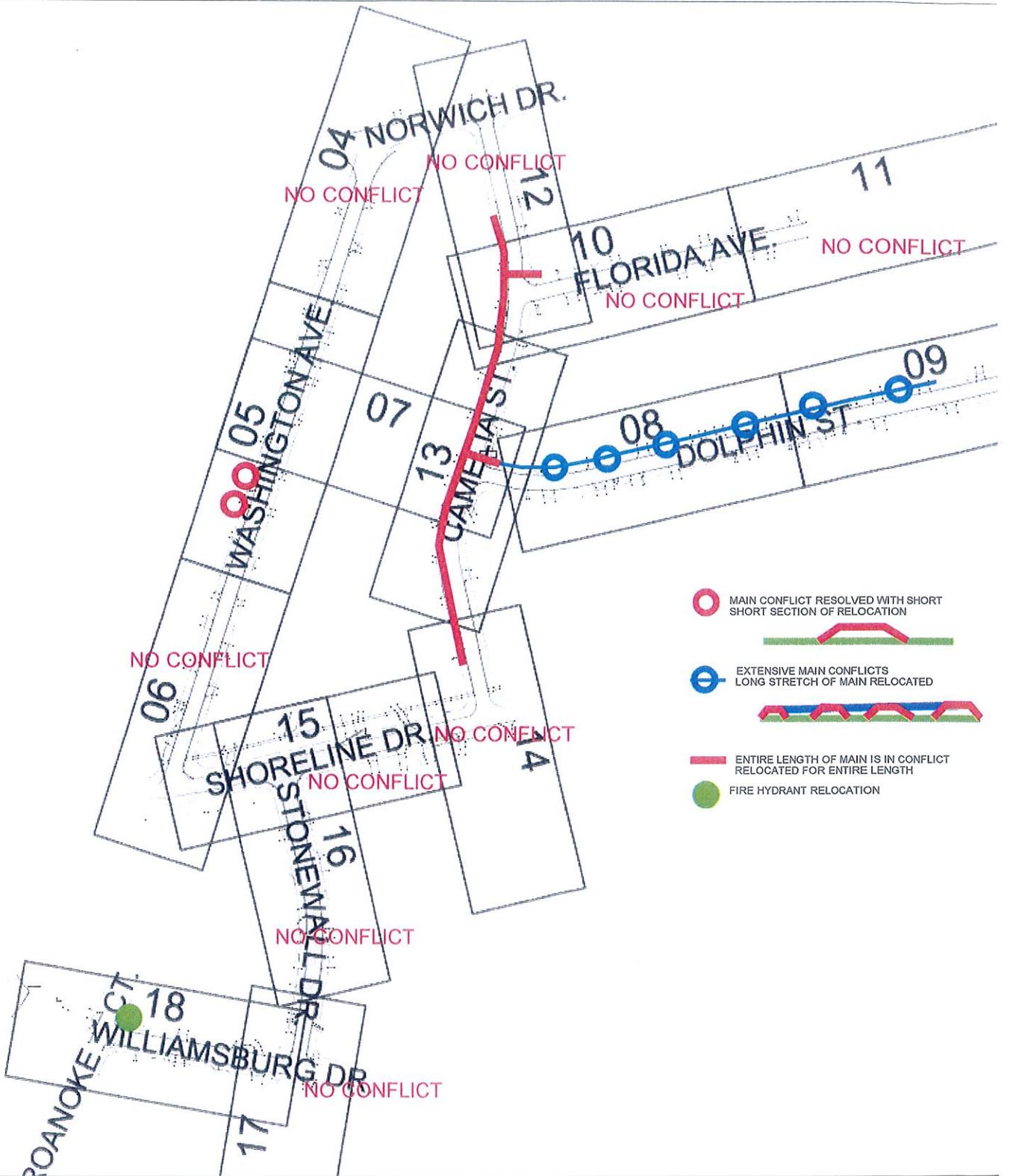
At the last Executive Meeting, the City Council considered a number of change orders related to water main conflicts with the storm water project. A copy of the earlier staff memorandum is attached. During the discussion on this, questions were raised as to the location and nature of the conflicts. In response, staff has prepared the enclosed exhibit which depicts the area of conflict. In summary these are:

1. Intersection of Williamsburg Drive and Roanoke Court involved the removal and relocation of a fire hydrant. The existing hydrant was in conflict with a new structure and the characteristics of the water mains at that location required the relocation of the hydrant across the street from the present location. The hydrant is being replaced with a new one because of its age.
2. On Washington Avenue two conflicts require adjustments to the water main.
3. Approximately 1200' of concrete water main on Camelia Street had to be replaced because the entire alignment was in conflict with the new storm water line. This was an existing concrete main and PVC section adjustments were not practical or cost effective.
4. Dolphin Street had extensive conflicts and it was more cost effective to replace 700 feet of water main than adjust around it through that section. As Mr. Lambert pointed out, the existing water main was a combination of two pipe types, concrete and PVC.

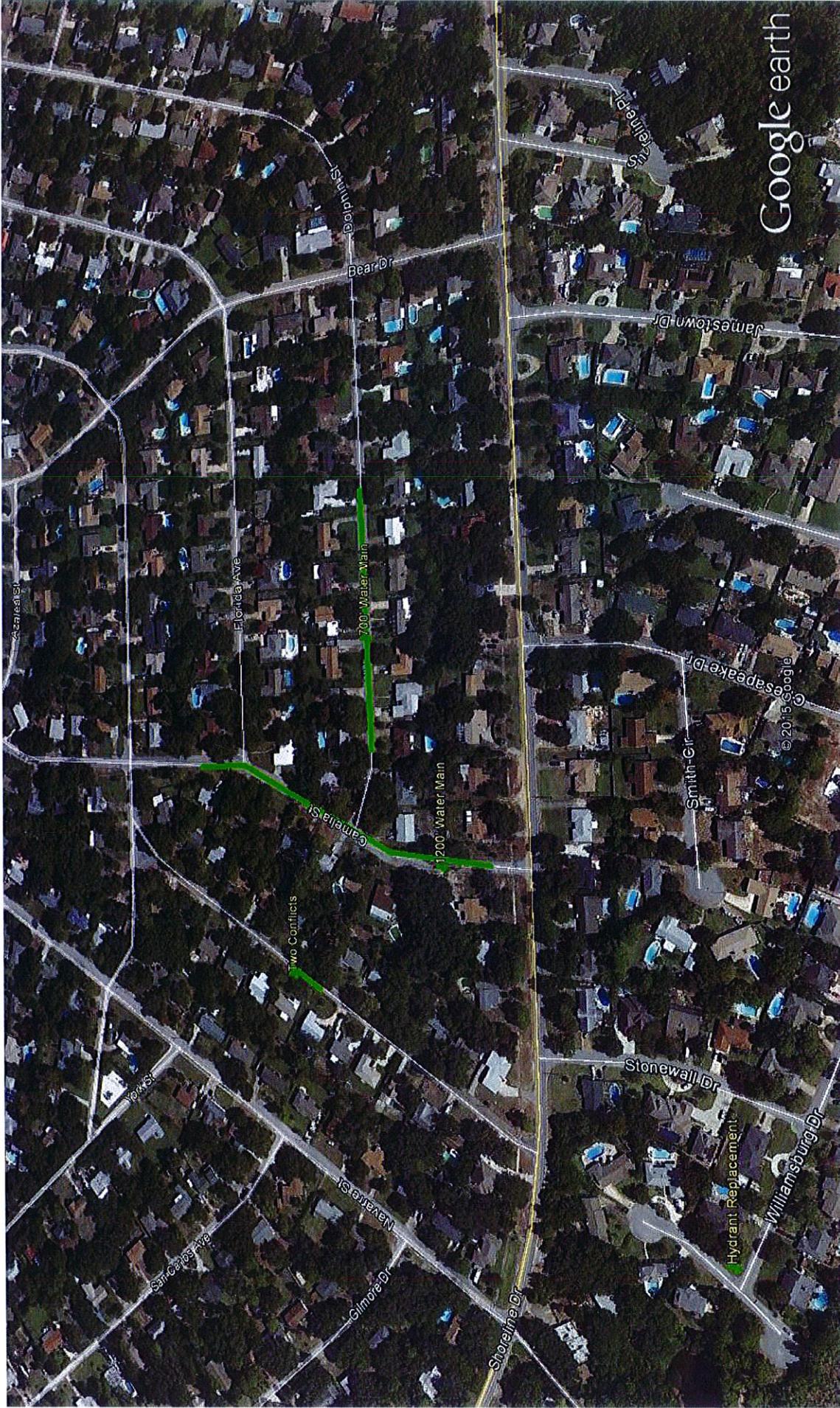
Hopefully this will help to clarify the nature of the conflicts where this additional work is needed. It should also be pointed out that the water main sections being replaced are 30-40 year old concrete pipe that are at the end of their useful life span. It was more desirable and cost effective to replace these sections rather than make adjustments with other pipe material.

Staff's recommendation continues to be the same. Should you have any questions, please do not hesitate to contact me.

Enclosures



-  MAIN CONFLICT RESOLVED WITH SHORT SHORT SECTION OF RELOCATION
-  EXTENSIVE MAIN CONFLICTS LONG STRETCH OF MAIN RELOCATED
-  ENTIRE LENGTH OF MAIN IS IN CONFLICT RELOCATED FOR ENTIRE LENGTH
-  FIRE HYDRANT RELOCATION



Google earth

feet
meters

1000

400





City of Gulf Breeze

Office of the Mayor

MEMORANDUM

To : City Council

From : Matt E. Dannheisser, Mayor

Date : February 5, 2015

Subject: City Manager Employment Contract

Please recall that in a memorandum furnished to the City Council and CTA Board last October (a copy of which is attached for your convenience), the City Manager made a number of recommendations regarding CTA operations – all of which were approved by the CTA Board. One of the recommendations was:

Restructuring the Independent Contractor Agreement between CTA and Edwin A Eddy such that compensation is not contingent on closings of transactions.

That recommendation was urged by both former Mayor Zimmern and me because, in part, we felt that it was unfair to Buz to have his salary vary from one year to the next based upon whether CTA issued bonds. Although the average of his compensation has been in line with the recommendations of the Cody study, Buz deserves to have a reasonable expectation of his income each year. Also, we thought it appropriate that the City Manager's only incentive be to advocate financings that are in the best interest of the City.

Upon further discussion of the matter with the Deputy City Manager and City Attorney, along with Buz, it was recognized that the City Manager's total compensation derives from three separate contracts – a standard ICMA contract with the City, another contract with GBFS and a third contract with CTA. We thought that, in an effort to improve transparency, it would be better to combine the contracts into one.

Attached is a revised employment contract that Mike and Curt have prepared, and is acceptable to Buz. I recommend your approval of the revised contract. The contract follows the format of Buz'

current contract with the City, but includes his services in connection with GBFS and CTA. The compensation amount is a bit less than the average of what he has been paid in recent years; however, more of his income is included for purposes of pension contributions – so it is close to even. The other terms are pretty much the same as the current contract. By rolling the three agreements into one, we can eliminate any public perception that the City Manager has an incentive to facilitate or recommend transactions in his advisory role with CTA or GBFS.

To ensure there will be no adverse effect upon the City's budget because of consolidating the three contracts, if the revised contract is approved, appropriate budget amendments for CTA and GBFS will be needed to offset the compensation. (Whereas in the past portions of Buz' compensation have derived directly or as a result of CTA and/or GBFS operations, the revised contract contemplates that all of his compensation will be paid by the City.) Thus, the budgets of those entities should be revised to provide for interdepartmental transfers of funds to the City where otherwise there would have been direct payments to the City Manager. As a result, the net effect on the City's budget is the same as was contemplated when the budget was approved.

RECOMMENDATION:

THAT THE CITY COUNCIL APPROVE THE CITY MANAGER'S EMPLOYMENT CONTRACT AS PRESENTED.



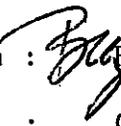
City of Gulf Breeze

OFFICE OF THE CITY MANAGER

Memorandum

To : Mayor and City Council
Board of Director, Capital Trust Agency

CC : Matt E. Dannheisser, City Attorney
Ed M. Gray, III, Executive Director, Capital Trust Agency
Richard I. Lott

From :  Edwin A. Eddy, City Manager

Date : October 10, 2014

Subject: **Capital Trust Agency Contract – Municipal Advisory Services**

Attached for your reference is a copy of a contract between Capital Trust Agency and Municipal Advisory Services ("MAS") which is a corporation formed by Ed Gray. Compliance with the terms of this contract has been a concern of late as a result of inquiries.

As directed by consensus of the CTA Board and the Mayor, we will commence a full "compliance audit" of this and other pertinent contracts immediately. The CTA Board will receive a copy of the report and an opportunity to discuss the audit when it is completed by Saltmarsh, Cleaveland and Gund ("SMG").

The CTA contract with MAS provides for three forms of compensation to MAS:

- a) a base amount of \$12,500 annually;
- b) a monthly amount equal to \$10 per \$1,000,000 of outstanding bonds; and
- c) a consultant's fee for loan program issuances and origination fees for loans originated from an overall loan pool program.

In light of this base pay/payment at closing compensation package, the contract provides that MAS shall remit the first \$18,750 of such fees back to the agency annually. This is the issue that caused questions to be raised regarding compliance. We wanted to immediately understand the matter over the twelve plus years this contract has been in place and advise you and the Mayor and Council as to any issues that may exist.

We prepared the attached spreadsheet to provide a year to year analysis of the payments made to MAS and those due back to CTA. Take a look at 2002 for example. In the fourth column, under the heading "MAS Closing Fee," the total annual payments to MAS at closing are listed. In columns 5, 6, and 7

the amount to be remitted by MAS is listed with an ending balance of 0 in column 7. This activity continues until 2005. In 2005, MAS made payments of \$12,000 plus \$18,750 and only \$18,750 was due for the year. A "credit" of \$12,000 was carried over to 2006. When the \$18,750 due for 2006 was applied, MAS owed CTA \$6,750.

A payment of \$3,000 was due from MAS in 2007 as a result of one closing which raised the amount due to \$9,750. When the 2008 amount of \$18,750 due from MAS was applied, the overall balance due increased to \$28,500.

As of July 2014, the balance due CTA from MAS was \$122,250. MAS made the payments listed. As of October 7, 2014, amounts due CTA from MAS have been reconciled and paid.

This spreadsheet was produced by City staff based on a list of closings and copies of cancelled checks provided by Ed Gray. We prepared this spreadsheet to summarize information assembled by others and begin the process of clearing up ambiguities discussed by the CTA Board and the Mayor and Council. The full compliance audit done by SMG will add further clarity and assurance to both boards that there are no further issues.

We also recommend:

1. Promulgating an objective guideline or policy for determining the amount of consultant fees that may be charged for a particular transaction.
2. At the time an inducement resolution is proposed for Board action, written reporting of projected fees that CTA consultants and representatives (e.g., Executive Director, Issuer Counsel, Bond Counsel, etc.) would be expected to realize from the transaction.
3. At the time a final award resolution is proposed for Board action, written reporting of the actual fees that CTA consultants and representatives will realize from the transaction.
4. Semi-annual written reporting to the Board of all compensation derived by CTA employees and contractors from matters relating to CTA.
5. Restructuring the Independent Contractor Agreement between CTA and Municipal Advisory Services to incorporate a component which ties compensation to overall performance (i.e., net income/profitability) of CTA.
6. Restructuring the Independent Contractor Agreement between CTA and Edwin A. Eddy such that compensation is not contingent on consultant fees that are contingent on closings of transactions.

The Mayor and Council have also noted interest in restructuring my contract to remove incentive based compensation relative to CTA activities.

If you have any comments or questions on this matter, please do not hesitate to contact me.

INDEPENDENT CONTRACTOR AGREEMENT

THIS INDEPENDENT CONTRACTOR AGREEMENT (hereinafter "Agreement") is made and entered into as of the 1st day of January, 2002, by and between CAPITAL TRUST AGENCY, INC., a Florida not-for-profit corporation, 409 Gulf Breeze Parkway, Gulf Breeze, Florida 32561, (hereinafter "CTA"), and MUNICIPAL ADVISORY SERVICES, INC., a Florida corporation, 92 Chanteclair Circle, Gulf Breeze, Florida 32561, (hereinafter "Contractor"), who may hereinafter be individually referred to as a "Party" or collectively as the "Parties."

WITNESSETH:

WHEREAS, (a) on November 7, 1999, CTA issued \$220,000,000.00 of its Variable Rate Demand Multi-Family Housing Revenue Bonds (Community Loan Program), Series 1999A, the proceeds of which funded its Community Loan Program (hereinafter "Community Builders Program") the purpose of which is to finance the acquisition, development, improvement, etc., of certain multi-family housing facilities by certain non-for-profit organizations; (b) on January 25, 2000, CTA issued \$130,000,000.00 of its Variable Rate Demand Multi-Family Housing Revenue Bonds (Community Loan Program), Series 1999B, the proceeds of which funded its Community Loan Program (hereinafter "Reliance Housing Program") the purpose of which is to finance the acquisition, development, improvement, etc., of certain multi-family housing facilities by certain non-for-profit organizations; (c) on November 3, 2000, CTA issued \$13,735,000.00 of its Tax-Exempt Multi-Family Housing Revenue Bonds (Shadow Run Project), Series 2000A, Multi-Family Housing Taxable Revenue Bonds (Shadow Run Project), Series 2000B, and Subordinate Multi-Family Housing Revenue Bonds (Shadow Run Project), Series 2000C, for purposes of funding the acquisition and development of certain low and moderate income multi-housing projects (hereinafter "Shadow Run Financing"), and (d) CTA is contemplating the issuance of its Capital Revenue Bonds (Seminole Tribe of Florida Convention and Resort Hotel Facilities), Series 2001, for purposes of financing certain capital improvements for the Seminole Indian Tribe of Florida (hereinafter "Seminole Indian Financing"). The Community Builders Program, the Reliance Housing Program, the Shadow Run Financing, the Seminole Indian Financing, together with any additional loan programs created hereafter for which CTA is the issuer of its funding bonds, may hereinafter be individually referred to as a "Loan Program" or collectively as the "Loan Programs."

WHEREAS, CTA has determined that the Loan Programs may require that certain services be professionally performed, the Loan Programs be professionally managed, and that potential participants be identified and the benefits of the Loan Programs be presented to those potential participants;

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WHEREAS, CTA has determined that the Loan Programs may also require certain services be professionally performed to provide assistance to participants in preparing and processing applications for participation in and/or for loans from a Loan Program, to negotiate the terms of Loan Programs and loans therefrom, to originate Loan Programs and loans therefrom, to facilitate the successful closing of Loan Programs and loans therefrom, and to monitor the continued participation of borrowers who become participants in a Loan Program;

WHEREAS, the Loan Programs provide a significant source of revenues for CTA and impose significant administrative, marketing and oversight obligations upon CTA. In light of the burdens and obligations of CTA as a result of the Loan Programs, as well as in consideration of the significant revenues generated therefrom, the Board of Directors of CTA has recognized the need for professional assistance for the efficient oversight, administration, servicing and supervision of the Loan Programs.

WHEREAS, CTA desires to retain the services of an independent contractor, to serve as the Executive Director of CTA, who is qualified and has experience in servicing the Loan Programs, including administering the aforesaid duties and obligations.

WHEREAS, Contractor is able to furnish unto CTA individuals who have significant experience, knowledge and expertise in the administration, oversight, servicing and marketing of the Loan Programs, and who desire to perform the said services for the benefit of CTA.

WHEREAS, Contractor, through its employees and representatives who are furnished to perform the services of Executive Director, agrees to provide the requested services to CTA according to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual agreements, covenants, terms and conditions set forth herein, the receipt and sufficiency of which are hereby acknowledged, the Parties do agree as follows:

1. **Description of Work:** Contractor shall furnish such qualified, experienced and knowledgeable personnel as necessary to (a) perform and assume the position and title of Executive Director of CTA, (b) provide administrative, oversight, management and marketing services with respect to the Loan Programs, and (c) perform such additional and related duties as may be requested by CTA including but not limited to (i) all duties and obligations of CTA pursuant to any Administration Agreement entered into by CTA in connection with Loan Programs under its sponsorship, and (ii) those duties set forth in the attached Exhibit "A."
2. **Place of Work:** Services to be provided by Contractor pursuant to this Agreement shall be performed at such locations as Contractor deems appropriate, although it is

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recognized that files and other appropriate documents shall be primarily maintained at CTA's principal place of business. CTA shall make available to Contractor appropriate office space at CTA's principal place of business, which space Contractor may but shall not be required to utilize for performance of its duties hereunder.

3. **Relationship of Parties:** The Parties intend that an independent contractor-customer relationship will be created by this Agreement. CTA is interested only in the results to be achieved, and the conduct and control of the work will lie solely with Contractor. However, those individuals furnished by Contractor to perform the services contemplated herein shall perform such work in accordance with currently accepted practices and pursuant to the guidelines set forth in and incumbent upon the Loan Programs. Neither Contractor nor any of its employees, agents, or representatives shall be considered an employee of CTA for any purpose, and the Contractor as well as its employees are not entitled to any of the benefits which CTA provides or may provide for its employees. It is understood that CTA does not agree to use Contractor exclusively and CTA may employ such personnel as it deems appropriate.

4. **Time Devoted to Work:** In the performance of the services contemplated herein, the hours Contractor or the personnel it furnishes are to work on any given day will be entirely within Contractor's control and CTA will rely upon Contractor and such personnel to work such number of hours as is reasonably necessary to fulfill the spirit and purpose of this Agreement.

5. **Employment of Personnel:** Contractor shall be responsible for providing experienced and qualified personnel to perform the services contemplated herein, and Contractor shall be responsible for and in full control of the work performed by such personnel. Any person furnished by Contractor to perform the services of Executive Director shall have at least fifteen (15) years experience in the banking industry in Northwest Florida.

6. **Right of Supervision:** In the performance of the services contemplated herein, Contractor is an independent contractor with the authority to control and direct the performance of the details of the work, with CTA being interested only in the results obtained. However, the services contemplated herein must meet the approval of CTA and must be subject to CTA's general right of inspection and supervision to secure satisfactory completion thereof. The actual performance and superintendence of all work and services hereunder shall be by Contractor, but CTA may designate a representative who shall at all times have access to inspect the work performed by Contractor in order to determine whether such work is being performed in accordance with the provisions hereof. Such representatives shall be empowered to act for CTA on all matters relating to Contractor's performance of the work contemplated herein. Any person furnished by Contractor to perform the services of Executive Director shall be approved by CTA's Board of Directors before such person commences to perform the services of Executive Director, and without such prior approval Contractor shall not be entitled to receive and CTA shall not be obligated to pay any of the compensations, fees, charges and/or reimbursements contemplated herein.

7. **Compensation:** For the services rendered pursuant to this Agreement, CTA agrees to compensate Contractor as follows:

(a) A base amount of \$12,500.00 annually, to be paid in even monthly payments of \$1,041.67 on or before the last day of each month during the term of this Agreement; and

(b) An amount to be paid on or before the last day of each month during the term of this Agreement equal to the sum of (i) Ten and NO/100 Dollars (\$10.00) per each One Million and NO/100 Dollars (\$1,000,000.00) par amount of outstanding bonds for each bond issuance of CTA. The preceding sentence notwithstanding, regardless of the amount of bonds outstanding for credit enhanced and non-credit enhanced issuances, the minimum amount that CTA shall pay unto Contractor for the compensation contemplated in this paragraph shall be Five Hundred and NO/100 Dollars (\$500.00) per month.

8. **Loan Program Issuances:** Contractor may charge and receive at closings of future Loan Programs developed as a result of CTA being the issuer or sponsor thereof a consultant's fee or similar charge, provided (i) such fees or charges shall be designated as an issuance cost of such Loan Program and shall be paid solely from the Loan Program; and (ii) Contractor shall remit to CTA the first Eighteen Thousand Seven Hundred Fifty and NO/100 Dollars (\$18,750.00) of such fees or charges paid to Contractor each year, it being recognized that such remittance is intended to offset the compensation paid by CTA to Contractor pursuant to Section 7(a), above.

9. **Loan Origination Fees:** Contractor may charge and shall be paid at closings of loans originated from a Loan Program a loan origination fee or similar charge in the amount of Two Hundred Dollars (\$200.00) per One Million Dollars (\$1,000,000.00) par amount of loan originated (.20 basis points), subject to a minimum fee per originated loan of Five Hundred Dollars (\$500.00) and a maximum fee per originated loan of Three Thousand Dollars (\$3,000.00). Such loan origination fee shall be paid contemporaneously upon the closing of loans made to any borrower. It is contemplated that, and CTA shall endeavor to require, borrowers to pay such loan origination fees a cost and condition of, and contemporaneously upon, closing of such loans.

10. **Expenses:** For expenses incurred in performing the services contemplated herein, CTA shall reimburse Contractor for actual out-of-pocket expenses incurred in connection with performing such services provided that the incurrence of such expense has been approved (before or after the fact) by CTA.

11. **Term:** This Agreement shall be effective and its initial term shall commence as of the date first above written, and shall continue in full force and effect for a period of one year. This Agreement shall be automatically renewed and extended for successive one year periods unless,

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before one hundred eighty (180) days prior to expiration of the then existing term, a Party provides written notice to all other Parties of its intentions to terminate and/or not renew this Agreement upon expiration of the then existing term. The foregoing notwithstanding, this Agreement may be terminated at any time, with or without cause, by any Party by providing one hundred eighty (180) days advance written notice to the other Party of its desire to terminate this Agreement.

In addition to the foregoing, (i) the event of dissolution of CTA, and/or (ii) any change in ownership of Contractor (e.g., sale, transfer or additional issuance of stock, any change in shareholders, etc.) without CTA's advance written approval shall automatically constitute termination of this Agreement as of the date and time of such dissolution and/or change in ownership, notwithstanding the failure of either Party to provide the advance written notice contemplated in the preceding paragraph.

12. **Taxes:** Contractor shall be responsible for paying all taxes, including but not limited to Social Security Tax (FICA), federal unemployment tax (FUTA), income withholding tax, or any other tax or charge associated with Contractor's performance hereunder, including all work performed by Contractor's employees, agents and representatives. CTA shall be responsible only for providing Contractor with an IRS Form 1099 each calendar year.

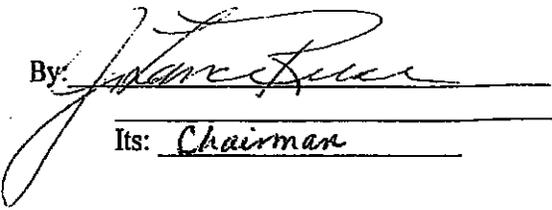
13. **Fiduciary Obligation:** The Parties recognize and acknowledge that by entering into this Agreement CTA had reposed unto Contractor special confidence and trust that Contractor will act in the best interest of CTA. Contractor agrees, covenants, and commits that with respect to all actions and conduct of Consultant (including the actions and conduct of all individuals that Contractor furnishes to perform the services contemplated herein) that could have an effect upon CTA, Consultant and such individuals will act and conduct themselves in good faith and in the best interest of CTA and its objectives, goals, intentions and business relationships.

14. **Agreement not an Obligation of the City of Gulf Breeze or Town of Century:** The Parties agree and acknowledge that no term, provision, obligation or covenant, expressed or implied, created by or arising out of this Agreement shall constitute an indebtedness, debt, pecuniary liability or loan of credit of the City of Gulf Breeze or the Town of Century, or any of their officers or directors, or a charge against the general credit or taxing powers of the City of Gulf Breeze or the Town of Century. The Parties further agree that any obligations of CTA created by or arising out of this Agreement shall not constitute an indebtedness, debt, pecuniary liability, obligation or the like of any officer, director, official, employee, or agent of CTA.

Any obligation of CTA for the payment of compensation, fees and/or expenses contemplated in this Agreement shall be payable solely and exclusively from revenues of CTA (which include all income, revenues, profits and other sums of money and funds received directly by CTA). No such compensation, fees or expenses shall be payable by or an obligation of either the City of Gulf Breeze or the Town of Century.

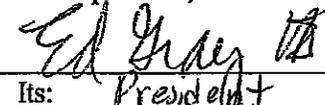
15. **Complete Agreement:** This Agreement supersedes all prior agreements, written or oral (including that certain Independent Contractor Agreement dated as of August 1, 1999, by and among CTA, Ed M. Gray, III, and Edwin A. Eddy), and is intended to be a complete and exclusive statement of the terms of the Agreement between the Parties, and it may not be changed or amended without written agreement signed by the Parties.

CAPITAL TRUST AGENCY, INC.,
A Florida Not-For-Profit Corporation

By: 

Its: Chairman

MUNICIPAL ADVISORY SERVICES, INC.,
a Florida Corporation,

By: 

Its: President

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EXHIBIT "A" - DESCRIPTION OF DUTIES

In addition to any and all services, obligations, responsibilities and duties contemplated in this Agreement to be performed or provided by Contractor for the benefit of CTA, Contractor shall also perform and undertake the following:

- (a) Assist in the selection and engagement of any financial or other professionals which may be considered to participate in any Loan Programs;
- (b) Pursue and acquire approval by appropriate officials or governing bodies of any participants, counties, cities, or other governmental organizations or public agencies necessary for implementation of a Loan Program and/or for any loans or financings contemplated as a part thereof;
- (c) Market, provide information, and promote Loan Programs as appropriate to potential participants through development, preparation and dissemination of written materials, meetings with appropriate officials, and appearances and presentations at conferences, conventions, programs and meetings for appropriate organizations;
- (d) Participate extensively with all parties and professionals in the establishment and operation of Loan Programs, including negotiation of terms, conditions and program structure;
- (e) Provide advice and assistance to CTA with respect to the structuring of Loan Programs so as to enable the Loan Programs to be and remain competitive with other sources of financings;
- (f) Advise CTA immediately of any actions or omission of actions which Consultant believes adversely impacts the marketability of a Loan Program;
- (g) Use reasonable efforts to originate loans from or for the Loan Programs;
- (h) Assist prospective participants or borrowers in preparing required information in completing required applications to secure approval of a Loan Program and/or approval of a loan from a Loan Program;
- (i) Coordinate the scheduling and closing of each Loan Program and each loan from a Loan Program, and assume responsibility to assure that all requirements and conditions for the closings are satisfied;
- (j) Provide periodic reports to CTA detailing marketing and origination activities, the status potential Loan Programs, loans and applications for borrowings, and other reasonably

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pertinent matters as CTA may desire;

(k) Consult with the officials or any prospective participant or borrower seeking to participate in a Loan Program or seeking a loan from a Loan Program and give advice and assistance to such prospective participant or borrower as to eligibility, application procedure, required security, and all other related matters;

(l) Meet with the governing body or other appropriate representatives of a prospective participant or borrower to explain the appropriate Loan Program and applicable procedure;

(m) Provide reasonable assistance to prospective participants and/or borrowers in the preparation of applications and assembling the necessary information and documentation as contemplated for participation in and/or borrowing from a Loan Program;

(n) Review for completeness and provide recommendations upon required submissions and supporting documentation for participation in and/or borrowings from a Loan Program;

(o) Act as a liaison between a participant or borrower and other appropriate parties including the Issuer and credit facility with respect to each Loan Program;

(p) Subsequent to closing of a Loan Program, and subsequent to closing of loans as a part of a Loan Program, receive and review annual audits and other information relative to the financial status and general operation of a participant or borrower as to which CTA or Consultant has a reasonable basis of concern regarding its financial condition and the status of the participant's or borrower's project with respect to the applicable Loan Program and/or applicable loan (and in the event of finding from such review any fact that may be adverse to the status of a Loan Program, provide appropriate notification and consultation with such participant or borrower);

(q) Respond to inquiries from participants and borrowers and assist participants and borrowers in complying with continuing requirements of the applicable Loan Program;

(r) Obtaining and providing information necessary for audits of CTA and each Loan Program; and

(s) Obtaining from participants and borrowers the information for annual or event disclosure reports required pursuant to applicable regulations with respect to Loan Programs, and/or loans therefrom, and otherwise taking such steps as necessary to comply with reporting requirements contemplated by applicable governmental regulations.

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Calendar Year	Date of Closing/Remittance	Bond Program/MAS Remittance	MAS Closing Fee	Fees to be Remitted by MAS	MAS Remittance	Outstanding Balance
2002	3/26/2002	Air Cargo, Pensacola	\$3,000.00	\$3,000.00		\$3,000.00
	5/1/2002	Seminole Tribe	\$120,000.00	\$15,750.00		\$18,750.00
	5/13/2002	Remittance	\$123,000.00	\$18,750.00	\$18,750.00	\$0.00
2003	5/20/2003	Seminole Tribe	\$52,500.00	\$18,750.00		\$18,750.00
	5/21/2003	Remittance			\$18,750.00	\$0.00
	6/10/2003	AOF Projects	\$25,000.00			\$0.00
	6/19/2003	Air Cargo	\$25,000.00			\$0.00
2004	12/23/2003	AHF Affordable Housing	\$35,000.00	\$18,750.00		\$0.00
			\$137,500.00			
2004	5/20/2004	Seminole Tribe	\$29,500.00	\$18,750.00		\$18,750.00
	5/21/2004	MAS Remittance			\$18,750.00	\$0.00
	8/11/2004	Aero Term Miami	\$25,000.00			\$0.00
	12/16/2004	Reliance Magnolia	\$12,000.00			\$0.00
2005			\$66,500.00	\$18,750.00		
	8/3/2005	Reliance Magnolia	?			
	9/20/2005	MAS Remittance			\$12,000.00	-\$12,000.00
	11/9/2005	Atlantic-Reliance				-\$12,000.00
	11/15/2005	MAS Remittance			\$18,750.00	-\$30,750.00
2006	12/23/2005	Atlantic Housing (multi-state)	\$60,000.00	\$18,750.00		-\$12,000.00
			\$60,000.00	\$18,750.00		
2006	3/30/2006	Portofino Stratford	\$22,500.00	\$18,750.00		\$6,750.00
	6/15/2006	AHF of FL (Carlyle)	?			\$6,750.00
2007			\$22,500.00	\$18,750.00		
	12/12/2007	Aero Orlando II	\$3,000.00	\$3,000.00		\$9,750.00
2008			\$3,000.00	\$3,000.00		
	7/23/2008	Atlantic refinance	\$65,000.00	\$18,750.00		\$28,500.00
2009			\$65,000.00	\$18,750.00		
	- - -	No closing during 2009		\$0.00		\$28,500.00

EMPLOYMENT AGREEMENT

THIS EMPLOYMENT AGREEMENT ("Agreement"), made and entered into as of the _____ day of _____, 2015, (hereinafter the "Effective Date") by and between the CITY OF GULF BREEZE, State of Florida, a municipal corporation (hereinafter "City"), and EDWIN A. EDDY (hereinafter "Employee"), both of whom agree as follows:

WHEREAS the Employee has an employment Agreement with the City that is effective until June 30, 2016; an independent contractor Agreement with the Capital Trust Agency, which is still in effect; and an independent contractor Agreement with Gulf Breeze Financial Services, Inc., which is still in effect, collectively the "Prior Agreements"; and,

WHEREAS it is the intent of the Employee and the City that this Agreement supersede and replace the Prior Agreements; and

WHEREAS it is the intent of the Employee and the City that all accrued pay, compensation, leave and other benefits under the Prior Agreements as of the Effective Date of this Agreement shall carry over to this Agreement; and,

WHEREAS, City desires to continue the employment of Employee as City Manager of the City of Gulf Breeze, such employment having commenced on October 13, 1992; and

WHEREAS, it is the desire of the City to provide certain benefits, establish certain conditions of employment and to set working conditions of said Employee; and

WHEREAS, it is the desire of the City to (1) continue to secure and retain the services of Employee and to provide a continued inducement for him to remain in such employment, (2) deter against malfeasance or dishonesty for personal gain on the part of the Employee and (3) provide a just means for terminating Employee's services at such time as he may be unable to fully discharge his duties due to age or disability or when City may otherwise desire to terminate his employ; and

WHEREAS, Employee desires to continue his employment as City Manager of City;

NOW, THEREFORE, in consideration of the mutual covenants herein contained, the parties agree as follows:

SECTION 1. DUTIES

The City hereby agrees to continue to employ Employee as City Manager to perform the functions and duties specified in the City Charter and Code of Ordinances of the City of Gulf Breeze and to perform other legally permissible and proper duties and functions as the Gulf Breeze City Council (hereinafter "City Council") from time to time may assign. Additionally, the Employee shall continue administrative, oversight, management and marketing services with respect to the various loan programs conducted by the Capital Trust Agency, Inc. ("CTA") and Gulf Breeze Financial Services, Inc. ("GBFS"); and shall undertake such additional and related duties as may be requested by CTA or GBFS and agreed upon by and between the Employee, the City, CTA and GBFS.

SECTION 2. TERM

A. The Agreement shall become effective on the Effective Date and shall remain in effect for a period of five (5) years, except as otherwise set forth herein.

B. It is understood and agreed that City may terminate this Agreement and terminate the employment of Employee at will and this Agreement gives no proprietary interest in the job and no further remuneration would be claimed after termination except for that which is otherwise provided herein.

C. Nothing in this Agreement shall prevent, limit or otherwise interfere with the right of the Employee to resign at any time from his position with the City, subject only to the provisions set forth in Section 4, Paragraph C, of this Agreement.

D. Employee agrees to remain in the exclusive employ of the City (or subsidiary, affiliated or related entities of the City) for the term of this Agreement and neither to accept other employment nor to become employed by any other employer during the term of this Agreement. In the event this Agreement is renewed or extended in accordance with Section 2, Paragraph E, or by Agreement of the parties, the period of exclusive employment shall remain in effect during the corresponding period of renewal or extension.

The term "employed" shall not be construed to include occasional teaching, writing or consulting performed on Employee's time off, provided that such activity does not interfere with Employee's performance of his duty. Furthermore, Employee shall not engage in any outside employment without the knowledge and consent of the City Council. The Employee agrees that he will not accept competing employment without the approval of the City.

E. In the event written notice is not given by either party to this Agreement to the other party to this Agreement at least six (6) months prior to the termination date as hereinabove provided, this Agreement shall be extended on the same terms and conditions as herein provided for an additional period of five years. This Agreement shall continue thereafter for five-year periods unless either party provides the other, at least six (6) months before

expiration of this Agreement, with written notice that the party does not wish to extend this Agreement.

SECTION 3. SUSPENSION

City may suspend the Employee with full pay and benefits at any time during the term of this Agreement, but only if

- (1) a majority of City Council and Employee agree, or
- (2) after a public hearing, a majority of the City Council votes to suspend Employee for just cause provided, however, that Employee shall have been given written notice setting forth any charges at least ten (10) days prior to such hearing.

SECTION 4. TERMINATION AND SEVERANCE PAY

A. In the event Employee is terminated by the City before expiration of the aforesaid term of employment and during such time that Employee is willing and able to perform his duties under this Agreement, City agrees to pay Employee a lump sum cash payment equal to six (6) months' aggregate salary ("Aggregate Salary"). City shall also compensate Employee for any accrued sick leave, vacation and any other accrued benefits in accordance with the City's policies, rules, regulations and ordinances applicable to other employees similarly terminated by the City and in accordance with Section 10 of this Agreement. Provided, however, that in the event Employee is terminated because of misconduct or conviction of any felony or misdemeanor of first degree, City has no obligation to give notice or pay the Aggregate Salary set forth in this paragraph. For purposes of this section, the term "misconduct" shall not include acts of ordinary negligence.

B. The compensation of the Employee shall be fixed by the City and shall not be reduced during its tenure unless otherwise agreed by the parties hereto. In the event City refuses, following written notice, to comply with any material provision of this Agreement herein benefitting Employee, or the Employee resigns at the request of the City Council, the Employee may, at his option, be deemed to be "terminated" (for purposes of the severance pay provision, above) as of the date his resignation is effective or the date of such refusal to comply.

C. In the event Employee voluntarily resigns his position with City before expiration of the aforesaid term of his employment, then Employee shall give the City three (3) months advance notice. The parties may mutually agree to a lesser period of time. In the event Employee voluntarily resigns, the City shall not be obligated for payments of any severance pay or benefits, including but not limited to Aggregate Salary, subsequent to the effective date of the Employee's resignation. In the event the Employee voluntarily resigns, he shall be entitled to the insurance benefits provided in Section 10. A. of this Agreement.

SECTION 5. DISABILITY

If Employee is permanently disabled or is otherwise unable to perform his duties because of sickness, accident, injury, mental incapacity or health for a period of time of four successive weeks beyond any accrued sick leave, or for twenty working days over a thirty working day period, City shall have the option to terminate this Agreement, subject to the severance pay requirements of Section 4. A. However, Employee shall be compensated for any accrued sick leave, vacation, and any other accrued benefits in accordance with the City's rules and regulations applicable to other employees similarly terminated by the City.

SECTION 6. SALARY AND DEFERRED COMPENSATION

A. City agrees to pay Employee, for his services rendered pursuant hereto, an annual base salary of One Hundred Thirty Thousand Dollars (\$130,000.00) paid periodically at the same time as other employees of the City are paid.

B. The City agrees to increase said base salary and/or other benefits of Employee in such amounts and to such extent as the City Council may determine to be appropriate. The City shall give consideration to such possible increases on at least an annual basis.

C. Employee has declined participation in and has withdrawn from the Florida Retirement System. Accordingly, City will pay a percentage, as set forth below, of Employee's base salary to a deferred compensation plan of the Employee's choosing. The City will contribute to said plan an amount equal to twelve and one-half percent (12 1/2%) of the Employee's base salary.

SECTION 7. PERFORMANCE EVALUATION

A. The Mayor shall review and evaluate the performance of the Employee at least once annually prior to October 13 of each year. Said review and evaluation shall be in accordance with specific criteria developed jointly by the Mayor and Employee. Said criteria may be added to or deleted from as the City may from time to time determine, in consultation with the Employee. The Employee shall be provided with a written statement summarizing the findings and be provided with adequate opportunity to discuss his evaluation with the Mayor.

B. Annually, the City Council and Employee shall define such goals and performance objectives which they determine necessary for the proper operation of the City, and in the attainment of the City Council's policy objectives and shall further establish a relative priority among those various goals and objectives, said goals and objectives to be reduced to writing. They shall generally be attainable within the time limitations as specified and the annual operating and capital budgets and appropriations provided.

C. In effecting the provisions of this Section, the Mayor, City Council, and Employee mutually agree to abide by the provisions of applicable law.

SECTION 8. OUTSIDE ACTIVITIES

Employee shall not spend more than ten (10) hours per week in teaching, counseling or other non-City connected business without the prior approval of the City Council.

SECTION 9. TRANSPORTATION

Employee's duties require that he shall have the exclusive and unrestrictive use of an automobile at all times during his employment with City of an automobile provided to him by City. City shall be responsible for paying for liability, property damage and comprehensive insurance and for the purchase, operation, maintenance, repair and regular replacement of said automobile.

SECTION 10. OTHER BENEFITS

A. Insurance. Except as provided herein, the City shall provide for and pay the premiums of health, dental, life and vision insurance on the same basis as the City pays for other City employees. Notwithstanding any provision herein to the contrary, including the provisions of the preceding sentence, to the extent allowed under the City's health insurance plan, commencing on the date of Employee's retirement, resignation or termination from the City the Employee shall be entitled to and the City shall pay the cost associated with health, dental, vision, disability and life insurance coverage for the Employee for the ensuing five (5) years; provided, however, the Employee shall pay such portions of the premiums and co-payments as are required to be paid by other employees of the City who are also covered by the same health insurance coverage. In the event that Employee cannot following his retirement for any reason be covered under the City's health insurance coverage provided for other employees, the City shall provide health insurance coverage for the Employee for a period of five (5) years following the effective date of the Employee's retirement, and such health insurance shall provide similar coverage and benefits, and shall be subject to similar employee premium-sharing and co-payment obligations, to the health insurance coverage then provided to other employees of the City.

All provisions of the City Charter and Code of Ordinances, and rules and regulations of the City relating to vacation and sick leave, retirement and pension system contributions, holidays and other fringe benefits and working conditions as they now exist or hereafter may be amended, also shall apply to Employee as they would to other employees of the City, in addition to those benefits specifically enumerated for the benefit of Employee except as otherwise provided herein. However, it is specifically agreed that this provision shall not affect the salary adjustments addressed in Section 6, above. Provided further, however, if Employee declines participation in and withdraws from the Florida Retirement System, the City shall not be

under any obligation to provide to Employee or for his benefit the benefits set forth in Section 7.3 of the Personnel Manual pertaining to Florida State Retirement benefits.

B. Vacation and Sick Leave. Employee shall accrue, and have credited to his personal account, vacation and sick leave at the same rate as other general employees of the City. Notwithstanding any provision herein to the contrary, including the preceding sentence, the Employee shall be allowed to accrue up to five hundred (500) hours of unused annual vacation leave and the Employee shall upon his retirement be paid for all unused accrued annual vacation leave.

C. Annual Physical. The City agrees to pay for the cost, up to Three Hundred Dollars (\$300.00) per calendar year, of a complete physical examination of Employee performed by a qualified physician selected by the Employee.

SECTION 11. DUES AND SUBSCRIPTIONS

City agrees to budget and to pay for the professional dues and subscriptions of Employee necessary for his continuation and full participation in national, regional, state and local associations and organizations necessary and desirable for his continued professional participation, growth and advancement, and for the good of the City.

SECTION 12. PROFESSIONAL DEVELOPMENT

A. City hereby agrees to budget for and to pay the travel and subsistence expenses of Employee for professional and official travel, meetings and occasions adequate to continue the professional development of Employee and to adequately pursue necessary official and other functions for City, including but not limited to the Annual Conference of the International City Management Association, the state league of municipalities and such other national, regional, state and local governmental groups and committees thereof which Employee serves as a member.

B. City also agrees to budget and to pay for the travel and subsistence expenses of Employee for short courses, institutes and seminars that are necessary for his professional development and for the good of the City.

SECTION 13. GENERAL EXPENSES

City recognizes that certain expenses of a nonpersonal and generally job-affiliated nature are incurred by Employee, and hereby agrees to reimburse or to pay said expenses upon receipt by the Finance Director of duly executed expenses or petty cash vouchers, receipts, statements or personal affidavits.

SECTION 14. INDEMNIFICATION

To the extent allowed by the City Charter and Code of Ordinances of the City of Gulf Breeze, and as otherwise allowed by law, the City shall (1) defend, save harmless and indemnify Employee against any tort, professional liability claim or demand or other legal action, whether groundless or otherwise, arising out of an alleged act or omission occurring during and within the scope of Employee's performance of his duties as City Manager; and (2) compromise and settle any such claim or suit and pay the amount of any settlement or judgment rendered therein.

SECTION 15. BONDING

City shall bear the full cost of any fidelity or other bonds required of the Employee under any law or ordinance.

SECTION 16. OTHER TERMS AND CONDITIONS OF EMPLOYMENT

The City Council, in consultation with the Employee, shall fix any such other terms and conditions of employment, as it may determine from time to time, relating to the performance of Employee, provided such terms and conditions are not inconsistent or in conflict with the provisions of this Agreement, the City Charter or any other law.

SECTION 17. PRIOR AGREEMENTS

The Agreement supersedes and replaces the Prior Agreements; and all accrued pay, compensation, leave and other benefits under the Prior Agreements as of the Effective Date of this Agreement shall carry over to this Agreement.

SECTION 18. AMENDMENTS

This Agreement shall not be amended without the prior written consent of both parties hereto.

SECTION 19. NOTICES

Notices pursuant to this Agreement shall be given by deposit in the custody of the United States Postal Services, postage prepared, addressed as follows:

(1) City: Mayor
City of Gulf Breeze
Post Office Box 640
Gulf Breeze, Florida 32561

(2) Employee: Edwin A. Eddy
300 Bear Drive
Gulf Breeze, Florida 32561

As an alternative to mailing, notices required pursuant to this Agreement may be personally served. Notice shall be deemed given as of the date of personal service or as of the date of deposit of such written notice in the course of transmission in the United States Postal Service.

SECTION 20. GENERAL PROVISIONS

- A. The text herein shall constitute the entire Agreement between the parties.
- B. This Agreement shall be binding upon and inure to the benefit of the heirs at law and executors of Employee.
- C. If any provisions, or any portion thereof, contained in this Agreement is held unconstitutional, invalid or unenforceable, the remainder of this Agreement, or portion thereof, shall be deemed severable, shall not be affected and shall remain in full force and effect.

IN WITNESS WHEREOF, the City of Gulf Breeze has caused this Agreement to be signed and executed on its behalf by its Mayor and duly attested by its City Clerk, and the Employee has signed and executed this Agreement, both in duplicate, on the day and year first above written.

Matt Dannheisser, Mayor
City of Gulf Breeze, Florida

Edwin A. Eddy
Employee

ATTEST:

Leslie Guyer, City Clerk